

USFB/CS/SE/2024-25/39

**Date: June 18, 2024**

**To,**

**National Stock Exchange of India Limited**  
Listing Department  
Exchange Plaza, C-1, Block G, Bandra Kurla Complex,  
Bandra (E)  
Mumbai – 400 051

**BSE Limited**  
Listing Compliance  
P.J. Tower,  
Dalal Street, Fort,  
Mumbai – 400 001

**Symbol: UJJIVANSFB**

**Scrip Code: 542904**

Dear Sir/Madam,

**Sub: Reports of the Audit Committee and Independent Directors of Ujjivan Small Finance Bank Limited certifying distribution of proceeds to eligible shareholders of Ujjivan Financial Services Limited for fractional shares in accordance with the Scheme of Amalgamation**

This is with reference to the intimation bearing reference no. USFB/CS/SE/2024-25/13 dated May 06, 2024, wherein we had informed about the allotment of equity shares of the Bank pursuant to Scheme of Amalgamation (“Scheme”) between Ujjivan Financial Services Limited (“UFSL”) and Ujjivan Small Finance Bank Limited (“Bank”).

The said allotment included the allotment of **17,945** equity shares of the Bank arising out of the consolidation of the fractional share entitlements of the eligible shareholders of UFSL, to Catalyst Trusteeship Limited (“Trustee”) for disposal in the market and distribution of the net sale proceeds after applicable deductions to the eligible shareholders of UFSL in proportion to their fractional entitlements.

This is to further inform that the Trustee on **June 10, 2024** sold the aforesaid 17,945 shares at market price as given below and the said net proceeds were duly distributed to the eligible shareholders on **June 15, 2024**.

<i>Number of Shares sold</i>	<i>Aggregate Share Price (in Rs.)</i>	<i>Gross proceeds (in Rs.)</i>	<i>Deductions (in Rs.)</i>	<i>Net Proceeds (in Rs.)</i>
17,945	50	8,97,250	2142.84	8,95,107.16

Accordingly, pursuant to the Master circular No. *SEBI/HO/CFD/POD-2/P/CIR/2023/93- Scheme of Arrangement by Listed Entities* issued by Securities and Exchange Board of India on June 20, 2023, the Audit Committee of the Board and the Independent Directors of the Bank today on June 18, 2024, have certified the aforesaid distribution of proceeds to the eligible shareholders and the reports are being enclosed herewith for your reference.

This intimation will also be available on the website of the Bank [www.ujjivansfb.in](http://www.ujjivansfb.in)

We request you to take note of the above.

Yours faithfully,

**For UJJIVAN SMALL FINANCE BANK LIMITED**

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

*Encl: As mentioned above*



# UJJIVAN SMALL FINANCE BANK

Build a Better Life

## REPORT OF THE AUDIT COMMITTEE OF UJJIVAN SMALL FINANCE BANK LIMITED CERTIFYING DISTRIBUTION OF PROCEEDS TO THE ELIGIBLE SHAREHOLDERS OF FRACTIONAL SHARES ("ELIGIBLE SHAREHOLDERS") ON ACCOUNT OF THE ALLOTMENT PURSUANT TO THE SCHEME OF AMALGAMATION ("SCHEME") OF UJJIVAN FINANCIAL SERVICES LIMITED INTO AND WITH UJJIVAN SMALL FINANCE BANK LIMITED

### Members of the Audit Committee:

Sr	Name	Category
1.	Ms. Sudha Suresh	Chairperson – Independent Director
2.	Mr. Rajesh Jogi	Independent Director
3.	Ms. Rajni Mishra	Independent Director
4.	Mr. Ravichandran Venkataraman	Independent Director

### 1. Background

- This is with reference to the Scheme of Amalgamation ("Scheme") between Ujjivan Financial Services Limited ("UFSL" / "Transferor Company") and Ujjivan Small Finance Bank Limited ("Bank" / "Transferee Company") for which all the necessary applicable regulatory approvals have been received.
- The final sanction order of the Hon'ble NCLT on the aforesaid Scheme was received on April 19, 2024 which was filed by the Bank and UFSL with the Registrar of Companies (ROC), Bengaluru on April 29, 2024 and April 30, 2024, respectively. Accordingly, in terms of the provisions of the Scheme, the 'Effective Date' of the Scheme became April 30, 2024 i.e., date of aforesaid last filing with ROC. The Scheme further became operative from the Effective Date and effective from Appointed Date i.e., April 01, 2023.
- Further to the Scheme being effective, the Bank on May 06, 2024 (allotment date) allotted 1,41,27,02,033 fully paid equity shares of Rs.10/- each of Bank to the eligible shareholders of the erstwhile UFSL, who were holding equity shares of UFSL as on the Record date i.e., May 03, 2024, as per the share exchange ratio determined in the aforesaid Scheme i.e., 116 equity shares each of Bank for every 10 equity shares of UFSL.
- The aforesaid allotment also included 17,945 fully paid-up equity shares of the Bank arising out of the consolidation of the fractional share entitlements of the eligible shareholders of UFSL (eligible shareholders).
- As per Clause 4.6.6 of the Scheme, all such fractional entitlements shall be aggregated and rounded-off to the nearest highest integer, and such aggregated shares shall be held in-trust nominated by the Board of Transferee Company in that behalf, who shall sell such aggregated shares in the market, within 90 days from the date of allotment of shares, as per the Scheme and distribute the net sale proceeds (after deduction of applicable taxes and costs incurred) to the concerned shareholders of the UFSL in proportion to their respective fractional entitlements.
- In terms of the Securities and Exchange Board of India's Master Circular (SEBI Master Circular) on (i) Scheme of Arrangement by Listed Entities and (ii) Relaxation under Sub- rule 7 of Rule 19 of the Securities Contracts (Regulation) Rules, 1957 dated June 20, 2023, a report from the Audit Committee is required to certify that the proceeds from the sale of the consolidated fractional entitlements are given to the eligible shareholders in proportion to their entitlements. This report is made to comply with the requirements of the SEBI Master Circular.

### 2. Treatment of Fractional Entitlement

- The Board of the Bank in its meeting dated April 27, 2024 appointed Catalyst Trusteeship Limited (Trustee) as a Corporate Trustee in order to hold the shares arising out of fractional entitlement of the allotment pursuant to the

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Scheme of Amalgamation, execute sale of such shares and distribute proceeds to the eligible shareholders as per the applicable laws and the Scheme.

- b) The 17,945 shares of the Bank arising of the fractional entitlements were hence allotted to Catalyst Trusteeship Limited on the allotment date.
- c) The Trustee accordingly, held the consolidated fractional entitlements in trust for the benefit of the eligible shareholders, their respective heirs, executors, administrators or successors for the specific purpose of selling the consolidated fractional entitlements in the market within 90 (ninety) days from the allotment date.
- d) Further, the Trustee on June 10, 2024 sold the aforesaid 17,945 shares at market price as under:

<i>Number of shares sold</i>	<i>Aggregate Share Price (in Rs.)</i>	<i>Gross proceeds (in Rs.)</i>	<i>Deductions (in Rs.)</i>	<i>Net Proceeds (in Rs.)</i>
17,945	50	8,97,250	2142.84	8,95,107.16

- e) The aforesaid Net Sale Proceeds were duly distributed to the eligible shareholders on June 15, 2024. Demand drafts are being issued to few shareholders wherein the payments couldn't be processed due to non-update of their respective bank details.

### 3. Certification of the Audit Committee

- a) Audit Committee through its resolution passed on June 18, 2024, considered and approved the report to be submitted to the Exchanges on the compensation paid to eligible shareholders in respect of fractional entitlements arising on account of the allotment of equity shares by the Bank pursuant to the Scheme of Amalgamation.
- b) The Audit Committee noted and considered all the necessary documents and certifies that the proceeds from the sale of the fractional entitlements have been distributed to the eligible shareholders on June 15, 2024 in proportion of their fractional entitlements in accordance with Paragraph D of Part 1 of the SEBI Master Circular and Clause 4.6.6 of the Scheme.
- c) The Committee has authorized Ms. Rajni Mishra (Independent Director and member of the Audit Committee) to sign this report on behalf of the Audit Committee.

For Ujjivan Small Finance Bank Limited

  
Rajni Mishra  
Member - Audit Committee of the Board  
Date: June 18, 2024

### Schedule I

#### Details of equity shares allotted on fractional entitlement to the shareholders of the Bank

Number of Shareholders of UFSL entitled to fractional allotment	35,575
Number of shares of the Bank allotted towards such fractional entitlement as per the Share Exchange Ratio of 10:116	17,945
Aggregate Share Price of the shares of the Bank as on June 10, 2024	50.00
Gross proceeds out of sale of the aforesaid fractional shares	Rs. 8,97,250
Deductions	Rs. 2142.84
Net Proceeds distributed to the aforesaid shareholders	Rs. 8,95,107.16



# UJJIVAN SMALL FINANCE BANK

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## REPORT OF THE INDEPENDENT DIRECTORS OF UJJIVAN SMALL FINANCE BANK LIMITED CERTIFYING DISTRIBUTION OF PROCEEDS TO THE ELIGIBLE SHAREHOLDERS OF FRACTIONAL SHARES ("ELIGIBLE SHAREHOLDERS") ON ACCOUNT OF THE ALLOTMENT PURSUANT TO THE SCHEME OF AMALGAMATION ("SCHEME") OF UJJIVAN FINANCIAL SERVICES LIMITED INTO AND WITH UJJIVAN SMALL FINANCE BANK LIMITED

### Independent Directors:

Sr	Name	Category
1.	Mr. Banavar Anantharamaiah Prabhakar	Part-Time Chairperson, Independent Director
2.	Ms. Sudha Suresh	Independent Director
3.	Mr. Rajesh Jogi	Independent Director
4.	Ms. Rajni Mishra	Independent Director
5.	Mr. Ravichandran Venkataraman	Independent Director
6.	Ms. Anita Ramachandran	Independent Director
7.	Ms. Mona Kachhwaha	Independent Director

### 1. Background

- This is with reference to the Scheme of Amalgamation ("Scheme") between Ujjivan Financial Services Limited ("UFSL" / "Transferor Company") and Ujjivan Small Finance Bank Limited ("Bank" / "Transferee Company") for which all the necessary applicable regulatory approvals have been received.
- The final sanction order of the Hon'ble NCLT on the aforesaid Scheme was received on April 19, 2024 which was filed by the Bank and UFSL with the Registrar of Companies (ROC), Bengaluru on April 29, 2024 and April 30, 2024, respectively. Accordingly, in terms of the provisions of the Scheme, the 'Effective Date' of the Scheme became April 30, 2024 i.e., date of aforesaid last filing with ROC. The Scheme further became operative from the Effective Date and effective from Appointed Date i.e., April 01, 2023.
- Further to the Scheme being effective, the Bank on May 06, 2024 (allotment date) allotted 1,41,27,02,033 fully paid equity shares of Rs.10/- each of Bank to the eligible shareholders of the erstwhile UFSL, who were holding equity shares of UFSL as on the Record date i.e., May 03, 2024, as per the share exchange ratio determined in the aforesaid Scheme i.e., 116 equity shares each of Bank for every 10 equity shares of UFSL.
- The aforesaid allotment also included 17,945 fully paid-up equity shares of the Bank arising out of the consolidation of the fractional share entitlements of the eligible shareholders of UFSL (eligible shareholders).
- As per Clause 4.6.6 of the Scheme, all such fractional entitlements shall be aggregated and rounded-off to the nearest highest integer, and such aggregated shares shall be held in trust nominated by the Board of Transferee Company in that behalf, who shall sell such aggregated shares in the market, within 90 days from the date of allotment of shares, as per the Scheme and distribute the net sale proceeds (after deduction of applicable taxes and costs incurred) to the concerned shareholders of the UFSL in proportion to their respective fractional entitlements.
- In terms of the Securities and Exchange Board of India's Master Circular (SEBI Master Circular) on (i) Scheme of Arrangement by Listed Entities and (ii) Relaxation under Sub- rule 7 of Rule 19 of the Securities Contracts (Regulation) Rules, 1957 dated June 20, 2023, a report from the Independent Directors is required certifying that the proceeds from the sale of the consolidated fractional entitlements are given to the eligible shareholders in proportion to their entitlements. This report is made to comply with the requirements of the SEBI Master Circular.

### 2. Treatment of Fractional Entitlement

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Scheme of Amalgamation, execute sale of such shares and distribute proceeds to the eligible shareholders as per the applicable laws and the Scheme.

- b) The 17,945 shares of the Bank arising of the fractional entitlements were hence allotted to Catalyst Trusteeship Limited on the allotment date.
- c) The Trustee accordingly, held the consolidated fractional entitlements in trust for the benefit of the eligible shareholders, their respective heirs, executors, administrators or successors for the specific purpose of selling the consolidated fractional entitlements in the market within 90 (ninety) days from the allotment date.
- d) Further, the Trustee on June 10, 2024 sold the aforesaid 17,945 shares at market price as under:

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- e) The aforesaid Net Sale Proceeds were duly distributed to the eligible shareholders on June 15, 2024. Demand drafts are being issued to few shareholders wherein the payments couldn't be processed due to non-updation of their respective bank details.

### 3. Certification of the Independent Directors

- a) The Independent Directors through their resolution passed on June 18, 2024, considered and approved the report to be submitted to the Exchanges on the compensation paid to eligible shareholders in respect of fractional entitlements arising on account of the allotment of equity shares by the Bank pursuant to the Scheme of Amalgamation.
- b) The Independent Directors noted and considered all the necessary documents and certifies that the proceeds from the sale of the fractional entitlements have been distributed to the eligible shareholders on June 15, 2024 in proportion of their fractional entitlements in accordance with Paragraph D of Part 1 of the SEBI Master Circular and Clause 4.6.6 of the Scheme.

For Ujjivan Small Finance Bank Limited



**Banavar Anantharamaiah Prabhakar**  
Part-Time Chairperson, Independent Director  
Date: June 18, 2024

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Deductions	Rs. 2142.84
Net Proceeds distributed to the aforesaid shareholders	Rs. 8,95,107.16