

## **NOTICE OF EXTRA ORDINARY GENERAL MEETING OF THE BANK**

Notice is hereby given that an Extra Ordinary General Meeting of Shareholders of ESAF Small Finance Bank Limited (the Bank) will be held on **Monday, July 12, 2021** at **04.45 PM** through Video Conferencing (VC)/ Other Audio Visual Means (OAVM), to transact the following businesses. The Venue of the meeting shall be deemed to be the Registered and Corporate Office of the Bank, Building No. VII/83/8, ESAF Bhavan, Thrissur-Palakkad National Highway, Mannuthy, Thrissur, Kerala, PIN-680 651.

*[This notice is a shorter notice of three (3) days and requisite consents have been obtained from the shareholders pursuant to Section 101(1) of the Companies Act, 2013 in accordance with the Articles of Association of the Bank.]*

### **SPECIAL BUSINESS:**

#### **1. Initial Public Offer of Equity Shares**

**To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Sections 23, 62(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013, and the rules and regulations made thereunder, (including any statutory modifications or re-enactment thereof, for the time being in force), (the **“Companies Act”**), and in accordance with and subject to the provisions of the Securities Contracts (Regulation) Act, 1956, and the rules and regulations made thereunder, as amended, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the **“SEBI Regulations”**), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (**“SEBI Listing Regulations”**) and any other applicable rules, regulations, guidelines, clarifications, circulars and notifications issued by the RBI, SEBI and any other applicable laws, rules and regulations, in India or outside India (including any amendment thereto or re-enactment thereof for the time being in force) (collectively, the **“Applicable Laws”**), and in accordance with the provisions of the Memorandum of Association and the Articles of Association of the Bank and the equity listing agreements to be entered into between the Bank and the respective stock exchanges where the Equity Shares are proposed to be listed (**“the Stock Exchanges”**), and subject to any approvals as may be required from the Government of India (**“GoI”**), the Registrar of Companies, Kerala at Ernakulam (**“RoC”**), the Securities and Exchange Board of India (**“SEBI”**), the Reserve Bank of India (**“RBI”**) and all other appropriate statutory authorities and departments (the **“Regulatory Authorities”**) and subject to such conditions and modifications as may be prescribed, stipulated or imposed by any of them while granting such approvals, consents, permissions and sanctions, which may be agreed to by the Board of Directors of the Bank (hereinafter referred to as the **“Board”** which term shall include a duly authorized committee thereof for the time being exercising the powers conferred by the Board including the powers conferred by this resolution), the consent and approval of the shareholders be and is hereby accorded to create, issue, offer and allot in the Offer such number of Equity Shares, for

#### **ESAF SMALL FINANCE BANK LIMITED**

RBI License No.: MUM 124, CIN: U65990KL2016PLC045669

Registered & Corporate Office: ESAF Small Finance Bank Limited, Building No. VII/83/8, ESAF Bhavan, Mannuthy, Thrissur - Palakkad National Highway, Thrissur - 680 651, Kerala.

Ph. No: 0487 7123456, 123457, Email: [customercare@esafbank.com](mailto:customercare@esafbank.com) [www.esafbank.com](http://www.esafbank.com)

cash either at par or premium such that the amount being raised pursuant to the Offer aggregates up to Rs. 800,00,00,000/- (Rupees Eight Hundred Crores Only) (with an option to the Bank to retain an over-subscription to the extent of 1% of the net Offer, for the purpose of rounding off to the nearest integer to make allotment while finalizing the basis of allotment in consultation with the designated stock exchange), at a price to be determined, by the Bank and the selling shareholders, in consultation with the Book Running Lead Managers (“**BRLMs**”), through the book building process in terms of the SEBI Regulations or otherwise in accordance with Applicable Laws, at such premium or discount per Equity Share as permitted under Applicable Laws and as may be fixed and determined by the Bank in consultation with the BRLMs in accordance with the SEBI Regulations, out of the authorized share capital of the Bank to any category of person or persons as permitted under Applicable Laws, who may or may not be the shareholder(s) of the Bank as the Board may, in consultation with the BRLMs decide, including anchor investors, if any, one or more of the members of the Bank, eligible employees (through a reservation or otherwise), Hindu Undivided Families, employees working in India or abroad, registered foreign portfolio investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended, venture capital funds, foreign venture capital investors, alternative investment funds, non-resident Indians, state industrial development corporations, insurance companies, provident funds, pension funds, national investment fund, insurance funds set up by army, navy, or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India, trusts/societies registered under the Societies Registration Act, 1860, development financial institutions, systemically important non-banking financial companies, Indian mutual funds, members of group companies, Indian public, bodies corporate, companies (private or public) or other entities, whether incorporated or not, authorities, and to such other persons including high net worth individuals, retail individual bidders or other entities, in one or more combinations thereof and/or any other category of investors as may be permitted to invest under Applicable Laws by way of the Offer in consultation with the Promoter Selling Shareholder (ESAF Financial Holdings Private Limited), BRLMs and/or underwriters and/or the stabilizing agent and/or other advisors or such persons appointed for the Offer and on such terms and conditions as may be finalised by the Board and the Promoter Selling Shareholder, in consultation with the BRLMs through an offer document, prospectus and/or an offering memorandum, as required, and that the Board and the Promoter Selling Shareholder in consultation with the BRLMs may finalise all matters incidental thereto as it may in its absolute discretion thinks fit.”

**“RESOLVED FURTHER THAT** the Board may invite the existing shareholders of the Bank to participate in the Offer by making an Offer for Sale in relation to such number of Equity Shares held by them, and which are eligible for the Offer for Sale in accordance with the SEBI Regulations, as the Board and the Promoter Selling Shareholder may determine in consultation with the BRLMs, subject to the receipt of consent of SEBI, GoI, RBI, the Registrar of Companies and/or such other approvals, permissions and sanctions of all other concerned regulatory authorities and departments, if and to the extent necessary, and subject to such conditions and modifications as may be prescribed in granting such approvals, permissions and sanctions, at a price to be determined by the book building process in terms of the SEBI Regulations, for cash at such premium per share as may be fixed and determined by the Bank and the selling shareholders in consultation with the BRLMs, to such category of persons as may be permitted or in accordance with the SEBI Regulations or other applicable law, if any, as may be prevailing at that time and in such manner as may be determined by the Board and the Promoter Selling

Shareholder in consultation with the BRLMs and/or underwriters and/or the stabilizing agent and/or other advisors or such persons appointed for the Offer.”

**“RESOLVED FURTHER THAT** the Board, be and is hereby authorized on behalf of the Bank to make available for allocation a portion of the Offer to any category(ies) of persons permitted under Applicable Law, including without limitation, retail individual bidders or eligible employees of the Bank (the **“Reservation”**) or to provide a discount to the offer price to retail individual bidders or eligible employees of the Bank (the **“Discount”**); and to take any and all actions in connection with any Reservation or Discount as the Board may think fit or proper in its absolute discretion, including, without limitation, to negotiate, finalize and execute any document or agreement, and any amendments, supplements, notices or corrigenda thereto; seek any consent or approval required or necessary; give directions or instructions and do all such acts, deeds, matters and things as the Board may, from time to time, in its absolute discretion, think necessary, appropriate, or desirable; and settle any question, difficulty, or doubt that may arise with regard to or in relation to the foregoing.”

**“RESOLVED FURTHER THAT** the Equity Shares issued or transferred pursuant to the Offer shall be listed at one or more recognized stock exchanges in India.”

**“RESOLVED FURTHER THAT** in accordance with the provisions of Sections 23, 62(1)(c), 42 and any other applicable provisions, if any, of the Companies Act, 2013, and subject to such further corporate and other approvals as may be required, in-principle approval is hereby accorded to the Board to allot Equity Shares for an amount aggregating up to Rs. 300,00,00,000 (Rupees Three Hundred Crores Only), to certain investors prior to filing of the red herring prospectus with SEBI (**“Pre-IPO Placement”**) in consultation with the BRLMs, at such price as the Board and the selling shareholders may, determine, in consultation with the BRLMs, underwriters, placement agents and / or other advisors, in light of the then prevailing market conditions and in accordance with the Companies Act, the SEBI Regulations and other applicable laws, regulations, policies or guidelines. In the event of happening of Pre-IPO Placement, the size of the Offer would be reduced to the extent of Equity Shares issued under Pre-IPO Placement.”

**“RESOLVED FURTHER THAT** in relation to the Offer, the Board either by itself or a sub-committee constituted by the Board be and is hereby authorized to do such acts, deeds and things as the Board or such sub-committee in its absolute discretion deems necessary or desirable in connection with the Offer, including, without limitation, the following:

a. To make applications, seek clarifications, obtain approvals, consents and seek exemptions from, the Bank’s lenders, industry data providers and/or parties with whom the Bank has entered into various commercial and other agreements including without limitation customers, suppliers, strategic partners of the Bank and/or any/all concerned governmental and regulatory authorities in India, including, the RBI, SEBI, the relevant registrar of companies and any other governmental or statutory authorities as may be required in connection with the Offer and accept on behalf of the Board such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions and sanctions as may be required and wherever necessary, incorporate such modifications / amendments as may be required in the draft red herring prospectus, the red herring prospectus and the prospectus as applicable;

- b. To finalize, settle, approve, adopt and file in consultation with the Promoter Selling Shareholder and BRLMs where applicable, the draft red herring prospectus ("DRHP"), the red herring prospectus ("RHP") the Prospectus, the preliminary and final international wrap and any amendments, supplements, notices, addenda or corrigenda thereto, and take all such actions as may be necessary for the submission and filing of these documents including incorporating such alterations/corrections/ modifications as may be required by SEBI, the RoC or any other relevant governmental and statutory authorities or in accordance with Applicable Laws;
- c. To decide in consultation with the selling shareholders and the BRLMs on the Offer Price; and to decide in consultation with the Promoter Selling Shareholder and BRLMs, the actual Offer size, timing, pricing, discount, reservation and all the terms and conditions of the Offer, including the price band (including offer price for anchor investors), bid period, and to do all such acts and things as may be necessary and expedient for, and incidental and ancillary to the Offer including to make any amendments, modifications, variations or alterations in relation to the Offer;
- d. To appoint and enter into and terminate arrangements with the BRLMs, underwriters to the Offer, syndicate members to the Offer, brokers to the Offer, escrow collection bankers to the Offer, refund bankers to the Offer, registrars, legal advisors, auditors, and any other agencies or persons or intermediaries to the Offer and to negotiate, finalise and amend the terms of their appointment, including but not limited to the execution of the mandate letter with the BRLMs and negotiation, finalization, execution and, if required, amendment of the offer agreement with the BRLMs;
- e. To negotiate, finalise and settle and to execute and deliver or arrange the delivery of the DRHP, the RHP, the Prospectus, offer agreement, syndicate agreement, underwriting agreement, share escrow agreement, cash escrow agreement, agreements with the registrar to the offer and all other documents, deeds, agreements and instruments whatsoever with the registrar to the Offer, legal advisors, auditors, stock exchange(s), BRLMs and any other agencies/intermediaries in connection with the Offer with the power to authorise one or more officers of the Bank to execute all or any of the aforesaid documents or any amendments thereto as may be required or desirable in relation to the Offer;
- f. To seek, if required, the consent and/or waiver of the lenders of the Bank, customers, parties with whom the Bank has entered into various commercial and other agreements, all concerned government and regulatory authorities in India or outside India, and any other consents and/or waivers that may be required in relation to the Offer or any actions connected therewith;
- g. To open and operate bank accounts in terms of the escrow agreement and to authorize one or more officers of the Bank to execute all documents/deeds as may be necessary in this regard;
- h. To open and operate bank accounts of the Bank in terms of Section 40(3) of the Companies Act, 2013, as amended, and to authorize one or more officers of the Bank to execute all documents/deeds as may be necessary in this regard;

- i. To authorize and approve incurring of expenditure and payment of fees, commissions, brokerage, remuneration and reimbursement of expenses in connection with the Offer;
- j. To accept and appropriate the proceeds of the Offer in accordance with the Applicable Laws;
- k. To approve code of conduct as may be considered necessary by the IPO Committee or as required under applicable laws, regulations or guidelines for the Board, officers of the Bank and other employees of the Bank;
- l. To approve the implementation of any corporate governance requirements that may be considered necessary by the Board or the IPO Committee or as may be required under the applicable laws or the SEBI Listing Regulations, as amended and listing agreements to be entered into by the Bank with the relevant stock exchanges, to the extent allowed under law;
- m. To issue receipts/allotment letters/confirmation of allotment notes either in physical or electronic mode representing the underlying Equity Shares in the capital of the Bank with such features and attributes as may be required and to provide for the tradability and free transferability thereof as per market practices and regulations, including listing on one or more stock exchange(s), with power to authorize one or more officers of the Bank to sign all or any of the aforesaid documents;
- n. To authorize and approve notices, advertisements in relation to the Offer in consultation with the Promoter Selling Shareholder and relevant intermediaries appointed for the Offer;
- o. To do all such acts, deeds, matters and things and execute all such other documents, etc., as may be deemed necessary or desirable for such purpose, including without limitation, to finalise the basis of allocation and to allot the shares to the successful allottees as permissible in law, issue of allotment letters/confirmation of allotment notes, share certificates in accordance with the relevant rules, in consultation with the Promoter Selling Shareholder and BRLMs;
- p. To do all such acts, deeds and things as may be required to dematerialise the Equity Shares and to sign and / or modify, as the case maybe, agreements and/or such other documents as may be required with the National Securities Depository Limited, the Central Depository Services (India) Limited, registrar and transfer agents and such other agencies, authorities or bodies as may be required in this connection and to authorize one or more officers of the Bank to execute all or any of the aforesaid documents;
- q. To make applications for listing of the Equity Shares in one or more stock exchange(s) for listing of the Equity Shares and to execute and to deliver or arrange the delivery of necessary documentation to the concerned stock exchange(s) in connection with obtaining such listing including without limitation, entering into listing agreements and affixing the common seal of the Bank where necessary;
- r. To settle all questions, difficulties or doubts that may arise in regard to the Offer, including such issues or allotment, terms of the IPO, utilisation of the IPO proceeds and matters incidental thereto as it may deem fit;

- s. To submit undertaking/certificates or provide clarifications to the SEBI, Registrar of Companies, Kerala at Ernakulam and the relevant stock exchange(s) where the Equity Shares are to be listed;
- t. To negotiate, finalize, settle, execute and deliver any and all other documents or instruments and to do or cause to be done any and all acts or things as the IPO Committee may deem necessary, appropriate or advisable in order to carry out the purposes and intent of this resolution or in connection with the Offer and any documents or instruments so executed and delivered or acts and things done or caused to be done by the IPO Committee shall be conclusive evidence of the authority of the IPO Committee in so doing;
- u. To delegate any of its powers set out under (a) to (q) hereinabove, as may be deemed necessary and permissible under Applicable Laws to the officials of the Bank;
- v. To approve suitable policies on insider trading, whistle-blowing, risk management, and any other policies as may be required under the SEBI Listing Regulations or any other Applicable Laws;
- w. To approve the list of 'group of companies' of the Bank, identified pursuant to the materiality policy adopted by the Board, for the purposes of disclosure in the DRHP, the RHP and the Prospectus;
- x. Deciding, negotiating and finalising the pricing and all other related matters regarding the Pre-IPO Placement, including the execution of the relevant documents with the investors in consultation with the BRLMs and in accordance with Applicable Laws;
- y. Taking on record the approval of the selling shareholders for offering their Equity Shares in the Offer for Sale;
- z. To withdraw the DRHP or the RHP or to decide to not proceed with the Offer at any stage in accordance with Applicable Laws and in consultation with the Promoter Selling Shareholder and BRLMs;
- aa. To appoint, in consultation with the Promoter Selling Shareholder and BRLMs, the registrar and other intermediaries to the Offer, in accordance with the provisions of the SEBI Regulations and other Applicable Laws including legal counsels, banks or agencies concerned and entering into any agreements or other instruments for such purpose, to remunerate all such intermediaries/agencies including the payments of commissions, brokerages, etc. and to terminate any agreements or arrangements with such intermediaries/ agents; and
- bb. doing any other act and/or deed, negotiating and executing any document(s), application(s), agreement(s), undertaking(s), deed(s), affidavits, declarations and certificates, and/or giving such direction, including any direction to settle all questions, removing any difficulties or doubts that may arise from time to time in relation to the Offer or allotment of the Equity Shares in the Offer and utilizing the Offer proceeds, in such manner as the Board may deem fit, and giving such directions and/or instructions as it may from time to time decide and accepting and giving effect to such modifications, changes, variations, alterations, deletions, additions as regards the

terms and conditions, and taking such actions or giving such directions as may be necessary or desirable and as it deems fit or as may be necessary or desirable with regard to the Offer .”

**“RESOLVED FURTHER THAT** the Equity Shares so allotted under the Offer (including any reservation or green shoe option) shall be subject to the Memorandum of Association and the Articles of Association of the Bank and shall rank pari passu in all respects with the existing Equity Shares of the Bank including rights in respect of dividend.”

**“RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolutions and any issue and allotment of Equity Shares pursuant to the Offer, the Board and any other committee thereof, in consultation with the Promoter Selling Shareholder and BRLMs, be and is hereby authorized to determine the terms of the Offer including the class of investors to whom the Equity Shares are to be allotted, the number of Equity Shares to be allotted, issue price, premium amount, discount (as allowed under Applicable Laws), listing on one or more Stock Exchanges in India as the Board in its absolute discretion deems fit and do all such acts, deeds, matters and things and to negotiate, finalize and execute such deeds, documents agreements and any amendment thereto, as it may, in its absolute discretion, deem necessary, proper or desirable including arrangements with BRLMs, underwriters, escrow agents, legal advisors, etc., to approve incurring of expenditure and payment of fees, commissions, brokerage, remuneration and reimbursement of expenses in connection with the Offer and to settle or give instructions or directions for settling any questions, difficulties or doubts that may arise, in regard to the Offer, allotment of the Equity Shares, and utilization of the Offer proceeds, if applicable and such other activities as may be necessary in relation to the Offer and to accept and to give effect to such modifications, changes, variations, alterations, deletions and/or additions as regards the terms and conditions as it may, in its absolute discretion, deem fit and proper in the best interest of the Bank and the Offer, without requiring any further approval of the members and that all or any of the powers conferred on the Bank and the Board pursuant to these resolutions may be exercised by the Board or such Committee thereof as the Board may constitute in its behalf.”

**“RESOLVED FURTHER THAT** subject to compliance with applicable laws, such equity shares as are not subscribed may be disposed of by the Board in consultation with the BRLMs to such persons and in such manner and on such terms as the Board in its absolute discretion thinks most beneficial to the Bank including offering or placing them with banks/financial institutions/ investment institutions/mutual funds/ bodies corporate/ such other persons or otherwise.

**“RESOLVED FURTHER THAT** in connection with any of the foregoing resolutions, the members of the Board and such other persons as may be authorized by the Board, on behalf of the Bank, be and are hereby severally authorized to execute and deliver any and all other documents, papers or instruments, issue and provide certificates and to do or cause to be done any and all acts or things as may be necessary, appropriate or advisable in order to carry out the purposes and intent of the foregoing resolutions for the Offer; and any such documents so executed and delivered or acts and things done or caused to be done shall be conclusive evidence of the authority of the Bank in so doing and any document so executed and delivered or acts and things done or caused to be done prior to the date hereof are hereby ratified, confirmed and approved as the acts and deeds of the Bank, as the case may be.”

**“RESOLVED FURTHER THAT** a copy of the above resolution, certified to be true by any Director or Company Secretary, be forwarded to concerned authorities for necessary actions.”

2. **Increase the limit of investment by the Non-resident Indians and Overseas Citizens of India**

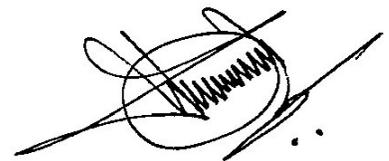
To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the applicable provisions of Foreign Exchange Management Act, 1999, as amended (“FEMA”), Foreign Exchange Management (Non-debt Instruments) Rules, 2019, which came into force with effect from October 17, 2019, and the Consolidated FDI Policy Circular of 2017, as amended, the Companies Act, 2013, as amended, and the rules and regulations made thereunder (collectively referred to as the “Companies Act”), and subject to all applicable approvals, permissions and sanctions of the Reserve Bank of India (“RBI”), the Ministry of Finance, the Ministry of Corporate Affairs, Gol and other concerned authorities and subject to such conditions as may be prescribed by any of the said concerned authorities while granting such approvals, permissions or sanctions which may be agreed to by the Board, the limit of investment by the Non-resident Indians (“NRI”) and Overseas Citizens of India (“OCI”), together, in the equity shares of face value of ₹ 10 each of the Bank, including, without limitation, by subscription in the initial public offering in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, or direct purchase or acquisition from the open market or otherwise, is increased from 10% to 24% of the paid-up equity share capital of the Bank, both on repatriation and non-repatriation basis, provided however that the shareholding of each NRI or OCI in the Bank shall not exceed 5% or such other limit as may be stipulated by RBI in each case, from time to time.”

**“RESOLVED FURTHER THAT** Shri. Kadambelil Paul Thomas, Managing Director and CEO, Shri. Gireesh C.P, Chief Financial Officer, Shri. Ranjith Raj P, Company Secretary of the Bank, be and are hereby severally authorized to do all such acts, things and deeds on behalf of the Bank and make such filings/ application with the regulatory authorities, including RBI, to effectively implement this resolution.”

**“RESOLVED FURTHER THAT** a copy of the above resolution, certified to be true by any Director or Company Secretary, be forwarded to concerned authorities for necessary actions.”

**By order of the Board  
For ESAF Small Finance Bank Limited**



**Ranjith Raj P  
Company Secretary  
Membership No. A 30388**

Place: Thrissur  
Date: July 08, 2021

## **NOTES**

- **A Member entitled to attend the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the Bank. The Proxy Form, to be effective shall be deposited at the Registered Office of the Bank 48 hours prior to the time fixed for the meeting. Proxy Form is enclosed herewith. (Members may note that proxy facility shall be entitled to only those members attending the meeting physically).**
- A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Bank. A member holding more than 10 percentage of the total share capital of the Bank carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
- Every member entitled to vote at the meeting of the Bank or any resolution to be moved thereat, shall be entitled, during the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxies lodged, at any time during the business hours of the Bank, provided not less than 3 days' notice, in writing of the intention, so as to inspect, is given to the Bank.
- Explanatory statement pursuant to Section 102 of the Companies Act, 2013, is attached herewith.
- All documents referred to in the Notice and the Explanatory Statement, and requiring Members' approval, and such statutory records and registers, as are required to be kept open for inspection under the Companies Act, 2013, shall be available for inspection by the Members at the Registered and Corporate Office of the Bank during business hours and shall be accessible to the person attending the meeting. In accordance with the MCA Circulars, the said documents have been made accessible for inspection through electronic mode and shall remain open and be accessible to any member till conclusion of the meeting. Any member intending to inspect the documents through electronic mode shall make a request by sending an e-mail to [ranjith.raj@esafbank.com](mailto:ranjith.raj@esafbank.com).
- Institutional/ Corporate shareholders (i.e. other than individuals/ HUF, NRI, etc.) shall send a scanned copy (pdf/ jpg format) of its Board or Governing Body's resolution/ authorization etc., authorizing their representative to attend and vote in the EGM on its behalf. The said resolution/ authorization shall be sent to the Company Secretary by email from their registered e-mail address to [ranjith.raj@esafbank.com](mailto:ranjith.raj@esafbank.com) with a copy marked to [secretarial@esafbank.com](mailto:secretarial@esafbank.com).
- The venue for the meeting shall be deemed to be the Registered and Corporate Office of the Bank at Building No. VII/83/8, ESAF Bhavan, Thrissur-Palakkad National Highway, Mannuthy, Thrissur, Kerala, PIN – 680 651.
- Route Map of the venue of meeting as per Secretarial Standards-2 is annexed. The prominent landmark for the venue is College of Veterinary and Animal Sciences, Mannuthy.
- Members/ proxies should fill the attendance slip for attending the meeting and bring the attendance slips to the meeting.

- Members are requested to write their DP ID and Client ID No.(s) in their attendance slip for attending the meeting to facilitate identification of membership at the meeting.
- The members are requested to register their e-mail or new e-mail ID which has already been registered with the Depository Participant.
- Members may note that attendance of members through VC shall be counted for the purpose of reckoning quorum under Section 103 of the Companies Act, 2013.
- Members will be able to attend the Extra Ordinary General Meeting through VC provided by clicking on the link given below and entering the login credentials:
  - Video Conferencing Solution: CISCO Webex Meeting
  - Meeting Access Code: 184 788 6621
  - Meeting Access Link:  
<https://esafbank.webex.com/esafbank/j.php?MTID=m4b8eb52d1fb0caed5a43f0e9bd12adfc>
- The facility of joining the EGM through VC will be opened 15 minutes before and will be open up to 15 minutes after the scheduled start time of the EGM, i.e., from 04:30 P.M. to 05:00 P.M.
- For ease of conduct, members who would like to ask questions/ express their views on the items of the businesses to be transacted at the meeting can send in their questions/ comments in advance by sending an email to [ranjith.raj@esafbank.com](mailto:ranjith.raj@esafbank.com) before 05:00 PM IST on July 11, 2021 mentioning their name, demat account no./ Folio no., e-mail Id, mobile number etc. The queries may be raised precisely and in brief to enable the Bank to answer the same suitably depending on the availability of time at the meeting. Please note that only questions of the members holding the shares as on cut-off date will be considered.
- During the meeting, where a poll on any item is required, the members participating through VC shall cast their vote on the resolutions only by sending e-mails from their registered e-mail id registered with the Bank to [ranjith.raj@esafbank.com](mailto:ranjith.raj@esafbank.com).
- Further, members will be required to use camera, if any, and hence required to use internet with a good speed to avoid any disturbance during the meeting.
- Members who need technical assistance before or during the Extra Ordinary General Meeting can contact the Bank at [secretarial@esafbank.com](mailto:secretarial@esafbank.com) or helpline – 0487-7123548.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013, ANNEXURE TO AND FORMING PART OF THE NOTICE DATED JULY 08, 2021**

**1. Initial Public Offer of Equity Shares**

In terms of the Guidelines for Licensing of Small Finance Banks in the Private Sector dated November 27, 2014, the Bank is required to list its equity shares on the stock exchanges within three years from attaining a net worth of Rs. 500 crores. In light of this, the Bank proposes to undertake an initial public offer of its equity shares of face value of Rs. 10 each (the “**Equity Shares**”) which may include, a fresh issue of Equity Shares and an offer for sale of Equity Shares (“**Offer for Sale**”) by certain shareholders of the Bank (the “**Selling Shareholders**”), (the “**Offer**”) and listing of the Equity Shares on one or more of the stock exchanges.

The Bank intends to undertake the Offer and list its Equity Shares at an opportune time in consultation with the book running lead managers appointed for the Offer (the “**BRLMs**”) and other advisors to be appointed for the Offer and subject to applicable regulatory and other approvals, to the extent necessary.

In view of the above and in terms of Section 62(1)(c), and other applicable provisions of the Companies Act, 2013 and the rules and regulations made thereunder, each as amended, the approval of the shareholders of the Bank is required through a special resolution.

The Bank proposes to create, offer, issue and allot in the Issue such number of Equity Shares, for cash either at par or premium such that the amount being raised pursuant to the Offer aggregates up to Rs. 800,00,00,000 (Rupees Eight Hundred Crores Only) on such terms and at such price and at such time as may be considered appropriate by the board of directors of the Bank (the “**Board**”), or a duly authorised committee thereof, to the various categories of permitted investors, who may or may not be the shareholder(s) of the Bank, in the initial public offer by way of book building method under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018. The Equity Shares, if any, allotted vide the Offer shall rank in all respects pari passu with the existing equity shares of the Bank.

Further, the Bank proposes to invite the existing shareholders of the Bank to participate in the Offer by making an Offer for Sale in relation to such number of Equity Shares held by them, and which are eligible for the Offer for Sale in accordance with the SEBI Regulations, as the Board and the Promoter Selling Shareholder may determine in consultation with the BRLMs, subject to the receipt of consent of SEBI, GoI, RBI, the Registrar of Companies and/or such other approvals, permissions and sanctions of all other concerned regulatory authorities and departments, for cash at such premium per share as may be fixed and determined by the Bank and the selling shareholders in consultation with the BRLMs.

The proceeds from the Offer will be utilised for the purpose of augmenting the Bank’s Tier – 1 capital base to meet the Bank’s future capital requirements such as organic growth and expansion and to comply with regulatory requirements for enhanced capital base, as may be prescribed in the future and for general corporate purpose.

The Equity Shares are proposed to be listed on the BSE Limited, the National Stock Exchange of India Limited and any other stock exchange as determined by the Board at its absolute

discretion (together, the “**Stock Exchanges**”) and the Bank will be required to enter into listing agreements with each of the Stock Exchanges.

The Bank will not make an offer of Equity Shares to the Promoter of the Bank in the Offer. However, the directors (except independent directors) or the key managerial personnel of the Bank may apply for the Equity Shares in the various categories under the Offer in accordance with the SEBI Regulations.

Other than through their participation in the Offer as mentioned above, none of the directors or managers or key managerial personnel of the Bank or the relatives of the said persons are interested in the said resolution.

Furthermore, in the event that Equity Shares are allotted to investors pursuant to pre-IPO placement of Equity Shares prior to registering of the Red Herring Prospectus relating to the Offer with the Registrar of Companies, Kerala at Ernakulam, price at which such pre-IPO placement shall be made shall be subject to prevailing market conditions, and shall be decided by the Bank in consultation with the book running lead managers to the Offer. In the event of happening of Pre-IPO Placement, the size of the Offer would be reduced to the extent of Equity Shares issued under Pre-IPO Placement.

No change in control of the Bank or its management of its business is intended or expected pursuant to the Offer.

The Board recommends the resolutions set out at Resolution No. 1 of the accompanying Notice for your approval as special resolution.

## **2. Increase the limit of investment by the Non-resident Indians and Overseas Citizens of India**

The Board proposes to increase the limit of investment by the Non-resident Indians (“NRI”) and Overseas Citizens of India (“OCI”), together, in the equity shares of the Bank, including, without limitation, by subscription in the initial public offering in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, or direct purchase or acquisition from the open market or otherwise, from 10% to 24% of the paid-up equity share capital of the Bank, provided however, that the shareholding of each NRI or OCI in the Bank shall not exceed 5% or such other limit, as may be stipulated by RBI in each case, from time to time.

None of the Directors, Key Managerial Personnel, of the Bank or the relatives of the aforementioned persons are interested in the said resolution.

The Board recommends the resolutions set out at Resolution No. 2 of the accompanying Notice for your approval as special resolution.

**Route Map  
to the venue**



Land Mark: College of Veterinary & Animal Sciences, Mannuthy

## ATTENDANCE SLIP

CIN : **U65990KL2016PLC045669**

Name of the Company : **ESAF Small Finance Bank Limited**

Registered Office Address : **Building No.VII/83/8, ESAF Bhavan, Thrissur – Palakkad National Highway, Mannuthy, Thrissur, Kerala, PIN – 680 651**

<b>Client ID/ Regd. Folio No.</b>	<b>No. of Shares held</b>	<b>Name &amp; Address of the Registered Shareholders.</b>

I/ We, being the registered Shareholder/ Proxy for the registered shareholder of the Bank hereby record my presence at the Extra Ordinary General Meeting of the Bank held on Monday, July 12, 2021, at the Registered and Corporate Office of the Bank at Building No. VII/83/8, ESAF Bhavan, Thrissur – Palakkad National Highway, Mannuthy, Thrissur, Kerala, PIN – 680651 at 04.45 P.M. and at any adjournment(s) thereof.

**Signature of Shareholder/ Proxy**

**Form MGT – 11**

**PROXY FORM**

*(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration Rules, 2014)*

CIN : **U65990KL2016PLC045669**  
Name of the Company : **ESAF Small Finance Bank Limited**  
Registered Office Address : **Building No. VII/83/8, ESAF Bhavan, Thrissur – Palakkad National Highway, Mannuthy, Thrissur, Kerala, PIN – 680 651**

Name of the member (s):
Registered address:
E-mail Id:
Folio No:

I/ We, being the member (s) of ..... shares of the above named company, hereby appoint:

1. Name:  
Address:  
E-mail Id:  
Signature: \_\_\_\_\_, or failing him
2. Name: .....  
Address:  
E-mail Id:  
Signature: \_\_\_\_\_, or failing him
3. Name:  
Address:  
E-mail Id:  
Signature:

as my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Extra Ordinary General Meeting of the Bank, to be held on **Monday, July 12, 2021** at the Registered and Corporate Office of the Bank at Building No. VII/83/8, ESAF Bhavan, Thrissur – Palakkad National Highway, Mannuthy, Thrissur, Kerala, PIN – 680 651 at **04.45 P.M.** and at any adjournment thereof in respect of such resolutions as are indicated below:

- 1.
- 2.
- 3.
- 4.

<b>Affix Revenue Stamp</b>
------------------------------------

Signed this..... day of.....

Signature of Shareholder: .....

Signature of Proxy holder(s)

**Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Bank, not less than 48 hours before the commencement of the Meeting.**