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Ref: Sec/2023-24

Nov 8, 2023

<b>Bombay Stock Exchange Limited</b> Phiroze Jeejeebhoy Towers Dalal Street Mumbai 400 001 <b>Scrip Code: 511473</b>	<b>National Stock Exchange of India Limited</b> Exchange Plaza Bandra Kurla Complex Bandra (East) Mumbai 400 051 <b>Scrip Code: INDBANK</b>
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Dear Sir/Madam,

Sub: Notice of Postal Ballot and Explanatory Statement sent to the Shareholders

Please find enclosed a copy of Postal Ballot Notice along with Explanatory Statement sent to the shareholders of the Company, today, on 08-11-2023 seeking approval for a business arrangement with Indian Bank. (Approval for related party transaction)

This is for your information and records.

Thanking you,

Yours faithfully,

Chitra.MA  
Company Secretary and Compliance Officer

Encl: a/a



## NOTICE OF POSTAL BALLOT

[Pursuant to Section 110 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014]

Dear Member(s),

**Notice of Postal Ballot** is hereby given to the Members of the Company pursuant to Section 108 and Section 110 of the Companies Act, 2013 (“Act”) read with Rule 20 and Rule 22 of Companies (Management and Administration) Rules, 2014, (“Rules”), Circulars issued by the Ministry of Corporate Affairs (“MCA”) in this regard and Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time (“SEBI LODR, 2015”) and Secretarial Standards on General Meetings (‘SS-2’) and other applicable provisions, that the Resolution as set out in this Notice are proposed for approval by the Members of the Company by means of Postal Ballot only by voting through electronic mode (**‘remote e-voting’**).

The explanatory statement pursuant to Sections 102, 110 and other applicable provisions of the Act read with the applicable Rules setting out all material facts relating to the resolutions mentioned in this Postal Ballot Notice is annexed hereto. You are requested to record your assent or dissent only by means of remote e-voting system provided by the Company.

### **SPECIAL BUSINESS:**

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

To consider, and if thought fit, to pass the following Resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to section 188 of the Companies Act, 2013 and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval of the Members of the Company be and is hereby accorded for the business arrangement between the Company and Indian Bank for marketing and promoting the Company’s products to the customers of Indian Bank through its branches and zones on a revenue sharing model of 60:40 (Bank: Company) basis”.

## Notes:

1. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, setting out material facts and reasons for the Special Business is annexed hereto and forms part of this Postal Ballot Notice.
2. The Postal Ballot is to be conducted as per provisions of Section 110 read with Section 108 and other applicable provisions, if any, of the Companies Act, 2013, Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014 and MCA Circulars issued from time to time. The circular dated 25.09.2023 conveyed the decision of MCA to allow companies to transact items by means of a postal ballot by electronic mode (e-voting) up-to 30.09.2024.
3. In compliance with the aforesaid MCA Circulars, the Postal Ballot Notice is being sent only in the electronic form to all shareholders of the Company who have registered their email ids with the Company or Depository as on Friday, 03<sup>rd</sup> November 2023 (cut-off date) and physical copy of Postal Ballot Notice will not be sent to the shareholders. A person who is not a member as on the Cut-off date should treat this Postal Ballot Notice for information purpose only.
4. The Company has engaged Central Depository Services Ltd (CDSL) as e-voting agency for facilitating e-voting to enable the Members to cast their votes electronically.
5. The remote e-Voting period commences on **Friday, the 10<sup>th</sup> November 2023, 9AM** and ends on **Saturday, 9<sup>th</sup> December 2023, 5 PM**. During this period, members of the Company holding shares as on the cut-off date may cast their vote electronically. The remote e-Voting module shall be disabled thereafter. Once the vote on the resolution is cast by a member, the same will not be allowed to be changed subsequently. The voting rights of the Members shall be in proportion to their shareholding in the paid-up equity share capital of the Company as on the Cut-Off Date i.e 3<sup>rd</sup> November 2023.
6. The date of resolution will be 9<sup>th</sup> December 2023. Results of e-voting will be submitted to the stock exchanges within two working days from the date of end of e-voting. A copy of the same will be placed in the website of the Company.
7. The Board of Directors has appointed Shri Sriram Parthasarathy, a Practising Company Secretary and Partner of M/s SPNP & Associates, Practising Company Secretaries, Chennai, as Scrutinizer for conducting the Postal Ballot and e-voting process in a fair and transparent manner.
8. Members who have not registered their e-mail addresses are requested to register the same with the Company's RTA / Depository Participant(s) for sending future communication(s) in electronic form.

9. Eligible Members can cast their vote electronically through remote e-Voting and related instructions for the remote e- voting is mentioned below:

**THE INTRUCTIONS TO SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:**

THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING:

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(i) The voting period begins on Friday, the 10th November 2023, 9AM and ends on Saturday, 9<sup>th</sup> December 2023, 5 PM. During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (03<sup>rd</sup> November 2023) may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

**Step 1:** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

(iii) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained

with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility. Pursuant to abovesaid SEBI Circular, Login method for e-Voting for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

<b>Type of shareholders</b>	<b>Login Method</b>
Individual Shareholders holding securities in Demat mode with <b>CDSL Depository</b>	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi/Easiest are requested to visit cdsl website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab.</li> <li>2) After successful login the Easi/Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at cdsl website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>

<p>Individual Shareholders holding securities in demat mode with <b>NSDL Depository</b></p>	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select “Register Online for IDeAS Portal” or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</li> </ol>
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Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants (DP)</b>	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.
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**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL**

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

**Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.**

- (iv) Login method for Remote e-Voting for **Physical shareholders and shareholders other than individual holding in Demat form.**
- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - 2) Click on “Shareholders” module.
  - 3) Now enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

- c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
  - 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
  - 6) If you are a first-time user, follow the steps given below:

**For Physical shareholders and other than individual shareholders holding shares in Demat**

PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)  Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.  If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- (v) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for Indbank Merchant Banking Services Limited on which you choose to vote.
- (x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES



implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) There is also an optional provision to upload Board Resolution/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
  - It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer at the email

address [spnpassociates@gmail.com](mailto:spnpassociates@gmail.com) and to the Company at the email address [investors@indbankonline.com](mailto:investors@indbankonline.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call at toll free no.1800225533.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice.

**Item No.1**

Indian Bank had accepted the Company's proposal to market and promote the Company's products to the Customers of Indian Bank through its branches and zones by allocating targets to them on a revenue sharing basis. The Company and the Bank will share the brokerage income from trading activities and commission from mutual fund investments on 60:40 (Bank: Company) basis for the brokerage income/commission generated through Indian Bank. This revenue stream will continue till the account remains active as an additional non-interest income for the Bank.

Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, any transaction entered into related parties by the company, requires prior approval of Audit

committee. Audit Committee of the Company have approved this transaction at its meeting held on 16.10.2023.

A transaction with a related party requires the approval of shareholders if a transaction is a material one as per Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 or if the transaction(s) to be entered individually or taken together with previous transactions during a financial year, exceeds rupees fifty crores or ten percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower. As per the business projections, value of the proposed transactions may exceed the above said limits and it is proposed by the Board of Directors of the Company at its meeting held on 16<sup>th</sup> October 2023 to take an approval of shareholders for the proposed business through a postal ballot process as per Section 108 and 110 of Companies Act 2013.

The details of the proposed transactions are given below:

- a. The name of the related party: Indian Bank (Holding Entity)
- b. Name of the director or key managerial personnel who is related: Shri Imran Amin Siddiqui, a common Director and Shri Sunil Jain, Nominee Director of the Company, who is the Chief Financial Officer of Indian Bank.
- c. Nature of relationship -Indian Bank is the Holding Entity
- d. The nature of the contract or arrangement: The Company to provide broking and mutual fund services for the Clients of Indian Bank on a revenue sharing basis. The Company will be providing expertise and knowledge for facilitating smooth and efficient operation of demat/trading activities for the said Clients. This arrangement will be based on a revenue sharing model.
- e. Material terms and monetary value of the contract or arrangement: The Company and Bank will share the brokerage income from trading activities and commission from mutual fund investments on 60:40 (Bank: Company) basis for the brokerage income/commission generated through Indian Bank. This revenue stream will continue till the account remains active as an additional non-interest income for the Bank.
- f. Any other information relevant or important for the Board to take a decision on the proposed transaction- The proposed transaction would be in the ordinary course of business, at an arm's length basis.
- g. Whether a valuation or other external report, if any, relied upon by the Company in relation to the said transaction- Nil

- h. Justification for why the proposed transaction is in the interest of the Company: The proposed business arrangement with Indian bank is expected to be beneficial, growth-oriented for both the Company and the Bank as it would help to reap the advantages of both of their business association.

**By the order of the Board**

**for Indbank Merchant Banking Services Limited**

**Sd/-**

**Chitra. M A**

**Company Secretary and Compliance Officer**

**A33512**

**Place: Chennai**

**Date: 16.10.2023**