



SE/2023-24/66

November 9, 2023

<b>The BSE Limited</b> Phiroze Jeejeebhoy Towers Dalal Street, Fort Mumbai – 400 001 <b>Scrip Code:</b> 543942, 958095, 958226, 959644	<b>National Stock Exchange of India Limited</b> 5th Floor, Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra East, Mumbai – 400 051 <b>NSE symbol:</b> UTKARSHBNK
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Dear Sir/Madam,

**Sub: Intimation under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations) – Notice of Postal Ballot (Notice)**

Pursuant to the provisions of Regulation 30 and other applicable provisions, if any, of SEBI Listing Regulations, the Notice along with Explanatory Statement thereto, dated November 04, 2023 is being sent to the members of Utkarsh Small Finance Bank Limited (Bank) who have registered their e-mail addresses with the Bank's Registrar and Transfer Agent, KFin Technologies Limited ('KFINTECH') / Depositories Participants, and whose names appear in the Register of Members / List of Beneficial Owners as on the **cut-off date i.e., Friday, November 03, 2023**, for seeking approval from the Members of the Bank on following Special business through remote electronic voting ('remote e-voting') only, in compliance with the General Circulars issued by Ministry of Corporate Affairs, in this regard:-

S.No.	Description of Resolutions	Type of Resolution
1.	Ratification of "Utkarsh Small Finance Bank Limited (USFBL) - Employees Stock Option Plan 2020" read with "Utkarsh Small Finance Bank Limited Employees Stock Option Scheme 2020"	Special

The Bank has engaged the services of National Securities Depository Limited to provide the platform for facilitating the remote e-voting. The remote e-voting period commences on Friday, November 10, 2023 at 9:00 A.M. IST and ends on Saturday, December 09, 2023 at 5:00 P.M. IST. During this period, Members holding shares as on cut-off date, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter.

The results of the remote e-voting will be announced on or before Tuesday, December 12, 2023.

The Postal ballot Notice is also being made available on the website of the Bank at <https://www.utkarsh.bank/investors/>

Thanking You

For **Utkarsh Small Finance Bank Limited**

**Muthiah Ganapathy**  
Company Secretary & Compliance Officer



## Utkarsh Small Finance Bank

*Aapki Ummeed Ka Khaata*

### UTKARSH SMALL FINANCE BANK LIMITED

CIN: U65992UP2016PLC082804

*(The Bank is yet to receive approval from the Registrar of Companies for the change of CIN)*

Utkarsh Tower, NH - 31 (Airport Road), Sehmalpur, Kazi Sarai, Harhua,  
Varanasi, Uttar Pradesh, PIN – 221105

Tel No +91-542-6605555 | Website: [www.utkarsh.bank](http://www.utkarsh.bank) | Email:  
[shareholders@utkarsh.bank](mailto:shareholders@utkarsh.bank)

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### NOTICE OF POSTAL BALLOT

(Pursuant to Section 110 of the Companies Act, 2013 read with the Companies  
(Management & Administration) Rules, 2014)

**NOTICE** is hereby given pursuant to Section 108 and Section 110 of the Companies Act, 2013, as amended from time to time (hereinafter referred to as the "**Act**") read together with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014, (including any statutory modifications or re-enactments thereof for the time being in force), Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**"), Secretarial Standards on General Meeting ("**SS-2**") issued by the Institute of Company Secretaries of India and the relaxations and clarifications issued by Ministry of Corporate Affairs vide General Circular No. 14/2020 dated April 8, 2020 read with General Circular No. 17/2020 dated April 13, 2020, General Circular No.22/2020 dated June 15, 2020 and General Circular No. 33/2020 dated September 28, 2020, General Circular No. 39/2020 dated December 31, 2020, General Circular No. 10/2021 dated June 23, 2021, General Circular No. 20/2021 dated December 8, 2021, General Circular No. 3/2022 dated May 05, 2022, General Circular No. 11/2022 dated December 28, 2022 and General Circular No. 09/2023 dated September 25, 2023 ("**MCA Circulars**") and the Securities and Exchange Board of India Circular Nos. SEBI/HO/CFD/CMD1/CIR/ P/2020179 dated May 12, 2020 and SEBI/HO/CFD/ CMD2/CIR/P/ 2021 /11 dated January 15, 2021 ("**SEBI Circulars**") and other applicable laws and regulations, if any, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), read with the equity listing agreement executed with the stock exchanges on which the equity shares of the Bank are listed, for seeking approval of members of Utkarsh Small Finance Bank Limited ("**the Bank**") to the proposed resolution appended below through Postal Ballot by remote e-voting process only ("**remote e-voting**").

In accordance with the provisions of the MCA Circulars referred to above, the Bank is sending a Postal Ballot Notice (the "Notice") only by e-mail to all its Members whose email address is/are registered with the Bank / Depository / Depository Participant / Registrar and Transfer Agent ("**RTA**") as on Friday, November 03, 2023 ("cut-off date")

The remote e-voting period commences on Friday, November 10, 2023 at 9:00 A.M. IST and ends on Saturday, December 09, 2023 at 5:00 P.M. IST. During this period, Members holding shares either in physical form or in dematerialized form, as on cut-

off date, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter.

The Board of Directors of the Bank at their meeting held on November 04, 2023 had appointed CS Avinash Bagul (FCS No.5578, COP No.19862), Partner of M/s BNP & Associates, Company Secretaries, as the Scrutinizer for conducting the postal ballot through remote e-voting in a fair and transparent manner.

The Scrutinizer will submit his report to the Chairman or the Managing Director or the Company Secretary of the Bank after completion of scrutiny of the remote e-voting. The results shall be declared on or before Tuesday, December 12, 2023 and will be communicated to BSE Limited ("BSE"), National Stock Exchange of India Limited ("NSE") (together the "Stock Exchanges. The same will also be displayed on the website of the Bank and on the website of NSDL.

Members are requested to read the instructions in the Notes under the section "General information and instructions relating to remote e-voting" in this postal ballot notice to cast their vote electronically. Members are requested to cast their vote through the remote e-voting process not later than 05:00 p.m. IST on Saturday, December 09, 2023 to be eligible for being considered, failing which it will be strictly considered that no votes have been received. The last date for receipt of votes vide e-voting will be deemed to be the date of passing of the resolution, if passed by requisite majority.

The explanatory statement pursuant to Sections 102, and other applicable provisions, if any, of the Act pertaining to the aforesaid resolution setting out the material facts concerning the proposed resolution appended below, is annexed hereto for your consideration

**ITEM No. 1:**

**RATIFICATION OF "UTKARSH SMALL FINANCE BANK LIMITED (USFBL) - EMPLOYEES STOCK OPTION PLAN 2020" READ WITH "UTKARSH SMALL FINANCE BANK LIMITED EMPLOYEES STOCK OPTION SCHEME 2020"**

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

**"RESOLVED THAT** pursuant to the special resolution passed by the members at the Extraordinary General Meetings held on December 28, 2020 and on July 19, 2022 prior to initial public offering ("**IPO**") of equity shares by the Bank and the provisions of Section 62(1)(b) and other applicable provisions of the Companies Act, 2013 ("**the Act**") read with the Companies (Share Capital and Debentures) Rules, 2014, the Memorandum and Articles of Association of the Bank, the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("**SBEB Regulations**"), the provisions of Foreign Exchange Management Act, 1999 ("**FEMA**"), the rules and regulations framed thereunder and any rules, circulars, notifications, guidelines and regulations issued by the Reserve Bank of India ("**RBI**"), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**"), the provisions of any regulations/guidelines prescribed by the Securities and Exchange Board of India ("**SEBI**") and other applicable laws for the time being in force (including any amendment thereto or modification(s) or re-enactment(s) thereof from time to time) and subject to any applicable approval(s), consent(s), permission(s) and sanction(s) of any authority(ies) including condition(s) and modification(s) as may be prescribed or imposed by such authority(ies) while granting such approval(s), consent(s), permission(s) and sanction(s), and the acceptance of such condition(s) or modification(s) by the Board of Directors of the Bank (hereinafter referred to as the "**Board**" which term shall be deemed to include any Board Committee, including the Nomination & Remuneration Committee ("**NRC**"), which the Board has constituted to exercise its powers, including the powers, conferred by this resolution read with Regulation 5 of SEBI SBEB Regulations), "**Utkarsh Small Finance Bank Limited (USFBL) - Employees Stock Option Plan 2020**" ("**USFBL ESOP Plan 2020**"/"**the Plan**") read with "**Utkarsh Small Finance Bank Limited Employees Stock Option Scheme 2020**" ("**USFBL ESOP Scheme 2020**"/"**the Scheme**"), be and is hereby ratified within the meaning of Regulation 12 of SBEB Regulations and the consent of the Members be and is hereby accorded to the Board to create, offer, grant, issue, vest, allot such number of options which shall not exceed 6,07,41,778 (Six Crore Seven Lakh Forty One Thousand Seven Hundred and Seventy-Eight only) exercisable into Equity Shares not exceeding 6,07,41,778 (Six Crore Seven Lakh Forty One Thousand Seven Hundred and Seventy-Eight only) in one or more tranches, from time to time, to the permanent employees of the Bank, whether working in India-or out of India, present or future, as may be decided by the Board and permitted under the SBEB Regulations but does not include an employee who is a promoter or a person belonging to the promoter group ("**Eligible Employees**"), with each option giving a right, but not an obligation, to the Eligible Employees and that the grant of options, vesting and exercise thereof shall be in and on such terms and conditions, as may be determined by the Board in accordance with the provisions of the Plan and the Scheme, the accounting policies, SBEB Regulations and in due compliance with the applicable laws and regulations in force."

**“RESOLVED FURTHER THAT** the Equity Shares to be issued pursuant to the Scheme shall rank *pari passu* in all respects with the existing Equity Shares of the Bank.”

**“RESOLVED FURTHER THAT** in case of any corporate action(s) such as rights issues, bonus issues, stock splits, consolidation of shares, change in capital structure, merger, sale of division/undertaking or other re-organization, the outstanding options to be granted under the Scheme shall be suitably adjusted for the number of options as well as the exercise price, as applicable and that the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may deem fit in its absolute discretion and as permitted under applicable laws, so as to ensure that fair and equitable benefits under the Scheme are passed on to the Eligible Employees.”

**“RESOLVED FURTHER THAT** the Board be and is hereby authorized to make any modifications / changes revisions in the Plan or suspend / withdraw / revive the Plan as deem fit, from time to time, provided that the same is in conformity with the Companies Act 2013 and the rules made thereunder and SEBI SBEB Regulations, as amended, the Memorandum and Articles of Association of the Bank and any other applicable laws, rules and regulations thereunder and do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient or proper including taking all the necessary steps for listing of the equity shares allotted on the Stock Exchanges as per the terms and conditions of the listing agreement with the concerned Stock Exchanges, and to settle all questions, difficulties or doubts that may arise in relation to the implementation, administration and evolution of the Plan.”.

**By Order of the Board  
for Utkarsh Small Finance Bank Limited**

Sd/-

**Muthiah Ganapathy  
Company Secretary**

**November 04, 2023  
Mumbai**

**NOTES:**

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 and Rules related thereto, SEBI LODR Regulations and Secretarial Standard-2, setting out all material facts and reasons in respect of the items of Special Business set out in Item No. 1 of this Postal Ballot Notice is annexed herewith.
2. The Postal Ballot Notice is being sent to the Members of the Bank whose names appear on the Register of Members/List of Beneficial Owners as received from the Depositories National Securities Depository Limited ("NSDL")/Central Depository Services (India) Limited ("CDSL") as on the cut-off date.
3. The remote e-voting period commences on Friday, November 10, 2023 at 9:00 A.M. IST and ends on Saturday, December 09, 2023 at 5:00 P.M. IST. During this period, Members holding shares either in physical form or in dematerialized form, as on cut-off date, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter.
4. In line with the MCA Circulars, the Postal Ballot Notice is being sent only by electronic mode to those Members whose e-mail addresses are registered with the Bank/Depositories. Members may please note that the Postal Ballot Notice will also be available on the Bank's website at [www.utkarsh.bank/investors/websites](http://www.utkarsh.bank/investors/websites) of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and National Securities Depository Limited ("NSDL")
5. Members who have not registered their e-mail address are requested to register the same in respect of shares held in electronic form with the Depository through their Depository Participant(s).
6. The Bank has availed the services of NSDL for the purpose of providing e-voting facility to the Members. The detailed procedure with respect to remote e-voting is mentioned in this Notice.
7. In accordance with the provisions of the MCA Circulars, Members can vote only through the remote e-voting process. Physical copies of the Postal Ballot Notice and pre-paid business reply envelopes are not being sent to Members for this Postal Ballot. Members whose names appear on the Register of Members/List of Beneficial Owners as on cut-off date will be considered for the purpose of remote e-voting.
8. Resolution passed by the Members through postal ballot are deemed to have been passed as if they have been passed at a General Meeting of the Members.
9. The voting rights for Equity Shares are one vote per Equity Share, registered in the name of the Members. Voting rights shall be reckoned on the paid-up value of Equity Shares registered in the name of the Members as on cut-off date.
10. Only a person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the Cut-Off Date shall be entitled to avail the facility of remote e-voting. A person who is not a Members on the relevant date should treat this notice for information purpose only.

11. SEBI vide its Circular SEBI/HO/MIRSD/MIRSD-PoD1/P/CIR/2023/37 dated March 16, 2023 stated that all the listed companies shall intimate its securities holders holding in physical mode to comply with the requirements of registration/updation of valid PAN, KYC details and Nomination with them/their RTAs for the folios wherein the details are missing and are not registered. As per the Circular any request/complaint from the holder/claimant shall be entertained only after the folio is fully KYC compliant as per the Circular. Further the folios wherein any one of the document/details are not available on or after October 1, 2023, shall be frozen by the RTA. The forms for updating the aforesaid details are available on the RTA's website at <https://ris.kfintech.com/clientservices/isc/>
12. In compliance with Sections 108 and 110 of the Act and the rules made there under, the MCA Circulars and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Bank has provided the facility to the Members to exercise their votes electronically and vote on the resolution through the remote e-voting service facility arranged by NSDL. The instructions for remote e-voting are provided as part of this Postal Ballot Notice.
13. Members desiring to exercise their vote through the remote e-voting process are requested to also read the instructions in the Notes under the section "General information and instructions relating to remote e-voting" in this Postal Ballot Notice.
14. In case of joint holders, only such joint holder who is first in the order of names will be entitled to vote by remote e-voting, provided the votes are not already cast by the first holder.
15. The Scrutinizer will submit his report to the Chairman or the Managing Director or the Company Secretary of the Bank after the completion of scrutiny, and the result of the voting by postal ballot through remote e-voting process will be announced by the Chairman or the Managing Director or the Company Secretary of the Bank, on or before Tuesday, December 12, 2023 and will also be displayed on the website of the Bank [www.utkarsh.bank/investors/](http://www.utkarsh.bank/investors/), besides being communicated to the Stock Exchanges, Depositories and the Registrar and Share Transfer Agent.
16. The resolution, if passed by the requisite majority, shall be deemed to have been passed on Saturday, December 09, 2023 i.e., the last date specified for receipt of votes through the remote e-voting process.
17. All the material documents referred to in the explanatory statement will be available for inspection electronically until the last date for receipt of votes through the remote e-voting process. Members seeking to inspect such documents can send an email to [Shareholders@utkarsh.bank](mailto:Shareholders@utkarsh.bank). mentioning their name, folio no. / client ID and DP ID, and the documents they wish to inspect, with a self-attested copy of their PAN.
18. Members who have not registered their e-mail IDs are requested to register the same by following the process given below:
  - **For Physical Members** - Please provide necessary details like Folio No., Name of Members, scanned copy of the share certificate (front and back), PAN (self-

attested scanned copy of PAN card), Aadhar (self-attested scanned copy of Aadhar Card) by email to einward.ris@KFINTECH.com or by writing to the Bank's Registrar & and Share Transfer Agent, KFin Technologies Limited ("KFINTECH") at Selenium Building, Tower-B, Plot No 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddi, Telangana India - 50003.. In accordance with the provisions of the MCA Circulars, Members can vote only through the remote e-voting process.

- **For Demat Members** - Please update your email ID and Mobile number with your respective Depository Participant (DP). Please provide DPID-CLID (16-digit DPID+ CLID or 16 digit beneficiary ID), Name, Client Master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card) and Aadhar (self-attested scanned copy of Aadhar Card) to NSDL or CDSL. The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

19. **Transfer to Investor Education and Protection Fund (IEPF)**- Pursuant to Section 124 of the Act, the dividends / interests that are unclaimed for a period of seven years shall be transferred to the Investor Education and Protection Fund ("IEPF"). The information regarding the unclaimed dividends / interest already transferred, and due to be transferred, to IEPF Authority, is/shall be available on the website of the Bank. All the Debenture holders who have not claimed the interest for FY 2022-23 are requested to claim from the Bank.

**Step 1: Access to NSDL e-Voting system**

**A) Login method for e-Voting for Individual Members holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual Members holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Members are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual Members holding securities in demat mode is given below:

Type of Members	Login Method
Individual Members holding securities in demat mode with NSDL.	1. Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the " <b>Beneficial Owner</b> " icon under " <b>Login</b> " which is available under ' <b>IDeAS</b> ' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on " <b>Access to e-Voting</b> " under e-Voting services and you will be able to see e-Voting page. Click on Bank name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period.



	<ol style="list-style-type: none"> <li>2. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select <b>“Register Online for IDeAS Portal”</b> or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Members/Members’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on Bank name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</li> <li>4. Shareholders/Members can also download NSDL Mobile App <b>“NSDL Speede”</b> facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol>
Individual Members holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user your existing my easi username &amp; password.</li> <li>2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by Bank. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account.</li> </ol>

	<p>After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
<p>Individual Members (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on Bank name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk** for Individual Members holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Members holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at 022 - 4886 7000 and 022 - 2499 7000
Individual Members holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33

**B) Login Method for Members other than Individual Members holding securities in demat mode and Members holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Members/Members' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID  For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID  For example if your Beneficiary ID is 12***** then your user ID is 12*****

c) For Members holding shares in Physical Form.	<p>EVEN Number followed by Folio Number registered with the Bank</p> <p>For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***</p>
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5. Password details for Members other than Individual Members are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
  - (i) If your email ID is registered in your demat account or with the Bank, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those Members whose email ids are not registered**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

## **Step 2: Cast your vote electronically on NSDL e-Voting system.**

### **How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle.
2. Select "EVEN" of Bank for which you wish to cast your vote during the remote e-Voting period.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### **General Guidelines for Members**

1. Institutional Members (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to support@bnpassociates.in with a copy marked to evoting@nsdl.co.in and shareholders@utkarsh.bank. Institutional Members (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "**Upload Board Resolution / Authority Letter**" displayed under "**e-Voting**" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and e-voting user manual for Members available at the download section of www.evoting.nsdl.com or call on : 022 - 4886 7000 and 022 - 2499 7000 or send a request to Ms. Pallavi Mhatre – Senior Manager at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**Process for those Members whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolution set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of Members, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to [shareholders@utkarsh.bank](mailto:shareholders@utkarsh.bank)
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self -attested scanned copy of Aadhar Card) to [shareholders@utkarsh.bank](mailto:shareholders@utkarsh.bank). If you are an Individual Members holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting for Individual Members holding securities in demat mode.**
3. Alternatively Members/Individual Members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual Members holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Members are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

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

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The following Statement sets out all material facts relating to the Special Businesses mentioned in the Postal Ballot Notice:

**ITEM No. 1**

The members of the Bank at the Extraordinary General Meeting(s) held on December 28, 2020 had adopted the Utkarsh Small Finance Bank Limited (USFBL) - Employees Stock Option Plan 2020 (“**USFBL ESOP Plan 2020**”/“**the Plan**”) read with “Utkarsh Small Finance Bank Limited Employees Stock Option Scheme 2020 (“**USFBL ESOP Scheme 2020**”/“**the Scheme**”) and thereafter, on July 19, 2022 revised the Plan and the Scheme in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (“**SBEB Regulations**”).

As per Regulation 12(1) of the SBEB Regulations, no company shall make fresh grant which involves allotment or transfer of shares to its employees under any scheme formulated prior to its IPO and prior to the listing of the equity shares unless:

1. Such scheme is in conformity with the SBEB Regulations and
2. Such scheme is ratified by its members subsequent to the IPO:

Provided that the ratification may be done any time prior to grant of new options.

In accordance with the Guidelines for Licensing of Small Finance Banks in the Private Sector dated November 27, 2014 (“**SFB Guidelines**”), issued by the Reserve Bank of India (“**RBI**”) and the license issued to the Bank by the RBI pursuant to its letter bearing no. DBR.NBD.(SFB-UMFL) No. 5993/16.13.216/2016-17 dated November 25, 2016 (“**RBI Letter**”), the Bank had come out with the Initial Public Offer (IPO) and got its equity shares listed on July 21, 2023 on both the stock exchanges, i.e., BSE Limited and National Stock Exchange of India Limited (together the “**Stock Exchanges**”).

As the Plan and Scheme were in existence prior to the listing of equity shares on the Stock Exchanges, *i.e.*, July 21, 2023, members’ approval is being sought in accordance with Section 62(1)(b) of the Companies Act, 2013 read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 and Regulation 12 of the SBEB Regulations.

The Board of Directors recommends the Special Resolution(s) set out at Item No. 1 for the approval of the Members.

None of the Directors, Key Managerial Personnel or their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out in item no. 1, except to the extent of their shareholding in the Bank or the employee stock options that may be offered to them.

**Disclosures under Section 62 of the Act read with the Rules and SBEB Regulations:**

The salient features and other details of the Plan and the Scheme are:

Sr. No.	Particulars	Description
a.	Brief description of the scheme(s)	<p>The Bank has structured this Plan for the benefit of the Employees.</p> <p>The objectives of the Plan are as under:</p> <ul style="list-style-type: none"> <li>• Attract new talent</li> <li>• Reward Employees for extraordinary performance</li> <li>• Motivate and retain employees</li> <li>• Driving performance of the Employees and the Bank</li> <li>• Align Employee interests with Members' interest</li> <li>• Wealth creation for the Employee</li> </ul> <p>Options granted under the Notified Schemes (as defined in the Plan) under the Plan shall vest on satisfaction of vesting conditions which can thereafter be exercised resulting in allotment of equity shares of the Bank. The Nomination and Remuneration (“NRC”) shall administer the Plan. All questions of interpretation of the Plan shall be determined by the NRC and such determination shall be final, conclusive and binding</p>
b.	the total number of options, SARs, shares or benefits, as the case may be, to be offered and granted	6,07,41,778 (Six Crore Seven Lakh Forty-One Thousand Seven Hundred and Seventy-Eight only) options
c.	identification of classes of employees entitled to participate and be beneficiaries in the scheme(s)	Present and future, permanent employees of the Bank, who qualify for the issue of Options under the Scheme and who fulfil the conditions as may be decided by the NRC from time to time.
d.	requirements of vesting and period of vesting	<p>The Options shall Vest as per the below schedule:</p> <ol style="list-style-type: none"> <li>i. 25 % of total Options Granted to an Employee shall Vest at the expiry of one year from the Grant Date.</li> <li>ii. 25 % of total Options Granted to an Employee shall Vest at the expiry of two years from the Grant Date.</li> <li>iii. 25 % of total Options Granted to an Employee shall Vest at the expiry of three years from the GrantDate.</li> <li>iv. 25 % of total Options Granted to an Employee shall Vest at the expiry of</li> </ol>



		four years from the Grant
e.	maximum period (subject to regulation 18(1) and 24(1) of these regulations, as the case may be) within which the options / SARs / benefits shall be vested	Covered in point (d) above.
f.	exercise price, SAR price, purchase price or pricing formula	Each option issued by the Bank to the Eligible Employees, would be eligible for allotment of one Equity Share of the Bank on payment of the Exercise Price.  The Exercise Price shall be as determined by the Board/NRC from time to time and subject to such regulations as may be applicable from time to time (subject to conforming to the accounting policies specified in Regulation 15 of the SEBI Regulations). However, such Exercise Price in any case shall not be less than face value of the equity shares of the Bank
g.	exercise period/offer period and process of exercise/acceptance of offer	As detailed in the USFBL ESOP Plan 2020
h.	the appraisal process for determining the eligibility of employees for the scheme(s)	NRC shall be entitled to make the granting or vesting of any or all of the Options granted to an eligible employee conditional upon the fulfilment of such performance criteria whether of the employee and/or any team or group of which he is a part and/or of the Bank, as may be determined by the management from time to time or such other conditions as may be deemed fit by NRC.
i.	maximum number of options, SARs, shares, as the case may be, to be offered and issued per employee and in aggregate, if any	The maximum number of options to be granted to each employee will be decided by NRC based on the grade and annual rating of the employee.
j.	maximum quantum of benefits to be provided per employee under a scheme(s)	The maximum number of options to be granted to each employee will be decided by NRC based on the grade and annual rating of the employee.
k.	whether the scheme(s) is to be implemented and administered directly by the Bank or through a trust	The Schemes shall be administered by the Bank directly
l.	whether the scheme(s) involves new issue of shares by the Bank or secondary acquisition by the trust or both	The Plan involves new issue of equity shares
m.	the amount of loan to be provided for implementation of the scheme(s) by the Bank to the trust, its tenure, utilization, repayment terms, etc.	This is not applicable under the Plan and the Scheme.
n.	maximum percentage of secondary acquisition (subject to limits specified	This is not applicable under the Plan and the Scheme.

	under the regulations) that can be made by the trust for the purposes of the scheme(s)	
o.	a statement to the effect that the Bank shall conform to the accounting policies specified in regulation 15	The Bank shall value its option at fair value or such other method as permitted by the relevant Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India from time to time, including the disclosure requirements prescribed therein. [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.]
p.	the method which the Bank shall use to value its options or SARs	The Bank shall value its option as per Black Scholes model or such other method as permitted by accounting standards in force from time to time.
q.	the following statement, if applicable:  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';	As the Bank is adopting the fair value method the statement is not applicable.
r.	period of lock-in.	The Lock in period, if any, will be decided by Board/ NRC of the Bank from time to time in accordance with the applicable laws.
s.	Conditions under which options vested in employee(s) may lapse	As per the Scheme and the Plan.
t.	The specified time period within which the employee shall exercise the vested options in the event of a proposed termination of employment or resignation of employee	It is subject to the conditions mentioned in various clauses of the Scheme and the Plan.
u.	Terms & conditions for buyback, if any, of specified securities covered under these regulations.	The NRC has the powers to frame the procedure and other terms and conditions for buy-back of Options granted, if to be undertaken at any time by the Bank, in accordance with applicable laws.

**By Order of the Board  
For Utkarsh Small Finance Bank Limited**

**Sd/-**

**Muthiah Ganapathy  
Company Secretary**

**November 04, 2023  
Mumbai**