

SURYODAY SMALL FINANCE BANK LIMITED**Corporate Identity Number:** U65923MH2008PLC261472**Registered Office:** 1101, Sharda Terraces, Plot No. 65, Sector 11, CBD Belapur, Navi Mumbai – 400 614**Tel No:** +91 22 41856700 **Email :** company.secretary@suryodaybank.com**Website:** www.suryodaybank.com**NOTICE OF 13TH ANNUAL GENERAL MEETING**

NOTICE is hereby given that the Thirteenth(13th) Annual General Meeting (“AGM”) of the members of Suryoday Small Finance Bank Limited (the “Bank”) will be held on Monday, September 20,2021 at 3:30 p.m. Indian Standard Time (“IST”) through Video Conferencing (“VC”) / Other Audio-Visual Means (“OAVM”) to transact the following business:

ORDINARY BUSINESS:

- 1. To adopt the Audited Financial Statements of the Bank for the financial year ended March 31, 2021 and the Reports of the Board of Directors and Auditors thereon and in this regard, to consider and if thought fit, pass the following resolution as an Ordinary Resolution:**

“**RESOLVED THAT** the Audited Balance Sheet of the Bank as at March 31, 2021, the Statement of Profit and Loss and the Cash Flow Statement for the financial year ended on that date together with the Reports of the Board of Directors and the Independent Auditors thereon, be and are hereby approved and adopted.”

- 2. To appoint a director in place of Mr. Aleem Remtula (DIN: 02872107), who retires by rotation, and being eligible, offers himself for re-appointment and in this regard, to consider and if thought fit, pass the following resolution as an Ordinary Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013 and other applicable provisions, if any, Mr. Aleem Remtula (DIN: 02872107), who retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment, be and is hereby re-appointed as an Investor Director of the Bank liable to retire by rotation.”

- 3. To appoint Statutory Auditors of the Bank and in this regard, to consider and if thought fit, pass the following resolution as an Ordinary Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”), read with the relevant Rules made thereunder, the applicable provisions of the Banking Regulation Act, 1949 and applicable guidelines and circulars issued by the Reserve Bank of India (RBI) in this regard, and pursuant to the approval received from RBI on August 13, 2021, consent of the Members be and is hereby accorded for the appointment of M/s. Walker Chandiook & Co. LLP, Chartered Accountants (Firm Registration Number 001076N/N500013), as Statutory Auditors of the Bank to hold office from the conclusion of the Thirteenth Annual General Meeting until the conclusion of the Sixteenth Annual General Meeting of the Bank i.e. for FY 2021-22 to FY 2023-24 on such remuneration as may be fixed by the Board of Directors of the Bank.”

SPECIAL BUSINESS:

- 4. To re-appoint Mr. Mrutunjay Sahoo (DIN: 00015715) as an Independent Director of the Bank and in this regard, to consider and if thought fit, pass the following resolution as a Special Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152, 160 and other applicable provisions, if any, of the Companies Act, 2013 (‘Act’) read with the relevant Rules made thereunder and Schedule

IV to the Act, the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “SEBI Listing Regulations”), Section 10A(2)(a) of the Banking Regulation Act, 1949 and relevant circulars issued by the Reserve Bank of India (‘RBI’) from time to time, and subject to the Articles of Association of the Bank, and pursuant to the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Bank, Mr. Mrutunjay Sahoo (DIN: 00015715) who was appointed as an Independent Director of the Bank for five years with effect from September 22, 2016 and who is eligible for re-appointment and meets the criteria of independence as prescribed under the provisions of Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations be and is hereby re-appointed as an Independent Director of the Bank, not liable to retire by rotation, for a period of 3 (three) years with effect from September 22, 2021.”

“RESOLVED FURTHER THAT the Managing Director and Chief Executive Officer and the Company Secretary of the Bank be and is hereby authorized to file requisite forms or applications with statutory/regulatory authorities and to do all such acts, deeds, matters and things as may be considered necessary and appropriate to give effect to this Resolution.”

5. **To appoint Mr. Krishna Prasad Nair (DIN: 02611496) as an Independent Director of the Bank and in this regard, to consider and if thought fit, pass the following resolution as an Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 149, 152, 160 and other applicable provisions, if any, of the Companies Act, 2013 (the “Act”) and the relevant Rules made thereunder read with Schedule IV to the Act and pursuant the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Section 10A(2)(a) of the Banking Regulation Act, 1949, and relevant circulars issued by the Reserve Bank of India (‘RBI’) from time to time, including any amendments, modifications, variations or re-enactments thereof and subject to the Articles

of Association of the Bank, and pursuant to recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Bank, Mr. Krishna Prasad Nair (DIN: 02611496) who was appointed as an Additional Director (Independent) by the Board of Directors w.e.f. July 22, 2021, pursuant to the provisions of Section 161 of the Act and who holds office up to the date of this Annual General Meeting, be and is hereby appointed as an Independent Director of the Bank, not liable to retire by rotation, to hold office for a period of 5 (five) years with effect from July 22, 2021 .”

“RESOLVED FURTHER THAT the Managing Director and Chief Executive Officer and the Company Secretary of the Bank be and is hereby authorized to file requisite forms or applications with statutory/regulatory authorities and to do all such acts, deeds, matters and things as may be considered necessary and appropriate to give effect to this Resolution.”

6. **To ratify the new set of Articles of Association approved vide Special Resolution passed at the Annual General Meeting of the Bank on September 28, 2020 prior to listing of Equity Shares of the Bank and in this regard, to consider and if thought fit, pass the following resolution as a Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 5, 14 of the Companies Act, 2013, and the rules made thereunder, and other applicable provisions, if any, including any statutory modification(s) or re-enactment thereof, for the time being in force, the new set of Articles of Association of the Bank as approved vide Special Resolution passed by the members of the Bank at the Annual General Meeting held on September 28, 2020 in order to align with the requirements of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Securities Contracts (Regulation) Act, 1956, and the Securities Contracts (Regulation) Rules, 1957, as amended, to bring it in line with the requirements of the Articles of Association of a listed company, be and is hereby ratified.”

“RESOLVED FURTHER THAT the Managing Director and CEO and the Company Secretary of the Bank be and are hereby severally authorized to do all such acts, deeds and things required and/or desirable to settle any question or doubt that may arise in relation thereto in order to give effect to the foregoing resolution.”

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

7. **To ratify the “Suryoday ESOP Scheme-2019” and in this regard, to consider and if thought fit, pass the following resolution as a Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014, Regulation 12 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (“SEBI -SBEB Regulations”), read with applicable circulars/notifications or guidelines issued by the Securities and Exchange Board of India from time to time, applicable provisions, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, applicable provisions, if any, of the Banking Regulation Act, 1949 and applicable circulars/notifications/directions/guidelines issued by Reserve Bank of India from time to time (including any statutory modification(s) or re-enactment thereof for the time being in force) and enabling provisions of Memorandum of Association and Articles of Association of the Bank, and any other applicable rules, regulations, ordinances, guidelines, clarifications, circulars, directions, orders and notifications, the **“Suryoday ESOP Scheme-2019”** of the Bank formulated and implemented prior to the Initial Public Offering of the Bank, which was approved by the members of the Bank at the Annual General meeting held on September 26, 2019 and amended by the members of the Bank at the Extra Ordinary General Meeting held on July 27, 2020, be and is hereby ratified pursuant to

Regulation 12 of the SEBI-SBEB Regulations.”

“RESOLVED FURTHER THAT the Board of Directors of the Bank and/or the Nomination and Remuneration Committee be and is hereby authorised to exercise such powers, including the powers, conferred by this resolution, to create, offer, issue and grant at any time, to the eligible employees of the Bank under the Suryoday ESOP Scheme-2019, up to a maximum of 40,00,000 (Forty Lakhs only) employee stock options, each option convertible into one fully paid-up equity share of Rs.10 each of the Bank, on payment of the requisite exercise price to the Bank, on such terms and conditions as may be fixed or determined by the Board and/or the Nomination and Remuneration Committee or such other Board Committee as may be decided by the Board in accordance with the **“Suryoday ESOP Scheme-2019.”**

“RESOLVED FURTHER THAT the equity shares issued/allotted upon exercise of stock options from time to time in accordance with the Suryoday ESOP Scheme-2019, shall rank pari-passu in all respects with the existing equity shares of the Bank.”

“RESOLVED FURTHER THAT in case the equity shares of the Bank are either sub-divided or consolidated, then the maximum number of Shares available for being issued under the Suryoday ESOP Scheme-2019 shall stand modified accordingly, such that the number of equity shares under the Suryoday ESOP Scheme-2019 shall automatically stand reduced or augmented, respectively, in the same proportion as the present face value of Rs.10 per equity share shall bear to the revised face value of the equity shares of the Bank after such sub-division or consolidation, without affecting any other rights or obligations of the said grantees.”

RESOLVED FURTHER THAT for the purpose of giving effect to any grant, offer, issue, allotment or listing of the shares under Suryoday ESOP Scheme-2019, on behalf of the Bank, the Board and/or the Nomination and Remuneration Committee be and is hereby authorised to make any modifications, changes, variations, alterations or revisions in the Suryoday ESOP Scheme-2019 from time to time or to suspend, withdraw or revise the

Suryoday ESOP Scheme-2019, from time to time, as may be specified by any statutory authority or otherwise and to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit or necessary or desirable for such purpose in conformity with the Companies Act, 2013 and rules made thereunder, the Memorandum and Articles of Association of the Bank, the SEBI- SBEB Regulations, as amended from time to time and any other applicable laws and with power to settle any questions, difficulties or doubts that may arise in this regard without requiring the Board and/or the Board Committee to secure any further consent or approval of the members of the Bank.”

8. **To approve revised remuneration payable to the Managing Director & Chief Executive Officer (MD & CEO), Mr. Baskar Babu Ramachandran (DIN: 02303132) and in this regard, to consider and if thought fit, pass**

the following resolution as a Special Resolution:

“**RESOLVED THAT** in partial modification of the Special resolution passed by the members at the Extra Ordinary General meeting held on July 27, 2020 and pursuant to the provisions of Section 10B, 35B of the Banking Regulation Act, 1949, Sections 196, 197, of the Companies Act, 2013, and other applicable statutory provisions, the RBI guidelines on compensation of whole time directors/ chief executive officers/material risk takers and control function staff dated November 4, 2019 provisions of Articles of Associations of the Bank and subject to the approval of Reserve Bank of India, consent of the members be and is hereby accorded for the variation in the terms of remuneration and revision of remuneration payable to Mr. Baskar Babu Ramachandran (DIN :02303132), MD & CEO, with effect from such date as approved by RBI :

Sr. No.	Particulars	Remuneration approved by members at the EGM on July 27, 2020 as approved by the RBI vide their letter dated December 4, 2019	Proposed revised remuneration subject to RBI approval
1.	Gross Salary/ Fixed Pay (inclusive of Basic salary and all allowances but exclusive of retirals, variable pay and perquisites)	₹ 130 lakhs p.a	₹ 155 Lakhs p.a.
2.	Variable Pay	Board to approach RBI for approval as and when Variable pay became due.	In accordance with the Bank’s Compensation Policy drawn in line with the RBI Guidelines, the variable remuneration shall be 1.5 times the fixed remuneration for FY 2021-22 which shall comprise of cash component entirely and shall be payable on a deferred basis as per the extant Compensation Policy The Variable Pay will be payable based on the performance appraisal carried out by NRC/Board and is subject to prior approval of RBI.

Sr. No.	Particulars	Remuneration approved by members at the EGM on July 27, 2020 as approved by the RBI vide their letter dated December 4, 2019	Proposed revised remuneration subject to RBI approval
3.	Perquisites:	i) Use of Bank's car and fuel cost for a maximum of 200 Liters per month (maximum of ₹ 2,40,000 p.a.); Driver Salary up to ₹ 3,00,000 p.a.; Car repairs and insurance at actuals. ii) Club fees: Eligible for One Club Membership for self and family (Club Membership fee at actuals and club expenses upto ₹ 1,50,000 p.a. iii) Entertainment expenses: Reasonable Expenses incurred for Official Purposes (at actuals).	i) No change ii) No change iii) No change
4.	Medical Benefits	Mediclaim insurance coverage as per Company HR Policy for all employees (Currently not exceeding ₹ 15,000 p.a.)	No change
5.	Provident fund/ Gratuity/Pension	Applicable as per statutory laws : PF: ₹ 6.24 lakhs p.a. as per above salary Gratuity: -payable at 15 days' Basic Salary for every year of service, as per statute; (no superannuation fund currently)	Applicable as per statutory laws : PF: ₹ 7.44 lakhs p.a. as per above salary. Gratuity: -payable at 15 days' Basic Salary for every year of service, as per statute; (no superannuation fund currently)

“**RESOLVED FURTHER THAT** in accordance with extant Compensation Policy, the remuneration of MD & CEO will be subject to Malus and Clawback clauses, applicable in such circumstances as defined by Nomination & Remuneration Committee (NRC) in accordance with RBI guidelines, from time to time.”

“**RESOLVED FURTHER THAT** in the event of absence or inadequacy of net profits in any financial year, the remuneration payable to Mr. Baskar Babu Ramachandran shall be governed by Schedule V of the Companies Act, 2013 and Rules made thereunder, as amended from time to time.”

“**RESOLVED FURTHER THAT** subject to approval of RBI, the Board (also deemed to include Nomination and Remuneration Committee of the Board) be and is hereby authorised to do all such acts, deeds, matters and things including the power to settle all questions or difficulties that may arise with regard to the said appointment as it may deem fit and to execute any agreements, documents, instructions, etc. as may be necessary or desirable

in connection with or incidental to give effect to the aforesaid resolution.”

9. **To approve the clause with respect to the financing arrangement entered into by Mr. Baskar Babu Ramachandran, Key Promoter and Managing Director and CEO, pertaining to equity upside with an NBFC- ND-SI company and in this regard, to consider and if thought fit, pass the following resolution as an Ordinary Resolution:**

“**RESOLVED THAT** consent of the members of the Bank be and is hereby accorded to the following clause forming part of the financing agreement entered into by Mr. Baskar Babu Ramachandran, Key promoter and MD and CEO, with Placid Limited, a Non- Deposit taking, Systemically Important Non Banking Finance Company (NBFC-ND-SI) registered with Reserve Bank of India, prior to listing of Equity Shares of the Bank for a secured structured finance facility aggregating to ₹ 565.20 million (“Facility”) to enable the key Promoter to subscribe to Equity shares of Bank prior to the Initial Public Offering, which was

included in the Prospectus approved by the Board on March 20, 2021:

The Promoter agrees and undertakes that the Equity Upside shall be distributed in the following manner:

(i) in the event the Settlement Price is upto INR 500 (Indian Rupees Five Hundred only), the Equity Upside shall be distributed between the Financier and the Promoter in the ratio of 1:1; and

(ii) in the event the Settlement Price is exceeding INR 500 (Indian Rupees Five Hundred only), the Equity Upside shall be distributed between the Financier and the Promoter in the ratio of 3:2.

Provided that, the manner of distribution of Equity Upside in (i) and (ii) above shall be such that the Equity Upside of first INR 60 (Indian

Rupees Sixty only) per Sale Share (after providing for Assured IRR) shall be appropriated towards the Promoter's share of Equity Upside.

Provided further that, the apportionment and distribution of the Equity Upside between the Financier and Promoter shall be recalculated at the time of sale of the last tranche of the Sale Shares (if sold in tranches) and, save and except for any manifest error, the decision of the Financier with respect to such calculation shall be final and binding on the Promoter.

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

Registered Office:
1101, Sharda Terraces,
Plot No. 65, Sector 11,
CBD Belapur,
Navi Mumbai 400 614
CIN : U65923MH2008PLC261472
Website: www.suryodaybank.com
E-mail: company.secretary@suryodaybank.com

By Order of the Board of the Directors

Geeta Krishnan
Company Secretary
ACS 6011

Date: August 23, 2021
Place: Navi Mumbai

Notes:

1. The Relevant Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 (the “Act”) read with relevant rules made thereunder relating to the Ordinary/ Special Business to be transacted at Annual General Meeting under Item No. 3 to 9 is annexed to the Notice.
2. Pursuant to Regulation 36 (3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (‘SEBI Listing Regulations’) and Secretarial Standards on General Meetings (‘Secretarial Standard - 2’), the details of Directors retiring by rotation and proposed to be appointed/ re-appointed/Revision of Remuneration of Managing Director at the AGM is provided in ‘Annexure 1’, ‘Annexure 2’ ‘Annexure 3’ and ‘Annexure 4’ to the Notice
3. In view of the prevailing situation across the country due to outbreak of the COVID-19 pandemic and restrictions on the movements apart from social distancing, Ministry of Corporate Affairs (“MCA”) has vide its General Circular No. 02/ 2021 dated January 13, 2021 read together with General Circular No. 20/2020 dated May 5, 2020 , General Circular No. 17/2020 dated April 13, 2020 and General Circular No. 14/ 2020 dated April 8, 2020 (collectively referred to as “MCA Circulars”) and in accordance with SEBI Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 read with SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 by the Securities and Exchange Board of India (collectively referred to as “Applicable Circulars”) permitted holding of AGM through VC/OAVM without the physical presence of the Members at a common venue. In compliance with the provisions of the Act, SEBI Listing Regulations and MCA Circulars, the AGM of the Bank is being conducted through VC / OAVM.
4. The Bank has appointed M/s. KFin Technologies Private Limited (“KFIN or KFinTech”), Registrar and Share Transfer Agent (RTA), to provide facility for e-voting and VC facility for the AGM and the attendant enablers for conducting the e-AGM.
5. The Notice of the AGM and Annual Report for the financial year 2020-21 is being sent to the members whose names appear on the Register of Members or Register of Beneficial Owners as received from RTA as at the close of business hours on August 20,2021. In compliance with the aforesaid MCA and SEBI Circulars, Notice of the AGM and Annual Report for the financial year 2020 -21 is being sent only through electronic mode to those Members whose email addresses are registered with the Bank / Depositories.
6. Members may note that the Notice of AGM and Annual Report for the financial year 2020–21 will also be available on the websites of the Bank (at <https://www.suryodaybank.com/shareholders-meeting-agm-view-21-22>), website of the Stock Exchanges i.e. BSE Limited (<https://www.bseindia.com>), National Stock Exchange of India (<https://www.nseindia.com>) and on the website of Service Provider i.e. KFIN (<https://evoting.kfintech.com>) in compliance with the relevant Circulars.
7. Members holding shares in (Physical/Demat) whose email IDs are not registered and in consequence the Annual Report, Notice of AGM and e-voting instructions cannot be serviced, may temporarily get their email address and mobile number provided with KFinTech, by accessing the link: <https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx> . Members are requested to follow the process as guided to capture the email address and mobile number for sending the soft copy of the notice and e-voting instructions along with the User ID and Password. In case of any queries, member may write to einward.ris@kfintech.com. Alternatively, member may send an e-mail request at the email id: einward.ris@kfintech.com along with scanned signed copy of the request letter providing the email address, mobile number, self-attested PAN copy and Client Master copy in case of electronic folio and copy of share certificate in case of physical folio for sending the Annual report, Notice of AGM and the e-voting instructions.
Please note that in case the shares are held in electronic form/demat mode, the above facility is only for temporary registration of email address for receipt of the Notice of AGM and the e-Voting instructions along with the USER ID and Password. Members holding shares in electronic/Demat form will have to register their email address with their DPs permanently.
8. In terms of the provisions of the Act, the Register of Members of the Bank shall remain closed from Wednesday, September 15,2021 to Monday, September 20, 2021 (both days inclusive) for the purpose of the AGM.
9. A member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy so appointed need not be a Member of the Company. Since this AGM is being held through VC / OAVM, physical attendance of Members has been dispensed with. **Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.**
10. Institutional / Corporate Members (i.e. other than individuals / HUF, NRI, etc.) are also required to send a scanned certified true copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote electronically either during the remote e-voting period or during the AGM. The said Resolution/Authorization together with attested specimen signature(s) of the duly authorised representative(s) shall be sent to the Scrutinizer by email through its registered email address to tushar@tusharshri.com with a copy marked to evoting@kfintech.com or to the Bank at its Registered Office addressed to the Company Secretary. The scanned image of the above-mentioned documents should be in the naming format “Corporate Name_Even No.”.
11. Members holding shares in electronic form are requested to intimate all changes pertaining to their name, postal address, email addresses, telephone/ mobile numbers, Permanent Account Number (PAN), their Bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, ECS mandates, nominations, power of attorney, change of

address/name etc. to their DPs. Any changes effected by the DPs will be automatically reflected in the record maintained by the Depositories. Members holding shares in physical form are requested to notify changes to the said information to RTA i.e. KFIN, by sending an email to einward.ris@kfintech.com or to the Bank at email address : Company.Secretary@suryodaybank.com, quoting their Folio number(s) along with supporting documents.

KFIN TECHNOLOGIES PRIVATE LIMITED

Unit: Suryoday Small Finance Bank Limited

Selenium Tower B, Plot 31-32, Financial District, Gachibowli, Nanakramguda,
Hyderabad – 500 032.

Phone No. 040-6716 2222 Fax No.: +9140 – 23001153,

Toll Free No. 1- 800-309-4001

Email: einward.ris@kfintech.com

12. Members can avail of the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of Section 72 of the Act. Members desiring to avail this facility may send their nomination in the prescribed Form SH 13 in duplicate, duly filled in, to the Registered Office of the Bank or to the Bank's RTA viz. KFin Technologies Private Limited at the above-mentioned address. Members holding shares in demat form may contact their respective DP for recording of nomination.
13. Members, whether holding shares in electronic or physical mode, are requested to quote their DP ID & Client ID or Folio No. for all correspondences with the Company/RTA.
14. NRI Members are requested to:
 - a) change their residential status on return to India permanently.
 - b) furnish particulars of bank account(s) maintained in India with complete name, branch, account type, IFSC code, MICR code, account number and address of the bank with PIN Code no., if not furnished earlier.
15. Attendance of Members at the AGM through VC shall be counted for the purpose of reckoning the quorum, under the provisions of Section 103 of the Act read with the relevant Circulars.
16. EBI vide its Circular dated April 20, 2018 has made it mandatory for the Bank to collect copy of PAN and bank account details from persons holding securities in physical form. Accordingly, Members holding shares in physical form are requested to submit to KFIN, the said documents duly self-attested by them.
17. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form, with effect from April 1, 2019, except in case of request received for transmission or transposition of securities held in physical form. In view of this and to eliminate all risks associated with physical shareholding, Members holding shares in physical form are requested to consider converting their physical holding in securities into electronic form.
18. Pursuant to the provisions of the circulars of MCA on the VC/OAVM (e-AGM):
 - a) Members can attend the meeting through log in credentials provided to them to connect to Video conference. Physical attendance of the Members at the Meeting venue is not required
 - b) Appointment of proxy to attend and cast vote on behalf of the member is not available.
 - c) Body Corporates are entitled to appoint authorised representatives to attend the e-AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
19. Members can join the AGM in the VC/OAVM mode 15 (fifteen) minutes prior to the schedule time of meeting and window for joining shall be kept open till the expiry of 15 (fifteen) minutes after the schedule time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for up to 1000 members on first come first served basis. This will not include large shareholders (shareholders holding 2% or more of the paid up share capital), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholder's Relationship Committee, Auditors, scrutinizers, etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
20. In case of Joint holder(s), the Member whose name appears as the first holder in the order of names as per the Register of Members of the Bank will be entitled to vote at the AGM.
21. All documents referred to in this Notice and the Explanatory Statement setting out the material facts in respect of the special business and the Statutory Registers, will be made available for inspection by the Bank and members seeking to inspect the same are requested to send an email to company.secretary@suryodaybank.com.
22. Members seeking any information with regard to accounts or operations are required to write to the Bank at least seven days prior to the date of meeting through email at: company.secretary@suryodaybank.com with their name, folio No. / DP ID and Client ID, so as to enable the management to keep the information ready. The same will be replied by the Bank suitably.
23. Members who would like to express their views or wish to post their questions prior to the meeting can do the same by visiting <https://emeetings.kfintech.com> . Please login through the user id and password provided in the mail received from Kfintech. On successful login, select 'Post Your Question' option which will be opened from September 16,2021 (9.00 am) to September 19, 2021(5.00 pm).
24. In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section on the website (bottom corner) of our

RTA at <https://evoting.kfintech.com> or contact at Email id : evoting@kfintech.com or may also call RTA at toll free No. 1-800-309-4001 for any further clarifications.

25. Due to limitations of transmission and coordination during the Q & A session, the Bank may dispense with the speaker registration during the e-AGM session.
26. Members who wish to speak during the meeting may register themselves as speakers for the AGM to express their views. They can visit <https://emeetings.kfintech.com> and login through the user id and password provided in the mail received from Kfintech. On successful login, select 'Speaker Registration' which will be opened from Thursday, September 16, 2021 at 9.00 a.m. to Sunday, September 19, 2021 at 5.00 p.m. Members shall be provided a 'queue number' before the meeting. The Bank reserves the right to restrict the number of speakers at the AGM depending on the availability of time for the AGM. Those members who have registered themselves as Speakers will be allowed to express their views/ask questions during the AGM.
27. Since the AGM is being held through VC / OAVM, the Route Map is not annexed in this Notice.

A. VOTING THROUGH ELECTRONIC MEANS (E-Voting)

28. In compliance with the provisions of Section 108 and other applicable provisions, if any, of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time and Regulation 44 of the SEBI Listing Regulations and in terms of SEBI vide circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020 in relation to e-Voting Facility Provided by Listed Entities, the Members are provided with the facility to cast their vote electronically, through the e-Voting services provided by Kfintech, on all the resolutions set forth in this Notice. The instructions for e-Voting are given herein below:
29. The remote e-voting period commences on Thursday, September 16, 2021 (9:00 a.m. IST) and ends on Sunday, September 19, 2021 (5:00 p.m. IST). During this period, members holding shares either in physical form or in dematerialized form, as on September 14, 2021 i.e. cut-off date, may cast their vote electronically. Those members, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.
30. Members whose names appear on the Register of Members or in the Register of Beneficial Owners as the close of business hours on September 14, 2021 will be considered for the purpose of voting. In compliance with provisions of Section 108 and 110 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014 the Bank is pleased to offer e-voting facility to its Members holding equity shares as on that date i.e. September 14, 2021 to exercise votes through electronic voting system ('remote e-voting') on the e-voting platform provided by the RTA.
31. Any person who becomes a member of the Bank after sending of the Notice and holding shares as of the cut-off date i.e. September 14, 2021, may obtain the login ID and password by sending a request at evoting@kfintech.com. However, if he / she is already registered with Kfintech for remote e-Voting then he /she can use his / her existing User ID and password for casting the vote.
32. A person who is not a member as on the cut-off date should treat this Notice for information purposes only.
33. The Board of Directors has appointed Mr. Tushar Shridharani, Practicing Company Secretary (FCS No. 2690 & C.P No.: 2190), Mumbai and in his absence, Ms. Nandini Parekh, Practicing Company Secretary (FCS No: 6240 & CP No. 5760) as the Scrutinizer to scrutinize remote e-voting process and the voting during the AGM in a fair and transparent manner. The Scrutinizer shall, immediately after conclusion of e-voting at the AGM, unblock the votes cast through remote e-voting and e-voting during the AGM, in the presence of at least two witnesses not in employment of the Bank and submit not later than 2 working days of the conclusion of the Meeting, the consolidated Scrutinizer's report in respect of the total votes cast in favour and against in respect of each of the Resolution(s) as set out in the Notice of the AGM, to the Chairman of the Board or to any one of the Directors duly authorized by the Board, in this regard, who shall countersign and declare the same. The Results in respect of the Resolution(s) as set out in the Notice of the AGM, so declared, along with the consolidated Scrutinizer's Report will be communicated to the Stock Exchanges and will be uploaded on the website of the Bank www.suryodaybank.com and on the website of KFIN i.e. <https://evoting.kfintech.com> not later than two working days of the conclusion of the AGM of the Bank. The said Results will also be displayed at the Registered Office of the Bank, in accordance with the Secretarial Standards-2 on General Meetings, issued by the Institute of Company Secretaries of India. The resolutions will be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favor of the resolutions.
34. Members who have cast their vote by remote e-voting prior to the AGM may also attend/ participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.
35. The voting rights of members shall be in proportion to their shares in the paid-up equity share capital of the Bank as on the cut-off date.

The details of the process and manner for remote e-voting are explained herein below:

36. Login method for remote e-Voting: Applicable only for Individual shareholders holding securities in Demat Mode.
37. Login method for e-Voting: Applicable only for Members holding shares in physical form and for Non-Individual Members (holding shares either in physical or demat).
38. Instructions for all the shareholders, including Individual, other than Individual and Physical, for attending the AGM of the Company through VC/OAVM and e-Voting during the meeting.
39. Login method for remote e-Voting: Applicable only for Individual shareholders holding securities in Demat Mode.

As per the SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on “e-Voting facility provided by Listed Companies”, Individual shareholders holding securities in Demat mode are allowed to vote through their demat account maintained with their respective Depositories and Depository Participants as detailed below. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

The procedure to login and access remote e-voting, as devised by the Depositories / DP(s), is given below:

<p>1. Option 1 Login through Depositories - Login method for remote e-Voting for Individual shareholders holding securities in demat mode. Individual Shareholders holding securities in demat mode with NSDL</p>	<p>1. Members who have already registered and opted for IDeAS facility to follow below steps:</p> <ul style="list-style-type: none"> (i) Visit URL: https://eservices.nsd.com (ii) Click on the “Beneficial Owner” icon under “Login” under ‘IDeAS’ section. (iii) On the new page, enter existing User ID and Password. Post successful authentication, click on “Access to e-Voting” (iv) Click on the company name or e-Voting Service Provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period. <p>2. For those Members who have not registered for the IDeAS e-Services facility of NSDL</p> <ul style="list-style-type: none"> (i) To register click on link: https://eservices.nsd.com (ii) Select “Register Online for IDeAS” or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp (iii) Proceed with completing the required fields. (iv) Follow steps given in points 1 <p>3. First-time users can visit the e-Voting website directly and follow the process below:</p> <ul style="list-style-type: none"> (i) Open URL: https://www.evoting.nsd.com/. (ii) Click on the icon “Login” which is available under ‘Shareholder/Member’ section. (iii) A new screen will open. Enter User ID ((that is, 16-character demat account number held with NSDL, starting with IN), Login Type, that is, through typing Password (in case you are registered on NSDL’s e-voting platform)/ through the generation of OTP (in case your mobile/e-mail address is registered in your demat account) and Verification Code as shown on the screen. (iv) Post successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page (v) you will requested to select the name of the company and the e-Voting Service Provider name, i.e.KFintech (vi) On successful selection, you will be redirected to KFintech e-Voting page for casting your vote during the remote e-Voting period.
<p>2. Individual Shareholders holding securities in demat mode with CDSL</p>	<p>1. Members who have already registered and opted for Easi / Easiest facility of CDSL to follow below steps:</p> <ul style="list-style-type: none"> (i) Go to URL: https://web.cdslindia.com/myeasi/home/login ; or URL: www.cdslindia.com (ii) Go to Login and select New System Myeasi / Login to My Easi option under Quick Login (iii) Login with your registered user id and password for accessing Easi / Easiest. (iv) The user will see the e-Voting Menu.

	<p>(v) Click on Company name or e-Voting service provider i.e. KFinTech name to cast your vote during the remote e-Voting period.</p> <p>2. For those Members who have not registered for the Easi/Easiest facility of CDSL</p> <p>(i) Option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration</p> <p>(ii) Proceed with completing the required fields.</p> <p>(iii) Follow the steps given in point 1</p> <p>3. For directly accessing the e-Voting module of CDSL by the Members:</p> <p>(i) Go to URL: www.cdslindia.com</p> <p>(ii) Click on the icon “E-Voting”</p> <p>(iii) Provide demat Account Number and PAN No.</p> <p>(iv) System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account.</p> <p>(v) On successful authentication, you will enter the e-voting module of CDSL.</p> <p>(vi) Click on the company name or select e-Voting service provider “KFin” and you will be re-directed to the e-Voting page of KFin to cast your vote without any further authentication.</p>
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Option 2 - Login through Depository Participants

Individual Shareholder login through their demat accounts / Website of Depository Participant

40. Individual Shareholder can also login using the login credentials of his/her demat account through his/her Depository Participant registered with NSDL/CDSL for e-Voting facility.
41. Once logged-in, he/she will be able to see e-Voting option. Click on e-Voting option and he/she will be redirected to NSDL/CDSL Depository site (as may be applicable) after successful authentication wherein he/she can see e-Voting feature.
42. Click on the company name or e-Voting service provider name i.e. KFinTech and then it will be redirected to e-Voting service provider website of KFinTech for casting his/her vote during the remote e-Voting period without any further authentication.

Important note:

Members who are unable to retrieve User ID / Password are advised to use Forged user ID and Forged Password option available at respective websites.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL are as under:

Login type	Helpdesk details
Securities held with NSDL	Please contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 or 1800 22 44 30
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 022-23058542-43

43. **Login method for e-Voting: Applicable only for Members holding shares in physical form and for Non-Individual Members (holding shares either in physical or demat):**
44. **Members whose email IDs are registered with the Company/ Depository Participants (s), will receive an email from RTA i.e. KFinTech which will include details of E-Voting Event Number (EVEN), USER ID and password. Members are requested to use these credentials at below mentioned URL. They will have to follow the following process:**
45. Launch internet browser by typing the URL: <https://evoting.kfintech.com/>

46. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) xxxx, followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFinTech for e-voting, you can use your existing User ID and password for casting the vote.
47. After entering these details appropriately, click on “**LOGIN**”.
48. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc.,). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. **It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.**
49. Once the password is changed ,you need to login again with the new credentials.
50. On successful login, the system will prompt you to select the “EVENT” i.e. Suryoday Small Finance Bank Limited-6169” and click on “Submit”
51. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under “**FOR/AGAINST**” or alternatively, you may partially enter any number in “**FOR**” and partially “**AGAINST**” but the total number in “**FOR/AGAINST**” taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option **ABSTAIN**. If the Member does not indicate either “**FOR**” or “**AGAINST**” it will be treated as “**ABSTAIN**” and the shares held will not be counted under either head.
52. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/ demat accounts.
53. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as **abstained**.
54. You may then cast your vote by selecting an appropriate option and click on “**Submit**”.
55. A confirmation box will be displayed. Click “**OK**” to confirm else “**CANCEL**” to modify. Once you have voted on the resolution (s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
56. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to cast its vote through remote e-voting. together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email id tushar@tusharshri.com with a copy marked to evoting@kfintech.com . The scanned image of the above-mentioned documents should be in the naming format “Corporate Name_Even No.”
57. Members who have not registered their email address and in consequence the Annual Report, Notice of AGM and e-voting instructions cannot be serviced, may temporarily get their email address and mobile number provided with KFinTech, by accessing the link: <https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx>. Members are requested to follow the process as guided to capture the email address and mobile number for sending the soft copy of the notice and e-voting instructions along with the User ID and Password. In case of any queries, member may write to einward.ris@kfintech.com .
58. Alternatively, member may send an e-mail request at the email id einward.ris@kfintech.com along with scanned copy of the signed copy of the request letter providing the email address, mobile number, self-attested PAN copy and Client Master copy in case of electronic folio and copy of share certificate in case of physical folio for sending the Annual report, Notice of AGM and the e-voting instructions.
59. After receiving the e-voting instructions, please follow all steps above to cast your vote by electronic means.
60. **Instructions for all the shareholders, including Individual, other than Individual and Physical, for attending the AGM of the Company through VC/OAVM and e-Voting during the meeting.**
INSTRUCTION FOR MEMBERS FOR ATTENDING THE E-AGM:
61. Members will be provided with a facility to attend the e-AGM through VC/OAVM provided by RTA i.e. KFinTech. Members may access the same at <https://emeetings.kfintech.com/> by using the e-voting login credentials provided in the email received from the Company/KFinTech. After logging in, click on the Video Conference tab and select the EVEN of the Company. Click on the video symbol and accept the meeting etiquettes to join the meeting. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions as mentioned above.
62. Facility for joining AGM though VC/ OAVM mode shall open 15 (fifteen) minutes prior to the schedule time of meeting and window for joining shall be kept open till the expiry of 15 (fifteen) minutes after the schedule time of the commencement of the Meeting.
63. Members are encouraged to join the Meeting through Laptops/ Desktops with Google Chrome (preferred browser), Safari, Internet Explorer, Microsoft Edge, Mozilla Firefox 22.
64. Further, members will be required to use the camera, if any, and hence it is recommended to use the internet with a good speed to avoid any disturbance/glitch/garbling, etc. during the meeting.
65. While all efforts would be made to make the VC/OAVM meeting smooth, participants connecting through mobile devices, tablets, laptops, etc. may at times experience audio/video loss due to fluctuation in their respective networks. The use of a stable Wi-Fi or LAN connection can mitigate some of the technical glitches.

66. Only those members who will be present in the e-AGM through video conference facility and have not cast their vote earlier through remote e-voting are eligible to vote through e-voting during the e-AGM.
67. Members who have cast their votes by remote e-voting prior to the meeting may attend the meeting but shall not be entitled to cast their vote again.
68. A Member can opt for only single mode of voting i.e., through Remote e-voting or voting at the AGM. If a Member casts votes by both modes, then voting done through Remote e-voting shall prevail and vote at the AGM shall be treated as invalid.
69. Institutional Members are encouraged to attend and vote at the AGM through VC / OAVM.
70. In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date for E-voting, he/she may obtain the User ID and Password in the manner as mentioned below:
71. If the mobile number of the member is registered against Folio No./ DP ID Client ID, the member may send SMS: MYEPWD <space> E-Voting Event Number+Folio No. (in case of physical shareholders) or MYEPWD <space> DP ID Client ID (in case of shares held in DEMAT form) to 9212993399.
1. Example for NSDL:
 2. MYEPWD <SPACE> IN12345612345678
 3. Example for CDSL:
 4. MYEPWD <SPACE> 1402345612345678
 5. Example for Physical:
 6. MYEPWD <SPACE> XXXX1234567890
72. If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.kfintech.com/>, the member may click “Forgot Password” and enter Folio No. or DP ID Client ID and PAN to generate a password.
73. Members who may require any technical assistance or support before or during the AGM are requested to contact KFintech at toll free number 1-800-309-4001 or write to them at evoting@kfintech.com.
- INSTRUCTIONS FOR MEMBERS FOR VOTING DURING THE E-AGM SESSION- “INSTA POLL”:**
74. Members / shareholders, attending the AGM through Video Conference and who have not cast their vote on resolutions through Remote e-Voting shall be eligible to cast their vote through e-Voting system available during the AGM. Members who have voted through Remote e-Voting will be eligible to attend the AGM, however, they shall not be allowed to cast their vote again during the AGM.
75. The e-Voting window shall be activated upon instructions of the Chairman during the AGM. The Chairman shall formally propose to the Members participating through VC/OAVM facility to vote on the resolutions as set out in this Notice of 13th AGM (AGM) and shall also announce the start of the casting of the vote at AGM through the e-Voting platform of our RTA - KFintech and thereafter the e-Voting at AGM shall commence. Upon the declaration by the Chairman about the commencement of e-Voting at AGM, Members shall click on the “Vote” sign on the left-hand bottom corner of their video screen for voting at the AGM, which will take them to the 'Instapoll' page.
76. Members to click on the “Instapoll” icon to reach the resolution page and follow the instructions to vote on the resolutions. The facility of Instapoll will be available during the time not exceeding 15 minutes from the commencement of e-Voting as declared by the Chairman at AGM and can be used for voting only by those Members who hold shares as on the Cutoff Date viz. September 14, 2021, and who are attending the meeting and who have not already cast their vote(s) through remote e-Voting.

Summarized information at a glance:

Particulars	Details
Time and date of AGM	3:30 p.m. (IST) on Monday, September 20,2021
Venue/Mode	Through video conference at below link: https://emeetings.kfintech.com/
Cut-off date for e-Voting	September 14,2021
Remote E-voting Start time and date	Thursday, September 16, 2021 at 09.00 a.m IST
Remote E-voting end time and date	Sunday, September 19, 2021 at 5: 00 p.m. IST
E-voting website links (Please use as applicable to you)	https://evoting.kfintech.com/ https://eservices.nsd.com https://web.cdslindia.com/myeasi/home/login
E-voting Event Number (EVEN)	6169

Weblink for temporary registration to receive AGM Notice and credentials for E-voting/eAGM	https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx
Contact details of RTA	Mr. Umesh Pandey, Manager KFin Technologies Private Limited Selenium Tower B, Plot 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad - 500 032, Telangana Email ids: einward.ris@kfintech.com ; umesh.pandey@kfintech.com Website: https://www.kfintech.com ; Toll free number: 1- 800-309-4001

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND OTHER APPLICABLE PROVISIONS

Pursuant to Section 102 of the Act, the following statement sets out all the material facts relating to the business mentioned in the accompanying Notice and should be taken as forming part of the said Notice.

Item No. 3 : Appointment of Statutory Auditors of the Bank

M/s. MSKC & Associates, Chartered Accountants [Firm Registration no. 001595S], the Statutory Auditors of the Bank, were appointed at the AGM on September 26, 2020 to hold the office until the conclusion of this AGM.

Pursuant to the Guidelines for the appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs) (the “**RBI Guidelines**”) issued by the Reserve Bank of India on April 27, 2021, the Bank had received the intimation from M/s. MSKC & Associates, Chartered Accountants expressing their inability to continue as the Statutory Auditors of the Bank for the Financial year 2021-22 on account of the reaching maximum limit for the number of audits to be undertaken pursuant to RBI Guidelines.

Clause 8 of the RBI Guidelines lays down that Statutory Auditors shall be appointed for a continuous period of three years, subject to the Audit firms satisfying the eligibility norms as stipulated therein, each year.

On the recommendation of the Audit Committee and after considering the profile, experience, and specialization in the audit of banking and financial services sector, the Board of Directors recommended the appointment of M/s Walker Chandiok & Co. LLP, Chartered Accountants (Firm Registration Number 001076N/N500013) as the first preferred firm for appointment as Statutory Auditors of the Bank to hold office for period of three years from the conclusion of Thirteen (13th)

AGM until the conclusion of the Sixteen (16th) AGM of the Bank, for the purpose of the audit of the Banks’ financial statements for the financial years 2021-22 upto 2023-24 subject to the approval of RBI on an annual basis, on the remuneration to be fixed by the Board of Directors of the Bank. The approval of RBI for the appointment of M/s Walker Chandiok & Co. LLP, Chartered Accountants (Firm Registration Number 001076N/N500013) for FY 2021-22 was received vide letter dated August 13, 2021.

M/s. Walker Chandiok & Co. LLP, Chartered Accountants (Firm Registration Number 001076N/N500013) has conveyed their consent to be appointed as the Statutory Auditors of the Bank and have confirmed that they meet the eligibility criteria and conditions of independence of Auditors as laid under the applicable provisions of Section 141 of the Companies Act, 2013 read with the relevant rules made thereunder. The brief profile of the firm is as follows:

M/s. Walker Chandiok & Co LLP, Chartered Accountants (WCC) is a partnership firm established in 1935. With various offices across the country, 25 partners and a team of 1148 people, WCC provides audit, tax and advisory services in India. WCC is part of the Grant Thornton network one of the world’s leading organizations of independent audit, tax and advisory firms. The firm has experience across a range of industries, market segments, and geographical corridors. They have past experience of auditing companies in the financial services sector including banks and at present too are auditors of several companies in the sector.

The audit fees proposed for FY 2021-22 to the Statutory Auditors is Rs. 95 lakhs exclusive of out of pocket expenses, outlays and taxes as applicable. The remuneration paid to the Statutory Auditors will be disclosed in the Report on Corporate

Governance as well as the Financial Statements of the Bank on an annual basis.

Considering the experience of M/s. Walker Chandiook & Co LLP, Chartered Accountants in the audit of private sector banks, their international affiliation, staff strength, network of offices in India etc., the Board recommends their appointment as the Bank's Statutory Auditors for a period of three years. Accordingly, the approval of the shareholders of the Bank is sought for appointment of M/s Walker Chandiook & Co. LLP, Chartered Accountants (Firm Registration Number 001076N/N500013) as the Statutory Auditors of the Bank to hold office for period of three years from the conclusion of the ensuing (13th) AGM until the conclusion of the Sixteen (16th) AGM.

None of the Directors and the Key Managerial Personnel of the Bank and their relatives are in any way concerned or interested, financially or otherwise, in the Ordinary Resolution set out in Item No. 3 of this Notice.

Item No. 4: Re-appointment of Mr. Mrutunjay Sahoo (DIN: 00015715) as an Independent Director of the Bank.

At the Annual General Meeting held on September 22, 2016 the members of the Bank had appointed Mr. Mrutunjay Sahoo (DIN: 00015715) (Mr. Sahoo) as an Independent Director of the bank, to hold office up to September 21, 2021

The Nomination and Remuneration Committee ('NRC') assessed the profile of Mr. Sahoo and having found him to be 'Fit and Proper' in terms of the Reserve Bank of India's Circular on 'Fit and proper' criteria for directors of banks, recommended his appointment to the Board of Directors. In terms of Sections 149, 152 read with Schedule IV of the Act and other applicable provisions, the Board of Directors of the Bank, basis the recommendation of the NRC, reviewed the profile of Mr. Sahoo and the declarations provided by him.

Mr. Sahoo has the requisite qualifications, skills, experience and expertise in specific functional areas viz Agriculture and Rural Economy, MSME sector, Accountancy, Finance, Banking, co-operation, Economics, Small Scale Industry, Business Management and Banking which are beneficial to the Bank In the opinion of the Board, Mr. Sahoo meets the fit and proper criteria and has the necessary

knowledge and experience for being re-appointed as an Independent Director and his guidance has been extremely helpful to the Bank over the last few years.

Brief Profile of Mr. Mrutunjay Sahoo in terms of Regulation 36(3) of the SEBI Listing Regulations and the Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, has been provided as **Annexure 2** to this Notice.

Mr. Sahoo's appointment is in compliance with the provisions of section 149(10) of the Companies Act 2013 and Section 10A of the Banking Regulation Act, 1949. The terms and conditions applicable to Independent Director(s) of the Bank and hosted in the website of the Bank is applicable to Mr. Sahoo.

In view of the provisions of the Companies Act 2013 and the Banking Regulation Act 1949 and as per the terms and conditions of appointment of Independent Directors , the proposal for the re-appointment of Mr. Sahoo as an Independent Director, for a period of 3 (three) years has been put up for the approval of the members.

Mr. Sahoo is not related to any other Directors or Key Managerial Personnel of the Bank.

The Board recommends the resolution set out at Item No. 4 of the Notice for your approval as a Special Resolution.

Except for Mr. Sahoo and his relatives, none of the Directors and the Key Managerial Personnel of the Bank and their relatives are in any way concerned or interested, financially or otherwise, in the Ordinary Resolution set out in Item No. 4 of this Notice.

Item No.5: Appointment of Mr. Krishna Prasad Nair (DIN: 02611496) as an Independent Director of the Bank

Pursuant to the recommendation of the Nomination and Remuneration Committee (the "Committee") of the Bank, the Board of Directors (the "Board") of Suryoday Small Finance Bank Limited (the "Bank") at its meeting held on July 22, 2021, considered and approved the appointment of Mr. Krishna Prasad Nair (DIN: 02611496) as an Additional Director (Independent Non-Executive) of the Bank to hold the office with effect from July 22, 2021. Pursuant to the provisions of Section 161 of the Act, he continues to hold office as an Additional Director of the Bank upto the date of the

ensuing AGM. The Bank has also received a declaration from Mr. Krishna Prasad Nair that he meets the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "SEBI Listing Regulations").

Mr. Krishna Prasad Nair (Mr. Nair), a career banker for over 30 years, has the requisite qualification, skills, experience and expertise in specific functional areas, which are beneficial to the Bank. Brief profile of Mr. Krishna Prasad Nair, in terms of Regulation 36(3) of the SEBI Listing Regulations and the Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, has been provided in **Annexure 3** to this Notice.

Mr. Nair's appointment is in compliance with the provisions of provisions of section 149(10) of the Companies Act 2013 and Section 10A of the Banking Regulation Act, 1949. The terms and conditions applicable to Independent Director(s) of the Bank and hosted in the website of the Bank is applicable to Mr. Nair.

In view of the provisions of the Companies Act 2013 and the Banking Regulation Act 1949 and as per the terms and conditions of appointment of Independent Directors, the proposal for the appointment of Mr. Nair as an Independent Director, for a period of 5 (five) years has been put up for the approval of the members.

Mr. Nair is not related to any other Directors or Key Managerial Personnel of the Bank.

The Board recommends the resolution set out at Item No.5 of the Notice for your approval as an Ordinary Resolution.

Except for Mr. Nair and his relatives, none of the Directors and the Key Managerial Personnel of the Bank and their relatives are in any way concerned or interested, financially or otherwise, in the Ordinary Resolution set out in Item No. 5 of this Notice.

Item No 6: Ratification of the new set of Articles of Association approved vide Special Resolution passed at the Annual General Meeting of the

Bank on September 28, 2020 prior to listing of Equity Shares of the Bank

The Initial Public Offer (IPO) of Equity Shares of the Bank was approved by the members at the Extra Ordinary General Meeting held by means of VC/OAVM on July 27, 2020. In order to align the Articles of Association of the Bank ("AoA") with the requirements prescribed by relevant Stock Exchanges prior to filing of the draft red herring prospectus (DRHP) with the Securities and Exchange Board of India and the provisions of the SEBI-Listing Regulations, the Bank had obtained approval of members for the new set of Articles of Association at the 12th AGM held on September 28, 2020.

As per the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2015 (SEBI-ICDR Regulations), the amended AOA needs to be ratified by the shareholders of the Bank subsequent to the IPO. The amended AOA will be available for inspection as provided under point 21 of the notes to this Notice.

The Board recommends the resolution set out in Item No.6 of the Notice for your approval as a Special Resolution.

None of the Directors and the Key Managerial Personnel of the Bank and their relatives are in any way concerned or interested, financially or otherwise, in the Ordinary Resolution set out in Item No. 6 of this Notice.

Item No 7: To ratify the "Suryoday ESOP Scheme-2019"

The members of the Bank had approved the Suryoday ESOP Scheme- 2019 in the Annual General meeting held on September 26, 2019 which was amended by the Bank pursuant to resolutions passed by the Board on July 3, 2020 and Special Resolution passed at the Extra Ordinary General meeting of the Bank held on July 27, 2020.

In terms of Regulation 12(1) of the SEBI (Share Based Employee Benefits) Regulations, 2014, ("SEBI SBEB Regulations") as amended, no company shall make any fresh grant which involves allotment or transfer of shares to its employees under any schemes formulated prior to its Initial Public Offering ("IPO ") and prior to the listing of its equity shares ("Pre-IPO Scheme") unless:

- (i) Such Pre-IPO Scheme is in conformity with the aforesaid Regulations; and
- (ii) Such Pre-IPO Scheme is ratified by its shareholders subsequent to the IPO.

Further, as per proviso to Regulation 12(1) of the aforesaid Regulations, the ratification under clause (ii) may be done any time prior to grant of new options or allotment of shares under such Pre-IPO Scheme.

Prior to listing of the Bank, the Bank has granted 2,382,100 options under ESOP Scheme-2019 out of which, 156,715. options were exercised and 156,715 equity shares were allotted under the Scheme.

It is confirmed that the ESOP Scheme- 2019 is in conformity with the SEBI- SBEB Regulations and the Bank has not granted any fresh stock option under ESOP 2019 post listing of its equity shares on the stock exchanges on March 26,2021.

The Nomination and Remuneration Committee and the Board of Directors of the Bank have approved the ratification and recommended to the Members of the Bank for ratification of the ESOP 2019 pursuant to Regulation 12 of SEBI SBEB Regulations.

The details of ESOP 2019 Scheme as per the SEBI Circular no. CIR/CFD/POLICY CELL/2/2015 dated June 16, 2015 is as follows

Sr No.	Particulars	ESOP Scheme 2019
a)	Brief description of the scheme(s)	The objective of SURYODAY ESOP SCHEME-2019 is to attract talent, as also to reward employees for their long-term performance and motivate them to contribute to the growth and profitability of the Company.
b)	The total number of options, shares or benefits, as the case may be, to be granted	The shareholders of the Bank, vide special resolution passed at the AGM held on September 26, 2019, resolved to issue not more than 40,00,000 (Forty Lakhs only) Employee Stock Options under 'Suryoday ESOP Scheme-2019', in one or more tranches, with each such Option conferring a right upon the Option grantees to apply for one equity share of the Bank of face value ₹ 10 each. All the Options that have lapsed, cancelled, withdrawn, recalled, surrendered (including those having lapsed by way of forfeiture) under this scheme, shall be added back to the number of Options that are pending to be granted under ESOP 2019, subject to compliance with applicable law. In case of a share split or consolidation, if the revised face value of the share is less or more than the face value ₹ 10 each, the maximum number of shares issued under ESOP Scheme- 2019 shall be modified to ensure that the cumulative face value (number of Shares X face value per Share) remains unchanged after such share split or consolidation.
c)	Identification of classes of employees entitled to participate and be beneficiaries in the scheme(s)	<p>Employees entitled to participate are:</p> <ul style="list-style-type: none"> (i) a permanent employee of the Company who has been working in any office/location of the Company; or (ii) an executive director or whole-time director excluding an Independent Director and Promoter Director but does not include- <ul style="list-style-type: none"> (i) an employee who is a promoter or a person belonging to the promoter group; or (ii) a director who either himself or through his relative or through anybody corporate, directly or indirectly, holds more than ten percent of the outstanding equity shares of the Company. <p>The Scheme is not applicable to any temporary or non-permanent employees. Employees against whom any disciplinary proceedings are initiated or pending are not eligible for Grant of Options under this Scheme.</p>
d)	Requirements of vesting and period of vesting	Options granted would vest, in one or more tranches, after expiry of period of 1 (one) year from the date of the grant and not later than 4 (four) years from the date of Grant of such Options, as may be specified in the Letter of Grant. In addition to this, the Compensation Committee may also specify certain performance parameters subject to which the options would vest.

e)	Maximum period (subject to Regulation 18(1) and 24(1) of the SEBI SBEB Regulations, as the case may be) within which the options / benefit shall be vested	Options shall vest not earlier than one year from the date of grant and up to maximum of four years from the date of grant of such Option, as may be specified in the Letter of Grant.
f)	exercise price, purchase price or pricing formula	“Exercise Price” means the price payable by the Employee for the purpose of exercising the Option granted to him/her in pursuance of this Scheme, in conformity with the applicable accounting policies of the Company. The Exercise Price shall be at the fair market value as determined by an Independent Valuer (as defined in the Articles) and approved by the Board at the time of Grant of Options.
g)	Exercise period and process of exercise	All Options vested shall be exercised by the Option Grantee within the Exercise Period which is 3 years from the date of vesting.
h)	The appraisal process for determining the eligibility of employees for the scheme(s)	Only the Employees as defined hereinbefore are eligible for being granted Employee Stock Options under the ‘Suryoday ESOP Scheme-2019’. The appraisal process for determining the Eligibility Criteria for the Employees would be specified by the Compensation Committee and will be based on the criteria such as the grade of the Employee, number of years serviced, performance record, merit of the Employee, present/future potential contribution by the Employee and /or any such other criteria that may be determined by the Compensation Committee in its sole discretion from time to time.
i)	Maximum number of options, shares, as the case may be, to be issued per employee and in aggregate	The number of Options that would be issued to an Employee under the ESOP 2019, would be determined by the Board or the Nomination & Remuneration Committee. The maximum number of Options issued in a Financial Year shall not exceed 1% of the share capital of the Bank without the approval of the shareholders through a special resolution in a general meeting of the members of the Bank. The maximum quantum of Options that may be granted per employee shall be determined by the Nomination & Remuneration Committee.
j)	Maximum quantum of benefits to be provided per employee under a scheme(s)	The maximum quantum of Options that may be granted per Employee shall be determined by the Nomination & Remuneration Committee.
k)	Whether the scheme(s) is to be implemented and administered directly by the company or through a trust	The ESOP Scheme -2019 shall be implemented and administered directly by the Nomination & Remuneration Committee. The Committee shall formulate the detailed terms and conditions of the ESOP 2019 for the employees eligible under ESOP 2019.
l)	Whether the scheme(s) involves new issue of shares by the company or secondary acquisition by the trust or both	New issue of shares
m)	The amount of loan to be provided for implementation of the scheme(s) by the company to the trust, its tenure, utilization, repayment terms, etc	Not Applicable
n)	Maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the trust for the purposes of the scheme(s)	Not Applicable

o)	A statement to the effect that the company shall conform to the accounting policies specified in Regulation 15 of the SEBI SBEB Regulations.	It is hereby confirmed that the Bank shall conform to the accounting policies specified in Regulation 15 of SEBI (SBEB) Regulations, 2014
p)	The method which the company shall use to value its options	Fair Value method The value determined as per an intrinsic valuation carried out by an Independent Valuer (as defined in the Articles) will be used by the Company in order to value the Options under the Scheme
q)	Lock in period	The Shares issued upon Exercise of Options shall be freely transferable and shall not be subject to any lock-in period restriction after such exercise.
r)	Statement with regard to Disclosure in Director's Report	In case the Bank opts for expensing of share based employee benefits using the intrinsic value, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value, shall be disclosed in the Directors' report and the impact of this difference on profits and on earnings per share ("EPS") of the Bank shall also be disclosed in the Directors' report.

The amended ESOP Scheme-2019 is available for inspection as provided under point 21 of the notes to this Notice.

The Board recommends the resolution set out in Item No.7 of the Notice for your approval as a Special Resolution.

None of the Directors and their relatives are in any way, financially or otherwise, concerned or interested in the proposed resolution. The Chief Financial Officer and Company Secretary (Key Managerial Personnel) of the Bank may be deemed to be interested in this resolution to the extent of stock options granted to them under the ESOP Scheme-2019.

Item No. 8: Revision of remuneration payable to Mr. Baskar Babu Ramachandran [DIN

:02303132], Managing Director & Chief Executive Officer for FY 2021-22

The members of the Bank at the Extra Ordinary General Meeting held on July 27, 2020 had approved the re-appointment of Mr. Baskar Babu Ramachandran as Managing Director & Chief Executive Officer for the period of three years with effect from January 23, 2020 (as approved by the RBI vide its letter dated January 14, 2020) upon the following terms and conditions including remuneration as approved by the RBI vide its letter dated December 4, 2019, with authority to the Board of Directors, including the Nomination and Remuneration Committee, to alter and vary the terms and conditions of the said re-appointment and/or agreement including any components of the remuneration, as may be necessary from time to time, subject to the requisite approval of the RBI.

Salary (Basic Salary)	₹ 51.98 lakhs p.a.
House Rent Allowance	₹ 20.79 lakhs p.a.
Group Allowance	₹ 57.23 lakhs p.a.
Gross Salary	₹ 130.00 lakhs p.a
Provident fund/ Gratuity/Pension	Applicable as per statutory laws : ₹ 6.24 lakhs p.a. as per above salary (PF) Gratuity-payable at 15 days' Basic Salary for every year of service, as per statute; (no superannuation fund currently)
Medical Benefits	Medicclaim insurance coverage as per Company HR Policy for all employees (Currently not exceeding ₹ 15,000 p.a.)
Perquisites	1) Use of Bank's car and fuel cost for a maximum of 200 Liters per month (maximum of ₹ 2,40,000 p.a.); Driver Salary up to ₹ 3,00,000 p.a.; Car repairs and insurance at actuals 2) Club fees: Eligible for One Club Membership for self and family (Club Membership fee at actuals and club expenses upto ₹ 1,50,000 p.a. Entertainment expenses: Reasonable Expenses incurred for Official Purposes (at actuals)
Performance Linked Incentive	Bank to approach RBI for approval as and when Variable pay became due.

As per RBI's Guidelines on compensation issued on November 4, 2019, the compensation structure for whole time directors/ chief executive officers/material risk takers and control function staff was revised to take effect from FY 2020-21 as per which, the compensation structure for the MD & CEO would be as follows:

- i) Fixed Pay comprising of all fixed items of compensation including perquisites, that are reimbursable (with monetary ceilings prescribed therefor) and contributions towards superannuation/retiral benefits ;
- ii) Variable pay comprising of proper balance of share-linked instruments, or a mix of cash and share-linked instruments; however, where the compensation by way of share-linked

instruments is not permitted by any law/regulations, the entire variable pay can be paid entirely in cash.

- iii) Where the MD & CEO is a Promoter and not entitled to share-linked instruments, the Variable Pay should be atleast 50% of the Fixed Pay; but in any case not more than 150% of the Fixed Pay.
- iv) Variable pay has to be paid under deferral arrangement and the deferral period should be a minimum of three years.

Consequently, the Board, on the recommendation of the Nomination and Remuneration Committee (NRC), at its meeting held on December 28, 2020, approved the compensation structure for the MD & CEO for FY 2020-21 as follows:

Sr No.	Particulars	Existing structure for 2019-20	Revised structure wef 2020-21 as per compensation guidelines and policy
1	Fixed Pay (inclusive of Basic salary and all allowances but exclusive of retirals, variable pay and perquisites)	₹ 130 lakhs p.a	No change
2	Variable Pay	Board to approach RBI for approval as and when Variable pay fell due	In accordance with the Compensation Policy formulated as per RBI Guidelines on CEO Compensation dated 04-Nov-2019, Variable Pay of 1.5 times the fixed remuneration which shall comprise of cash component entirely and shall be payable on a deferred basis over 5 years @ 20 percent every year.

Since Mr. Baskar Babu Ramachandran is also a Promoter, he shall not be eligible for stock options and therefore, his entire Variable pay would be payable in cash on deferred basis.

This structure has been submitted to RBI for approval which is awaited as of date.

Subsequently, the Board, on the recommendation of NRC took the following decisions at its meeting held on July 22, 2021:

i) variable pay would not be payable to the MD & CEO for FY 2020-21, which was duly conveyed to RBI.

ii) considering that the fixed remuneration of the MD & CEO was last revised in FY 2019-20, and based on performance evaluation of the MD & CEO for FY 2020-21 including concluding a successful IPO in March 2021 in the prevalent pandemic situation, approved revision in his remuneration for FY 2021-22 as follows subject to the approval of the members of the Bank and of the Reserve Bank of India:

Sr. No.	Particulars	FY 2020-21	Revised remuneration proposed for FY 2021-22 subject to RBI approval
1	Fixed Pay(inclusive of Basic salary and all allowances but exclusive of retirals, variable pay and perquisites)	₹ 130 lakhs p.a	₹ 155 Lakhs p.a.
2	Variable Pay	In accordance with the Bank's Compensation Policy drawn in line with the RBI Guidelines, the variable remuneration shall be 1.5 times the fixed remuneration for FY 2021-22 which shall comprise of cash component entirely and shall be payable on a deferred basis over 5 years @ 20 percent every year. The Variable Pay will be payable based on the performance appraisal carried out by NRC/Board and is subject to prior approval of RBI.	In accordance with the Bank's Compensation Policy drawn in line with the RBI Guidelines, the variable remuneration shall be 1.5 times the fixed remuneration for FY 2021-22 which shall comprise of cash component entirely and shall be payable on a deferred basis as per the extant Compensation Policy .
3	Perquisites	i)Use of Bank's car and fuel cost for a maximum of 200 Liters per month (maximum of ₹ 2,40,000 p.a.); Driver Salary up to ₹ 3,00,000 p.a.; Car repairs and insurance at actuals ii) Club fees: Eligible for One Club Membership for self and family (Club Membership fee at actuals and club expenses upto ₹ 1,50,000 p.a. iii)Entertainment expenses: Reasonable Expenses incurred for Official Purposes (at actuals).	i)No change ii)No change iii)No change
4	Medical Benefits	Mediclaim insurance coverage as per Company HR Policy for all employees (Currently not exceeding ₹ 15,000 p.a.)	No change
5	Provident fund/ Gratuity/Pension	Applicable as per statutory laws : PF: ₹ 6.24 lakhs p.a. as per above salary Gratuity: payable at 15 days' Basic Salary for every year of service, as per statute; (no superannuation fund currently)	Applicable as per statutory laws : PF: ₹ 7.44 lakhs p.a. as per above salary Gratuity: payable at 15 days' Basic Salary for every year of service, as per statute; (no superannuation fund currently)

Application for approval of the proposed remuneration for FY 2021-22 has been submitted to RBI.

A brief profile of the MD & CEO along with the information as required to be furnished under Regulation 36 of SEBI Listing Regulations and Secretarial Standards 2 is annexed as **Annexure 4**. The Board recommends the resolution set out at Item No.8 of the Notice for your approval as a Special Resolution.

Except for Mr. Baskar and his relatives, none of the Directors and the Key Managerial Personnel of the Bank and their relatives are in any way concerned or interested, financially or otherwise, in the Special Resolution set out in Item No. 8 of this Notice.

Item No.9 : Approval of the clause with respect to the financing arrangement entered into by Mr. Baskar Babu Ramachandran, Key Promoter and Managing Director and CEO,

pertaining to equity upside with an NBFC- ND-SI company.

Mr. Baskar Babu Ramachandran, Key Promoter and MD and CEO of the Bank has informed the Bank that he has entered into a financing agreement dated March 1, 2021 (the "Facility Agreement") with Placid Limited ("Placid"), an NBFC-ND-SI registered with Reserve Bank of India for a secured structured finance facility aggregating to ₹ 565.20 million to enable him subscribe to the Promoter Rights available to him. Placid is also a shareholder of the Bank.

Pursuant to the Facility Agreement, 31,40,000 Equity Shares held by Mr. Baskar Babu Ramachandran have been pledged with Placid (the "Pledged Shares") and Placid is entitled to receive equity upside which is defined in the Facility Agreement to mean the positive difference between (i) amounts received at the time of sale of Pledged Shares and any accretions received from the Pledged Shares, including by way of dividend or rights/ entitlements (if any) and other benefits from time to time, and (ii) the Facility amount. The difference shall further be reduced by the Assured IRR which in this case is 24 percent. Accordingly, the Equity Upside (if available) shall be distributed in the following manner:

i) in the event the price at which the Pledged Shares are sold is up to ₹ 500 per Pledged Share, the equity upside shall be distributed between Mr. Baskar Babu Ramachandran and Placid in the ratio of 1:1; and

ii) in the event the price at which the Pledged Shares are sold is exceeding ₹ 500 per Pledged Share, the equity upside shall be distributed between Baskar Babu Ramachandran and Placid in the ratio of 3:2. The Facility Agreement provides that the manner of distribution of the Equity Upside in (i) and (ii) above shall be such that the equity upside of first ₹ 60 per Pledged Share (after providing for Assured IRR) shall be appropriated towards Baskar Babu Ramachandran's share of the Equity Upside.

This clause is being put up for members' approval in terms of the provisions of Regulation 26(6) of the listing Regulations which inter alia requires any agreement entered into by a Director of the listed entity with any shareholder with regard to profit sharing in connection with dealings in the securities of the listed entity to be approved by the Board and the public shareholders by way of Ordinary Resolution. The same was approved by the Board at its meeting held on July 22, 2021.

Since the ensuing AGM is the first meeting of the shareholders post listing, the approval of the members is being sought now. The Bank is not a party to the said agreement.

The Board recommends Ordinary Resolution set out in Item No.9 of the Notice for approval of the members.

Except for Mr. Baskar and his relatives, none of the Directors and the Key Managerial Personnel of the Bank and their relatives are in any way concerned or interested, financially or otherwise, in the Ordinary Resolution set out in Item No. 9 of this Notice.

Registered Office:
1101, Sharda Terraces,
Plot No. 65, Sector 11,
CBD Belapur,
Navi Mumbai 400 614
CIN : U65923MH2008PLC261472
Website: www.suryodaybank.com
E-mail: company.secretary@suryodaybank.com

Date: August 23, 2021
Place: Navi Mumbai

By Order of the Board of the Directors

Geeta Krishnan
Company Secretary
ACS 6011

Annexure 1 giving information pursuant to Secretarial Standards on General meetings w.r.t. item no. 2 of the Agenda:

Name of Director	Aleem Remtula
DIN	02872107
Age	41 years
Date of first Appointment on Board	December 15, 2018
Qualification	He holds a Bachelor's degree in economics titled 'baccalaurei cum laude in oeconomia' from Princeton University and a Master's degree in business administration from Harvard Business School.
Experience/Expertise	He has several years of experience in venture capital and private-equity funds globally. Having started his career with JP Morgan Chase & Co, he is currently associated with DWM Asset Management LLC as a partner of the firm's private equity business line.
Terms and Conditions of Appointment or re-appointment along with remuneration	Re-appointment as an Investor Director subject to retirement by rotation.
The last drawn remuneration	NIL (Rs.12.15lakhs paid as sitting fees for attending Board and Committee meetings held in FY 2020-21)
Shareholding in the Bank	Nil
Relationship with Other Directors, Manager and other Key Managerial Personnel of the Bank	None
The Number of Meetings of the Board attended during the year	Attended 26 out of 28 Board Meetings held during the Financial Year ended March 31, 2021
Other Directorships	<ul style="list-style-type: none"> • S.M.I.L.E. Microfinance Limited • Jainsons Finlease Limited
Memberships/Chairmanship of Committees of other Boards	<p>Suryoday Small Finance Bank Limited <u>Member in the following Committees:</u></p> <ul style="list-style-type: none"> • IT Strategy Committee • Corporate Social Responsibility Committee • Stakeholders' Relationship Committee • Board Strategy Committee • Credit Committee

Annexure 2 giving information pursuant to Secretarial Standards on General meetings w.r.t. item no. 4 of the agenda:

Name of Director	Mr. Mrutunjay Sahoo
DIN	00015715
Age	67 years
Date of first Appointment on Board	Appointed as Additional Director on December 1, 2015 and appointed as Independent Director for a period of five years with effect from September 22, 2016.
Qualification	M. Com and M.B.A.
Experience/Expertise	He is a retired Indian Administrative Services officer and has several years of experience in public administration. Previously, he was a special chief secretary to the Government of Andhra Pradesh and has been associated with several Maharatna and Miniratna public sector undertakings as a nominee director of the Government of India. He has been principal secretary to government of Andhra Pradesh (energy department) and associated with Transmission Corporation of Andhra Pradesh Limited, Andhra Pradesh Power Finance Corporation Limited and Singareni Collieries Company Limited
Terms and Conditions of Appointment or re-appointment along with remuneration	Re-appointment as an Independent director a further term of three years, with effect from September 22, 2021 up to September 21, 2024 not liable to retirement by rotation.
The last drawn remuneration	NIL (Rs. 12.80 lakhs paid as sitting fees for attending Board and Committee meetings in FY 2020-21)
Shareholding in the Bank	Nil
Relationship with Other Directors, Manager and other Key Managerial Personnel of the Bank	None
The Number of Meetings of the Board attended during the year	Attended all 28 Board Meetings held during the Financial Year ended March 31, 2021.
Other Directorships N	None
Memberships/Chairmanship of Committees of other Boards	Suryoday Small Finance Bank Limited: <u>Member of the following Committees:</u> <ul style="list-style-type: none"> • Credit Committee (Chairperson) • Nomination and Remuneration Committee (Chairperson) • Corporate Social Responsibility Committee • Stakeholders' Relationship Committee • Committee for Review of Wilful defaulters and Monitoring High Value Frauds

Annexure 3 giving information pursuant to Secretarial Standards on General meetings w.r.t. item no. 5 of the agenda:

Name of Director	Mr. Krishna Prasad Nair
DIN	02611496
Age	62 Years
Date of first Appointment on Board	Appointed as Additional Director (Independent Non-Executive) w.e.f. July 22, 2021.
Qualification	B Com from Madras University and MBA from Cochin University of Science & Technology
Experience/Expertise	<p>He is a veteran in the Financial Services sector having been associated with Indian Overseas Bank as Probationary Officer for 6 years and the IDBI for 32 years in Project Finance and various other departments. He was appointed as CGM- Human Resources at IDBI Bank in June 2005 and held the position for about 6 years before getting into Retail banking and a mixed portfolio comprising Human Resources, Information Technology, Administration & Facilities Management.</p> <p>He was appointed as Deputy Managing Director of IDBI Bank in September 2016 and was entrusted with the overall charge of the Retail Banking portfolio in addition to Human Resources, Information Technology and Administration & Facilities Management. From December 2017 till his retirement in May 2019 from IDBI Bank, he was in charge of Corporate Banking and NPA Management during which period he was Chair and a Member of Credit and ALCO Committees as also other Board Committees.</p>
Terms and Conditions of Appointment or re-appointment along with remuneration	Appointment as an Independent Director for the period of five years w.e.f. July 22, 2021.
The last drawn remuneration	N A
Shareholding in the Bank	Nil
Relationship with Other Directors, Manager and other Key Managerial Personnel of the Bank	No
The Number of Meetings of the Board attended during the year	Not Applicable
Other Directorships	The India Cements Ltd – Independent Director
Memberships/Chairmanship of Committees of other Boards	None

Annexure 4 giving information pursuant to Secretarial Standards on General meetings w.r.t. item no. 8 of the agenda:

Name of Director	Mr. Baskar Babu Ramachandran
DIN	02303132
Age	51 years
Date of first Appointment on Board	November 10, 2008
Qualification	He holds a bachelor's degree in mechanical engineering from the University of Madras and a master's degree in business administration from the Pondicherry University. He has participated in the management development programme for strategic management for corporate leadership conducted by Indian Institute of Management, Calcutta.
Experience/Expertise	He has several years of experience in the banking and finance sector. Prior to cofounding Suryoday Micro Finance Private Limited, he was associated with various companies including GE Capital Transportation Financial Services Limited as the vice president- quality and operations and HDFC Bank Limited as assistant vice president. He promoted Suryoday Micro Finance Pvt Ltd. in 2008 and has been the Managing Director of the Company which got converted into the Bank in January 2017.
Terms and Conditions of Appointment or re-appointment along with remuneration	Baskar Babu Ramachandran was appointed as the Managing Director and Chief Executive Officer of the Bank wef January 23, 2017 and re-appointed for a term of three years with effect from January 23, 2020 pursuant to approval of members and approval of RBI.
The last drawn remuneration	Rs. 130 lakhs p.a. excluding retirals and perquisites
Shareholding in the Bank	He holds 12,343,578 Equity shares in the Bank as on March 31,2021.
Relationship with Other Directors, Manager and other Key Managerial Personnel of the Bank	None
The Number of Meetings of the Board attended during the year	Attended all 28 Board Meetings held during the Financial Year ended March 31, 2021
Other Directorships	Governing Council member in the Indian Institute of Banking and Finance.
Memberships/Chairmanship of Committees of other Boards	Suryoday Small Finance Bank Limited: Member in the following Committees: <ul style="list-style-type: none"> • Customer Service Committee • Credit Committee • IT Strategy Committee • Corporate Social Responsibility Committee • Risk Management Committee • Committee for Review of Wilful defaulters and Monitoring High Value Frauds • Board Strategy Committee
