



# SURYODAY

A BANK OF SMILES

SURYODAY SMALL FINANCE BANK LIMITED

**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 40435800 Fax: +91 22 40435813 Website: www.suryodaybank.com**

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## NOTICE OF POSTAL BALLOT

Dear Member(s)

NOTICE is hereby given that the following Special Resolution is proposed for consideration and approval of the members of Suryoday Small Finance Bank Limited (“the Bank”), the consent to which is sought to be accorded by Postal Ballot in accordance with the provisions of Section 110 of the Companies Act, 2013 (“Act”) including any statutory modification(s) or re-enactment thereof for the time being in force, read with Rule 22 of the Companies (Management and Administration) Rules, 2014, and other applicable provisions or re-enactments thereof.

The draft of the proposed Resolution, as set out below, along with the Explanatory Statement pursuant to section 102 of the Act is being sent to you along with a Postal Ballot Form. The Bank has appointed Mr. Tushar Shridharani, Practicing Company Secretary, Mumbai and in his absence, Ms. Nandini Parekh, Practicing Company Secretary, Mumbai as the Scrutinizer for conducting the Postal Ballot process in accordance with the Act in a fair and transparent manner.

In compliance with the provisions of Section 110 of the Companies Act, 2013 and applicable provisions, the Bank is pleased to offer you e-voting facility to enable you to cast your votes electronically. The Bank has engaged the services of KFin Technologies Private Limited ('Karvy') to provide the electronic voting facility. You may adopt the alternate mode of Physical Ballot by downloading the Postal Ballot Form from the link <https://evoting.karvy.com> or from the Bank's website, filling it, signing it and sending the same by post/ courier to the Scrutiniser at [tushar@tusharshri.com](mailto:tushar@tusharshri.com) or to the Scrutiniser, 1101, Sharda Terraces, Sector 11, CBD Belapur, Navi Mumbai -400614 so as to reach the Scrutiniser on or before 17.00 hrs on May 11, 2020.

### **RESOLUTION PROPOSED TO BE PASSED THROUGH POSTAL BALLOT SPECIAL BUSINESS**

#### **1) Issue of up to 23,90,020 Equity Shares of Rs. 10 each on Private Placement basis**

To consider and, if thought fit, to pass the following Resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Sections 23,42, 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 14 of Companies (Prospectus and Allotment of Securities) Rules 2014, and Rule 13 of the Companies (Share Capital and Debentures) Rules, 2014 and such other provisions (including any statutory modification thereto or re-enactment thereof) as may be applicable for the time being in force (the “Act”), relevant provisions of the Memorandum and Articles of Association of the Bank and in accordance with any other applicable laws, regulations, including the Foreign Exchange Management Act, 1999, the relevant regulations issued thereunder and various notifications and guidelines issued by the Reserve Bank of India in this regard and such conditions and modifications as may be prescribed or imposed by any of them



while granting such approval, permission and sanction, consent, approval and sanction of the Bank be and is hereby accorded to the Board to offer, issue and allot up to 23,90,020 Equity shares of face value of Rs. 10 (Rupees Ten only) each at Rs. 260 (Rupees Two hundred and Sixty only) per share inclusive of premium of Rs. 250 (Rupees Two Hundred and Fifty only) per share to the following persons collectively referred to 'Subscribers to the Private Placement':

<b>Sr No.</b>	<b>Name of Subscriber</b>	<b>Number of Equity shares of Rs. 10 each proposed to be subscribed</b>	<b>Consideration amount (Rs in lakhs)</b>
1	KIRAN VYAPAR LTD	32,431	84.32
2	LOK CAPITAL GROWTH FUND	1,48,946	387.26
3	KOTAK MAHINDRA LIFE INSURANCE COMPANY LTD.	1,92,308	500.00
4	GAJA TRUSTEE COMPANY PRIVATE LIMITED	96,154	250.00
5	GAJA CAPITAL FUND II LIMITED	18,26,923	4,750.00
6	TEACHERS INSURANCE AND ANNUITY ASSOCIATION OF AMERICA	93,258	242.47
	<b>Total</b>	<b>23,90,020</b>	<b>6,214.05</b>

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

**RESOLVED FURTHER THAT** pursuant to the provisions of the Companies Act 2013, a Private Placement Offer cum Application Letter in Form PAS-4 be issued to the subscribers for making the required subscription as per the terms of the said Letter and the names of the Subscribers be recorded for the issue of invitation to subscribe to the Equity Shares in the prescribed Form PAS-5.

**RESOLVED FURTHER THAT** the subscription monies received by the Bank from the subscriber(s) for application of the Equity Shares pursuant to this Private Placement shall be kept in a separate Bank account maintained for this purpose and shall be utilized by the Bank in accordance with Section 42 of the Companies Act 2013.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the offer, issue, allotment of the Equity Shares, Mr. Baskar Babu Ramachandran, Managing Director & CEO and Ms. Geeta Krishnan, Company Secretary, be and are hereby severally authorized to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary and desirable for such purpose, including without limitation, preparing, signing, executing, filing forms with Registrar of Companies and filing applications with the appropriate authorities for obtaining requisite approvals for the issuance of the Equity Shares, as may be required, issuing clarifications on the issue and allotment of the Equity Shares, resolving any difficulties, effecting any modifications, changes, variation, alterations, additions and/or deletions to the foregoing conditions as may be required by any regulator, or other authorities or agencies involved in or concerned with the issue of the Equity Shares and as the Board may in its



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absolute discretion deem fit and proper in the best interest of the Bank without being required to seek any further consent or approval of the members or otherwise.

**RESOLVED FURTHER THAT** the Board of Directors of the Bank be and is hereby authorised to do all acts, deeds, matters, things and take all steps as may be necessary, proper or expedient to give effect to this resolution including delegating any or all of the powers conferred upon it by this resolution to any Directors and/or any Officer(s) of the Bank.”

Registered Office:  
1101, Sharda Terrace,  
Sector 11, CBD Belapur,  
Navi Mumbai 400614  
Date: April 9, 2020  
Place: Navi Mumbai

By Order of the Board of the Directors of  
Suryoday Small Finance Bank Ltd.

Geeta Krishnan  
Company Secretary  
A 6011

### Notes:

1. The Explanatory Statement pursuant to Section 102 of the Act read with Rule 22 of the Companies (Management and Administration) Rules, 2014 in respect of the Special Business is annexed herewith and forms part of this Notice.
2. The Postal Ballot Notice is being sent to the Members whose names appear in the Register of Members as on **Friday, April 3, 2020**. In support of the “Green Initiative” announced by the Government of India and in accordance with Section 101 of the Companies Act, 2013 read with Rule 18 of the Companies (Management and Administration) Rules, 2014, this Notice is being sent by e-mail to those members whose email addresses are registered with the Bank / Depositories. Shareholders who have not registered their e-mail addresses are requested to register the same along with their contact numbers with the Bank by sending details to [shr.relations@suryodaybank.com](mailto:shr.relations@suryodaybank.com) or with Karvy at [einward.ris@karvy.com](mailto:einward.ris@karvy.com).
3. The Board of Directors has appointed Mr. Tushar Shridharani, Practicing Company Secretary, Mumbai and in his absence Ms. Nandini Parekh, Practicing Company Secretary, as Scrutinizer for conducting the postal ballot voting process in a fair and transparent manner.
4. The Postal Ballot notice along with Form is also available on the website of the Bank [www.suryodaybank.com](http://www.suryodaybank.com).
5. The Voting period commences on Saturday, April 11, 2020 at 09.00 A.M (IST) and ends on Monday, May 11, 2020 at 05.00 P.M.(IST). In case of any query pertaining to e-voting, please visit Help & FAQs section of Karvy e-voting website.
6. All documents referred to in this Postal Ballot Notice and Explanatory Statement setting out material facts are open for inspection by the members at the Registered Office of the Bank between 10:00 a.m. and 05:00 p.m. on all working days of the Bank upto Saturday, May 9, 2020. As a consequence of the unprecedented challenges the world is facing due to the COVID-10 pandemic and given the lock-down restrictions imposed by the Government of India, this facility for inspection may not be available to the shareholders. Accordingly, the shareholders seeking any information with regard to the resolution may request by emailing to the Company Secretary at [cs@suryodaybank.com](mailto:cs@suryodaybank.com) or



[geeta.krishnan@suryodaybank.com](mailto:geeta.krishnan@suryodaybank.com) and the Bank will make best efforts to make it available to the member concerned.

7. Members desirous of exercising vote by using E-voting facility, please carefully follow the instructions given under the heading “**e-voting Instructions**” of this Postal Ballot Notice.
8. **Members voting through Form in Physical mode, are requested to carefully read the instructions printed on the Form sent herewith and return the Form duly completed along with assent (FOR) or dissent (AGAINST), so as to reach the Scrutiniser on or before 5:00 P.M on Monday, May 11, 2020. In view of the current situation of national lock-down and without any visibility on the continuation of the lock down restrictions, postage prepaid envelopes are not being sent along with this Form. Shareholders who wish to participate through physical Ballot Form may send the same to the Scrutiniser by email to [tushar@tusharshri.com](mailto:tushar@tusharshri.com) or alternatively to the Scrutiniser at the registered Office address of the Bank by post/ courier etc and the postal charges shall be re-imbursed to the member. Members are required to connect with the Bank to Mr. Govind Bhandari at 022-40435814 and/or [cs@suryodaybank.com](mailto:cs@suryodaybank.com) for re-imburement of such postal charges. Envelope containing postal ballot, if sent by courier at the expense of the members/shareholders, will also be accepted.**
9. Members can opt for only one mode of voting, i.e. either by physical ballot or e-voting. In case members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through physical postal ballot form will be treated as invalid. The votes should be cast either in favour or against by putting the tick (√) mark in the column provided for assent or dissent in the Postal Ballot Form. Assent/ Dissent received after 5:00 P.M on **Monday, May 11, 2020** would be treated as if reply from the Member(s) has not been received.
10. The Scrutinizer will submit his/her report after completion of the scrutiny of the postal ballots including e-voting and the result of the voting by postal ballot shall be declared along with the consolidated Scrutinizer’s report within 48 hours from the close of the Voting period and shall be placed on the website of the Bank [www.suryodaybank.com](http://www.suryodaybank.com) and on the website of Karvy at <https://evoting.karvy.com>.
11. Resolution passed by the members through Postal Ballot are deemed to have been passed as if the same have been passed at a General Meeting of the members.
12. Any query in relation to the resolutions proposed to be passed by Postal Ballot may be addressed to the Company Secretary, via email at [cs@suryodaybank.com](mailto:cs@suryodaybank.com) or [geeta.krishnan@suryodaybank.com](mailto:geeta.krishnan@suryodaybank.com) and in case of any queries / grievances relating to E-voting, members may contact Mr. Hanumantha Rao, Karvy Computershare Pvt. Ltd., Karvy Selenium, Tower B, Plot number 31 & 32, Financial District, Gachibowli, Nanakramguda, Hyderabad 500 032, or emailing to [ramchandra.v@karvy.com](mailto:ramchandra.v@karvy.com) or [suresh.lokirevu@karvy.com](mailto:suresh.lokirevu@karvy.com) or [hanumantha.patri@karvy.com](mailto:hanumantha.patri@karvy.com) Phone: 040-67162222, Extn. 1602/1603/1604. After receipt of the required information, please follow all the steps as mentioned below to cast the E-vote.
13. **Instructions for E-Voting:**  
The instructions for e-Voting are as under:
  - (i) Open your web browser during the voting period and navigate to 'https://evoting.karvy.com'



- (ii) Create the login credentials (i.e., user-id & password). However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote:

User – ID	For Members holding shares in Demat Form:- a) For NSDL :- 8 Character DP ID followed by 8 digit Client ID b) For CDSL :- 16 digits Beneficiary ID / Client ID For Members holding shares in Physical Form:- Event No. (EVENT) followed by Folio No. registered with the Company
Password	Your unique password is printed above / provided in the e-mail forwarding the electronic notice

- (iii) After entering these details appropriately, click on “LOGIN”.
- (iv) You will now reach Password Change Menu wherein they are required to mandatorily change their 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 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.
- (v) After changing password, you need to login again with the new credentials.
- (vi) On successful login, the system will prompt to select the “Event” i.e. Suryoday Small Finance Bank Limited.
- (vii) On the voting page, enter the number of shares (which represents number of votes) as on the cut-off date under “FOR/AGAINST/ABSTAIN” against the resolution or alternatively you may partially enter any number in “FOR”, partially in “AGAINST” and partially in “ABSTAIN” but the total number in “FOR/AGAINST/ABSTAIN” taken together should not exceed your total shareholding.
- (viii) You may then cast your vote by selecting an appropriate option and click on “Submit”. A confirmation box will be displayed. Click “OK” to confirm else “CANCEL” to modify your vote. During the voting period, Members can login any number of times till they have voted on the resolution.
- (ix) Corporate/Institutional Members (corporate /Fls /Flls/Trust/Mutual Funds/Companies, etc.) are additionally required to send scanned certified true copy (PDF Format) of the Board Resolution / Authority Letter etc. together with the attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail ID: [tushar@tusharshri.com](mailto:tushar@tusharshri.com) with a copy marked to [evoting@karvy.com](mailto:evoting@karvy.com). The scanned image of the abovementioned documents should be in the naming format “Corporate Name, Event No.”.
- (x) Your electronic voting (remote e-voting) particulars in the format set out below will be provided to you in the email giving the Notice of Postal Ballot:



<b>EVEN (E-voting Event Number)</b>	<b>USER ID</b>	<b>PASSWORD/ PIN</b>

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

Pursuant to Section 102 of the Companies Act, 2013 (the Act), the following statement sets out all the material facts relating to the Special Business mentioned in the accompanying Notice and should be taken as forming part of the said Notice.

**ITEM No. 1**

The Bank proposes to raise funds to support growth and to maintain comfortable Capital Adequacy Ratio (CAR) on a regular basis. Towards this objective, it is proposed to raise up to Rs. 62,14,05,200 (Rupees Sixty Two Crore Fourteen Lakh Five Thousand and Two Hundred only) by way of issue of Equity Shares (Tier 1 capital) on a private placement basis to the entities named as Subscribers in the draft resolution at Item no. 1 of the Notice.

The following disclosures are being made in accordance with Rule 14(1) of the Companies (Prospectus and Allotment of Securities) Rules, 2014:

**A) Particulars of the Offer:**

<b>i</b>	<b>Quantum of Issue</b>	Up to <b>23,90,020</b> (Twenty-three lakh Ninety Thousand and Twenty Only) fully paid equity shares of face value of Rs. 10 each, at a premium of Rs. 250 (Rupees Two Hundred Fifty) per share.
<b>ii</b>	<b>Objects of Issue</b>	To support growth and for maintaining comfortable Capital Adequacy.
<b>iii</b>	<b>Terms of the issue</b>	The Equity Shares allotted in terms of this resolution shall rank pari-passu with existing equity shares of the Bank in all respects.
<b>iv</b>	<b>Date of passing Board resolution</b>	April 9, 2020

**B) Kinds of security offered and the price:**

The issue consists of Equity Shares as follows:

- i) Up to Twenty-Three Lakh Ninety Thousand and Twenty Equity Shares of the Bank having a face value of Rs.10 (Rupees Ten only)



- ii) The aforesaid Equity shares are being issued at Rs. 260 (Rupees Two Hundred and Sixty) inclusive of premium of Rs.250 (Rupees Two Hundred and Fifty).

**C) Justification for the price (including premium):**

The price at which the shares are being issued i.e Rs 260 per share has been arrived at on the basis of the Valuation report obtained from M/s. Navigant Corporate Advisors Ltd. (Category 1 Merchant Banker).

**D) Name and address of valuer:** M/s. Navigant Corporate Advisors Ltd.  
423, A Wing, Bonanza, Sahar Plaza Complex,  
J.B. Nagar, Andheri- Kurla Road,  
Andheri(E), Mumbai 400 059.  
Email: [navigant@navigantcorp.com](mailto:navigant@navigantcorp.com)

**E) Amount which the Bank intends to raise:** up to Rs. 62,14,05,200

**F) Material Terms of issue:**

- i) Issue size: up to Rs. 62,14,05,200.
- ii) No. of Equity shares to be issued/ face value: up to 23,90,020 Equity Shares of face value of Rs. 10 each.
- iii) Price per share:Rs. 260/-(Rupees Two Hundred and Sixty only) inclusive of premium of Rs. 250 ( Rupees Two Hundred and Fifty) per equity share.
- iv) Proposed Time Schedule: The allotment of shares is scheduled to be completed on or before May 22, 2020.
- v) Contribution being made by Promoters: NIL
- vi) Contribution being made by Directors: NIL
- vii) Principle terms of assets charged as securities: Not applicable

**Additional disclosures as per Rule 13 of the Companies (Share Capital and Debentures) Rules, 2014**

- (a) **Relevant date with reference to which the price has been arrived at:** Audited financial statements as at March 31,2019.
- (b) **The class or classes of persons to whom the allotment is proposed to be made:** Existing Institutional Investors (Domestic and Foreign).
- (c) **The names of the proposed allottees and the percentage of post preferential offer capital that may be held by them:**

Sr. no.	Name of Allottee	Pre- Offer percentage of share capital held	Post -allotment percentage of share capital held
1	KIRAN VYAPAR LTD	1.34%	1.35%
2	LOK CAPITAL GROWTH FUND	3.07%	3.15%
3	KOTAK MAHINDRA LIFE INSURANCE COMPANY LTD.	0.64%	0.84%



4	GAJA TRUSTEE COMPANY PRIVATE LIMITED	0.24%	0.34%
5	GAJA CAPITAL FUND II LIMITED	4.47%	6.40%
6	TEACHERS INSURANCE AND ANNUITY ASSOCIATION OF AMERICA	3.91%	3.91%

(collectively known as “Proposed Subscribers”) which has been approved by the Board of Directors of the Bank at its meeting held on April 9 ,2020

(d) **The change in control, if any, in the Bank that would occur consequent to the preferential offer:** There will be no change in control in the Bank consequent to the Offer of shares.

(e) **The number of persons to whom allotment on preferential basis have already been made during the year, in terms of securities as well as price:**

45,00,000 Equity shares were allotted @ Rs. 140/- (Rupees One hundred and Forty only) on preferential basis to Mr. Baskar Babu Ramachandran, Key Promoter and Managing Director & CEO of the Bank in December 2019.

(f) **The pre issue and post issue shareholding pattern of the Bank in the following format:**

Sr.No.	Category	Pre-issue		Post issue	
		No. of shares	Shareholding percentage	No. of shares	Shareholding percentage
<b>A.</b>	<b>Promoters’ holding</b>				
1	Indian				
	Individual	2,64,09,732	30.50	2,64,09,732	29.68
	Bodies Corporate	-		-	
	Sub-Total	2,64,09,732	30.50	2,64,09,732	29.68
2	Foreign promoters	-		-	
	<b>Sub-Total (A)</b>	<b>2,64,09,732</b>	<b>30.50</b>	<b>2,64,09,732</b>	<b>29.68</b>
<b>B</b>	<b>Non-promoters’ holding</b>				
1	Institutional investors	3,82,51,512	44.17	3,87,82,178	43.58
2	Non-Institutional Investors	-		-	
	Private Corporate Bodies	1,80,91,710	20.89	1,99,51,064	22.42
	Directors and Relatives	-		-	
	Indian Public	36,76,677	4.25	36,76,677	4.13
	Others [including Non-resident Indians (NRI’s)]	1,64,500	0.19	1,64,500	0.19
	<b>Sub-Total (B)</b>	<b>6,01,84,399</b>	<b>69.50</b>	<b>6,25,74,419</b>	<b>70.32</b>
	<b>GRAND TOTAL</b>	<b>8,65,94,131</b>	<b>100.00</b>	<b>8,89,84,151</b>	<b>100.00</b>





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SURYODAY SMALL FINANCE BANK LIMITED

In terms of Sections 42, 62 and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 14 of Companies (Prospectus and Allotment of Securities) Rules, 2014, and Rule 13 of the Companies (Share Capital and Debenture) Rules, 2014 approval of the members by way of Special Resolution is required for issuing shares on private placement basis.

Accordingly, consent of the Members is being sought for issue of shares to the proposed Subscribers on private placement basis.

None of the Directors or Key Managerial Personnel or their relatives is concerned or interested in this resolution. The Investor Directors may be deemed to be interested to the extent of shares being offered to, and subscribed by, the entities they represent on the Board of the Bank.

Registered Office:  
1101, Sharda Terraces,  
Plot No. 65, Sector 11,  
CBD Belapur,  
Navi Mumbai 400614  
Date: April 9, 2020  
Place: Navi Mumbai

By Order of the Board of the Directors  
Of Suryoday Small Finance Bank Limited

Geeta Krishnan  
Company Secretary  
A6011