

NOTICE TO THE 14TH ANNUAL GENERAL MEETING

Notice is hereby given that the **14th Annual General Meeting (AGM)** of the members of **Ujjivan Financial Services Limited** ('the Company') will be held on **Wednesday, June 27, 2018** at **02:30 PM** at Annex II, No. 23-26, Grape Garden, No. 17th H Main, 6th Block, Koramangala, Bangalore – 560095, Karnataka, India to transact the following business:

Ordinary Business:

Item No. 1 - Adoption of Financial Statements

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution

“RESOLVED THAT the Standalone and the Consolidated Audited Balance Sheet, Profit and Loss Account and the Cash Flow Statement for the Financial Year ended March 31, 2018 together with the Director's Report and Independent Auditor's Report thereon as circulated to the members and laid before the meeting be and are hereby received, considered, approved and adopted.”

Item No. 2 - Declaration of Dividend

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution

“RESOLVED THAT the dividend of 5% i.e. Rs. 0.50 per equity share as recommended by the Board of Directors of the Company at their meeting held on May 10, 2018, be and is hereby approved and declared for the year ended March 31, 2018.”

Item No. 3 – To appoint a director in place of Mr. Jayanta Basu (DIN: 01268046), who retires by rotation and being eligible, offers himself for re-appointment

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution

“RESOLVED THAT Mr. Jayanta Basu (DIN: 01268046), who retire by rotation and being eligible offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company liable to retire by rotation.”

Special Business:

Item No. 4 - To approve the appointment of Mr. Ittira Davis (DIN: 06442816) as the Managing Director and Chief Executive Officer of the Company for a period of 3 years w.e.f. July 01, 2018 subject to the approval of the Reserve Bank of India

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

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and Rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), the relevant provisions of the Articles of Association of the Company and all applicable guidelines issued by the Central Government from time to time and subject to the approval of the Reserve Bank of India and such other approvals, as may be necessary, consent of the Members be and is hereby accorded to the appointment of Mr. Ittira Davis (**DIN: 06442816**) as the Managing Director and Chief Executive Officer of the Company for a period of three years w.e.f. July 01, 2018 and upon the following terms and conditions mentioned in Point A to C below which includes remuneration, and with further liberty to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee constituted / to be constituted by the Board) to alter the said terms and conditions of appointment and remuneration of Mr. Ittira Davis from time to time in the best interests and in accordance with the policy of the Company and as may be permissible at law:

A. Period:

The period of appointment is 3 (three years) w.e.f. July 01, 2018 i.e. till June 30, 2021 with the liberty to either party to terminate the appointment on three months' notice in writing to the other.

B. Details of Fixed Remuneration, benefits and other terms & conditions

Sr. No.	Remuneration per annum	(Amount in Rs.)
(1)	Basic	36,00,000
(2)	Dearness Allowance	-
(3)	House Rent Allowance	14,40,000
(4)	Variable Allowance	30,87,600
(5)	Vehicle Maintenance	39,600

Sr. No.	Remuneration per annum	(Amount in Rs.)
(6)	Leave Travel Allowance	3,60,000
(7)	Food Coupon	28,800
(8)	Telephone Allowance	12,000
(9)	Provident Fund	4,32,000
	Gross Salary	90,00,000

Other benefits:

1. Gratuity as per the Payment of Gratuity Act, 1972
2. Personal Accident Insurance as per the policy of the Company
3. Term Life Insurance, medical and health related benefits and Insurance as per the policy of the Company
4. Leave and encashment of leave as per the policy of the Company

Other terms and conditions

1. For the purposes of Gratuity, Provident Fund, Performance Bonus, Leave balance and encashment, Superannuation and other like benefits, if any, the present service of Mr. Ittira Davis, as the Chief Operating Officer of Ujjivan Small Finance Bank Limited will be considered as a continuous service with the Company from the date of his appointment in the Company as the Managing Director and Chief Executive Officer.
2. Annual remuneration review is effective April 01 each year, as per the policy of the Company; The Nomination and Remuneration Committee of the Board will review and recommend the remuneration payable to the Managing Director during the tenure of his appointment.
3. The aggregate of the fixed remuneration and perquisites as aforesaid in any financial year during his tenure shall not exceed Rs. 1,50,00,000 per annum and shall be within the limit as prescribed under Section 197, Section 198 and other applicable provisions of the Act and Rules made thereunder, read with Schedule V of the said Act or any statutory modification(s) or re-enactment thereof for the time being in force.
4. When in any financial year, the Company has no profits or its profits are inadequate, the remuneration including the perquisites as aforesaid will be paid to Mr. Ittira Davis in accordance with the applicable provisions of Schedule V of the Act, and subject to the approval of the Central Government, if required.
5. Mr. Ittira Davis shall not be subject to retirement by rotation during his tenure as the Managing Director and Chief Executive Officer of the Company.
6. Mr. Ittira Davis shall not be paid any fees for attending the meetings of the Board or any Committee(s) thereof of the Company.

C. Variable Payment & Incentive:

Mr. Ittira Davis will be eligible for the performance related variable bonus as and when recommended by the Nomination Committee / Board in line with the performance of the employee and the Company subject to a maximum ceiling of Rs. 1,000,000 per annum. He will also be eligible for the grant of Employee Stock Options as may be decided by the Board.

Any other allowances, benefits and perquisites as per the Rules applicable to the Senior Executives of the Company and / or which may become applicable in the future and / or any other allowance, perquisites as the Board may from time to time decide.

“RESOLVED FURTHER THAT the Board be and is hereby authorised to revise the remuneration payable to Mr. Ittira Davis during his tenure as MD & CEO of the Company from time to time, subject however to the maximum fixed remuneration of Rs. 1,50,00,000 per annum and maximum variable payment of Rs. 1,000,000 per annum subject to the overall compliance of the ceiling as prescribed under Section 197 of the Companies Act, 2013 to be read with Schedule V of the Act and rules made thereunder.”

“RESOLVED FURTHER THAT in the event of absence or inadequacy of net profits of the Company in any financial year, the payment of remuneration to Mr. Ittira Davis shall be governed by Section II of Part II of Schedule V of the Act and rules made thereunder, as amended from time to time.”

Item No. 5 – Cancellation of Options which are lapsed and valid under existing ESOP Schemes 2006, 2007, 2008, 2010 and 2015 and approval for adding back the cancelled options to the ESOP 2015 Pool

To consider and if thought fit, to assent or dissent, to the following resolution(s) to be passed as a Special Resolution:

“RESOLVED THAT pursuant to the applicable provisions of the Companies Act 2013 (including any statutory modification or enactment thereof), read with the rules made thereunder, and subject to the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (“SEBI ESOP Regulations”), including the relevant circulars and modifications, if any issued by Securities and Exchange Board of India (“SEBI”) from time to time and the Memorandum and Articles of Association of the Company, and subject to

such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, approval of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee which the Board has constituted to exercise its powers, including the powers, conferred by this resolution) to cancel 14,74,099 (Fourteen lacs seventy four thousands ninety nine) Options representing the number of Options which has lapsed under ESOP 2006 (600 options), ESOP 2007 (16,480 options), ESOP 2008 (80,970 options), ESOP 2010 (9,20,661 options) and ESOP 2015 (4,55,388 options) as on March 31, 2018 and to include the said 14,74,099 lapsed options in the ESOP 2015 pool and thereafter create, offer, and grant equal number of 14,74,099 options at any time to employees of the Company as defined under the ESOP Scheme 2015 and as determined by the Board, but excluding the Independent Directors of the Company and which shall be available under the Ujjivan Employee Stock Option Plan 2015 ("ESOP 2015") in addition to the already approved pool under ESOP 2015 which has a balance of 23,94,538 (twenty three lacs ninety four thousands five hundred and thirty eight) Options already approved thereunder and not yet granted and available for being granted to eligible employees of the Company including the present and future employees of its present and future subsidiaries under ESOP 2015, with each Option giving the right but not obligation to the holder, to subscribe to, one fully paid Equity Share of Rs. 10/- (ten) each, of the Company, at an exercise price which shall be equivalent to the prevailing market price of the equity shares of the Company 1 (one) day prior to the date of grant, in one or more tranches and on such terms and conditions as may be determined and approved by the Board, from time to time, pursuant to the terms of ESOP 2015."

"RESOLVED FURTHER THAT the Board including the Governance, Nomination and Remuneration of the Board, be and is hereby authorized to do all such acts, deeds, and things, as may, at its absolute discretion, deems necessary, or being incidental for the effective implementation of this resolution and the ESOP Plans including any filings or submissions with any other authority or agency in the above connection and to settle all such questions or difficulties whatsoever which may arise and take all such steps and decisions in this regard."

"RESOLVED FURTHER THAT the Managing Director and the Company Secretary of the Company be and are hereby authorized severally to do all such acts and deeds as are required for regulatory & legal compliance including filing of any relevant forms with the Registrar of Companies for giving effect to the above resolutions and to initiate all necessary actions for and to settle all such questions, difficulties or doubts whatsoever that may arise and take all such steps and decisions in this regard."

Item No. 6 - Grant of Stock Options to the Employees (present and future) of the wholly owned subsidiary 'Ujjivan Small Finance Bank Limited' under ESOP Scheme 2015

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

"RESOLVED THAT pursuant to the applicable provisions of the Companies Act 2013 (including any statutory modification or enactment thereof), read with the rules made thereunder, and subject to the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("SEBI ESOP Regulations"), including the relevant circulars and modifications, if any issued by Securities and Exchange Board of India ("SEBI") from time to time and the Memorandum and Articles of Association of the Company, and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, approval of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee which the Board has constituted to exercise its powers, including the powers, conferred by this resolution) to grant stock options, in one or more tranches, not exceeding the approved, outstanding ESOP 2015 pool comprising of 38,68,637 (thirty eight lacs sixty eight thousands six hundred thirty seven) options (which includes un-granted ESOP 2015 pool of 23,94,538 and 4,55,388 lapsed options under ESOP 2015 and 10,18,711 options lapsed under ESOP 2006, ESOP 2007, ESOP 2008 and ESOP 2010, as cancelled and approved to be added to ESOP 2015 pool vide item no. 5 of the notice of even dated) to eligible employees of the Company including the employees (present and future) of the subsidiary 'Ujjivan Small Finance Bank Limited' and any other future subsidiary under ESOP 2015, in accordance with the existing ESOP Scheme 2015, at an exercise price which shall be equivalent to the prevailing market price of the equity shares of the Company one day prior to the date of grant and on such terms and conditions as may be decided and approved by the Board, from time to time."

"RESOLVED FURTHER THAT the Board, be and is hereby authorized to include the future lapsed / cancelled options under its ESOP 2010 and ESOP 2015 back to the pool of ESOP 2015 periodically without being required to seek any further consent or approval of the members and that the Board is hereby authorized to grant such added back options to its employees (which includes the employees of its subsidiary) and do all such acts, deeds, and things, as may, at its absolute discretion, deems necessary, or being incidental for the effective implementation of this resolution and the ESOP Plans including any filings or submissions with any other authority or agency in the above connection and to settle all such questions or difficulties whatsoever which may arise and take all such steps and decisions in this regard."

“RESOLVED FURTHER THAT the Board including its authorised Committee, be and is hereby authorized to issue and allot Equity Shares upon exercise of options from time to time in accordance with the Employee Stock Option Plan and such Equity Shares shall rank pari passu in all respects with the then existing Equity Shares.”

By Order of the Board of Directors



Sanjeev Barnwal

Company Secretary and Compliance Officer

Membership No.: A19180

Place: Bangalore

Date: May 10, 2018

Notes:

1. A Member entitled to attend and vote at the Annual General Meeting (AGM or the Meeting) is entitled to appoint a proxy to attend and vote on a poll, instead of himself/ herself and the proxy need not be a Member of the Company. A person can act as proxy on behalf of Members upto and not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company. Further, a Member holding more than ten percent of the total share capital of the Company carrying voting rights, may appoint a single person as proxy and such person shall not act as proxy for any other person or Member. The instrument appointing proxy should, however, be deposited at the Registered Office of the Company not later than forty-eight hours before the commencement of the Meeting.
2. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business to be transacted at the Meeting is annexed hereto.
3. Members/Proxies should fill the Attendance Slip for attending the Meeting and bring their Attendance Slips along with their copy of the Annual Report to the Meeting.
4. In case of Joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. Members who hold shares in dematerialized form are requested to write their DP ID and Client ID number(s) and those who hold share(s) in physical form are requested to write their Folio Number(s) in the attendance slip for attending the Meeting to facilitate identification of membership at the Meeting.
6. Corporate Members are requested to send a duly certified copy of the board resolution authorizing their representative(s) to attend and vote on their behalf at the Meeting.
7. The register of members and share transfer books of the Company would remain closed from **Thursday, June 21, 2018 to Wednesday, June 27, 2018** (both days inclusive).
8. **Dividend on equity shares as recommended by the Board of Directors for the year ended March 31, 2018, if approved at the Meeting, will be payable to those Members who hold shares:**
 - (a) In dematerialized mode, based on the beneficial ownership details to be received from National Securities Depository Limited and Central Depository Services (India) Limited as at the close of business hours on **Wednesday, June 20, 2018**.
 - (b) In physical mode, if their names appear in the Company's Register of Members after giving effect to all valid transfers in physical form lodged with the Company and / or its Registrar and Transfer Agents on or before **Wednesday, June 20, 2018**.
9. Members wishing to claim unclaimed dividends are requested to correspond with the Company Secretary of the Company, at the Company's registered office. Members are requested to note that dividends which are not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will, as per the provisions of Section 205A of the Companies Act, 1956 (Section 124 of the Companies Act, 2013), be transferred to the Investor Education and Protection Fund.
10. 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 Companies Act, 2013. Members desiring to avail of this facility may send their nomination in the prescribed Form No. SH-13 duly filled, to Karvy Computershare Private Limited ("**Karvy**"), Registrar and Transfer Agent (**R&T**) of the Company. Members holding shares in electronic form may contact their respective Depository Participants for availing this facility.
11. Brief profile and other required information about the Directors proposed to be re-appointed, as required under Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached to this Notice.
12. Relevant documents referred to in the accompanying Notice are open for inspection by the Members at the Registered Office of the Company on all working days between **10.00 A.M.** and **12.00 noon** up to the date of the Meeting. This notice and the Annual Report will also be available on the Company's website <https://www.ujjivan.com/annualreports.html> for download.

13. The Members, desiring any information relating to the accounts, are requested to write to the Company at an early date, so as to enable the management to keep the information ready.
14. Pursuant to sections 101 and 136 of the Companies Act, 2013 read with the Rules framed thereunder, the Annual Report for FY 2017-18 and this Notice, *inter alia* indicating the process and manner of Remote e-voting along with attendance slip and proxy form are being sent by e-mail to those Members whose e-mail addresses have been made available to the Company / Depository Participants unless the Member has requested for a hard copy of the same. For Members who have not registered their e-mail addresses, physical copies of the Annual Report for FY 2017-18 and this Notice *inter-alia* indicating the process and manner of Remote e-voting along with attendance slip and proxy form, will be sent to them in the permitted mode.

In support of the Green Initiative, the Company hereby request Members who have not updated their email IDs to update the same with their respective Depository Participant(s) or the Karvy for receiving communications from the Company electronically. Further, Members holding shares in electronic mode are requested to direct change of address notifications and updates of savings bank account details to their respective Depository Participant(s). Members holding shares in physical mode are also requested to update their email addresses by writing to the R & T of the Company quoting their folio number(s).

15. The Company will use electronic mode of payment for making cash payment to the investors. In the cases of shareholder/s, where it is not possible to effect electronic payment, the dividend warrant instruments would be issued to them. Shareholders who are holding shares in Electronic Form are requested to contact their respective Depository Participants (DP) only for updating their bank details. They are also advised to seek 'Client Master Advice' from their respective DP to ensure that correct updation has been carried out in their record. It may be noted that the bank details data provided by the Depositories is solely used by the Company to effect the payment of dividend. Hence, it is utmost necessary for shareholders to ensure that the correct bank details are updated with DPs.
16. For registration of transfer of physical securities, the transferee(s) as well as transferor(s) shall furnish copy of PAN card to the Company for registration of such transfer of securities.
17. In terms of Sections 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 as amended, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing the e-voting facility to its Members holding shares in physical or dematerialized form, as on the cut-off date, being **Wednesday, June 20, 2018**, to exercise their right to vote through electronic means from a place other than the venue of the Meeting on any or all of the businesses specified in the accompanying Notice (the "Remote e-voting"). The Remote e-voting commences on, **Friday, June 22, 2018 (10:00 A.M.)** and ends on **Tuesday, June 26, 2018 (5:00 P.M.)**. Detail of the process and manner of Remote e-voting along with the User ID and Password is being sent to all the Members along with this Notice.
18. In terms of the Companies (Management and Administration) Rules, 2014 with respect to the Voting through electronic means, the facility for voting through electronic voting system ('Insta Poll') shall be made available at the AGM. The Members attending the meeting should note that those who are entitled to vote but have not exercised their right to vote through Remote e-voting, may vote at the AGM through 'Insta Poll' for all businesses specified in the accompanying Notice. The Members who have exercised their right to vote through Remote e-voting may attend the AGM but shall not vote at the AGM. The voting rights of the Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date being **Wednesday, June 20, 2018**.
19. The Company has engaged the services of Karvy Computershare Private Limited as the Agency to provide Remote e-voting facility.
20. The Board of Directors has appointed Mr. S. Kannan of M/s. S Kannan And Associates, bearing Firm No. S2017KR473100 (FCS 6261, holding CP No. 13016), as Scrutinizer to scrutinize the voting through Remote e-voting and voting process at AGM in a fair and transparent manner.
21. The Results on above resolutions shall be declared not later than 48 hours from the conclusion of the AGM of the Company and 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.
22. The Results of voting declared along with Scrutinizer's Report(s) will be published on the website of the Company (www.ujjivan.com) and on Service Provider's website (<https://evoting.karvy.com>) within 48 hours from the conclusion of the AGM and the same shall also be simultaneously communicated to the BSE Limited and the National Stock Exchange of India Limited.
23. The route map of the venue of the Meeting is given in the Notice.
24. Detail of the process and manner of Remote e-voting along with the User ID and Password is being sent to all the Members along with this Notice. In case of any queries / grievances relating to voting by electronic means, the Members / Beneficial owners or in case any person, acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. June 20, 2018 may obtain the login ID and password by sending a request to Mr. Mohd Mohsin Uddin, Senior Manager, Karvy Computershare Pvt. Ltd., Karvy Selenium, Tower B, Plot number 31 & 32, Financial District, Gachibowli, Hyderabad 500 032, mohsin.mohd@karvy.com, Phone: +91 040 6716 1562 toll-free number 1-800-34-54-001.

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

In respect of Resolutions set out at Item No. 4

The Board consequent to the resignation of Ms. Sudha Suresh from her position of Managing Director and Chief Executive Officer from June 30, 2018, and based on the recommendation of the Nomination and Remuneration Committee has appointed Mr. Ittira Davis (DIN: 06442816) as the Managing Director and Chief Executive Officer on the Board of the Company with effect from July 01, 2018 subject to the approval of the Reserve Bank of India and the Members of the Company.

Mr. Ittira Davis is currently the Chief Operating Officer of Ujjivan Small Finance Bank Limited (the wholly owned subsidiary of the Company). He is an international banker with over 36 years of Corporate and Investment banking experience having worked extensively in the Middle East and Europe. He was with the Europe Arab Bank from July 2008 to October 2012 initially as the Managing Director – Corporate and Institutional banking and then as an Executive Director of the Europe Arab Bank. He has previously worked with Citi bank in India and the Arab Bank Group in the Middle East and Europe. Mr. Ittira Davis is a graduate from the Indian Institute of Management, Ahmedabad (1976).

Mr. Ittira Davis will resign from his current post in Ujjivan Small Finance Bank Limited from the date of his appointment as the MD & CEO of the Company.

The remuneration and other terms and conditions of the appointment of Mr. Ittira Davis as Managing Director and Chief Executive Officer as set out in the resolution are subject to your approval.

In terms of the provisions of the ESOP Scheme 2015, Mr. Ittira Davis holds 15,540 stock options in the Company which were granted to him when he was in employment with the Company and designated as the Head-Transition prior to his transfer to Ujjivan Small Finance Bank Limited on February 01, 2017. Further, he holds 50,000 shares of the Company jointly with his wife Ms. Anna Ittira Davis.

Other details required to be disclosed in terms of regulation 36 of SEBI Listing Regulations and the provisions of Secretarial Standard on General Meetings form part of this Notice.

Accordingly, the Board recommends the resolution set forth in item no. 4, for the approval by the members of the Company.

None of the Directors, Key Managerial Personnel and their relatives other than Mr. Ittira Davis and his relatives are, in any way, concerned or interested in the said resolutions.

In respect of Resolutions set out at Item No. 5 and 6

The Company appreciates the role of its employees (including the employees of the subsidiary 'Ujjivan Small Finance Bank Limited' play in the organizational growth. It strongly feels that the value created by its people should be shared by them.

As per the SEBI ESOP Regulations, approval of member(s) by way of a separate Special Resolution is required to be obtained by the Company, if the benefits of the ESOP 2015 are to be extended to the employees of the subsidiary Company. The special resolution as set out under item no. 5 and 6 proposes to cover the employees of the subsidiary of the Company (present and future) under ESOP 2015.

At the extra-ordinary general meeting of the Company held on November 03, 2015, the Company has approved the ESOP Scheme 2015 and a total ESOP pool of 55,61,188 options to be granted to the eligible employees as defined under the ESOP Scheme 2015. However, the Company has not passed a separate special resolution for extending the grant of options to its subsidiary, hence the requirement to pass a separate special resolution for extending the benefit to the employees of the subsidiary.

Further, the options which has lapsed or forfeited under various ESOP Schemes 2006, 2007, 2008, 2010 and 2015 and which are available to be re-granted can be added back to the ESOP pool under **Ujjivan Employee Stock Option Plan 2015 "ESOP 2015"** with same number, with the approval of the Board (which includes its authorized Committee) to reward and retain the employees (both present and future) of both the Company as well as its subsidiary.

The approval of the members is desired to approve the cancellation and adding back the lapsed and valid options under various ESOP Schemes to the ESOP pool of 2015 to enable the Board to grant outstanding un-granted options including the lapsed and added back options to the employees (present and future) of the wholly owned subsidiary 'Ujjivan Small Finance Bank Limited' or any future subsidiary under ESOP Scheme 2015 and further implementation of the ESOP 2015.

1. Brief Description of the Scheme

At the extra-ordinary general meeting of the Company held on November 03, 2015, the Company has approved the ESOP Scheme 2015 and a ESOP pool of total 55,61,188 options was approved by the Company to be granted to the eligible employees as defined under the ESOP Scheme 2015. The Company views employee stock options as instruments that would enable the employees to share the value they would create and contribute to the Company in the years to come. Options granted under the Scheme shall vest on satisfaction of vesting conditions which can thereafter be exercised resulting in allotment of equity shares of the Company. The Governance, Nomination and Remuneration ("Committee") of the Board shall administer the ESOP 2015. All questions of interpretation of the ESOP 2015 shall be determined by the Committee and such determination shall be final, conclusive and binding.

2. Total number of options to be granted:

To grant 38,68,637 (thirty eight lacs sixty eight thousands six hundred thirty seven) options (which includes un-granted ESOP 2015 pool of 23,94,538 and 4,55,388 lapsed options under ESOP 2015 and 10,18,711 options lapsed under ESOP 2006, ESOP 2007, ESOP 2008 and ESOP 2010 to eligible employees of the Company including the present and future employees of the present and future subsidiary under ESOP 2015. Each Option when exercised would be converted into one equity share of Rs. 10/- each fully paid-up.

Options which are vested and have lapsed due to non-exercise or unvested options that get cancelled / forfeited due to resignation of the employees or otherwise would be available to the Company for being re-granted at a future date.

In case of any corporate action(s) such as right issues, bonus issues, change in capital structure, merger, split, consolidation of shares, sale of division/undertaking and others, the ceiling as aforesaid of 38,68,637 (thirty eight lacs sixty eight thousands six hundred thirty seven) options shares shall be deemed to be increased/decreased, as may be determined by the Committee, to facilitate making a fair and reasonable adjustment to the entitlements of participants under ESOP 2015 such that the total value to the employee of the options remains the same after the corporate action.

3. Identification of classes of employees entitled to participate in the Employee Stock Option Plan:

All permanent employees of the Company (present and future) and its subsidiary (present and future) are eligible to participate in the plan. ESOPs may be granted to such eligible employees as decided by the Board in compliance with the applicable laws from time to time.

4. Requirements of vesting and period of vesting:

The Options granted shall vest so long as the employee continues to be in the employment of the Company. The Board may lay down certain performance metrics on the achievement of which the granted options would vest, the detailed terms and conditions relating to such time based and performance-based vesting, and the proportion in which options granted would vest, subject to the minimum and maximum vesting period as specified below.

The options granted shall vest in not less than one year and not more than three years from the date of grant of such options. The exact proportion in which and the exact period over which the options would vest would be determined by the Board.

5. The maximum period within which the options shall be vested:

The options granted shall vest over a period of three years from the date of grant of such options on satisfaction of vesting conditions as determined by the Board.

6. Exercise Price or pricing formula:

Exercise price shall be equivalent to the prevailing market price of the equity shares of the Company one day prior to the date of grant and on such terms and conditions as may be decided and approved by the Board from time to time in accordance with the ESOP 2015 Scheme.

7. Exercise Period and the process of Exercise:

All vested options can be exercised within 3 years from the date of vesting of options. The options can be exercised online by the employees from the portal <https://www.esopdirect.com/MyESOPs/Login.aspx> subsequent to the login and payment of exercise amount as well as applicable perquisite tax.

8. Appraisal Process for determining the eligibility of the employees to ESOPs:

The appraisal process for determining the eligibility of the employee will be specified by the Board, and will be based on criteria such as role / designation of the employee, length of service with the Company and/or its subsidiary, past performance record, future potential of the employee including incentivising new recruits and/or such other criteria that may be determined by the Board at its sole discretion.

9. Maximum number of options to be issued per employee and in aggregate:

The maximum number of options that may be granted to any specific eligible employee will be determined by the ESOP Committee on case to case basis and shall not exceed the limit prescribed under the ESOP Regulations and other applicable laws.

The maximum number of options which can be granted in aggregate under ESOP 2015 shall be 38,68,637 (thirty eight lacs sixty eight thousands six hundred thirty seven) options.

10. Maximum quantum of benefits to be provided per employee under the ESOP 2015

The maximum quantum of benefits underlying the options issued to an eligible employee shall be equal to the difference between the option exercise price and the market price of the shares as on the exercise date.

11. Whether the scheme(s) is to be implemented and administered directly by the company or through a trust

The scheme is being implemented directly by the Company.

12. Whether the scheme(s) involves new issue of shares by the company or secondary acquisition by the trust or both

The scheme involves new issue of shares by the Company. The Company is not formulating any new scheme and only the cancelled / lapsed / forfeited options are being added to the already existing pool of ESOP 2015 and enabling the Company to grant options to the employees of its subsidiary as well.

13. Method of option valuation

The Company shall adopt the fair value method or any other method as per applicable Accounting Standards prescribed by the Institute of Chartered Accountants of India or prescribed under any other applicable statutory provisions from time to time for valuation of options.

14. Disclosure and Accounting Policies:

The Company shall follow the 'Guidance Note on Accounting for Employee Share-based Payments' and/or any 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 company 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 company shall also be disclosed in the Directors' report.'

Consent of the members is being sought by way of a special resolution pursuant to Section 62 (1)(b) of the Companies Act, 2013, Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014, the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, the Memorandum and Articles of Association of the Company and any other applicable laws.

None of the Directors or Key Managerial Personnel of the Company including their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution(s) mentioned at Item No. 5 and 6, except to the extent of their shareholding or stock options that may be granted to them under ESOP 2015.

The Certificate from the Statutory Auditors of the Company certifying that the ESOP 2015 Scheme of the Company is being implemented in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and is in accordance with the resolutions passed by the Members of the Company, will be available for inspection by the Members at the AGM.



Ujjivan Financial Services Limited

Registered Office: Grape Garden, No. 27, 3rd 'A' Cross, 18th Main, 6th Block,
Koramangala, Bangalore 560095, Karnataka, India

ATTENDANCE SLIP

CIN	:	L65999KA2004PLC035329
Name of the Company	:	Ujjivan Financial Services Limited
Registered Office	:	Grape Garden, No. 27, 3 rd 'A' Cross, 18 th Main, 6 th Block, Koramangala, Bangalore 560095, Karnataka, India

Members attending the Meeting in person or by Proxy are requested to complete the Attendance slip and hand it over at the entrance of the meeting room.

Joint shareholders may submit additional slip at the venue of the meeting.

Registered Folio No.	
DP ID No.*	
Client ID No.*	

Name and address of the shareholder:

.....
.....
.....

Signature:

No. of shares(s) held:

I hereby record my presence at the 14th Annual General Meeting of the Company (AGM) to be held on Wednesday, **June 27, 2018** at 02:30 P.M. at Annex II, No. 23-26, Grape Garden, No. 17th H Main, 6th Block, Koramangala, Bangalore – 560095, Karnataka, India

Name and address of the Proxy.....

Signature:



UJJIVAN FINANCIAL SERVICES LIMITED

Registered Office: Grape Garden, No. 27, 3rd 'A' Cross, 18th Main, 6th Block, Koramangala, Bangalore 560095, Karnataka, India, Website: www.ujjivan.com , Email: compliance@ujjivanfin.com , CIN: L65999KA2004PLC035329

Form No. 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)

Venue of the Meeting: at Ujjivan Financial Services Limited, Annex II, No. 23-26, Grape Garden, No. 17th H Main, 6th Block, Koramangala, Bangalore – 560095, Karnataka, India

Day, Date and Time: **Wednesday, June 27, 2018 at 02:30 P.M.**

Name of the Member(s):
Registered Address:
E-mail Id:
Folio No. / Client Id*:
DP ID*:
No. of Shares held:

**Applicable for investors holding shares in dematerialized form*

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

- i)** Name:Address:
..... E-mail Id:
Signature: Or failing him

- ii)** Name:Address:
..... E-mail Id:
Signature: Or failing him

- iii)** Name:Address:
..... E-mail Id:
Signature:

as my/our proxy to attend and vote for me/us and on my/our behalf at the 14th Annual General Meeting of the company, to be held on **Wednesday, June 27, 2018 at 02:30 P.M.** at Annex II, No. 23-26, Grape Garden, No. 17th H Main, 6th Block, Koramangala, Bangalore – 560095, Karnataka, India and at any adjournment thereof in respect of such resolutions as are indicated below:

I/We direct my/our Proxy to vote on the Resolutions in the manner as indicated below:

Sr. No.	Resolution	For	Against	Abstain
Ordinary Business				
1.	Adoption of Financial Statements			
2.	Declaration of Dividend			
3.	Re-Appointment of Mr. Jayanta Basu (DIN:01268046) as a Director liable to retire by rotation and being eligible, offers himself for re-appointment			
Special Business				
4.	To approve the appointment of Mr. Ittira Davis (DIN: 06442816) as the Managing Director and Chief Executive of the Company for a period of 3 years w.e.f. July 01, 2018 subject to the approval of the Reserve Bank of India			
5.	Cancellation of Options which are lapsed and valid under existing ESOP Schemes and approval for adding back the cancelled options to the ESOP 2015 Pool			
6.	Grant of Stock Options to the Employees (present and future) of the wholly owned subsidiary 'Ujjivan Small Finance Bank Limited' under ESOP Scheme 2015			

Signed thisday of2018

Signature of Shareholder

Signature of Proxy holder(s)

Affix revenue stamp of not less than ₹1

Note:

- This form of proxy in order to be effective should be duly completed and deposited at the Registered office of the Company at Grape Garden, No. 27, 3rd A Cross, 18th Main, Koramangala 6th Block, Bengaluru 560 095 not less than 48 hours before the commencement of the Meeting.
- It is optional to indicate your preference. If you leave the 'for', 'against' or 'abstain' column blank against any or all of the resolutions, your proxy will be entitled to vote in the manner as he / she may deem appropriate
- A Proxy can act on behalf of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying Voting Rights. However, a Member holding more than ten percent of the total share capital of the company carrying Voting Rights may appoint a single person as Proxy for his entire shareholding and such person shall not act as a Proxy for another person or shareholder.

The instructions for e-voting are as under

Pursuant to Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing the e-voting facility to its Members holding shares in physical or dematerialized form, as on the cut-off date, being **Wednesday, June 20, 2018**, to cast their vote through electronic means on all resolutions set forth in the Notice.

The process and manner for remote e-voting are as under:

A. For members who receive notice of annual general meeting through e-mail:

Member whose email IDs are registered with the Company/Depository Participants(s) will receive an email from Karvy informing them of their User-ID and Password. Once the Members receive the email, he or she will need to go through the following steps to complete the e-voting process:

- i) Open your web browser during the voting period and navigate to <https://evoting.karvy.com>.
- ii) Enter the login credentials (i.e., user-id & password)
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-digit beneficiary ID

User-ID for Members holding shares in physical form:

Event number, followed by Folio Number registered with the Company

Password: Your unique password is printed on the form / forwarded via email through the electronic notice

Captcha: Enter the verification code i.e., please enter the alphabets and numbers in the exact way as they are displayed for security reasons.

- iii) The e-voting period shall commence on **Friday, June 22, 2018 (10:00 A.M.)** and ends on **Tuesday, June 26, 2018 (5:00 P.M.)**. Members, holding shares either in dematerialised form or physical form as on cut-off date, **Wednesday, June 20, 2018**, may cast their vote electronically during this period. The remote e-voting module shall be disabled at 5.00 p.m. on Tuesday, June 26, 2018. Once the vote on a resolution is cast by a Member, he/she shall not be allowed to change it subsequently or cast the vote again.
- iv) After entering these details appropriately, click on 'LOGIN'.
- v) Members holding shares in demat / physical form will now reach password change menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. Kindly note that this password can be used by the demat holders for voting for resolution of any other company on which they are eligible to vote, provided that company opts for e-voting through Karvy Computershare Pvt. Ltd. e-voting platform. System will prompt you to change your password and update any contact details like mobile number, email ID etc., on first login. You may also enter the secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- vi) You need to login again with the new credentials.
- vii) On successful login, the system will prompt to select the 'Event' i.e., 'Company Name'.
- viii) If you are holding shares in demat form and had logged on to <https://evoting.karvy.com> and cast your vote earlier for any company, then your existing login id and password are to be used.
- ix) On the voting page, you will see Resolution description and against the same the option 'FOR / AGAINST / ABSTAIN' for voting. Enter the number of shares (which represents number of votes) under 'FOR / AGAINST / ABSTAIN' or alternatively, you may partially enter any number in 'FOR' and partially in 'AGAINST', but the total number in 'FOR / AGAINST' taken together should not exceed your total shareholding. If you do not want to cast your vote, select 'ABSTAIN'.
- x) After selecting the resolution you have decided to vote on, click on 'SUBMIT'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'OK', else to change your vote, click on 'CANCEL' and accordingly, modify your vote.
- xi) Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.
- xii) Corporate / Institutional Members (Corporate / FIs / FLLs / Trusts / Mutual Funds / Banks, etc.) are required to send scan (PDF format) of the relevant board resolution to the Scrutiniser through e-mail to cs.skannan@gmail.com with copy to evoting@karvy.com. The file scanned image of the board resolution should be in the naming format 'Corporate Name_ Event number'.
- xiii) If you are already registered with Karvy Computershare Pvt. Ltd. for e-voting, then you can use your existing user ID and password for casting your vote. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- xiv) Please contact Mr. Mohd Mohsin Uddin, Senior Manager, Karvy Computershare Pvt. Ltd., Karvy Selenium, Tower B, Plot number 31 & 32, Financial District, Gachibowli, Hyderabad 500032, mohsin.mohd@karvy.com, Phone: +91 040 6716 1562, toll-free number 1-800-34-54-001 for any further clarifications.

B. For members who receive the notice of annual general meeting in physical form:

In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :

- (i) The Initial password is provided as below/at the bottom of the Attendance Slip for the AGM :

REVEN (Remote e-voting Event Number) USER ID _____ PASSWORD/PIN _____

- (ii) Please follow all steps from Sl. No. A (i) to Sl. No. A(xi) above, to cast vote

C. Voting facility at Annual General Meeting:

- (i) In addition to the remote e-voting facility as described above, the Company shall make a voting facility available at the venue of the annual general meeting, through electronic voting system and members attending the meeting, who have not already cast their votes by remote e-voting, shall be able to exercise their right at the meeting.

- (ii) 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.

Venue of the **14th Annual General Meeting of UJJIVAN FINANCIAL SERVICES LIMITED** to be held on **Wednesday, June 27, 2018 at 02:30 P.M.**, at Annex II, No. 23-26, Grape Garden, No. 17th H Main, 6th Block, Koramangala, Bangalore – 560095, Karnataka, India.

Map of Venue below



Additional information on Directors being appointed/ re-appointed as required under Regulation 36 the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Secretarial Standard-2 by ICSI:

Name of the Director	Mr. Ittira Davis	Mr. Jayanta Basu
DIN	06442816	01268046
Date of Birth and Age	March 04, 1955; 63 Years	November 09, 1965; 52 Years
Date of First Appointment on the Board	July 01, 2018 (subject to RBI approval)	March 25, 2015
Brief Resume, Qualification, Experience and Nature of Expertise in specific functional areas	Mr. Ittira Davis is currently the Chief Operating Officer of Ujjivan Small Finance Bank Limited (the wholly owned subsidiary of the Company). He is an international banker with over 36 years of Corporate and Investment banking experience having worked extensively in the Middle East and Europe. He was with the Europe Arab Bank from July 2008 to October 2012 initially as the Managing Director – Corporate and Institutional banking and then as an Executive Director of the Europe Arab Bank. He has previously worked with Citi bank in India and the Arab Bank Group in the Middle East and Europe. Mr. Ittira Davis is a graduate from the Indian Institute of Management, Ahmedabad (1976).	Jayanta Basu is a Non-Executive Director of our Company. He holds a post graduate diploma in management from the Indian Institute of Management, Ahmedabad and a bachelor's degree in economics from University of Delhi. He has over 20 years of experience in the fields of investments. He is currently the Managing Partner at CX Advisors LLP. He has previously worked with Citibank India. He serves as a director in many other companies including Security and Intelligence Services (India) Limited, Matrix Cellular (International) Services Limited and CX Advisors Private Limited.

Name of the Director	Mr. Ittira Davis	Mr. Jayanta Basu
DIN	06442816	01268046
Date of Birth and Age	March 04, 1955; 63 Years	November 09, 1965; 52 Years
Date of First Appointment on the Board	July 01, 2018 (subject to RBI approval)	March 25, 2015
No. of Board Meetings attended during the year as a Director	Not Applicable	3
Directorships held in other Companies	Nil	Public Companies - Security and Intelligence Services (India) Limited - Matrix Cellular (International) Services Limited Private / Section 8 Companies - Sutures India Private Limited - Transaction Solutions International (India) Private Limited - CX Advisors LLP (designated partner)
Memberships / Chairmanships of Committees of other Boards (includes only Audit Committee and Stakeholders Relationship Committee)	None	1) Matrix Cellular (International) Services Limited - Audit Committee - Stakeholder Relationship Committee - (member of the above committees)
Remuneration last drawn	Please refer the remuneration section under the Board's Report	
Remuneration sought to be paid	Remuneration as approved by the Board of Directors and Members of the Company, within the limits of the applicable laws. Please refer the item no. 4 of this AGM Notice	Sitting fees as approved by the Board of Directors within the limits of the applicable laws.
Shareholding in the Company	50,000 Shares as on March 31, 2018 (jointly held with his wife Ms. Anna Ittira Davis)	Nil
Relationship with other Directors and Key Managerial Personnel of the Company	Nil	Nil

By Order of the Board of Directors

Sanjeev Barnwal
Company Secretary

Membership No.: A19180

Place: Bangalore

Date: May 10, 2018