



UJJIVAN SMALL FINANCE BANK LIMITED

Registered & Corporate Office	Grape Garden, No. 27, 3 rd "A" Cross, 18 th Main, 6 th Block, Koramangala, Bengaluru – 560 095, Karnataka, India
CIN	L65110KA2016PLC142162
Email	corporatesecretarial@ujjivan.com
Phone	080 – 40712121
Website	www.ujjivansfb.in

MEETING OF EQUITY SHAREHOLDERS (INCLUDING PUBLIC SHAREHOLDERS) OF UJJIVAN SMALL FINANCE BANK LIMITED

(convened pursuant to the order dated September 08, 2023 passed by the Hon'ble National Company Law Tribunal, Bengaluru Bench)

MEETING:

Day	Friday
Date	November 03, 2023
Time	11:30 AM
Mode	Through Video Conferencing (VC) or Other Audio Visual Means (OAVM) in terms of the order dated September 08, 2023 passed by the Hon'ble National Company Law Tribunal, Bengaluru Bench.

REMOTE E-VOTING PRIOR TO THE MEETING ("remote e-voting"):

Cut-off date for determining the equity shareholders entitled to vote	Friday, October 27, 2023
Commencement of remote e-voting period	09:00 AM IST, Tuesday, October 31, 2023
End of remote e-voting period	05:00 PM IST, Thursday, November 02, 2023

E-VOTING DURING THE MEETING ("e-voting"):

E-voting during the meeting would be available for those equity shareholders who had not voted through remote e-voting. The e-voting would commence post the discussion pertaining to the business mentioned in the Notice is concluded and this facility would be available for 30 minutes thereafter.

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20.	Annexure 18 Copy of valuation report issued by M/s JBPR Valuation Advisory LLP (IBBI Regn No.: IBBI/RV-E/05/2021/150), Registered Valuer appointed by the Transferee Company
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FORM NO. CAA 2

[Pursuant to Section 230 (3) of the Companies Act, 2013 and rule 6 and 7 of the Companies (Compromises, Arrangements and Amalgamation) Rules, 2016]

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL BENGALURU BENCH

AT BENGALURU

IN THE MATTER OF THE COMPANIES ACT, 2013

AND

IN THE MATTER OF SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013

AND

IN THE MATTER OF UJJIVAN FINANCIAL SERVICES LIMITED

AND

IN THE MATTER OF UJJIVAN SMALL FINANCE BANK LIMITED

AND

IN THE MATTER OF SCHEME OF AMALGAMATION OF UJJIVAN FINANCIAL SERVICES LIMITED WITH UJJIVAN SMALL FINANCE BANK LIMITED AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

CA (CAA) NO. 17/BB/2023

Ujjivan Small Finance Bank Limited

CIN: L65110KA2016PLC142162

A company incorporated under the Companies Act, 2013,

having its Registered office at Grape Garden, No.27, 3rd 'A' Cross 18th Main 6th Block, Koramangala Bangalore, 560095, Karnataka, India

Represented by its authorised signatory – Mr. Sanjeev Barnwal

Tel no: 8971968108

Email id: corporatesecretarial@ujjivan.com; sanjeev.barnwal@ujjivan.com

... APPLICANT 2/ TRANSFEREE COMPANY

NOTICE FOR CONVENING MEETING OF EQUITY SHAREHOLDERS (INCLUDING PUBLIC SHAREHOLDERS) OF UJJIVAN SMALL FINANCE BANK LIMITED

(being convened pursuant to the order dated September 08, 2023 passed by the Hon'ble National Company Law Tribunal, Bengaluru Bench)

1. Notice is hereby given that the Hon'ble National Company Law Tribunal, Bengaluru Bench, Bengaluru ("NCLT"), by an order dated September 08, 2023, ("NCLT Order"), has directed convening of a meeting of the equity shareholders (including public shareholders) of Ujjivan Small Finance Bank Limited ("Company" / "Bank" / "Transferee Company") for the purpose of considering, and if thought fit, approving the Scheme of Amalgamation between Ujjivan Financial Services Limited ("Transferor Company") and the Transferee Company and their respective

shareholders and creditors (hereinafter referred to as “**Scheme**”) pursuant to Sections 230 to 232 of the Companies Act, 2013 (“**Companies Act**”) read with the Companies (Compromises, Arrangements and Amalgamation) Rules, 2016 (“**CAA Rules**”) and other applicable provisions of the Companies Act and CAA Rules.

2. In pursuance of the NCLT Order and as directed therein further, this Notice is hereby given that a meeting of the equity shareholders (including public shareholders) of the Transferee Company will be held on **Friday, November 03, 2023 at 11:30 AM IST** through video conferencing (“**VC**”) or Other Audio Visual Means (“**OAVM**”) (hereinafter referred to as the “**Meeting**”), and the equity shareholders are hereby requested to attend the Meeting to transact the following business:

To consider and if thought fit, to pass, the following resolution for approval of the Scheme by requisite majority:

*“**RESOLVED THAT** pursuant to the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Companies Act, 2013 (“**Companies Act**”) read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, the Banking Regulation Act, 1949, the RBI Master Directions – Amalgamation of Private Sector Banks, Directions, 2016, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 (“**SEBI Master Circular**”) as amended from time to time, the memorandum and articles of association of the Bank, any other applicable provisions of any other law for the time being in force, the approval / no objection letter dated February 01, 2023 issued by the Reserve Bank of India (“**RBI**”), the approval / no adverse observation letters issued by BSE Limited and National Stock Exchange of India Limited, both letters dated March 09, 2023, and subject to approval of National Company Law Tribunal, Bengaluru Branch, (“**NCLT**”), and subject to such conditions and modifications as may be prescribed or imposed by the NCLT or by any regulatory or other authorities, which may be agreed to by the Board of Directors of the Bank (hereinafter referred to as the “**Board**”, which term shall be deemed to mean and include one or more committee(s) constituted/to be constituted by the Board or any person(s) which the Board may nominate to exercise its powers including the powers conferred by this resolution), and subject to such approvals, consents, permissions and sanctions, as may be applicable and required, the Scheme of Amalgamation (“**Scheme**”) providing for amalgamation of Ujjivan Financial Services Limited, the holding company (“**Transferor Company**”) into and with Ujjivan Small Finance Bank Limited (“**Company**” / “**Bank**” or “**Transferee Company**”), draft of which was circulated along with the Notice, be and is hereby approved.*

***RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion, deem requisite, desirable, appropriate or necessary to give effect to the above resolution and effectively implement the Scheme and to take decision regarding accepting such modifications, amendments, limitations and/or conditions, if any, which may be required and/ or imposed by the NCLT while approving the Scheme or by any regulatory or other authorities; to do all acts as may be required for the purpose of resolving any questions or doubts or difficulties that may arise or meaning or interpretation of the Scheme or implementation thereof or in any matter whatsoever connected therewith, including passing of such accounting entries and/or making such adjustments in the books of accounts as may be considered necessary or any matter(s) as may be considered ancillary and/or incidental in giving effect to the Scheme.”*

3. The NCLT has appointed Ms. Krutika Raghavan having address at 111, Raheja chambers, Museum Road, Bangalore – 560001, Email ID: krutika@krassociates.live to be the Chairperson for the Meeting, and Mr. Sudhir V Hulyalkar, Company Secretaries, having address at 4th Floor, Prabhas Complex, #27/1, S. Kariyappa Road, Basavanagudi, Bangalore – 560004, Email ID cssudhirvh@gmail.com to be the Scrutinizer for the Meeting.
4. The Scheme shall be considered as approved by the equity shareholders of Transferee Company if the resolution mentioned in the Notice has been approved by majority of persons representing three-

fourth in value of the equity shareholders by remote e-voting and by e-voting during the Meeting, taken together, in terms of the provisions of Sections 230 - 232 of the Companies Act. Further, the Scheme once approved by the equity shareholders as aforesaid, will be subject to the subsequent approval of the NCLT.

Further, in terms of SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 (which rescinded the erstwhile SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/665 dated November 23, 2021) (“**SEBI Master Circular**”), the Scheme shall be acted upon only if the number of votes cast by the Public Shareholders (through remote e-voting and e-voting during the Meeting) in favour of the aforesaid resolution for approval of the Scheme is more than the number of votes cast by the Public Shareholders against it.

5. KFin Technologies Limited, the Bank’s e-voting agency, will provide the facility for voting to the equity shareholders through remote e-voting, for participation during the Meeting through VC or OAVM, and for e-voting during the Meeting.

The Scrutiniser will immediately after the conclusion of e-voting at the Meeting, first count the votes cast at the Meeting, thereafter unblock votes cast through remote e-voting in presence of two witnesses not in employment of the Bank, a Scrutiniser’s Report (of total votes cast in favour or against, invalid votes, if any) and submit the said report to the Chairperson of the Meeting. The Scrutiniser will also submit a separate report with regard to the result of the remote e-voting and e-voting during the Meeting in respect of the Public Shareholders. The Scrutinizer’s decision on the validity of the votes cast shall be final.

The result of e-voting will be declared on or before November 6, 2023 , and the same, along with the Scrutiniser’s Report, will be displayed at the registered office, on the website of the Transferee Company (at <https://www.ujjivansfb.in/reverse-merger>); websites of BSE Limited at (www.bseindia.com) and National Stock Exchange of India Limited (at www.nseindia.com); and on the website of e-voting agency, **KFin Technologies Limited** (“**KFIN**”) at <https://evoting.kfintech.com>. The result shall be reported to the NCLT by the Chairperson within 7 (seven) days of conclusion of Meeting, as per Rule 14 of CAA Rules and as directed in the NCLT Order. The Chairperson shall be fully assisted by the Authorized Representative/Company Secretary of the Transferee Company and the Scrutinizer, in preparing and finalizing the report.

6. The copy of the Scheme along with the statement under Sections 230, 232 read with Section 102 and other applicable provisions of the Companies Act read with Rule 6 of the CAA Rules, and the documents as stated in the index (collectively referred as “**Annexures**”) are enclosed herewith. In terms of the NCLT Order, the Notice of this Meeting together with Annexures is being sent via e-mail to those equity shareholders of the Transferee Company whose names appear in the register of members/list of beneficial owners as on Friday, September 15, 2023, and whose e-mail addresses are registered with the Transferee Company/ the relevant Depository(ies) as on the said date. For the equity shareholders who have not registered their e-mail address with the Transferee Company/ the relevant Depository(ies), the Notice of this Meeting, together with Annexures can be downloaded from the website of the Transferee Company. A copy of this Notice and the Annexures will also be hosted on the website of the Transferee Company (at <https://www.ujjivansfb.in/reverse-merger>); the websites of BSE Limited (at www.bseindia.com) and National Stock Exchange of India Limited (at www.nseindia.com) and also on the website of the e-voting agency viz. KFin Technologies Limited at <https://evoting.kfintech.com>.

By Order of the NCLT, Bengaluru Bench

Date: September 22, 2023
Place: Bangalore

Sd/-
Sanjeev Barnwal
Authorized Representative

NOTES

1. In accordance with the NCLT Order and pursuant to the General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 22/2020 dated June 15, 2020, General Circular No. 33/2020 dated September 28, 2020, General Circular No. 39/2020 dated December 31, 2020, General Circular No. 10/2021 dated June 23, 2021, General Circular No. 3/2022 dated May 05, 2022 and General Circular No. 11/2022 dated December 28, 2022 issued by the Ministry of Corporate Affairs, Government of India (collectively referred to as “**MCA Circulars**”), the Transferee Company is allowed to hold the Meeting through VC / OAVM, without the physical presence of members at a common venue. Hence, in compliance with the directions contained in NCLT Order, applicable provisions of the Companies Act and CAA Rules made thereunder, read with the MCA Circulars, the Meeting is being held through VC / OAVM. The deemed venue for the Meeting shall be the Registered Office of the Transferee Company.
2. Considering that the Meeting is being held through VC / OAVM as per NCLT Order, and in compliance with MCA Circulars, without the requirement of physical presence of the equity shareholders, the facility of appointment of proxies by equity shareholders under Section 105 of the Companies Act will not be available for the said Meeting and hence, the Route Map, Proxy Form and Attendance Slip are not annexed to this Notice.
3. Participation of the equity shareholders through VC / OAVM will be reckoned for the purpose of requisite quorum for the Meeting, as per NCLT Order read with Section 103 of the Companies Act, 2013. Further, in terms of the NCLT Order, the quorum for the Meeting shall be 30 equity shareholders and in case the required quorum of 30 equity shareholders for the Meeting is not present at the commencement of the Meeting, the Meeting shall be adjourned by 30 minutes, and, thereafter, the persons present, and voting shall be deemed to constitute the quorum. The Scrutinizer is also duty bound to record all proceedings of the meeting conducted through VC.
4. Institutional / Corporate Shareholders (i.e., other than individuals / HUF/ NRI etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc. authorizing its representative along with attested specimen signature of such representative, to attend the Meeting through VC / OAVM on its behalf and to vote through remote e-voting or e-voting during the Meeting. The said Resolution/Authorization shall be sent to the Scrutiniser at his email ID cssudhirvh@gmail.com with a copy marked to corporatesecretarial@ujjivan.com and the same may also be uploaded in the e-voting module through their login, the scanned image of the above documents should be in the naming format ‘USFB_EVENT No’.
5. In case of joint holders attending the Meeting, only such joint holder who is first in the order of names will be entitled to vote at the Meeting, provided the votes are not already casted by remote e-voting.
6. Members of the Bank under the category of ‘Institutional Investors’ are encouraged to attend and vote at the Meeting.
7. The Notice of Meeting shall be published at least once a week for three consecutive weeks in the newspapers of Financial Express in English language and in Hosadigantha in Kannada language.
8. **Voting through electronic means**
 - (i) The equity shareholders shall have the facility and option of voting on the resolution for approval of the Scheme by casting their votes (a) through e-voting system available at the Meeting to be held through VC / OAVM or (b) by remote electronic voting during the period as stated below:

Remote e-voting period	
Commencement of remote e-voting period	09:00 AM IST, Tuesday, October 31, 2023
End of remote e-voting period	05:00 PM IST, Thursday, November 02, 2023

If any equity shareholder opts for remote e-voting, he/she will nevertheless be entitled to attend and participate in discussion at the Meeting, but not to vote again during the Meeting through VC / OAVM. Once the vote on a resolution is cast by the member through remote e-voting, then, such member shall not be allowed to change his/her vote so cast subsequently or cast the vote again at the Meeting. The voting rights of equity shareholders shall be in proportion to their equity shareholding in the Transferee Company as on the close of business on October 27, 2023.

(ii) The Bank has engaged the services of KFin Technologies Limited (“KFIN”) as the agency to provide e-voting facility.

(iii) **Information and instructions relating to remote e-voting and e-voting:**

1. Remote e-voting and e-voting during the aforesaid Meeting:

- a. Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act read with the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Bank is providing to its members, facility to exercise their right to vote on the resolution proposed to be passed at the Meeting by electronic means. Members may cast their votes remotely, using an electronic voting system on the dates mentioned above (**remote e-voting**). The members also have the option to cast their votes during the Meeting (**e-voting**), if the vote has not been casted earlier through remote e-voting. The Bank has engaged the services of KFin Tech as the agency to provide e-voting facility. The manner of voting remotely by members holding shares in dematerialized mode, physical mode and for members who have not registered their email addresses is provided in the instructions given below.
- b. Voting rights of a member / beneficial owner (in case of electronic shareholding) except the Promoter of the Bank i.e. Ujjivan Financial Services Limited shall be in proportion to their share in the paid-up equity share capital as on the cut-off date, i.e. October 27, 2023.
- c. Mr. Sudhir V Hulyalkar, Company Secretaries, having address at 4th Floor, Prabhas Complex, #27/1, S. Kariyappa Road, Basavanagudi, Bangalore – 560004, Email ID cssudhirvh@gmail.com to be the Scrutinizer for the Meeting. .
- d. Subject to receipt of requisite number of votes, the resolution proposed in the Notice shall be deemed to be passed on the date of this Meeting, that is on Friday, November 03, 2023.
- e. The result of voting declared along with scrutiniser’s report will be displayed at registered office of the Bank and shall be on the website of the Bank at <https://www.ujjivansfb.in/reverse-merger> and on Service Provider’s website at <https://evoting.kfintech.com> on or before November 6, 2023 and the same shall also be simultaneously communicated to the BSE Limited and the National Stock Exchange of India Limited.

2. Information and instructions relating to remote e-voting and e-voting:

- a. The members can join the Meeting through VC/OAVM mode 30 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned herein. The facility to join the Meeting shall be kept open throughout the proceedings of the Meeting.
- b. The members who have cast their vote(s) by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote(s) again at the Meeting. Once the vote on a resolution is cast by a Member, whether partially or otherwise, the Member shall not be allowed to change it subsequently or cast the vote again.
- c. A member can opt for only single mode of voting per EVENT, i.e., through remote e-voting or e-voting during the Meeting. If a member casts vote(s) by both modes, then voting done through remote e-voting shall prevail and vote(s) cast at the Meeting shall be treated as “INVALID”.
- d. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date i.e. October 27, 2023, only shall be entitled to avail the facility of remote e-voting or e-voting. A person who is not a member as on the cut-off date should treat the Notice for information purpose only.
- e. Any person who becomes member of the Bank after dispatch of the Notice of the Meeting and holding shares as on the cut-off date or the member who has not registered his/her/its e-mail address may obtain the User ID and password from KFin by sending a request to KFin.
- f. The Bank has opted to provide the same electronic voting system during the Meeting, as used during remote e-voting and the said facility shall be operational till the resolution proposed in the Notice is considered and voted upon at the Meeting and may be used for voting only by the members holding shares as on the cut-off date, who are attending the Meeting and who have not already casted their vote(s) through remote e-voting.
- g. While all efforts would be made to make the VC/ OAVM meeting smooth, participants connecting through mobile devices, tablets, laptops etc. may at times experience audio/video loss due to fluctuation in their respective networks. We request the members to use of a stable Wi-Fi or LAN connection can mitigate some of the technical glitches.

(iv) **Instructions for remote E-Voting / e-voting for Members other than individual shareholders holding securities in demat mode and Members holding Equity Shares in Physical Form and for those who would acquire shares after dispatch of the Notice**

Shareholders other than individual shareholders holding securities in demat mode; shareholders who are holding equity shares of the Bank in physical form; and those who would acquire shares after dispatch of the Notice, are requested to follow the below instructions for remote e-voting:

- a. Initial password is provided in the body of the e-mail.
- b. Launch internet browser and type the URL: <https://evoting.kfintech.com> in the address bar.
- c. Enter the login credentials i.e. User ID and password mentioned in your e-mail. Your Folio No./DP ID Client ID will be your User ID. However, if you are already registered

with KFin for e-voting, you can use your existing User ID and password for casting your votes.

- d. After entering the correct details, click on LOGIN.
 - e. You will reach the password change menu wherein you are required to mandatorily change your password. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.). It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - f. You need to login again with the new credentials.
 - g. On successful login, the system will prompt you to select the EVENT i.e. “Ujjivan Small Finance Bank.”
 - h. On the voting page, the number of shares (which represents the number of votes) held by you as on the cut-off date will appear. If you desire to cast all the votes assenting/dissenting to the resolution, enter all shares and click ‘FOR’/‘AGAINST’ as the case may be or partially in ‘FOR’ and partially in ‘AGAINST’, but the total number in ‘FOR’ and/or ‘AGAINST’ taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option ‘ABSTAIN’, in which case, the shares held will not be counted under either head.
 - i. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat account.
 - j. Cast your votes by selecting an appropriate option and click on ‘SUBMIT’. A confirmation box will be displayed. Click ‘OK’ to confirm, else ‘CANCEL’ to modify. Once you confirm, you will not be allowed to modify your vote subsequently. During the voting period, you can login multiple times till you have confirmed that you have voted on the resolution.
 - k. Corporate/institutional members (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned image (PDF/JPG format) of certified true copy of relevant board resolution/authority letter etc. together with attested specimen signature of the duly authorised signatory(ies) who is/are authorised to vote, to the Scrutinizer through email at cssudhirvh@gmail.com and the same may also be uploaded in the e-voting module in their login. The scanned image of the above documents should be in the naming format ‘USFB_EVENT No.’
 - l. Any person who becomes member of the Bank after dispatch of the Notice of the Meeting and holding shares as on the cut-off date may obtain the User ID and password from KFin by sending a request to KFin.
 - m. In case of any queries/grievances, you may refer the Frequently Asked Questions (FAQs) for members and e-voting User Manual available at the ‘download’ section of <https://evoting.kfintech.com> or call KFin on 1800 309 4001 (toll free).
- (v) **Procedure for Login for e-voting and attending the Meeting through VC for individual Shareholders holding securities in Demat mode**

In terms of SEBI circular dated December 09, 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.

Login method for individual shareholders holding securities in Demat mode is given below:

<p>Individual shareholders holding securities in demat mode with National Securities Depository Limited (“NSDL”)</p>	<p>A. User already registered for IDeAS facility:</p> <ol style="list-style-type: none"> 1. Open https://eservices.nsdl.com 2. Click on the “Beneficial Owner” icon under ‘IDeAS’ section. 3. On the new page, enter User ID and Password. Post successful authentication, click on “Access to e-Voting” 4. Click on Bank Name or e-Voting service provider and you will be re-directed to e-voting service provider website for casting your vote during the remote e-Voting period. <p>B. User not registered for IDeAS e-Services:</p> <ol style="list-style-type: none"> 1. To register, open https://eservices.nsdl.com either on a Personal Computer or on a mobile. 2. Select “Register Online for IDeAS “Portal or click on https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp. 3. Proceed with completing the required fields <p>C. By visiting the e-Voting website of NSDL:</p> <ol style="list-style-type: none"> 1. Open https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. 2. Click on the icon “Login” which is available under ‘Shareholder/Member’ section 3. 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. 4. Post successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. 5. Click on Bank 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.
<p>Individual Shareholders holding securities in demat mode with Central Depository Services (India) Limited (“CDSL”)</p>	<p>A. Existing user who have opted for Easi/Easiest</p> <ol style="list-style-type: none"> 1. Click at https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com 2. Click on New System Myeasi. 3. Login with user ID and Password 4. After successful login of Easi / Easiest, Option will be made available to reach e-voting page 5. Click on e-voting service provider name to cast your vote <p>B. User not registered for Easi/Easiest</p> <ol style="list-style-type: none"> 1. Option to register is available at https://web.cdslindia.com/myeasi./Registration/EasiRegistration. 2. Proceed with completing the required fields. <p>C. By visiting the e-Voting website of CDSL:</p> <ol style="list-style-type: none"> 1. Visit at www.cdslindia.com 2. Provide Demat Account Number and PAN No. 3. System will authenticate user by sending OTP on registered Mobile & Email as recorded in the Demat Account. 4. After successful authentication, user will be provided links for the respective e-voting service provider where the e-voting is in progress.

Individual Shareholders (holding securities in Demat mode) login through their depository participants	<p>You can also login using the login credentials of your Demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility.</p> <p>Once 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 Bank 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.</p>
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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. NSDL and CDSL.

Login type	Helpdesk details
Individual shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 22-23058542-43.

(vi) **Instructions and Process for participation through VC**

- a. Members will be able to attend the Meeting through VC/OAVM or view the live webcast of the Meeting provided by KFin Tech at <https://emeetings.kfintech.com> by using their remote e-voting login credentials and by clicking on the tab “video conference”. The link for the Meeting will be available in members login, where the EVENT and the name of the Bank can be selected.
- b. Members are encouraged to join the Meeting through devices such as Laptops, or Desktops, with Google Chrome for seamless experience.
- c. Further, members registered as speakers will be required to allow camera during the Meeting and hence are requested to use internet with a good speed to avoid any disturbance during the meeting.
- d. Members may join the Meeting using headphones for better sound clarity.
- e. While all efforts would be made to make the Meeting smooth, participants connecting through mobile devices, tablets, laptops, etc. may at times experience audio/video loss due to fluctuation in their respective networks. Use of a stable Wi-Fi or LAN connection can mitigate some of the technical glitches.
- f. Members, who would like to express their views or ask questions during the Meeting will have to register themselves as a speaker by visiting the URL <https://emeetings.kfintech.com/> and clicking on the tab ‘Speaker Registration’ during the period starting from Tuesday, October 31, 2023, 09:00 AM IST up to Thursday, November 02, 2023-, 05:00 PM IST. Only those members who have registered

themselves as a speaker will be allowed to express their views/ask questions during the Meeting . The Bank reserves the right to restrict the number of speakers depending on the availability of time for the Meeting. Only questions of the members holding shares as on the cut-off date will be considered.

- g. A video guide assisting the members attending the Meeting either as a speaker or participant is available for quick reference at URL <https://emeetings.kfintech.com/>, under the “How It Works” tab placed on top of the page.
- h. Members who need technical assistance before or during the Meeting can contact KFin Tech at emeetings@kfintech.com or Helpline: 1800 309 4001.

The equity shareholders are requested to carefully read all the Notes set out herein above and in particular, instructions for joining the Meeting and manner of casting vote through remote e-voting or e-voting at the Meeting.

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL BENGALURU BENCH

AT BENGALURU

IN THE MATTER OF THE COMPANIES ACT, 2013

AND

**IN THE MATTER OF SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS
OF THE COMPANIES ACT, 2013**

AND

IN THE MATTER OF UJJIVAN FINANCIAL SERVICES LIMITED

AND

IN THE MATTER OF UJJIVAN SMALL FINANCE BANK LIMITED

AND

**IN THE MATTER OF SCHEME OF AMALGAMATION OF UJJIVAN FINANCIAL
SERVICES LIMITED WITH UJJIVAN SMALL FINANCE BANK LIMITED AND THEIR
RESPECTIVE SHAREHOLDERS AND CREDITORS**

CA (CAA) NO. 17/BB/2023

Ujjivan Small Finance Bank Limited

CIN: L65110KA2016PLC142162

A company incorporated under the Companies Act, 2013,

having its Registered office at Grape Garden, No.27, 3rd 'A' Cross 18th Main 6th Block, Koramangala
Bangalore, 560095, Karnataka, India

Represented by its authorised signatory – Mr. Sanjeev Barnwal

Tel no: 8971968108

Email id: corporatesecretarial@ujjivan.com; sanjeev.barnwal@ujjivan.com

... APPLICANT 2/ TRANSFEREE COMPANY

**EXPLANATORY STATEMENT UNDER SECTIONS 230, 232 READ WITH SECTION 102
AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 AND RULE 6
OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS)
RULES, 2016 (“CAA RULES”)**

1. Pursuant to the order dated September 08, 2023 passed by the Hon’ble National Company Law Tribunal, Bengaluru Bench (hereinafter referred to as “NCLT”), in Company Application CA (CAA) NO. 17/BB/2023 (hereinafter referred to as the “NCLT Order”), a meeting of the equity shareholders of **Ujjivan Small Finance Bank Limited** (“Company” / “Bank” / “Transferee Company”) is being convened through Video Conference (“VC”) or other audio visual means (“OAVM”), on Friday, November 03, 2023 at 11:30 AM, IST , for the purpose of considering, and if thought fit, approving the Scheme of Amalgamation between **Ujjivan Financial Services Limited** (“Transferor Company”) and the Transferee Company and their respective shareholders and creditors (“Scheme”) under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (“Companies Act”), read with the Companies (Compromises, Arrangements And Amalgamations) Rules, 2016.

A copy of the Scheme is attached herewith and marked as **Annexure 1**.

Capitalised terms not defined herein and used in the Notice and this annexed Explanatory Statement shall have the same meaning as ascribed to them in the Scheme.

2. Background of the Transferor Company and Transferee Company

2.1 Description of the Transferor Company:

- i. The Transferor Company (having CIN: L65999KA2004PLC035329 and PAN: AAACU7330C) was originally incorporated as a private limited company on December 28, 2004) under the provisions of the erstwhile Companies Act, 1956 with the name 'Ujjivan Financial Services Private Limited'. Pursuant to a certificate issued by the Reserve Bank of India ("RBI") on October 31, 2005, the Transferor Company was permitted to commence operations as a Non-Banking Financial Company ("NBFC") under section 45 IA of the Reserve Bank of India Act, 1934. On September 5, 2013, the Transferor Company was registered as NBFC-Microfinance Institution ("NBFC-MFI") by the RBI.
- ii. The Transferor Company was subsequently converted into a public limited company pursuant to a special resolution passed by its shareholders at an extraordinary general meeting held on November 3, 2015, and the name of the Transferor Company was changed to 'Ujjivan Financial Services Limited'. A fresh certificate of incorporation consequent upon conversion to a public limited company was issued by the Registrar of Companies on November 26, 2015. Consequent to such change in name, a fresh certificate of NBFC-MFI registration was also issued by the RBI on March 04, 2016.
- iii. On October 07, 2015, the Transferor Company was granted an in-principle approval by the RBI to set up a small finance bank ("SFB") under the Guidelines for Licensing of Small Finance Banks in the Private Sector dated November 27, 2014 issued by the RBI read with the Guidelines for 'on-tap' Licensing of Small Finance Banks in Private Sector dated December 05, 2019 issued by the RBI ("**SFB Guidelines**").
- iv. As per the SFB Guidelines, a pre-requisite / eligibility criterion for setting up a SFB was that the promoter of small finance bank should be owned and controlled by residents. At the time of receipt of RBI's in-principle approval, the majority of the shareholders of the Transferor Company were non-residents/foreign shareholders with no identifiable 'promoter' or 'promoter group'. Accordingly, to comply with the aforesaid pre-requisite, the Transferor Company raised domestic capital by way of an Initial Public Offer ("**IPO**") in May, 2016. The IPO received a positive response, was oversubscribed and the foreign shareholding was brought down to below 49% (forty-nine percent) and thereby the Transferor Company met the eligibility criterion of being a domestic promoter of the small finance bank.
- v. Pursuant to IPO, the equity shares of Transferor Company were listed on BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**") on May 10, 2016.
- vi. In line with aforesaid in-principle approval of the RBI, the Transferee Company was incorporated on July 04, 2016 as a wholly owned subsidiary of the Transferor Company to carry on the business of small finance bank in India. Thereafter, on November 11, 2016, the Transferor Company was granted a final approval by the RBI and a corresponding license bearing license no. MUM: 123 dated November 11, 2016 was issued by the RBI to the Transferee Company to carry on business of small finance bank in India.

- vii. As per the condition of the aforesaid RBI license dated November 11, 2016, the promoting entity of SFB was required to be registered as a NBFC-CIC after transfer of its business to the SFB. To meet the said RBI condition, the Transferor Company i.e. the promoter entity of Transferee Company (which was set up as SFB) transferred its business undertaking as a going concern by way of a slump sale to the Transferee Company on February 01, 2017 and post transfer of the said business undertaking by the Transferor Company to the Transferee Company, the Transferor Company ceased to carry on its NBFC-MFI business and later was converted from a NBFC-MFI to NBFC- Non-Deposit taking Systemically Important Core Investment Company (“NBFC-ND-SI-CIC”) when a fresh certification of registration dated October 10, 2017 was issued by the RBI to the Transferor Company in this regard.
- viii. The registered office of the Transferor Company is presently situated at Grape Garden, No. 27, 3rd "A" Cross, 18th Main 6th Block, Koramangala Bengaluru 560095, Karnataka India.
- ix. The relevant email addresses for the Transferor Company are compliance@ujjivanfin.com; ravi.r@ujjivanfin.com.
- x. The main objects of the Transferor Company are set out in the Memorandum of Association. The same are reproduced as under:
- “1. To carry on the business, whether in India or outside, of making investments in group companies in the form of shares, bonds, debentures, debt, loans or securities and providing guarantees, other forms of collateral, or taking on other contingent liabilities, on behalf of or for the benefit of, any group companies.*
- 2. To carry on financial activities, whether in India or outside, in the nature of investment in bank deposits, money market instruments (including money market mutual funds and liquid mutual funds), government securities, and to carry on such other activities as may be permitted and prescribed by the relevant statutory authorities for core investment companies from time to time.”*
- xi. The authorised, issued, subscribed and paid-up share capital of the Transferor Company, as on date of meeting of Board of Directors held for approval of the Scheme i.e., on October 14, 2022, was as under:

Authorised Share Capital	Amount in Rs.
125,000,000 equity shares of Rs 10/- each	1,250,000,000
Total	1,250,000,000
Issued, Subscribed and Paid-up Equity Share Capital	Amount in Rs.
121,678,094 equity shares of Rs 10/- each	1,216,780,940
Total	1,216,780,940

After approval of the proposed Scheme by the Board of Directors and until the issuance of notice of this meeting, there has been no change in the authorized capital of the Transferor Company.

- xii. However, after approval of the proposed Scheme by the Board of Directors, the Transferor Company has allotted in total 36,164 Equity Shares of face value of Rs. 10/- each fully paid, pursuant to exercise of Employee Stock Options (“ESOPs”) under Transferor Company’s Options Scheme (*as defined in the Scheme*). Consequently, the issued, subscribed and paid-up equity share capital of the Transferor Company has increased from

Rs. 1,216,780,940 to Rs. 1,217,142,580. Accordingly, the Issued, Subscribed and Paid-up equity share Capital of the Company as on August 31, 2023 is as under:

Issued, Subscribed and Paid-up Share Capital	Amount in Rs.
121,714,258 equity shares of Rs. 10/- each	1,217,142,580
Total	1,217,142,580

It may be noted that certain ESOPs granted to the employees under the Transferor Company's ESOP Scheme (*as defined in the Scheme*) may get exercised before the Effective Date (*as defined in the Scheme*), which may result in an increase in the issued and paid-up share capital of the Transferor Company. The details of the outstanding ESOPs under the Transferor Company's ESOP Scheme as on August 31, 2023 are set out below:

- (a) Total vested Options : **7,07,892**
(b) Total unvested Options: Nil

- xiii. **Details of the promoters:** The Transferor Company does not have any promoter and the entire paid-up equity share capital is held by public shareholders.
- xiv. **Details of the directors:** As on the date of issuance of the Notice of this Meeting, the following are the directors of Transferor Company:

Sr. No.	Name	DIN	Category	Address
1	Samit Kumar Ghosh	00185369	Non-Executive - Non-Independent Director, Chairperson	Pairi Daeza, No 550/49, Borewell Road, 5 th Cross, Whitefield, Bangalore 66
2	Ramamoorthy Rajagopalan Kuttalam	00058467	Non-Executive - Independent Director	No 519, 8 th Cross Road, J P Nagar 3 rd Phase, Bangalore - 560 078
3	Sunil Vinayak Patel	00050837	Non-Executive - Independent Director	G-1, Avant Garde 193, 6 th Main Road, Defence Colony, Indiranagar, Bengaluru North, Bengaluru 560038, Karnataka
4	Narayan Anand	02110727	Non-Executive - Non Independent Director	A-401, A Block, Bhaggyam Sahridaya, Old no 81, New No 78, Dr Ranga Road, MYL Apore Chennai 600004

Sr. No.	Name	DIN	Category	Address
5	Mona Kachhwaha	01856801	Non-Executive - Independent Director	1918A, DLF Magnolias Road, DLF City, Sector 42, Gurgaon – 122009
6	Renzo Christopher Viegas	07560087	Non-Executive - Independent Director	C-02-02, Madge Mansions, 12 Jalan Madge, 55000 Kuala Lumpur, Malaysia

- xv. Details of shareholding of directors and key managerial personnel (or their relatives) of Transferor Company as held in Transferor Company and Transferee Company as on date of this notice:

Sr. No.	Name	Designation	Equity shares held in Transferor Company	Equity shares held in Transferee Company
1	Samit Kumar Ghosh	Chairman - Non-Executive-Non-Independent Director	36,076	35,47,143
2	Ramamoorthy Rajagopalan Kuttalam	Independent Director	200	Nil
3	Sunil Vinayak Patel	Independent Director	Nil	Nil
4	Mona Kachhwaha	Independent Director	Nil	Nil
5	Narayan Anand	Non-Executive-Non Independent Director	Nil	Nil
6	Renzo Christopher Viegas	Independent Director	50,048	Nil
7	Radhakrishnan Ravi	CEO & CFO	5,100	Nil
8	Shashidhara S	Company Secretary	Nil	1,700

2.2 Description of the Transferee Company:

- xiii. The Transferee Company (having CIN: L65110KA2016PLC142162 and PAN: AABCU9603R) is a public limited company incorporated on July 04, 2016, under the provisions of the Companies Act.
- xiv. The Transferee Company was issued a license bearing license no. MUM:123 dated November 11, 2016, by the RBI to carry on the business of SFB in India. Also indicated above, as per the condition stipulated in the said license, the Transferor Company (being the promoter entity of Transferee Company, a SFB) transferred its business undertaking

comprising of its lending and financing business to the Transferee Company through a slump sale transaction on February 01, 2017, and the Transferee Company commenced its operations as a small finance bank on the same date. The Transferee Company was included in the list of scheduled banks under the second schedule of the Reserve Bank of India Act, 1934 pursuant to a notification dated July 03, 2017, issued by the RBI.

- xv. As per the condition(s) stipulated in the aforesaid license read with the SFB Guidelines, the Transferee Company was required to be listed within 3 (three) years from the date of commencement of its operations i.e., by January 31, 2020. Accordingly, to comply with the said condition, the Transferee Company made an IPO, pursuant to which its equity shares got listed on the BSE and the NSE on December 12, 2019.

The registered office of the Transferee Company is presently situated at Grape Garden, No. 27, 3rd "A" Cross, 18th Main 6th Block, Koramangala, Bengaluru 560095, Karnataka, India. The registered office of Bank was shifted from the state of Delhi (Plot No. 2364/ 8, Khampur Raya Village, Shadi Kampur, Main Patel Road, New Delhi 110008) to the present address in the state of Karnataka pursuant to a Board resolution dated July 31, 2020 and a special resolution passed by the Shareholders at the 4th AGM on September 02, 2020. The alteration with respect to the place of the registered office was confirmed by the order of the Regional Director, New Delhi on November 19, 2020, and a fresh certificate of incorporation was issued by the Registrar of Companies, Karnataka at Bangalore on December 14, 2021.

- xvi. The relevant email addresses for the Transferee Company are corporatesecretarial@ujjivan.com; sanjeev.barnwal@ujjivan.com.

- xvii. The main objects of the Transferee Company are set out in the Memorandum of Association. The same are reproduced as under:

- "1 To establish and carry on the business of banking that is to say to accept, for the purpose of lending or investment of deposits of money from the public, repayable on demand or otherwise, and withdrawable by cheque, draft, order or otherwise in any part of India or outside India.*
- 2. To undertake basic banking activities of acceptance of deposits and lending to unserved and underserved sections including small business units, small and marginal farmers, micro and small industries and unorganised sector entities, and to undertake non-risk sharing simple financial services activities such as distribution of mutual fund units, insurance products, pension products, etc and carry on the business as authorised foreign exchange dealer by obtaining the applicable registration.*
- 3. To carry on business of accepting deposits of money from the public, repayable on demand or otherwise, and withdrawable by cheque, draft, order or otherwise."*

There has not been any change in the name and objects clause of the Transferee Company in the last 5 (five) years.

- xviii. The authorised, issued, subscribed and paid-up share capital of the Transferee Company, as on date of meeting of Board of Directors held for approval of the Scheme i.e., on October 14, 2022, was as under:

Authorised Share Capital	Amount in Rs.
2,300,000,000 equity shares of Rs. 10/- each	23,000,000,000
200,000,000 11% Preference Shares (Perpetual Non-Cumulative Non-Convertible) of Rs. 10/- each	2,000,000,000
Total	25,000,000,000

Issued, Subscribed and Paid-up Share Capital	Amount in Rs.
1,954,504,681 equity shares of Rs. 10/- each	19,545,046,810
200,000,000 11% Preference Shares (Perpetual Non-Cumulative Non-Convertible) of Rs.10/- each	2,000,000,000
Total	21,545,046,810

That, after the date of approval of the proposed Scheme by the Board of Director and until the issuance of Notice of this Meeting, there has been no change in the authorized capital of the Transferee Company.

- xix. However, after approval of the proposed Scheme by the Board of Directors, the Transferee Company has allotted 5,46,969 Equity Shares of face value of Rs. 10/- each fully paid, pursuant to exercise of stock options under Transferee Company Options Scheme (*as defined in the Scheme*). Consequently, the issued, subscribed and paid-up equity share capital of the Transferee Company has increased from Rs. 19,545,046,810 to Rs. 19,550,516,500. Accordingly, the Issued, Subscribed and Paid-up Share Capital of the Bank as on August 31, 2023 is as under:

Issued, Subscribed and Paid-up Share Capital	Amount in Rs.
19,550,51,650 equity shares of Rs. 10/- each	19,550,516,500
200,000,000 11% Preference Shares (Perpetual Non-Cumulative Non-Convertible) of Rs.10/- each	2,000,000,000
Total	21,550,516,500

- xx. It may further be noted certain Employee Stock Options (“ESOPs”) granted to the employees by the Transferee Company under the Transferee Company’s Employee Stock Options Scheme (*as defined in the Scheme*) may get exercised before the Effective Date (*as defined In the Scheme*), which may result in an increase in the issued and paid-up equity share capital of the Transferee Company. The details of the outstanding ESOPs under the Transferee Company Options Scheme as on August 31, 2023 are set out below:

- (c) Total vested Options : **1,71,87,156**
(d) Total unvested Options: **6,63,11,904**

- xxi. **Details of the promoters:**

Sr. No.	Name	Address
1	Ujjivan Financial Services Limited (i.e. Transferor Company)	Grape Garden, No.27, 3 rd 'A' Cross 18 th Main 6 th Block, Koramangala Bangalore, 560095, Karnataka, India

- xxii. **Details of the directors:**

Sr. No.	Name	DIN	Category	Address
1.	Banavar Anantharamaiah Prabhakar	02101808	Non-Executive - Independent Director, Chairperson	333/13, Halagevoderahalli, BEML Layout V Stage, R.R.Nagar, Bangalore 560098

Sr. No.	Name	DIN	Category	Address
2.	Ittira Poonollil Davis	06442816	Executive Director, CEO- Managing Director	No.550/55, Dodsworth Layout, Near Whitefield Post Office, Whitefield, Bangalore North, Bengaluru - 560066, Karnataka
3.	Samit Kumar Ghosh	00185369	Non-Executive - Non-Independent Director	Pairi Daeza, 550/49, Borewell Road, 5th Cross, Whitefield, Bangalore- 560066, Karnataka
4.	Ravichandran Venkataraman	02064557	Non-Executive - Independent Director	No.18, 14th Main Road, 5th Sector HSR Layout, Bengaluru – 560102
5.	Rajesh Kumar Jogi	03341036	Non-Executive - Independent Director	701, Dheeraj Devika, Hill Road, Bandra West, Mumbai 400050, Maharashtra
6.	Sudha Suresh	06480567	Non-Executive - Independent Director	C1 ,Farvella Apartments, 92/1 Lavelle Road 3rd Cross, Bangalore – 560001
7.	Rajni Anil Mishra	08386001	Non-Executive - Independent Director	No 1102, Block P7, SNN Raj Serenity, Begur Koppa Road, Bangalore - 560068, Karnataka
8.	Anita Ramachandran	00118188	Non-Executive - Independent Director	2401-2402, Raheja Atlantis, G.K. Marg, Lower Parel, Mumbai – 400013, Maharashtra

Note:

1. The RBI has withdrawn the nomination of Mr. P N Raghunath, erstwhile Director, with effect from May 29, 2023. Accordingly, Mr. P N Raghunath, has ceased to be the director with effect from May 29, 2023.
2. The SIDBI has withdrawn the nomination of Mr. Satyaki Rastogi, erstwhile Director, with effect from July 17, 2023. Accordingly, Mr. Satyaki Rastogi, has ceased to be the director with effect from July 17, 2023.

xxiii. Details of shareholding of directors and key managerial personnel (or their relatives) of Transferee Company as held in Transferor Company and Transferee Company:

Sr. No.	Name	Designation	Equity shares held in Transferor Company	Equity shares held in Transferee Company
1.	Banavar Anantharamaiah Prabhakar	Non-Executive - Independent Director, Chairperson	1,000	Nil
2.	Ittira Poonollil Davis	MD & CEO	30,500	2,00,000
3.	Samit Kumar Ghosh	Non-Executive, Non-Independent Director	36,076	35,47,143
4.	Sudha Suresh	Independent Director	24,189	Nil
5.	Ravichandran Venkataraman	Independent Director	Nil	Nil
6.	Rajesh Jogi	Independent Director	Nil	Nil
7.	Rajni Mishra	Independent Director	Nil	Nil
8.	Anita Ramachandran	Independent Director	Nil	Nil
9.	Durga Ramesh Murthy Mocherla	Chief Financial Officer – KMP	16,292	Nil
10	Sanjeev Barnwal	Company Secretary – KMP	11,500	13,500

3. Salient features of the Scheme: The members of the Bank are requested to read the entire text of the Scheme (as annexed hereto) to get fully acquainted with the provision thereof. The salient features of the Scheme are, inter alia, as under.

- i. The Scheme seeks to amalgamate Transferor Company into and with Transferee Company and dissolution without winding up of the Transferor Company pursuant thereto, in terms of the provisions of Sections 230 to Section 232 of the Companies Act and other applicable provisions of the Act. Upon the Scheme becoming effective, and with effect from the Appointed Date (*as defined in the Scheme*), the Transferor Company will get amalgamated into and with the Transferee Company and all its assets, liabilities, contracts, employees, licenses, records, approvals etc. being integral parts of the Transferor Company shall stand transferred to and vest in or shall be deemed to have been transferred to and vested in the Transferee Company, as a going concern, without any further act, instrument or deed, together with all its properties, assets, liabilities, rights, benefits and interest therein, subject to the provisions of the Scheme, in accordance with Sections 230 - 232 of the Act, the Income-Tax Act, 1961 and the Applicable Laws (*as defined in the Scheme*) if any, in accordance with the provisions contained herein.
- ii. As an integral part of the Scheme and upon this Scheme becoming effective, the authorized share capital of the Transferor Company shall stand transferred to and be amalgamated/combined with the authorized share capital of the Transferee Company. The fees or stamp duty, if any, paid by the Transferor Company on its authorized share capital shall be deemed to have been so paid by the Transferee Company on the combined authorized share capital, and the Transferee Company shall not be required to pay any fee/

stamp duty for the increase of the authorized share capital. The authorised share capital of the Transferee Company will automatically stand increased to that effect and shall further be re-classified by simply filing the requisite forms with the relevant Registrar of Companies and no separate procedure or instrument or deed shall be required to be followed under the Companies Act.

- iii. The Transferor Company does not have any promoter and 100% (hundred percent) of its paid-up equity share capital is held by public shareholders. Upon the Scheme becoming effective, the Transferor Company would stand dissolved. In consideration of amalgamation, the Transferee Company would issue and allot to the shareholders of the Transferor Company whose names are recorded in the register of members of the Transferor Company on the Record Date (*as defined in the Scheme*), 116 (One Hundred and Sixteen) equity shares of the face value of Rs. 10 (Rupees Ten) each of Transferee Company, credited as fully paid-up, for every 10 (Ten) equity shares of the face value of Rs. 10 (Rupees Ten) each fully paid-up held by such member in the Transferor Company (“**Share Exchange Ratio**”).
- iv. The Transferor Company is the promoter and holding company of the Transferee Company, wherein the former holds around 73.66% (seventy-three point six six percent) of the total paid-up equity share capital and 100% (hundred percent) of the total paid-up preference share capital of the latter. The balance around 26.34% (twenty-six point three four percent) of the total paid-up equity share capital of Transferee Company is held by the public shareholders.
- v. Upon the Scheme becoming effective, the Transferor Company would stand dissolved without winding up. Resultantly, the equity shares and preference shares held by Transferor Company in Transferee Company, shall stand cancelled and extinguished. The aforesaid reduction of share capital of Transferee Company shall be effected as an integral part of this Scheme itself, and not under a separate procedure, in terms of Section 66 and other applicable provisions of the Companies Act.
- vi. Pursuant to aforesaid cancellation of equity shares and preference shares held by the Transferor Company in the Transferee Company and issuance and allotment of fresh equity shares by the Transferee Company to the shareholders of the Transferor Company, 100% per cent equity shareholding of the Transferee Company would be held by the public shareholders, with no person acting as ‘promoter’ in the Transferee Company.
- vii. Amongst other accounting treatment, the Scheme contemplates setting-off the debit balance in the capital reserve, if any, arising pursuant to the amalgamation of the Transferor Company with the Transferee Company on the Appointed Date, against the resulting Securities Premium Account. The aforesaid reduction in Securities Premium Account of Transferee Company shall be effected as an integral part of this Scheme itself, and not under a separate procedure, in terms of Section 66, Section 52 and other applicable provisions of the Act.
- viii. Upon the sanction of the Scheme by the Hon’ble NCLT and upon the Scheme becoming effective, the following shall be deemed to have occurred on the Appointed Date and become effective and operative only in the sequence and in the order mentioned hereunder:
 - a. amalgamation of the Transferor Company into and with the Transferee Company in accordance with Part IV of the Scheme;
 - b. transfer of the authorised share capital of the Transferor Company to the Transferee Company as provided in Part IV of this Scheme, and consequential increase and re-

classification of the authorised share capital of the Transferee Company as provided in Part IV of the Scheme;

- c. reduction of issued and paid-up share capital of the Transferee Company as provided in Part IV of the Scheme;
 - d. issuance and allotment of fresh equity shares by the Transferee Company to the shareholders of the Transferor Company as on the Record Date, without any further act, instrument or deed, in accordance with Part IV of this Scheme; and
- ix. dissolution of the Transferor Company without winding up.

4. Rationale and benefits of the Scheme

- 4.1 As per the SFB Guidelines, the promoter of SFB is required to reduce its equity shareholding stake in the SFB to 40% within a period of 5 years from the date of commencement of operations of SFB. Thereafter, the promoter's equity stake in such SFB is required to be brought down to 30% and then to 26%, within a period of 10 years and 12 years, respectively, from the date of commencement of operations of SFB. Subsequently, an Internal Working Group (IWG) was constituted by the RBI on June 12, 2020, to review the extant guidelines on ownership and corporate structure for Indian private sector banks. The IWG submitted a report dated November 20, 2020, through which a few recommendations were made to the RBI which *inter alia* included dilution of promoter shareholding. The RBI vide its press release dated November 26, 2021, has *inter alia* accepted the dilution aspects of promoter shareholding in the private sector banks and clarified that the submission of a dilution schedule shall be mandatory.
- 4.2 As per the RBI Clarifications (*as defined in the Scheme*), a promoter can exit or cease to be a promoter of SFB after completing lock-in of 5 (five) years depending upon the RBI's regulatory and supervisory comfort and SEBI regulations. The RBI vide its letter dated July 09, 2021, issued to the 'Association of Small Finance Banks of India', has allowed filing of an application with the RBI for amalgamation of a holding company (being promoter company) into and with the SFB (being subsidiary of promoter company).
- 4.3 The Transferor Company is the promoter of the Transferee Company, and the Transferor Company holds 73.66% (seventy-three point six six percent) of the total paid-up equity share capital of the Transferee Company.
- 4.4 Accordingly, the proposed amalgamation of the Transferor Company (being the holding and promoter of the Transferee Company) into and with the Transferee Company, would *inter alia* enable meeting the dilution requirements referred in Clause 4.1 above, and is in line with the aforesaid enabling RBI guidance. Consequent to the proposed amalgamation as contemplated under this Scheme, and dissolution of the Transferor Company, the Transferor Company's shareholding in the Transferee Company would be reduced to NIL thereby resulting in compliance with the above-referred dilution requirements.
- 4.5 The proposed amalgamation would be in the best interest of the Transferor Company and the Transferee Company and their respective shareholders, employees, creditors and other stakeholders as the proposed amalgamation will yield advantages *inter alia* as set out below:
- i. The amalgamation would result in formation of a larger and stronger entity having greater capacity for conducting its operations more efficiently and competitively;
 - ii. the amalgamation would avoid operational inefficiency in the group by operating one listed entity and create synergies;

- iii. the amalgamation would result in larger free public float for the combined listed entity as pursuant to coming into effect of the Scheme, the resultant listed entity would be entirely held by the public shareholders;
- iv. the amalgamation would yield better administration and cost reduction, including reduction in administrative, legal and other costs associated with the Transferor Company;
- v. create value for stakeholders including respective shareholders, customers, and employees as the combined entity would benefit from operational efficiencies, optimal utilization of resources, improvement in productivity, cost-reduction etc.;
- vi. the Transferor Company currently carries on financial activity business in the nature of investments in bank deposits or other permissible securities and investment in shares of subsidiary and derives its value primarily from its investments in the Transferee Company, and therefore, pursuant to amalgamation the public shareholders of the Transferor Company would benefit by directly holding shares in the Transferee Company and derive value from the business of Transferee Company directly.

5. Relationship amongst the companies who are parties to the Scheme

The Transferor Company is the promoter and holding company of the Transferee Company wherein the Transferor Company holds 1,44,00,36,800 equity shares, representing around 73.66% (seventy-three point six six percent) of the total paid-up equity share capital and 200,000,000 preference shares, representing 100% (hundred percent) of the total paid-up preference share capital of the Transferee Company.

6. Details of approvals and intimations in relation to the Scheme

- 6.1 **Independent Directors Committee:** The Independent Directors of the Transferor Company and Transferee Company at their respective meetings held on October 14, 2022, recommended the amalgamation of the Transferor Company into and with the Transferee Company in terms of the Scheme, to the Board of Directors of the respective companies. The reports of the Committee(s) of Independent Directors of the Transferor Company and Transferee Company both dated October 14, 2022 recommending the Scheme to the respective Boards, are attached as **Annexure 2** and **Annexure 3**, respectively.
- 6.2 **Audit Committee:** The Audit Committee(s) of the Transferor Company and Transferee Company at their respective meetings held on October 14, 2022, recommended the amalgamation of the Transferor Company into and with the Transferee Company in terms of the Scheme, to the Board of Directors of the respective companies. The reports of the Audit Committee(s) of Transferor Company and Transferee Company both dated October 14, 2022 recommending the Scheme to the respective Boards, are attached as **Annexure 4** and **Annexure 5**, respectively.
- 6.3 **Board of Directors:** The Board of Directors of the Transferor Company and Transferee Company, basis the recommendations received from their respective Independent Directors Committee and Audit Committee, approved and adopted the Scheme, at their respective meetings held on October 14, 2022, subject to the directions and sanctions of Hon'ble NCLT and subject to such approval, consents and permission as may be applicable and required, under the Applicable Laws.

Details of voting in relation to resolution passed at aforesaid Board meeting of Transferor Company and Transferee Company:

S. no.	Name(s) of director	Voted in favour of the resolution	Voted against the resolution	Did not vote/ participate
Transferor Company				
1.	Ramamoorthy Rajagopalan Kuttalam	√	--	--
2.	Sunil Vinayak Patel	√	--	--
3.	Narayan Anand	√	--	--
4.	Mona Kachhwaha	√	--	--
5.	Samit Kumar Ghosh	√	--	--
6.	Renzo Christopher Viegas	√	--	--
Transferee Company				
1.	Samit Kumar Ghosh	√	--	--
2.	Ravichandran Venkataraman	√	--	--
3.	Banavar Anantharamaiah Prabhakar	√	--	--
4.	Satyaki Rastogi	√	--	--
5.	Rajesh Kumar Jogi	√	--	--
6.	Sudha Suresh	√	--	--
7.	Rajni Anil Mishra	√	--	--
8.	Ittira Davis	√	--	--
9.	P N Raghunath*	--	--	√
10.	Anita Ramachandran	√	--	--

* Mr. Raghunath due to official engagement couldn't attend the meeting

- 6.4 **Reserve Bank of India (“RBI”):** The RBI vide its letter dated February 01, 2023 issued to Transferee Company has granted its ‘no-objection’ to the proposed amalgamation as contemplated under the Scheme. Copy of the aforesaid letter, is annexed herewith and marked as **Annexure 6**.
- 6.5 **Stock exchanges:** In terms of Regulation 37 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and Master Circular November 23, 2021 issued by the Securities and Exchange Board of India (“SEBI”) on Schemes of Arrangement by listed entities (as was existing prior to the notification of a revised Master Circular dated June 20, 2023) (“**Master Circular**”), the stock exchanges on which the equity shares of the Transferor Company and Transferee Company are listed (i.e., BSE and NSE), have vide their respective letters dated March 09, 2023, granted their no objection to the Transferor Company and Transferee Company for filing of the Scheme before the Hon'ble NCLT. Copies of the aforesaid letters, which *inter alia* include the observations of SEBI / Stock Exchanges, are annexed herewith and marked as **Annexure 7**. It may be noted that NSE was appointed as the Designated Stock Exchange by the Transferor Company and the Transferee Company for the purpose of co-ordinating with the SEBI for obtaining approval of SEBI in accordance with SEBI Listing Regulations.

The Transferor Company and the Transferee Company have not received any complaint relating to the Scheme and “NIL” complaint reports were filed by the respective companies with BSE and NSE in terms of the SEBI Master Circular, copies of which are attached as **Annexure 8** and **Annexure 9**, respectively.

As per the instructions contained in the aforesaid observation letters of BSE and NSE, the details of ongoing adjudication & recovery proceedings, prosecution initiated and all other enforcement action taken, if any, against the Transferor Company and Transferee Company, their respective

promoters and directors are attached as **Annexure 10** and **11**. The said annexures are also forming part of the Scheme Application, jointly filed by the Transferor Company and the Transferee Company before the Hon'ble NCLT.

Further, as per the instructions contained in aforesaid observation letters of BSE and NSE, it has been advised that the proposed equity shares to be issued in terms of the Scheme shall mandatorily be in dematerialised form only. **ACCORDINGLY, IN ORDER TO COMPLY WITH THE SAID INSTRUCTIONS OF BSE AND NSE, ALL SHAREHOLDERS OF TRANSFEROR COMPANY WHO SHALL BE ELIGIBLE TO RECEIVE THE NEW EQUITY SHARES (AS DEFINED IN THE SCHEME) AS WOULD BE ISSUED BY TRANSFEE COMPANY IN TERMS OF SCHEME AND / OR WHO HAVE NOT YET DEMATERIALIZED THEIR SHARES ARE REQUESTED TO GET THEIR SHARES DEMATERIALIZED AT THE EARLIEST.**

6.6 The Company Application being CA (CAA) NO. 17/BB/2023 along with annexures thereto (which includes the Scheme) was jointly e-filed by the Transferor Company and Transferee Company with the Hon'ble NCLT, on March 29, 2023. The hard copy whereof was filed with the Hon'ble NCLT on April 05, 2023.

7. Appointed date and effective date

7.1 Appointed Date, as referred in the Scheme, means April 01, 2023, or such other date as may be approved by the Hon'ble NCLT.

7.2 Effective Date means the date on which the Scheme shall become effective pursuant to Clause 5.9. of Part V of the Scheme, or such other date as may be approved by the Hon'ble NCLT, as may be applicable.

7.3 The Scheme shall be operative from the Effective Date, and effective from the Appointed Date, any references in this Scheme to the words / phrase "upon this Scheme becoming effective", "Scheme becomes effective" or "effectiveness of this Scheme" or likewise, means and refers to the Effective Date.

8. Effect of the Scheme on various stakeholders:

8.1 **Effect on stakeholders of Transferor Company:** The effect of the Scheme on various stakeholders of the Transferor Company is summarised below:

i. Effect of the Scheme on shareholders (promoter and non-promoter shareholders):

a. The Transferor Company does not have any promoter and its entire paid-up share capital (comprising only of one class of equity shares) is held by non-promoters / public shareholders.

b. Upon coming into effect of this Scheme, in consideration of the amalgamation, the Transferee Company would issue and allot to the shareholders of the Transferor Company whose names are recorded in the register of members of the Transferor Company on the Record Date (*as defined in the Scheme*), 116 (One Hundred and Sixteen) equity shares of the face value of Rs. 10 (Rupees Ten) each of Transferee Company, to be credited as fully paid-up, for every 10 (Ten) equity shares of the face value of Rs. 10 (Rupees Ten) each fully paid-up held by such member in the Transferor Company ("**Share Exchange Ratio**")

c. The Transferor Company does not have its own operations and derives its value predominantly, from its investments in the Transferee Company, and therefore, pursuant to the Scheme coming into effect, the public shareholders of the Transferor Company would

benefit by directly holding shares in the Transferee Company and deriving value from the business of Transferee Company directly.

- d. Further, the Transferor Company is the promoter and holding company of the Transferee Company and holds 1,440,036,800 equity shares (representing around 73.66% of the total paid-up equity share capital) of the Transferee Company. The remaining 515,013,750 equity shares (representing around 26.34% of the total paid-up equity share capital) of the Transferee Company are held by the non-promoter / public shareholders.
 - e. Besides this, the Transferor Company holds 200,000,000 11% Preference Shares (Perpetual Non-Cumulative Non-Convertible) (representing 100% of the total paid-up preference share capital) of Transferee Company.
 - f. Upon the Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up. Consequently, upon the Scheme becoming effective, 1,440,036,800 equity shares and 200,000,000 preference shares held by the Transferor Company in the Transferee Company shall stand cancelled and extinguished.
 - g. Pursuant to cancellation of equity shares and preference shares held by the Transferor Company in the Transferee Company (as referred above) and issuance and allotment of fresh equity shares of Transferee Company to the shareholders of the Transferor Company (as referred above), 100% percent equity shareholding of the Transferee Company would be held by the public shareholders, with no person acting as 'promoter' in the Transferee Company.
- ii. Effect of the Scheme on employees, directors and Key Managerial Personnel ("KMPs")**
- a. Upon the Scheme becoming effective and with effect from the Appointed Date (*as defined in the Scheme*), all staff and employees of the Transferor Company who are in such employment as on the Effective Date (as defined in the Scheme) shall become, and be deemed to have become, the staff and employees of the Transferee Company, without any break or interruption in their services and on the same terms and conditions (and which are commercially not less favourable than those) on which they are engaged by the Transferor Company as on the Effective Date.
 - b. Further, the Transferor Company has issued stock options to Eligible Employees (*as defined in the Scheme*) under Transferor Company Option Scheme (*as defined in the Scheme*). Upon the Scheme becoming effective, the stock options granted by the Transferor Company to Eligible Employees under Transferor Company Option Scheme, would be cancelled and extinguished. Upon cancellation of said stock options, the fresh stock options shall be granted by the Transferee Company to the Eligible Employees on the basis of the Share Exchange Ratio. Accordingly, the employees of the Transferor Company would suffer no loss or would not be adversely affected, since they would be issued fresh stock options of Transferee Company against cancellation of stock options issued to them by the Transferor Company.
 - c. Upon the Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up. Consequently, the KMPs of the Transferor Company shall cease to hold such KMP position, and they shall become, and deemed to have become, the employees of the Transferee Company, without any break or interruption in their services, on the same terms and conditions (and which are commercially not less favourable than those) on which they are engaged by the Transferor Company as on the Effective Date.

- d. Upon the Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up. Consequently, the directors of the Transferor Company shall cease to hold such directorship position in the Transferor Company.

iii. Effect of the Scheme on the creditors, depositors, debenture holders, deposit trustee and debenture trustee

- a. **Unsecured creditors:** As on June 30, 2023, there were no unsecured creditors in the Transferor Company.

In any case, the Scheme does not contemplate any arrangement or compromise with any of the unsecured creditors of Transferor Company. No rights of the unsecured creditors of the Transferor Company are being affected pursuant to the Scheme. The liability towards the unsecured creditors of the Transferor Company under the Scheme, is neither being reduced nor being extinguished. Thus, the unsecured creditors would in no way be affected by the Scheme.

As referred under clause 4.1. of Part IV of the Scheme, upon the Scheme becoming effective and with effect from the Appointed Date (*as defined in the Scheme*), all debts and liabilities of Transferor Company shall be deemed to be the debts and liabilities of the Transferee Company, and the Transferee Company undertakes to meet, discharge and satisfy the same in terms of their respective terms and conditions.

- b. **Secured creditors, debenture holders, depositors, deposit trustee and debenture trustee:** Not applicable, since as on date, the Transferor Company does not have any secured creditors or outstanding debentures or public deposits.

8.2 Effect on stakeholders of Transferee Company: The effect of the Scheme on various stakeholders of the Transferee Company is summarised below:

i. Effect of the Scheme on equity shareholders (promoter and non-promoter shareholders):

- a. The Transferor Company is the promoter and holding company of the Transferee Company and holds 1,440,036,800 equity shares (representing around 73.66% of the total paid-up equity share capital) of the Transferee Company. The remaining 515,013,750 equity shares (representing around 26.34% of the total paid-up equity share capital) of the Transferee Company is held by the non-promoter / public shareholders.
- b. Upon the Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up. Consequently, upon the Scheme becoming effective, 1,440,036,800 equity shares held by the Transferor Company in the Transferee Company shall stand cancelled and extinguished.
- c. Further, upon coming into effect of this Scheme, in consideration of the amalgamation, the Transferee Company would issue and allot to the shareholders of the Transferor Company whose names are recorded in the register of members of the Transferor Company on the Record Date (as defined in the Scheme), 116 (One Hundred and Sixteen) equity shares of the face value of Rs. 10 (Rupees Ten) each of Transferee Company, to be credited as fully paid-up, for every 10 (Ten) equity shares of the face value of Rs. 10 (Rupees Ten) each fully paid-up held by such member in the Transferor Company.
- d. Pursuant to cancellation of equity shares held by the Transferor Company in the Transferee Company (as referred above) and issuance and allotment of fresh equity shares to the shareholders of the Transferor Company (as referred above), 100% per cent equity

shareholding of the Transferee Company would be held by the public shareholders, with no person acting as 'promoter' in the Transferee Company. Accordingly, the Scheme, if implemented, would result in increase in shareholding of public shareholders of the Transferee Company from around 26.34% (as on the date of issuance of this Notice) to 100%.

ii. Effect of the Scheme on preference shareholders (promoter and non-Promoter shareholders):

- a. The Transferor Company holds 200,000,000 11% Preference Shares (Perpetual Non-Cumulative Non-Convertible) (representing 100% of the total paid-up preference share capital) of Transferee Company.
- b. Upon the Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up. Consequently, upon the Scheme becoming effective, 200,000,000 preference shares held by the Transferor Company in the Transferee Company shall stand cancelled and extinguished.

iii. Effect of the Scheme on employees and KMPs

- a. Upon the Scheme becoming effective, the employees and KMPs of the Transferee Company shall continue their respective services with the Transferee Company on the same terms and conditions (and which are commercially not less favorable than those) on which they are engaged by the Transferee Company as on the Effective Date.

iv. Effect of the Scheme on directors

- a. The proposed amalgamation does not contemplate any change in the composition of the Board of Directors of the Transferee Company. Thus, upon the Scheme becoming effective, the directors of the Transferee Company shall continue at their respective positions with the Transferee Company on the same terms and conditions (and which are commercially not less favorable than those) on which they are engaged by the Transferee Company as on the Effective Date.

v. Effect of the Scheme on the creditors, depositors, debenture holders, deposit trustee and debenture trustee

- a. **Unsecured creditors, debenture holders, depositors, deposit trustee and debenture trustee:** The Scheme does not contemplate any arrangement or compromise between the Transferee Company and its unsecured creditors or deposit holders or debenture holders. No rights of the unsecured creditors or deposit holders or debenture holders of the Transferee Company are being affected pursuant to the Scheme. The liability towards the unsecured creditors, deposit holders and debenture holders of the Transferee Company, under the Scheme, is neither being reduced nor being extinguished. Thus, the creditors, deposit holders and debenture holders of the Transferee Company would in no way be affected by the Scheme.

Further, the debenture trustee for the debentures issued by the Transferee Company has no material interest in the Scheme except to the extent of the equity shares, if any, held by debenture trustee or any of their affiliate entities in the Transferor Company or Transferee Company.

- b. **Secured creditors:** Not applicable, since as on date, the Transferee Company does not have any secured creditors.

8.3 In compliance with the provisions of Section 232(2)(c) of the Companies Act, the Board of Directors of the Transferor Company and the Transferee Company adopted Report(s) in their respective meetings held on October 14, 2022, *inter-alia*, explaining the effect of the Scheme on each class of shareholders, KMPs, promoters and non-promoter shareholders, and employees of Transferor Company and Transferee Company. Copies of the aforesaid reports adopted by the respective Board of Directors of the Transferor Company and Transferee Company are enclosed as **Annexure 12** and **Annexure 13**.

9. Interest of Directors, Key Managerial Personnel (KMPs), their relatives

9.1 None of the Directors, KMPs (as defined under the Companies Act and rules framed thereunder) of the Transferor Company and Transferee Company and their respective relatives (as defined under the Companies Act and rules framed thereunder) have any interest (financial or otherwise) in the Scheme except to the extent of their directorship, shareholding, if any, in the Transferor Company and/or the Transferee Company (as applicable).

10. Shareholding pattern (pre and post amalgamation) and expected capital structure

10.1 Shareholding pattern of the Transferor Company (pre-amalgamation)

Pre-amalgamation shareholding pattern of the Transferor Company as on September 08, 2023 is being enclosed as **Annexure 14**.

10.2 Shareholding pattern of the Transferor Company (post-amalgamation)

Upon the Scheme becoming effective, the Transferor Company would stand dissolved. Therefore, the post-amalgamation capital structure has not been provided for Transferor Company.

10.3 Expected capital structure of the Transferor Company (post-amalgamation)

Upon the Scheme becoming effective, the Transferor Company would stand dissolved. Therefore, the post-amalgamation capital structure has not been provided for Transferor Company.

10.4 Shareholding pattern of the Transferee Company (pre-amalgamation) and (post-amalgamation)

Pre-amalgamation as on September 08, 2023 and Post-amalgamation shareholding pattern of the Transferee Company is being enclosed as **Annexure 15**

10.5 Expected capital structure of the Transferee Company (post-amalgamation)

Number of shares	Amount in Rupees
Authorized Capital	
2,625,000,000 equity shares of Rs. 10/- each	26,250,000,000
Total	26,250,000,000
Issued, Subscribed and Paid-up Share Capital	
1,926,900,243 equity shares of Rs. 10/- each	19,269,002,430
Total	19,269,002,430

11. Valuation and accounting treatment

- 11.1 The copy of the valuation report dated October 14, 2022 issued by Mr. Prakash Adiga B, Chartered Accountant (IBBI Regn. No. IBBI/RV/03/2019/11780), Registered Valuer appointed by the Transferor Company is enclosed as **Annexure 16**.
- 11.2 The copy of the fairness opinion dated October 14, 2022 issued by DAM Capital Advisors Limited, Independent Merchant Banker, appointed by the Transferor Company is enclosed as **Annexure 17**.
- 11.3 The copy of valuation report dated October 14, 2022 issued by M/s JBPR Valuation Advisory LLP (IBBI Regn No.: IBBI/RV-E/05/2021/150), Registered Valuer appointed by the Transferee Company, is enclosed as **Annexure 18**.
- 11.4 The copy of the fairness opinion dated October 14, 2022 issued by IIFL Securities Limited, Independent Category-1 Merchant Banker, appointed by the Transferee Company, is enclosed as **Annexure 19**.
- 11.5 The joint summary of the aforesaid valuation reports issued respectively by M/s JBPR Valuation Advisory LLP and Mr. Prakash Adiga B, Chartered Accountant along with the basis of valuation and which *inter alia* reflects the name of the comparable companies considered under CCM Method, is enclosed as **Annexure 20**.
- 11.6 The respective Statutory Auditors of each of the companies have issued certificates to the effect that the accounting treatment as prescribed in the Scheme is in conformity with the Accounting Standards prescribed under Section 133 of the Companies Act.
- 11.7 The aforesaid valuation report(s), fairness opinion(s) and certificate of statutory auditor with respect to Section 133 of the Companies Act are available for inspection at the respective registered office of the Transferor Company and Transferee Company, as per the inspection details referred in this Explanatory Statement.
- 11.8 As per comments contained in the BSE and NSE observation letters dated March 09, 2023, the Transferor Company and the Transferee Company are required to disclose details of contingent and legal liabilities that will be transferred to the Transferee Company pursuant to amalgamation as mentioned in the Scheme as part of the explanatory statement. Accordingly, the disclosure covering the said details have been enclosed as **Annexure 21**. Further, as on June 30, 2023, the Transferor Company has nil contingent liabilities and Rs. 179 lacs as other liabilities. As stated in Para 4.1.2(j) of the Scheme, upon the Scheme becoming effective and with effect from the Appointed Date, all debts, liabilities, contingent liabilities, duties and obligations, secured or unsecured (including rupee, foreign currency loans, time and demand liabilities, undertakings and obligations of the Transferor Company), of every kind, nature and description whatsoever and howsoever arising, whether provided for or not in the books of account or disclosed in the balance sheets of the Transferor Company shall be deemed to be the debts, liabilities, contingent liabilities, duties, and obligations of the Transferee Company, and the Transferee Company shall, and undertakes to meet, discharge and satisfy the same.

12. Amount due to unsecured creditors and deposit holders

- 12.1 As per the books of accounts of Transferor Company, as on June 30, 2023, there are no secured or unsecured creditors or debenture holders or deposit holders in the Transferor Company.
- 12.2 As per the books of accounts of Transferee Company:

- a. As on June 30, 2023, there are 50 unsecured creditors (other than deposit holders) in the Transferee Company, having an outstanding balance of INR 1,92,47,417.
- b. The Transferee Company has issued 30,000 subordinated, rated, unlisted, unsecured, transferable, redeemable, fully paid up, non-convertible debentures having a face value of INR 100,000 each and an aggregate face value of INR 300,00,00,000. As on September 11, 2023, there were 2,809 debenture holders in Transferee Company represented by a Debenture Trustee viz. Catalysts Trusteeship Limited, pursuant to a debenture trust deed executed on September 9, 2022.
- c. There are no secured creditors in Transferee Company.
- d. As on June 30, 2023, there were 71,63,785 deposit holders in the Transferee Company, who have made deposits with the Transferee Company, being a small finance bank, in current account or savings account or term deposits, having a total outstanding deposit value of INR 264,355,592,209

13. Documents available for inspection

- 13.1 The following documents along with the documents as referred in this Notice will be available for inspection by the equity shareholders of the Bank electronically (without any fee) on the website of the Bank at <https://www.ujjivansfb.in/reverse-merger> and at its Registered Office at Grape Garden, No. 27, 3rd 'A' Cross 18th Main 6th Block, Koramangala Bangalore, 560095, Karnataka, India between 10:00 AM to 05:00 PM IST on any working day from the date of circulation of this Notice up to the date of the Meeting and anytime during the Meeting:
- i. Latest (standalone and consolidated) audited financial statements of the Transferor Company for the financial year ended on March 31, 2023 as certified by the statutory auditors of the Transferor Company along with, the annual report of the Transferor Company for the said financial year.
 - ii. Latest audited financial statements of the Transferee Company for the financial year ended on March 31, 2023 as certified by the statutory auditors of the Transferee Company along with, the annual report of the Transferee Company for the said financial year.
 - iii. Copy of the order of NCLT dated September 08, 2023, in pursuance of which the Meeting is scheduled to be convened.
 - iv. Copy of Scheme of Amalgamation.
 - v. Copy of Memorandum of Association and Articles of Association of the Transferor Company and the Transferee Company.
 - vi. Copy of Register of Shareholding of Directors and Key Managerial Personnel of the Transferor Company and the Transferee Company.
 - vii. Copy of the valuation report dated October 14, 2022 issued by Mr. Prakash Adiga B, Chartered Accountant (IBBI Regn. No. IBBI/RV/03/2019/11780), Registered Valuer appointed by the Transferor Company.
 - viii. Copy of valuation report dated October 14, 2022 issued by M/s JBPR Valuation Advisory LLP (IBBI Regn No.: IBBI/RV-E/05/2021/150), Registered Valuer appointed by the Transferee Company.

- ix. Copy of the fairness opinion dated October 14, 2022 issued by DAM Capital Advisors Limited, Independent Merchant Banker, appointed by the Transferor Company.
 - x. Copy of the fairness opinion dated October 14, 2022 issued by IIFL Securities Limited, Independent Category-1 Merchant Banker, appointed by the Transferee Company.
 - xi. Copy of joint summary of the aforesaid valuation reports along with the basis of valuation.
 - xii. Copies of Certificate dated October 14, 2022 issued by Varma & Varma, Chartered Accountants, statutory auditors of the Transferor Company and the Certificate dated October 14, 2022 issued by M/s. Mukund M Chitale & Co. Chartered Accountants and M/s. B. K. Ramadhyan & Co. LLP, Chartered Accountants, joint statutory auditors of the Transferee Company, stating that the accounting treatment proposed in the Scheme by is in compliance with and in conformity with the Accounting Standards prescribed under Section 133 of the Companies Act.
 - xiii. Copies of reports of Board of Directors of the Transferor Company and the Transferee Company under Section 232(2)(c) of the Companies Act, *inter-alia*, explaining the effect of the Scheme on each class of shareholders, KMPs, promoters and non-promoter shareholders, and employees.
 - xiv. Copies of reports of the Committee of Independent Directors of the Transferor Company and Transferee Company both dated October 14, 2022 recommending the Scheme to the Board.
 - xv. Copies of reports of the Audit Committee(s) of Transferor Company and Transferee Company both dated October 14, 2022 recommending the Scheme to the Board.
 - xvi. Copies of no adverse observations/ no-objection letters dated March 9, 2023 issued by BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") to the Transferor Company and Transferee Company for filing of the Scheme before the Hon'ble NCLT.
 - xvii. Copies of "NIL" complaint reports filed by the Transferor Company and Transferee Company with BSE and NSE.
 - xviii. Details of ongoing adjudication & recovery proceedings, prosecution initiated and all other enforcement action taken, if any, against the Transferor Company and Transferee Company, their respective promoters and directors.
- 13.2 The equity shareholders shall be entitled to obtain the extracts from or making or obtaining copies of the documents listed in item numbers (i) to (iv) and (xii) above.
- 13.3 The transcript of the Meeting shall also be made available on website of the Transferor Company at www.ujjivan.com/reverse-merger. The equity shareholders seeking any information with regard to the Scheme or any other matter related to the Scheme, are requested to write to the Company at least seven days before the date of the Meeting through e-mail on corporatesecretarial@ujjivan.com and the same will be replied to by the Company, suitably. Copies of the Scheme and the explanatory statement can be obtained free of charge within 1 (one) day on a requisition being so made for the same by any person entitled to attend the Meeting at the registered office.

14. Other matters

- 14.1 There are no investigation or proceedings pending against the Transferor Company and the Transferee Company under the erstwhile Companies Act, 1956 and Companies Act.
- 14.2 To the knowledge of the Transferor Company and Transferee Company, no winding up proceedings have been filed or pending against the Transferor Company or Transferee Company under the Companies Act or the corresponding provisions of the Companies Act, 1956.
- 14.3 The copy of the proposed Scheme has been filed by the Companies before the concerned Registrar of Companies, on September 22, 2023, in Form GNL-1.
- 14.4 Latest annual report of the Transferor Company for the financial year ended on March 31, 2023 which includes the standalone and consolidated audited financial statements of the Transferor Company for the said period is enclosed as **Annexure 22**.
- 14.5 Unaudited financial results (standalone and consolidated) of the Transferor Company for the quarter ended on June 30, 2023 is enclosed as **Annexure 23**.
- 14.6 Latest annual report of the Transferee Company for the financial year ended on March 31, 2023 which includes the standalone audited financial statements of the Transferee Company for the said period is enclosed as **Annexure 24**.
- 14.7 Unaudited financial results (standalone) of the Transferee Company for the quarter ended on June 30, 2023 is enclosed as **Annexure 25**.
- 14.8 All the details submitted by the Transferor Company and Transferee Company with BSE and NSE, in respect of the application made under Regulation 37 of the SEBI Listing Regulations, are available on their respective websites at <https://www.ujjivan.com/reverse-merger> and <https://www.ujjivansfb.in/reverse-merger>, and which shall be deemed to have been incorporated in the present statement.
- 14.9 This statement may be treated as an Explanatory Statement under Sections 230(3), 232(1) and (2) and 102 of the Companies Act read with Rule 6 of the CAA Rules.

By Order of the NCLT, Bengaluru Bench

**Sd/-
Sanjeev Barnwal
Authorized Representative**

Date: September 22, 2023
Place: Bangalore