

Ref. No. AUSFB/SEC/2024-25/79

Date: April 30, 2024

To,

National Stock Exchange of India Ltd. Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai 400051, Maharashtra. NSE Symbol: AUBANK	BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400001, Maharashtra. BSE Scrip Code: 540611, 957863, 957864, 958400, 959025, 974093, 974094, 974095, 974914, 974963, 975017 & 975038
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Dear Sir/Madam,

Sub: Notice of Postal Ballot (including remote e-voting) – Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”)

With reference to our letter dated April 01, 2024 informing that the Board of Directors of AU Small Finance Bank Limited (“the Bank”) at its Meeting held on April 01, 2024, has approved the appointment of Mr. Divya Sehgal, as an Additional Director (Non-Executive Non-Independent) (DIN: 01775308) w.e.f. April 01, 2024.

In view of above, please find enclosed the Notice of Postal Ballot of the Bank dated April 01, 2024 (“Notice”), together with the Explanatory Statements which is sent to the Members of the Bank through e-mail seeking approval for the special businesses stated as under:

Item No.	Agenda Item	Type of Resolution
1.	Appointment of Mr. Divya Sehgal (DIN: 01775308) as a Non-Executive Non-Independent Director on the Board of the Bank w.e.f. April 01, 2024	Ordinary Resolution

Members of the Bank holding shares as on the cut-off date i.e. **Friday, April 26, 2024**, shall cast their vote through the remote e-voting system. The remote e-voting period commences on Wednesday, May 01, 2024 (9:00 a.m. IST) and ends on Thursday, May 30, 2024 (5:00 p.m. IST).

The Notice and instruction for e-voting will also be available on the website of the Bank at <https://www.aubank.in/postal-ballot-notice-april-2024.pdf> and on the website of NSDL at www.evoting.nsdl.com.

Hard copy of Notice along with Postal Ballot Form and pre-paid business reply envelope will not be sent to the Members for Postal Ballot as permitted by the Ministry of Corporate Affairs vide its various circulars.

The results of voting by means of Postal Ballot through remote e-voting shall be declared on or before Saturday, June 01, 2024 and the same will be communicated to the Stock Exchanges and will be uploaded on the website of the Bank at www.aubank.in.

This is for your information and records.

Thanking You,

Yours faithfully,

For AU SMALL FINANCE BANK LIMITED

Manmohan Parnami
Company Secretary and Compliance Officer
Membership No.: F9999
investorrelations@aubank.in
Encl: As Above

Registered Office
AU SMALL FINANCE BANK LIMITED
19-A Dhuleshwar Garden, Ajmer Road,
Jaipur- 302001, Rajasthan, India
Phone: +91 141 4110060/61, Fax: +91 141 4110090
CIN: L36911RJ1996PLC011381



AU SMALL FINANCE BANK LIMITED

CIN: L36911RJ1996PLC011381

Registered Office: 19-A, Dhuleshwar Garden, Ajmer Road, Jaipur – 302001, Rajasthan, India

Corporate Office: 5th Floor, E-Wing, Kanakia Zillion, Junction of CST and LBS Road,

Kurla (West), Mumbai – 400070, Maharashtra, India

Tel: +91-141 4110060/61 | E-mail: investorrelations@aubank.in | Website: www.aubank.in

POSTAL BALLOT NOTICE

(Notice pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014 and the MCA Circulars)

Dear Member(s),

NOTICE is hereby given that pursuant to provisions of Sections 108 & 110 and other applicable provisions, if any, of the Companies Act, 2013, ("**Act**") read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**"), Secretarial Standard on General Meetings ("**SS – 2**") issued by the Institute of Company Secretaries of India, General Circulars No.14/2020 dated April 8, 2020, No. 17/2020 dated April 13, 2020, No. 22/2020 dated June 15, 2020, No. 33/2020 dated September 28, 2020, No. 39/2020 dated December 31, 2020, No. 10/2021 dated June 23, 2021, No. 20/2021 dated December 8, 2021, No. 03/2022 dated May 5, 2022, No. 11/2022 dated December 28, 2022 and No. 09/2023 dated September 25, 2023 issued by the Ministry of Corporate Affairs ("**MCA Circulars**") and other applicable rules/regulations/guidelines/circulars/notifications [including any statutory modification(s), amendment(s) thereto or re-enactment(s) thereof for the time being in force], AU Small Finance Bank Limited ("**Bank**") is seeking consent of the members of the Bank on special business set out herein, proposed to be passed through Postal Ballot, only by way of remote electronic voting ("**e-voting**").

In terms of the MCA Circulars, companies are advised to take all decisions requiring the approval of members, other than items of ordinary business or business where any person has a right to be heard, through the mechanism of Postal Ballot/e-voting in accordance with the provisions of the Act and Rules made thereunder, without holding a general meeting. Further, in compliance of MCA Circulars, the Bank will send Postal Ballot Notice only by e-mail to all its members who have registered their e-mail addresses with the Registrar and Transfer Agent ("**RTA**") of the Bank or Depository/Depository Participants. Hard copy of Postal Ballot Notice along with Postal Ballot Forms and pre-paid business envelope will not be sent to the members for this Postal Ballot. This Postal Ballot is accordingly being initiated in compliance with the above MCA Circulars.

You are requested to peruse the following proposed Resolution along with Explanatory Statement provided by the Bank and thereafter record your assent or dissent by means of e-voting system by **5:00 p.m. (IST) on Thursday, May 30, 2024**. The resolution, if passed by the requisite majority, shall be deemed to have been passed on the last date for e-voting i.e. **Thursday, May 30, 2024**. Further, resolution passed by the members through E-voting are deemed to have been passed effectively at a general meeting.



SPECIAL BUSINESS

ITEM NO. 1: APPOINTMENT OF MR. DIVYA SEHGAL (DIN: 01775308) AS A NON-EXECUTIVE AND NON-INDEPENDENT DIRECTOR ON THE BOARD OF THE BANK W.E.F. APRIL 01, 2024

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

“RESOLVED THAT pursuant to the provisions of Sections 152, 160, and other applicable provisions, if any, of the Companies Act, 2013 (**“Act”**) read with the Companies (Appointment and Qualifications of Directors) Rules, 2014, Regulation 17 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (**“Listing Regulations”**), Section 10A and other applicable provisions of the Banking Regulation Act, 1949 [including any statutory modification(s), amendment(s) thereto or re-enactment(s) thereof for the time being in force], the rules, circulars, guidelines issued by the Reserve Bank of India (**“RBI”**), the Articles of Association, the Scheme of Amalgamation of Fincare Small Finance Bank Limited into and with AU Small Finance Bank Limited (**“Amalgamation Scheme”**) and on the recommendation of Nomination and Remuneration Committee (**“NRC”**) and the Board of Directors of the Bank (**“Board”**), **Mr. Divya Sehgal (DIN: 01775308)**, who was appointed as an Additional Director (Non – Executive and Non – Independent Director) by the Board w.e.f. **April 01, 2024** in terms of provisions of Section 161(1) of the Act and in respect of whom the Bank has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of director, be and is hereby appointed as a Non – Executive and Non – Independent Director of the Bank to hold office for a term of three (3) years i.e. **upto March 31, 2027** and who shall not be liable to retire by rotation.

RESOLVED FURTHER THAT Board of Directors (hereinafter referred to as the (**“Board”**)) which term shall be deemed to include any committees constituted/to be constituted by the Board to exercise its powers including the powers conferred by this resolution) of the Bank, be and is hereby authorized, wherever required including the power to delegate the authority to any official(s) of the Bank to sign application, execute, submit any documents with RBI, Stock Exchange(s) i.e. BSE Limited and National Stock Exchange of India Ltd., Securities and Exchange Board of India and any other authority(ies) as may be required, and to sign and deliver on behalf of the Bank all deeds, documents, declarations, undertakings, clarification, submissions and other writings, as applicable to any authority and to do all such other acts and things as may be required in this regard.”

Place: Jaipur

Date: April 01, 2024

Registered Office:

19-A, Dhuleshwar Garden,
Ajmer Road, Jaipur – 302001, Rajasthan, India
Website: www.aubank.in
Tel: +91 141 4110060
E-mail: investorrelations@aubank.in

**By Order of the Board of Directors
For AU Small Finance Bank Limited**

**Sd/-
Manmohan Parnami
Company Secretary
Membership No: F9999**

NOTES:

1. The Explanatory Statement pursuant to Section 102(1) of the Act read with Rule 22 of the Companies (Management and Administration) Rules, 2014, setting out all material facts and reasons relating to the resolution in respect of the Special Business set out above is annexed herewith.
2. Members may note that as required under the provisions of Section 108, 110 and other applicable provisions, if any, of the Act and the rules made thereunder as applicable in this regard and Regulation 44 of the Listing Regulations, the Bank has engaged the services of National Securities Depository Limited (“NSDL”) to provide e-voting facility to members of the Bank.
3. The Board of Directors has appointed CS Mr. Manoj Maheshwari (FCS: 3355), Practicing Company Secretary, as Scrutinizer and failing him CS Ms. Priyanka Agarwal (FCS: 11138), Practicing Company Secretary as the Alternate Scrutinizer for conducting the postal ballot e-voting process in a fair and transparent manner.
4. The Postal Ballot Notice is being sent by e-mail to all the members of the Bank whose names appear on the Register of Members/List of Beneficial Owners as received from the National Securities Depository Limited (“NSDL”)/Central Depository Services (India) Limited (“CDSL”) as on **Friday, April 26, 2024 (“Cut-off Date”)**. It is however, clarified that all the persons who are members of the Bank as on the Cut-off Date and who may not have received notice due to non-registration of e-mail id shall also be entitled to vote in relation to the resolution specified in this notice.
5. Dispatch of the Notice shall be deemed to be completed on the day on which Bank or NSDL sends out the Postal Ballot Notice by e-mail to the members of the Bank.
6. Postal Ballot Notice is also available on the website of the Bank i.e. <https://www.aubank.in/postal-ballot-notice-april-2024.pdf> and can also be downloaded by accessing website of the NSDL at www.evoting.nsdl.com and at the relevant sections of the websites of the BSE Limited at www.bseindia.com and National Stock Exchange of India Ltd. at www.nseindia.com.
7. As required by Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014 read with the MCA Circulars and the Listing Regulations, the details pertaining to this Postal Ballot will be published in one English national daily newspaper circulating throughout India (in English language) and one Hindi daily newspaper circulating in Jaipur (in vernacular language i.e. Hindi).
8. The remote e-voting period commences from **Wednesday, May 01, 2024 [9:00 a.m. (IST)]** and ends on **Thursday, May 30, 2024 [5:00 p.m. (IST)]**. During this period, members holding shares as on **Friday, April 26, 2024**, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting after **Thursday, May 30, 2024 [5:00 p.m. (IST)]**. Once the vote on a resolution is cast by the member, he/she shall not be allowed to change it subsequently or cast vote again.

The voting rights of the members shall be in proportion to their shares in the total paid-up equity share capital of the Bank subject to the provisions of the Banking Regulation Act, 1949, as on the cut-off date i.e., **Friday, April 26, 2024**.

9. All relevant documents referred to in this Notice requiring the approval of the members shall be available for inspection by the members. Members who wish to inspect the documents are requested to send an e-mail to investorrelations@aubank.in mentioning their Name, Client ID and DP ID.

10. Members whose e-mail ids are not registered with the depositories are requested to register their e-mail address with the Depository Participant with whom they are maintaining their demat account by following the procedure prescribed by the Depository Participant. These members may also cast their vote by following the e-voting process given in this notice.
11. Brief profile and other additional information of the proposed appointee pursuant to Regulation 36(3) of the Listing Regulations and SS-2 issued by the Institute of Company Secretaries of India is furnished as annexure to the Notice.
12. To exercise vote by using e-voting facility, please carefully follow the instructions given under the heading “**E-Voting Instructions**” of Postal Ballot Notice.
13. The Scrutinizer will submit his report to the Managing Director & CEO or to the Chief Financial Officer or to the Company Secretary as authorized by the Chairman of the Bank after completion of the scrutiny of votes cast through e-voting. The result of the voting by postal ballot will be announced on or before **Saturday, June 01, 2024** by the Managing Director & CEO or by the Chief Financial Officer or by the Company Secretary of the Bank. The result of the postal ballot will be posted on the Bank’s website (<https://www.aubank.in/postal-ballot-notice-april-2024.pdf>) and NSDL website (<https://www.evoting.nsdl.com>) immediately after the declaration of result and the same will also be communicated to BSE Limited and the National Stock Exchange of India Ltd. within stipulated time period as prescribed in this regard. The Scrutinizer’s decision on the validity of e-voting will be final.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:




Step 1: Access to NSDL e-Voting system

A. Login method for e-Voting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders 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 shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	i. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “ Beneficial Owner ” icon under “ Login ” which is available under ‘ IDeAS ’ 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 “ Access to e-Voting ” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

Type of shareholders	Login Method
	<p>ii. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</p> <p>iii. 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. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number held 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 company 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> <p>iv. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <div style="text-align: center;"> <p>NSDL Mobile App is available on</p>    </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<p>i. 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 www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing Myeasi username & password.</p> <p>ii. 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 company. 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.</p> <p>iii. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.</p>

Type of shareholders	Login Method
	iv. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. 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.
Individual Shareholders (holding securities in demat mode) login through their depository participants	i. You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. ii. 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. iii. Click on company 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.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

B. Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders 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 'Shareholder/Member' 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.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders 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 company, 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 shareholders 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.
- b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on 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.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

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

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 – AU Small Finance Bank Limited** of company 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 shareholders

1. Institutional shareholders (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 cs.vmanda@gmail.com with a copy marked to evoting@nsdl.com. Institutional shareholders (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 Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on : 022 – 4886 7000 or send a request to Ms. Pallavi Mhatre – Senior Manager, National Securities Depository Limited, 4th floor, ‘A’ Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013 at evoting@nsdl.com.

Process for those shareholders 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 resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, 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 investorrelations@aubank.in.
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 investorrelations@aubank.in. If you are an Individual shareholder 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 shareholders holding securities in demat mode.**

3. Alternatively, shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.

Explanatory Statement pursuant to provisions of Section 102(1) of the Companies Act, 2013

Item No. 1:

The Board of Directors (**“Board”**) of the Bank at its meeting held on October 29, 2023 has approved the scheme of amalgamation of Fincare Small Finance Bank Limited (**“FSFB”**) (**“Transferor Company”**) into and with AU Small Finance Bank Limited (**“AUSFB”/“the Bank”**) (**“Transferee Company”**) (**“Scheme of Amalgamation”**) in accordance with Section 44A of the Banking Regulation Act, 1949, and the Reserve Bank of India (Amalgamation of Private Sector Banks) Directions, 2016 (**“RBI Amalgamation Directions”**) [**“Applicable Law”**].

Following approvals for the amalgamation were obtained:

Sr. No.	Name of Authority which approved the Scheme	Date of Approval (AUSFB)	Date of Approval (FSFB)
1	Shareholders at Extraordinary General Meeting	November 27, 2023	November 24, 2023
2	Competition Commission of India	January 23, 2024	
3	Reserve Bank of India	March 04, 2024	

Reserve Bank of India (**“RBI”**) vide its order dated March 04, 2024 has granted its sanction to the Amalgamation Scheme with effect from April 01, 2024 (**“Effective Date”**) subject to fulfilment of all the conditions specified in the Amalgamation Scheme.

The said order of RBI with respect to the Amalgamation Scheme is binding on the Transferor Company and the Transferee Company in terms of section 44A of the Banking Regulation Act, 1949 and RBI Amalgamation Directions which constitutes a composite and complete code governing amalgamation of banking companies and as such the said amalgamation required the sanction of the Scheme by Reserve Bank of India (**“RBI”**) with no further action or approval required.

Pursuant to clause 19 of the Scheme of Amalgamation, Mr. Divya Sehgal (DIN: 01775308) an existing director of FSFB, subject to Applicable Law shall be appointed as Non-Executive and Non-Independent, non-retiring director on the Board of the Bank for a period of (three) 3 years commencing from the effective date i.e. April 01, 2024.

Mr. Divya Sehgal holds bachelor's degree in electrical engineering from IIT, Delhi and Post Graduate Diploma in Management from IIM, Bengaluru. With nearly 27 years of experience, he has worked on numerous advisory and consultancy projects in a wide range of industries including Finance, Investments, Banking, Insurance, healthcare, and other service sectors.

He holds knowledge and expertise in the areas of Banking, Finance, Business Management and Information Technology in terms of Section 10A(2) of the Banking Regulation Act, 1949 read with Reserve Bank of India's Notification dated 24th November, 2016.

He is currently associated with True North as a Partner and is responsible for investments and scaling up of businesses in the financial services sector. Prior to joining True North, he was founder and Chief Operating Officer of Apollo Health Street, a prominent healthcare outsourcing firm ranked in the top five globally. He has also worked as consultant with McKinsey, with Corporate Finance Team at ANZ, and as an entrepreneur at E-medlife, a corporate healthcare advisory firm.



He previously served as Nominee Director on the Board of Fincare Small Finance Bank Limited and currently holds directorial position at Home First Finance Company India Limited and Niva Bupa Health Insurance Company Limited.

The Board of the Bank, at its meeting held on April 01, 2024, approved the appointment of Mr. Divya Sehgal as an Additional Director (Non-Executive and Non-Independent Director) for a period of 3 years with effect from **April 01, 2024 till March 31, 2027**. The Board of Directors of the Bank on the recommendation of Nomination & Remuneration Committee after assessing the fit and proper assessment of Mr. Divya Sehgal has approved his appointment. Mr. Divya Sehgal shall neither be entitled to compensation in form of fixed pay nor be paid any sitting fees for attending the meetings of the Bank's Board and its Committees.

The Bank has received all necessary disclosures & declaration from Mr. Divya Sehgal as required under the Act, Listing Regulations, the Banking Regulation Act, 1949 and other applicable guidelines issued by RBI from time to time. Additionally, a notice of candidature for his appointment from member under section 160 of the Act has been duly received.

He is not disqualified/debarred from being appointed as Non-Executive and Non-Independent Director in terms of Section 164 of the Act, or by any order of Securities and Exchange Board of India ("SEBI"), RBI or any other such authority and has given his consent to act as Director of the Bank. In the opinion of the Board, he fulfils the conditions and criteria for his appointment as prescribed under the relevant provisions of the Act and rules made thereunder, the Listing Regulations, the Banking Regulation Act, 1949 and guidelines issued by the RBI, from time to time.

Except for Mr. Divya Sehgal and his relatives, none of the other Directors / Key Managerial Personnel of the Bank /their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 1 of the Notice.

The Board of Directors recommends the passing of Ordinary Resolution set out at Item No. 1 of the Notice for approval by the members of the Bank.

Brief profile of Mr. Divya Sehgal and other details as required under Regulation 36(3) of the Listing Regulations and SS-2 is given as annexure to this Notice.

Place: Jaipur
Date: April 01, 2024

**By Order of the Board of Directors
For AU Small Finance Bank Limited**

Registered Office:
19-A, Dhuleshwar Garden,
Ajmer Road, Jaipur – 302001, Rajasthan, India
Website: www.aubank.in
Tel: +91 141 4110060
E-mail: investorrelations@aubank.in

**Sd/-
Manmohan Parnami
Company Secretary
Membership No: F9999**

Annexure

BRIEF PROFILE AND OTHER INFORMATION OF DIRECTOR BEING APPOINTED, AS SET OUT IN THIS NOTICE, IN TERMS OF THE REGULATION 36(3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND THE SECRETARIAL STANDARD ON GENERAL MEETINGS (SS-2) ISSUED BY THE INSTITUTE OF THE COMPANY SECRETARIES OF INDIA

Particulars	Mr. Divya Sehgal (DIN: 01775308)
Age	51 Years
Date of first appointment on Board	April 01, 2024
Qualification	<ul style="list-style-type: none"> • Bachelor's degree in electrical engineering from IIT, Delhi • Post Graduate Diploma in Management from IIM, Bengaluru
Brief Resume including experience	<p>Mr. Divya Sehgal holds bachelor's degree in electrical engineering from IIT, Delhi and Post Graduate Diploma in Management from IIM, Bengaluru.</p> <p>He is currently associated with True North as a Partner and is responsible for investments and scaling up of businesses in the financial services sector.</p> <p>Prior to joining True North, he was founder and Chief Operating Officer of Apollo Health Street, a leading healthcare outsourcing firm and one of the top five in its space globally. He has also worked as consultant with McKinsey, with Corporate Finance Team at ANZ and as an entrepreneur at E-medlife, a Corporate healthcare advisory firm.</p> <p>He has served on the Board of erstwhile Fincare Small Finance Bank which was amalgamated pursuant to RBI approval with and into AU Small Finance Bank Limited. His familiarity with the business of Fincare SFB will facilitate smooth post-merger integration between both the banks, and his extensive experience in the financial services sector will be an asset to the Board of the AU Small Finance Bank.</p> <p>At present, he is also acting as a Nominee Director of Home First Finance Company India Limited and Niva Bupa Health Insurance Company Limited.</p>
Nature of expertise in specific functional areas	<ul style="list-style-type: none"> • Banking • Finance • Business Management • Information Technology
Other Directorship	<ol style="list-style-type: none"> 1. Nominee Director at Home First Finance Company India Limited 2. Nominee Director at Niva Bupa Health Insurance Company Limited 3. Partner at True North
Name of listed entities from which the person has resigned in the past three years	None
Chairmanship/Membership of Committee(s) in other companies in which position of Director is held	Member of Nomination & Remuneration Committee at Niva Bupa Health Insurance Company Limited

Relationship with other Directors, Managers, and other Key Managerial Personnel of the Bank	None
No. of equity shares held in the Bank	Nil
No. of Board meetings attended during the year till date	Nil
Terms and conditions of appointment or re-appointment	For a term of 3 years w.e.f. April 01, 2024 till March 31, 2027 subject to approval of shareholders and not liable to retire by rotation.
In case of independent directors, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements	NA
Remuneration last drawn	NA
Remuneration sought to be paid	Mr. Divya Sehgal shall neither be entitled to compensation in form of fixed pay nor be paid any sitting fees for attending the meetings of the Bank's Board and its Committees.