

Date: August 25, 2022

FORM NO PAS-4

**PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER  
AND DISCLOSURE DOCUMENT  
("PPOL" or "PPOA" or "Disclosure Document")**

[Pursuant to Section 42 and Rule 14(3) of the Companies (Prospectus and Allotment of Securities) Rules, 2014  
This Form No PAS-4 is prepared in accordance with the Companies (Prospectus and Allotment of Securities) Rules, 2014]



**UJJIVAN SMALL FINANCE BANK LIMITED**

**Issue of upto 15,000 Subordinated, Rated, Unlisted, Unsecured, Transferable, Redeemable, Fully Paid Up Non-Convertible Debentures (in the form of subordinated debt eligible to be categorized as Tier II Capital in compliance with Basel II framework on Capital Adequacy) ("NCDs"/ "Debentures"/ "Bonds") of face value of Rs. 1,00,000/- (Rupees One Lac Only) each, aggregating up to Rs. 150 crores (Rupees One Hundred Fifty Crores Only), with an option to retain additional subscription of up to 35,000 NCDs of face value of Rs. 1,00,000/- (Rupees One Lac Only) each aggregating up to Rs. 350 crores (Rupees Three Hundred Fifty Crores Only), collectively aggregating up to Rs. 500 crores (Rupees Five Hundred Crores Only) (Series 1), on a private placement basis, in dematerialised form (the "Issue").**

**PART A**

**1. General Information:**

**(i) Name, address, website and other contact details of the Company, indicating both registered office and corporate office:**

Issuer / Company: Ujjivan Small Finance Bank Limited ("Issuer" or "Bank" or "Ujjivan SFB" or "USFB")  
Registered Office: Grape Garden, No. 27, 3rd "A" Cross, 18th Main 6th Block, Koramangala Bengaluru KA 560095  
Corporate Office: Grape Garden, No. 27, 3rd "A" Cross, 18th Main 6th Block, Koramangala Bengaluru KA 560095  
Telephone No.: +91 80 4071 2121  
Website: <https://www.ujjivansfb.in>  
Fax: NA  
Contact Person: Company Secretary and Compliance Officer  
Email: [sanjeev.barnwal@ujjivan.com](mailto:sanjeev.barnwal@ujjivan.com)

**(ii) Date of Incorporation of the Company:**

July 04, 2016

**(iii) Business carried on by the Company and its subsidiaries with the details of branches or units, if any;**

Ujjivan Small Finance Bank (USFB) Limited is among the leading small finance banks in the country. As a mass market bank, it remains committed to serve the unserved and under-served segments through financial and digital inclusion. We are now a one-stop destination for financial services and offer personalized customer experience to our wide customer base. With technology as a key enabler, Ujjivan Small Finance Bank continues to expand its reach and enhance customer experience. The strengthened digital interfaces, across regions and languages has empowered our customers to seek timely and easy access to finance; at all times. This has further enabled the

Bank to deepen its customer connect across diverse locations. As a ‘Responsible Bank’ we stay invested in creating a sustainable social impact through community development and financial literacy initiatives.

The Bank has a Pan-India presence, with over 66 lakh customers, 575+ banking touchpoints across 248 districts, 24 states and Union Territories - as of June 30, 2022. Our convenient alternative channels and digital footprint across internet banking, mobile application, tablet-based origination and phone banking among others, provide 24x7 access to full services of the Bank.

As of the date of this PPOA, the Bank has 583 branches across 25 states in India.

As of the date of this PPOA, the Bank doesn’t have any subsidiaries.

(iv) **Brief particulars of the management of the Company:**

| <b>Name &amp; Designation</b>         | <b>Background</b>   |
|---------------------------------------|---|
| Ittira Davis, MD & CEO                | He is an International Banker with over 40 years of banking experience, having worked extensively in India, Middle East and Europe. He has previously worked with Arab Bank and Citi Bank. He has been associated with Ujjivan since 2015 and played a pivotal role in its transition into a Small Finance Bank. Later, he was the Chief Operating Officer of the Bank until June 2018, after which he took charge as the MD & CEO of Ujjivan Financial Services Limited from July 2018 to March 2021.  |
| Carol Furtado, Chief Business Officer | Carol Furtado is the Chief Business Officer of Ujjivan Small Finance Bank. Her expertise is in leading Business, Banking operations, Credit and People functions. She has previously worked with Bank Muscat and Centurion Bank Ltd. Carol is a post graduate from Mount Carmel Institute of Management, Bangalore and a Bachelor of Science from Bangalore University.   |
| Arunava Banerjee, Chief Risk Officer  | Arunava Banerjee has previously worked with the State Bank of India, Standard Chartered Bank and Bahraini Saudi Bank. He holds a Master’s degree in Arts (Economics) from Calcutta University and is an associate of the Indian Institute of Bankers.   |
| M D Ramesh Murthy, CFO                | Seasoned banker with proven experience in Risk Management, Finance and Business in the Middle East and India. He is a Chartered Accountant and has completed General Management Program from Harvard Business School. He has 30 years of working experience in banking entities. He had served as the Chief Financial Officer of the Karur Vysya Bank Limited from November, 2020 till February 2022 and he was the Chief Risk Officer at the same bank from April, 2018 to October, 2020. Further, he has worked with Commercial Bank International, Dubai, as Head of Corporate Credit Risk and has also held various positions at Mashreq bank psc, Dubai & ANZ Investment Bank from 1992 to 2015. |
| Martin P S, Chief Operating Officer   | Martin comes with over 25 years of experience covering Retail Banking operations, Retail Asset and Micro-finance Operations, with expertise in set-up and implementation of new processes. After early stints with ANZ Grindlays Bank and Bank Muscat, he predominantly worked in the space of Operations and Customer Service at the Centurion Bank of Punjab, Centillion Solutions & Services. He joined Ujjivan Financial Services Ltd in 2009 as Regional Operations Manager, before taking charge as the Head of Operations, a post he held until January 2017. Martin is a Computer Science Graduate from St. Joseph’s College of Arts & Sciences, Bangalore.                                   |
| Ashish Goel, Chief Credit Officer     | Ashish Goel holds a bachelor of technology degree in Mechanical Engineering from Regional Engineering College, Kurukshetra and is a post graduate in Marketing & Finance from Xavier Institute of Management, Bhubaneswar. He was previously employed at ICICI Bank.  |

|   |   |
|---|---|
| Brajesh Joseph Cherian, Chief Compliance Officer                  | Mr. Brajesh Joseph Cherian is a banking and financial services professional with over 20 years of experience in Compliance, Operational Risk, Corporate Banking, Retail Banking and Treasury. He has worked with Axis Bank in India and UAE where he handled various roles including Deputy CEO for Dubai Operations. Before joining Ujjivan in 2016, his last assignment was as Vice President - Compliance and Risk with Axis Bank, Mumbai. He holds a Bachelor's degree in Pharmacy from Dr MGR Medical University and a Master's degree in Business Administration from SMU. He is a Certified Associate of Indian institute of Bankers.  |
| Sanjeev Barnwal, Company Secretary & Head of Regulatory Framework | Mr. Sanjeev Barnwal is a qualified company secretary from the Institute of Company Secretaries of India and holds a bachelor's degree in Law and a diploma in Business Management. He also received NSE's Certification in Financial Markets (NCFM) for Compliance Officer (Corporate) Module. He has a corporate experience of over 18 years and his last employment was with Ujjivan Financial Services Limited where he was last designated as the CEO & Company Secretary and played a significant role in the IPO & listing and subsequently in the restructuring, incorporation and formation of Ujjivan Small Finance Bank. He has also previously worked with companies like SMC Capitals Limited, CMC Ltd. and SBEC Sugar Ltd. |
| Rajeev Pawar, Head of Treasury                                    | Mr. Rajeev Pawar joined as the Head of Treasury on January 20, 2020. He has previously worked with Standard Chartered Bank, Kotak Mahindra Bank and Edelweiss Finance in India, Singapore and Dubai. He is an MBA from the Jammalal Bajaj Institute of Management Studies, Mumbai and a Physics Major from the University of Mumbai.  |
| Sriram Srinivasan   | Mr. Sriram Srinivasan has over 22 years of experience in banking industry. He was earlier associated with Citibank, Standard Chartered Bank, HSBC and Digital 14. He has an MBA (PGDM) from Indian Institute of Management, Bangalore and has a BE (Hons) in EEE from BITS, Pilani. He is certified in Scaled Agile, Machine Learning & Tensorflow  |
| Vibhas Chandra  | Mr. Vibhas Chandra is an experienced hand in Ujjivan with a career of 13 years in multiple roles, managing various geographies. During this time, he has lead Ujjivan's east region and was pivotal in transition from MFI to Bank. In his previous role, he was leading the Asset Products division for Micro banking and Rural Banking. He holds a Masters of Business Administration degree from Xavier Institute of Management- Bhubaneswar.  |

(v) **Name, address, director identification number (DIN) and occupations of the directors:**

| Sr. | Name of the Directors | Address  | DIN      | Occupation     |
|-----|-----------------------|--|----------|----------------|
| 1   | Ittira Davis          | No.550/55, Dodsworth Layout, Near Whitefield Post Office, Whitefield, Bangalore North, Bengaluru - 560066, Karnataka | 06442816 | Professional   |
| 2   | B.A. Prabhakar        | 333/13, Halagevoderahalli, BEML Layout V Stage, R.R.Nagar, Bangalore 560098  | 02101808 | Retired Banker |
| 3   | Samit Ghosh           | Pairi Daeza, 550/49, Borewell Road, 5 <sup>th</sup> Cross, Whitefield, Bengaluru 560 066, Karnataka                  | 00185369 | Retired Banker |

| Sr. | Name of the Directors         | Address  | DIN      | Occupation   |
|-----|-------------------------------|--|----------|--|
| 4   | Rajesh Kumar Jogi             | 701, Dheeraj Devika, Hill Road, Bandra West, Mumbai 400050, Maharashtra                            | 03341036 | Self-occupied professional commencing advisory and consulting activities.            |
| 5   | Ravichandran Venkataraman     | No.18, 14th Main Road, 5th Sector HSR Layout, Bengaluru – 560102                                   | 02064557 | Educationist and Leadership Consultant   |
| 6   | Rajni Anil Mishra             | No 1102, Block P7 , SNN Raj Serenity, Begur Koppa Road, Bangalore - 560068, Karnataka              | 08386001 | Professional   |
| 7   | Sudha Suresh                  | C1, Farvella Apartments, 92/1 Lavelle Road 3rd Cross, Bangalore- 560001                            | 06480567 | Professional (Financial Consultant)  |
| 8   | Raghunath Narasimhachar Patel | CRA-24, Reserve Bank Officers Quarters, Cunningham Road, Vasanthanagar Bengaluru, Karnataka 560001 | 09428287 | General Manager, Foreign Exchange Department-Reserve Bank of India, Bangalore Office |
| 9   | Satyaki Rastogi               | resident of 19/ 760, Indra Nagar, Lucknow – 226016, Uttar Pradesh                                  | 02189494 | General Manager and Regional Head at Bengaluru Office of SIDBI                       |
| 10  | Anita Ramachandran            | 2401-2402, Raheja Atlantis, G.K. Marg, Lower Parel, Mumbai – 400013, Maharashtra                   | 00118188 | Professional   |

(vi) **Risk Factors and Management's perception of Risk Factors:**

**GENERAL RISK:**

Investment in non-convertible securities involve a degree of risk and investors ("**Investors**") should not invest any funds in such securities unless they can afford to take the risk attached to such investments. Investors are advised to take an informed decision and to read the risk factors carefully before investing in this offering. For taking an investment decision, Investors must rely on their examination of the issue including the risks involved in it. Specific attention of Investors is invited to statement of risk factors herein mentioned. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the non-convertible securities or Investor's decision to purchase such securities.

**RISK FACTORS**

The following are the risks relating to the Bank, the Debentures and the market in general envisaged by the management of the Bank. Potential Investors should carefully consider all the risk factors stated in this PPOA for evaluating the Bank and its business and the Debentures before making any investment decision relating to the Debentures. The Bank believes that the factors described below represent the principal risks inherent in investing in the Debentures but does not represent that the statements below regarding risks of holding the Debentures are exhaustive. Potential Investors should also read the detailed information set out elsewhere in this PPOA and reach their own views prior to making any investment decision.

**1. REPAYMENT IS SUBJECT TO THE CREDIT RISK OF THE ISSUER.**

Potential Investors should be aware that receipt of the principal amount, (i.e. the redemption amount) and any other amounts that may be due in respect of the Debentures is subject to the credit risk of the Issuer whereby the Investors may or may not recover all or part of the funds in case of default by the Issuer. Potential Investors assume the risk that the Issuer will not be able to satisfy their obligations under the Debentures. In the event any bankruptcy proceedings or composition, scheme of arrangement or similar proceedings to avert bankruptcy are instituted by or against the Issuer, the payment of sums due on the Debentures may not be made or may be substantially reduced or delayed.

**2. RISKS IN RELATION TO THE NON-CONVERTIBLE SECURITIES; THE SECONDARY MARKET FOR DEBENTURES MAY BE ILLIQUID; LIMITED OR SPORADIC TRADING OF NON-CONVERTIBLE SECURITIES OF THE ISSUER ON THE STOCK EXCHANGES.**

The Debentures may be very illiquid, and no secondary market may develop in respect thereof. Even if there is a secondary market for the Debentures, it is not likely to provide significant liquidity. Potential Investors may have to hold the Debentures until redemption to realize any value.

**3. CREDIT RISK & RATING DOWNGRADE RISK**

The Rating Agency has assigned the credit rating to the Debentures. In the event of deterioration in the financial health of the Issuer, there is a possibility that the rating agency may downgrade the rating of the Debentures. In such cases, potential Investors may incur losses on revaluation of their investment or make provisions towards sub-standard/ non-performing investment as per their usual norms.

**4. CHANGES IN INTEREST RATES MAY AFFECT THE PRICE OF DEBENTURES.**

All securities where a fixed rate of interest is offered, such as this Issue, are subject to price risk. The price of such securities will vary inversely with changes in prevailing interest rates, i.e. when interest rates rise, prices of fixed income securities fall and when interest rates drop, the prices increase. The extent of fall or rise in the prices is a function of the existing coupon, days to maturity and the increase or decrease in the level of prevailing interest rates. Increased rates of interest, which frequently accompany inflation and/or a growing economy, are likely to have a negative effect on the pricing of the Debentures.

**5. TAX CONSIDERATIONS AND LEGAL CONSIDERATIONS**

Special tax considerations and legal considerations may apply to certain types of investors. Potential Investors are urged to consult with their own financial, legal, tax and other advisors to determine any financial, legal, tax and other implications of this investment.

**6. ACCOUNTING CONSIDERATIONS**

Special accounting considerations may apply to certain types of taxpayers. Potential Investors are urged to consult with their own accounting advisors to determine implications of this investment.

**7. RISKS IN RELATION TO THE SECURITY; SECURITY MAY BE INSUFFICIENT TO REDEEM THE DEBENTURES; RISKS IN RELATION TO MAINTENANCE OF SECURITY COVER OR FULL RECOVERY OF THE SECURITY IN CASE OF ENFORCEMENT**

Not applicable as the Debentures are unsecured and subordinated debt instruments.

**8. MATERIAL CHANGES IN REGULATIONS TO WHICH THE ISSUER IS SUBJECT COULD IMPAIR THE ISSUER'S ABILITY TO MEET PAYMENT OR OTHER OBLIGATIONS.**

The Issuer is subject generally to changes in Indian law, as well as to changes in government regulations and policies and accounting principles. Any changes in the regulatory framework could adversely affect the profitability of the Issuer or its future financial performance, by requiring a restructuring of its activities, increasing costs or otherwise.

## **9. LEGALITY OF PURCHASE**

Potential Investors in the Debentures will be responsible for the lawfulness of the acquisition of the Debentures, whether under the laws of the jurisdiction of their incorporation or the jurisdiction in which they operate or for compliance by that potential Investor with any law, regulation or regulatory policy applicable to it.

## **10. POLITICAL AND ECONOMIC RISK IN INDIA**

The Issuer operates only within India and, accordingly, all its revenues are derived from the domestic market. As a result, it is highly dependent on prevailing economic conditions in India and its results of operations are significantly affected by factors influencing the Indian economy. An uncertain economic situation, in India and globally, could result in a further slowdown in economic growth, investment and consumption. A slowdown in the rate of growth in the Indian economy could result in lower demand for credit and other financial products and services and higher defaults. Any slowdown in the growth or negative growth of sectors where the Issuer has a relatively higher exposure could adversely impact its performance. Any such slowdown could adversely affect its business, prospects, results of operations and financial condition.

## **11. RISKS RELATED TO THE BUSINESS OF THE ISSUER**

The Bank has identified the following risks as Pillar I risks, in line with the Reserve Bank of India's ("RBI") NCAF guidelines:

- Credit Risk
- Operational Risk
- Market Risk

In addition to the above-mentioned Pillar I risks, the Bank also monitors the following second order or derived risks (Pillar II Risks) using specialized methodologies. The Bank has onboarded specialized personnel for monitoring the same and a comprehensive analysis is undertaken under its Internal Capital Adequacy and Assessment Process (ICAAP).

- Liquidity Risk
- Interest Rate Risk in Banking Book
- Concentration Risk
- Outsourcing risks
- Strategic Risk
- Reputational Risk
- Underestimation of Credit Risk
- Compliance Risk
- People Risk
- Group Risk
- Securitisation Risk
- IT and Information Security Risks
- Fintech risks

The Bank's Risk Management Framework is based on a clear understanding of the above risks, disciplined risk assessment and measurement procedures and continuous monitoring. The policies and procedures \ established for this purpose are continuously benchmarked with international best practices. The Bank has oversight on all the risks through regular monitoring of Key Risk Indicators and /tolerance/appetite against each type of risk.

## 12. RISKS IN RELATION TO INVESTMENT IN THE DEBENTURES

**Investments in subordinated debt securities involve a degree of risk and investors should not invest any funds in the Debentures, unless they can afford to take risks attached to such investments. The Debentures are subordinated debt securities and not deposits of the Bank and they cannot be used as collateral for any loan made by the Bank. The Debentures are different from fixed deposits and are not covered by deposit insurance. Unlike the fixed deposits where deposits are repaid at the option of deposit holder, the Debentures are not redeemable at the option of the Debenture holders or without the prior consent of the Reserve Bank of India.**

(vii) **Details of defaults, if any, including therein the amount involved, duration of default, and present status, in repayment of:**

- (i) Statutory Dues: None
- (ii) Debenture and interest thereon: None
- (iii) Deposits and interest thereon: None
- (iv) Loans from banks and financial institutions and interest thereon: None

(viii) **Name, designation, address and phone number, email ID of the nodal/compliance officer of the Company, if any, for the Issue:**

Name: Sanjeev Barnwal  
Designation: Company Secretary & Head of Regulatory Framework  
Address: Flat No. 605, Wing 1, Bren Imperia, 15<sup>th</sup> Main, Subh Enclave, Haralur Road, Bangalore 560102  
Phone No.: 8971968108  
Email: [sanjeev.barnwal@ujjivan.com](mailto:sanjeev.barnwal@ujjivan.com)

(ix) **Any default in annual filing of the Company under the Companies Act, 2013 or rules made thereunder:**

No such default and the Bank has filed the annual returns with the Regulators within the timelines.

### 2. **Particulars of the Offer:**

|   |  |
|---|--|
| (i) Financial position of the Company for the last 3 financial year                         | Please refer Section 5(viii) ( <i>A summary of the financial position of the Company as in the 3 (three) audited balance sheets immediately preceding the date of issue of this private placement offer cum application letter</i> ) and Annexure I below.                                 |
| (ii) Date of passing of Board Resolution  | Resolution dated June 08, 2022 of the board of directors of the Bank, read with the resolution dated August 25, 2022 of the Committee of Directors (Authorized Board Committee) of the board of directors of the Bank.<br><br>Copies of the above resolutions are enclosed in Annexure II. |
| (iii) Date of passing of resolution in general meeting, authorizing the offer of securities | Resolution dated July 12, 2022 pursuant to Section 42 of the Companies Act, 2013, read with the resolution dated December 30, 2016 pursuant to Section 180(1)(c) of the Companies Act, 2013.<br><br>Copies of the above resolutions are enclosed in Annexure III.                          |

|   |  |
|---|--|
| (iv) Kind of securities offered (i.e. whether share or debenture) and class of security; the total number of shares or other securities to be issued  | Issue of up to 15,000 Subordinated, Rated, Unlisted, Unsecured, Transferable, Redeemable, Fully Paid Up Non-Convertible Debentures (in the form of subordinated debt eligible to be categorized as Tier II capital in compliance with Basel II framework on Capital Adequacy) of face value of Rs. 1,00,000/- (Rupees One Lac Only) each, aggregating up to Rs. 150 crores (Rupees One Hundred Fifty Crores Only) with an option to retain additional subscription of up to Rs. 350 crores (Rupees Three Hundred Fifty Crores Only), collectively aggregating up to Rs. 500 crores (Rupees Five Hundred Crores Only) (Series 1)  |
| (v) Price at which the security is being offered, including premium if any, along with justification of the price   | The Debentures are being offered at face value of Rs. 1,00,000 (Rupees One Lakh Only) per Debenture.<br><br>Not applicable as each Debenture is a non-convertible debt instrument which is being issued at face value.   |
| (vi) Name and address of the valuer who performed valuation of the security offered, and basis on which the price has been arrived at along with report of the registered valuer                                      | Not applicable as each Debenture is a non-convertible debt instrument which is being offered at face value of Rs. 1,00,000 (Rupees One Lakh Only) per Debenture.   |
| (vii) Relevant date with reference to which the price has been arrived at [Relevant Date means a date atleast 30 (thirty) days prior to the date on which the general meeting of the company is scheduled to be held] | Not applicable as each Debenture is a non-convertible debt instrument which is being issued at face value  |
| (viii) The class or classes of persons to whom the allotment is proposed to be made   | The following categories of investors, when specifically approached and have been identified upfront, are eligible to apply for this private placement of Debentures subject to fulfilling their respective investment norms/rules and compliance with laws applicable to them by submitting all the relevant documents along with the Application Form enclosed in Annexure V:<br><br>A. Companies and Bodies Corporate;<br>B. Mutual funds, Venture Capital Funds, Alternative Investment Funds and Foreign Venture Capital Investors registered with the Securities and Exchange Board of India;<br>C. Foreign Portfolio Investors other than individuals, corporate bodies and family offices;<br>D. Public financial institutions;<br>E. Scheduled commercial banks located in India including Co-Operative Banks and Regional Rural Banks;<br>F. Financial institutions, including All India Financial Institutions;<br>G. State industrial development corporation;<br>H. Insurance companies registered with the Insurance Regulatory and Development Authority of India;<br>I. Provident, Pension, Gratuity and Superannuation Fund Trusts;<br>J. Housing Finance Companies registered with the National Housing Bank (NHB)/ RBI;<br>K. Trusts (including public charitable trusts), Association of Persons, Societies registered under the applicable laws in India;<br>L. Resident Individual Investors and Hindu Undivided Families (excluding minors and NRIs);<br>M. Partnership Firms and Limited Liability Partnership Firms;<br>N. National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India; |

|   |  |                          |  |   |   |                 |  |                   |   |
|---|--|--------------------------|--|---|---|-----------------|--|-------------------|---|
|   | <p>O. Insurance funds set up and managed by army, navy or air force of the Union of India;</p> <p>P. Insurance funds set up and managed by the Department of Posts, India;</p> <p>Q. NBFCs and RNBCs registered with RBI; and</p> <p>R. Any other person/ entity who is eligible to invest in bonds/ debentures as per the concerned guidelines and regulations and permitted under applicable laws.</p> <p>All eligible investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this issue of Debentures.</p> |                          |  |   |   |                 |  |                   |   |
| (ix) Intention of promoters, directors or key managerial personnel to subscribe to the offer (applicable in case they intend to subscribe to the offer) [not required in case of issue of non-convertible debentures] | Not applicable as the Debentures are non-convertible debt instruments  |                          |  |   |   |                 |  |                   |   |
| (x) The proposed time within which the allotment shall be completed   | The Debentures will be deemed to be allotted on August 26, 2022 (" <b>Deemed Date of Allotment</b> "), and the Company will ensure that the Debentures are allotted to the holders of the Debentures (" <b>Debenture Holders</b> ") on the same day as the Deemed Date of Allotment, in accordance with the debenture trust deed (" <b>DTD</b> ") to be entered into between the Company and the debenture trustee (" <b>Debenture Trustee</b> ").   |                          |  |   |   |                 |  |                   |   |
| (xi) The names of the proposed allottees and the percentage of post private placement capital that may be held by them [not required in case of issue of non-convertible debentures];                                 | Not applicable as the Debentures are non-convertible debt instruments  |                          |  |   |   |                 |  |                   |   |
| (xii) The change in control, if any, in the Company that would occur consequent to the private placement  | No change in control would occur consequent to this private placement of Debentures as the Debentures are non-convertible debt instruments   |                          |  |   |   |                 |  |                   |   |
| (xiii) The number of persons to whom allotment on preferential basis/private placement/rights issue has already been made during the year, in terms of number of securities as well as price                          | Nil  |                          |  |   |   |                 |  |                   |   |
| (xiv) The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer   | Not applicable as the Debentures are non-convertible debt instruments  |                          |  |   |   |                 |  |                   |   |
| (xv) Amount, which the Company intends to raise by way of proposed offer of securities  | Up to Rs. 500 crores (Up to Rupees Five Hundred Crores)  |                          |  |   |   |                 |  |                   |   |
| (xvi) Terms of raising of securities:   | <table border="1"> <tr> <td>Duration, if applicable:</td> <td>5 years and 8 months from the Deemed Date of Allotment</td> </tr> <tr> <td>Rate of dividend or rate of interest or coupon:</td> <td>11.95% (eleven decimal nine five percent) per annum</td> </tr> <tr> <td>Mode of payment</td> <td>NEFT/RTGS/any other electronic mode/any other permissible mode</td> </tr> <tr> <td>Mode of repayment</td> <td>Electronic mode of transfer like RTGS/NEFT/direct credit to such bank account within India as the Debenture</td> </tr> </table>                     | Duration, if applicable: | 5 years and 8 months from the Deemed Date of Allotment | Rate of dividend or rate of interest or coupon: | 11.95% (eleven decimal nine five percent) per annum | Mode of payment | NEFT/RTGS/any other electronic mode/any other permissible mode | Mode of repayment | Electronic mode of transfer like RTGS/NEFT/direct credit to such bank account within India as the Debenture |
| Duration, if applicable:  | 5 years and 8 months from the Deemed Date of Allotment   |                          |  |   |   |                 |  |                   |   |
| Rate of dividend or rate of interest or coupon:   | 11.95% (eleven decimal nine five percent) per annum  |                          |  |   |   |                 |  |                   |   |
| Mode of payment   | NEFT/RTGS/any other electronic mode/any other permissible mode   |                          |  |   |   |                 |  |                   |   |
| Mode of repayment   | Electronic mode of transfer like RTGS/NEFT/direct credit to such bank account within India as the Debenture  |                          |  |   |   |                 |  |                   |   |

|   |   | Holder's inform the Company in writing and which details are available with the registrar and transfer agent for the Issue. |                   |                    |                   |  |            |  |                    |                   |                    |                   |   |                    |  |  |  |  |   |        |  |  |  |  |  |            |   |   |   |   |  |        |  |  |  |  |  |           |            |       |            |       |  |                  |                   |              |                   |              |   |                   |   |   |   |   |  |                      |                   |              |                   |              |   |                      |  |  |  |  |   |                         |          |      |          |      |   |                             |  |  |  |  |  |                          |         |      |         |      |  |                         |  |  |  |  |  |               |           |       |           |       |  |   |          |      |          |      |  |                      |                  |              |                  |              |  |                            |                   |            |                   |            |
|---|---|---|-------------------|--------------------|-------------------|--|------------|--|--------------------|-------------------|--------------------|-------------------|---|--------------------|--|--|--|--|---|--------|--|--|--|--|--|------------|---|---|---|---|--|--------|--|--|--|--|--|-----------|------------|-------|------------|-------|--|------------------|-------------------|--------------|-------------------|--------------|---|-------------------|---|---|---|---|--|----------------------|-------------------|--------------|-------------------|--------------|---|----------------------|--|--|--|--|---|-------------------------|----------|------|----------|------|---|-----------------------------|--|--|--|--|--|--------------------------|---------|------|---------|------|--|-------------------------|--|--|--|--|--|---------------|-----------|-------|-----------|-------|--|---|----------|------|----------|------|--|----------------------|------------------|--------------|------------------|--------------|--|----------------------------|-------------------|------------|-------------------|------------|
| (xvii) Proposed time schedule for which this private placement offer cum application letter is valid  | Issue Opening Date: August 26, 2022<br>Issue Closing Date: August 26, 2022<br>Pay in Date: August 26, 2022<br>Deemed Date of Allotment: August 26, 2022   |   |                   |                    |                   |  |            |  |                    |                   |                    |                   |   |                    |  |  |  |  |   |        |  |  |  |  |  |            |   |   |   |   |  |        |  |  |  |  |  |           |            |       |            |       |  |                  |                   |              |                   |              |   |                   |   |   |   |   |  |                      |                   |              |                   |              |   |                      |  |  |  |  |   |                         |          |      |          |      |   |                             |  |  |  |  |  |                          |         |      |         |      |  |                         |  |  |  |  |  |               |           |       |           |       |  |   |          |      |          |      |  |                      |                  |              |                  |              |  |                            |                   |            |                   |            |
| (xviii) Purpose and objects of the Issue  | The funds raised by the Issue shall be utilized by the Bank (a) to augment the Bank's Tier II Capital (as defined by the RBI) for strengthening the Bank's capital adequacy and enhancing the Bank's long-term resources, and (b) for the regular business activities of the Bank.  |   |                   |                    |                   |  |            |  |                    |                   |                    |                   |   |                    |  |  |  |  |   |        |  |  |  |  |  |            |   |   |   |   |  |        |  |  |  |  |  |           |            |       |            |       |  |                  |                   |              |                   |              |   |                   |   |   |   |   |  |                      |                   |              |                   |              |   |                      |  |  |  |  |   |                         |          |      |          |      |   |                             |  |  |  |  |  |                          |         |      |         |      |  |                         |  |  |  |  |  |               |           |       |           |       |  |   |          |      |          |      |  |                      |                  |              |                  |              |  |                            |                   |            |                   |            |
| (xix) Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of such objects  | N.A.  |   |                   |                    |                   |  |            |  |                    |                   |                    |                   |   |                    |  |  |  |  |   |        |  |  |  |  |  |            |   |   |   |   |  |        |  |  |  |  |  |           |            |       |            |       |  |                  |                   |              |                   |              |   |                   |   |   |   |   |  |                      |                   |              |                   |              |   |                      |  |  |  |  |   |                         |          |      |          |      |   |                             |  |  |  |  |  |                          |         |      |         |      |  |                         |  |  |  |  |  |               |           |       |           |       |  |   |          |      |          |      |  |                      |                  |              |                  |              |  |                            |                   |            |                   |            |
| (xx) Principal terms of assets charged as security, if applicable   | Not applicable as the Debentures are unsecured and subordinated debt instruments.   |   |                   |                    |                   |  |            |  |                    |                   |                    |                   |   |                    |  |  |  |  |   |        |  |  |  |  |  |            |   |   |   |   |  |        |  |  |  |  |  |           |            |       |            |       |  |                  |                   |              |                   |              |   |                   |   |   |   |   |  |                      |                   |              |                   |              |   |                      |  |  |  |  |   |                         |          |      |          |      |   |                             |  |  |  |  |  |                          |         |      |         |      |  |                         |  |  |  |  |  |               |           |       |           |       |  |   |          |      |          |      |  |                      |                  |              |                  |              |  |                            |                   |            |                   |            |
| (xxi) The details of significant and material orders passed by the Regulators, Courts and Tribunals impacting the ongoing concern status of the Company and its future operations | Nil   |   |                   |                    |                   |  |            |  |                    |                   |                    |                   |   |                    |  |  |  |  |   |        |  |  |  |  |  |            |   |   |   |   |  |        |  |  |  |  |  |           |            |       |            |       |  |                  |                   |              |                   |              |   |                   |   |   |   |   |  |                      |                   |              |                   |              |   |                      |  |  |  |  |   |                         |          |      |          |      |   |                             |  |  |  |  |  |                          |         |      |         |      |  |                         |  |  |  |  |  |               |           |       |           |       |  |   |          |      |          |      |  |                      |                  |              |                  |              |  |                            |                   |            |                   |            |
| (xxii) The pre-issue and post issue shareholding pattern of the Company in the following format   | <table border="1"> <thead> <tr> <th rowspan="2">Sl. No.</th> <th rowspan="2">Category</th> <th colspan="2">Pre-issue</th> <th colspan="2">Post Issue</th> </tr> <tr> <th>No. of shares held</th> <th>% of Shareholding</th> <th>No. of shares held</th> <th>% of Shareholding</th> </tr> </thead> <tbody> <tr> <td>A</td> <td>Promoter's Holding</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>1</td> <td>Indian</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td>Individual</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td></td> <td>Bodies</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td>Corporate</td> <td>1440036800</td> <td>83.32</td> <td>1440036800</td> <td>83.32</td> </tr> <tr> <td></td> <td><b>Sub-Total</b></td> <td><b>1440036800</b></td> <td><b>83.32</b></td> <td><b>1440036800</b></td> <td><b>83.32</b></td> </tr> <tr> <td>2</td> <td>Foreign Promoters</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td></td> <td><b>Sub-Total (A)</b></td> <td><b>1440036800</b></td> <td><b>83.32</b></td> <td><b>1440036800</b></td> <td><b>83.32</b></td> </tr> <tr> <td>B</td> <td>No-Promoters Holding</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>1</td> <td>Institutional Investors</td> <td>14317136</td> <td>0.83</td> <td>14317136</td> <td>0.83</td> </tr> <tr> <td>2</td> <td>Non-Institutional Investors</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td>Private Corporate Bodies</td> <td>6659456</td> <td>0.39</td> <td>6659456</td> <td>0.39</td> </tr> <tr> <td></td> <td>Directors and Relatives</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td>Indian Public</td> <td>254253736</td> <td>14.71</td> <td>254253736</td> <td>14.71</td> </tr> <tr> <td></td> <td>Other [Including Non-Resident Indians (NRIs)]</td> <td>13047077</td> <td>0.75</td> <td>13047077</td> <td>0.75</td> </tr> <tr> <td></td> <td><b>Sub-Total (B)</b></td> <td><b>301324482</b></td> <td><b>16.68</b></td> <td><b>301324482</b></td> <td><b>16.68</b></td> </tr> <tr> <td></td> <td><b>GRAND TOTAL (A + B)</b></td> <td><b>1728314205</b></td> <td><b>100</b></td> <td><b>1728314205</b></td> <td><b>100</b></td> </tr> </tbody> </table> |   | Sl. No.           | Category           | Pre-issue         |  | Post Issue |  | No. of shares held | % of Shareholding | No. of shares held | % of Shareholding | A | Promoter's Holding |  |  |  |  | 1 | Indian |  |  |  |  |  | Individual | - | - | - | - |  | Bodies |  |  |  |  |  | Corporate | 1440036800 | 83.32 | 1440036800 | 83.32 |  | <b>Sub-Total</b> | <b>1440036800</b> | <b>83.32</b> | <b>1440036800</b> | <b>83.32</b> | 2 | Foreign Promoters | - | - | - | - |  | <b>Sub-Total (A)</b> | <b>1440036800</b> | <b>83.32</b> | <b>1440036800</b> | <b>83.32</b> | B | No-Promoters Holding |  |  |  |  | 1 | Institutional Investors | 14317136 | 0.83 | 14317136 | 0.83 | 2 | Non-Institutional Investors |  |  |  |  |  | Private Corporate Bodies | 6659456 | 0.39 | 6659456 | 0.39 |  | Directors and Relatives |  |  |  |  |  | Indian Public | 254253736 | 14.71 | 254253736 | 14.71 |  | Other [Including Non-Resident Indians (NRIs)] | 13047077 | 0.75 | 13047077 | 0.75 |  | <b>Sub-Total (B)</b> | <b>301324482</b> | <b>16.68</b> | <b>301324482</b> | <b>16.68</b> |  | <b>GRAND TOTAL (A + B)</b> | <b>1728314205</b> | <b>100</b> | <b>1728314205</b> | <b>100</b> |
| Sl. No.   | Category  | Pre-issue   |                   |                    | Post Issue        |  |            |  |                    |                   |                    |                   |   |                    |  |  |  |  |   |        |  |  |  |  |  |            |   |   |   |   |  |        |  |  |  |  |  |           |            |       |            |       |  |                  |                   |              |                   |              |   |                   |   |   |   |   |  |                      |                   |              |                   |              |   |                      |  |  |  |  |   |                         |          |      |          |      |   |                             |  |  |  |  |  |                          |         |      |         |      |  |                         |  |  |  |  |  |               |           |       |           |       |  |   |          |      |          |      |  |                      |                  |              |                  |              |  |                            |                   |            |                   |            |
|   |   | No. of shares held  | % of Shareholding | No. of shares held | % of Shareholding |  |            |  |                    |                   |                    |                   |   |                    |  |  |  |  |   |        |  |  |  |  |  |            |   |   |   |   |  |        |  |  |  |  |  |           |            |       |            |       |  |                  |                   |              |                   |              |   |                   |   |   |   |   |  |                      |                   |              |                   |              |   |                      |  |  |  |  |   |                         |          |      |          |      |   |                             |  |  |  |  |  |                          |         |      |         |      |  |                         |  |  |  |  |  |               |           |       |           |       |  |   |          |      |          |      |  |                      |                  |              |                  |              |  |                            |                   |            |                   |            |
| A   | Promoter's Holding  |   |                   |                    |                   |  |            |  |                    |                   |                    |                   |   |                    |  |  |  |  |   |        |  |  |  |  |  |            |   |   |   |   |  |        |  |  |  |  |  |           |            |       |            |       |  |                  |                   |              |                   |              |   |                   |   |   |   |   |  |                      |                   |              |                   |              |   |                      |  |  |  |  |   |                         |          |      |          |      |   |                             |  |  |  |  |  |                          |         |      |         |      |  |                         |  |  |  |  |  |               |           |       |           |       |  |   |          |      |          |      |  |                      |                  |              |                  |              |  |                            |                   |            |                   |            |
| 1   | Indian  |   |                   |                    |                   |  |            |  |                    |                   |                    |                   |   |                    |  |  |  |  |   |        |  |  |  |  |  |            |   |   |   |   |  |        |  |  |  |  |  |           |            |       |            |       |  |                  |                   |              |                   |              |   |                   |   |   |   |   |  |                      |                   |              |                   |              |   |                      |  |  |  |  |   |                         |          |      |          |      |   |                             |  |  |  |  |  |                          |         |      |         |      |  |                         |  |  |  |  |  |               |           |       |           |       |  |   |          |      |          |      |  |                      |                  |              |                  |              |  |                            |                   |            |                   |            |
|   | Individual  | -   | -                 | -                  | -                 |  |            |  |                    |                   |                    |                   |   |                    |  |  |  |  |   |        |  |  |  |  |  |            |   |   |   |   |  |        |  |  |  |  |  |           |            |       |            |       |  |                  |                   |              |                   |              |   |                   |   |   |   |   |  |                      |                   |              |                   |              |   |                      |  |  |  |  |   |                         |          |      |          |      |   |                             |  |  |  |  |  |                          |         |      |         |      |  |                         |  |  |  |  |  |               |           |       |           |       |  |   |          |      |          |      |  |                      |                  |              |                  |              |  |                            |                   |            |                   |            |
|   | Bodies  |   |                   |                    |                   |  |            |  |                    |                   |                    |                   |   |                    |  |  |  |  |   |        |  |  |  |  |  |            |   |   |   |   |  |        |  |  |  |  |  |           |            |       |            |       |  |                  |                   |              |                   |              |   |                   |   |   |   |   |  |                      |                   |              |                   |              |   |                      |  |  |  |  |   |                         |          |      |          |      |   |                             |  |  |  |  |  |                          |         |      |         |      |  |                         |  |  |  |  |  |               |           |       |           |       |  |   |          |      |          |      |  |                      |                  |              |                  |              |  |                            |                   |            |                   |            |
|   | Corporate   | 1440036800  | 83.32             | 1440036800         | 83.32             |  |            |  |                    |                   |                    |                   |   |                    |  |  |  |  |   |        |  |  |  |  |  |            |   |   |   |   |  |        |  |  |  |  |  |           |            |       |            |       |  |                  |                   |              |                   |              |   |                   |   |   |   |   |  |                      |                   |              |                   |              |   |                      |  |  |  |  |   |                         |          |      |          |      |   |                             |  |  |  |  |  |                          |         |      |         |      |  |                         |  |  |  |  |  |               |           |       |           |       |  |   |          |      |          |      |  |                      |                  |              |                  |              |  |                            |                   |            |                   |            |
|   | <b>Sub-Total</b>  | <b>1440036800</b>   | <b>83.32</b>      | <b>1440036800</b>  | <b>83.32</b>      |  |            |  |                    |                   |                    |                   |   |                    |  |  |  |  |   |        |  |  |  |  |  |            |   |   |   |   |  |        |  |  |  |  |  |           |            |       |            |       |  |                  |                   |              |                   |              |   |                   |   |   |   |   |  |                      |                   |              |                   |              |   |                      |  |  |  |  |   |                         |          |      |          |      |   |                             |  |  |  |  |  |                          |         |      |         |      |  |                         |  |  |  |  |  |               |           |       |           |       |  |   |          |      |          |      |  |                      |                  |              |                  |              |  |                            |                   |            |                   |            |
| 2   | Foreign Promoters   | -   | -                 | -                  | -                 |  |            |  |                    |                   |                    |                   |   |                    |  |  |  |  |   |        |  |  |  |  |  |            |   |   |   |   |  |        |  |  |  |  |  |           |            |       |            |       |  |                  |                   |              |                   |              |   |                   |   |   |   |   |  |                      |                   |              |                   |              |   |                      |  |  |  |  |   |                         |          |      |          |      |   |                             |  |  |  |  |  |                          |         |      |         |      |  |                         |  |  |  |  |  |               |           |       |           |       |  |   |          |      |          |      |  |                      |                  |              |                  |              |  |                            |                   |            |                   |            |
|   | <b>Sub-Total (A)</b>  | <b>1440036800</b>   | <b>83.32</b>      | <b>1440036800</b>  | <b>83.32</b>      |  |            |  |                    |                   |                    |                   |   |                    |  |  |  |  |   |        |  |  |  |  |  |            |   |   |   |   |  |        |  |  |  |  |  |           |            |       |            |       |  |                  |                   |              |                   |              |   |                   |   |   |   |   |  |                      |                   |              |                   |              |   |                      |  |  |  |  |   |                         |          |      |          |      |   |                             |  |  |  |  |  |                          |         |      |         |      |  |                         |  |  |  |  |  |               |           |       |           |       |  |   |          |      |          |      |  |                      |                  |              |                  |              |  |                            |                   |            |                   |            |
| B   | No-Promoters Holding  |   |                   |                    |                   |  |            |  |                    |                   |                    |                   |   |                    |  |  |  |  |   |        |  |  |  |  |  |            |   |   |   |   |  |        |  |  |  |  |  |           |            |       |            |       |  |                  |                   |              |                   |              |   |                   |   |   |   |   |  |                      |                   |              |                   |              |   |                      |  |  |  |  |   |                         |          |      |          |      |   |                             |  |  |  |  |  |                          |         |      |         |      |  |                         |  |  |  |  |  |               |           |       |           |       |  |   |          |      |          |      |  |                      |                  |              |                  |              |  |                            |                   |            |                   |            |
| 1   | Institutional Investors   | 14317136  | 0.83              | 14317136           | 0.83              |  |            |  |                    |                   |                    |                   |   |                    |  |  |  |  |   |        |  |  |  |  |  |            |   |   |   |   |  |        |  |  |  |  |  |           |            |       |            |       |  |                  |                   |              |                   |              |   |                   |   |   |   |   |  |                      |                   |              |                   |              |   |                      |  |  |  |  |   |                         |          |      |          |      |   |                             |  |  |  |  |  |                          |         |      |         |      |  |                         |  |  |  |  |  |               |           |       |           |       |  |   |          |      |          |      |  |                      |                  |              |                  |              |  |                            |                   |            |                   |            |
| 2   | Non-Institutional Investors   |   |                   |                    |                   |  |            |  |                    |                   |                    |                   |   |                    |  |  |  |  |   |        |  |  |  |  |  |            |   |   |   |   |  |        |  |  |  |  |  |           |            |       |            |       |  |                  |                   |              |                   |              |   |                   |   |   |   |   |  |                      |                   |              |                   |              |   |                      |  |  |  |  |   |                         |          |      |          |      |   |                             |  |  |  |  |  |                          |         |      |         |      |  |                         |  |  |  |  |  |               |           |       |           |       |  |   |          |      |          |      |  |                      |                  |              |                  |              |  |                            |                   |            |                   |            |
|   | Private Corporate Bodies  | 6659456   | 0.39              | 6659456            | 0.39              |  |            |  |                    |                   |                    |                   |   |                    |  |  |  |  |   |        |  |  |  |  |  |            |   |   |   |   |  |        |  |  |  |  |  |           |            |       |            |       |  |                  |                   |              |                   |              |   |                   |   |   |   |   |  |                      |                   |              |                   |              |   |                      |  |  |  |  |   |                         |          |      |          |      |   |                             |  |  |  |  |  |                          |         |      |         |      |  |                         |  |  |  |  |  |               |           |       |           |       |  |   |          |      |          |      |  |                      |                  |              |                  |              |  |                            |                   |            |                   |            |
|   | Directors and Relatives   |   |                   |                    |                   |  |            |  |                    |                   |                    |                   |   |                    |  |  |  |  |   |        |  |  |  |  |  |            |   |   |   |   |  |        |  |  |  |  |  |           |            |       |            |       |  |                  |                   |              |                   |              |   |                   |   |   |   |   |  |                      |                   |              |                   |              |   |                      |  |  |  |  |   |                         |          |      |          |      |   |                             |  |  |  |  |  |                          |         |      |         |      |  |                         |  |  |  |  |  |               |           |       |           |       |  |   |          |      |          |      |  |                      |                  |              |                  |              |  |                            |                   |            |                   |            |
|   | Indian Public   | 254253736   | 14.71             | 254253736          | 14.71             |  |            |  |                    |                   |                    |                   |   |                    |  |  |  |  |   |        |  |  |  |  |  |            |   |   |   |   |  |        |  |  |  |  |  |           |            |       |            |       |  |                  |                   |              |                   |              |   |                   |   |   |   |   |  |                      |                   |              |                   |              |   |                      |  |  |  |  |   |                         |          |      |          |      |   |                             |  |  |  |  |  |                          |         |      |         |      |  |                         |  |  |  |  |  |               |           |       |           |       |  |   |          |      |          |      |  |                      |                  |              |                  |              |  |                            |                   |            |                   |            |
|   | Other [Including Non-Resident Indians (NRIs)]   | 13047077  | 0.75              | 13047077           | 0.75              |  |            |  |                    |                   |                    |                   |   |                    |  |  |  |  |   |        |  |  |  |  |  |            |   |   |   |   |  |        |  |  |  |  |  |           |            |       |            |       |  |                  |                   |              |                   |              |   |                   |   |   |   |   |  |                      |                   |              |                   |              |   |                      |  |  |  |  |   |                         |          |      |          |      |   |                             |  |  |  |  |  |                          |         |      |         |      |  |                         |  |  |  |  |  |               |           |       |           |       |  |   |          |      |          |      |  |                      |                  |              |                  |              |  |                            |                   |            |                   |            |
|   | <b>Sub-Total (B)</b>  | <b>301324482</b>  | <b>16.68</b>      | <b>301324482</b>   | <b>16.68</b>      |  |            |  |                    |                   |                    |                   |   |                    |  |  |  |  |   |        |  |  |  |  |  |            |   |   |   |   |  |        |  |  |  |  |  |           |            |       |            |       |  |                  |                   |              |                   |              |   |                   |   |   |   |   |  |                      |                   |              |                   |              |   |                      |  |  |  |  |   |                         |          |      |          |      |   |                             |  |  |  |  |  |                          |         |      |         |      |  |                         |  |  |  |  |  |               |           |       |           |       |  |   |          |      |          |      |  |                      |                  |              |                  |              |  |                            |                   |            |                   |            |
|   | <b>GRAND TOTAL (A + B)</b>  | <b>1728314205</b>   | <b>100</b>        | <b>1728314205</b>  | <b>100</b>        |  |            |  |                    |                   |                    |                   |   |                    |  |  |  |  |   |        |  |  |  |  |  |            |   |   |   |   |  |        |  |  |  |  |  |           |            |       |            |       |  |                  |                   |              |                   |              |   |                   |   |   |   |   |  |                      |                   |              |                   |              |   |                      |  |  |  |  |   |                         |          |      |          |      |   |                             |  |  |  |  |  |                          |         |      |         |      |  |                         |  |  |  |  |  |               |           |       |           |       |  |   |          |      |          |      |  |                      |                  |              |                  |              |  |                            |                   |            |                   |            |

3. **Mode of Payment for Subscription:**

NEFT

RTGS

Other electronic mode or any other permissible mode

4. **Disclosure with regard to interest of directors, litigation, etc:**

| (i) Any financial or other material interest of the directors, promoters or key managerial personnel in the offer and the effect of such interest in so far as it is different from the interests of other persons   | NIL  |  |                             |                             |  |  |              |         |                                  |         |                           |           |                   |           |              |           |              |           |                    |         |                   |           |              |   |                 |          |                   |  |              |           |                |          |                   |           |               |          |               |          |                  |           |                          |          |
|--|--|--|-----------------------------|-----------------------------|--|--|--------------|---------|----------------------------------|---------|---------------------------|-----------|-------------------|-----------|--------------|-----------|--------------|-----------|--------------------|---------|-------------------|-----------|--------------|---|-----------------|----------|-------------------|--|--------------|-----------|----------------|----------|-------------------|-----------|---------------|----------|---------------|----------|------------------|-----------|--------------------------|----------|
| (ii) Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any promoter of the Company during the last 3 (three) years immediately preceding the year of the circulation of this private placement offer cum application letter and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed | Nil  |  |                             |                             |  |  |              |         |                                  |         |                           |           |                   |           |              |           |              |           |                    |         |                   |           |              |   |                 |          |                   |  |              |           |                |          |                   |           |               |          |               |          |                  |           |                          |          |
| (iii) Remuneration of directors (during the current year and last 3 (three) financial years)   | <table border="1"> <thead> <tr> <th data-bbox="643 1230 1065 1272"><i>Name of the Director</i></th> <th data-bbox="1071 1230 1433 1272"><i>Remuneration (in Rs)</i></th> </tr> </thead> <tbody> <tr> <td colspan="2" data-bbox="643 1276 1433 1308"><b>2022-2023 (Current Year (as on date))</b></td> </tr> <tr> <td data-bbox="643 1312 1065 1339">Ittira Davis</td> <td data-bbox="1071 1312 1433 1339">3422784</td> </tr> <tr> <td data-bbox="643 1344 1065 1371">Banavar Anantharamaiah Prabhakar</td> <td data-bbox="1071 1344 1433 1371">950,000</td> </tr> <tr> <td data-bbox="643 1375 1065 1402">Ravichandran Venkataraman</td> <td data-bbox="1071 1375 1433 1402">14,00,000</td> </tr> <tr> <td data-bbox="643 1407 1065 1434">Rajesh Kumar Jogi</td> <td data-bbox="1071 1407 1433 1434">12,50,000</td> </tr> <tr> <td data-bbox="643 1438 1065 1465">Sudha Suresh</td> <td data-bbox="1071 1438 1433 1465">11,75,000</td> </tr> <tr> <td data-bbox="643 1470 1065 1497">Rajni Mishra</td> <td data-bbox="1071 1470 1433 1497">11,50,000</td> </tr> <tr> <td data-bbox="643 1501 1065 1528">Anita Ramachandran</td> <td data-bbox="1071 1501 1433 1528">100,000</td> </tr> <tr> <td data-bbox="643 1533 1065 1560">Samit Kumar Ghosh</td> <td data-bbox="1071 1533 1433 1560">11,25,000</td> </tr> <tr> <td data-bbox="643 1564 1065 1591">PN Raghunath</td> <td data-bbox="1071 1564 1433 1591">-</td> </tr> <tr> <td data-bbox="643 1596 1065 1623">Satyaki Rastogi</td> <td data-bbox="1071 1596 1433 1623">2,50,000</td> </tr> <tr> <td colspan="2" data-bbox="643 1627 1433 1659" style="text-align: right;"><b>2021-2022:</b></td> </tr> <tr> <td data-bbox="643 1663 1065 1690">Ittira Davis</td> <td data-bbox="1071 1663 1433 1690">34,69,481</td> </tr> <tr> <td data-bbox="643 1694 1065 1722">Mona Kachhwaha</td> <td data-bbox="1071 1694 1433 1722">6,50,000</td> </tr> <tr> <td data-bbox="643 1726 1065 1753">Rajesh Kumar Jogi</td> <td data-bbox="1071 1726 1433 1753">29,75,000</td> </tr> <tr> <td data-bbox="643 1757 1065 1785">Chitra K Alai</td> <td data-bbox="1071 1757 1433 1785">4,25,000</td> </tr> <tr> <td data-bbox="643 1789 1065 1816">Nandlal Sarda</td> <td data-bbox="1071 1789 1433 1816">6,75,000</td> </tr> <tr> <td data-bbox="643 1820 1065 1848">Prabal Kumar Sen</td> <td data-bbox="1071 1820 1433 1848">14,00,000</td> </tr> <tr> <td data-bbox="643 1852 1065 1879">Mahadev Lakshminarayanan</td> <td data-bbox="1071 1852 1433 1879">3,75,000</td> </tr> </tbody> </table> |  | <i>Name of the Director</i> | <i>Remuneration (in Rs)</i> | <b>2022-2023 (Current Year (as on date))</b> |  | Ittira Davis | 3422784 | Banavar Anantharamaiah Prabhakar | 950,000 | Ravichandran Venkataraman | 14,00,000 | Rajesh Kumar Jogi | 12,50,000 | Sudha Suresh | 11,75,000 | Rajni Mishra | 11,50,000 | Anita Ramachandran | 100,000 | Samit Kumar Ghosh | 11,25,000 | PN Raghunath | - | Satyaki Rastogi | 2,50,000 | <b>2021-2022:</b> |  | Ittira Davis | 34,69,481 | Mona Kachhwaha | 6,50,000 | Rajesh Kumar Jogi | 29,75,000 | Chitra K Alai | 4,25,000 | Nandlal Sarda | 6,75,000 | Prabal Kumar Sen | 14,00,000 | Mahadev Lakshminarayanan | 3,75,000 |
| <i>Name of the Director</i>  | <i>Remuneration (in Rs)</i>  |  |                             |                             |  |  |              |         |                                  |         |                           |           |                   |           |              |           |              |           |                    |         |                   |           |              |   |                 |          |                   |  |              |           |                |          |                   |           |               |          |               |          |                  |           |                          |          |
| <b>2022-2023 (Current Year (as on date))</b>   |  |  |                             |                             |  |  |              |         |                                  |         |                           |           |                   |           |              |           |              |           |                    |         |                   |           |              |   |                 |          |                   |  |              |           |                |          |                   |           |               |          |               |          |                  |           |                          |          |
| Ittira Davis   | 3422784  |  |                             |                             |  |  |              |         |                                  |         |                           |           |                   |           |              |           |              |           |                    |         |                   |           |              |   |                 |          |                   |  |              |           |                |          |                   |           |               |          |               |          |                  |           |                          |          |
| Banavar Anantharamaiah Prabhakar   | 950,000  |  |                             |                             |  |  |              |         |                                  |         |                           |           |                   |           |              |           |              |           |                    |         |                   |           |              |   |                 |          |                   |  |              |           |                |          |                   |           |               |          |               |          |                  |           |                          |          |
| Ravichandran Venkataraman  | 14,00,000  |  |                             |                             |  |  |              |         |                                  |         |                           |           |                   |           |              |           |              |           |                    |         |                   |           |              |   |                 |          |                   |  |              |           |                |          |                   |           |               |          |               |          |                  |           |                          |          |
| Rajesh Kumar Jogi  | 12,50,000  |  |                             |                             |  |  |              |         |                                  |         |                           |           |                   |           |              |           |              |           |                    |         |                   |           |              |   |                 |          |                   |  |              |           |                |          |                   |           |               |          |               |          |                  |           |                          |          |
| Sudha Suresh   | 11,75,000  |  |                             |                             |  |  |              |         |                                  |         |                           |           |                   |           |              |           |              |           |                    |         |                   |           |              |   |                 |          |                   |  |              |           |                |          |                   |           |               |          |               |          |                  |           |                          |          |
| Rajni Mishra   | 11,50,000  |  |                             |                             |  |  |              |         |                                  |         |                           |           |                   |           |              |           |              |           |                    |         |                   |           |              |   |                 |          |                   |  |              |           |                |          |                   |           |               |          |               |          |                  |           |                          |          |
| Anita Ramachandran   | 100,000  |  |                             |                             |  |  |              |         |                                  |         |                           |           |                   |           |              |           |              |           |                    |         |                   |           |              |   |                 |          |                   |  |              |           |                |          |                   |           |               |          |               |          |                  |           |                          |          |
| Samit Kumar Ghosh  | 11,25,000  |  |                             |                             |  |  |              |         |                                  |         |                           |           |                   |           |              |           |              |           |                    |         |                   |           |              |   |                 |          |                   |  |              |           |                |          |                   |           |               |          |               |          |                  |           |                          |          |
| PN Raghunath   | -  |  |                             |                             |  |  |              |         |                                  |         |                           |           |                   |           |              |           |              |           |                    |         |                   |           |              |   |                 |          |                   |  |              |           |                |          |                   |           |               |          |               |          |                  |           |                          |          |
| Satyaki Rastogi  | 2,50,000   |  |                             |                             |  |  |              |         |                                  |         |                           |           |                   |           |              |           |              |           |                    |         |                   |           |              |   |                 |          |                   |  |              |           |                |          |                   |           |               |          |               |          |                  |           |                          |          |
| <b>2021-2022:</b>  |  |  |                             |                             |  |  |              |         |                                  |         |                           |           |                   |           |              |           |              |           |                    |         |                   |           |              |   |                 |          |                   |  |              |           |                |          |                   |           |               |          |               |          |                  |           |                          |          |
| Ittira Davis   | 34,69,481  |  |                             |                             |  |  |              |         |                                  |         |                           |           |                   |           |              |           |              |           |                    |         |                   |           |              |   |                 |          |                   |  |              |           |                |          |                   |           |               |          |               |          |                  |           |                          |          |
| Mona Kachhwaha   | 6,50,000   |  |                             |                             |  |  |              |         |                                  |         |                           |           |                   |           |              |           |              |           |                    |         |                   |           |              |   |                 |          |                   |  |              |           |                |          |                   |           |               |          |               |          |                  |           |                          |          |
| Rajesh Kumar Jogi  | 29,75,000  |  |                             |                             |  |  |              |         |                                  |         |                           |           |                   |           |              |           |              |           |                    |         |                   |           |              |   |                 |          |                   |  |              |           |                |          |                   |           |               |          |               |          |                  |           |                          |          |
| Chitra K Alai  | 4,25,000   |  |                             |                             |  |  |              |         |                                  |         |                           |           |                   |           |              |           |              |           |                    |         |                   |           |              |   |                 |          |                   |  |              |           |                |          |                   |           |               |          |               |          |                  |           |                          |          |
| Nandlal Sarda  | 6,75,000   |  |                             |                             |  |  |              |         |                                  |         |                           |           |                   |           |              |           |              |           |                    |         |                   |           |              |   |                 |          |                   |  |              |           |                |          |                   |           |               |          |               |          |                  |           |                          |          |
| Prabal Kumar Sen   | 14,00,000  |  |                             |                             |  |  |              |         |                                  |         |                           |           |                   |           |              |           |              |           |                    |         |                   |           |              |   |                 |          |                   |  |              |           |                |          |                   |           |               |          |               |          |                  |           |                          |          |
| Mahadev Lakshminarayanan   | 3,75,000   |  |                             |                             |  |  |              |         |                                  |         |                           |           |                   |           |              |           |              |           |                    |         |                   |           |              |   |                 |          |                   |  |              |           |                |          |                   |           |               |          |               |          |                  |           |                          |          |

|  | Umang Bedi   | 7,00,000            |              |         |           |                   |        |                      |        |                         |        |
|--|--|---------------------|--------------|---------|-----------|-------------------|--------|----------------------|--------|-------------------------|--------|
|  | Rajni Mishra   | 27,25,000           |              |         |           |                   |        |                      |        |                         |        |
|  | Umesh Bellur   | 3,50,000            |              |         |           |                   |        |                      |        |                         |        |
|  | Harish Devarajan   | 3,75,000            |              |         |           |                   |        |                      |        |                         |        |
|  | Samit Ghosh  | 17,50,000           |              |         |           |                   |        |                      |        |                         |        |
|  | Sudha Suresh   | 18,50,000           |              |         |           |                   |        |                      |        |                         |        |
|  | Banavar Anantharamaiah Prabhakar   | 19,50,000           |              |         |           |                   |        |                      |        |                         |        |
|  | Ravichandran Venkataraman  | 21,50,000           |              |         |           |                   |        |                      |        |                         |        |
|  | Satyaki Rastogi  | 1,50,000            |              |         |           |                   |        |                      |        |                         |        |
|  | <b>2020-2021:</b>  |                     |              |         |           |                   |        |                      |        |                         |        |
|  | Nitin Chugh  | 1,39,54,000         |              |         |           |                   |        |                      |        |                         |        |
|  | Mr. Biswamohan Mahapatra   | 16,05,000           |              |         |           |                   |        |                      |        |                         |        |
|  | Mr. Sunil Vinayak Patel  | -                   |              |         |           |                   |        |                      |        |                         |        |
|  | Ms. Vandana Viswanathan  | 8,35,000            |              |         |           |                   |        |                      |        |                         |        |
|  | Mr. Nandlal Sarda  | 16,15,000           |              |         |           |                   |        |                      |        |                         |        |
|  | Mr. Luis Miranda   | -                   |              |         |           |                   |        |                      |        |                         |        |
|  | Mr. Prabal Kumar Sen   | 14,55,000           |              |         |           |                   |        |                      |        |                         |        |
|  | Ms. Mona Kachhwaha   | 14,65,000           |              |         |           |                   |        |                      |        |                         |        |
|  | Mr. Jayanta Kumar Basu   | 14,70,000           |              |         |           |                   |        |                      |        |                         |        |
|  | Ms. Chitra K Alai (SIDBI)  | 2,70,000            |              |         |           |                   |        |                      |        |                         |        |
|  | Mr. Sachin Bansal  | -                   |              |         |           |                   |        |                      |        |                         |        |
|  | Mr. Mahadev Lakshminarayanan   | 18,45,000           |              |         |           |                   |        |                      |        |                         |        |
|  | Mr. Umang Bedi   | 11,35,000           |              |         |           |                   |        |                      |        |                         |        |
|  | Ms. Rajni Mishra   | 4,25,000            |              |         |           |                   |        |                      |        |                         |        |
|  | <b>2019-2020:</b>  |                     |              |         |           |                   |        |                      |        |                         |        |
|  | Mr. Sunil Vinayak Patel  | 19,40,000           |              |         |           |                   |        |                      |        |                         |        |
|  | Mr. Luis Miranda   | 10,05,000           |              |         |           |                   |        |                      |        |                         |        |
|  | Mr. Prabal Kumar Sen   | 12,60,000           |              |         |           |                   |        |                      |        |                         |        |
|  | Mr. Nandlal Sarda  | 16,85,000           |              |         |           |                   |        |                      |        |                         |        |
|  | Mr. Biswamohan Mahapatra   | 14,10,000           |              |         |           |                   |        |                      |        |                         |        |
|  | Ms. Vandana Viswanathan  | 14,50,000           |              |         |           |                   |        |                      |        |                         |        |
|  | Mr. Sachin Bansal  | 5,25,000            |              |         |           |                   |        |                      |        |                         |        |
|  | Mr. Mahadev Lakshminaryanan  | 7,75,000            |              |         |           |                   |        |                      |        |                         |        |
|  | Ms. Chitra K Alai  | 2,00,000            |              |         |           |                   |        |                      |        |                         |        |
|  | Mr. Jayanta Kumar Basu   | 7,00,000            |              |         |           |                   |        |                      |        |                         |        |
|  | Ms. Mona Kachhwaha   | 6,90,000            |              |         |           |                   |        |                      |        |                         |        |
|  | Mr. Sanjay Jain  | -                   |              |         |           |                   |        |                      |        |                         |        |
|  | Mr. Samit Ghosh  | 3,40,63,000         |              |         |           |                   |        |                      |        |                         |        |
|  | Mr. Nitin Chugh  | 86,95,000           |              |         |           |                   |        |                      |        |                         |        |
| (iv) Related party transactions entered during the last 3 (three) financial years immediately preceding the year of issue of this private placement offer cum application letter including with regard to loans made or, guarantees given or securities provided | <b>FY 2021-2022:</b>   | <b>Rs. in Lakhs</b> |              |         |           |                   |        |                      |        |                         |        |
|  | <table border="1"> <thead> <tr><th>Particulars</th><th>Amount (Rs.)</th></tr> </thead> <tbody> <tr><td>Deposit</td><td>11,468.34</td></tr> <tr><td>Sitting Fees paid</td><td>190.25</td></tr> <tr><td>Interest on Deposits</td><td>600.01</td></tr> <tr><td>Payment of Remuneration</td><td>315.78</td></tr> </tbody> </table> | Particulars         | Amount (Rs.) | Deposit | 11,468.34 | Sitting Fees paid | 190.25 | Interest on Deposits | 600.01 | Payment of Remuneration | 315.78 |
| Particulars  | Amount (Rs.)   |                     |              |         |           |                   |        |                      |        |                         |        |
| Deposit  | 11,468.34  |                     |              |         |           |                   |        |                      |        |                         |        |
| Sitting Fees paid  | 190.25   |                     |              |         |           |                   |        |                      |        |                         |        |
| Interest on Deposits   | 600.01   |                     |              |         |           |                   |        |                      |        |                         |        |
| Payment of Remuneration  | 315.78   |                     |              |         |           |                   |        |                      |        |                         |        |
|  | <b>FY 2020-2021:</b>   | <b>Rs. in Lakhs</b> |              |         |           |                   |        |                      |        |                         |        |
|  | <table border="1"> <thead> <tr><th>Particulars</th><th>Amount (Rs.)</th></tr> </thead> <tbody> <tr><td>Deposit</td><td>11,466.60</td></tr> <tr><td>Sitting Fees paid</td><td>123.45</td></tr> <tr><td>Interest on Deposits</td><td>922.54</td></tr> </tbody> </table>  | Particulars         | Amount (Rs.) | Deposit | 11,466.60 | Sitting Fees paid | 123.45 | Interest on Deposits | 922.54 |                         |        |
| Particulars  | Amount (Rs.)   |                     |              |         |           |                   |        |                      |        |                         |        |
| Deposit  | 11,466.60  |                     |              |         |           |                   |        |                      |        |                         |        |
| Sitting Fees paid  | 123.45   |                     |              |         |           |                   |        |                      |        |                         |        |
| Interest on Deposits   | 922.54   |                     |              |         |           |                   |        |                      |        |                         |        |

|  | <table border="1"> <tr> <td>Payment of Remuneration</td> <td>268.47</td> </tr> <tr> <td></td> <td></td> </tr> </table>   | Payment of Remuneration | 268.47       |         |           |                             |          |                      |          |                         |        |  |  |
|--|--|-------------------------|--------------|---------|-----------|-----------------------------|----------|----------------------|----------|-------------------------|--------|--|--|
| Payment of Remuneration  | 268.47   |                         |              |         |           |                             |          |                      |          |                         |        |  |  |
|  |  |                         |              |         |           |                             |          |                      |          |                         |        |  |  |
|  | <p><b>FY 2019-2020:</b></p> <p style="text-align: right;"><b>Rs. in Lakhs</b></p> <table border="1"> <thead> <tr> <th>Particulars</th> <th>Amount (Rs.)</th> </tr> </thead> <tbody> <tr> <td>Deposit</td> <td>15,543.29</td> </tr> <tr> <td>Interim Preference Dividend</td> <td>1,100.00</td> </tr> <tr> <td>Interest on Deposits</td> <td>1,160.09</td> </tr> <tr> <td>Payment of Remuneration</td> <td>564.05</td> </tr> <tr> <td></td> <td></td> </tr> </tbody> </table> | Particulars             | Amount (Rs.) | Deposit | 15,543.29 | Interim Preference Dividend | 1,100.00 | Interest on Deposits | 1,160.09 | Payment of Remuneration | 564.05 |  |  |
| Particulars  | Amount (Rs.)   |                         |              |         |           |                             |          |                      |          |                         |        |  |  |
| Deposit  | 15,543.29  |                         |              |         |           |                             |          |                      |          |                         |        |  |  |
| Interim Preference Dividend  | 1,100.00   |                         |              |         |           |                             |          |                      |          |                         |        |  |  |
| Interest on Deposits   | 1,160.09   |                         |              |         |           |                             |          |                      |          |                         |        |  |  |
| Payment of Remuneration  | 564.05   |                         |              |         |           |                             |          |                      |          |                         |        |  |  |
|  |  |                         |              |         |           |                             |          |                      |          |                         |        |  |  |
| (v) Summary of reservations or qualifications or adverse remarks of auditors in the last 5 (five) financial years immediately preceding the year of issue of this private placement offer cum application letter and of their impact on the financial statements and financial position of the Company and the corrective steps taken and proposed to be taken by the Company for each of the said reservations or qualifications or adverse remark  | None   |                         |              |         |           |                             |          |                      |          |                         |        |  |  |
| (vi) Details of any inquiry, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous company law in the last 3 (three) years immediately preceding the year of issue of this private placement offer cum application letter in the case of the Company and all of its subsidiaries, and if there were any were any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last 3 (three) years immediately preceding the year of this private placement offer cum application letter and if so, section-wise details thereof for the Company and all of its subsidiaries | None   |                         |              |         |           |                             |          |                      |          |                         |        |  |  |
| (vii) Details of acts of material frauds committed against the Company in the last 3 (three) years, if any, and if   | Last three years, an incident of material fraud reported and gist of the case is hereunder.  |                         |              |         |           |                             |          |                      |          |                         |        |  |  |

|  |  |
|--|--|
| <p>so, the action taken by the Company</p> | <p>One Roushan Kumar Mishra - an agent appointed by the Bank's Corporate Business Correspondent M/S Integra Micro Systems Private Limited {Integra} for facilitating our customers in and around Bhagalpur, Munger and the adjoining areas in Bihar for depositing cash into and / or withdrawing cash from their accounts – has misappropriated funds aggregating to Rs.1.12 Crore from the pool account of Integra. Due to the unauthorised withdrawal of funds from the pool account, the internal office account maintained in the name of the said agent was not nullified.</p> <p>Bank has recovered the entire amount from Corporate BC and there is NIL loss to the bank.</p> <p><b>Earlier Process</b></p> <p>All transaction was routed through wallet of the Money Mitra as a result Bank did not have visibility to the wallet balance and was a point of reconciliation concern leading to fraudulent transactions</p> <p><b><u>Process implemented</u></b></p> <p>Transaction will be straight through process post <b><u>removal of wallet</u></b> leading to reduction of time-out incidents &amp; better control.</p> <p>Further, introduction AEPS at Money Mitra Points for interoperability leading to income generation</p> <p>Customer receipt been modified by including additional customer details &amp; Br.net RRN instead of FI RRN that will help during customer disputes</p> <p>Client Interface modified with an inclusion of Displaying Total Amount Due</p> <p>Agent Account Balance enquiry</p> <p>Customer details in TPD (Third Party Deposit)</p> <p>Validation of Loan Payment amount with the total due amount during loan transaction</p> <p>Masking of Customer account number &amp; Aadhaar card to protect customer privacy in line with the regulatory guidelines</p> <p>Implementation of FIR(Fingerprint Image Record) in 2FA to reduce fingerprint mismatch</p> |
|--|--|

5. **Financial Position of the Company:**

The capital structure of the Company in the following manner in a tabular form:

|   |  |                                       |                                      |                             |                              |
|---|--|---------------------------------------|--------------------------------------|-----------------------------|------------------------------|
| (i) The authorised, issued, subscribed and paid up capital (number of securities, description and aggregate nominal value)  | <b>Share Capital</b>   |                                       | <b>Rs.</b>                           |                             |                              |
|   | <b>Authorised</b>  |                                       |                                      |                             |                              |
|   | 2,30,00,00,000 equity shares of INR 10 each  |                                       | 23,00,00,00,000                      |                             |                              |
|   | 20,00,00,00,000 preference shares of INR 10 each                                       |                                       | 200,00,00,000                        |                             |                              |
|   | <b>TOTAL</b>   |                                       | <b>25,00,00,00,000</b>               |                             |                              |
|   | <b>Issued, Subscribed and Fully Paid- up</b>   |                                       |                                      |                             |                              |
|   | 172,83,14,205 equity shares of INR 10 each   |                                       | 17,28,31,42,050                      |                             |                              |
|   | 20,00,00,00,000 preference shares of INR 10 each                                       |                                       | 200,00,00,000                        |                             |                              |
|   | <b>TOTAL</b>   |                                       | <b>19,28,31,42,050</b>               |                             |                              |
| (ii) Size of the present offer  | INR 500 Crores (Indian Rupees ).   |                                       |                                      |                             |                              |
| (iii) Paid-up capital:  |  |                                       |                                      |                             |                              |
| a. After the offer:   | INR <b>19,28,31,42,050</b>   |                                       |                                      |                             |                              |
| b. After the conversion of convertible instruments (if applicable)  | N.A.   |                                       |                                      |                             |                              |
| (iv) Share premium account:   |  |                                       |                                      |                             |                              |
| a. Before the offer:  | INR 7,22,16,73,000   |                                       |                                      |                             |                              |
| b. After the offer:   | INR 7,22,16,73,000   |                                       |                                      |                             |                              |
| (v) The details of the existing share capital of the Issuer in tabular form, indicating therein with regard to each allotment, the date of the allotment, the number of shares allotted, the face value of the shares allotted, the price and the form of consideration.  |  |                                       |                                      |                             |                              |
|   | <b>Date of Allotment</b>   | <b>No. of Shares allotted</b>         | <b>Face value of shares (in INR)</b> | <b>Issue Price (in INR)</b> | <b>Form of Consideration</b> |
|   | July 4, 2016   | 50,000                                | 10                                   | 10                          | Cash                         |
|   | July 30, 2016  | 10,99,86,800                          | 10                                   | 10                          | Cash                         |
|   | February 10, 2017  | 1,33,00,00,000                        | 10                                   | 10                          | Other than cash              |
|   | November 11, 2019  | 1,40,55,097                           | 10                                   | 35                          | Cash                         |
|   | November 13, 2019  | 7,14,28,570                           | 10                                   | 35                          | Cash                         |
|   | December 12, 2019  | 20,27,02,702                          | 10                                   | 36.80                       | Cash                         |
|   | November 07, 2020  | 29,069                                | 10                                   | 35                          | Cash                         |
|   | January 19, 2021   | 20,298                                | 10                                   | 35                          | Cash                         |
|   | February 15, 2021  | 37,229                                | 10                                   | 35                          | Cash                         |
|   | March 15, 2021   | 4,440                                 | 10                                   | 35                          | Cash                         |
| Provided that the issuer company shall also disclose the number and price at which each of the allotments were made in the last one year preceding the date of the private placement offer cum application letter separately indicating the allotments made for considerations other than cash and the details of the consideration in each case: | NIL, no such allotments were made in the last one year preceding the date of the PPOA. |                                       |                                      |                             |                              |
| (vi) Profits of the Company, before and after making provision for tax, for the 3 (three) financial years immediately preceding the date of issue of this private placement offer cum application letter  | <b>FY</b>  | <b>Profits before tax (in INR Cr)</b> | <b>Profits after tax (in INR Cr)</b> |                             |                              |
|   | 2021 - 2022  | -550.36                               | -414.59                              |                             |                              |
|   | 2020 - 2021  | 10.20                                 | 8.30                                 |                             |                              |
|   | 2019 - 2020  | 466.24                                | 349.92                               |                             |                              |

|   |                                  |                                |                     |                     |
|---|----------------------------------|--------------------------------|---------------------|---------------------|
| (vii) Dividends declared by the Company in respect of the said 3 (three) financial years;   | <b>FY</b>                        | <b>Dividend</b>                |                     |                     |
|   | 2021 - 2022                      | Nil                            |                     |                     |
|   | 2020 - 2021                      | Nil                            |                     |                     |
|   | 2019 - 2020                      | Nil*                           |                     |                     |
| interest coverage ratio for last 3 (three) years (cash profit after tax plus interest paid/interest paid)   | <b>FY</b>                        | <b>Interest coverage Ratio</b> |                     |                     |
|   | 2021 - 2022                      | 1.65                           |                     |                     |
|   | 2020 - 2021                      | 1.81                           |                     |                     |
|   | 2019 - 2020                      | 1.66                           |                     |                     |
| (viii) A summary of the financial position of the Company as in the 3 (three) audited balance sheets immediately preceding the date of issue of this private placement offer cum application letter | <b>Balance Sheet (INR Lakhs)</b> | <b>31.03.2022</b>              | <b>31.03.2021</b>   | <b>31.03.2020</b>   |
|   | Equity capital                   | 1,92,831.42                    | 1,92,831.42         | 1,92,822.32         |
|   | Reserve & Surplus                | 87431.97                       | 129043.77           | 1,25,950.22         |
|   | TNW                              | 2,80,263.39                    | 3,21,875.19         | 3,18,772.54         |
|   | Total Debt                       | 1,76,356.16                    | 3,24,731.67         | 3,95,326.59         |
|   | Current Liabilities+ Provisions  | 1903826.87                     | 1391438.53          | 11,27,025.25        |
|   | Total Outside Liabilities        | 20,80,183.03                   | 17,16,170.20        | 15,22,351.84        |
|   | <b>Total Liabilities</b>         | <b>23,60,446.42</b>            | <b>20,38,045.40</b> | <b>18,41,124.38</b> |
|   | Fixed assets (Net)               | 24,939.26                      | 28,072.89           | 30,048.32           |
|   | Investments                      | 4,15,293.48                    | 2,51,645.01         | 2,39,613.75         |
|   | Gross Advances                   | 17,48,765.08                   | 15,13,996.54        | 14,15,329.53        |
|   | Less : Loan Loss Reserve         | 1,18,447.94                    | 64,601.36           | 10,965.16           |
|   | Net Loan Outstanding             | 16,30,317.14                   | 14,49,395.18        | 14,04,364.37        |
|   | Cash / Liquid Investments        | 2,16,810.02                    | 2,57,749.74         | 1,34,328.95         |
|   | Non Current assets               |                                |                     |                     |
|   | Other current assets             | 38,594.41                      | 30,267.29           | 28,764.29           |
|   | Deferred Tax Assets              | 34,492.10                      | 20,915.29           | 4,004.70            |
| Intangible Assets   |                                  | -                              | -                   |                     |
| Other Long Term Assets  | -                                | -                              | -                   |                     |
| <b>Total Assets</b>   | <b>23,60,446.42</b>              | <b>20,38,045.40</b>            | <b>18,41,124.38</b> |                     |
| (ix) Audited Cash Flow Statement for the 3 (three) years immediately preceding the date of circulation of this private placement offer cum application letter                                       | Please refer Annexure I          |                                |                     |                     |
| (x) Any change in accounting policies during the last 3 (three) years and their effect on the profits and the reserves of the Company   | Nil                              |                                |                     |                     |

## DECLARATION

- (a) The Company has complied with the provisions of the Companies Act, 2013 and the rules made thereunder.
- (b) The compliance with the Companies Act, 2013 and the rules does not imply that payment of dividend or interest or repayment of the Debentures, if applicable, is guaranteed by the Central Government.
- (c) The monies received under the offer shall be used only for the purposes and objects indicated in this private placement offer cum application letter.

I am authorized by the Board of Directors of the Company *vide* resolution number 6 dated June 08, 2022 read with the resolution dated August 25, 2022 of the Committee of Directors (Authorized Committee of the Board) of the board of directors to sign this private placement offer and application letter and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this private placement offer and application letter and matters incidental thereto have been complied with. Whatever is stated in this private placement offer and application letter and in the attachments thereto is true, correct and complete and no information material to the subject matter of this private placement offer and application letter has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association. It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

**For UJJIVAN SMALL FINANCE BANK LIMITED**



**Authorised Signatory**

**Name:** Mr. Sanjeev Barnwal

**Title:** Company Secretary

**Date:** August 25, 2022

**Place:** Bangalore

### Enclosed

Annexure I: Audited Cash Flow Statements

Annexure II: Copies of Board Resolution and Committee Resolution

Annexure III: Copies of Shareholders Resolutions

Annexure IV: Application Form

Annexure V: Summary Term Sheet and Illustrative Bond Cash Flows

Annexure VI: Other Offering Information

Annexure VII: Financial results for the financial quarter ended June 30, 2022

Annexure VIII: Debenture Trustee's Consent Letter

Annexure IX: CARE Rating Letter and CARE Rating Rationale

Optional Attachments, if any

**UJIVAN SMALL FINANCE BANK LIMITED**  
Cash Flow Statement for the year ended March 31, 2020

(Rs. in 000's)

| Particulars  | Year ended<br>March 31, 2020 | Year ended<br>March 31, 2019 |
|--|------------------------------|------------------------------|
| <b>A. Cash Flow from Operating Activities</b>                          |                              |                              |
| Net Profit/(Loss) before taxation                                      | 46,62,397                    | 26,84,230                    |
| <b>Adjustments for :</b>   |                              |                              |
| Depreciation on Bank's Property  | 7,26,290                     | 6,05,977                     |
| Loss on sale of Land, Building & Other assets (net)                    | 1,865                        | 11,429                       |
| Expense on employee stock option                                       | 2,14,199                     | -                            |
| Expense on employee stock purchase                                     | 79,740                       | -                            |
| Fixed Assets Written off   | 879                          | 141                          |
| Provision for Non Performing Assets                                    | 10,45,081                    | 2,31,718                     |
| Provision for Standard Assets  | 6,64,129                     | 1,74,167                     |
| Amortisation of premium on HTM investments                             | 45,566                       | 24,836                       |
| <b>Operating Profit/(Loss) before Working Capital changes</b>          | <b>74,40,140</b>             | <b>37,32,498</b>             |
| <b>Adjustments for :</b>   |                              |                              |
| (Increase) /Decrease in Advances                                       | (3,59,56,968)                | (3,23,94,153)                |
| (Increase)/Decrease in Investments                                     | (87,40,719)                  | (29,66,269)                  |
| (Increase)/Decrease in Other Assets                                    | (3,59,550)                   | (8,62,087)                   |
| Increase/ (Decrease) in Deposits                                       | 3,40,10,429                  | 3,60,69,234                  |
| Increase/ (Decrease) in Other Liabilities                              | 4,62,905                     | 15,87,586                    |
| <b>Cash generated from/(used in) Operations</b>                        | <b>(31,43,763)</b>           | <b>51,66,809</b>             |
| Direct Taxes paid (net of funds)                                       | (11,15,047)                  | (3,89,649)                   |
| <b>Net Cash Flow generated from/(used in) Operating Activities (A)</b> | <b>(42,58,810)</b>           | <b>47,77,160</b>             |
| <b>B. Cash Flow from Investing Activities</b>                          |                              |                              |
| Proceeds from sale of Fixed Assets                                     | 5,906                        | 11,333                       |
| Purchase of Fixed Assets including WIP                                 | (8,95,277)                   | (14,89,926)                  |
| <b>Net Cash Flow used in Investing Activities (B)</b>                  | <b>(8,89,371)</b>            | <b>(14,78,593)</b>           |
| <b>C. Cash Flow from Financing Activities</b>                          |                              |                              |
| Proceeds from issue of equity shares (net of issue expenses)           | 1,00,20,451                  | -                            |
| Proceeds from share application money pending allotment                | -                            | -                            |
| Increase/(Decrease) in Borrowings (Net)                                | (21,28,241)                  | 31,32,450                    |
| Preference dividend paid during the year                               | (1,10,000)                   | (2,20,000)                   |
| Dividend distribution tax paid during the year                         | (22,611)                     | (45,222)                     |
| <b>Net Cash Flow generated from Financing Activities (C)</b>           | <b>77,59,599</b>             | <b>28,67,228</b>             |
| <b>Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)</b>    | <b>26,11,418</b>             | <b>61,65,795</b>             |
| <b>Cash and Cash Equivalents at the beginning of the year</b>          | <b>1,07,76,478</b>           | <b>46,10,683</b>             |
| <b>Cash and Cash Equivalents at the end of the year</b>                | <b>1,33,87,896</b>           | <b>1,07,76,478</b>           |

**Notes:**

- The above Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard 3 on Cash Flow Statements specified under Sec.133 of the Companies act, 2013 read with rule 7 of the Companies (Account) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2015.
- Cash and cash equivalents comprises of Cash & Balances with RBI (Schedule 6) and Balances with Banks and Money at Call and Short Notice (Schedule 7) with balances having original maturity of less than three months.
- Figures in bracket indicate cash outflow.

As per our report of even date

For MSKA & Associates  
Chartered Accountants  
Firm Registration Number: 105047W

Swapnil Subhash Kale  
Digitally signed by Swapnil Subhash Kale  
Date: 2020.05.19 19:05:30 +05'30'

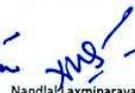
Swapnil Kale  
Partner  
Membership No: 117812

For and on behalf of Board of Directors of  
Ujivan Small Finance Bank Limited

  
Nitin Chugh  
DIN: 01884659  
Managing Director & CEO

  
Mahadev Lakshminarayanan  
DIN: 05003710  
Independent Director

  
Vandana Viswanathan  
DIN: 05192578  
Independent Director

  
Nandlal Laxminarayan Sarda  
DIN: 00147782  
Independent Director

  
Upma Goel  
Chief Financial Officer

  
Chanchal Kumar  
Company Secretary

Mumbai  
May 19, 2020

Bengaluru  
May 19, 2020

**UJIVAN SMALL FINANCE BANK LIMITED**  
Cash Flow Statement for the year ended March 31, 2021

(Rs. in 000's)

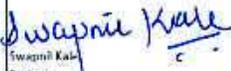
| Particulars  | For the year ended March 31<br>2021 | For the year ended March 31<br>2020 |
|--|-------------------------------------|-------------------------------------|
| <b>A. Cash Flow from Operating Activities</b>                          |                                     |                                     |
| Net Profit before taxation   | 101,975                             | 4,662,396                           |
| Adjustments for:   |                                     |                                     |
| Depreciation on Bank's Property  | 768,006                             | 726,290                             |
| Loss on sale of Land, Building & Other assets (net)                    | 7,691                               | 1,865                               |
| Expense on employee stock option                                       | 771,041                             | 214,193                             |
| Expense on employee stock purchase                                     | -                                   | 79,740                              |
| Fixed Assets Written off   | -                                   | 879                                 |
| Provision for Non Performing Assets                                    | 6,107,408                           | 1,045,081                           |
| Provision for Standard Assets  | 1,882,715                           | 664,129                             |
| Interest earned on fixed deposits                                      | 82,949                              | 9,469                               |
| Profit on sale of held-to-maturity (HTM) securities                    | 509,157                             | 19,359                              |
| Amortisation of premium on HTM securities                              | 130,125                             | 46,566                              |
| <b>Operating Profit/(Loss) before Working Capital changes</b>          | <b>9,812,567</b>                    | <b>7,463,567</b>                    |
| Adjustments for:   |                                     |                                     |
| Increase in Advances   | (10,610,490)                        | (35,956,968)                        |
| Decrease/(Increase) in Investments in other than HTM securities        | 4,622,717                           | (2,078,655)                         |
| Decrease/(Increase) in Other Assets                                    | 272,845                             | (369,079)                           |
| Increase in Deposits   | 23,552,636                          | 34,010,428                          |
| Increase in Other Liabilities  | 1,006,777                           | 462,905                             |
|  | <b>28,656,752</b>                   | <b>3,532,259</b>                    |
| Direct Taxes paid (net of funds)                                       | (2,089,866)                         | (1,115,046)                         |
| <b>Net Cash Flow generated from Operating Activities (A)</b>           | <b>26,566,786</b>                   | <b>2,417,213</b>                    |
| <b>B. Cash Flow from Investing Activities</b>                          |                                     |                                     |
| Proceeds from sale of Fixed Assets                                     | 3,738                               | 5,906                               |
| Purchase of Fixed Assets including work in progress                    | (581,392)                           | (855,277)                           |
| Investment in HTM securities (Net)                                     | (6,466,125)                         | (6,676,023)                         |
| Deposits created with Banks and financial institutions                 | (6,521,197)                         | -                                   |
| <b>Net Cash Flow used in Investing Activities (B)</b>                  | <b>(13,564,471)</b>                 | <b>(7,565,394)</b>                  |
| <b>C. Cash Flow from Financing Activities</b>                          |                                     |                                     |
| Proceeds from issue of equity shares (net of issue expenses)           | 4,255                               | 20,020,451                          |
| Decrease in Borrowings (Net)   | (7,059,492)                         | (2,128,241)                         |
| Preference dividend paid during the year                               | -                                   | (10,000)                            |
| Dividend distribution tax paid during the year                         | -                                   | (22,611)                            |
| <b>Net Cash Flow generated from/(used in) Financing Activities (C)</b> | <b>(7,055,237)</b>                  | <b>7,759,599</b>                    |
| <b>Net Increase in Cash and Cash Equivalents (A+B+C)</b>               | <b>5,947,078</b>                    | <b>2,611,418</b>                    |
| <b>Cash and Cash Equivalents at the beginning of the year</b>          | <b>13,387,896</b>                   | <b>10,776,478</b>                   |
| <b>Cash and Cash Equivalents at the end of the year</b>                | <b>19,334,974</b>                   | <b>13,387,896</b>                   |

**Notes:**

- The above Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard 3 on Cash Flow Statements specified under Sec.133 of the Companies Act, 2013 read with rule 7 of the Companies (Account) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016.
- Cash and cash equivalents comprises of Cash & Balances with RBI (Schedule 6) and Balances with Banks and Money at Call and Short Notice (Schedule 7) with balances having original maturity of less than three months.
- Figures in bracket indicate cash outflow

As per our report of even date

For **MSKA & Associates**  
Chartered Accountants  
Firm Registration Number: 105047W

  
Swapnil Kale  
Partner  
Membership No: 117812

For and on behalf of Board of Directors of  
Ujivan Small Finance Bank Limited

  
Nilin Chugh  
DIN: 01884659  
Managing Director & CEO

  
Mahadevi Lakshminarayanan  
DIN: 05008710  
Independent Director

  
Umang Bedi  
DIN: 02432920  
Independent Director

  
Nandini Lakshminarayanan Sarda  
DIN: 00147767  
Independent Director

  
Upma Goel  
Chief Financial Officer

  
Chanchal Kumar  
Company Secretary

Mumbai  
May 18, 2021

Bengaluru

| UJIVAN SMALL FINANCE BANK LIMITED  |  |   |
|--|--|---|
| Cash Flow Statement  |  |   |
| (Rs. in 000's)   |  |   |
| Particulars  | For the year ended<br>March 31 2022                            | For the year ended<br>March 31 2021   |
| <b>A. Cash Flow from Operating Activities</b>  |  |   |
| Net Profit/(Loss) After taxation   | (41,45,904)  | 82,969  |
| Tax adjustment   | (13,57,681)  | 19,006  |
| <b>Net Profit/(Loss) before taxation</b>   | <b>(55,03,585)</b>   | <b>1,01,975</b>   |
| <b>Adjustments for:</b>  |  |   |
| Depreciation on Bank's Property  | 8,04,430   | 7,68,006  |
| Loss on sale of Land, Building & Other assets (net)  | 19,970   | 7,691   |
| Expense on employee stock option   | (15,277)   | 2,23,041  |
| Expense on employee stock purchase   | -  | -   |
| Fixed Assets Written off   | -  | -   |
| Provision for Non Performing Assets  | 1,28,04,336  | 61,07,408   |
| Provision for Standard Assets  | (16,25,677)  | 18,82,215   |
| Provision for depreciation on investment   | 3,404  | -   |
| Interest earned on fixed deposits  | (2,41,876)   | 82,949  |
| Profit on sale of Held-to-maturity (HTM) securities  | (36,929)   | 5,09,157  |
| Amortisation of premium on HTM investments   | 2,17,988   | 1,30,125  |
| <b>Operating Profit/(Loss) before Working Capital changes</b>  | <b>64,26,584</b>   | <b>98,12,567</b>  |
| <b>Adjustments for:</b>  |  |   |
| (Increase) /Decrease in Advances ( Refer note 3 below)   | (3,08,96,533)  | (1,06,10,490)   |
| (Increase)/Decrease in Investments in other than HTM securities  | (20,95,008)  | 46,22,717   |
| (Increase)/Decrease in Other Assets  | (6,18,150)   | 2,72,845  |
| Increase/ (Decrease) in Deposits   | 5,15,64,496  | 2,35,52,836   |
| Increase/ (Decrease) in Other Liabilities  | 13,00,217  | 10,06,277   |
| <b>Cash generated from/(used in) Operations</b>  | <b>2,56,81,606</b>   | <b>2,86,56,752</b>  |
| Direct Taxes paid (net of funds)   | (2,14,562)   | (20,89,966)   |
| <b>Net Cash Flow generated from/(used in) Operating Activities (A)</b>   | <b>2,54,67,044</b>   | <b>2,65,66,786</b>  |
| <b>B. Cash Flow from Investing Activities</b>  |  |   |
| Proceeds from sale of Fixed Assets   | 3,771  | 3,238   |
| Investment in HTM securities (Net)   | (1,44,54,303)  | (64,65,125)   |
| Deposits (created)/encashed with Banks and financial institutions (Net)  | 65,55,582  | (65,21,192)   |
| Purchase of Fixed Assets including WIP   | (5,14,808)   | (5,81,392)  |
| <b>Net Cash Flow used in Investing Activities (B)</b>  | <b>(84,09,758)</b>   | <b>(1,35,64,471)</b>  |
| <b>C. Cash Flow from Financing Activities</b>  |  |   |
| Proceeds from issue of equity shares (net of issue expenses)   | -  | 4,255   |
| Increase/(Decrease) in Borrowings (Net)  | (1,48,37,551)  | (70,59,492)   |
| Preference dividend paid during the year   | -  | -   |
| Dividend distribution tax paid during the year   | -  | -   |
| <b>Net Cash Flow generated from Financing Activities (C)</b>   | <b>(1,48,37,551)</b>   | <b>(70,55,237)</b>  |
| <b>Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)</b>  | <b>22,19,735</b>   | <b>59,47,078</b>  |
| Cash and Cash Equivalents at the beginning of the year   | 1,93,34,974  | 1,33,87,896   |
| <b>Cash and Cash Equivalents at the end of the year</b>  | <b>2,15,54,709</b>   | <b>1,93,34,974</b>  |
| <b>Notes to Cash Flow Statement:</b>   |  |   |
| 1 Cash and Cash equivalents includes the following:  |  |   |
| Cash and Bank Balances with Reserve Bank (Schedule 6)  | 1,68,22,456  | 1,71,15,317   |
| Balance with Bank and Money at Call & Short Notice (Schedule 7)  | 48,58,547  | 86,59,657   |
|  | 2,16,81,003  | 2,57,74,974   |
| Balances not considered as part of Cash and Cash equivalents   |  |   |
| Bank Deposits with original maturity more than 3 months or Bank Deposits under lien  | (1,26,294)   | (64,40,000)   |
| <b>Less:</b>   |  |   |
| <b>Cash and Cash Equivalents at the end of the year</b>  | <b>2,15,54,709</b>   | <b>1,93,34,974</b>  |
| 2 The above Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard 3 on Cash Flow Statements specified under Sec.133 of the Companies act, 2013 read with rule 7 of the Companies (Account) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016. |  |   |
| 3 Increase/ Decrease in advances are net after taking to account advances transferred under inter- bank participation certificates of Rs. 42,50,000 ('000) and transaction arrangements of Rs. 25,25,883('000) with other parties.   |  |   |
| 4 Figures in bracket indicate cash outflow.  |  |   |
| <b>As per our report of even date</b>  |  |   |
| For B K Ramadhyani & Co LLP<br>Chartered Accountants<br>FRN: 0028785/S200021   | Mukund M Chitale & Co.<br>Chartered Accountants<br>FRN:106855W | For and on behalf of Board of Directors of<br>Ujivan Small Finance Bank Limited |
| Vasuki H S<br>Partner<br>MN: 2129  | Nilesh RS Joshi<br>Partner<br>MN: 114995                       | Ittira Davis<br>DIN: 06442816<br>Managing Director &<br>CEO                     |
|  |  | B A Prabhakar<br>DIN: 02101808<br>Independent Director                          |
|  |  | Rajni Mishra<br>DIN: 08386001<br>Independent Director                           |
|  |  | Sudha Suresh<br>DIN: 00147782<br>Independent Director                           |
|  |  | M.D.Ramesh Murthy<br>Chief Financial Officer                                    |
|  |  | Sanjiv Barnwal<br>Company Secretary   |
| Bengaluru<br>May 12, 2022  |  |   |

**EXTRACT OF THE MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS (“BOARD”) [SERIAL NO. 2– FY 2022-23] OF UJJIVAN SMALL FINANCE BANK LIMITED (“BANK”) HELD AT THE REGISTERED OFFICE OF THE BANK AT GRAPE GARDEN, NO. 27, 3<sup>RD</sup> “A” CROSS, 18<sup>TH</sup> MAIN, 6<sup>TH</sup> BLOCK, KORAMANGALA, BENGALURU-560095 ON WEDNESDAY, JUNE 08, 2022 FROM 11:30 A.M. TO 01:00 P.M.**

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**TO CONSIDER AND APPROVE RAISING FUNDS BY THE WAY OF DEBT ISSUE (SUBORDINATED DEBT – TIER II), BY WAY OF A PRIVATE PLACEMENT, IN ONE OR MORE TRANCHEs AND OTHER MATTERS ANCILLARY TO THE SAME.**

**"RESOLVED THAT** pursuant to the provisions of Sections 42, 71, 179 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, including any statutory modifications or re-enactments thereof for the time being in force (the "Act"), the Foreign Exchange Management Act, 1999, (as amended from time to time), rules, regulations, guidelines, notifications, clarifications and circulars, if any, prescribed by the Government of India, all applicable regulations, directions, guidelines, circulars and notifications of the Reserve Bank of India ("RBI"), the Securities and Exchange Board of India ("SEBI"), including the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 and the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, the SEBI circular bearing the reference number SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 on "*Operational Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper*", each as amended, supplemented or restated from time to time, or any other regulatory authority, whether in India or abroad, and in accordance with the Memorandum of Association and the Articles of Association of the Bank and the listing agreements entered into with the stock exchanges (the "**Stock Exchanges**") where the securities of the Bank may be listed and subject to such approvals, consents, permissions and sanctions as may be required from any statutory/regulatory authority, and subject to the approval of the shareholders, the approval of the Board be and is hereby accorded for issue and allotment of non-convertible debentures ((i) listed or unlisted, (ii) senior or subordinated, and/or (iii) any others), as may be determined, and which may or may not be rated (as may be determined), of such face value as may be determined, at such interest rate as may be determined, payable at such frequency as may be determined, subject to deduction of taxes at source in accordance with applicable law, with or without gross up, and for such maturity (subject to applicable law) as may be determined, on a private placement basis to eligible investors (including without limitation, any banks, financial institutions, mutual funds, foreign portfolio investors, individuals, or any other persons/entities in accordance with applicable law) ("**Investors**") for raising debt for such purposes as may be determined, such that the total amount to be raised through issue of debentures shall not exceed Rs. 1500 Crores.

**RESOLVED FURTHER THAT** the Committee of Directors, of the Board of Directors ("**Committee**") is hereby empowered (in addition to any powers that the Committee presently has or may have from time to time), within the overall ambit of the resolutions set out herein, to (a) consider and approve the particular terms of each Tranche/Issue to more effectively implement any of the resolutions of the Board set out herein, (b) consider and approve any terms or modifications thereof for any Tranche/Issue, (c) direct any officers of the Bank to do such things and to take such actions as the Bank is entitled to do or take (as the case may be) in terms of the resolutions set out herein, and (d) generally do or to take any other action, deed, or things, as may be necessary to remove any difficulties or impediments in the effective implementation of the resolutions set out herein.

**RESOLVED FURTHER THAT** Mr. Ittira Davis, MD & CEO, Mr. Ramesh Murthy, Chief Financial Officer and Mr. Sanjeev Barnwal, Company Secretary & Head of Regulatory Framework and/or such other persons as may be authorised by the Board or the Committee (collectively, the "**Authorised Persons**") be and are hereby severally authorised to do such acts, deeds and things as they deem necessary or desirable in connection with the issue, offer and allotment of the Debentures or any Tranche/Issue of the Debentures, including, without limitation the following:

- (a) seeking, if required, any approval, consent or waiver from any/all concerned governmental and regulatory authorities, and/or any other approvals, consent or waivers that may be required in connection with the issue, offer and allotment of the Debentures or any Tranche/Issue of the Debentures;
- (b) executing the term sheet in relation to the Debentures or any Tranche/Issue of the Debentures;
- (c) negotiating, approving and deciding the terms of the issue, offer and allotment of the Debentures or any Tranche/Issue of the Debentures and all other related matters (including but not limited to, the amounts proposed to be raised, the rate of interest, the terms of repayment and the end use);
- (d) if required by the holders of the Debentures or any Tranche/Issue of the Debentures (the "**Debenture Holders**"), seeking the listing of any of the Debentures or any Tranche/Issue of the Debentures on any Stock Exchange, submitting the listing application and taking all actions that may be necessary in connection with obtaining such listing;
- (e) (if so required) issuing the Debentures or any Tranche/Issue of the Debentures through the electronic book mechanism process pursuant to the guidelines and circulars issued by the SEBI in this respect, and taking all such action and steps as may be required for the purposes of complying with relevant guidelines, including making all relevant disclosures to the "electronic book provider";
- (f) (if so required) creating and maintaining a recovery expense fund with the relevant Stock Exchanges in accordance with the requirements of the circular no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/207 dated October 22, 2020 on "*Contribution by Issuers of listed or proposed to be listed debt securities towards creation of "Recovery Expense Fund"*" issued by SEBI;
- (g) (if so required) providing such information/disclosures in accordance with the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and the requirements of the circular no. SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 on "*Operational Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper*" issued by SEBI;
- (h) approving the debt disclosure document/placement memorandum and the private placement offer cum application letter (as may be required) (including amending, varying or modifying such documents, as may be considered desirable or expedient), in accordance with all applicable laws, rules, regulations and guidelines;
- (i) finalising the terms and conditions (including commercials and execution of engagement letters) for the appointments of an arranger (if so required), a debenture trustee, a registrar and transfer agent, a credit rating agency, legal counsel, a depository and such other intermediaries including their successors and their agents, as may be required in relation to the issue, offer and allotment of the Debentures or any Tranche/Issue of the Debentures;
- (j) finalising the terms of the issue, offer and allotment of the Debentures or any Tranche/Issue of the Debentures;
- (k) entering into arrangements with the depository in connection with the issue, offer and allotment of the Debentures or any Tranche/Issue of the Debentures in dematerialised form;
- (l) finalising the deemed date of allotment of the Debentures or any Tranche/Issue of the Debentures;
- (m) negotiating, executing, filing and delivering any documents, instruments, deeds, amendments, papers, applications, notices or letters as may be required in connection with the issue, offer and allotment of the Debentures or any Tranche/Issue of the Debentures and dealing with regulatory authorities in connection with the issue, offer and allotment of the Debentures or any Tranche/Issue of the Debentures including but not limited to the RBI, SEBI (if so required), any Stock Exchange (if so required), the relevant registrar of companies, the Ministry of Corporate Affairs, and such other authorities as may be required;

- (n) to execute all documents with, file forms with and submit applications to any Stock Exchange (if so required), the relevant registrar of companies, the Ministry of Corporate Affairs, or any depository;
- (o) to sign and/or dispatch all documents and notices to be signed and/or dispatched by the Bank under or in connection with the Transaction Documents;
- (p) to take all steps and do all things and give such directions as may be required, necessary, expedient or desirable for giving effect to the Transaction Documents, the transactions contemplated therein and the resolutions mentioned herein, including without limitation, to approve, negotiate, finalise, sign, execute, ratify, amend, supplement and/or issue the following, including any amendments, modifications, supplements, restatements or novations thereto (now or in the future):
  - (i) the debt disclosure document/placement memorandum and the private placement offer cum application letter for the issue, offer and allotment of the Debentures or any Tranche/Issue of the Debentures (as may be required) (the "**Disclosure Documents**");
  - (ii) the debenture trust deed, the debenture trustee agreement, and any other documents required for the issue, offer and allotment of the Debentures or any Tranche/Issue of the Debentures and any other document in relation thereto ((i) and (ii) above are collectively referred to as the "**Transaction Documents**");
  - (iii) the debenture certificate(s) for the Debentures or any Tranche/Issue of the Debentures (if required);
  - (iv) any other documents required for the purposes of the issue, offer and allotment of the Debentures or any Tranche/Issue of the Debentures and the transactions contemplated thereby, including but not limited to letters of undertaking, declarations, agreements, reports; and
  - (v) any other document designated as a Transaction Document by the relevant debenture trustee/Debenture Holders;
- (q) to pay stamp duty required to be paid for the issue, offer and allotment of the Debentures or any Tranche/Issue of the Debentures in accordance with the laws of India;
- (r) to do all acts necessary for the issue, offer and allotment of the Debentures or any Tranche/Issue of the Debentures in accordance with the terms set out in the Disclosure Documents and the Transaction Documents; and
- (s) to generally do any other act or deed, to negotiate and execute any documents, applications, agreements, undertakings, deeds, affidavits, declarations and certificates in relation to the issue, offer and allotment of the Debentures or any Tranche/Issue of the Debentures and the transactions contemplated thereby, and to give such directions as it deems fit or as may be necessary or desirable in relation to the issue, offer and allotment of the Debentures or any Tranche/Issue of the Debentures.

**RESOLVED FURTHER THAT** the Authorised Persons be and are hereby severally authorised to take all necessary steps relating to the issue, offer and allotment of the Debentures or any Tranche/Issue of the Debentures and also to sign and submit the necessary forms with the relevant Registrar of Companies, the Ministry of Corporate Affairs, and other relevant governmental authorities.

**RESOLVED FURTHER THAT** any one of the Authorised Persons be and are hereby severally authorised to record the name of the Debenture Holders in the register of debenture holders and to undertake such other acts, deeds and things as may be required to give effect to the issuance and allotment of the Debentures or any Tranche/Issue of the Debentures and the listing of the Debentures or any Tranche/Issue of the Debentures if and as and when required by the Debenture Holders.

**RESOLVED FURTHER THAT** the Bank be and is hereby authorised to open any bank accounts with such banks in India as may be required in connection with the issue, offer and allotment of the Debentures or any Tranche/Issue of the Debentures and

that any one of Authorised Persons, be and are hereby severally authorised to sign and execute the application form(s) and other documents required for opening the said account(s), to operate such account(s), and to give such instructions including closure thereof as may be required and deemed appropriate by them, and that such bank(s) be and is/are hereby authorised to honour all cheques and other negotiable instruments drawn, accepted or endorsed and instructions given by the aforesaid Authorised Persons on behalf of the Bank.

**RESOLVED FURTHER THAT** the Authorised Persons be and are hereby severally authorised to delegate the powers to any other employee/representative/agent of the Bank, as may be deemed necessary to do such acts and execute such documents as may be required in connection with any of the matters relating to the issue, offer and allotment of the Debentures or any Tranche/Issue of the Debentures.

**RESOLVED FURTHER THAT** the Board hereby approves and ratifies all such acts, deeds and actions taken by the Bank till date for the purpose of the issue, offer and allotment of the Debentures or any Tranche/Issue of the Debentures.

**RESOLVED FURTHER THAT** the common seal of the Bank, if needed, be affixed to the stamped engrossments of such documents as may be required in the presence of any director(s) of the Bank and/or any Authorised Person and/or the Company Secretary of the Bank and/or any one or more of them in accordance with the Articles of Association of the Bank who shall sign/countersign the same in token thereof.

**RESOLVED FURTHER THAT** the copies of the foregoing resolutions certified to be true copies by any director or the Company Secretary of the Bank be furnished to such persons as may be deemed necessary."

**For UJJIVAN SMALL FINANCE BANK LIMITED**

**SANJEEV  
BARNWAL**

Digitally signed by  
SANJEEV BARNWAL  
Date: 2022.08.25 19:55:15  
+05'30'

**Sanjeev Barnwal**  
**Company Secretary and Head of Regulatory Framework**



**CERTIFIED TRUE COPY OF THE RESOLUTION PASSED AT MEETING OF THE COMMITTEE OF DIRECTORS ("COMMITTEE") [SERIAL NO. 7- FY 2022-23] OF UJJIVAN SMALL FINANCE BANK LIMITED ("BANK") HELD AT THE REGISTERED OFFICE OF THE BANK AT GRAPE GARDEN, NO. 27, 3RD "A" CROSS, 18TH MAIN 6TH BLOCK, KORAMANGALA BENGALURU BANGALORE KA 560095 IN ON THURSDAY, AUGUST 25, 2022**

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**TO CONSIDER AND APPROVE THE PRIVATE PLACEMENT OFFER LETTER (PPOL) FOR THE OFFER AND ISSUANCE OF UP TO 50,000 SUBORDINATED, RATED, UNLISTED, UNSECURED, TRANSFERABLE, REDEEMABLE, FULLY PAID UP, NON-CONVERTIBLE DEBENTURES AND TO GRANT NECESSARY AUTHORIZATIONS TO THE OFFICIALS.**

"**RESOLVED THAT** pursuant to the resolution dated June 08, 2022 of the Board, and the provisions of Sections 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, including any statutory modifications or re-enactments thereof for the time being in force (the "**Act**"), rules, regulations, guidelines, notifications, clarifications and circulars, if any, prescribed by the Government of India, all applicable regulations, directions, guidelines, circulars and notifications of the Reserve Bank of India ("**RBI**"), the Securities and Exchange Board of India ("**SEBI**") including the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992, or any other regulatory authority, whether in India or abroad, and in accordance with the Memorandum of Association and the Articles of Association of the Bank, and subject to such approvals, consents, permissions and sanctions as may be required from any statutory or regulatory authority, the approval of the Committee be and is hereby accorded for offer, issue and allotment of up to (but not exceeding) [50,000 (fifty thousand) subordinated, rated, unlisted, unsecured, transferable, redeemable, fully paid up, non-convertible debentures, denominated in Indian Rupees ("**INR**"), having a face value of INR 1,00,000 (Indian Rupees One Lakh) each and an aggregate face value of INR 500,00,00,000 (Indian Rupees Five Hundred Crore))] or such other number of debentures, face value and amount as may be determined ("**Debentures**") at 11.95% (eleven decimal nine five percent) per annum or such other interest rate as may be agreed, payable monthly or at such other interest periods as may be agreed, subject to deduction of taxes at source in accordance with applicable law, with or without gross up, and for a period of up to 68 (sixty eight) months from the deemed date of allotment or such other tenure/maturity period (subject to applicable law) as may be agreed, on a private placement basis to the allottees as mentioned in Annexure A or such other persons as may be identified for this purpose (being the identified persons for the purposes of Section 42 of the Act) ("**Investor(s)**") for raising debt (a) to augment the Bank's Tier II Capital for strengthening the Bank's capital adequacy and enhancing the Bank's long-term resources, (b) for the regular business activities of the Bank, and/or (c) for such other purposes as may be agreed with the Investor(s) and the Private Placement Offer Letter, as placed before the Committee be and is hereby approved.

**RESOLVED FURTHER THAT** Mr. Ittira Davis, Managing Director and CEO, Mr. M D Ramesh Murthy, Chief Financial Officer and Mr. Sanjeev Barnwal, Company Secretary and Head of Regulatory Framework (the "**Authorised Persons**") be and are hereby severally authorised to do such acts, deeds and things as they deem necessary or desirable in connection with the finalisation of the terms of, and completing all applicable requirements for the offer, issue and allotment of the Debentures, being:

- (a) seeking, if required, any approval, consent or waiver from any/all concerned governmental and regulatory authorities and any other person (including any creditors of the Company), and/or any other approvals, consent or waivers that may be required in connection with the offer, issue and allotment of the Debentures;
- (b) executing the term sheet in relation to the Debentures;



- (c) negotiating, approving and deciding the terms of the offer, issue and allotment of the Debentures and all other related matters;
- (d) approving the private placement offer cum application letter ("PPOL") (including amending, varying or modifying the PPOL, as may be considered desirable or expedient), in accordance with all applicable laws, rules, regulations and guidelines;
- (e) finalising the terms and conditions of the appointment of an arranger (if so required), a debenture trustee, a registrar and transfer agent, a credit rating agency, a legal counsel, the depository(ies) and such other intermediaries including their successors and their agents, as may be required in relation to the offer, issue and allotment of the Debentures;
- (f) finalising the terms of the offer, issue and allotment of the Debentures;
- (g) entering into arrangements with the depository(ies) in connection with the offer, issue and allotment of the Debentures in dematerialised form;
- (h) finalising the deemed date of allotment of the Debentures;
- (i) negotiating, executing, filing and delivering any documents, instruments, deeds, amendments, papers, applications, notices or letters as may be required in connection with the offer, issue and allotment of the Debentures and dealing with regulatory authorities in connection with the offer, issue and allotment of the Debentures including but not limited to the RBI, SEBI (if so required), the relevant registrar of companies, the Ministry of Corporate Affairs, or any depository(ies), and such other authorities as may be required;
- (j) to execute all documents with, file forms with and submit applications to the relevant registrar of companies, the Ministry of Corporate Affairs, or any depository(ies);
- (k) sign and/or dispatch all documents and notices to be signed and/or dispatched by the Bank under or in connection with the Transaction Documents;
- (l) to take all steps and do all things and give such directions as may be required, necessary, expedient or desirable for giving effect to the Transaction Documents, the transactions contemplated therein and the resolutions mentioned herein, including without limitation, to approve, negotiate, finalise, sign, execute, ratify, amend, supplement and/or issue the following, including any amendments, modifications, supplements, restatements or novations thereto (now or in the future):
  - (i) the PPOL for the offer, issue and allotment of the Debentures;
  - (ii) the debenture trust deed, the debenture trustee agreement, and any other documents required for the offer, issue and allotment of the Debentures (including any powers of attorney in connection thereto), and any other document in relation thereto ((i) and (ii) above are collectively referred to as the "**Transaction Documents**");
  - (iii) the debenture certificate(s) for the Debentures (if required);



- (iv) any other documents (including any disclosure document/information memorandum/placement memorandum) required for the purposes of the offer, issue and allotment of the Debentures and the transactions contemplated thereby, including but not limited to letters of undertaking, declarations, agreements, reports; and
- (v) any other document designated as a Transaction Document by the debenture trustee/holders of the Debentures;
- (m) do all acts necessary for the finalisation of the terms of, and completing all applicable requirements for the offer, issue and allotment of the Debentures in accordance with the terms set out in the Transaction Documents; and
- (n) to generally do any other act or deed, to negotiate and execute any documents, applications, agreements, undertakings, deeds, affidavits, declarations and certificates in relation to the offer, issue and allotment of the Debentures and the transactions contemplated thereby, and to give such directions as it deems fit or as may be necessary or desirable in relation to the finalisation of the terms of, and completing all applicable requirements for the offer, issue and allotment of the Debentures.

**RESOLVED FURTHER THAT** the Authorised Persons be and are hereby severally authorised to take all necessary steps relating to the issue, offer and allotment of the Debentures and also to sign and submit the necessary forms with the relevant registrar of companies, the Ministry of Corporate Affairs, or the depository(ies), and/or any other relevant governmental authorities.

**RESOLVED FURTHER THAT** the Committee hereby approves and ratifies all such acts, deeds and actions taken by the Bank till date for the purpose of the offer, issue and allotment of the Debentures.

**RESOLVED FURTHER THAT** the Authorised Persons be and are hereby severally authorised to record the name of the holders of the Debentures in the register of debenture holders and to undertake such other acts, deeds and things as may be required to give effect to the issuance and allotment of the Debentures.

**RESOLVED FURTHER THAT** the Authorised Persons be and are hereby severally authorised to pay all stamp duty required to be paid for the offer, issue and allotment of the Debentures in accordance with the laws of India and procure the stamped documents from the relevant governmental authorities.

**RESOLVED FURTHER THAT** the Authorised Persons be and are hereby severally authorised to approve and finalise, sign, execute and deliver the Transaction Documents and such other agreements, deeds, undertakings, indemnities and documents as may be required, or any of them in connection with the Debentures to be issued by the Bank.

**RESOLVED FURTHER THAT** the Authorised Persons be and are hereby severally authorised to register or lodge for registration upon execution documents, letter(s) of undertakings, declarations, and agreements and other papers or documents as may be required in relation to any of the above with any registering authority or any governmental authority competent in that behalf.

**RESOLVED FURTHER THAT** the Authorised Persons be and are hereby severally authorised to delegate the powers to any other employee/representative/agent as may be deemed necessary to do such acts and execute such documents as may be required in connection with any of the matters relating to the finalisation of the terms of, and completing all applicable requirements for the offer, issue and allotment of the Debentures.



**UJJIVAN SMALL FINANCE BANK**

Build a Better Life

**RESOLVED FURTHER THAT** the common seal of the Bank be affixed to the stamped engrossments of such documents as may be required to be executed under the common seal of the Bank in the presence of any director(s) of the Bank and/or the Company Secretary of the Bank and/or any Authorised Person in accordance with the articles of association of the Bank.

**RESOLVED FURTHER THAT** copies of the foregoing resolutions certified to be true copies by any Director or the Company Secretary of the Bank be furnished to such persons as may be deemed necessary."

**For UJJIVAN SMALL FINANCE BANK LIMITED**

**SANJEEV**

**BARNWAL**

Digitally signed by  
SANJEEV BARNWAL  
Date: 2022.08.26 17:35:49  
+05'30'

**Sanjeev Barnwal**

**Company Secretary and Head of Regulatory Framework**

☎ 18002082121

🌐 [www.ujjivansfb.in](http://www.ujjivansfb.in)

✉ [customercare@ujjivan.com](mailto:customercare@ujjivan.com)

**EXTRACT OF THE EXTRAORDINARY GENERAL MEETING OF THE MEMBERS OF UJJIVAN SMALL FINANCE BANK LIMITED (“BANK”) HELD ON FRIDAY, DECEMBER 30, 2016 AT 04:00 P.M. AT THE CORPORATE OFFICE OF THE COMPANY AT GRAPE GARDEN, NO. 27, 3RD A CROSS, 18TH MAIN, 6TH BLOCK, KORAMANGALA, BANGALORE-560095**

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**INCREASING THE BORROWING POWERS OF THE BANK BEYOND THE PERMISSIBLE LIMIT AS PRESCRIBED UNDER SECTION 180(1)(C) OF THE COMPANIES ACT, 2013**

“**RESOLVED THAT** consent of the members of the Bank be and is hereby accorded to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include any Committee thereof constituted and authorised in this regard) under Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof) and subject to the capital adequacy norms as prescribed by RBI and any other applicable laws, rules and regulations, guidelines etc., if any, for borrowing from time to time all such sums of money for the purpose of the business of the Bank notwithstanding that the moneys to be borrowed together with the moneys already borrowed by the Bank (apart from the temporary loans obtained or to be obtained from the bankers in the ordinary course of business) *including the borrowings of ‘Ujjivan Financial Services Limited’ which is proposed to be novated to the Bank pursuant to the acquisition of the business of Ujjivan Financial Services Limited* will exceed the aggregate of the paid-up capital and free reserves, that is to say, reserves not set apart for any specific purpose, provided that the maximum amount of moneys so borrowed by the Board of Directors and outstanding shall not at any time exceed the sum of Rs. 10,000 crore (Rupees Ten Thousand Crore Only).

“**RESOLVED FURTHER THAT** the above outstanding borrowing limit of the Bank of Rs. 10,000 Crores is inclusive of borrowings proposed to be transferred from ‘Ujjivan Financial Services Limited’ and with respect to borrowings outstanding at any given date and not w.r.t. sanctioned limits from other banks / financial institutions which may exceed the limit of Rs. 10,000 Crores.”

“**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do or cause to be done all such acts, deeds and other things as may be required or considered necessary or incidental thereto, for giving effect to the aforesaid resolution.”

“**RESOLVED FURTHER THAT** Mr. Samit Ghosh, Managing Director, Mr. Sunil Patel, Director, and the Company Secretary of the Bank be and are hereby authorized severally to do all such acts and deeds as are required for regulatory & legal compliance including filing of relevant forms with the Registrar of Companies.”

**For UJJIVAN SMALL FINANCE BANK LIMITED**

**SANJEEV** Digitally signed by  
SANJEEV BARNWAL  
**BARNWAL** Date: 2022.08.25  
19:13:37 +05'30'

**Sanjeev Barnwal**  
Company Secretary & Head of Regulatory Framework

**CERTIFIED TRUE COPY OF RESOLUTION PASSED BY THE MEMBERS THROUGH POSTAL BALLOT AND REMOTE E-VOTING ON TUESDAY, JULY 12, 2022**

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**TO OFFER AND ISSUE DEBT SECURITIES/ BONDS/ OTHER PERMISSIBLE INSTRUMENTS, THROUGH PRIVATE PLACEMENT, IN ONE OR MORE TRANCHES**

"RESOLVED THAT pursuant to the provisions of Section 42 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") read together with the Companies (Prospectus and Allotment of Securities) Rules, 2014, including any modification, amendment, substitution or re-enactment thereof, for the time being in force and the provisions of the Memorandum of Association and the Articles of Association of the Bank, the approval and consent of the members of the Bank, be and is hereby accorded to the Bank, subject to applicable law (including without limitation, any directions/regulations of the Reserve Bank of India ("RBI") and the Securities and Exchange Board of India ("SEBI") in respect of the raising of debt by banking companies), to issue, and to make offer(s) and/or invitation(s) to eligible persons to subscribe to, non-convertible debentures ((a) listed or unlisted, (b) senior or subordinated, and/or (c) such other debt securities as may be permitted under applicable law from time to time (including under any directions/regulations of the RBI and the SEBI (as may be determined)) ("NCDs"), on a private placement basis, in one or more tranches, for a period of 1 (one) year from the date of passing of this resolution, provided that the outstanding amounts of all such NCDs at any time during the period shall not exceed Rs. 1,500 Crores (Indian Rupees One Thousand and Five Hundred Crore).

**RESOLVED FURTHER THAT** the Board of Directors of the Bank ("Board") be and is hereby authorized and empowered to arrange, settle and determine the terms and conditions of the said NCDs (including without limitation, price, premium, interest/coupon, tenure, repayment, etc.) and the Board is hereby further authorized to delegate all or any of the powers herein conferred to any Committee duly constituted by the Board or any Committee of Directors or any Directors(s) or Officer(s) of the Bank in such manner as it may deem fit in its absolute discretion with the power to take all such steps and to do all such acts, deeds, matters and things for the purpose of the private placement of the said NCDs and to settle any questions or difficulties that may arise in connection with the aforesaid resolution."

**For UJJIVAN SMALL FINANCE BANK LIMITED**

SANJEEV  
BARNWAL  
Digitally signed by  
SANJEEV BARNWAL  
Date: 2022.07.15  
13:46:14 +05'30'

**Sanjeev Barnwal**  
**Company Secretary and Head of Regulatory Framework**

## Annexure-IV: Application Form

*Private and Confidential (for addressee only as per Companies Act, 2013)*



**Ujjivan Small Finance Bank Limited**

Serial No:

Date August 26, 2022

To,

**Ujjivan Small Finance Bank Limited**

Dear Sir/Madam,

**Sub: Issue of upto 15,000 Subordinated, Rated, Unlisted, Unsecured, Transferable, Redeemable, Fully Paid Up Non-Convertible Debentures (in the form of subordinated debt to be categorized as Tier II Capital in compliance with Basel II framework on Capital Adequacy) ("NCDs"/ "Debentures"/ "Bonds") of face value of Rs. 1,00,000/- (Rupees One Lac Only) each, aggregating up to Rs. 150 crores (Rupees One Hundred Fifty Crores Only), with an option to retain additional subscription/ green shoe option of up to 35,000 NCDs of face value of Rs. 1,00,000/- (Rupees One Lac Only) each aggregating up to Rs. 350 crores (Rupees Three Hundred Fifty Crores Only), collectively aggregating up to Rs. 500 crores (Rupees Five Hundred Crores Only) (Series 1), on a private placement basis, in dematerialised form (the "Issue")**

Having read and understood the contents of the Disclosure Document from Ujjivan Small Finance Bank Limited dated August 25, 2022 attached, we apply for allotment to me/us of the Debentures. We undertake that we will sign all such other documents and do all such other acts, if any, reasonably necessary on our part to enable us to be registered as the holder(s) of the Debentures which may be allotted to us. We request you to please place our name(s) on the Register of Debenture Holders.

By making this application, I/We acknowledge that I/We have understood the terms and conditions of the Issue of Subordinated, Rated, Unlisted, Unsecured, Transferable, Redeemable, Fully Paid Up Non-Convertible Debentures (in the form of subordinated debt to be categorized as Tier II Capital in compliance with Basel II framework on Capital Adequacy) of Ujjivan Small Finance Bank Limited as disclosed in the Disclosure Document.

**We understand that investments in subordinated debt securities involve a degree of risk and investors should not invest any funds in the Debentures, unless they can afford to take risks attached to such investments. We further understand that the Debentures are subordinated debt securities and not deposits of the Bank and they cannot be used as collateral for any loan made by the Bank. The Debentures are different from fixed deposits and are not covered by deposit insurance. Unlike the fixed deposits where deposits are repaid at the option of deposit holder, the Debentures are not redeemable at the option of the Debenture Holders or without the prior consent of the Reserve Bank of India.**

The amount payable on application as shown below is remitted herewith. We bind ourselves to the terms and conditions as mentioned in the Disclosure Document dated August 25, 2022.

We have attached a filled in Part B of the Application Form and confirm that all the information provided therein is accurate, true and complete. The bank account details set out by us in Part B is the account from which we are making payment for subscribing to the Issue.

Yours faithfully,

*For (Name of the Applicant)*

*(Name and Signature of Authorized Signatory)*

**PART A OF THE APPLICATION FORM**

The details of the application are as follows:

**APPLICATION FORM FOR DEBENTURES (CONT.)**

**DEBENTURES APPLIED FOR:**

|  |
|--|
| Number of Debentures.....In words.....<br>.....<br>Amount Rs. ....-in words Rupees.....<br>.....<br>.....Crores Only |
|--|

**APPLICANT'S NAME IN FULL (CAPITALS)      SPECIMEN SIGNATURE**

|  |  |
|--|--|
|  |  |
|--|--|

**APPLICANT'S ADDRESS**

|                |  |              |  |            |  |
|----------------|--|--------------|--|------------|--|
| <b>ADDRESS</b> |  |              |  |            |  |
| <b>STREET</b>  |  |              |  |            |  |
| <b>CITY</b>    |  |              |  |            |  |
| <b>PIN</b>     |  | <b>PHONE</b> |  | <b>FAX</b> |  |

APPLICANT'S PAN/GIR NO. \_\_\_\_\_ IT CIRCLE/WARD/DISTRICT \_\_\_\_

WE ARE ( ) COMPANY ( ) OTHERS ( ) SPECIFY.....

**Please note that NRIs and FIIs are not allowed to invest in these Debentures.**

| <b>Name of the Authorised Signatory(ies)</b> | <b>Designation</b> | <b>Signature</b> |
|--|--------------------|------------------|
|  |                    |                  |
|  |                    |                  |

We the undersigned, are agreeable to holding the Debentures of the Bank in dematerialised form. Details of my/our Beneficial Owner Account are given below:

| <b>DEPOSITORY</b>                  | <b>NSDL and CDSL</b> |
|------------------------------------|----------------------|
| <b>DEPOSITORY PARTICIPANT NAME</b> |                      |
| <b>DP-ID</b>                       |                      |
| <b>BENEFICIARY ACCOUNT NUMBER</b>  |                      |
| <b>NAME OF THE APPLICANT(S)</b>    |                      |

| <b>Applicant Bank Account:</b>   | <b>Bank</b> |
|--|-------------|
| (Settlement by way of direct credit through National Automated Clearing House(NACH), Real Time Gross Settlement (RTGS) or National Electronic Funds Transfer (NEFT), Direct Credit and any other method permitted under applicable laws) |             |

We understand and confirm that the information provided in the Disclosure Document is provided by the Issuer and the same has not been verified by any legal advisors to the Issuer, the Sole Arranger and other intermediaries and their agents and advisors associated with this Issue. We confirm that we have for the purpose of investing in these Debentures carried out our own due diligence and made our own decisions with respect to investment in these Debentures and have not relied on any representations made by anyone other than the Issuer, if any.

We understand that: i) in case of allotment of Debentures to us, our Beneficiary Account as mentioned above would get credited to the extent of allotted Debentures, (ii) we must ensure that the sequence of names as mentioned in the Application Form matches the sequence of name held with our Depository Participant, (iii) if the names of the Applicant in this application are not identical and also not in the same order as the Beneficiary Account details with the above mentioned Depository Participant or if the Debentures cannot be credited to our Beneficiary Account for any reason whatsoever, the Issuer shall be entitled at its sole discretion to reject the application.

We understand that we are assuming on our own account, all risk of loss that may occur or be suffered by us including as to the returns on and/or the sale value of the Debentures.

Applicant's Signature

.....

**PART B OF THE APPLICATION FORM**

**UJJIVAN SMALL FINANCE BANK LIMITED**

**Registered Office:** Grape Garden, No. 27, 3rd "A" Cross, 18th Main 6th Block,  
Koramangala Bengaluru KA 560095

**CIN:** L65110KA2016PLC142162

**APPLICATION FORM FOR PRIVATE PLACEMENT OF SUBORDINATED, RATED, UNLISTED, UNSECURED, TRANSFERABLE, REDEEMABLE, FULLY PAID UP NON-CONVERTIBLE DEBENTURES (IN THE FORM OF SUBORDINATED DEBT TO BE CATEGORISED AS TIER II CAPITAL IN COMPLIANCE WITH BASEL II FRAMEWORK ON CAPITAL ADEQUACY)**

(To be filled by the Identified Investor)

Name of Investor: \_\_\_\_\_

Fathers Name: \_\_\_\_\_ (Insert NA if a non-individual in subscribing)

Received from \_\_\_\_\_ an application for \_\_\_\_\_ Debentures  
for Rs. (in figures) \_\_\_\_\_ for Rs. (in words)

Address\* \_\_\_\_\_  
\_\_\_\_\_ (\*Fill in complete address including Flat /House Number, Street, Locality, Pin  
Code)

Phone No: \_\_\_\_\_

PAN Number: \_\_\_\_\_

Email ID: \_\_\_\_\_

**Details of Bank Account from which subscription money is remitted:**

Name of the Bank: \_\_\_\_\_

Branch Address: \_\_\_\_\_

IFSC Code: \_\_\_\_\_

Account Number: \_\_\_\_\_

Signature of Identified Investor: \_\_\_\_\_

\_\_\_\_\_  
Initial of the officer of the Issuer designated to keep the record

## INSTRUCTIONS

1. Application Form must be completed in full in **BLOCK LETTERS IN ENGLISH**. A blank space must be left between two or more parts of the name. Signatures should be made in English or in any of the Indian languages. Signature in a language other than English must be attested by a magistrate / notary public under his / her official seal.
2. The Funds must be credited to our designated account, the details of which are given below:

|                     |  |
|---------------------|--|
| Name of Bank        | Ujjivan Small Finance Bank Limited   |
| Address of Bank     | Grape Garden, No. 27, 3 <sup>rd</sup> A Cross, 18 <sup>th</sup> Main, 6 <sup>th</sup> Block, Koramangala, Bangalore 560095 |
| IFSC Code           | UJVN0001102  |
| Bank Account Number | 1102120030000301   |
| Name of beneficiary | Ujjivan Small Finance Bank Limited – Debt Issue  |

3. Applications made by categories of investors other than individuals must be accompanied by certified copies of Memorandum and Articles of Association, Board Resolution /Power of Attorney for investment, authority to authorized signatories in case of limited companies or corporate bodies.
4. Please mention your Permanent Account Number or the GIR number allotted under Income Tax Act, 1961 and the Income Tax Circle/Ward/District. In case where neither the PAN nor GIR number has been allotted, the fact of non-allotment should be mentioned in the application form in space provided. Please also attach self-attested clear copy of PAN or GIR number.
5. Receipt of application will be acknowledged in the “Acknowledgement Slip” appearing below the Application Form. No separate receipt will be issued.
6. Only one RTGS/ NECS/ NEFT/ fund transfer per application form will be accepted. If an investor wants to make multiple investments, separate form has to be submitted.
7. The application would be accepted as per the terms of the issue outlined in the Disclosure Document dated August 25, 2022.
8. **I/we hereby confirm that I/we, am/are not debarred from accessing the capital market or have been restrained by any regulatory authority from directly or indirectly acquiring the said securities.**

**Attached:**

**Disclosure Document with Summary Term Sheet**

|  |
|--|
| <b>FOR OFFICE USE</b><br>ONLY<br>DATE OF RECEIPT OF APPLICATION _____ DATE OF REMITTANCE _____ |
|--|

------(TEAR HERE)-----

**ACKNOWLEDGMENT SLIP**

Received from \_\_\_\_\_

Address \_\_\_\_\_

|  |  |                         |
|--|--|-------------------------|
| No. of Debentures (in words and figures)             |  |                         |
| Amount for Debentures INR (in words and figures)     |  |                         |
| NEFT/RTGS/Fund transfer to (Name of Bank and Branch) | UTR No. in case of RTGS/NEFT<br>A/C no. in case of fund transfer | RTGS/fund transfer date |
|  |  |                         |

|                                |  |
|--------------------------------|--|
| Date of receipt of application |  |
| DP ID No.                      |  |
| Client ID No.                  |  |

**Annexure-V**

**SUMMARY TERM SHEET**

| <b>Particulars</b>                          | <b>Terms</b>  |
|---|---|
| <b>Issuer</b>                               | Ujjivan Small Finance Bank Limited (“ <b>Ujjivan SFB</b> ”/ “ <b>Bank</b> ”/“ <b>Issuer</b> ”)  |
| Security Name                               | 11.95% Ujjivan Small Finance Bank Limited Tier 2 Bonds (Series 1) 2028  |
| Type of Instrument                          | Subordinated, Rated, Unlisted, Unsecured, Transferable, Redeemable, Fully Paid Up, Non-Convertible Debentures (in form of subordinated debt eligible to be categorized as Tier II Capital in compliance with Basel II framework on Capital Adequacy) of face value of Rs. 1,00,000/- (Rupees One Lac Only) each (“ <b>Bonds</b> ”/ “ <b>NCDs</b> ”/ “ <b>Debentures</b> ”)  |
| Nature of Instrument (Secured or Unsecured) | Fully paid up, unsecured, subordinated to the claims of other creditors, free of restrictive clauses and not redeemable at the initiative of the holder or without the consent of the Reserve Bank of India   |
| Seniority (Senior or subordinate)           | The Debentures shall be:<br><br>(a) senior to the claims of the investors in instruments eligible for inclusion in Tier I capital and Upper Tier II Capital of the Bank; and<br>(b) subject to paragraph (a) above, subordinated to the claims of the other creditors of the Bank but shall rank pari passu with the other Lower Tier II instruments of the Bank (whether present or future).   |
| Applicable Guidelines                       | These Bonds will be governed under Basel II under the RBI’s Master Circular on “Prudential Guidelines on Capital Adequacy and Market Discipline-New Capital Adequacy Framework (NCAF)” issued on 1 <sup>st</sup> July 2015 (“ <b>RBI Regulations</b> ”)<br><a href="https://www.rbi.org.in/Scripts/BS_ViewMasCirculardetails.aspx?id=9893">https://www.rbi.org.in/Scripts/BS_ViewMasCirculardetails.aspx?id=9893</a>  |
| Mode of Issue                               | Private Placement   |
| Eligible Investors                          | The following categories of investors, when specifically approached and have been identified upfront, are eligible to apply for this private placement of Debentures subject to fulfilling their respective investment norms/rules and compliance with laws applicable to them by submitting all the relevant documents along with the Application Form:<br><br>A. Companies and Bodies Corporate;<br>B. Mutual funds, Venture Capital Funds, Alternative Investment Funds and Foreign Venture Capital Investors registered with the Securities and Exchange Board of India;<br>C. Foreign Portfolio Investors other than individuals, corporate bodies and family offices;<br>D. Public financial institutions;<br>E. Scheduled commercial banks located in India including Co-Operative Banks and Regional Rural Banks;<br>F. Financial institutions, including All India Financial Institutions;<br>G. State industrial development corporation;<br>H. Insurance companies registered with the Insurance Regulatory and Development Authority of India;<br>I. Provident, Pension, Gratuity and Superannuation Fund Trusts; |

|   |  |
|---|--|
|   | <p>J. Housing Finance Companies registered with the National Housing Bank (NHB)/ RBI;</p> <p>K. Trusts (including public charitable trusts), Association of Persons, Societies registered under the applicable laws in India;</p> <p>L. Resident Individual Investors and Hindu Undivided Families (excluding minors and NRIs);</p> <p>M. Partnership Firms and Limited Liability Partnership Firms;</p> <p>N. National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India;</p> <p>O. Insurance funds set up and managed by army, navy or air force of the Union of India;</p> <p>P. Insurance funds set up and managed by the Department of Posts, India;</p> <p>Q. NBFCs and RNBCs registered with RBI; and</p> <p>R. Any other person/ entity who is eligible to invest in bonds/ debentures as per the concerned guidelines and regulations and permitted under Applicable Laws.</p> <p>All Eligible Investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this issue of Debentures.</p> |
| Arranger/Sole Arranger  | A. K. Capital Services Limited   |
| Listing   | Not applicable as Debentures are unlisted  |
| Rating of the Instrument  | “CARE A+ Stable” (CARE Single A Plus; Outlook: Stable) by CARE Ratings Limited   |
| Issue Size  | Up to Rs. 150 crores   |
| Option to retain oversubscription                                       | Up to Rs. 350 crores   |
| Objects of the Issue/ Purpose for which there is requirement of funds   | To augment the Tier II Capital of the Issuer for strengthening the Issuer’s capital adequacy and enhancing the Issuer’s long-term resources and for the regular business activities of the Issuer  |
| Details of the utilization of the Proceeds                              | Proceeds of the proposed issue shall be utilized to augment the Tier II Capital of the Issuer for strengthening the Issuer’s capital adequacy and enhancing the Issuer’s long-term resources and for the regular business activities of the Issuer   |
| Coupon Rate   | 11.95% p.a.  |
| Step Up / Step Down Coupon Rate   | N.A.   |
| Coupon Payment Frequency  | Monthly with the final Coupon Payment Date being the Maturity Date   |
| Coupon Payment Dates (cumulative / non-cumulative, in case of dividend) | The Coupon shall be payable monthly on 26 <sup>th</sup> of every month until the Maturity Date with the final Coupon Payment Date being the Maturity Date.   |
| Coupon Type (Fixed,   | Fixed  |

|  |  |
|--|--|
| floating or other structure)   |  |
| Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc.) | N.A.   |
| Day Count Basis  | Actual/Actual  |
| Interest on Application Money  | At Coupon Rate from the date of realization of funds till one day prior to Deemed Date of Allotment. The interest on application money will be paid within 5 (five) days from the Deemed Date of Allotment.  |
| Default Interest Rate  | In case of default in payment of Interest and/or principal redemption on the due dates, additional interest at the rate of 2.00% p.a. over and above the applicable Coupon Rate will be payable by the Issuer for the defaulting period.   |
| Delay Penalty  | In the case of a delay in the execution of Debenture Trust Deed, the Issuer shall refund the subscription with the agreed rate of interest or shall pay penal interest of 2% (Two Percent) per annum over and above the applicable Coupon Rate until such time the conditions have been complied with at the option of the Investor. |
| Tenor  | 5 years 8 months (68 months)   |
| Redemption Date  | Bullet at par, at maturity   |
| Redemption Amount  | Rs. 1,00,000/- (Rs. One Lac only) per Debenture on the Maturity Date plus accrued Coupon and default interest (if any) in the manner set out hereunder ( <i>Illustrative Bond Cash Flows</i> ) of the Debenture Trust Deed/Disclosure Document   |
| Redemption Premium/Discount  | N.A.   |
| Issue Price  | At par, Rs. 1,00,000/- (Rupees One Lac Only) per Debenture   |
| Number of Debentures   | Up to 15,000 Debentures plus green shoe option of up to 35,000 Debentures  |
| Discount at which security is issued and the effective yield as a result of such discount        | N.A.   |
| Face Value   | Rs. 1,00,000/- (Rupees One Lac Only) per Debenture   |
| Minimum Application and in multiples thereafter  | 10 Debentures (Rs. 10,00,000/-) and in multiples of 1 Debenture (Rs. 1,00,000/-) thereafter  |
| <b>Issue Timings</b>   |  |
| Issue Opening Date   | August 26, 2022  |
| Issue Closing Date   | August 26, 2022  |
| Pay-in Date  | August 26, 2022  |
| Deemed Date of Allotment   | August 26, 2022  |
| Date of earlier closing of issue, if any   | N.A.   |
| Issuance mode of the Instrument  | Demat only (for private placement)   |

|  |  |
|--|--|
| Trading mode of the instrument   | Demat only (for private placement)   |
| Settlement mode of the Instrument  | Payment to the Debenture Holders will be made by way of direct credit through National Automated Clearing House (NACH), Real Time Gross Settlement (RTGS) or National Electronic Funds Transfer (NEFT), Direct Credit and any other method permitted under applicable laws   |
| Depositories   | NSDL and CDSL  |
| Business Day   | Means a day (other than a Sunday or a bank holiday) on which commercial banks are open for business in the city of Mumbai, Maharashtra and when the money market is functioning in Mumbai.   |
| Business Day Convention  | <p>If any of the Coupon Payment Date(s), other than the ones falling on the redemption date, falls on a day that is not a Business Day, the payment shall be made by the Issuer on the immediately succeeding Business Day, which becomes the coupon payment date for that coupon. However, the future coupon payment date(s) would be as per the schedule originally stipulated at the time of issuing the Debentures. In other words, the subsequent coupon payment date(s) would not be changed merely because the payment date in respect of one particular coupon payment has been postponed earlier because of it having fallen on a non-Business Day</p> <p>If the redemption date of the Debentures falls on a day that is not a Business Day, the redemption amount shall be paid by the Issuer on the immediately preceding Business Day which becomes the new redemption date, along with interest accrued on the Debentures until but excluding the date of such payment</p> |
| Disclosure of Interest / Dividend / Redemption Dates   | Please refer to the column on “ <i>Coupon Payment Dates</i> ” and “ <i>Redemption Date</i> ” under this section ( <i>Summary Term Sheet</i> )  |
| Record Date  | The date which will be used for determining the Debenture holder(s) who shall be entitled to receive the amounts due on any Due Date, which shall be the date being 15 (Fifteen) calendar days prior to the Due Date on which any payments are to be made to the Debenture Holder(s) in accordance with the terms of the Debentures on the basis of which the determination of the persons entitled to receive redemption of principal, Coupon, and other payments, if any, as the case may be, in respect of the Debentures shall be made. Whenever any Record Date falls on a day other than a Business Day, the Record Date shall be moved to the immediately following Business Day.   |
| All covenants of the issue (including side letters, Accelerated payment clause, etc.)  | The covenants in relation to the Issue shall be set out in the Debenture Trust Deed/Disclosure Document  |
| Representations and warranties   | As mentioned under “ <i>Representations and Warranties</i> ” in the Debenture Trust Deed/Disclosure Document   |
| Description regarding Security (where applicable) including type of security (movable / immovable / tangible etc.), type of charge (pledge / hypothecation / | The Debentures to be issued are unsecured in nature and represent subordinated obligations of the Issuer (in accordance with the RBI's directions applicable to banks/small finance banks).  |

|  |   |
|--|---|
| mortgage etc.), date of creation of security / likely date of creation of security, minimum security cover, revaluation, replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Trust Deed and disclosed in the Disclosure Document. |   |
| Due diligence certificate issued by the Debenture Trustee  | N.A.  |
| Security Cover   | N.A.  |
| Events of Default (including manner of voting/ conditions of joining Inter Creditor Agreement)   | As mentioned under “ <i>Events of Default</i> ” in the Debenture Trust Deed/Disclosure Document   |
| Conditions for breach of covenants (as specified in the Debenture Trust Deed)  | As mentioned under “ <i>Conditions for Breach</i> ” in the Debenture Trust Deed/Disclosure Document   |
| Transaction Documents  | The Disclosure Document (including the PAS-4 in the form prescribed under the Companies Act, 2013), the Debenture Trust Deed and Debenture Trustee Agreement to be executed in relation to the Issue  |
| Conditions Precedent to Disbursement   | <p>On or prior to the payment of subscription monies by the Debenture Holder(s) proposing to subscribe to the Debentures:</p> <p>a) The Bank shall ensure that it complies with the terms and conditions, if any, set by RBI and other regulatory authorities in relation to the Issue;</p> <p>b) The Bank shall have submitted to the Debenture Trustee and the Debenture Holders:</p> <ul style="list-style-type: none"> <li>(i) a certified true copy of the resolution of the shareholders of the Bank under section 42 of the Companies Act, 2013;</li> <li>(ii) a certified true copy of the resolution of the Board of Directors of the Bank, under Section 179 of the Companies Act, 2013 authorizing the issue of Debentures as also execution and delivery of the Transaction Documents in that behalf; and</li> <li>(iii) a certified true copy of the resolution of the resolution of the relevant committee authorizing the issue of Debentures as also execution and delivery of the Transaction Documents in that behalf.</li> </ul> <p>d) The Bank shall ensure that the other approvals and consents from third parties, if required in relation to the transactions contemplated herein shall have been received by the Bank.</p> |
| Condition  | The Bank shall comply with the following conditions subsequently within the   |

|  |   |
|--|---|
| Subsequent to Disbursement                     | <p>timelines stipulated herein below:</p> <p>a) On or prior to the utilisation of the subscription monies by the Bank in respect of the Debentures and in any case, within 15 (Fifteen) days from the Deemed Date of Allotment, the Bank shall file a return of allotment on the issue of the Debentures in Form PAS-3 specified pursuant to Rule 12 and 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, along with the requisite fee with the Registrar of Companies;</p> <p>b) Within 2 (Two) Business Days from the Deemed Date of Allotment, the Bank shall ensure credit of the Debentures in dematerialised account(s) of the allottee(s) of the Debentures with the number of Debentures allotted; and</p> <p>c) Execution by the Bank of the Debenture Trust Deed, in a form and manner satisfactory to the Debenture Trustee/Debenture Holders within 15 (Fifteen) days from the Deemed Date of Allotment.</p> |
| Provisions related to Cross Default Clause     | Failure of the Bank to make payment in respect of any borrowing appearing in the balance sheet of the Bank (including any borrowing availed by way of issuance of non-convertible debentures and excluding the borrowing availed by the Bank pursuant to the issuance of Debentures under this Issue) owed to any financial creditor and which failure, in the reasonable opinion of the Debenture Trustee, could adversely affect the performance by the Bank of its obligations in respect of the Debentures.   |
| Form of issuance                               | Only in Dematerialized form   |
| Put Option                                     | N.A.  |
| Call Option                                    | N.A.  |
| Listing  | The Debentures to be issued are unlisted  |
| Debenture Trustee                              | Catalyst Trusteeship Limited  |
| Role and Responsibilities of Debenture Trustee | As per Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993 and will be specifically covered in the Debenture Trustee Agreement and the Debenture Trust Deed   |
| Governing Law and Jurisdiction                 | The Transaction Documents shall be governed by and construed in accordance with the laws of India and shall be subject to the exclusive jurisdiction of courts and tribunals of Bengaluru   |
| Risk factors pertaining to the Issue           | As more particularly set out in the “ <i>Risk Factors</i> ” of the Disclosure Document  |
| Approvals                                      | The Issuer agrees to comply with all applicable rules and regulations in respect of the transaction and shall also comply with the regulatory frameworks applicable to Small Finance Banks. The Issuer will be responsible for taking necessary authorizations and/or approvals internal, external regulatory, statutory or otherwise.  |

Note:

Investments in subordinated debt securities involve a degree of risk and investors should not invest any funds in the Debentures, unless they can afford to take risks attached to such investments. The Debentures

are subordinated debt securities and not deposits of the Bank and they cannot be used as collateral for any loan made by the Bank. The Debentures are different from fixed deposits and are not covered by deposit insurance. Unlike the fixed deposits where deposits are repaid at the option of deposit holder, the Debentures are not redeemable at the option of the Debenture Holders or without the prior consent of the Reserve Bank of India.

## ILLUSTRATIVE BOND CASH FLOWS

### Details of the Bonds

| Particulars               | Details                            |
|---------------------------|------------------------------------|
| Issuer/ Bank              | Ujjivan Small Finance Bank Limited |
| Face Value per Bond (Rs.) | 1,00,000                           |
| Deemed Date of Allotment  | 26-Aug-22                          |
| Tenor                     | 5 years 8 months                   |
| Maturity/ Redemption Date | 26-Apr-28                          |
| Coupon Rate (% p.a.)      | 11.95%                             |
| Coupon Payment Frequency  | Monthly                            |
| Day Count Convention      | Actual/Actual                      |

### Day Convention

| From      | To        | Number of days |
|-----------|-----------|----------------|
| 01-Jan-22 | 31-Dec-22 | 365            |
| 01-Jan-23 | 31-Dec-23 | 365            |
| 01-Jan-24 | 31-Dec-24 | 366            |
| 01-Jan-25 | 31-Dec-25 | 365            |
| 01-Jan-26 | 31-Dec-26 | 365            |
| 01-Jan-27 | 31-Dec-27 | 365            |
| 01-Jan-28 | 31-Dec-28 | 366            |

### Illustrative Bond Cash Flows

| Month                    | Scheduled Payment Date      | Actual Payment Date*        | Number of days in coupon period | Number of days in the year <sup>^</sup> | Amount per Bond (in Rs.) # |
|--------------------------|-----------------------------|-----------------------------|---------------------------------|---|----------------------------|
| Deemed Date of Allotment | Friday, 26 August, 2022     | Friday, 26 August, 2022     | 0                               |   | (1,00,000.00)              |
| 1 <sup>st</sup> Coupon   | Monday, 26 September, 2022  | Monday, 26 September, 2022  | 31                              | 365                                     | 1,014.93                   |
| 2 <sup>nd</sup> Coupon   | Wednesday, 26 October, 2022 | Wednesday, 26 October, 2022 | 30                              | 365                                     | 982.19                     |
| 3 <sup>rd</sup> Coupon   | Saturday, 26 November, 2022 | Monday, 28 November, 2022   | 31                              | 365                                     | 1,014.93                   |
| 4 <sup>th</sup> Coupon   | Monday, 26 December, 2022   | Monday, 26 December, 2022   | 30                              | 365                                     | 982.19                     |

|                         |                              |                              |    |     |          |
|-------------------------|------------------------------|------------------------------|----|-----|----------|
| 5 <sup>th</sup> Coupon  | Thursday, 26 January, 2023   | Friday, 27 January, 2023     | 31 | 365 | 1,014.93 |
| 6 <sup>th</sup> Coupon  | Sunday, 26 February, 2023    | Monday, 27 February, 2023    | 31 | 365 | 1,014.93 |
| 7 <sup>th</sup> Coupon  | Sunday, 26 March, 2023       | Monday, 27 March, 2023       | 28 | 365 | 916.71   |
| 8 <sup>th</sup> Coupon  | Wednesday, 26 April, 2023    | Wednesday, 26 April, 2023    | 31 | 365 | 1,014.93 |
| 9 <sup>th</sup> Coupon  | Friday, 26 May, 2023         | Friday, 26 May, 2023         | 30 | 365 | 982.19   |
| 10 <sup>th</sup> Coupon | Monday, 26 June, 2023        | Monday, 26 June, 2023        | 31 | 365 | 1,014.93 |
| 11 <sup>th</sup> Coupon | Wednesday, 26 July, 2023     | Wednesday, 26 July, 2023     | 30 | 365 | 982.19   |
| 12 <sup>th</sup> Coupon | Saturday, 26 August, 2023    | Monday, 28 August, 2023      | 31 | 365 | 1,014.93 |
| 13 <sup>th</sup> Coupon | Tuesday, 26 September, 2023  | Tuesday, 26 September, 2023  | 31 | 365 | 1,014.93 |
| 14 <sup>th</sup> Coupon | Thursday, 26 October, 2023   | Thursday, 26 October, 2023   | 30 | 365 | 982.19   |
| 15 <sup>th</sup> Coupon | Sunday, 26 November, 2023    | Monday, 27 November, 2023    | 31 | 365 | 1,014.93 |
| 16 <sup>th</sup> Coupon | Tuesday, 26 December, 2023   | Tuesday, 26 December, 2023   | 30 | 365 | 982.19   |
| 17 <sup>th</sup> Coupon | Friday, 26 January, 2024     | Monday, 29 January, 2024     | 31 | 366 | 1,012.16 |
| 18 <sup>th</sup> Coupon | Monday, 26 February, 2024    | Monday, 26 February, 2024    | 31 | 366 | 1,012.16 |
| 19 <sup>th</sup> Coupon | Tuesday, 26 March, 2024      | Tuesday, 26 March, 2024      | 29 | 366 | 946.86   |
| 20 <sup>th</sup> Coupon | Friday, 26 April, 2024       | Friday, 26 April, 2024       | 31 | 366 | 1,012.16 |
| 21 <sup>st</sup> Coupon | Sunday, 26 May, 2024         | Monday, 27 May, 2024         | 30 | 366 | 979.51   |
| 22 <sup>nd</sup> Coupon | Wednesday, 26 June, 2024     | Wednesday, 26 June, 2024     | 31 | 366 | 1,012.16 |
| 23 <sup>rd</sup> Coupon | Friday, 26 July, 2024        | Friday, 26 July, 2024        | 30 | 366 | 979.51   |
| 24 <sup>th</sup> Coupon | Monday, 26 August, 2024      | Monday, 26 August, 2024      | 31 | 366 | 1,012.16 |
| 25 <sup>th</sup> Coupon | Thursday, 26 September, 2024 | Thursday, 26 September, 2024 | 31 | 366 | 1,012.16 |
| 26 <sup>th</sup> Coupon | Saturday, 26 October, 2024   | Monday, 28 October, 2024     | 30 | 366 | 979.51   |
| 27 <sup>th</sup> Coupon | Tuesday, 26 November, 2024   | Tuesday, 26 November, 2024   | 31 | 366 | 1,012.16 |
| 28 <sup>th</sup> Coupon | Thursday, 26 December, 2024  | Thursday, 26 December, 2024  | 30 | 366 | 979.51   |
| 29 <sup>th</sup> Coupon | Sunday, 26 January, 2025     | Monday, 27 January, 2025     | 31 | 365 | 1,014.93 |

|                         |                              |                              |    |     |          |
|-------------------------|------------------------------|------------------------------|----|-----|----------|
| 30 <sup>th</sup> Coupon | Wednesday, 26 February, 2025 | Wednesday, 26 February, 2025 | 31 | 365 | 1,014.93 |
| 31 <sup>st</sup> Coupon | Wednesday, 26 March, 2025    | Wednesday, 26 March, 2025    | 28 | 365 | 916.71   |
| 32 <sup>nd</sup> Coupon | Saturday, 26 April, 2025     | Monday, 28 April, 2025       | 31 | 365 | 1,014.93 |
| 33 <sup>rd</sup> Coupon | Monday, 26 May, 2025         | Monday, 26 May, 2025         | 30 | 365 | 982.19   |
| 34 <sup>th</sup> Coupon | Thursday, 26 June, 2025      | Thursday, 26 June, 2025      | 31 | 365 | 1,014.93 |
| 35 <sup>th</sup> Coupon | Saturday, 26 July, 2025      | Monday, 28 July, 2025        | 30 | 365 | 982.19   |
| 36 <sup>th</sup> Coupon | Tuesday, 26 August, 2025     | Tuesday, 26 August, 2025     | 31 | 365 | 1,014.93 |
| 37 <sup>th</sup> Coupon | Friday, 26 September, 2025   | Friday, 26 September, 2025   | 31 | 365 | 1,014.93 |
| 38 <sup>th</sup> Coupon | Sunday, 26 October, 2025     | Monday, 27 October, 2025     | 30 | 365 | 982.19   |
| 39 <sup>th</sup> Coupon | Wednesday, 26 November, 2025 | Wednesday, 26 November, 2025 | 31 | 365 | 1,014.93 |
| 40 <sup>th</sup> Coupon | Friday, 26 December, 2025    | Friday, 26 December, 2025    | 30 | 365 | 982.19   |
| 41 <sup>st</sup> Coupon | Monday, 26 January, 2026     | Tuesday, 27 January, 2026    | 31 | 365 | 1,014.93 |
| 42 <sup>nd</sup> Coupon | Thursday, 26 February, 2026  | Thursday, 26 February, 2026  | 31 | 365 | 1,014.93 |
| 43 <sup>rd</sup> Coupon | Thursday, 26 March, 2026     | Thursday, 26 March, 2026     | 28 | 365 | 916.71   |
| 44 <sup>th</sup> Coupon | Sunday, 26 April, 2026       | Monday, 27 April, 2026       | 31 | 365 | 1,014.93 |
| 45 <sup>th</sup> Coupon | Tuesday, 26 May, 2026        | Tuesday, 26 May, 2026        | 30 | 365 | 982.19   |
| 46 <sup>th</sup> Coupon | Friday, 26 June, 2026        | Friday, 26 June, 2026        | 31 | 365 | 1,014.93 |
| 47 <sup>th</sup> Coupon | Sunday, 26 July, 2026        | Monday, 27 July, 2026        | 30 | 365 | 982.19   |
| 48 <sup>th</sup> Coupon | Wednesday, 26 August, 2026   | Wednesday, 26 August, 2026   | 31 | 365 | 1,014.93 |
| 49 <sup>th</sup> Coupon | Saturday, 26 September, 2026 | Monday, 28 September, 2026   | 31 | 365 | 1,014.93 |
| 50 <sup>th</sup> Coupon | Monday, 26 October, 2026     | Monday, 26 October, 2026     | 30 | 365 | 982.19   |
| 51 <sup>st</sup> Coupon | Thursday, 26 November, 2026  | Thursday, 26 November, 2026  | 31 | 365 | 1,014.93 |
| 52 <sup>nd</sup> Coupon | Saturday, 26 December, 2026  | Monday, 28 December, 2026    | 30 | 365 | 982.19   |
| 53 <sup>rd</sup> Coupon | Tuesday, 26 January, 2027    | Wednesday, 27 January, 2027  | 31 | 365 | 1,014.93 |
| 54 <sup>th</sup> Coupon | Friday, 26 February, 2027    | Friday, 26 February, 2027    | 31 | 365 | 1,014.93 |

|                         |                             |                            |    |     |             |
|-------------------------|-----------------------------|----------------------------|----|-----|-------------|
| 55 <sup>th</sup> Coupon | Friday, 26 March, 2027      | Friday, 26 March, 2027     | 28 | 365 | 916.71      |
| 56 <sup>th</sup> Coupon | Monday, 26 April, 2027      | Monday, 26 April, 2027     | 31 | 365 | 1,014.93    |
| 57 <sup>th</sup> Coupon | Wednesday, 26 May, 2027     | Wednesday, 26 May, 2027    | 30 | 365 | 982.19      |
| 58 <sup>th</sup> Coupon | Saturday, 26 June, 2027     | Monday, 28 June, 2027      | 31 | 365 | 1,014.93    |
| 59 <sup>th</sup> Coupon | Monday, 26 July, 2027       | Monday, 26 July, 2027      | 30 | 365 | 982.19      |
| 60 <sup>th</sup> Coupon | Thursday, 26 August, 2027   | Thursday, 26 August, 2027  | 31 | 365 | 1,014.93    |
| 61 <sup>st</sup> Coupon | Sunday, 26 September, 2027  | Monday, 27 September, 2027 | 31 | 365 | 1,014.93    |
| 62 <sup>nd</sup> Coupon | Tuesday, 26 October, 2027   | Tuesday, 26 October, 2027  | 30 | 365 | 982.19      |
| 63 <sup>rd</sup> Coupon | Friday, 26 November, 2027   | Friday, 26 November, 2027  | 31 | 365 | 1,014.93    |
| 64 <sup>th</sup> Coupon | Sunday, 26 December, 2027   | Monday, 27 December, 2027  | 30 | 365 | 982.19      |
| 65 <sup>th</sup> Coupon | Wednesday, 26 January, 2028 | Thursday, 27 January, 2028 | 31 | 366 | 1,012.16    |
| 66 <sup>th</sup> Coupon | Saturday, 26 February, 2028 | Monday, 28 February, 2028  | 31 | 366 | 1,012.16    |
| 67 <sup>th</sup> Coupon | Sunday, 26 March, 2028      | Monday, 27 March, 2028     | 29 | 366 | 946.86      |
| 68 <sup>th</sup> Coupon | Wednesday, 26 April, 2028   | Wednesday, 26 April, 2028  | 31 | 366 | 1,012.16    |
| Principal Redemption    | Wednesday, 26 April, 2028   | Wednesday, 26 April, 2028  |    |     | 1,00,000.00 |

*\* after adjusting for Non-Business Days. The interest/redemption payments shall be made only on the days when the money market is functioning in Mumbai. In the above illustration scheduled dates falling on second or fourth Saturday of any month, or a public holiday (26th January), the interest as due and payable on such day, has been considered for payment on the next Business Day.*

*^ In case of scheduled payment date falling during a leap year, number of days for coupon working have been reckoned as 366 days for the entire calendar year.*

*# In the event, the interest / pay-out of total coupon / redemption amount is a fraction and not an integer, such amount will be rounded off to the nearest integer.*

For Ujjivan Small Finance Bank Limited

**SANJEEV**  
**BARNWAL**

Digitally signed by  
SANJEEV BARNWAL  
Date: 2022.08.25  
19:30:06 +05'30'

Sanjeev Barnwal  
Company Secretary &  
Head of Regulatory Framework

**Annexure-VI**  
**OTHER OFFERING INFORMATION**

**1. Definitions and Abbreviations**

Unless the context otherwise indicates or requires, the following terms shall have the meanings given below in this Disclosure Document.

|                               |  |
|-------------------------------|--|
| Allot/Allotment/Allotted      | Unless the context otherwise requires or implies, the allotment of the Debentures pursuant to this Issue   |
| Applicable Law                | Includes all applicable statutes, enactments or acts of any legislative body in India, laws, ordinances, rules, bye-laws, regulations, notifications, guidelines, policies, directions, directives and orders of any Governmental Authority and any modifications or re-enactments thereof                         |
| Application Form              | The form used by the recipient of this Disclosure Document and/or the PPOL, to apply for subscription to the Debentures  |
| Board/Board of Directors      | The Board of Directors of the Issuer   |
| CDSL                          | Central Depository Services (India) Limited  |
| Crore                         | Ten Million  |
| Debentures / NCDs/Bonds       | Subordinated, Rated, Unlisted, Unsecured, Transferable, Redeemable, Fully Paid Up Non-Convertible Debentures (in the form of subordinated debt eligible to be categorized as Tier II Capital in compliance with Basel II framework on Capital Adequacy) of face value of Rs. 1,00,000/- (Rupees One Lac Only) each |
| Debenture Holders / Investors | The holders of the Debentures issued by Ujjivan Small Finance Bank Limited and shall include the registered transferees of the Debentures from time to time  |
| Debenture Trustee Agreement   | Shall mean the debenture trustee agreement executed by and between the Debenture Trustee and the Issuer for the purposes of appointment of the Debenture Trustee to act as debenture trustee in connection with the issuance of the Debentures   |
| Debenture Trust Deed          | Shall mean the debenture trust deed to be executed by and between the Debenture Trustee and the Issuer which will set out the terms upon which the Debentures are being issued and shall include the representations and warranties and the covenants to be provided by the Issuer                                 |
| Demat                         | Refers to dematerialized securities which are securities that are in electronic form, and not in physical form, with the entries noted by the Depository   |
| Depositories Act              | The Depositories Act, 1996, as amended from time to time   |
| Depository                    | A Depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 2018, as amended from time to time  |
| Demat                         | Refers to dematerialized securities which are securities that are in electronic form, and not in physical form, with the entries noted by the Depository   |
| Depository Participant / DP   | A depository participant as defined under the Depositories Act   |
| DP ID                         | Depository Participant Identification Number   |
| Due Date                      | Any date on which the holders of the Debentures are entitled to any  |

|  |  |
|--|--|
|  | Payments in relation to the Debentures, which shall include, without limitation, the Coupon Payment Date(s) and the Maturity Date  |
| EFT  | Electronic Fund Transfer   |
| Issue  | Private Placement of the Debentures  |
| Majority Debenture Holders                           | Debenture Holders whose participation or share in the principal amount(s) outstanding with respect to the Debentures aggregate to more than 75% (Seventy Five Percent) of the value of the nominal amount of the Debentures for the time being outstanding   |
| New Capital Adequacy Framework                       | Shall mean the Master Circular dated July 1, 2015 bearing reference number DBR.No.BP.BC. 4/21.06.001/2015-16 on 'Prudential Guidelines on Capital Adequacy and Market Discipline- New Capital Adequacy Framework (NCAF)' issued by the RBI   |
| NSDL   | National Securities Depository Limited   |
| PAN  | Permanent Account Number   |
| Payments   | Shall mean all payments to be made by the Issuer in relation to the Debentures under the Transaction Documents including payment of the principal amount, Coupon, Redemption Amount, Default Interest (if any), remuneration of the Debenture Trustee and/or all fees, costs, charges, expenses and other monies as provided for in the Transaction Documents  |
| Private Placement Offer Letter/ Disclosure Document  | Shall mean the offer cum application letter prepared in compliance with Section 42 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014   |
| RBI  | Reserve Bank of India  |
| Rating Agency  | Care Ratings Limited, registered with SEBI pursuant to SEBI (Credit Rating Agencies) Regulations 1999, as amended from time to time  |
| Register of Debenture Holders                        | The register maintained by the Issuer containing the name(s) of the Debenture Holder(s), which register shall be maintained at the registered office of the Issuer   |
| ROC  | Registrar of Companies   |
| Rs. / INR  | Indian Rupee   |
| RTGS   | Real Time Gross Settlement   |
| SEBI   | Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992 (as amended from time to time).  |
| Tax or Taxes   | shall mean any and all present or future, direct or indirect, claims for tax, withholding tax, surcharge, levy, impost, duty, cess, statutory due or other charge of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same) including on gross receipts, sales, turn-over, value addition, use, consumption, property, service, income, franchise, capital, occupation, license, excise, documents (such as stamp duties) and customs and other taxes, duties, assessments, or fees, however imposed, withheld, levied, or assessed by any Government |
| TDS  | Tax Deducted at Source   |
| The Companies Act/ the Act / the Companies Act, 2013 | The provisions of the Companies Act, 2013, along with the rules and regulations made thereunder and the notifications, circulars and orders issued in relation thereto, as amended, modified or supplemented from time to time   |
| Terms & Conditions                                   | Shall mean the terms and conditions pertaining to the Issue as outlined in the Transaction Documents   |

|                       |  |
|-----------------------|--|
| Tier I Capital        | Shall have the meaning assigned to such term under the elements of Tier I Capital in the New Capital Adequacy Framework  |
| Tier II Capital       | Shall mean the capital which would qualify as tier II capital in terms of the New Capital Adequacy Framework   |
| Transaction Documents | The documents executed or to be executed in relation to the issuance of the Debentures as more particularly set out in Disclosure Document.  |
| Upper Tier II Capital | Shall mean the Tier II Capital which would qualify as upper Tier II Capital in terms of the New Capital Adequacy Framework   |
| Willful Defaulter     | Shall mean a company who is categorized as a willful defaulter by any Bank or financial institution or consortium thereof, in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India |

## 2. Disclaimer of the Sole Arranger

It is advised that the Issuer has exercised self-due diligence to ensure complete compliance of prescribed disclosure norms in this Disclosure Document. The Issuer has prepared this Disclosure Document and the Issuer is solely responsible for its contents. The role of the Sole Arranger or its agents or advisors associated with this Issue, if any, in the assignment will be confined to marketing and placement of the Debentures based on this Disclosure Document as prepared by the Issuer. The Sole Arranger or its agents or advisors have neither scrutinized / vetted nor have they done any due diligence for verification of the contents of this Disclosure Document. The Sole Arranger or its agents or advisors associated with this Issue shall use this Disclosure Document for the purpose of soliciting subscription to Eligible Investors in the Debentures to be issued by the Issuer on private placement basis. It is to be distinctly understood that the aforesaid use of this Disclosure Document by the Sole Arranger or its agents or advisors associated with this Issue should not in any way be deemed or construed that the document has been prepared, cleared, approved or vetted by the Sole Arranger or their agents or advisors associated with this Issue; nor do they in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Disclosure Document; nor do they take responsibility for the financial or other soundness of the Issuer, its promoters, its management or any scheme or project of the Issuer. The Sole Arranger or its agents or advisors associated with this Issue or any of their directors, employees, affiliates or representatives do not accept any responsibility and/or liability for any loss or damage arising of whatever nature and extent in connection with the use of any of the information contained in this Disclosure Document.

The Sole Arranger or its agents or advisors associated with this Issue are acting for the Issuer in relation to the Issue of the Debentures and not on behalf of the recipients of this Disclosure Document. The receipt of this Disclosure Document by any recipient is not to be constituted as the giving of investment advice by the Sole Arranger or its agents or advisors associated with this Issue to that recipient, nor to constitute such a recipient a customer of the Sole Arranger or its agents or advisors associated with this Issue. The Sole Arranger or its agents or advisors associated with this Issue are not responsible to any other Person for providing the protection afforded to the customers of the Sole Arranger nor for providing advice in relation to the Debentures.

None of the Sole Arranger or its agents or advisors associated with this Issue undertake to review the financial condition or affairs of the Issuer or the factors affecting the Debentures or have any responsibility to advise any Eligible Investor. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility is accepted by the Sole Arranger or its agents or advisors as to the accuracy or completeness of the information contained in this Disclosure Document or any other information provided by the Issuer. The Arranger is not responsible for compliance by the Issuer of any provision of the Act/RBI/ SEBI etc. in relation to the Issue. The Sole Arranger or its

agents or advisors shall have no liability in relation to the information contained in this Disclosure Document or any other information provided by the Issuer in connection with this Issue.

Prospective investors should understand that investments in subordinated debt securities involve a degree of risk and investors should not invest any funds in the Debentures, unless they can afford to take risks attached to such investments. The Debentures are subordinated debt securities and not deposits of the Issuer and they cannot be used as collateral for any loan made by the Issuer. The Debentures are different from fixed deposits and are not covered by deposit insurance. Unlike the fixed deposits where deposits are repaid at the option of deposit holder, the Debentures are not redeemable at the option of the Debenture holders or without the prior consent of the Reserve Bank of India.

Prospective investors should understand the risks associated with an investment in the Debentures and should only reach an investment decision after careful consideration of (a) the suitability of an investment in the Debentures in the light of their own particular financial, tax and other circumstances; and (b) the information set out in this Disclosure Document. Prior to investing in the Debentures, a prospective Investor should ensure that such prospective Investor understands the nature of all the risks associated with the investment in order to determine whether the investment is suitable for such prospective Investor in light of such prospective Investor's experience, objectives, financial position and other relevant circumstances. Prospective Investors should independently consult with their legal, regulatory, tax, financial and/or accounting advisors to the extent the prospective Investor considers necessary in order to make their own investment decisions.

Each recipient of this Disclosure Document acknowledges that:

- a. each recipient has been afforded an opportunity to request and to review and has received all additional information considered by the recipient to be necessary to verify the accuracy of or to supplement the information contained in this Disclosure Document; and
- b. such recipient has not relied on the Sole Arranger or its agents or advisors in connection with its investigation of the accuracy of such information or its investment decision.

Reliance by the potential Investors on the contents of this Disclosure Document and their consequent investment/ purchase/ subscription to the Debentures shall be a deemed evidence of the fact that (a) the Sole Arranger or its agents or advisors have adequately and abundantly explained to the potential Investors about the risks involved in investment/ purchase/ subscription to the Debentures and (b) such potential Investors are capable of taking the risk posed by the Debentures and have satisfied themselves that the Debentures are suitable to their respective risk profile.

The Sole Arranger or its agents or advisors may purchase and hold the Debentures for their own account or for the accounts of their customers or enter into other transactions relating to the Debentures at the same time as the offering of the Debentures. The Sole Arranger or its agents or advisors may have engaged in or may in the future engage in other dealings in the ordinary course of business with the Issuer and/or its Promoters. Nothing in this Disclosure Document constitutes an offer of securities for sale in any other jurisdiction, other than India, where such offer or placement would be in violation of any law, rule or regulation.

### **3. Offering Information**

The Debentures being offered as part of the Issue are subject to the provisions of the Act, the Memorandum and Articles of Association of the Issuer, the terms of this Disclosure Document, Application Form and other terms and conditions as may be incorporated in the Transaction Documents.

**a) Terms of the Issue**

For terms of the Issue please refer to the paragraph titled “**Summary Term Sheet**”.

**b) Rights of Debenture Holders**

The Debenture Holders will not be entitled to any rights and privileges of shareholders other than those available to them under the Act or any other statutory requirements. The Debentures issued under this Disclosure Document shall not confer upon the Debenture Holders, the right to receive notice, or to attend and vote at the general meetings of the shareholders or of any other class of securities of the Issuer.

**c) Modification of Rights**

The Debenture Trustee and the Issuer will agree to make any modifications in the Disclosure Document which in the opinion of the Debenture Trustee is of a formal, minor or technical nature or is to correct a manifest error.

Any other change or modification to the terms of the Debentures shall require approval by the Majority Debenture Holders.

**d) Minimum subscription**

Minimum subscription shall be 10 Debentures (Rs. 10,00,000) per investor.

**e) Market Lot**

The market lot would be one Debenture.

**f) Issue Procedure**

**Application Process**

Who Can Apply- Only the following categories of investors, when specifically contacted, are eligible to invest in these Debentures:

“Nothing in this Disclosure Document shall constitute and/or deem to constitute an offer or an invitation to an offer, to be made to the public or any section thereof and this Disclosure Document and its contents should not be construed to be a prospectus under the Act. The Issue is a domestic issue and is being made in India only. This Disclosure Document and the contents hereof are restricted for only the intended recipient(s) who have been invited specifically by the Issuer/Arranger and only such recipients are eligible to apply for the Debentures. The following categories of investors, when specifically approached and have been identified upfront, are eligible to apply for this private placement of Debentures subject to fulfilling their respective investment norms/rules and compliance with laws applicable to them by submitting all the relevant documents along with the Application Form, together constitute “**Eligible Investors**”:

- A. Companies and Bodies Corporate
- B. Mutual funds, Venture Capital Funds, Alternative Investment Funds and Foreign Venture Capital Investors registered with the Securities and Exchange Board of India;
- C. Foreign Portfolio Investors other than individuals, corporate bodies and family offices;
- D. Public financial institutions;

- E. Scheduled commercial banks located in India including Co-Operative Banks and Regional Rural Banks;
- F. Financial institutions, including All India Financial Institutions;
- G. State industrial development corporation;
- H. Insurance companies registered with the Insurance Regulatory and Development Authority of India;
- I. Provident, Pension, Gratuity and Superannuation Fund Trusts;
- J. Housing Finance Companies registered with the National Housing Bank (NHB)/ RBI;
- K. Trusts (including public charitable trusts), Association of Persons, Societies registered under the applicable laws in India;
- L. Resident Individual Investors and Hindu Undivided Families (excluding minors and NRIs);
- M. Partnership Firms and Limited Liability Partnership Firms;
- N. National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India;
- O. Insurance funds set up and managed by army, navy or air force of the Union of India;
- P. Insurance funds set up and managed by the Department of Posts, India;
- Q. NBFCs and RNBCs registered with RBI; and
- R. Any other person/ entity who is eligible to invest in bonds/ debentures as per the concerned guidelines and regulations and permitted under Applicable Laws.

All Eligible Investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this issue of Debentures.

**Note:** Participation by Eligible Investors in the Issue may be subject to statutory and/or regulatory requirements applicable to them in connection with subscription to Indian securities by such categories of persons or entities. Applicants are advised to ensure that they comply with all regulatory requirements applicable to them, including exchange controls and other requirements. Applicants ought to seek independent legal and regulatory advice in relation to the laws applicable to them.

Every application is to be accompanied by bank account details and MICR code of the bank for the purpose of availing direct credit of interest and all amounts through electronic transfer of funds or RTGS.

#### **Application by Scheduled Commercial Banks**

The application must be accompanied by certified true copies of (i) Board Resolution authorizing investments; (ii) Letter of Authorization or Power of Attorney and (iii) specimen signatures of authorised signatories.

#### **Application by Co-operative Banks**

The application must be accompanied by certified true copies of: (i) Resolution authorizing investment along with operating instructions/power of attorney; and (ii) specimen signatures of authorised signatories.

#### **Applications by Companies/Financial Institutions**

The applications must be accompanied by certified true copies of (i) Memorandum and Articles of Association/Constitution/Bye-laws (ii) resolution authorising investment and containing operating instructions and (iii) specimen signatures of authorised signatories.

#### **Application by Mutual Funds**

(i) A separate application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such applications shall not be treated as multiple applications (ii) Applications made by the AMCs or custodians of a Mutual Fund shall clearly indicate the name of the concerned scheme for which application is being made. The applications must be accompanied by certified true copies of (i) SEBI Registration Certificate and Trust Deed, (iii) resolution authorising investment and containing operating instructions, and (iii) specimen signatures of authorised signatories.

### **Application by Insurance Companies**

The applications must be accompanied by certified copies of (i) Memorandum and Articles of Association (ii) Power of Attorney (iii) Resolution authorising investment and containing operating instructions (iv) Specimen signatures of authorised signatories.

### **Application by Provident, Gratuity, Pension and Superannuation Funds**

The applications must be accompanied by certified true copies of (i) Trust Deed/Bye Laws/ Resolutions, (ii) Resolution authorising investment, and (iii) specimen signatures of the authorised signatories.

### **Documents to be provided by Investors**

Investors need to submit the following documents, as applicable:

- A. Memorandum and Articles of Association or other constitutional documents
- B. Certified true copy of the Resolution authorising investment
- C. Certified true copy of the Power of Attorney to custodian
- D. Specimen signatures of the authorised signatories
- E. SEBI registration certificate (for Mutual Funds and other SEBI registered entities)
- F. Copy of PAN card
- G. Application Form (including EFT/RTGS details)

### **g) Mode of Subscription**

During the period of the issue, only Eligible Investors as given hereunder may apply for the Debentures by completing the Application Form in the prescribed format in block letters in English as per the instructions contained therein. The minimum number of Debentures that can be applied for and the multiples thereof shall be set out in the Application Form. No application can be made for a fraction of a Debenture. Application Forms should be duly completed in all respects and applications not completed in the said manner are liable to be rejected. The name of the applicant's bank, type of account and account number must be duly completed by the applicant. This is required for the applicant's own safety and these details will be printed on the refund orders and /or redemptions warrants.

Application forms must be accompanied by details of remittance such as NEFT/ RTGS / any other electronic mode or any other permissible mode for transfer or deposit of the application money as per details given hereunder. Cash, cheques, demand drafts, money orders, postal orders and stock invest will not be accepted.

The subscription amount must be paid by investors to the Issuer's account, the details of which are given below:

|                     |   |
|---------------------|---|
| Name of Bank        | Ujjivan Small Finance Bank Limited  |
| Address of Bank     | Grape Garden, No. 27, 3rd A Cross, 18th Main, 6th Block,<br>Koramangala, Bangalore 560095 |
| IFSC Code           | UJVN0001102   |
| Bank Account Number | 1102120030000301  |
| Name of beneficiary | Ujjivan Small Finance Bank Limited - Debt Issue   |

#### **h) Fictitious Applications**

All fictitious applications will be rejected.

#### **i) Basis of Allotment**

Acceptance of the offer to invest and the allotment shall be decided by the Issuer. The Issuer reserves the right to reject in full or part any or all of the offers received by them to invest in the Debentures without assigning any reason for such rejection. Acceptance of the offer shall be subject to completion of subscription formalities as detailed in the Application Form.

#### **j) Procedure for Applying for Dematerialised Facility**

- A. The applicant must have at least one beneficiary account with any of the DPs of NSDL and CDSL prior to making the application.
- B. The applicant must necessarily fill in the details (including the beneficiary account number and DP - ID) appearing in the Application Form under the heading “Details for Issue of Debentures in Electronic/Dematerialised Form”.
- C. Debentures allotted to an applicant will be credited to the applicant’s respective beneficiary account(s) with the DP.
- D. For subscribing to the Debentures, names in the Application Form should be identical to those appearing in the details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details maintained with the DP.
- E. Non-transferable allotment advice/refund orders will be directly sent to the applicant by the Registrar and Transfer Agent to the Issue.
- F. If incomplete/incorrect details are given under the heading “Details for Issue of Debentures in Electronic/Dematerialised Form” in the Application Form, it will be deemed to be an incomplete application and the same may be held liable for rejection at the sole discretion of the Issuer.
- G. For allotment of Debentures, the address, nomination details and other details of the applicant as registered with his/her DP shall be used for all correspondence with the applicant. The applicant is therefore responsible for the correctness of his/her demographic details given in the Application Form vis-a-vis those with his/her DP. In case the information is incorrect or insufficient, the Issuer would not be liable for the losses, if any.
- H. The redemption amount or other benefits would be paid to those Debenture Holders whose names appear on the list of beneficial owners maintained by the R&T Agent as on the Record

Date. In case of those Debentures for which the beneficial owner is not identified in the records of the R&T Agent as on the Record Date, the Issuer would keep in abeyance the payment of the redemption amount or other benefits, until such time that the beneficial owner is identified by the R&T Agent and conveyed to the Issuer, whereupon the redemption amount and benefits will be paid to the beneficiaries, as identified.

**k) Depository Arrangements**

The Issuer shall make necessary arrangement with CDSL and NSDL for issue and holding of Debentures in dematerialised form.

**l) List of Beneficiaries**

The Issuer shall request the R&T Agent to provide a list of beneficiaries as at the end of each Record Date. This shall be the list, which will be used for payment or repayment of redemption monies.

**m) Application under Power of Attorney**

A certified true copy of the power of attorney or the relevant authority as the case may be along with the names and specimen signature(s) of all the authorized signatories of the Investor and the tax exemption certificate/document of the Investor, if any, must be lodged along with the submission of the completed Application Form. Further modifications/additions in the power of attorney or authority should be notified to the Issuer or to its agents or to such other person(s) at such other address(es) as may be specified by the Issuer from time to time through a suitable communication.

In case of an application made by companies under a power of attorney or resolution or authority, a certified true copy thereof along with memorandum and articles of association and/or bye-laws along with other constitutional documents must be attached to the Application Form at the time of making the application, failing which, the Issuer reserves the full, unqualified and absolute right to accept or reject any application in whole or in part and in either case without assigning any reason thereto. Names and specimen signatures of all the authorized signatories must also be lodged along with the submission of the completed Application Form.

**n) Succession**

In the event of winding-up of the Debenture Holder (being a company), the Bank will recognize the legal representative of the Debenture Holder(s) as having title to the Debenture(s). The Issuer shall not be bound to recognize such legal representative as having title to the Debenture(s) unless they obtain legal representation, from a court in India having jurisdiction over the matter.

The Issuer may, in its absolute discretion, where it thinks fit, dispense with production of such other legal representation, in order to recognise any person as being entitled to the Debenture(s) standing in the name of the concerned Debenture Holder on the production of sufficient documentary proof and/or an indemnity.

**o) Mode of Payment**

Payment of interest will be made to the persons who, for the time being appear in the register of beneficial owners of the Debentures as per the Depositories, as on the Record Date. We may enter into an arrangement with one or more banks in one or more cities for direct credit of interest to the account of the Debenture holders. In such cases, Payments, on the Due Date, would be directly credited to the account of

those investors who have given their bank mandate. We may offer the facility of NACH, NEFT, RTGS, Direct Credit and any other method permitted under applicable laws from time to time to effect Payments to Debenture holders.

**p) Effect of Holidays**

If any of the Coupon Payment Date(s), other than the ones falling on the redemption date, falls on a day that is not a Business Day, the payment shall be made by the Issuer on the immediately succeeding Business Day, which becomes the coupon payment date for that coupon. However, the future coupon payment date(s) would be as per the schedule originally stipulated at the time of issuing the Debentures. In other words, the subsequent coupon payment date(s) would not be changed merely because the payment date in respect of one particular coupon payment has been postponed earlier because of it having fallen on a non-Business Day.

If the redemption date of the Debentures falls on a day that is not a Business Day, the redemption amount shall be paid by the Issuer on the immediately preceding Business Day which becomes the new redemption date, along with interest accrued on the Debentures until but excluding the date of such payment.

**q) Tax Deduction at Source**

Tax as applicable under the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof will be deducted at source. For seeking TDS exemption/lower rate of TDS, relevant certificate/document must be lodged by the Debenture Holder(s) at the office of the R&T Agent of the Issuer at least 15 (Fifteen) calendar days before the relevant payment becoming due. Tax exemption certificate / declaration of non-deduction of tax at source on interest on application money, should be submitted along with the Application Form.

**r) Letters of Allotment**

The letter of allotment, indicating allotment of the Debentures, will be credited in dematerialised form within 1 (One) Business Days from the Deemed Date of Allotment. The aforesaid letter of allotment shall be replaced with the actual credit of Debentures, in dematerialised form, within a maximum of 2 (Two) Business Days from the Deemed Date of Allotment or within such timelines as permissible under Applicable Law.

**s) Deemed Date of Allotment**

All the benefits under the Debentures will accrue to the Investors from the specified Deemed Date of Allotment. The Deemed Date of Allotment for the Issue is August 26, 2022 by which date the Investors would be intimated of allotment.

**t) Record Date**

The date which will be used for determining the Debenture holder(s) who shall be entitled to receive the amounts due on any Due Date, which shall be the date being 15 (Fifteen) calendar days prior to the Due Date on which any Payments are to be made to the Debenture Holder(s) in accordance with the terms of the Debentures on the basis of which the determination of the persons entitled to receive redemption of principal, Coupon, and other Payments, if any, as the case may be, in respect of the Debentures shall be made.

**u) Security**

The Debentures are unsecured in nature.

**v) Listing**

The Debentures are unlisted.

**w) Redemption**

The Debentures are redeemable on maturity.

**x) Refunds**

For applicants whose applications have been rejected or allotted in part, refund orders will be dispatched within 2 (two) days from the Deemed Date of Allotment of the Debentures.

In case the Issuer has received money from applicants for Debentures in excess of the aggregate of the application money relating to the Debentures in respect of which allotments have been made, the R&T Agent shall upon receiving instructions in relation to the same from the Issuer repay the moneys to the extent of such excess, if any.

If the Issuer is not able to allot the Debentures within 60 days from the receipt of application money, it shall repay the application money within 15 days from the date of completion of 60 days and if the Issuer fails to repay the application money within aforesaid period, it shall be liable to repay that money with interest at the rate of 12 % pa. from the expiry of the sixtieth day.

**y) Interest on Application Money**

At the Coupon Rate (subject to deduction of tax at source, as applicable) from the date of realization of application money up to 1 (One) day prior to the Deemed Date of Allotment. The interest on application monies shall be paid by the Issuer to the Debenture Holders within 5 (five) days from the Deemed Date of Allotment of the Debentures.

**z) PAN Number**

Every applicant should mention its Permanent Account Number (“**PAN**”) allotted under Income Tax Act, 1961, on the Application Form and attach a self-attested copy as evidence. Application forms without PAN will be considered incomplete and are liable to be rejected.

**aa) Payment on Redemption**

Payment on redemption will be made by way of NACH, NEFT, RTGS, Direct Credit and any other method permitted under applicable laws in the name of the Debenture Holder(s) whose names appear on the list of beneficial owners given by the Depository to the Issuer as on the Record Date.

The Debentures shall be taken as discharged on payment of the redemption amount by the Issuer on maturity to the registered Debenture Holder(s) whose name appears in the Register of Debenture Holder(s) on the Record Date. On such payment being made, the Issuer will inform NSDL and CDSL and accordingly the account of the Debenture Holder(s) with NSDL and CDSL will be adjusted.

On the Issuer dispatching the amount as specified above in respect of the Debentures, the liability of the Issuer shall stand extinguished.

**bb) Mode of Transfer/Transmission of Debentures**

The Debenture(s) shall be transferred and/or transmitted in accordance with the applicable provisions of the Act and other applicable laws. The Debentures held in dematerialized form shall be transferred subject to and in accordance with the rules/procedures as prescribed by NSDL and CDSL and the relevant DPs of the transferor or transferee and any other applicable laws and rules notified in respect thereof. The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, amounts due will be paid/redemption will be made to the person, whose name appears in the Register of Debenture Holders maintained by the R&T Agent as on the Record Date, under all circumstances. In cases where the transfer formalities have not been completed by the transferor, claims, if any, by the transferees would need to be settled with the transferor(s) and not with the Issuer. The normal procedure followed for transfer of securities held in dematerialized form shall be followed for transfer of these Debentures held in dematerialised form. The seller should give delivery instructions containing details of the buyer's DP account to his DP.

**cc) Debentures held in Dematerialised Form**

The Debentures shall be held in dematerialised form and no action is required on the part of the Debenture Holder(s) for redemption purposes.

The list of beneficiaries as of the relevant Record Date setting out the relevant beneficiaries' name and account number, address, bank details and DP's identification number will be given by the R&T Agent to the Issuer.

**dd) Debenture Trustee for the Debenture Holder(s)**

The Issuer has appointed Catalyst Trusteeship Limited to act as trustee for the Debenture Holder(s). The Issuer and the Debenture Trustee have entered / intend to enter into the Debenture Trustee Agreement and the Debenture Trust Deed *inter alia*, specifying the powers, authorities and obligations of the Debenture Trustee and the Issuer. The Debenture Holder(s) shall, without further act or deed, be deemed to have irrevocably given their consent to the Debenture Trustee or any of its agents or authorized officials to do all such acts, deeds, matters and things in respect of or relating to the Debentures as the Debenture Trustee may in its absolute discretion deem necessary or require to be done in the interest of the Debenture Holder(s). Any payment made by the Issuer to the Debenture Trustee on behalf of the Debenture Holder(s) shall discharge the Issuer *pro tanto* to the Debenture Holder(s). The Debenture Trustee will protect the interest of the Debenture Holder(s) in regard to the repayment of principal and coupon thereon. No Debenture Holder shall be entitled to proceed directly against the Issuer unless the Debenture Trustee, having become so bound to proceed, fails to do so. The Debenture Trustee Agreement and the Debenture Trust Deed shall more specifically set out the rights and remedies of the Debenture Holder(s) and the manner of enforcement thereof.

**ee) Sharing of Information**

The Issuer may, at its option, but subject to applicable laws, use on its own, as well as exchange, share or part with any financial or other information about the Debenture Holder(s) available with the Issuer, with its affiliates and other banks, financial institutions, credit bureaus, agencies, statutory bodies, as may be required and neither the Issuer nor its subsidiaries and affiliates nor their agents shall be liable for use of the aforesaid information.

#### **ff) Right to accept or reject Applications**

The Board of Directors/ authorized Committee of Directors reserves its full, unqualified and absolute right to accept or reject any application for subscription to the Debentures, in part or in full, without assigning any reason thereof.

#### **gg) Governing Laws**

The Debentures are governed by and shall be construed in accordance with the existing Indian laws. Any dispute between the Issuer and the Debenture holder will be subject to the jurisdiction of the courts in the city of Bengaluru.

#### **hh) Notices**

Any notice, demand, request or other communication to be made or given by the Issuer/ Debenture Trustee upon the Debenture Holders shall be in writing unless otherwise stated. Such notice, demand, request or other communication shall be delivered by any of the following means: (a) delivered personally, or (b) sent by facsimile transmission, or (c) sent by registered mail with acknowledgment due, postage prepaid, or (d) sent by e-mail.

Any notice, demand, request or other communication made or delivered by the Issuer to the Debenture Trustee or the Debenture Trustee to the Issuer will only be effective:

- a) if by way of personal delivery, when delivered; or
- b) if by way of facsimile, when the sender receives a receipt indicating proper transmission; or
- c) if by way of registered mail, 3 (Three) Business Days after it has been deposited in the post (with acknowledgment due), postage prepaid in an envelope duly addressed to the addressee; or
- d) if by way of e-mail, when received in legible form and subject to such e-mail being followed up with a written letter / facsimile.

Any notice sent by any of the Issuer or the Debenture Trustee must be in English.

All other documents provided under or in connection with any Transaction Document must be in English or if not in English accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

Any communication or notice sent by Issuer or the Debenture Trustee shall always be marked/ copied to the Debenture Holder(s).

The Issuer or the Debenture Trustee may modify or alter the details for notices to be served on such Issuer/ Debenture Trustee, as provided under (*Notices*) hereinabove, by giving a prior written notice of 5 (Five) Business Days.

#### **4. Notice to Eligible Investors**

**Investments in subordinated debt securities involve a degree of risk and investors should not invest any funds in the Debentures, unless they can afford to take risks attached to such investments. The**

**Debentures are subordinated debt securities and not deposits of the Bank and they cannot be used as collateral for any loan made by the Bank. The Debentures are different from fixed deposits and are not covered by deposit insurance. Unlike the fixed deposits where deposits are repaid at the option of deposit holder, the Debentures are not redeemable at the option of the Debenture holders or without the prior consent of the Reserve Bank of India.**

#### **5. Disclosures Pertaining to Wilful Defaulter**

|   |    |
|---|----|
| Name of the bank declaring the Issuer as a wilful defaulter             | NA |
| The year in which the Issuer is declared as a wilful defaulter          | NA |
| Outstanding amount when the Issuer is declared as a wilful defaulter    | NA |
| Steps taken, if any, for the removal from the list of wilful defaulters | NA |

#### **6. History of the Issuer**

The Bank was incorporated as Ujjivan Small Finance Bank Limited on July 4, 2016 (Registration Number CIN U65110DL2016PLC302481) at New Delhi as a public limited company under the Companies Act, 2013, and was granted the certificate of incorporation by the Registrar of Companies, National Capital Territory of Delhi and Haryana (“RoC”). Ujjivan Financial Services Limited (“UFSL”), Promoter of the Bank, was granted the in-principle approval to establish a small finance bank (“SFB”), by the RBI, pursuant to its letter dated October 7, 2015. Subsequently, UFSL received the final approval for the Bank to carry on the SFB business in India, pursuant to a letter dated November 11, 2016 issued by the RBI. The Bank commenced its business with effect from February 1, 2017 and was included in the second schedule to the RBI Act pursuant to a notification dated July 3, 2017 issued by the RBI.

The Registered office of the Bank is situated at Plot No. 2364/ 8, Khampur Raya Village, Shadi Kampur, Main Patel Road, New Delhi 110 008, India.

For Ujjivan Small Finance Bank Limited

**SANJEEV**  
**BARNWAL**

Digitally signed by  
SANJEEV BARNWAL  
Date: 2022.08.25 19:30:34  
+05'30'

Sanjeev Barnwal  
Company Secretary &  
Head of Regulatory Framework

|  |   |
|--|---|
| <p><b>B K Ramadhyani &amp; Co LLP</b><br/>Chartered Accountants<br/>4B, Chitrapur Bhavan ,<br/>No.68, 8th Main,<br/>15th Cross, Malleshwaram ,<br/>Bangalore - 560 055</p> | <p><b>Mukund M Chitale &amp; Co.</b><br/>Chartered Accountants<br/>Second Floor, Kapur House, Paranjape B<br/>Scheme Road No 1, Vile Parle East,<br/>Mumbai- 400057</p> |
|--|---|

**Independent Auditor's Review Report on Review of Unaudited Quarterly Financial Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To,  
The Board of Directors  
Ujjivan Small Finance Bank Limited  
Koramangala  
Bengaluru

1. We have reviewed the accompanying statement of unaudited financial results ("the Statement") of **Ujjivan Small Finance Bank Limited** ("the Bank") for the three months ended June 30, 2022, being submitted by the Bank pursuant to the requirement of Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Bank's management and approved by Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Accounting Standard 25 "Interim Financial Reporting" ("AS 25") prescribed under section 133 of Companies Act, 2013 ("the Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of Statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review of Interim Financial Information consists of making inquiries, primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards of Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited standalone financial results prepared in accordance with applicable accounting standards i.e. Accounting Standards prescribed under Section 133 of the Act, read with relevant rules issued thereunder or by the Institute of Chartered Accountants of India and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended including the manner in which it is to be disclosed, or the Statement contains any material



|  |  |
|--|--|
| <b>B K Ramadhyani &amp; Co LLP</b><br>Chartered Accountants<br>4B, Chitrapur Bhavan ,<br>No.68, 8th Main,<br>15th Cross, Malleshwaram ,<br>Bangalore - 560 055 | <b>Mukund M Chitale &amp; Co.</b><br>Chartered Accountants<br>Second Floor, Kapur House, Paranjape B<br>Scheme Road No 1, Vile Parle East,<br>Mumbai- 400057 |
|--|--|

misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India in respect of income recognition, asset classification and provisioning and other related matters.

**5. Emphasis of matter:**

Attention is drawn to Note 11 to the Statement which describes the impact of the Covid – 19 Pandemic on the Company’s operations and financial position, including the credit quality and requirement for provisioning, is uncertain and will depend on the future steps as they evolve and is highly unpredictable at this stage. We have not modified our opinion in this matter

**6. Other matters:**

The review of unaudited financial results for the three months ended June 30, 2021, were conducted by M/s MSKA and Associates, Chartered Accountants, then statutory auditors of the Bank, who expressed unmodified opinions on such financial results. We do not express any conclusion/ opinion as the case may be, on the figures so reported in the financial results.

7. A copy of the unaudited quarterly financial results of the Bank for the period under review, which formed the basis of our limited review, duly initiated by us for the purpose of identification is enclosed to this report.

For B K Ramadhyani & Co. LLP  
Chartered Accountants  
FRN: 002878S/ S200021

  
(H S Vasuki)  
Partner

Membership No. 212013  
UDIN: 22212013ANQEWD4879



Mukund M. Chitale & Co  
Chartered Accountants  
FRN: 106655W

  
(Nilesh Joshi)  
Partner

Membership No. 114749  
UDIN: 22114749ANQEK5747



Place: Bengaluru  
Date: July 26, 2022

| UJJIVAN SMALL FINANCE BANK LIMITED   |   |                 |                |                 |                 |
|--|---|-----------------|----------------|-----------------|-----------------|
| CIN: L65110KA2016PLC142162   |   |                 |                |                 |                 |
| Registered and Corporate Office: Grape Garden, No. 27, 3rd "A" Cross, 18th Main, 6th Block, Koramangala, Bengaluru - 560095, Karnataka |   |                 |                |                 |                 |
| Website: www.ujjivansfb.in Phone: +91 80 4071 2121   |   |                 |                |                 |                 |
| Unaudited Financial Results for the Quarter Ended June 30, 2022  |   |                 |                |                 |                 |
| (Rs. in Lakhs)   |   |                 |                |                 |                 |
| Sl No.   | Particulars   | Quarter ended   |                |                 | Year ended      |
|  |   | June 30, 2022   | March 31, 2022 | June 30, 2021   | March 31, 2022  |
|  |   | (Unaudited)     | (Audited)      | (Unaudited)     | (Audited)       |
|  |   | (Refer Note 6)  |                |                 |                 |
| 1  | Interest Earned (a)+(b)+(c)+(d)   | 90,537          | 81,824         | 64,166          | 2,81,281        |
|  | a) Interest/ discount on advances/ bills  | 81,844          | 75,887         | 58,604          | 2,57,578        |
|  | b) Income on Investments  | 7,642           | 5,279          | 4,126           | 18,514          |
|  | c) Interest on balances with Reserve Bank of India and other interbank funds          | 467             | 658            | 1,436           | 5,189           |
|  | d) Others   | 584             | -              | -               | -               |
| 2  | Other Income (Refer note 8 & 10)  | 9,505           | 10,256         | 7,301           | 31,327          |
| 3  | <b>Total Income (1)+(2)</b>   | <b>1,00,042</b> | <b>92,080</b>  | <b>71,467</b>   | <b>3,12,608</b> |
| 4  | Interest Expended   | 30,566          | 27,426         | 25,726          | 1,03,921        |
| 5  | Operating Expenses (i)+(ii)   | 42,370          | 42,931         | 29,649          | 1,49,638        |
|  | (i) Employees Cost  | 22,104          | 22,690         | 16,483          | 81,260          |
|  | (ii) Other Operating Expenses   | 20,266          | 20,241         | 13,166          | 68,378          |
| 6  | <b>Total Expenditure (4)+(5)</b><br>[excluding provisions & contingencies]            | <b>72,936</b>   | <b>70,357</b>  | <b>55,375</b>   | <b>2,53,559</b> |
| 7  | <b>Operating Profit before Provisions &amp; Contingencies (3)-(6)</b>                 | <b>27,106</b>   | <b>21,723</b>  | <b>16,092</b>   | <b>59,049</b>   |
| 8  | Provisions (other than tax) and Contingencies   | 39              | 4,379          | 47,321          | 1,14,084        |
| 9  | Exceptional Items   | -               | -              | -               | -               |
| 10   | <b>Profit/(Loss) from Ordinary Activities before tax (7)-(8)-(9)</b>                  | <b>27,067</b>   | <b>17,344</b>  | <b>(31,229)</b> | <b>(55,035)</b> |
| 11   | Tax Expense   | 6,773           | 4,692          | (7,881)         | (13,577)        |
| 12   | <b>Net Profit/(Loss) from Ordinary Activities after tax (10)-(11)</b>                 | <b>20,294</b>   | <b>12,652</b>  | <b>(23,348)</b> | <b>(41,458)</b> |
| 13   | Extraordinary items (net of tax expense)  | -               | -              | -               | -               |
| 14   | <b>Net Profit/(Loss) for the period (12)-(13)</b>                                     | <b>20,294</b>   | <b>12,652</b>  | <b>(23,348)</b> | <b>(41,458)</b> |
| 15   | Paid up equity share capital (Face Value of Rs 10/- each)                             | 1,72,831        | 1,72,831       | 1,72,831        | 1,72,831        |
| 16   | Reserves excluding revaluation reserves   |                 |                |                 | 83,212          |
| 17   | <b>Analytical Ratios</b>  |                 |                |                 |                 |
|  | (i) Percentage of shares held by Government of India                                  | NIL             | NIL            | NIL             | NIL             |
|  | (ii) Capital Adequacy Ratio - BASEL II (Refer Note 9)                                 | 20.03%          | 18.99%         | 25.88%          | 18.99%          |
|  | (iii) Earnings per share (before and after extraordinary items, net of tax expenses)* |                 |                |                 |                 |
|  | Basic EPS (Rs)  | 1.17            | 0.73           | (1.35)          | (2.40)          |
|  | Diluted EPS (Rs)#   | 1.17            | 0.73           | (1.35)          | (2.40)          |
|  | (iv) NPA Ratios   |                 |                |                 |                 |
|  | (a) Gross NPAs  | 1,14,671        | 1,28,408       | 1,37,498        | 1,28,408        |
|  | (b) Net NPAs  | 1,780           | 9,960          | 34,873          | 9,960           |
|  | (c) % of Gross NPAs to Gross Advances   | 6.51%           | 7.34%          | 9.79%           | 7.34%           |
|  | (d) % of Net NPAs to Net Advances   | 0.11%           | 0.61%          | 2.68%           | 0.61%           |
|  | (v) Return on assets (average)*   | 0.86%           | 0.57%          | (1.19%)         | (2.04%)         |

\* Figures for the quarters are not annualised

# The effect of potential equity shares on EPS is anti - dilutive



| UJJIVAN SMALL FINANCE BANK LIMITED<br>CIN: L65110KA2016PLC142162<br>Registered and Corporate Office: Grape Garden, No. 27, 3rd "A" Cross, 18th Main, 6th Block, Koramangala, Bengaluru - 560095, Karnataka<br>Website: www.ujjivansfb.in Phone: +91 80 4071 2121<br>Segment information in accordance with Accounting Standard on Segment Reporting (AS-17) of the operating segment of the Bank is as under: |                                |                  |                  |                  |                  |
|---|--------------------------------|------------------|------------------|------------------|------------------|
| (Rs. in Lakhs)  |                                |                  |                  |                  |                  |
| SI No.  | Particulars                    | Quarter ended    |                  |                  | Year ended       |
|   |                                | June 30, 2022    | March 31, 2022   | June 30, 2021    | March 31, 2022   |
|   |                                | (Unaudited)      | (Audited)        | (Unaudited)      | (Audited)        |
|   |                                | (Refer Note 6)   |                  |                  |                  |
| <b>1</b>  | <b>Segment Revenue</b>         |                  |                  |                  |                  |
| (a)   | Treasury                       | 8,903            | 5,981            | 9,529            | 28,213           |
| (b)   | Retail Banking                 | 89,158           | 84,042           | 60,303           | 2,76,927         |
| (c)   | Wholesale Banking              | 1,981            | 2,057            | 1,635            | 7,468            |
| (d)   | Unallocated                    | -                | -                | -                | -                |
|   | Less: Inter-segment revenue    | -                | -                | -                | -                |
|   | <b>Income From Operations</b>  | <b>1,00,042</b>  | <b>92,080</b>    | <b>71,467</b>    | <b>3,12,608</b>  |
| <b>2</b>  | <b>Segment Results</b>         |                  |                  |                  |                  |
| (a)   | Treasury                       | 1,981            | 5,982            | 5,538            | 6,990            |
| (b)   | Retail Banking                 | 25,897           | 10,229           | (35,803)         | (62,292)         |
| (c)   | Wholesale Banking              | 474              | 2,190            | (202)            | 3,752            |
| (d)   | Unallocated                    | (1,285)          | (1,057)          | (762)            | (3,485)          |
|   | <b>Total Profit Before Tax</b> | <b>27,067</b>    | <b>17,344</b>    | <b>(31,229)</b>  | <b>(55,035)</b>  |
| <b>3</b>  | <b>Segment Assets</b>          |                  |                  |                  |                  |
| (a)   | Treasury                       | 6,67,745         | 6,17,666         | 5,28,732         | 6,17,666         |
| (b)   | Retail Banking                 | 16,34,006        | 16,17,066        | 13,17,762        | 16,17,066        |
| (c)   | Wholesale Banking              | 86,116           | 84,361           | 74,499           | 84,361           |
| (d)   | Unallocated                    | 35,649           | 41,353           | 35,437           | 41,353           |
|   | <b>Total Assets</b>            | <b>24,23,516</b> | <b>23,60,446</b> | <b>19,56,430</b> | <b>23,60,446</b> |
| <b>4</b>  | <b>Segment Liabilities</b>     |                  |                  |                  |                  |
| (a)   | Treasury                       | 5,84,893         | 5,44,990         | 4,48,003         | 5,44,990         |
| (b)   | Retail Banking                 | 14,31,265        | 14,26,798        | 11,16,561        | 14,26,798        |
| (c)   | Wholesale Banking              | 75,430           | 74,434           | 63,125           | 74,434           |
| (d)   | Unallocated                    | 31,226           | 36,487           | 30,026           | 36,487           |
|   | <b>Total Liabilities</b>       | <b>21,22,814</b> | <b>20,82,709</b> | <b>16,57,715</b> | <b>20,82,709</b> |
| <b>5</b>  | <b>Capital Employed</b>        |                  |                  |                  |                  |
| (a)   | Treasury                       | 82,851           | 72,677           | 80,729           | 72,677           |
| (b)   | Retail Banking                 | 2,02,742         | 1,90,269         | 2,01,201         | 1,90,269         |
| (c)   | Wholesale Banking              | 10,685           | 9,926            | 11,374           | 9,926            |
| (d)   | Unallocated                    | 4,424            | 4,865            | 5,411            | 4,865            |
|   | <b>Total</b>                   | <b>3,00,702</b>  | <b>2,77,737</b>  | <b>2,98,715</b>  | <b>2,77,737</b>  |

A) **Treasury:** The Treasury Segment primarily consists of net interest earnings from the Bank's Investment portfolio, money market borrowing and lending, gains or losses on investment operations and income/loss from sale/purchase of Priority Sector Lending Certificates ("PSLC").

B) **Retail Banking:** The Retail Banking Segment serves retail customers through a branch network and other delivery channels. Retail Banking includes lending to and deposits from retail customers and identified earnings and expenses of the segment. This segment raises deposits from customers and provides loans and other services to customers. Revenues of the retail banking segment are derived from interest earned on retail loans, processing fees earned and other related incomes. Expenses of this segment primarily comprises of interest expense on deposits & borrowings, infrastructure and premises expenses for operating the branch network and other delivery channels, personnel costs, other direct overheads and allocated expenses.

C) **Whole Sale Banking:** The Wholesale Banking Segment provides loans to Corporates and Financial Institutions. Revenues of the wholesale banking segment consist of interest earned on loans made to customers. The principal expenses of the segment consist of interest expense on funds borrowed from external sources and other internal segments, premises expenses, personnel costs, other direct overheads and allocated expenses of delivery channels, specialist product groups, processing units and support groups.



- 3) The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on July 26, 2022. The financial results for the quarter ended June 30, 2022, have been subjected to "Limited Review" by the statutory auditors (B. K. Ramadhyani & Co LLP, Chartered Accountants and Mukund M Chitale & Co, Chartered Accountants) of the Bank. An unqualified report has been issued by them thereon. The financial results for the quarter ended June 30, 2021 were reviewed by M S K A & Associates, Chartered Accountants, on which they had issued an unqualified opinion.
- 4) The above financial results have been prepared in accordance with the Banking Regulation Act, 1949, generally accepted accounting principles in India, including Accounting Standards as prescribed under section 133 of the Companies Act, 2013 read with relevant rules thereunder, Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, as amended, and the guidelines issued by the Reserve Bank of India ('RBI')
- 5) The Bank has consistently applied its significant accounting policies in the preparation of these financial results that are consistent with those followed in the annual financial statements for the year ended March 31, 2022.
- 6) The figures for the last quarter ended March 31, 2022 are the balancing figures between audited figures in respect of the financial year and published year to date reviewed figures upto December 31, 2021.
- 7) As at June 30, 2022, 2,47,37,051 options have been lapsed, 92,02,429 options vested and are yet to be exercised and balance 3,77,41,321 options remains unvested out of the total options granted under the approved Employee Stock Option Plan (ESOP) 2019.
- 8) Other income includes fees earned from providing services to customers, income from commission, exchange and brokerage, processing fees, selling of third party products, profit on sale of investments and PSLC fee income.
- 9) The Capital Adequacy Ratio ("CAR") has been computed as per RBI Circular No. RBI/2016-17/81 DBR.NBD.No. 26/16.13.218/2016-17 dated October 06, 2016 on 'Operating Guidelines for Small Finance Banks'. The Bank has followed BASEL II standardized approach for credit risk in accordance with the aforesaid guidelines. Further, the RBI vide its Circular No. DBR.NBD.No.4502/16.13.218/2017-18 dated November 08, 2017 has provided an exemption to all Small Finance Banks whereby no separate capital charge is prescribed for market risk and operational risk.
- 10) Based on RBI Master Direction on Financial statements - Presentation and Disclosures issued on August 30, 2021, recoveries from written off accounts, which was hitherto included as part of other income have been reclassified as credit to provisions and contingencies. Provision for depreciation on investments, which was hitherto classified as part of provisions and contingencies has been reclassified as part of other income. There is no impact of this change on the net profit/loss of the current or earlier periods. The change has been effected from quarter ended September, 2021 and accordingly comparative figures have been regrouped.
- 11) India is emerging from the COVID-19 virus, a global pandemic that affected the world economy over the last two years. The extent to which any new wave of COVID-19 will impact the Bank's results will depend on ongoing as well as future developments, including, among other things, any new information concerning the severity of the COVID-19 pandemic, and any action to contain its spread or mitigate its impact whether government-mandated or elected by us.
- 12) Details of loans transferred / acquired during the quarter ended June 30, 2022 under the RBI Master Direction on Transfer of Loan Exposures dated September 24, 2021 are given below:
  - (i) The Bank has not transferred any non-performing assets (NPAs).
  - (ii) The Bank has not transferred any Special Mention Account (SMA) and loan not in default.
  - (iii) The Bank has not acquired any loans through assignment.
  - (iv) The Bank has not acquired any stressed loan.
- 13) As per the RBI Circular DOR.AUT.REC.12/22.01.001/2022-23 dated April 07, 2022, for the purpose of disclosure under Accounting Standard 17, Segment reporting, 'Digital Banking' has been identified as a sub-segment under Retail Banking by Reserve Bank of India (RBI). However, as the proposed Digital Banking Unit (DBU) of the Bank has not yet commenced operations and having regard to the discussions of the DBU Working Group formed by Indian Banks' Association (IBA) (which included representatives of banks and RBI), held on July 14, 2022, reporting of Digital Banking as a separate sub-segment of Retail Banking Segment will be implemented by the Bank based on the decision of the DBU Working Group.
- 14) During the quarter ending June 30, 2022 the Bank has assigned standard advances to Special Purpose Entities (SPEs) as a Securitisation transaction for an aggregate amount of Rs. 12,114 Lakhs. Further the Bank has entered into Direct assignment of standard advances of Rs. 12,240 Lakhs and also entered in to IBPC transaction of Rs. 91,700 Lakhs.
- 15) Figures of the previous periods/year have been regrouped / reclassified, wherever considered necessary to conform to the current period's /year's presentation.



CL/MUM/22-23/DEB/312

August 22, 2022

**Ujjivan Small Finance Bank Limited**  
Grape Garden, No. 27, 3<sup>rd</sup> A Cross  
18<sup>th</sup> Main, Koramangala 6<sup>th</sup> Block,  
Bengaluru 560 095

**Kind Attn:- Mr. Sanjeev Barnwal**

Dear Sir,

**Consent to act as Trustee for Unsecured, Unlisted, Redeemable Non-Convertible Debentures aggregating upto INR 500 crores to be issued by your Company.**

This is with reference to the discussions in respect of appointment of Catalyst Trusteeship Limited (CTL) (Formerly GDA Trusteeship Limited) to act as Debenture Trustee for the Unlisted, Unsecured, Redeemable Non-Convertible Debentures aggregating upto INR 500 crores to be issued. In this connection, we are agreeable to act as Trustee on the following trusteeship remuneration:

**Acceptance fees** :Rs. 1,00,000/- (one-time, non-refundable payable on appointment as Debenture Trustee).

**Service Charges** : Rs. 1,00,000/- p.a. payable in advance, for each financial year or any part thereof, effective from the date of execution till satisfaction of charges in full. Pro-rata charges would apply for the first year from date of appointment till 31-Mar-2023.

All out of pocket expenses incurred towards legal fees, travelling, inspection charges, etc shall be levied and re-imbursed on actual basis.

Yours faithfully,  
For Catalyst Trusteeship Limited

We accept the above terms.  
For Ujjivan Small Finance Bank Limited



Authorized Signatory



Authorized Signatory



**NOTE: As per GST guidelines, CTL would be required to pay the applicable GST on the amounts / charges payable to us as indicated above. Please note that the Company would be liable to pay all such charges even in the event of cancellation of the aforesaid transaction. Therefore, no refund of any statutory dues already paid would be made.**

CL/MUM/22-23/DEB/312

August 22, 2022

**Ujjivan Small Finance Bank Limited**

Grape Garden, No. 27, 3<sup>rd</sup> A Cross  
18<sup>th</sup> Main, Koramangala 6<sup>th</sup> Block,  
Bengaluru 560 095

**Kind Attn:- Mr. Sanjeev Barnwal**

Dear Sir,

**Consent to act as Trustee for Unsecured, Unlisted, Redeemable Non-Convertible Debentures aggregating upto INR 500 crores to be issued by your Company.**

This is with reference to the discussions in respect of appointment of Catalyst Trusteeship Limited (CTL) (Formerly GDA Trusteeship Limited) to act as Debenture Trustee for the Unsecured, Unlisted, Redeemable Non-Convertible Debentures aggregating upto INR 500 crores to be issued.

The Company and the Trustee shall enter into relevant trustee agreements and other necessary Debenture documents for the aforesaid issue of NCDs and term loans and also agrees & undertakes to comply with the provisions of the SEBI (Debenture Trustees) Regulations, 1993, the RBI Circular No.RBI/2012-13/560 dated June 27, 2013, the Companies Act, 2013, the Companies (Share Capital and Debenture) Rules, 2014 and any other applicable statutes, regulations and provisions as amended from time to time.

We are also agreeable for inclusion of our name as trustees in the Company's offer document/disclosure document/ listing application/any other document to be filed with the Stock Exchange(s) or any other authority as required.

Assuring you the best professional services.

Yours faithfully,  
**For Catalyst Trusteeship Limited**



Authorized Signatory



We accept the above terms.  
**For Ujjivan Small Finance Bank Limited**



Authorized Signatory



**NOTE: As per GST guidelines, CTL would be required to pay the applicable GST on the amounts / charges payable to us as indicated above. Please note that the Company would be liable to pay all such charges even in the event of cancellation of the aforesaid transaction. Therefore, no refund of any statutory dues already paid would be made.**

## Ujjivan Small Finance Bank Limited <sup>(Revised)</sup>

July 05, 2022

### Ratings

| Facilities/Instruments                  | Amount (₹ crore)                                    | Rating <sup>1</sup>                                 | Rating Action |
|---|---|---|---------------|
| Long Term Bank Facilities               | 500.00  | CARE A+; Stable<br>(Single A Plus; Outlook: Stable) | Reaffirmed    |
| <b>Total Bank Facilities</b>            | <b>500.00</b><br><b>(₹ Five Hundred Crore Only)</b> |   |               |
| Subordinated Non-Convertible Debentures | 500.00  | CARE A+; Stable<br>(Single A Plus; Outlook: Stable) | Assigned      |
| <b>Total Long Term Instruments</b>      | <b>500.00</b><br><b>(₹ Five Hundred Crore Only)</b> |   |               |

Details of instruments/facilities in Annexure-1

### Detailed Rationale & Key Rating Drivers

The rating assigned to the instruments/bank facilities of Ujjivan Small Finance Bank Limited (USFB) continues to derive strength from bank's experienced promoter group with seasoned management, improving resource profile of the bank with improvement in deposit funding with increase in CASA & retail deposit share, inheritance of geographically well-diversified loan portfolio from Ujjivan Financial Services Limited (UFSL). The rating takes note of the moderation in capital adequacy levels during FY22. The rating continues to remain constrained by lack of diversity in income profile with unsecured MFI portfolio continuing to constitute 68% of loan portfolio as on March 31, 2022. Ratings also remain constrained due to exposure to inherent risk associated with marginal borrower profile of customers with majority of USFB's customers being from the economically weaker section and low-income segments. Such segments of borrowers are vulnerable to economic downturns as witnessed in sharp decline in collection efficiencies during the COVID-19 affected period leading to sharp moderation in asset quality parameters post COVID. However, CARE takes note of the improvement in collection efficiency from July 2021 and reduction in bank's stressed assets post peaking in September 2021 quarter.

### Rating Sensitivities

#### Positive Factors - Factors that could lead to positive rating action/upgrade:

- Scale up of its business with sustained diversification in secured asset class while improving asset quality on a reasonably seasoned portfolio.

#### Negative Factors- Factors that could lead to negative rating action/downgrade:

- Delay in ramp up in collections to pre-pandemic levels.
- Material deterioration in asset quality impacting earnings profile of the bank.

### Detailed description of the key rating drivers

#### Key Rating Strengths

**Adequate capital headroom albeit moderation in FY22:** USFB had shored up its capital levels since its Initial Public Offering (IPO) in December 2019. However, on account of high losses reported and growth in advances during FY22, the Capital Adequacy Ratio (CAR) and Tier 1 CAR Ratio moderated to 18.99% and 17.70% as on March 31, 2022 as against 26.44% and 25.07% respectively as on March 31, 2021. Bank has taken Board approval to raise upto Rs.600 crore via QIP in order to increase the minimum public shareholding in the bank from 16% to 25%. Additionally, bank has board approval in place to raise upto Rs.1500 crore of by way of issuance of non-convertible debt securities.

**Improving deposit funding:** USFB's reliance on non-deposit funding has exhibited a steady decline in the last couple of years. Deposits as a percentage of total liabilities has increased to 87.9% in FY22 (FYE21: 76.5%) and credit deposit ratio improved to 99.3% as on March 31, 2022 (March 31, 2021: 115.26%). Additionally, low-cost CASA deposits gradually rose to 27.30% as on March 31, 2022 (March 31, 2021: 20.55%). The granularity of the deposit base too reflected an improvement with retail deposits now constituting 54% of the total deposits at FYE22 (FYE21: 48%). CARE Ratings understand that the bank has increased its range of deposit products to widen its customer base.

**Geographically Well-diversified Loan Portfolio:** USFB has full-fledged banking branches of 575 as on March 31, 2022. USFB's gross loan portfolio stood at Rs.18,162 crore on March 31, 2022 spread across 24 states and UTs with active customer

<sup>1</sup>Complete definition of the ratings assigned are available at [www.careedge.in](http://www.careedge.in) and other CARE Ratings Ltd.'s publications

base of 64.8 lakhs (FY21: 59.2 lakhs). Top five states of Karnataka, West Bengal, Tamil Nadu, Maharashtra, and Gujarat contributed to 60.3% of the overall portfolio as of March 2022 (61.5% of the overall portfolio as on March 31, 2021) with top state Tamil Nadu contributing to 15.5% of loan portfolio as of March 2022.

**Experienced promoter group with seasoned management:** The present senior management team of USFB is highly experienced in financial sector. Mr. Ittira Davis is the current Managing Director (MD) and Chief Executive Officer (CEO) who replaced Mr. Nitin Chugh w.e.f. January 14, 2022. Mr. Ittira Davis has experience of over 40 years in banking industry. USFB's Board comprises of nine directors which includes MD, three Non-Executive directors and five Independent Directors with diverse experience, who bring valuable expertise to the Bank. Bank's operations are ably supported by the senior management team.

#### **Key Rating Weaknesses**

**Earnings under pressure led by high provisioning; however recovery in profitability witnessed in Q4FY22:** Profitability during FY22 was affected by high credit costs. Pre-Provision Operating Profit (PPOP) also decreased by 26.26% during FY22 to Rs. 590.5 crore on account of interest reversals. Albeit decline in cost of funds from 6.93% in FY21 to 5.70% in FY22, bank's Net Interest Margin witnessed decline from 8.91% in FY21 to 8.06% in FY22 owing to decline in yield on advances from 18.22% in FY21 to 16.73% in FY22 with about 68.58% of disbursements made during H2FY22. Further bank also made interest income reversal during the year on account of higher NPA. Bank's operational efficiency also witnessed moderation with cost to income ratio of the bank increasing from 60.57% in FY21 to 71.70% in FY22. Additionally, the credit cost also stood high at Rs.1118 crore during FY22 as against Rs.790 crore during FY21 on account of provisioning made by the bank for the restructuring and slippages during the year. Consequently, the bank reported net loss of Rs.415 crore in FY22 as against net profit of Rs.8.3 crore in FY21. However, the Bank's profitability has witnessed recovery during Q4FY22 and reported PAT of Rs.127 crore. Going forward, Bank's ability to improve asset quality and limiting credit cost thereby protecting earnings would be a key rating monitorable.

**Moderation in asset quality post-COVID; significant reduction in stressed asset position post peaking in Q2FY22:** Asset quality performance was impacted by the COVID-19 led pandemic with GNPA peaking at 11.80% on September 30, 2021 from 7.07% on March 31, 2021 and gross stressed assets stood at 19.23% as on September 30, 2021. USFB had ramped up its collection efforts and collections witnessed improvement from the month of July 2021 with collections above 100% (including arrears). Consequently, GNPA levels have witnessed improvement to 7.34% as on March 31, 2022 and with rundown of restructured advances, gross stressed assets also declined to 9.69% as on March 31, 2022. Further, with high provisioning made during FY22 the bank's net NPA stood lower at 0.61% as on March 31, 2022 (March 31, 2021: 2.93%). Bank's provision coverage stood high at 92.24% as on March 31, 2022 compared to 60.34% as on March 31, 2021. The total amount of restructured accounts outstanding as on March 31, 2022 stood at Rs.845 crore (4.65% of gross advances).

**Exposure to inherent socio-economic and geo-political risks of the microfinance sector:** Increase in the non-MFI portfolio has led to a steady reduction in the composition of microfinance loan portfolio. Presently the non-MFI portfolio majorly comprises of housing loan segment (15.1% of the total loan portfolio), loans to MSE segment (9.4% of total loan portfolio) and loans to financial institution (FIG) segments (4.7%) as on March 31, 2022. However, microfinance still comprises a larger share of the loan book at 68.0% as on March 31, 2022 (FY21: 71.8%) which exposes the bank to the inherent risks associated with the industry. The borrower base remains vulnerable to economic downturns and political events which affects their repayment capacity. CARE Ratings understands that the bank will be eventually able to manage the resultant risk as the growth in the non-MFI portfolio gains traction. However, near term risks will be closely monitored.

#### **Liquidity: Adequate**

According to the bank's structural liquidity statement (SLS) as on March 31, 2021, liquidity profile is comfortable with no cumulative negative mismatches in any of the time buckets. The liquidity coverage ratio of bank remained comfortable at 152% for quarter ended March 31, 2022 as against the regulatory requirement of 100%. Bank has excess SLR of Rs. 2153 crore as on June 15, 2022. Liquidity is also supported by the refinancing lines available to it from SIDBI & NABARD and through sale of PSL certificate to other banks which are short of PSL targets.

**Analytical approach:** Standalone

#### **Applicable Criteria**

[Criteria on assigning 'Outlook' and 'Credit Watch' to Credit Ratings](#)

[CARE's Policy on Default Recognition](#)

[Financial Ratios-Financial Sector](#)

[CARE's Rating Methodology for Banks](#)

### About the Company

USFB, incorporated on July 04, 2016 is a subsidiary of Ujjivan Financial Services Limited (UFSL). UFSL was a Bangalore based Microfinance Company registered as NBFC-MFI with RBI. It has been in microfinance lending since 2005 and has operated through joint liability group (JLG) model in urban and semi urban areas and target customers who are salaried as well as self-employed women. UFSL was one of the ten entities to be granted "in-principle" approval by Reserve Bank of India (RBI) on September 16, 2015 to set up a bank under the "Guidelines for Licensing of Small Finance Banks in the private sector" (Guidelines) issued by the RBI on November 27, 2014. Subsequently, on November 11, 2016 RBI granted the license to USFB to carry out the banking business in India. Accordingly, USFB formally commenced its operations on February 1, 2017 whereby in line with the terms with Business Transfer Agreement (BTA) effective from February 1, 2017 entered between UFSL and USFB, the entire assets/liabilities of UFSL had been transferred to USFB. As per the listing norms requirement of RBI for SFBs, Bank concluded its IPO process and got listed on NSE and BSE on December 12, 2019. Post IPO, UFSL's shareholding stands at 83.32% in USFB. As on March 31, 2022, the bank has a branch network of 575 branches and has 492 biometric ATMs. The bank has presence across 24 States and Union Territories of India, and with an overall portfolio of around Rs.18,162 crore as on March 31, 2022.

| Brief Financials (Rs. crore)  | 31-03-2020 (A) | 31-03-2021 (A) | FY22 (Prov) |
|-------------------------------|----------------|----------------|-------------|
| <b>Total operating income</b> | 3026           | 3117           | 3126        |
| <b>PAT</b>                    | 350            | 8              | -415        |
| <b>Total Assets</b>           | 18411          | 20380          | 23604       |
| <b>Net NPA (%)</b>            | 0.20           | 2.93           | 0.61        |
| <b>ROTA (%)</b>               | 2.18           | 0.04           | -1.89       |

A: Audited; Prov: Provisional

**Status of non-cooperation with previous CRA:** Not Applicable

**Any other information:** Not Applicable

**Rating History for last three years:** Please refer Annexure-2

**Covenants of rated instrument / facility:** Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-3

**Complexity level of various instruments rated for this company:** Annexure 4

#### Annexure-1: Details of Instruments/Facilities

| Name of the Instrument                | ISIN     | Date of Issuance | Coupon Rate | Maturity Date | Size of the Issue (₹ crore) | Rating Assigned along with Rating Outlook |
|---------------------------------------|----------|------------------|-------------|---------------|-----------------------------|---|
| Fund-based-Long Term                  | -        | -                | -           | -             | 500.00                      | CARE A+; Stable                           |
| Debentures-Non Convertible Debentures | Proposed | Proposed         | Proposed    | Proposed      | 500.00                      | CARE A+; Stable                           |

#### Annexure-2: Rating History of last three years

| Sr. No. | Name of the Instrument/Bank Facilities | Current Ratings |                              |                 | Rating History                              |   |   |  |
|---------|--|-----------------|------------------------------|-----------------|---|---|---|--|
|         |  | Type            | Amount Outstanding (₹ crore) | Rating          | Date(s) and Rating(s) assigned in 2022-2023 | Date(s) and Rating(s) assigned in 2021-2022 | Date(s) and Rating(s) assigned in 2020-2021 | Date(s) and Rating(s) assigned in 2019-2020              |
| 1       | Fund-based - LT-Term Loan              | LT              | -                            | -               | -   | -   | 1)Withdrawn (07-Jul-20)                     | 1)CARE A+; Stable (03-Jul-19)                            |
| 2       | Debentures-Non Convertible Debentures  | LT              | -                            | -               | -   | -   | -   | 1)Withdrawn (30-Aug-19)<br>2)CARE A+; Stable (03-Jul-19) |
| 3       | Fund-based-Long Term                   | LT              | 500.00                       | CARE A+; Stable | 1)CARE A+; Stable (01-Apr-22)               | 1)CARE A+; Stable (05-Aug-21)               | 1)CARE A+; Stable (07-Jul-20)               | 1)CARE A+; Stable (03-Jul-19)                            |

|   |                                       |    |        |                 |   |   |   |                         |
|---|---------------------------------------|----|--------|-----------------|---|---|---|-------------------------|
| 4 | Debentures-Non Convertible Debentures | LT | -      | -               | - | - | - | 1)Withdrawn (03-Jul-19) |
| 5 | Debentures-Non Convertible Debentures | LT | 500.00 | CARE A+; Stable |   |   |   |                         |

\*Long Term / Short Term

### Annexure-3: Detailed explanation of covenants of the rated instrument / facilities

| Name of the Instrument        | Detailed explanation                   |
|-------------------------------|--|
| <b>A. Financial covenants</b> |  |
| I. CAR                        | Maintain a minimum CAR of 15%.         |
| II. Tier-I CAR                | Maintain a minimum Tier-I CAR of 7.5%. |

### Annexure 4: Complexity level of various instruments rated for this company

| Sr. No. | Name of Instrument                    | Complexity Level |
|---------|---------------------------------------|------------------|
| 1       | Debentures-Non Convertible Debentures | Complex          |
| 2       | Fund-based-Long Term                  | Simple           |

### Annexure 5: Bank Lender Details for this Company

To view the lender wise details of bank facilities please [click here](#)

**Note on complexity levels of the rated instrument:** CARE Ratings Ltd. has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

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**About CARE Ratings Limited:**

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Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

**\*\*For detailed Rationale Report and subscription information, please contact us at [www.careedge.in](http://www.careedge.in)**

No. CARE/BRO/RL/2022-23/1140

**Shri Mr. Ramesh Murthy**  
**Chief Financial Officer**  
**Ujjivan Small Finance Bank Limited**  
 Grape Garden, 3rd A Cross, 18th Main,  
 6th Block, Koramangala,  
 Bengaluru  
 Karnataka 560095

August 24, 2022

**Confidential**

Dear Sir,

**Credit rating for proposed Subordinated Non-Convertible Debenture issue**

Please refer to our letter no. CARE/BRO/RL/2022-23/1078 dated July 04, 2022 and your request for revalidation of the rating assigned to the subordinated non-convertible debenture issue of the company, for a limit of Rs.500.00 crore.

2. The following rating(s) have been reviewed:

| Sr. No. | Instrument                              | Amount<br>(Rs. crore)                           | Rating <sup>1</sup>                                 | Rating Action |
|---------|---|---|---|---------------|
| 1.      | Subordinated Non-Convertible Debentures | 500.00  | CARE A+; Stable<br>(Single A Plus; Outlook: Stable) | Reaffirmed    |
|         | <b>Total Instruments</b>                | <b>500.00<br/>(Rs. Five Hundred Crore Only)</b> |   |               |

- The NCDs are repayable with maturity not exceeding 10 years.
- Please arrange to get the rating revalidated, in case the proposed issue is not made within six months from the date of this letter.
- Please inform us the below-mentioned details of issue immediately, but not later than 7 days from the date of placing the instrument:

| Instrument type | ISIN | Issue Size (Rs cr.) | Coupon Rate | Coupon Payment Dates | Terms of Redemption | Redemption date | Name and contact details of Trustee/IPA | Details of top 10 investors |
|-----------------|------|---------------------|-------------|----------------------|---------------------|-----------------|---|-----------------------------|
|-----------------|------|---------------------|-------------|----------------------|---------------------|-----------------|---|-----------------------------|

- CARE Ratings Ltd. reserves the right to undertake a surveillance/review of the rating from time to time, based on circumstances warranting such review, subject to at least one such review/surveillance every year.
- CARE Ratings Ltd. reserves the right to revise/reaffirm/withdraw the rating assigned as a result of periodic review/surveillance, based on any event or information which in the opinion of CARE Ratings Ltd. warrants such an action. In the event of failure on the part of the entity to furnish such information, material or clarifications as may be

<sup>1</sup>Complete definitions of the ratings assigned are available at [www.careedge.in](http://www.careedge.in) and in other CARE Ratings Ltd.'s publications.

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CIN-L67190MH1993PLC071691

required by CARE Ratings Ltd. so as to enable it to carry out continuous monitoring of the rating of the debt instruments, CARE Ratings Ltd. shall carry out the review on the basis of best available information throughout the life time of such instruments. In such cases the credit rating symbol shall be accompanied by "ISSUER NOT COOPERATING". CARE Ratings Ltd. shall also be entitled to publicize/disseminate all the afore-mentioned rating actions in any manner considered appropriate by it, without reference to you.

8. Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.
9. Users of this rating may kindly refer our website [www.careedge.in](http://www.careedge.in) for latest update on the outstanding rating.
10. CARE Ratings Ltd. ratings are **not** recommendations to buy, sell, or hold any securities.

If you need any clarification, you are welcome to approach us in this regard.

Thanking you,

Yours faithfully,

*Tony Mathew*

**Tony Mathew**  
Lead Analyst  
tony.mathew@careedge.in

*R. Ravishankar*

**Ravi Shankar R**  
Assistant Director  
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Encl.: As above

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CIN-L67190MH1993PLC071691

## Ujjivan Small Finance Bank Limited

### Ratings

| Facilities/Instruments                  | Amount (₹ crore)                                    | Rating <sup>1</sup>                                 | Rating Action |
|---|---|---|---------------|
| Long Term Bank Facilities               | 500.00  | CARE A+; Stable<br>(Single A Plus; Outlook: Stable) | Reaffirmed    |
| <b>Total Bank Facilities</b>            | <b>500.00</b><br><b>(₹ Five Hundred Crore Only)</b> |   |               |
| Subordinated Non-Convertible Debentures | 500.00  | CARE A+; Stable<br>(Single A Plus; Outlook: Stable) | Assigned      |
| <b>Total Long Term Instruments</b>      | <b>500.00</b><br><b>(₹ Five Hundred Crore Only)</b> |   |               |

Details of instruments/facilities in Annexure-1

### Detailed Rationale & Key Rating Drivers

The rating assigned to the instruments/bank facilities of Ujjivan Small Finance Bank Limited (USFB) continues to derive strength from bank's experienced promoter group with seasoned management, improving resource profile of the bank with improvement in deposit funding with increase in CASA & retail deposit share, inheritance of geographically well-diversified loan portfolio from Ujjivan Financial Services Limited (UFSL). The rating takes note of the moderation in capital adequacy levels during FY22. The rating continues to remain constrained by lack of diversity in income profile with unsecured MFI portfolio continuing to constitute 68% of loan portfolio as on March 31, 2022. Ratings also remain constrained due to exposure to inherent risk associated with marginal borrower profile of customers with majority of USFB's customers being from the economically weaker section and low-income segments. Such segments of borrowers are vulnerable to economic downturns as witnessed in sharp decline in collection efficiencies during the COVID-19 affected period leading to sharp moderation in asset quality parameters post COVID. However, CARE takes note of the improvement in collection efficiency from July 2021 and reduction in bank's stressed assets post peaking in September 2021 quarter.

### Rating Sensitivities

#### Positive Factors - Factors that could lead to positive rating action/upgrade:

- Scale up of its business with sustained diversification in secured asset class while improving asset quality on a reasonably seasoned portfolio.

#### Negative Factors- Factors that could lead to negative rating action/downgrade:

- Delay in ramp up in collections to pre-pandemic levels.
- Material deterioration in asset quality impacting earnings profile of the bank.

### Detailed description of the key rating drivers

#### Key Rating Strengths

**Adequate capital headroom albeit moderation in FY22:** USFB had shored up its capital levels since its Initial Public Offering (IPO) in December 2019. However, on account of high losses reported and growth in advances during FY22, the Capital Adequacy Ratio (CAR) and Tier 1 CAR Ratio moderated to 18.99% and 17.70% as on March 31, 2022 as against 26.44% and 25.07% respectively as on March 31, 2021. Bank has taken Board approval to raise upto Rs.600 crore via QIP in order to increase the minimum public shareholding in the bank from 16% to 25%. Additionally, bank has board approval in place to raise upto Rs.1500 crore of by way of issuance of non-convertible debt securities.

**Improving deposit funding:** USFB's reliance on non-deposit funding has exhibited a steady decline in the last couple of years. Deposits as a percentage of total liabilities has increased to 87.9% in FY22 (FYE21: 76.5%) and credit deposit ratio improved to 99.3% as on March 31, 2022 (March 31, 2021: 115.26%). Additionally, low-cost CASA deposits gradually rose to 27.30% as on March 31, 2022 (March 31, 2021: 20.55%). The granularity of the deposit base too reflected an improvement with retail deposits now constituting 54% of the total deposits at FYE22 (FYE21: 48%). CARE Ratings understand that the bank has increased its range of deposit products to widen its customer base.

**Geographically Well-diversified Loan Portfolio:** USFB has full-fledged banking branches of 575 as on March 31, 2022. USFB's gross loan portfolio stood at Rs.18,162 crore on March 31, 2022 spread across 24 states and UTs with active customer

<sup>1</sup>Complete definition of the ratings assigned are available at [www.careedge.in](http://www.careedge.in) and other CARE Ratings Ltd.'s publications

base of 64.8 lakhs (FY21: 59.2 lakhs). Top five states of Karnataka, West Bengal, Tamil Nadu, Maharashtra, and Gujarat contributed to 60.3% of the overall portfolio as of March 2022 (61.5% of the overall portfolio as on March 31, 2021) with top state Tamil Nadu contributing to 15.5% of loan portfolio as of March 2022.

**Experienced promoter group with seasoned management:** The present senior management team of USFB is highly experienced in financial sector. Mr. Ittira Davis is the current Managing Director (MD) and Chief Executive Officer (CEO) who replaced Mr. Nitin Chugh w.e.f. January 14, 2022. Mr. Ittira Davis has experience of over 40 years in banking industry. USFB's Board comprises of nine directors which includes MD, three Non-Executive directors and five Independent Directors with diverse experience, who bring valuable expertise to the Bank. Bank's operations are ably supported by the senior management team.

#### **Key Rating Weaknesses**

**Earnings under pressure led by high provisioning; however recovery in profitability witnessed in Q4FY22:** Profitability during FY22 was affected by high credit costs. Pre-Provision Operating Profit (PPOP) also decreased by 26.26% during FY22 to Rs. 590.5 crore on account of interest reversals. Albeit decline in cost of funds from 6.93% in FY21 to 5.70% in FY22, bank's Net Interest Margin witnessed decline from 8.91% in FY21 to 8.06% in FY22 owing to decline in yield on advances from 18.22% in FY21 to 16.73% in FY22 with about 68.58% of disbursements made during H2FY22. Further bank also made interest income reversal during the year on account of higher NPA. Bank's operational efficiency also witnessed moderation with cost to income ratio of the bank increasing from 60.57% in FY21 to 71.70% in FY22. Additionally, the credit cost also stood high at Rs.1118 crore during FY22 as against Rs.790 crore during FY21 on account of provisioning made by the bank for the restructuring and slippages during the year. Consequently, the bank reported net loss of Rs.415 crore in FY22 as against net profit of Rs.8.3 crore in FY21. However, the Bank's profitability has witnessed recovery during Q4FY22 and reported PAT of Rs.127 crore. Going forward, Bank's ability to improve asset quality and limiting credit cost thereby protecting earnings would be a key rating monitorable.

**Moderation in asset quality post-COVID; significant reduction in stressed asset position post peaking in Q2FY22:** Asset quality performance was impacted by the COVID-19 led pandemic with GNPA peaking at 11.80% on September 30, 2021 from 7.07% on March 31, 2021 and gross stressed assets stood at 19.23% as on September 30, 2021. USFB had ramped up its collection efforts and collections witnessed improvement from the month of July 2021 with collections above 100% (including arrears). Consequently, GNPA levels have witnessed improvement to 7.34% as on March 31, 2022 and with rundown of restructured advances, gross stressed assets also declined to 9.69% as on March 31, 2022. Further, with high provisioning made during FY22 the bank's net NPA stood lower at 0.61% as on March 31, 2022 (March 31, 2021: 2.93%). Bank's provision coverage stood high at 92.24% as on March 31, 2022 compared to 60.34% as on March 31, 2021. The total amount of restructured accounts outstanding as on March 31, 2022 stood at Rs.845 crore (4.65% of gross advances).

**Exposure to inherent socio-economic and geo-political risks of the microfinance sector:** Increase in the non-MFI portfolio has led to a steady reduction in the composition of microfinance loan portfolio. Presently the non-MFI portfolio majorly comprises of housing loan segment (15.1% of the total loan portfolio), loans to MSE segment (9.4% of total loan portfolio) and loans to financial institution (FIG) segments (4.7%) as on March 31, 2022. However, microfinance still comprises a larger share of the loan book at 68.0% as on March 31, 2022 (FY21: 71.8%) which exposes the bank to the inherent risks associated with the industry. The borrower base remains vulnerable to economic downturns and political events which affects their repayment capacity. CARE Ratings understands that the bank will be eventually able to manage the resultant risk as the growth in the non-MFI portfolio gains traction. However, near term risks will be closely monitored.

#### **Liquidity: Adequate**

According to the bank's structural liquidity statement (SLS) as on March 31, 2021, liquidity profile is comfortable with no cumulative negative mismatches in any of the time buckets. The liquidity coverage ratio of bank remained comfortable at 152% for quarter ended March 31, 2022 as against the regulatory requirement of 100%. Bank has excess SLR of Rs. 2153 crore as on June 15, 2022. Liquidity is also supported by the refinancing lines available to it from SIDBI & NABARD and through sale of PSL certificate to other banks which are short of PSL targets.

**Analytical approach:** Standalone

#### **Applicable Criteria**

[Criteria on assigning 'Outlook' and 'Credit Watch' to Credit Ratings](#)

[CARE's Policy on Default Recognition](#)

[Financial Ratios-Financial Sector](#)

[CARE's Rating Methodology for Banks](#)

### About the Company

USFB, incorporated on July 04, 2016 is a subsidiary of Ujjivan Financial Services Limited (UFSL). UFSL was a Bangalore based Microfinance Company registered as NBFC-MFI with RBI. It has been in microfinance lending since 2005 and has operated through joint liability group (JLG) model in urban and semi urban areas and target customers who are salaried as well as self-employed women. UFSL was one of the ten entities to be granted "in-principle" approval by Reserve Bank of India (RBI) on September 16, 2015 to set up a bank under the "Guidelines for Licensing of Small Finance Banks in the private sector" (Guidelines) issued by the RBI on November 27, 2014. Subsequently, on November 11, 2016 RBI granted the license to USFB to carry out the banking business in India. Accordingly, USFB formally commenced its operations on February 1, 2017 whereby in line with the terms with Business Transfer Agreement (BTA) effective from February 1, 2017 entered between UFSL and USFB, the entire assets/liabilities of UFSL had been transferred to USFB. As per the listing norms requirement of RBI for SFBs, Bank concluded its IPO process and got listed on NSE and BSE on December 12, 2019. Post IPO, UFSL's shareholding stands at 83.32% in USFB. As on March 31, 2022, the bank has a branch network of 575 branches and has 492 biometric ATMs. The bank has presence across 24 States and Union Territories of India, and with an overall portfolio of around Rs.18,162 crore as on March 31, 2022.

| Brief Financials (Rs. crore)  | 31-03-2020 (A) | 31-03-2021 (A) | FY22 (Prov) |
|-------------------------------|----------------|----------------|-------------|
| <b>Total operating income</b> | 3026           | 3117           | 3126        |
| <b>PAT</b>                    | 350            | 8              | -415        |
| <b>Total Assets</b>           | 18411          | 20380          | 23604       |
| <b>Net NPA (%)</b>            | 0.20           | 2.93           | 0.61        |
| <b>ROTA (%)</b>               | 2.18           | 0.04           | -1.89       |

A: Audited; Prov: Provisional

**Status of non-cooperation with previous CRA:** Not Applicable

**Any other information:** Not Applicable

**Rating History for last three years:** Please refer Annexure-2

**Covenants of rated instrument / facility:** Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-3

**Complexity level of various instruments rated for this company:** Annexure 4

#### Annexure-1: Details of Instruments/Facilities

| Name of the Instrument                | ISIN | Date of Issuance | Coupon Rate | Maturity Date | Size of the Issue (₹ crore) | Rating Assigned along with Rating Outlook |
|---------------------------------------|------|------------------|-------------|---------------|-----------------------------|---|
| Fund-based-Long Term                  | -    | -                | -           | -             | 500.00                      | CARE A+; Stable                           |
| Debentures-Non Convertible Debentures | -    | -                | -           | -             | 500.00                      | CARE A+; Stable                           |

#### Annexure-2: Rating History of last three years

| Sr. No. | Name of the Instrument/Bank Facilities | Current Ratings |                              |                 | Rating History                              |   |   |  |
|---------|--|-----------------|------------------------------|-----------------|---|---|---|--|
|         |  | Type            | Amount Outstanding (₹ crore) | Rating          | Date(s) and Rating(s) assigned in 2022-2023 | Date(s) and Rating(s) assigned in 2021-2022 | Date(s) and Rating(s) assigned in 2020-2021 | Date(s) and Rating(s) assigned in 2019-2020              |
| 1       | Fund-based - LT-Term Loan              | LT              | -                            | -               | -   | -   | 1)Withdrawn (07-Jul-20)                     | 1)CARE A+; Stable (03-Jul-19)                            |
| 2       | Debentures-Non Convertible Debentures  | LT              | -                            | -               | -   | -   | -   | 1)Withdrawn (30-Aug-19)<br>2)CARE A+; Stable (03-Jul-19) |
| 3       | Fund-based-Long Term                   | LT              | 500.00                       | CARE A+; Stable | 1)CARE A+; Stable (01-Apr-22)               | 1)CARE A+; Stable (05-Aug-21)               | 1)CARE A+; Stable (07-Jul-20)               | 1)CARE A+; Stable (03-Jul-19)                            |

|   |                                       |    |        |                 |   |   |   |                         |
|---|---------------------------------------|----|--------|-----------------|---|---|---|-------------------------|
| 4 | Debentures-Non Convertible Debentures | LT | -      | -               | - | - | - | 1)Withdrawn (03-Jul-19) |
| 5 | Debentures-Non Convertible Debentures | LT | 500.00 | CARE A+; Stable |   |   |   |                         |

\*Long Term / Short Term

### Annexure-3: Detailed explanation of covenants of the rated instrument / facilities

| Name of the Instrument        | Detailed explanation                   |
|-------------------------------|--|
| <b>A. Financial covenants</b> |  |
| I. <b>CAR</b>                 | Maintain a minimum CAR of 15%.         |
| II. <b>Tier-I CAR</b>         | Maintain a minimum Tier-I CAR of 7.5%. |

### Annexure 4: Complexity level of various instruments rated for this company

| Sr. No. | Name of Instrument                    | Complexity Level |
|---------|---------------------------------------|------------------|
| 1       | Debentures-Non Convertible Debentures |                  |
| 2       | Fund-based-Long Term                  | Simple           |

### Annexure 5: Bank Lender Details for this Company

To view the lender wise details of bank facilities please [click here](#)

**Note on complexity levels of the rated instrument:** CARE Ratings Ltd. has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to [care@careedge.in](mailto:care@careedge.in) for any clarifications.

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