

## POSTAL BALLOT NOTICE

(Pursuant to Section 192A (2) of the Companies Act, 1956)

Dear Shareholder(s),

**NOTICE** is hereby given that pursuant to the provisions of Section 192A (2) of the Companies Act, 1956, (“the Act”) read with the Companies (Passing of Resolution by Postal Ballot) Rules, 2011 (“the Rules”) the resolutions as set out in this notice are proposed to be passed by means of Postal Ballot process. The Explanatory Statement pertaining to the said resolutions setting out the material facts and reasons thereof along with Postal Ballot Form is annexed hereto for your consideration.

The Company has appointed Mr. Manish L. Ghia, Practicing Company Secretary, Mumbai as a Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner. You are requested to read carefully the instructions printed overleaf the Postal Ballot Form and return the said form duly completed in all respects in the enclosed self-addressed postage pre-paid envelope so as to reach the Scrutinizer on or before the close of working hours on Wednesday, the 7<sup>th</sup> day of August, 2013.

The Scrutinizer will submit his report to the Chairman after completion of the scrutiny and the results of the voting by Postal Ballot will be announced by the Chairman or by any such other person as may be authorized by the Chairman on Friday, the 9<sup>th</sup> day of August, 2013 at 11.00 a.m. at the Registered Office of the Company.

### DRAFT RESOLUTIONS:

#### ITEM NO. 1

### INCREASE IN AUTHORISED CAPITAL OF THE COMPANY AND CONSEQUENTIAL AMENDMENT TO THE MEMORANDUM OF ASSOCIATION OF THE COMPANY

To consider and if thought fit, to accord assent/dissent to the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 94 and all other applicable provisions, if any, of the Companies Act, 1956 (“the Act”) (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and pursuant to the provisions of the Memorandum of Association of the Company, the Authorised Share Capital of the Company be and is hereby increased from Rs. 1,50,00,000/- (Rupees One Crore Fifty Lacs Only) divided into 15,00,000 (Fifteen Lacs) Equity Shares of Rs. 10/- (Rupees Ten Only) each to Rs. 9,70,00,000/- (Rupees Nine Crores Seventy Lacs Only) divided into 97,00,000 (Ninety Seven Lacs) Equity Shares of Rs. 10/- (Rupees Ten Only) each by addition of 82,00,000 (Eighty Two Lacs) Equity Shares of Rs. 10/- (Rupees Ten Only) each aggregating to Rs. 8,20,00,000/- (Rupees Eight Crores Twenty Lacs Only).

**RESOLVED FURTHER THAT** pursuant to the provisions of Section 16 and all other applicable provisions, if any, of the Companies Act, 1956, the existing Capital Clause V of the Memorandum of Association of the Company be substituted with the following new Capital Clause:

- V. The Authorised Share Capital of the Company is Rs. 9,70,00,000/- (Rupees Nine Crores Seventy Lacs Only) divided into 97,00,000 (Ninety Seven Lacs) Equity Shares of Rs. 10/- (Rupees Ten Only) each. The Company has power from time to time to increase or reduce its capital and to divide the shares in the capital for the time being into other classes and to attach thereto respectively such preferential, deferred, qualified or other privileges, conditions or restrictions, as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify or abrogate any such right, privileges or conditions or restrictions in such manner as may for the time being be permitted by the Articles of Association of the Company or the legislative provisions for the time being in force in that behalf.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all necessary acts, deeds and things and to take all such steps as may be considered necessary, proper and expedient to carry on the purpose of this resolution.”

## ITEM NO. 2

### ALTERATION OF THE MAIN OBJECTS CLAUSE OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY

To consider and if thought fit, to accord assent/dissent to the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to Section 17 (1) and all other applicable provisions, if any, of the Companies Act, 1956 (“the Act”) (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Objects Clause IIIA (Main Objects) of the Memorandum of Association of the Company be and is hereby altered as follows:

**(a) Existing sub -clause No. 1 be replaced with the following New sub- clause No. 1:**

1. To carry on the business as industrial finance, hire purchase, factoring, leasing and financing of all types of durables whether industrial, household or commercial, moveable or immovable properties including land and buildings, plant and machinery, implements, instruments and other accessories required for in connection with industrial and other projects or enterprises of any description and to undertake all business activities of dealing in goods and services of all nature and to purchase and to act as issue brokers, underwriters, brokers, to finance industrial enterprises, to operate in short term money, and to do bill discounting business, to give inter corporate loans and deposits and to lend and borrow money, negotiate loans with or without security to any individual, firm, body corporate or any other entity, to provide any other financial services and activities, as may be permissible, to sell and deal (wholesale and retail) in bullion, to buy, underwrite, invest in, acquire, hold and deal in shares, stocks, debentures and other securities of all kinds and to purchase, take on lease or in exchange, hire or otherwise acquire and deal in any moveable and immovable properties, patents, licenses, rights or privileges and to develop and turn them to account, to finance, hire purchase and deferred payment agreements, discount and credit facilities in respect of any properties, assets or gold and to carry on business as capitalist, financiers, concessionaires, commercial agents, mortgage brokers, financial agents and advisers.

**(b) Existing sub -clause No. 1A, 1B and 1C be deleted.**

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to agree and accept such modifications, terms and conditions in the newly inserted object clause as may be directed by the concerned authorities and to modify the same accordingly and obtain confirmation thereof and to take such other necessary steps as may be required to implement the aforesaid resolution.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, things and to take all such steps as may be considered necessary, proper and expedient to carry on the purpose of this resolution.”

## ITEM NO. 3

### ISSUE OF BONUS SHARES

To consider and if thought fit, to accord assent/dissent to the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the applicable provisions of the Companies Act, 1956 and the Articles of Association of the Company and subject to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and such other approvals, permissions and sanctions as may be necessary and subject further to such terms, conditions, alterations, modifications, changes and variations as may be specified while according such approvals, which may be agreed to by the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include any committee of Directors for the time being authorised by the Board to exercise the powers conferred on the Board by this resolution) in its sole discretion, the Company be and is hereby authorised to capitalize upto Rs. 8,28,00,000/- (Rupees Eight Crores Twenty Eight Lacs Only) out of “Securities Premium Account” and transfer to Share Capital Account towards issue and allotment of Equity shares not exceeding 82,80,000 (Eighty Two Lacs Eighty thousand) Equity Shares of Rs. 10/- (Rupee Ten Only) each, as bonus shares credited as fully paid- up to members of the Company holding Equity shares of Rs. 10/- (Rupee Ten Only) each whose names stand on the Register of Members of the Company on such date (‘record date’) as the Board may determine in that behalf, in the proportion of 6 (Six) new fully paid up equity share of Rs.10/- (Rupee Ten Only) each for every 1 (One) Equity shares of Rs.10/- (Rupee Ten Only) each held as on the record date and that the bonus shares so issued and allotted be treated for all purposes as an increase in the nominal amount of the equity capital of the Company held by each such member/person and not as income and that the said equity shares be issued and allotted, *inter alia*, on the following terms and conditions :

- i. The new equity shares of Rs.10/- (Rupee Ten Only) each to be issued and allotted as bonus shares shall be subject to the Memorandum and Articles of Association of the Company and shall rank *pari passu* in all respects and carry the same rights as the then existing equity shares of the Company, notwithstanding the date or dates of the allotments thereof, including entitlement to payment of dividend, if declared, for the financial year in which the same are allotted.
- ii. No letters of allotment shall be issued for the bonus shares and the share certificates in respect thereof shall be issued and delivered subject to the provisions of the Companies (Issue of Share Certificates) Rules, 1960.
- iii. The members to whom the new equity shares are allotted, shall accept the same in full and final satisfaction of their respective rights and interest in the capitalized sum of Rs. 8,28,00,000/- (Rupees Eight Crores Twenty Eight Lacs Only).
- iv. In case of shares held by Beneficial Owners in Dematerialized Form, allotment of bonus shares shall, subject to the approval of the depositories, be made by way of direct credit in their respective Demat Accounts.
- v. The members holding shares in physical form may, at their option, be allotted Bonus shares by way of direct credit to their respective Demat accounts.
- vi. The members holding shares in physical form be allotted Bonus shares in physical form on their failure to exercise the option as per terms and conditions given in point no. v.
- vii. The issue and allotment of fully paid -up new equity shares as bonus shares to the extent that they relate to non-residents shall be subject to approval of the Reserve Bank of India under the Foreign Exchange Management Act, 1999 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts, deeds, matters and things as may in its sole and absolute discretion, deem necessary, expedient, usual or proper and to settle any question, doubt or difficulty that may arise with regard to the issue and allotment of bonus shares as aforesaid or any other matter incidental or consequential thereto.”

#### **ITEM NO. 4**

#### **ALTERATION/MODIFICATION IN ARTICLE 5 OF THE ARTICLES OF ASSOCIATION OF THE COMPANY**

To consider and if thought fit, to accord assent/dissent to the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 31 and all other applicable provisions, if any, of the Companies Act, 1956, (“the Act”)(including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and subject to any other laws and regulations, as may be applicable, the existing **Article 5 - ‘New Capital same as existing capital’** of the Articles of Association of the Company be replaced with the following new Article 5:

#### **5. New Capital same as existing capital**

Except so far as otherwise provided by the conditions of issue or by these presents, any capital raised by the creation of new shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise. Provided however that all the equity shares issued by the Company to the Members shall be of the same class and shall be alike ranking *pari-passu* in all respect and the holders thereof shall be entitled to identical rights and privileges including, without limitation, to identical rights and privileges with respect to dividend, voting rights, payment of calls, liens, transfers, transmission, forfeiture, and the distribution of assets in the event of voluntary or involuntary liquidation, dissolution or winding up of the Company on a pro rata basis. Provided that the above provision does not prohibit the Company from issuing redeemable preference shares. Subject to Article 6 herein below, the Company may on recommendation of the Board of Directors, from time to time capitalise the undistributed profits standing to the credit of the Company's Free Reserves and to apply the same in paying up new equity shares in the share capital of the Company and to appropriate the same as capital and not as income and allot and distribute as fully paid-up bonus shares to and amongst the persons registered in the Register of Members as the holders of equity shares of the Company on such date and in such proportion as may be decided by the Board of Directors.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, things and to take all such steps as may be considered necessary, proper and expedient to carry on the purpose of this resolution.”

## ITEM NO. 5

### **INCREASE IN INVESTMENT LIMIT IN THE SECURITIES OF THE COMPANY BY NON RESIDENT INDIANS (NRIs) AND FOREIGN INSTITUTIONAL INVESTORS (FIIs)**

To consider and if thought fit, to accord assent/dissent to the following resolution as a **Special Resolution**:

**“RESOLVED THAT** subject to the provisions of the Foreign Exchange Management Act (FEMA) 1999, the Companies Act, 1956 and all other applicable laws, rules, regulations, guidelines (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and the Articles of Association of the Company and subject to approval, consent, permission of the Government of India, The Reserve Bank of India and other appropriate authorities, institutions or bodies as may be necessary and subject to such conditions as may be prescribed by any of the concerned authorities while granting such approvals, permissions and sanctions which may be agreed to by the Board of Directors (hereinafter referred to as the “Board” which term shall include a Committee of Directors) in its sole discretion, the investment limit in the Equity Shares / Convertible Debentures of the Company by the Foreign Institutional Investors (FIIs) and the Non Resident Indians (NRIs) be and is hereby increased up to the Sectoral Cap i.e. 100% of the paid-up Equity Share Capital/value of each series of Convertible Debentures.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, things and to take all such steps as may be considered necessary, proper and expedient to carry on the purpose of this resolution.”

**By Order of the Board of Directors**

Place: Mumbai  
Date: 3<sup>rd</sup> July, 2013

**Sachin Kothari**  
**Executive Director**

#### **Registered Office:**

Office No.114, 11<sup>th</sup> Floor, Mittal Chambers,  
Opposite INOX Theatre, Nariman Point, Mumbai – 400021

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### **EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 173(2) OF THE COMPANIES ACT, 1956**

#### **ITEM NO. 1**

Presently, the Authorised Share Capital of the Company is Rs. 1,50,00,000/- (Rupees One Crore Fifty Lacs Only) divided into 15,00,000 (Fifteen Lacs) Equity Shares of Rs. 10/- (Rupees Ten Only) each.

The Company intends to issue Bonus shares to reward its loyal members and in order to augment the further issue of capital it is necessary to increase the Authorised Share Capital of the Company.

The proposed resolution is to increase the Authorized Share Capital of the Company from Rs. 1,50,00,000/- (Rupees One Crore Fifty Lacs Only) divided into 15,00,000 (Fifteen Lacs) Equity Shares of Rs. 10/- (Rupees Ten Only) each to Rs. 9,70,00,000/- (Rupees Nine Crores Seventy Lacs Only) divided into 97,00,000 (Ninety Seven Lacs) Equity Shares of Rs. 10/- (Rupees Ten Only) each by addition of 82,00,000 (Eighty Two Lacs) Equity Shares of Rs. 10/- (Rupees Ten Only) each aggregating to Rs. 8,20,00,000/- (Rupees Eight Crores Twenty Lacs Only). The alteration to the Capital Clause V of the Memorandum of Association is consequent upon increase in the Authorised Share Capital of the Company.

The proposed increase of the authorized share capital of the Company and alteration to the Capital Clause V of the Memorandum of Association require the approval of the members.

A copy of Memorandum of Association of the Company together with the proposed alterations would be available for inspection by the members at the Registered Office of the Company during business hours on all working days except Saturdays and Public holidays upto the date of declaration of result of the Postal Ballot.

The Board of Directors of the Company accordingly recommends the Ordinary Resolution as set out at Item No.1 of the notice for approval of the members through Postal Ballot process.

None of the Directors are concerned or interested in the proposed resolution.

## **ITEM NO. 2**

The Company is currently engaged in the business of Financial services and is registered with the Reserve Bank of India as a Non Banking Financial Company. The main objects of the Company do not appropriately reflect the business activities of the Company. In order to rationalize the objects clause and to enlarge the scope of activities of the Company, it is proposed to amend, re-organize and re-structure the main objects clause of the Memorandum of Association of the Company by replacing the existing sub- clause No. 1 with new sub-clause no. 1 and deleting existing sub-clauses 1A, 1B and 1C.

A copy of Memorandum of Association of the Company together with the proposed alterations would be available for inspection by the members at the Registered Office of the Company during business hours on all working day except Saturdays and Public holidays upto the date of declaration of result of the Postal Ballot.

The Board of Directors of the Company accordingly recommends the Special Resolution as set out at Item No.2 of the notice for approval of the members through Postal Ballot process.

None of the Directors are concerned or interested in the proposed resolution.

## **ITEM NO. 3**

To reward its loyal members and to bring the share capital to a level commensurate with the total capital employed in the Company, your directors proposed to distribute balance available in "Securities Premium Account" by issue of Bonus shares to the members of the Company.

The directors have proposed that a sum not exceeding Rs. 8,28,00,000/- (Rupees Eight Crores Twenty Eight Lacs Only) be drawn from the 'Securities Premium Account" of the Company and transfer to share capital account towards issue and allotment of Equity shares not exceeding 82,80,000 (Eighty Two Lacs Eighty Thousand) Equity Shares of Rs. 10/- (Rupee Ten Only) each as bonus shares, credited as fully paid - up to the members holding equity shares as on the record date to be specified in this behalf. The bonus shares will be issued in the proportion of 6 (Six) new equity shares for every 1 (One) equity share held on the record date. The said bonus shares shall rank *pari passu* with the then existing equity shares.

The issue of bonus shares to the non- residents members will be subject to the provisions of the Foreign Exchange Management Act, 1999 and Rules & Regulations made thereunder.

The Board of Directors of the Company accordingly recommends the Special Resolution as set out at Item No. 3 of the notice for approval of the members through Postal Ballot process.

The Directors of the Company may be deemed to be concerned or interested in the Resolution to the extent of Bonus Shares that may be allotted to them in respect of the existing shares held by them or by companies, Bodies corporate or trusts of which the Directors of the Company are directors, members or beneficiaries.

## **ITEM NO. 4**

As per the present Article No.5 of the Articles of Association of the Company, the Company can capitalize its reserves and surplus only with the approval of its shareholders and distribute amongst them as bonus shares. The Company intends to provide such powers of capitalization of its reserves and surplus and distribute as bonus shares to its Board of Directors, therefore it is proposed to amend the present Article No. 5 of the Articles of Association suitably.

As per the provisions of Section 31 of the Companies Act, 1956, a company can amend its Articles of Association by passing a Special Resolution by its shareholders.

A copy of the Articles of Association of the Company together with the proposed alterations would be available for inspection by the members at the Registered Office of the Company during business hours on all working day except Saturdays and Public holidays upto the date of declaration of result of the Postal Ballot.

The Board of Directors of the Company accordingly recommends the Special Resolution as set out at item No.4 of the notice for approval of the members through Postal Ballot process.

None of the Directors are concerned or interested in the proposed resolution.

## **ITEM NO. 5**

As per the provisions of Regulation 5 of the Foreign Exchange Management (Transfer or Issue of Security by A Person Resident Outside India) Regulations, 2000, as amended from time to time, the Foreign Institutional Investors (FIIs) and Non Resident Investors (NRIs) are permitted to purchase/acquire equity shares / convertible debentures of an Indian company to the extent of 24% and 10% of the paid up share capital/value of each series of convertible debentures issued by that Indian Company respectively. Under the said provisions, a Company can increase these investment limits upto its sectoral cap, if approved by its shareholders by passing a Special Resolution.

As per the extant provisions of the Foreign Direct Investment (FDI) Policy, a Non-Banking Financial Company is allowed upto 100% foreign investment under Automatic Route. Accordingly, your Company being a NBFC is also allowed upto 100% foreign investment under Automatic Route, if approved by the shareholders of the Company by passing a Special Resolution in terms of Regulation 5 of the said Regulations.

The Board of Directors of the Company accordingly recommends the Special Resolution as set out at Item No.5 of the notice for approval of the members through Postal Ballot process.

None of the Directors are concerned or interested in the proposed resolution.

**By Order of the Board of Directors**

Place: Mumbai  
Date: 3<sup>rd</sup> July, 2013

**Sachin Kothari**  
**Executive Director**

**Registered Office:**  
Office No.114, 11<sup>th</sup> Floor, Mittal Chambers,  
Opposite INOX Theatre, Nariman Point, Mumbai – 400021

# FINKURVE FINANCIAL SERVICES LIMITED

Regd. Off: Office No.114, 11<sup>th</sup> Floor, Mittal Chambers, Opposite INOX Theatre, Nariman Point, Mumbai – 400021



## POSTAL BALLOT FORM

(Please read carefully the instructions printed overleaf before exercising the vote)

Sr. No.
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1.	Name(s) of Shareholder(s), (including joint holders, if any)			
2.	Registered address of the sole/first named Shareholder			
3.	Registered Folio No./ DP ID No./Client ID No.* (* Applicable to investors holding shares in dematerialized form)			
4.	Number of share(s) held			
5.	I/We hereby exercise my/our vote in respect of the resolutions to be passed through Postal Ballot Process for the business stated in the notice of the Company dated 3 <sup>rd</sup> July, 2013 by sending my/our assent or dissent to the said resolutions by placing the tick ( ✓ ) mark at the appropriate box below:			
Item No.	Description of the Resolution	No. of shares	I/We assent to the resolution (FOR)	I/We dissent to the resolution (AGAINST)
1.	Ordinary Resolutions u/s 94 and 16 of the Companies Act, 1956 to increase the Authorised Capital of the Company from Rs. 1,50,00,000/- to Rs. 9,70,00,000/- and consequent alteration to the Capital clause of the Memorandum of Association of the Company .			
2.	Special Resolution u/s 17 of the Companies Act, 1956 for alteration in the Main Objects clause of the Memorandum of Association of the Company.			
3.	Special Resolution for issue of Bonus shares in the proportion of 6 (Six) new fully paid up equity shares of Rs.10/- (Rupee Ten Only) each for every 1 (One) Equity share of Rs.10/- (Rupee Ten Only) each held as on the record date.			
4.	Special Resolution u/s 31 of the Companies Act, 1956 for alteration in Article No. 5 of the Articles of Association of the Company.			
5.	Special Resolution under Foreign Exchange Management Act, 1999 for increasing the limits of investment in the Company by NRIs and FIIs.			

Place :

Date :

\_\_\_\_\_  
(Signature of the Member/ Beneficial Owner)

## **INSTRUCTIONS**

1. A member desiring to exercise vote by Postal Ballot may complete this Postal Ballot Form and send it to the Scrutinizer in the enclosed prepaid self-addressed envelope. Postage will be borne and paid by the Company. However, envelopes containing Postal Ballot if deposited in person or sent by courier at the expenses of the shareholder will also be accepted.
2. The self-addressed envelope bears the address of the Scrutinizer appointed by the Board of Directors of the Company.
3. This form should be completed and signed by the shareholder. In case of joint holding, this form should be completed and signed (as per the specimen signature registered with the Company) by the first named shareholder and in his absence, by the next named shareholder and so on.
4. Unsigned Postal Ballot Form will be rejected.
5. Duly completed Postal Ballot Form should reach the Company not later than the close of working hours on Wednesday, the 7<sup>th</sup> day of August, 2013. Postal Ballot Form received after this date will be strictly treated as if the reply from the shareholder(s) has not been received.
6. In case of shares held by Companies, Trusts, Societies etc. duly completed Postal Ballot form should be accompanied by a certified true copy of Board Resolution / Authority.
7. Voting rights shall be reckoned on the paid up value of the shares registered in the name of members / beneficial owners as on Friday, the 5<sup>th</sup> day of July, 2013.
8. Shareholders are requested not to send any other paper along with the Postal Ballot Form in the enclosed self-addressed postage pre-paid envelope.
9. The Scrutinizer's decision on the validity of a Postal Ballot will be final.
10. The Postal Ballot shall not be exercised by a Proxy.



# BUSINESS REPLY ENVELOPE

Postage  
Stamp  
of Rs.5/-

Mr. Manish L. Ghia, Scrutinizer

**Finkurve Financial Services Limited**

Office No.114, 11<sup>th</sup> Floor, Mittal Chambers,  
Opposite INOX Theatre, Nariman Point,  
Mumbai – 400021

## Book Post

To,

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If undelivered please return to:

**Finkurve Financial Services Limited**

Office No.114, 11<sup>th</sup> Floor, Mittal Chambers,  
Opposite INOX Theatre, Nariman Point, Mumbai – 400021