

FEDBANK FINANCIAL SERVICES LIMITED

CIN: U65910KL1995PLC008910

REGISTERED OFFICE: Federal Towers, Alwaye, Ernakulam, Kerala - 683 101, India, Tel: 0484-2634411
CORPORATE OFFICE: Corporate Avenue, E/2 Wing, Unit no.105, Guru Hargovindaji Marg, Opp. Solitaire
Corporate Park, Andheri (East), Mumbai – 400 093.
PHONE: 022-61480500 **Email:**customer@fedfina.com **WEBSITE:** www.fedfina.com

NOTICE OF EXTRA-ORDINARY GENERAL MEETING

NOTICE is hereby given that the Extra-Ordinary General Meeting of the members of Fedbank Financial Services (the “**Company**”) will be held at shorter notice on 12th November, 2018 at 5.15 P.M. at 1st Floor, E Wing, Corporate Avenue, Andheri Ghatkoper Link Road, Chakala, Andheri East, Mumbai- 400 093 to transact the following businesses:

This notice of meeting is given pursuant to Sections 42, 62 and 101 of the Companies Act, 2013 (including any statutory modification (s) or re-enactment(s) thereof for the time being in force) in accordance with the Articles of Association of the Company.

SPECIAL BUSINESS:

ITEM 1– APPROVAL FOR THE ISSUE OF SUBSCRIPTION SHARES TO THE INVESTOR ON A PRIVATE PLACEMENT BASIS

To consider, and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**.

“RESOLVED THAT pursuant to the provisions of Sections 42, 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 including any rules, circulars and notifications thereunder (as amended, modified and restated from time to time), subject to the approval of the shareholders of the Company in the ensuing General Meeting by way of special resolution and the applicable provisions of the Memorandum and Articles of Association (“**AoA**”) of the Company, and in accordance with the applicable clauses of the Share Subscription Agreement executed amongst the Company, True North Enterprise Private Limited and Federal Bank Limited on May 11, 2018 (“**SSA**”) and the deed of adherence executed by True North Fund VI LLP (“**Investor**”), the consent of the members be and is hereby accorded for the issue to the Investor on preferential basis on the terms and conditions set out in the draft offer letter in Form PAS-4, the shares of the Company as follows;

- (i) 40,042,500 Equity Shares of face value of INR 10 at a price of INR 42.1052631578, for a total consideration of INR Rs.1,686,000,000 on the First Completion Date (as defined in the SSA); and
- (ii) 26,714,257 Equity Shares of face value of INR 10 at a price of INR 42.1052631578, for a total consideration of INR 1,124,810,811 on the Second Completion Date (as defined in the SSA).

RESOLVED FURTHER THAT consent be and is hereby accorded for issuance of private placement offer letter in form PAS-4, a copy of which is placed at the meeting to be issued to the above mentioned investors.

RESOLVED FURTHER THAT (i) the shareholders take note of the separate bank account with Federal Bank, Fort branch, for the purpose of receiving the aforesaid investment; and (ii) the valuation report issued by Navigant Corporate Advisors Limited, placed at the meeting, initialed by the Chairman for the purpose of identification, be and is hereby adopted.

RESOLVED FURTHER THAT any Director, Mr. Anil Kothuri, CEO, Mr. Shardul Kadam, President, Mr. Sudeep Agrawal, CFO and Mr. Ankit Kawa, Company Secretary of the Company ("**Authorised Representatives**") be and are hereby jointly and severally authorized, to:

- (a) execute, dispatch and circulate such documents, deeds, notices, letters, agreements, power of attorneys, declarations, memorandums, instruments and forms as may be required in relation to or in connection with or pursuant to the issuance of the Private Placement Offer Letter to the Investors or existing shareholders or issuance of the equity shares and to give effect to any transactions contemplated herein ("**Documents**") on behalf of the Company, including any amendments, modifications, supplements, restatements or novations thereto (now or in the future);
- (b) do all such acts, matters, deeds and things and to execute all documents, file forms with, make applications to, receive approvals from, any persons, authorized dealers, governmental / regulatory authorities, including but not limited to the Registrar of Companies, Reserve Bank of India, and Income Tax authorities;
- (c) sign and/or dispatch all documents and notices to be signed and/or dispatched by the Company under or in connection with the Documents;
- (d) to take all steps and do all things and give such directions, as may be required, necessary, expedient or desirable for giving effect to the Documents, the transactions contemplated therein and the resolutions mentioned herein; and
- (e) subject to the approval of the shareholders, record the name of the private placement offerees in Form PAS-5.

RESOLVED FURTHER THAT the monies received by the Company from the Investors for subscription to the New Shares by the Investors in accordance with the table above pursuant to this private placement shall be kept by the Company in a separate bank account of the Company with Federal Bank and shall be utilized by the Company in accordance with Section 42 of the Act.

RESOLVED FURTHER THAT any of the Directors or Company Secretary of the Company be and are hereby severally authorized to file all the relevant forms and ancillary documents in relation thereof with the relevant Registrar of Companies, and Reserve Bank of India (including but not limited to filing the Forms PAS-3, PAS-4 & PAS-5), and to take such steps and to do all such other acts, deeds, matters and things as it may deem fit and appropriate and give such directions/ instructions as may be necessary to settle any question, difficulty or doubt that may arise in regard to offer, issue, allotment of the New Shares.

RESOLVED FURTHER THAT any Director, Mr. Anil Kothuri, CEO, Mr. Shardul Kadam, President, Mr. Sudeep Agrawal, CFO and Mr. Ankit Kawa, the Company Secretary of the Company be and are hereby severally authorized to sign the certified true copies of the above resolutions.

RESOLVED FURTHER THAT the copies of the foregoing resolutions, certified to be true by Directors of the Company or Mr. Ankit Kawa, the Company Secretary of the Company, may be furnished to any relevant person(s)/ authority(ies) as and when required.”

By Order of the Board of Directors
For **Fedbank Financial Services Limited**

Ankit Kawa
Company Secretary
Place: Mumbai
Date: 12/11/2018

NOTES:

1. The statutory registers which should be kept open for inspection of members under the Companies Act, 2013 are available for such inspection by the Members at the Extraordinary General Meeting.
2. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the company. Proxies, in order to be effective, must be received at the company registered office not less than 48 hours before the meeting.
3. The relative explanatory statements pursuant to Section 102 of the Companies Act, 2013 in respect of items of Special Business are annexed hereto.
4. Members / Proxies are requested to bring the attendance slip sent herewith duly filled in for attending the Meeting. Members are requested to intimate the Company regarding any change of address.
5. All documents referred to in the notice and in the accompanying explanatory statement are open for inspection at the registered office of the Company during office hours on all working days, except Saturdays and holidays, between 10 a.m. and 5p.m. up to the date of the EGM and will also be available for inspection at the meeting.
6. The Meeting is being convened at a shorter notice, after obtaining the consent, in writing, of more than 95% of the Members of the Company, pursuant to the provisions of Section 101 of the Act.

EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013

The Following Statements sets out all material facts relating to the Special Business mentioned in the Accompanying Notice:

ITEM – 1: APPROVAL FOR THE ISSUE OF SUBSCRIPTION SHARES TO THE INVESTOR

The Company, True North Enterprise Private Limited and Federal Bank Limited entered into a Share Subscription Agreement dated May 11, 2018 (“SSA”) and the deed of adherence executed by True North Fund VI LLP (“Investor”) pursuant to which the Company is required to issue to the Investor on a preferential basis on the terms and conditions as set out in the draft offer letter in Form PAS-4.

The PAS 4 pursuant to Section 42 of the Act read with Rule 14 of the Companies (Prospectus of Securities) Rules, 2014 as amended by the Companies (Prospectus and Allotment of Securities) Second Amendment Rules, 2018, is enclosed herewith.

The disclosures required pursuant to Section 42 and 62(1)(c) of the Act read with Rule 13 of the Companies (Share Capital and Debentures) Rules, 2014 and Rule 14 of Companies (Prospectus of Securities) Rules, 2014 as amended by the Companies (Prospectus and Allotment of Securities) Second Amendment Rules, 2018 are as below:

- (i) **The objects of the issue:** To augment capital base of the company for future business growth.
- (ii) **The total number of shares or other securities to be issued:** 66,756,757 Equity Shares
- (iii) **Kinds of securities offered:** Equity Shares
- (iv) **The price or price band at/within which the allotment is proposed:** INR 42.1052631578 per share
- (v) **Premium:** INR 32.1052631578 per share
- (vi) **Amount which the company intends to raise by way of such securities:** INR 2,810,810,811/-
- (vii) **Basis on which the price has been arrived at along with report of the registered valuer:** As per valuation report of Sarthak Vijlani, MD, Navigant Corporate Advisors Limited having address at 423, A Wing, Bonanza, Sahar Plaza Complex, J B Nagar, Andheri-Kurla Road, Andheri (East) Mumbai-400059 .
- (viii) **Relevant date with reference to which the price has been arrived at:** The valuation has been carried out based on the financials of the Company as on 30th June, 2018.
- (ix) **The class or classes of persons to whom the allotment is proposed to be made:** True North Fund VI LLP, a SEBI registered Category II Alternate Investment Fund.
- (x) **Date of passing of Board Resolution:** 12th November, 2018
- (xi) **Intention of promoters, directors or key managerial personnel to subscribe to the offer:** None of the Promoters, Directors or Key Managerial Personnel has any intention to subscribe to the offer.
- (xii) **The proposed time within which the allotment shall be completed:** The allotment will be made within 60 days of receipt of the application money.

- (xiii) **The names of the proposed allottees and the percentage of post preferential offer capital that may be held by them:**

Name of proposed Shareholders	No. of equity shares offered to be allotted	Percentage of post preferential offer capital
True North Fund VI LLP (at First Completion)	40,042,500	17.40%
True North Fund VI LLP (at Second Completion)	26,714,257	8.60%
Total	66,756,757	26.00%

- (xiv) **The change in control, if any, in the company that would occur consequent to the preferential offer:** There will not be a change in control consequent to the preferential offer
- (xv) **The number of persons to whom allotment on preferential basis have already been made during the year, in terms of number of securities as well as price:** During the financial year 2018-19 company has not made any allotment on preferential basis.
- (xvi) **The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer:** Not Applicable
- (xvii) The pre issue and post issue shareholding pattern of the Company in the following format-

Post First Completion

Sr. No.	Category	Pre Issue		Post Issue	
		No of shares held	% of share holding	No of shares held	% of share holding
A	Promoters' Holding				
1	Indian				
	Individual	405	0%	405	0%
	Bodies Corporate	189,999,595	100%	189,999,595	82.60%
	Sub-total	190,000,000	100%	190,000,000	82.60%
2	Foreign Promoters	0	0	0	0
	Sub-total (A)	190,000,000	100%	190,000,000	82.60%
B	Non-Promoters' Holding				
1	Institutional investor	0	0	0	0
2	Non institution				
	Private Corporate Bodies	0	0	40,042,500	17.40%
	Directors & Relatives	0	0	0	0
	Indian Public	0	0	0	0
	Others (Including NRI's)	0	0	0	0
	Sub Total (B)	0	0	40,042,500	17.40%
	Grand Total	190,000,000	100%	230,042,500	100%

Post Second Completion

Sr. No.	Category	Post First Completion Issue		Post Issue	
		No of shares held	% of share holding	No of shares held	% of share holding
A	Promoters' Holding				
1	Indian				
	Individual	405	0%	405	0%
	Bodies Corporate	189,999,595	82.60%	189,999,595	74.00%
	Sub-total	190,000,000	82.60%	190,000,000	74.00%
2	Foreign Promoters	0	0	0	0
	Sub-total (A)	190,000,000	82.60%	190,000,000	74.00%
B	Non-Promoters' Holding				
1	Institutional investor	0	0	0	0
2	Non institution				
	Private Corporate Bodies	40,042,500	17.40%	66,756,757	26.00%
	Directors & Relatives	0	0	0	0
	Indian Public	0	0	0	0
	Others (Including NRI's)	0	0	0	0
	Sub Total (B)	40,042,500	17.40%	66,756,757	26.00%
	Grand Total	230,042,500	100%	256,756,757	100%

- (xviii) None of the Directors, Key Managerial Personnel and their relatives are concerned or interested financially or otherwise, in the said resolution.
- (xix) **Material terms of raising such securities:** As set out in the SSA.
- (xx) **Proposed time schedule:** Offer letter is valid for a period of 12 months from the date of passing of special resolution.
- (xxi) **Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of objects:** Nil
- (xxii) **Principle terms of assets charged as securities:** Not Applicable (as ordinary shares are being issued)
- (xxiii) **Inspection of documents:** Private Placement offer letter-PAS-4 and Record of Private Placement-PAS-5 are kept for inspection at the corporate office of the Company from 5.15 P.M to 6.30 P.M on 12th November, 2018.

By Order of the Board of Directors
For Fedbank Financial Services Limited

Ankit Kawa
Company Secretary
Place: Mumbai
Date: 12/11/2018