



UJJIVAN SMALL FINANCE BANK LIMITED

Our Bank was incorporated as Ujjivan Small Finance Bank Limited on July 4, 2016 at New Delhi as a public limited company under the Companies Act, 2013, and was granted the certificate of incorporation by the Registrar of Companies, National Capital Territory of Delhi and Haryana ("RoC"). Our Promoter, Ujjivan Financial Services Limited ("UFSL") was granted the in-principle approval to establish a small finance bank ("SFB"), by the Reserve Bank of India ("RBI"), pursuant to its letter dated October 7, 2015. Subsequently, UFSL received the final approval for our Bank to carry on the SFB business in India, pursuant to a letter dated November 11, 2016 issued by the RBI. Our Bank commenced its business with effect from February 1, 2017 and was included in the second schedule to the RBI Act pursuant to a notification dated July 3, 2017 issued by the RBI. For further details, see "History and Certain Corporate Matters" on page 136 of the Red Herring Prospectus dated November 22, 2019 ("RHP").

Registered Office: Plot No. 2364/ 8, Khampur Raya Village, Shadi Kampur, Main Patel Road, New Delhi 110 008, India; **Tel:** +91 11 3043 2121
Corporate Office: Grape Garden, No. 27, 3rd 'A' Cross, 18th Main, 6th Block, Koramangala, Bengaluru 560 095, Karnataka, India; **Tel:** +91 80 4071 2121
Website: www.ujjivansfb.in; **Contact Person:** Chanchal Kumar, Company Secretary and Compliance Officer; **E-mail:** ipo@ujjivan.com
Corporate Identity Number: U65110DL2016PLC302481

OUR PROMOTER: UJJIVAN FINANCIAL SERVICES LIMITED

INITIAL PUBLIC OFFER OF UP TO [•] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES") OF UJJIVAN SMALL FINANCE BANK LIMITED ("BANK" OR "ISSUER") FOR CASH AT A PRICE OF ₹ [•] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [•] PER EQUITY SHARE) AGGREGATING UP TO ₹ 7,500 MILLION ("ISSUE"). THE ISSUE INCLUDES A RESERVATION OF UP TO [•] EQUITY SHARES, AGGREGATING UP TO ₹ 750 MILLION, FOR SUBSCRIPTION BY ELIGIBLE UFSL SHAREHOLDERS ("UFSL SHAREHOLDER RESERVATION PORTION"). THE UFSL SHAREHOLDER RESERVATION PORTION SHALL NOT EXCEED 10% OF THE ISSUE. THE ISSUE LESS THE UFSL SHAREHOLDER RESERVATION PORTION IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE SHALL CONSTITUTE [•]% AND [•]%, RESPECTIVELY, OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR BANK.

*OUR BANK HAS, IN CONSULTATION WITH THE BRLMs, UNDERTAKEN A PRE-IPO PLACEMENT OF 71,428,570 EQUITY SHARES FOR CASH CONSIDERATION AGGREGATING TO ₹ 2,500 MILLION. THE SIZE OF THE ISSUE OF ₹ 10,000 MILLION HAS BEEN REDUCED BY ₹ 2,500 MILLION PURSUANT TO THE PRE-IPO PLACEMENT, AND ACCORDINGLY, THE ISSUE SIZE IS ₹ 7,500 MILLION.

*A DISCOUNT OF ₹ 2 PER EQUITY SHARE IS BEING OFFERED TO ELIGIBLE UFSL SHAREHOLDERS BIDDING IN THE UFSL SHAREHOLDER RESERVATION PORTION

QIB Portion: Not less than 75% of the Net Issue
Retail Portion: Not more than 10% of the Net Issue
Non-Institutional Portion: Not more than 15% of the Net Issue
UFSL Shareholder Reservation Portion: Not more than 10% of the Issue

Price Band: ₹ 36 to ₹ 37 per Equity Share of face value of ₹ 10 each.

The Floor Price is 3.6 times the face value of the Equity Shares and the Cap Price is 3.7 times the face value of the Equity Shares.
Bids can be made for a minimum of 400 Equity Shares and in multiples of 400 Equity Shares thereafter.

ASBA* | Simple, Safe, Smart way of Application!!!

*Applications Supported by Blocked Amount (ASBA) is a better way of applying to issues by simply blocking the fund in the bank account. For further details, check section on ASBA below.
Mandatory in public issues. No cheque will be accepted.



UPI-Now available in ASBA for Retail Individual Bidders ("RIBs") and Eligible UFSL Shareholders Bidding in the UFSL Shareholder Reservation Portion.

ASBA has to be availed by all the investors except Anchor Investors. UPI may be availed by Retail Individual Bidders and Eligible UFSL Shareholders Bidding in the UFSL Shareholder Reservation Portion. For details on the ASBA and UPI process, please refer to the details given in ASBA Form and abridged prospectus and also please refer to the section "Issue Procedure" beginning on page 337 of the Red Herring Prospectus. The process is also available on the website of AIBI and Stock Exchanges in the General Information Document. ASBA Forms can be downloaded from the websites of BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE", and together with BSE, the "Stock Exchanges") and can be obtained from the list of banks that is displayed on the website of SEBI at www.sebi.gov.in. **List of banks supporting UPI is also available on the website of SEBI at www.sebi.gov.in. **HDFC Bank Limited has been appointed as Sponsor Bank for the Issue, in accordance with the requirements of the SEBI Circular dated November 1, 2018.

Risks to Investors:

- The three Book Running Lead Managers associated with the Issue have handled 34 public issues in the past three years out of which 10 closed below the issue price on listing date.
- The Price/ Earnings ("PE") ratio based on diluted EPS for Fiscal 2019 for the Issuer at the upper end of the Price Band is as high as 30.83 as compared to the average industry peer group PE ratio of 29.64.
- The Issue Price at the upper end of the Price Band is ₹37 per Equity Share.
- Weighted Average Return on Net Worth for Fiscal 2017, Fiscal 2018 and Fiscal 2019 is 4.88%.
- The Net Asset Value per Equity Share of the Bank as on March 31, 2019 is ₹ 12.64 and as on September 30, 2019 is ₹ 13.84.

BID/ ISSUE SCHEDULE

BID/ ISSUE OPENS ON MONDAY, DECEMBER 2, 2019⁽¹⁾
BID/ ISSUE CLOSES ON WEDNESDAY, DECEMBER 4, 2019

⁽¹⁾ Our Bank may, in consultation with the BRLMs, consider participation by Anchor Investors in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure requirements) Regulations, 2018 ("SEBI/ICDR Regulations"). The Anchor Investor Bid/ Issue Period shall be one Working Day prior to the Bid/ Issue Opening Date.

CORRIGENDUM – NOTICE TO INVESTORS

This corrigendum ("Corrigendum") is with reference to the RHP filed in relation to the Issue. In this regard, please note the following:
 All capitalized terms used in this Corrigendum shall, unless the context otherwise require, have the meanings ascribed in the RHP.

1. In the sub-section titled "Accounting Ratios" under note 37C of Annexure 23 of the Restated Financial Statements on page 259 of the RHP, the details of 'Basic earnings per share (₹)' and 'Diluted earnings per share (₹)', as at September 30, 2019, should be read as ₹1.21, instead of ₹1.30, at both places.
2. The following statements: (a) "Further, an Eligible UFSL Shareholder Bidding in the UFSL Shareholder Reservation Portion can also Bid under the Net Issue and such Bids will not be treated as multiple Bids." in the section titled "The Issue" on page 52 of the RHP; (b) "Further, a Bidder Bidding in the UFSL Shareholder Reservation Portion, subject to the Bid Amount being up to ₹200,000 (net of UFSL Shareholder Discount), may also Bid under the Net Issue and such Bids shall not be treated as multiple Bids. To clarify, an UFSL Shareholder Bidding in the UFSL Shareholder Reservation Portion above ₹200,000 (UFSL Shareholder Discount) shall not be allowed to Bid in the Net Issue as such Bids shall be treated as multiple Bids." in the section titled "Issue Structure" on page 335 of the RHP; and (c) "Bids by Eligible UFSL Shareholders in UFSL Shareholder Reservation Portion, subject to the Bid Amount being up to ₹200,000 (net of UFSL Shareholder Discount) and in the Net Issue portion shall not be treated as multiple Bids." in the section titled "Issue Procedure" on page 342 of the RHP shall be replaced with the following statement, in all places:

"An Eligible UFSL Shareholder Bidding in the UFSL Shareholder Reservation Portion (for a Bid Amount up to ₹200,000, net of UFSL Shareholder Discount) can also Bid in the Retail Portion, and such Bids shall not be considered multiple Bids. However, Bids by an Eligible UFSL Shareholder Bidding in the UFSL Shareholder Reservation Portion and in the Non-Institutional Portion shall be treated as multiple Bids. Please note that an Eligible UFSL Shareholder cannot Bid in the UFSL Shareholder Reservation Portion for a Bid Amount exceeding ₹200,000, net of UFSL Shareholder Discount."

The RHP shall be read in conjunction with this Corrigendum. The information in this Corrigendum supersedes the information in the RHP to the extent inconsistent with the information in the RHP. The RHP stands amended to the extent stated hereinabove. Relevant changes shall be reflected in the Prospectus when filed with the RoC, the SEBI and the Stock Exchanges.

CONTENTS OF THE MEMORANDUM OF ASSOCIATION OF OUR BANK AS REGARDS ITS OBJECTS: For information on the main objects of our Bank, investors are requested to see "History and Certain Corporate Matters" on page 136 of the RHP and Clause III of the Memorandum of Association of our Bank. The Memorandum of Association of our Bank is a material document for inspection in relation to the Issue. For further details, see "Material Contracts and Documents for Inspection" on page 358 of the RHP.

LIABILITY OF THE MEMBERS OF OUR BANK: Limited by shares.

AMOUNT OF SHARE CAPITAL OF OUR BANK AND CAPITAL STRUCTURE: As on the date of the RHP, the authorised share capital of our Bank is ₹ 25,000,000,000 divided into 2,300,000,000 Equity Shares of ₹ 10 each and 200,000,000 preference shares of ₹ 10 each, respectively. The issued, subscribed and paid-up Equity share capital of our Bank is ₹ 15,255,204,670 divided into 1,525,520,467 Equity Shares of ₹ 10 each. For details of the capital structure, see "Capital Structure" on page 65 of the RHP.

NAMES OF THE SIGNATORIES TO THE MEMORANDUM OF ASSOCIATION OF OUR BANK AND THE NUMBER OF EQUITY SHARES SUBSCRIBED BY THEM: The signatories to the Memorandum of Association are UFSL, which subscribed to 49,994 Equity Shares and Samit Kumar Ghosh, Carol Furtado, Itirra Davis, Sudha Suresh, Premkumar G. and Rajat Singh who subscribed to one Equity Share each, as nominees on behalf of UFSL, who is the beneficial owner of such Equity Shares of our Bank at ₹ 10 each as initial subscription. For details of the share capital history and capital structure of the Bank see "Capital Structure" beginning on page 65 of the RHP.

LISTING: The Equity Shares issued through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Our Bank has received 'in-principle' approvals from BSE and NSE for the listing of the Equity Shares pursuant to letters dated September 12, 2019 and August 30, 2019, respectively. For the purposes of the Issue, the Designated Stock Exchange shall be NSE. A signed copy of the Red Herring Prospectus and the Prospectus shall be delivered to the RoC for filing in accordance with Section 26(4) of the Companies Act 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus up to the Bid/ Issue Closing Date, see "Material Contracts and Documents for Inspection" on page 358 of the RHP.

DISCLAIMER CLAUSE OF SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI"): SEBI only gives its observations on the offer documents and this does not constitute approval of either the Issue or the specified securities stated in the offer document. The investors are advised to refer to page 319 of the RHP for the full text of the Disclaimer Clause of SEBI.

DISCLAIMER CLAUSE OF BSE: It is to be distinctly understood that the permission given by BSE Limited should not in any way be deemed or construed that the Red Herring Prospectus has been cleared or approved by BSE Limited nor does it certify the correctness or completeness of any of the contents of the Red Herring Prospectus. The investor is advised to refer to the page 323 of the Red Herring Prospectus for the full text of the Disclaimer clause of the BSE Limited.

DISCLAIMER CLAUSE OF NSE (The Designated Stock Exchange): It is to be distinctly understood that the permission given by NSE should not in any way be deemed or construed that the Offer Document has been cleared or approved by NSE nor does it certify the correctness or completeness of any of the contents of the Offer Document. The investors are advised to refer to page 323 of the RHP for the full text of the Disclaimer Clause of NSE.

DISCLAIMER CLAUSE OF THE RESERVE BANK OF INDIA: A license authorizing the Bank to carry on small finance bank business has been obtained from the Reserve Bank of India in terms of Section 22 of the Banking Regulation Act, 1949. It must be distinctly understood, however, that in issuing the license, the Reserve Bank of India does not undertake any responsibility for the financial soundness of the Bank or for the correctness of any of the statements made or opinion expressed in this connection.

GENERAL RISKS: Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the RHP, including the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Bank and the Issue, including the risks involved. The Equity Shares in the Issue have not been recommended or approved by the SEBI, nor does SEBI guarantee the accuracy or adequacy of the contents of the Red Herring Prospectus. Specific attention of the investors is invited to "Risk Factors" beginning on page 22 of the RHP.

All capitalised terms used herein and not specifically defined shall have the same meaning as ascribed to them in the RHP.

For **UJJIVAN SMALL FINANCE BANK LIMITED**
 On behalf of the Board of Directors
 Sd/-
 Company Secretary & Compliance Officer

Place: Bengaluru
 Date: November 28, 2019

Ujjivan Small Finance Bank Limited is proposing, subject to receipt of requisite approvals, market conditions and other considerations, to make an initial public offer of its equity shares ("Equity Shares") and has filed a red herring prospectus ("RHP") with the Securities and Exchange Board of India and the Registrar of Companies, National Capital Territory of Delhi and Haryana. The RHP is available on the website of the SEBI at www.sebi.gov.in as well as on the websites of the book running lead managers, Kotak Mahindra Capital Company Limited, IIFL Securities Limited and JM Financial Limited, at www.investmentbank.kotak.com, www.iiflcap.com and www.jmfi.com respectively. Investors should note that investment in equity shares involves a high degree of risk and for details relating to such risks, see "Risk Factors" on page 22 of the RHP.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act") or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold (i) within the United States only to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A and referred to in the Red Herring Prospectus as "U.S. QIBs". For the avoidance of doubt, the term "U.S. QIBs" does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in the Red Herring Prospectus as "QIBs") in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S and pursuant to the applicable laws of the jurisdictions where those offers and sales are made.