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SURYODAY
A BANK OF SMILES

SURYODAY SMALL FINANCE BANK LIMITED

Our Bank was originally incorporated as Suryoday Micro Finance Private Limited at Chennai, Tamil Nadu, as a private limited company under the Companies Act, 1956 pursuant to the certificate of incorporation dated November 10, 2008 issued by the Assistant Registrar of Companies, Tamil Nadu, Andaman and Nicobar Islands at Chennai. Subsequently, our Bank was converted into a public limited company and the name of our Bank was changed to Suryoday Micro Finance Limited, and a fresh certificate of incorporation dated June 16, 2015 was issued by the RoC. Our Bank was granted the in-principle and final approval to establish a small finance bank ("SFB") by the RBI, pursuant to its letters dated October 7, 2015 and August 26, 2016, respectively. Pursuant to our Bank being established as an SFB, the name of our Bank was changed to Suryoday Small Finance Bank Limited and a fresh certificate of incorporation was issued by the RoC on January 13, 2017. Our Bank commenced its business with effect from January 23, 2017 and was included in the second schedule to the RBI Act pursuant to a notification dated July 24, 2017 issued by the RBI and published in the Gazette of India on September 2, 2017. For further details, see "*History and Certain Corporate Matters*" beginning on page 182 of the Prospectus dated March 20, 2021 (the "Prospectus").

Registered and Corporate Office: Unit No. 1101, Sharda Terraces, Plot No. 65, Sector 11, CBD Belapur, Navi Mumbai 400 614, Maharashtra, India;
Tel: +91 22 4043 5800; **Website:** www.suryodaybank.com; **Contact Person:** Geeta Krishnan, Company Secretary and Compliance Officer; **E-mail:** company.secretary@suryodaybank.com;
Corporate Identity Number: U65923MH2008PLC261472

OUR PROMOTERS: BASKAR BABU RAMACHANDRAN, P. SURENDRA PAI, P. S. JAGDISH AND G. V. ALANKARA

Our Bank has filed the Prospectus with RoC and the Equity Shares are proposed to be listed on the National Stock Exchange of India Limited ("NSE") and the BSE Limited ("BSE") and the trading will commence on March 26, 2021.

BASIS OF ALLOTMENT

INITIAL PUBLIC OFFER OF 19,093,070 EQUITY SHARES OF FACE VALUE OF ₹10 EACH ("EQUITY SHARES") OF SURYODAY SMALL FINANCE BANK LIMITED ("BANK" OR "ISSUER") FOR CASH AT A PRICE OF ₹ 305 PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ 295 PER EQUITY SHARE) AGGREGATING TO ₹ 5,808.39 MILLION (THE "ISSUE") COMPRISING A FRESH ISSUE OF 8,150,000 EQUITY SHARES AGGREGATING TO ₹ 2,479.35 MILLION (THE "FRESH ISSUE") AND AN OFFER FOR SALE OF 10,943,070 EQUITY SHARES AGGREGATING TO ₹ 3,329.04 MILLION ("THE OFFER FOR SALE"), COMPRISING 4,387,888 EQUITY SHARES AGGREGATING TO ₹ 1,334.86 MILLION BY INTERNATIONAL FINANCE CORPORATION, 2,021,952 EQUITY SHARES AGGREGATING TO ₹ 615.11 MILLION BY GAJA CAPITAL FUND II LIMITED, 1,889,845 EQUITY SHARES AGGREGATING TO ₹ 574.92 MILLION BY DWM (INTERNATIONAL) MAURITIUS LTD, 750,000 EQUITY SHARES AGGREGATING TO ₹ 228.16 MILLION BY HDFC HOLDINGS LIMITED, 1,500,000 EQUITY SHARES AGGREGATING TO ₹ 456.32 MILLION BY IDFC FIRST BANK LIMITED, 100,000 EQUITY SHARES AGGREGATING TO ₹ 30.42 MILLION BY AMERICORP VENTURES LIMITED, 186,966 EQUITY SHARES AGGREGATING TO ₹ 56.88 MILLION BY KOTAK MAHINDRA LIFE INSURANCE COMPANY LIMITED AND 106,419 EQUITY SHARES AGGREGATING TO 32.37 MILLION BY GAJA CAPITAL INDIA AIF TRUST (REPRESENTED BY ITS TRUSTEE, GAJA TRUSTEE COMPANY PRIVATE LIMITED) (COLLECTIVELY, REFERRED TO AS THE "SELLING SHAREHOLDERS" AND SUCH EQUITY SHARES THE "OFFERED SHARES"). THE ISSUE INCLUDED A RESERVATION OF 500,000 EQUITY SHARES, AGGREGATING TO ₹ 137.50 MILLION (CONSTITUTING 0.47% OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL), FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEES (THE "EMPLOYEE RESERVATION PORTION"). THE ISSUE LESS THE EMPLOYEE RESERVATION PORTION IS HEREINAFTER REFERRED TO AS "NET ISSUE". THE ISSUE AND NET ISSUE CONSTITUTE 17.99% AND 17.52%, RESPECTIVELY, OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR BANK. OUR BANK AND THE SELLING SHAREHOLDERS IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS, HAVE OFFERED A DISCOUNT OF ₹ 30 PER EQUITY SHARE ON THE ISSUE PRICE TO ELIGIBLE EMPLOYEES BIDDING IN THE EMPLOYEE RESERVATION PORTION ("EMPLOYEE DISCOUNT").

"OUR BANK HAS UNDERTAKEN A PRE-IPO PLACEMENT OF 5,208,226 EQUITY SHARES COMPRISING (I) A PRIVATE PLACEMENT OF 3,084,833 EQUITY SHARES TO SBI LIFE INSURANCE COMPANY LIMITED FOR CASH AT A PRICE OF ₹ 291.75 PER EQUITY SHARE AGGREGATING TO APPROXIMATELY ₹ 900.00 MILLION; (II) A PRIVATE PLACEMENT OF 1,713,795 EQUITY SHARES TO AXIS FLEXI CAP FUND FOR CASH AT A PRICE OF ₹ 291.75 PER EQUITY SHARE AGGREGATING TO APPROXIMATELY ₹ 499.99 MILLION; (III) A PRIVATE PLACEMENT OF 342,760 EQUITY SHARES TO AXIS EQUITY HYBRID FUND FOR CASH AT A PRICE OF ₹ 291.75 PER EQUITY SHARE AGGREGATING TO APPROXIMATELY ₹ 100.00 MILLION; AND (IV) A PRIVATE PLACEMENT OF 66,838 EQUITY SHARES TO KIRAN VIAPAR LIMITED FOR CASH AT A PRICE OF ₹ 291.75 PER EQUITY SHARE AGGREGATING TO APPROXIMATELY ₹ 19.50 MILLION PURSUANT TO SHAREHOLDERS' RESOLUTION DATED FEBRUARY 13, 2021 AND THE RESOLUTION OF THE BOARD DATED FEBRUARY 23, 2021; (TOGETHER, THE "PRE-IPO PLACEMENT"). THE SIZE OF THE FRESH ISSUE WAS REDUCED BY 5,208,226 EQUITY SHARES PURSUANT TO THE PRE-IPO PLACEMENT. FURTHER, PURSUANT TO THE RESOLUTION OF THE BOARD DATED MARCH 2, 2021, OUR BANK HAS ALSO INCREASED THE FRESH ISSUE SIZE BY 1,763,226 EQUITY SHARES (WITHIN THE LIMITS FOR FRESH ISSUE APPROVED BY OUR SHAREHOLDERS ON JULY 27, 2020). ACCORDINGLY, THE FRESH ISSUE SIZE WAS 8,150,000 EQUITY SHARES.

ISSUE PRICE: ₹ 305 PER EQUITY SHARE OF FACE VALUE OF ₹ 10 EACH
ANCHOR INVESTOR ISSUE PRICE: ₹ 305 PER EQUITY SHARE
THE ISSUE PRICE IS 30.50 TIMES THE FACE VALUE

RISKS TO INVESTORS:

1. The Book Running Lead Managers associated with the Issue have handled 38 public issues in the past three years out of which 13 issues closed below the issue price on listing date.
2. The Price/Earnings ratio based on diluted EPS on restated basis for Fiscal 2020 for the Issuer at the upper end of the Price band is 22.93.
3. Average cost of acquisition of Equity Shares for our Selling Shareholders ranges from ₹ 58.77 per Equity Share to ₹ 200.57 per Equity Share and Issue Price at upper end of Price band is ₹ 305.
4. Weighted Average Return on Net Worth for Fiscals 2020, 2019, 2018 is 8.99%.

BID/ ISSUE PERIOD:

OPENED ON: WEDNESDAY, MARCH 17, 2021

CLOSED ON : FRIDAY, MARCH 19, 2021

ANCHOR INVESTOR BIDDING DATE WAS : TUESDAY, MARCH 16, 2021

The Issue was made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 31 of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations") and in compliance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Net Issue was available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs", the "QIB Portion"), provided that the Bank and the Selling Shareholders, in consultation with the Book Running Lead Managers, allocated 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations ("Anchor Investor Portion"), of which one-third was reserved for domestic Mutual Funds, subject to valid Bids having been received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares was added to the Net QIB Portion. Further, 5% of the Net QIB Portion was available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion was available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids having been received at or above the Issue Price. Further, not less than 15% of the Net Issue was available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue was available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids having been received at or above the Issue Price. Further, Equity Shares were made available for allocation on a proportionate basis to Eligible Employees applying under the Employee Reservation Portion, subject to valid Bids having been received from them at or above the Issue Price. Furthermore, a discount of ₹ 30 per Equity Share is being offered to Eligible Employees, bidding in the Employee Reservation Portion in accordance with the SEBI ICDR Regulations. All potential Bidders (except Anchor Investors) are required to mandatorily utilise the Application Supported by Blocked Amount ("ASBA") process providing details of their respective ASBA accounts, and UPI ID in case of RIBs using the UPI Mechanism, if applicable, in which the corresponding Bid Amounts will be blocked by the SCBS or under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Issue through the ASBA process. For details, see "Issue Procedure" beginning on page 377 of the Prospectus.

The bidding for Anchor Investor opened and closed on March 16, 2021. The Bank (Issuer) received 13 applications from 12 anchor investors for 6,069,777 equity shares. The Anchor investor price was finalized at 305 per Equity Share. A total of 5,577,920 shares were allocated under the Anchor Investor Portion aggregating to ₹ 1,701,265,600.00.

The Issue (excluding Anchor Investor Portion) received 260,385 applications for 27,319,264 Equity Shares (prior to technical rejections) resulting in 2.02 times subscription. The details of the applications received in the Issue from various categories are as under (before technical rejections):

Sr. No.	Category	No. of Applications	No. of Equity Shares applied	Equity Shares Reserved as per Prospectus	No. of times Subscribed	Amount (Rs.)
A	Retail Individual Investors	259,167	15,717,240	6,507,575	2.42	4,795,132,448
B	Non Institutional Investors	360	3,322,445	2,788,961	1.19	1,014,972,280
C	Qualified Institutional Investors (Excluding Anchors)	10	8,116,409	3,718,614	2.18	2,475,504,745
D	Eligible Employee Investors	848	163,170	500,000	0.33	44,894,878
	Total	260,385	27,319,264	13,515,150	2.02	8,330,504,351

Final Demand

Assummary of the final demand as at different Bid prices is as under:

Sr. No.	BID PRICE	BIDS QUANTITY	(%) TOTAL	Cumulative Total	% Cumulative Total
1	303	192,766	0.58	192,766	0.58
2	304	123,774	0.37	316,540	0.96
3	305	15,956,507	48.25	16,273,047	49.20
4	CUTOFF	16,800,140	50.80	33,073,187	100.00
	TOTAL	33,073,187	100.00		

The Basis of Allotment was finalized in consultation with the Designated Stock Exchange, being the NSE on March 24, 2021.

A. Allotment to Retail Individual Bidders (after technical rejections)

The Basis of Allotment to the Retail Individual Bidders, who have placed bid at the Cut-Off Price or at the Issue Price of ₹ 305 per Equity Share, was finalized in consultation with the NSE. This category has been subscribed to the extent of 2.30697 times. The total number of Equity Shares Allotted in Retail Portion is 6,641,089 Equity Shares to 135,532 successful Retail Individual Bidder. The category-wise details of the Basis of Allotment are as under:

Category	No. of Applications Received	% of Total	Total No. of Equity Shares applied	% to Total	No. of Equity Shares allotted per Bidder	Ratio	Total No. of Equity Shares allotted
49	232,926	92.17	11,413,374	74.50	49	436: 813	6,120,835
98	10,620	4.20	1,040,760	6.79	49	37: 69	279,055
147	3,057	1.21	449,379	2.93	49	37: 69	80,311
196	1,392	0.55	272,832	1.78	49	37: 69	36,603
245	1,041	0.41	255,045	1.66	49	37: 69	27,342
294	517	0.20	151,998	0.99	49	37: 69	13,573
343	441	0.17	151,263	0.99	49	37: 69	11,613
392	140	0.06	54,880	0.36	49	15: 28	3,675
441	74	0.03	32,634	0.21	49	20: 37	1,960
490	617	0.24	302,330	1.97	49	37: 69	16,219
539	73	0.03	39,347	0.26	49	39: 73	1,911
588	127	0.05	74,676	0.49	49	68: 127	3,332
637	1,699	0.67	1,082,263	7.06	49	37: 69	44,639
					1	7: 3539	21
TOTAL	252,724	100.00	15,320,781	100.00			6,641,089

Please Note: 1 additional Share shall be allotted to 21 Allottees from amongst 10617 Successful Applicants from the categories 98 - 637 (i.e., excluding successful applicants from Category 49) in the ratio of 7: 3539.

B. Allotment to Non-Institutional Bidders (After Technical Rejections)

The Basis of Allotment to the Non-Institutional Bidders, who have placed bid at the Issue Price of ₹305 per Equity Share, was finalized in consultation with the NSE. The Non-Institutional Portion has been subscribed to the extent of 1.16074 times. The total number of Equity Shares Allotted in this category is 2,846,181 Equity Shares to 344 successful Non-Institutional Bidder. The category-wise details of the Basis of Allotment are as under: (Sample)

Category	No. of Applications Received	% of Total	Total No. of Equity Shares applied	% to Total	No. of Equity Shares allotted per Bidder	Ratio	Total No. of Equity Shares allotted
686	114	33.14	78,204	2.37	591	1: 1	67,374
735	18	5.23	13,230	0.40	633	1: 1	11,394
784	4	1.16	3,136	0.09	676	1: 1	2,704
833	2	0.58	1,666	0.05	718	1: 1	1,436
882	3	0.87	2,646	0.08	760	1: 1	2,280
931	1	0.29	931	0.03	802	1: 1	802
980	30	8.72	oca	0.89	844	1: 1	25,320
1029	5	1.45	5,145	0.16	886	1: 1	4,430
1078	3	0.87	3,234	0.10	929	1: 1	2,787
1127	1	0.29	1,127	0.03	971	1: 1	971
4263	1	0.29	4,263	0.13	3673	1: 1	3,673
4606	1	0.29	4,606	0.14	3968	1: 1	3,968
4802	1	0.29	4,802	0.15	4137	1: 1	4,137
4900	6	1.74	29,400	0.89	4222	1: 1	25,332
4949	1	0.29	4,949	0.15	4264	1: 1	4,264
65660	1	0.29	65,660	1.99	56567	1: 1	56,567
82026	1	0.29	82,026	2.48	70667	1: 1	70,667
98343	1	0.29	98,343	2.98	84724	1: 1	84,724
2131108	1	0.29	2,131,108	64.51	1835991	1: 1	1,835,991
TOTAL	344	100.00	3,303,678	100.0			2,846,181

C. Allotment to Eligible Employees (After Technical Rejections)

The Basis of Allotment to the Eligible Employees, who have placed bid at Cut-off or at the Issue Price of ₹ 275 per Equity Share (Employee Discount of 30/- per Equity Share was offered to the Eligible Employees applying under Employee Reservation Portion), was finalized in consultation with the NSE. The Eligible Employee Portion has been subscribed to the extent of 0.23706 times. The total number of Equity Shares Allotted in this category is 118,531 Equity Shares to 252 successful Non-Institutional Bidder. The category-wise details of the Basis of Allotment are as under:

Category	No. of Applications Received	% of Total	Total No. of Equity Shares applied	% to Total	No. of Equity Shares allotted per applicant	Ratio	Total No. of Equity Shares allotted
49	59	23.41	2,891	2.44	49	1:1	2,891
98	28	11.11	2,744	2.32	98	1:1	2,744
147	9	3.57	1,323	1.12	147	1:1	1,323
196	17	6.75	3,332	2.81	196	1:1	3,332
245	13	5.16	3,185	2.69	245	1:1	3,185
294	8	3.17	2,352	1.98	294	1:1	2,352
343	9	3.57	3,087	2.60	343	1:1	3,087
392	3	1.19	1,176	0.99	392	1:1	1,176
441	4	1.59	1,764	1.49	441	1:1	1,764
490	5	1.98	2,450	2.07	490	1:1	2,450
539	5	1.98	2,695	2.27	539	1:1	2,695
588	4	1.59	2,352	1.98	588	1:1	2,352
637	10	3.97	6,370	5.37	637	1:1	6,370
686	26	10.32	17,836	15.05	686	1:1	17,836
735	17	6.75	12,495	10.54	735	1:1	12,495
833	1	0.40	833	0.70	833	1:1	833
980	3	1.19	2,940	2.48	980	1:1	2,940
1029	1	0.40	1,029	0.87	1,029	1:1	1,029
1078	4	1.59	4,312	3.64	1,078	1:1	4,312
1225	1	0.40	1,225	1.03	1,225	1:1	1,225
1274	1	0.40	1,274	1.07	1,274	1:1	1,274
1470	3	1.19	4,410	3.72	1,470	1:1	4,410
1568	3	1.19	4,704	3.97	1,568	1:1	4,704
1617	4	1.59	6,468	5.46	1,617	1:1	6,468
1715	1	0.40	1,715	1.45	1,715	1:1	1,715
1813	13	5.16	23,569	19.88	1,813	1:1	23,569
TOTAL	252	100.00	118,531	100.00			118,531

D. Allotment to QIBs

Allotment to QIBs, who have Bid at the Issue Price of ₹305 per Equity Share or above, has been done on a proportionate basis in consultation with the NSE. This category has been subscribed to the extent of 2.07615 times of QIB Portion. As per the SEBI Regulations, Mutual Funds were Allotted 5% of the Equity Shares of QIB Portion available i.e., 195,468 Equity Shares and other QIBs and unsatisfied demand of Mutual Funds were Allotted the remaining available Equity Shares i.e. 3,713,881 Equity Shares on a proportionate basis. The total number of Equity Shares Allotted in the QIB Portion is 3,909,349 Equity Shares, which were allotted to 10 successful QIB Bidders. The category-wise details of the Basis of Allotment are as under:

Category	FIs/Banks	FIs/FPIs	IC	MFs	NBFC	OThs	Total
QIB	169,093	369,683	1,729,503	1,641,070	-	-	3,909,349

E. Allotment to Anchor Investors

The Bank (Issuer) and the Selling Shareholders, in consultation with the BRLMs, have allocated 5,577,920 Equity Shares to 12 Anchor Investors (through 13 Applications) at the Anchor Investor Issue Price of ₹ 305 per Equity Share in accordance with the SEBI Regulations. This represents 60% of the QIB Portion.

Category	FIs/Banks	MFs	ICs	VCF	AIFs	FPI/FIIs	OThs	Total
Anchor	-	1,805,013	2,297,414	-	-	1,475,493	-	5,577,920

The IPO Committee of our Bank on March 24, 2021 has taken on record the Basis of Allotment of Equity Shares approved by the Designated Stock Exchange, being NSE and has allotted the Equity Shares to various successful Bidders. The Allotment Advice-cum-Intimations and/or notices will be dispatched to the address of the investors as registered with the depositories. Further, the instructions to the Self Certified Syndicate Banks for unblocking of funds, transfer to Public Issue Account have been issued on March 24, 2021 and payment to non-Syndicate brokers have been issued on March 25, 2021. In case the same is not received within ten days, investors may contact the Registrar to the Issue at the address given below. The Equity Shares Allotted to the successful Allottees have been uploaded on March 25, 2021 for credit into the respective beneficiary accounts subject to validation of the account details with the depositories concerned. Our Bank is in the process of obtaining the listing and trading approval from NSE and BSE and the trading will commence on or about March 26, 2021.

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

INVESTORS PLEASE NOTE

The details of the allotment made will be hosted on the website of the Registrar to the Issue, Kfin Technologies Private Limited at www.kfintech.com

All future correspondence in this regard may kindly be addressed to the Registrar to the Issue quoting full name of the first/ sole Bidder, Bid cum Application Form number, Bidder DP ID, Client ID, PAN, date of submission of Bid cum Application Form, address of the Bidder, number of Equity Shares applied for, the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder. and a copy of the Acknowledgment Slip received from the Designated Intermediary at the address given below:



KFin Technologies Private Limited

(formerly known as Kavya Fintech Private Limited)

Selenium, Tower B, Plot No. - 31 and 32 Financial District, Nanakramguda, Serilingampally,

Hyderabad, Rangareddi - 500 032, Telangana, India

Tel: +91 40 6716 2222; E-mail: