



Utkarsh Small Finance Bank
Aapki Ummeed Ka Khaata

UTKARSH SMALL FINANCE BANK LIMITED

CIN: U65992UP2016PLC082804

S-24/1-2, First Floor, Mahavir Nagar, Orderly Bazar, Near Mahavir Mandir, Varanasi - 221002 |
Tel No +91-542-2500596 | Website: www.utkarsh.bank | Email: shareholders@utkarsh.bank

NOTICE

SHORTER NOTICE IS HEREBY GIVEN THAT THE FIFTEENTH (15TH) EXTRAORDINARY GENERAL MEETING OF THE MEMBERS OF UTKARSH SMALL FINANCE BANK LIMITED ("USFBL" OR THE "BANK") IS SCHEDULED TO BE HELD ON MONDAY, JULY 26, 2021, AT 02:00 P.M. FROM REGISTERED OFFICE – S-24/1-2, FIRST FLOOR, MAHAVIR NAGAR, ORDERLY BAZAR, NEAR MAHAVIR MANDIR, VARANASI VIDE VIDEO CONFRENCING THROUGH MICROSOFT TEAMS MEETING TO INTER ALIA, CONSIDER AND TRANSACT FOLLOWING SPECIAL BUSINESSES:

Special Business

ITEM No. 1:

APPROVAL FOR THE ISSUANCE OF EQUITY SHARES BY WAY OF PREFERENTIAL ISSUE ON PRIVATE PLACEMENT BASIS AND EXECUTION OF TRANSACTION DOCUMENTS IN RESPECT THEREOF:

To consider and if though fit, to pass with or without modifications the following resolution as a **Special Resolution**:

"RESOLVED THAT in accordance with the provisions of section 42, 62(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modification thereto or re-enactment thereof for the time being in force) (the "Act") and in accordance with any other applicable laws, regulations, including the Foreign Exchange Management Act, 1999, Depositories Act, 1996, to the extent applicable to unlisted dematerialized securities, the Memorandum of Association and the Articles of Association of the Bank, and in accordance with the provisions of any rules/regulations/guidelines/circulars issued/framed by or under the Central Government or the Reserve Bank of India, in this regard and such other conditions and modifications as may be prescribed or imposed by the Reserve Bank of India and any of the regulatory authority or institution while granting any approval, permission and sanction if required, on the basis of the recommendation of Board, the approval of the Shareholders of the Bank be and is hereby accorded to create, issue, offer and allot the Equity Shares through preferential issue on private placement basis of Face value of Rs. 10/- each (Rupees Ten only) at a price of Rs. 31.8/- including a premium of Rs. 21.8/- for an aggregate amount upto **₹250 crore (upto Indian Rupees Two Hundred and Fifty Crore only)** in one or more tranches for cash consideration to the following entities ("herein after referred as Identified Investors"):



Sr.No.	Name of Investor	Place of Residence	PAN	Email Id
1	Bharti Axa Life Insurance Company Limited	Mumbai (India)	AACCB7227P	compliance.life@bharti-axa.com
2	Growth Catalyst Partners LLC	Port Louis (Mauritius)	AAGCG3228B	compliance@lokcapital.com
3	Triodos Sicav II – Triodos Microfinance Fund	Luxembourg	AADCT7211N	pa-tim@triodos.nl

RESOLVED FURTHER THAT the Equity Shares to be issued and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Bank and shall rank pari passu with the existing Equity Shares of the Bank in all respects.

RESOLVED FURTHER THAT pursuant to the provisions of the Act, Identified Investors be recorded for the issue for invitation to subscribe to the Equity Shares as a whole or in tranches as may be deemed fit by the Board of the Directors/ Stakeholders Relationship Committee of the Bank.

RESOLVED FURTHER THAT the draft of private placement offer letter (in **Form PAS-4**) as tabled before the members of the Bank and duly initialled by the Chairman for the purpose of identification be and is hereby approved for the purpose of issuance of the same to the Identified Investors subscribing to the Equity Shares of the Bank.

RESOLVED FURTHER THAT the Managing Director & CEO of the Bank be and is hereby authorised to decide the timeline for opening/closing of the offer and receipt of fund.

RESOLVED FURTHER THAT the monies received by the Bank from the Identified Investors as towards application for subscribing to the Equity Shares pursuant to this private placement shall be kept by the Bank in an separate **escrow bank account maintained with RBL Bank (Bank A/c no. 409001438353 at Lower Parel Branch)** and shall be utilized by the Bank in accordance with Section 42 of the Act.

RESOLVED FURTHER THAT the members of the Bank be and is hereby accord its approval for the Share Subscription Agreement and authorised **Capital Structuring & Fund Raise Committee** of the Bank to approve the necessary amendments in Share Subscription Agreement ("**SSA**") in the best interest of the bank and other Stakeholders.

RESOLVED FURTHER THAT the members of the Bank be and is hereby accord its approval to authorised the members of the **Stakeholders Relationship Committee of the Bank** to allot the shares to the Identified Investors on the basis of receipt of funds either in whole



or in tranches as may be deemed fit by the Committee and to do all such deeds, acts, matters and things as it may be necessary to give effect to the resolution.

RESOLVED FURTHER THAT the Board be and is hereby severally authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient, proper or desirable to give effect to the resolution and to settle any matter, question, difficulty or doubt that may arise in regard to the issuance and allotment of Equity Shares of the Bank and to negotiate, finalize, execute and amend any other agreement(s) or document(s) and writings, to give effect to the aforesaid resolution.

RESOLVED FURTHER THAT the Managing Director & CEO or the Chief Financial Officer or the Company Secretary or the Chief Compliance Officer be and are hereby severally authorised issue certified copies of these resolutions under the seal of the Bank and to file the necessary resolutions and forms with Registrar of the Companies and do all such acts, deeds and things as are necessary to give effect to the resolutions and the matters connected therewith or incidental thereto."

Date: July 23, 2021

Place: Mumbai

By Order of the Board
For Utkarsh Small Finance Bank Limited



A handwritten signature in blue ink, appearing to read "Nutan Anand Rane".

Nutan Anand Rane
Company Secretary

NOTES: -

This Extra Ordinary General Meeting is being convened by Video Conferencing in furtherance of compliance of MCA General Circulars to transact the business of urgent nature. The meeting will be convened over Microsoft Teams Meeting through Video Conferencing (VC) platform vide Meeting https://teams.microsoft.com/_#/pre-join-calling/19:meeting_ODk5YjA5YzctNzlhYy00NThmLWJjOTUtZDcyNWl1NDAwZmJi@thead.v2.

1. To join the meeting, the members are requested to visit https://teams.microsoft.com/_#/pre-join-calling/19:meeting_ODk5YjA5YzctNzlhYy00NThmLWJjOTUtZDcyNWl1NDAwZmJi@thead.v2 and click on "Join Meeting".
2. In case any member faces any difficulty in joining the meeting, please reach out to Ms. Nutan Anand Rane at nutan.rane@utkarsh.bank or at her contact no.+91 9167730880.
3. Please note that the proceedings at the meeting held through VC will be recorded for record and audit purposes and transcript of the same on the website of the Bank.
4. The VC facility allows two-way communication for the ease and convenience of the participants, and hence the participants are allowed to pose questions concurrently, if any.
5. The facility for joining the meeting will be open from 15 minutes before the time scheduled to start the meeting, i.e. from 1.45 P.M. and will remain open till the entire duration of the meeting.
6. Attendance of members through VC shall be counted for the purpose of reckoning the quorum under section 103 of the Act as provided in the MCA General Circular No.14/2020 dated April 8, 2020. However, the Bank reserves the right to secure printed attendance slip authenticated from the members participating in person. Those members who will be attending the said meeting from the Registered and Corporate office of the Bank are requested to maintain social distance while attending the meeting in person.
7. In terms of the MCA General Circular No.14/2020 dated April 08, 2020, facility for appointment of proxies will not be available for the meeting. However, in pursuance of Section 112 and Section 113 of the Act, representatives of the members may be appointed for the purpose of participation and voting in the meeting over the VC.
8. The decision in the meeting will be carried out by voting by show of hands unless a demand for poll is made in accordance with section 109 of the Act, in which case, the voting shall be conducted through the e-voting system.
9. Due to ongoing COVID-19 situation, the notice of this meeting shall be served over email.
10. The explanatory statement relating to special business mentioned in the Notice as required pursuant to section 101(2) of the Companies Act, 2013 is annexed to the Notice.



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

ITEM No. 1

The Bank has planned to expand its commercial operations. Therefore, the purpose of this fund raise is to augment Tier 1 Capital base and strengthening overall capital adequacy of the Company.

The Bank proposes to raise upto ₹250 crore by issuance of equity shares to the Identified Investors as set out below ("**Equity Shares**") at an issuance price of ₹ 31.8 (at a face value of ₹ 10 and a premium of ₹21.8/-per equity share) subject to the overall limit of 4.99% post issue paid-up share capital per Identified Investor.

Sr.No.	Name of Investor	Place of Residence	PAN	Email Id
1	Bharti Axa Life Insurance Company Limited	Mumbai (India)	AACCB7227P	compliance.life@bharti-axa.com
2	Growth Catalyst Partners LLC	Port Louis (Mauritius)	AAGCG3228B	compliance@lokcapital.com
3	Triodos Sicav II – Triodos Microfinance Fund	Luxembourg	AADCT7211N	pa-tim@triodos.nl

The Board has approved the issue and offer of the aforesaid equity shares of the Bank at its meeting held on July 23, 2021.

The approval of the Members is being sought by way of a **Special Resolution** under Sections 42 and 62(1)(c) of the Companies Act, 2013 read with the rules made there under, to issue equity shares as preferential allotment on private placement basis. In case the offer is declined, or no response is received from any of the prospective Identified Person, the above offer shall expire as may be decided by Managing Director & CEO of the Bank with respect to such identified person. Any further offer shall require the revised approval of the members.

The funds raised from this fresh equity issuance in whole or tranches shall be deployed by the Bank for expansion, working capital requirement as well as strengthening the capital base.

The draft of offer letter along with valuation reports and other relevant documents if any, are available for inspection by the Members at the registered office of the Bank during business hours on any working day and on the date of this EGM. The same can be inspected electronically by sending a request on secretarial.usfb@utkarsh.bank.



The Bank has obtained NOC from lenders for the issue of Equity Shares to Identified Investors to the extent of 15% of the current paid up capital of the Bank.

The Board recommends the Special Resolution for approval of members of the Bank.

None of the Directors or KMPs of the Bank is, in any way, concerned or interested in the Resolution.

Disclosures as required under Rule 13 of the Companies (Share Capital and Debentures) Rules, 2014 and Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules 2014 are given here in below:

(i) The objects of the issue:

To augment Tier 1 Capital base and strengthening overall capital adequacy of the Company.

(ii) the class or classes of persons to whom the allotment is proposed to be made:

The allotment shall be made to above mentioned identified investors under the "Institutional Category/ Body Corporate/Companies" as defined under Companies Act, 2013.

(iii) Intention of Promoters, Directors of Key Managerial Personnel to subscribe to the offer:

None of the Promoters, Directors and Key Managerial Personnel of the Bank intend to subscribe this Private Placement offer authorised by the resolution.

(iv) The total number of securities to be issued:

Equity Shares of Face value of Rs. 10/- each (Rupees Ten only) at a price of Rs. 31.8/- including a premium of Rs. 21.8/- aggregating upto ₹ 250 Crore.

(v) Amount which the company intends to raise by way of securities:

Upto Rs. 250 crore (Rupees Two Hundred and Fifty Crore Only) against the shares being issued to Identified Investors.

(vi) the price at which the allotment is proposed:

The issue price per share is Rs. 31.8/- including a premium of Rs. 21.8/-.

(vii) Basis on which the price has been arrived at along with report of the registered valuer:

Valuation Reports dated July 16, 2021 prepared by M/s Incwert Advisory Private Limited (Registered Valuer) having its registered office at Gurgaon.

(viii) Relevant date with reference to which the price has been arrived at: May 31, 2021

(ix) The proposed time within which the allotment shall be completed: within 60 days from the date of receipt of share application money.

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

The proposed allottees shall be as follows:



1. Bharti Axa Life Insurance Company Limited
2. Growth Catalyst Partners LLC
3. Triodos Sicav II – Triodos Microfinance Fund

The overall limit of post issue paid-up share capital for each investor shall be 4.99%.

(xi) The number of persons to whom allotment on private placement have already been made during the year, in terms of number of securities as well as price:

Sr. No.	Name of the Person	Type of Security	Consideration (₹)
1	Nil	Nil	Nil

(x) The pre-issue and post issue shareholding pattern of the Bank is as follows:

The pre shareholding pattern of the Bank is as follows:

Sr.No.	Category	Pre-Shareholding	
		No. of Persons	No. of Shares
1	Body Corporate	7	84,83,33,863
2	Individuals	6	6

The post shareholding pattern will be determined based on allotment of equity shares as approved by the Stakeholder Relationship Committee.

(xi) The change in control, if any, in the Bank that would occur consequent to the preferential offer:

There shall be no change in the management or control of the Bank pursuant to the present issue of equity shares.

The Board of Directors of the Bank believes that the proposed Private Placement issue is in the best interest of the Bank and its members. The Board of Directors, therefore, recommends the special resolution for your approval at Item No. 1 of this Notice.

By Order of the Board
For Utkarsh Small Finance Bank Limited




Nutan Anand Rane
Company Secretary

Date: July 23, 2021
Place: Mumbai