

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

Notice is hereby given that an Extra Ordinary General Meeting of Shareholders of ESAF Small Finance Bank Limited (the Bank) will be held on **Wednesday, February 16, 2022 at 11:00 AM** through Video Conferencing (VC)/ Other Audio-Visual Means (OAVM), to transact the following businesses. The Venue of the Meeting shall be deemed to be the Registered and Corporate Office of the Bank, Building No. VII/83/8, ESAF Bhavan, Thrissur-Palakkad National Highway, Mannuthy, Thrissur, PIN-680651, Kerala.

### **SPECIAL BUSINESS:**

**1. To borrow in excess of the paid-up share capital and free reserves and securities premium of the Bank under Section 180(1)(c) of the Companies Act, 2013**

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

**“RESOLVED THAT** in supersession of the earlier resolution passed by the Members at their Meeting held on December 13, 2016 and pursuant to the provisions of Sections 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the relevant provisions of Memorandum and Articles of Association of the Company, consent of the members of the Bank, be and is hereby accorded, to the Board of Directors of the Bank (herewith referred to as the Board which expression shall also include a Committee thereof), to borrow (apart from temporary loans obtained from the Bank’s bankers in the ordinary course of business), in excess of the paid-up share capital free reserves and securities premium account, including the monies already borrowed by the Bank upto a limit of outstanding aggregate value which shall not exceed Rs 5000,00,00,000/- (Rupees Five Thousand Crores Only) or the aggregate of the paid up capital and free reserves of the Bank, whichever is higher at any time.”

**“RESOLVED FURTHER THAT** the Board be and is hereby authorized and empowered to do all such acts, deeds, matters and things, arrange, give such directions as may be deemed necessary or expedient, or settle the terms and conditions of such instrument, securities, loan, debt instrument as the case may be, on which all such moneys as are borrowed, or to be borrowed, from time to time, as to interest, repayment, security or otherwise howsoever as it may think fit, and to execute all such documents, instruments and writings as may be required to give effect to this Resolution and for matters connected therewith or incidental thereto, including intimating the concerned authorities or other regulatory bodies and delegating all or any of the powers conferred herein to any Committee of Directors or Officers of the Bank.”

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

RBI License No.: MUM 124, CIN: U65990KL2016PLC045669

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

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

**2. To raise funds through Private Placement of Unsecured, Rated, Redeemable Non-Convertible Debentures (NCDs)**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 42, 71 and 179 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 18 of the Companies (Share Capital and Debenture) Rules 2014 and Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the relevant rules / regulations / guidelines, if any, prescribed by the Securities and Exchange Board of India (SEBI), the Reserve Bank of India (RBI) and/or any other regulatory authority, the relevant provisions of Memorandum and Articles of Association of the Bank and subject to the rules, regulations, guidelines and circulars issued thereunder from time to time by any Regulatory Authorities, the consent of members of the Bank be and is hereby accorded to the Board of Directors (herewith referred to as the Board which expression shall also include a Committee thereof) of the Bank, to offer, issue and allot, in one or more tranches, Unsecured, Rated, Redeemable Non-Convertible Debentures until the conclusion of the Sixth Annual General Meeting, on a private placement basis, for an amount not exceeding in aggregate Rs. 300,00,00,000/- (Rupees Three Hundred Crores Only) on such terms and conditions and at such times at par or at such premium/discount, as may be decided by the Board, to such person or persons, including but not limited to, one or more companies, bodies corporate(s), statutory corporations, commercial banks, lending agencies, financial institutions, insurance companies, mutual funds, pension/ provident funds and individuals, as the case may be or such other person/persons as the Board may decide so, for the purpose of meeting long term requirements of funds.”

**“RESOLVED FURTHER THAT** the Board of the Bank be and are hereby authorized to do all such acts, deeds and things to give effect to the above resolution including appointment of trustees, registrar and share transfer agents or such other intermediaries, fixing the terms and conditions for the issue of NCDs including but not limited to the price, coupon, premium, discount, tenor, etc, preparation and authentication of offer letters, issue and allotment of debentures, authorizing officers of the Bank or such other intermediaries in connection with the issue of NCDs or any other matter incidental or ancillary thereto.”

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

Place: Thrissur  
Date: January 25, 2022

**Sd/-  
Ranjith Raj P  
Company Secretary  
Membership No. A 30388**

## **NOTES**

- **A Member entitled to attend the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the Bank. The Proxy Form, to be effective shall be deposited at the Registered Office of the Bank 48 hours prior to the time fixed for the meeting. Proxy Form is enclosed herewith. (Members may note that proxy facility shall be entitled to only those members attending the meeting physically).**
- In view of the continuing restrictions on the movement of people at several places in the country, due to outbreak of COVID-19, the Ministry of Corporate Affairs (MCA), vide its General Circular No. 20/2020 dated 5th May, 2020 read with General Circular No. 14/2020 dated 8th April, 2020 and General Circular No. 17/2020 dated 13th April, 2020 and General Circular No. 02/2021 dated 13th January, 2021 and also vide General Circular No. 20/2021 dated 08<sup>th</sup> December, 2021 has allowed the Companies to conduct the Extra Ordinary General Meeting through Video Conferencing (VC) or Other Audio Visual Means (OAVM) till 30<sup>th</sup> June, 2022. In accordance with the provisions of the Companies Act, 2013 (the "Act") and the aforesaid MCA Circulars, the EGM of the Bank is being held through VC / OAVM.
- The venue for the meeting shall be deemed to be the Registered and Corporate Office of the Bank at Building No. VII/83/8, ESAF Bhavan, Thrissur-Palakkad National Highway, Mannuthy, Thrissur, Kerala, PIN – 680 651.
- Members may note that the Notice of the EGM will also be available on the Bank's website [www.esafbank.com](http://www.esafbank.com).
- A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Bank. A member holding more than 10 percentage of the total share capital of the Bank carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
- Every member entitled to vote at the meeting of the Bank or any resolution to be moved thereat, shall be entitled, during the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxies lodged, at any time during the business hours of the Bank, provided not less than 3 days' notice, in writing of the intention, so as to inspect, is given to the Bank.
- Explanatory statement pursuant to Section 102 of the Companies Act, 2013, is attached herewith.
- All documents referred to in the Notice and the Explanatory Statement, and requiring Members' approval, and such statutory records and registers, as are required to be kept open for inspection under the Companies Act, 2013, shall be available for inspection by the Members at the Registered and Corporate Office of the Bank during business hours and shall be accessible to the person attending the meeting. In accordance with the MCA Circulars, the said documents have been made accessible for inspection through electronic mode and shall remain open and be accessible to any member till conclusion of the meeting. Any member intending to inspect the documents

through electronic mode shall make a request by sending an e-mail to [ranjith.raj@esafbank.com](mailto:ranjith.raj@esafbank.com).

- Institutional/ Corporate shareholders (i.e. other than individuals/ HUF, NRI, etc.) shall send a scanned copy (pdf/ jpg format) of its Board or Governing Body's resolution/ authorization etc., authorizing their representative to attend and vote in the EGM on its behalf. The said resolution/ authorization shall be sent to the Company Secretary by email from their registered e-mail address to [ranjith.raj@esafbank.com](mailto:ranjith.raj@esafbank.com) with a copy marked to [secretarial@esafbank.com](mailto:secretarial@esafbank.com).
- Route Map of the venue of meeting as per Secretarial Standards-2 is annexed. The prominent landmark for the venue is College of Veterinary and Animal Sciences, Mannuthy.
- Members/ proxies should fill the attendance slip for attending the meeting and bring the attendance slips to the meeting.
- Members are requested to write their DP ID and Client ID No.(s) in their attendance slip for attending the meeting to facilitate identification of membership at the meeting.
- The members are requested to register their e-mail or new e-mail ID which has already been registered with the Depository Participant.
- Members may note that attendance of members through VC shall be counted for the purpose of reckoning quorum under Section 103 of the Companies Act, 2013.
- Members will be able to attend the Extra Ordinary General Meeting through VC provided by clicking on the link given below and entering the login credentials:
  - Video Conferencing Solution: CISCO Webex Meeting
  - Meeting Access Code: 2515 865 2227
  - Meeting Access Link:  
<https://esafbank.webex.com/esafbank/j.php?MTID=m229f3a124aa7c39815cc6eccc0ca548d>
- The facility of joining the EGM through VC will be opened 15 minutes before and will be open up to 15 minutes after the scheduled start time of the EGM, i.e., from 10:45 A.M. to 11:15 A.M.
- For ease of conduct, members who would like to ask questions/ express their views on the items of the businesses to be transacted at the meeting can send in their questions/ comments in advance by sending an email to [ranjith.raj@esafbank.com](mailto:ranjith.raj@esafbank.com) before 5:30 PM IST on February 15, 2022 mentioning their name, demat account no./ Folio no., e-mail Id, mobile number etc. The queries may be raised precisely and in brief to enable the Bank to answer the same suitably depending on the availability of time at the meeting. Please note that only questions of the members holding the shares as on cut-off date will be considered.
- During the meeting, where a poll on any item is required, the members participating through VC shall cast their vote on the resolutions only by sending e-mails from their registered e-mail id registered with the Bank to [ranjith.raj@esafbank.com](mailto:ranjith.raj@esafbank.com).
- Further, members will be required to use camera, if any, and hence required to use internet with a good speed to avoid any disturbance during the meeting.

- Members who need technical assistance before or during the Extra Ordinary General Meeting can contact the Bank at [secretarial@esafbank.com](mailto:secretarial@esafbank.com) or helpline – 0487-7123548.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013, ANNEXURE TO AND FORMING PART OF THE NOTICE DATED JANUARY 25, 2022**

**Item No. 1: To borrow in excess of the paid-up share capital and free reserves and securities premium of the Bank under Section 180(1)(c) of the Companies Act, 2013**

The Members had authorized the Board of Directors of the Bank ("Board", which term shall include any Committee thereof which the Board may have, constituted or may hereinafter constitute to exercise its powers, including powers conferred by this resolution) to borrow from time to time a sum not exceeding Rs. 3000,00,00,000/- (Rupees Three Thousand Crores Only), on such terms and conditions as it may deem fit under Section 180(1)(c) of the Companies Act, 2013 ("the Act") vide resolution passed on December 13, 2016.

Keeping in view the Bank's existing and future financial requirements, the Bank may need additional funds. For this purpose, the Bank is desirous of raising finance from Institutions/ persons as may be considered fit, which, together with the moneys already borrowed by the Bank (apart from temporary loans obtained from the Bank's bankers in ordinary course of business) may exceed the aggregate of the paid-up capital and the free reserves of the Bank. Hence it is proposed to increase the maximum borrowing limits upto Rs. 5000,00,00,000/- (Rupees Five Thousand Crores Only).

As per the provisions of Section 180(1)(c) of the Act, a company cannot borrow money, where the money to be borrowed, together with the money already borrowed by the company will exceed aggregate of its paid-up share capital, free reserves and securities premium, unless approval of the Members is obtained by way of a Special Resolution. In order to explore alternatives for capital adequacy requirements and in the light of the projected business requirements for FY 2022-23, it is proposed to enhance the borrowing powers of the Bank to Rs. 5000,00,00,000/- (Rupees Five Thousand Crores Only) or the aggregate of the paid up capital and free reserves of the Bank, whichever is higher at any time.

The Board recommends the Special Resolution set forth in Item No. 1 of the Notice for approval of the Members.

None of the Directors, Key Managerial Personnel and their relatives, if any, are concerned / interested, financially or otherwise, in the aforesaid resolution.

**Item No. 2: To raise funds through Private Placement of Unsecured, Rated, Redeemable Non-Convertible Debentures (NCDs)**

The Bank has been borrowing funds to meet the business requirements within the limits approved by the shareholders by way of issuance of debt securities (bonds) as permitted by Reserve Bank of India ("RBI") and in accordance with the provisions of Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, (currently, Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021) as amended, and other applicable laws, from time to time.

In terms of Section 42 of the Companies Act, 2013 read with Companies (Prospectus and Allotment of Securities) Rules, 2014, a Company can make private placement of securities subject to the condition that the proposed offer of securities or invitation to subscribe securities has been previously approved by the Members of the Company, by a special resolution, for each of the offers or invitations/subscriptions. In case of offer or invitation for subscription of non-convertible debentures, it shall be sufficient if the Members passes a special resolution only once in a year for all the offers or invitation for subscription of such debentures during the year.

Accordingly, the Board of Directors in its meeting dated January 13, 2022 after assessing its fund requirements, has proposed to obtain the consent of the Members of the Bank for borrowing/raising funds by issue of debt securities including but not limited to Additional Tier I bonds (AT1 bonds) and Tier II bonds, or other such debt securities as may be permitted by RBI from time to time towards the stated purpose, upto Rs.300,00,00,000/- (Rupees Three Hundred Crore only), in one or more tranches and within the limits permitted by regulatory authorities, to eligible investors on private placement basis, on such terms and conditions including the price, coupon, premium / discount, tenor etc., as the Board of Directors or any Committee(s) thereof or such other persons as may be authorized by the Board, from time to time, determine and consider proper and appropriate for the Bank. This would form part of the overall borrowing limits as may be approved by the Members under Section 180(1) of the Companies Act, 2013.

The Board recommends the Special Resolution set forth in Item No. 2 of the Notice for approval of the Members. As required under Rule 14(1) of the Companies (Prospects and Allotment of Securities) Rules, 2014, the material facts in connection with the aforesaid issue of NCDs are as follows:

a)	<b>Particulars of the offer including date of passing of Board resolution</b>	Unsecured, Rated, Redeemable Non-Convertible Debentures (NCDs) whether cumulative and/ or non-cumulative for an amount not exceeding in aggregate Rs. 300,00,00,000/- (Rupees Three Hundred Crore only) in one or more tranches on a private placement basis at such interest rates and on such terms and conditions as may be determined by the Board/Committee of
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		Directors/any person duly authorised by the Board. Date of passing Board Resolution: January 13, 2022
b)	<b>Kinds of securities offered and the price at which security is being offered</b>	Unsecured, Rated, Redeemable NCDs at premium, discount or at par, as may be determined by the Board/Committee of Directors/any person duly authorised by the Board.
c)	<b>Basis or justification for the price (including premium, if any) at which the offer or invitation is being made</b>	Since the issuance would be in one or more tranches, price will be determined by the Board/Committee of Directors/any person duly authorised by the Board in accordance with the prevailing market conditions at the time of issue.
d)	<b>Name and address of valuer who performed valuation</b>	Not applicable being issuance of NCDs.
e)	<b>Amount which the company intends to raise by way of such securities</b>	Rs. 300,00,00,000/- (Rupees Three Hundred Crores Only)
f)	<b>Material terms of raising such securities</b>	Since the issuance would be in one or more tranches, material terms will be determined by the Board/Committee of Directors/any person duly authorised by the Board, in accordance with the applicable provisions of the Companies Act, 2013 and the Rules framed thereunder and other applicable law for the time being in force.
g)	<b>Proposed time schedule</b>	Before conclusion of Sixth Annual General Meeting of the Bank.
h)	<b>Purposes or objects of offer</b>	For the purpose of onward lending, financing, refinancing the existing indebtedness of the Bank (payment of the interest and / or repayment / prepayment of principal of borrowings) / General Corporate Purposes. The Unsecured NCDs may be in the nature of Subordinated Debt and will be utilised in accordance with statutory and regulatory requirements including requirements of RBI.

i)	<b>Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of objects</b>	None
j)	<b>Principle terms of assets charged as securities</b>	The securities proposed to be issued are Unsecured in nature.

None of the Directors, Key Managerial Personnel and their relatives, if any, are concerned / interested, financially or otherwise, in the aforesaid resolution.



## Route Map to the venue



Land Mark: College of Veterinary & Animal Sciences, Mannuthy

**ATTENDANCE SLIP**

CIN : **U65990KL2016PLC045669**

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

Registered Office Address : Building No.VII/83/8, ESAF Bhavan, Thrissur – Palakkad National Highway, Mannuthy, Thrissur, Kerala, PIN - 680651

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

I being the registered Shareholder/ Proxy for the registered shareholder of the Bank hereby record my presence at the Extra Ordinary General Meeting of the Bank held on Wednesday, February 16, 2022, at the Registered and Corporate Office of the Bank at Building No.VII/83/8, ESAF Bhavan, Thrissur – Palakkad National Highway, Mannuthy, Thrissur, Kerala, PIN – 680651 at 11:00 A.M. and at any adjournment(s) thereof.

Signature of Shareholder/Proxy

**Form MGT – 11**

**PROXY FORM**

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

CIN : **U65990KL2016PLC045669**  
Name of the Company : **ESAF Small Finance Bank Limited**  
Registered Office Address : **Building No.VII/83/8, ESAF Bhavan, Thrissur – Palakkad National Highway, Mannuthy, Thrissur, Kerala, PIN - 680651**

Name of the member (s):

Registered address:

E-mail Id:

Folio No:

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

1. Name:  
Address:  
E-mail Id:  
Signature: , or failing him

2. Name: .....  
Address:  
E-mail Id:  
Signature: , or failing him

3. Name:  
Address:  
E-mail Id:  
Signature:

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Extra Ordinary General Meeting of the Bank, to be held on **Wednesday, February, 2022** at the Registered and Corporate Office of the Bank at Building No.VII/83/8, ESAF Bhavan, Thrissur – Palakkad National Highway, Mannuthy, Thrissur, Kerala, PIN – 680651 at **11:00 AM** and at any adjournment thereof in respect of such resolutions as are indicated below:

- 1.
- 2.

Affix  
Revenue  
Stamp

3.

4.

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

Signature of Shareholder: .....

Signature of Proxy holder(s)

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