GRUH FINANCE LIMITED

We help you build homes

SEC: 2019
May 2, 2019

The BSE Ltd.
Phiroze Jeejeebhoy Towers,
26th Floor, Dalal Street
Mumbai – 400 001

BSE Code No: 511288

Kind Attn: General Manager - DSC

National Stock Exchange of India Ltd.
"Exchange Plaza",
Bandra-Kurla Complex,
Bandra (E), Mumbai 400 051

Symbol : GRUH

Kind Attn: Head - Listing

Dear Sirs,

Sub: Copies of Notices of the National Company Law Tribunal (NCLT) convened meetings for approval of the scheme of amalgamation contemplating the amalgamation of GRUH Finance Limited into and with Bandhan Bank Limited

Pursuant to an Order dated 10th day of April 2019 passed by the Hon'ble National Company Law Tribunal (NCLT), Ahmedabad Bench and Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached herewith the copies of following Notices of the NCLT convened meetings to be held on 4th June, 2019, sent to Equity Shareholders, Secured Creditors (including secured debentures holders) and Unsecured Creditors (including unsecured debenture holders and deposit holders) of GRUH Finance Limited (Company), for approval of the scheme of amalgamation contemplating the amalgamation of GRUH Finance Limited into and with Bandhan Bank Limited and their respective shareholders and creditors.

1. Notice of the NCLT convened meeting of the Equity Shareholders of the Company.
2. Notice of the NCLT convened meeting of the Secured Creditors (including secured debentures holders) of the Company.
3. Notice of the NCLT convened meeting of the Unsecured Creditors (including unsecured debenture holders and deposit holders) of the Company.

This is for your kind information and record.

Thanking you,

Yours sincerely,
For **GRUH FINANCE LIMITED**

MARCUS LOBO
Company Secretary

Encl: a/a

NOTICE-EQUITY SHAREHOLDERS



GRUH FINANCE LIMITED

Registered Office : "GRUH", Netaji Marg, Nr. Mithakhali Six Roads,
Ellisbridge, Ahmedabad – 380 006, Gujarat, India
Tel No : +91 79 2642 1671-75
CIN : L65923GJ1986PLC008809
Website : www.gruh.com
E-mail :investorcare@gruh.com

MEETING OF THE EQUITY SHAREHOLDERS
OF
GRUH FINANCE LIMITED

(convened pursuant to the order dated 10th April 2019 passed by the National Company Law Tribunal, Bench at Ahmedabad)

MEETING:		
Day	:	Tuesday
Date	:	4th June 2019
Time	:	10.30 a.m. (1030 hours)
Venue	:	H. T. Parekh Convention Centre, Ahmedabad Management Association (AMA), Atira Campus, Dr. Vikram Sarabhai Marg, Ahmedabad – 380 015, Gujarat, India
POSTAL BALLOT AND E-VOTING:		
Start Date and Time	:	5th May 2019 at 9.00 a.m. (0900 hours)
End Date and Time	:	3rd June 2019 at 5.00 p.m. (1700 hours)

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BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,

BENCH, AT AHMEDABAD

CA (CAA) NO. 54/NCLT/AHM/2019

In the matter of the Companies Act, 2013;

And

In the matter of Sections 230 - 232 read with other relevant provisions of the Companies Act, 2013;

And

In the matter of GRUH Finance Limited;

And

In the matter of Scheme of Amalgamation of GRUH Finance Limited with Bandhan Bank Limited;

GRUH Finance Limited, a company incorporated under the provisions of the Companies Act, 1956 and having its registered office at "GRUH", Netaji Marg, Nr. Mithakhali Six Roads, Ellisbridge, Ahmedabad – 380 006, Gujarat, India. } } } } } ...Applicant Company

NOTICE CONVENING THE MEETING OF THE EQUITY SHAREHOLDERS OF THE APPLICANT COMPANY

To,
All the equity shareholders of GRUH Finance Limited (the "**Applicant Company**"):

NOTICE is hereby given that by an order dated 10th April 2019 (the "**Order**"), the Hon'ble National Company Law Tribunal, Bench at Ahmedabad (**"NCLT"**) has directed a meeting to be held of the equity shareholders of the Applicant Company for the purpose of considering, and if thought fit, approving, with or without modification(s), the arrangement embodied in the Scheme of Amalgamation of GRUH Finance Limited with Bandhan Bank Limited (**"Scheme"**).

In pursuance of the said Order and as directed therein further notice is hereby given that a meeting of the equity shareholders of the Applicant Company will be held at H. T. Parekh Convention Centre, Ahmedabad Management Association (AMA), Atira Campus, Dr. Vikram Sarabhai Marg, Ahmedabad – 380 015, Gujarat, India, on Tuesday, the 4th June 2019 at 10.30 a.m. (1030 hours), at which time and place you are requested to attend. At the meeting, the following resolution will be considered and if thought fit, be passed, with or without modification(s):

*"**RESOLVED THAT** pursuant to the provisions of Sections 230 - 232 and other applicable provisions of the Companies Act, 2013, the rules, circulars and notifications made thereunder (including any statutory modification or re-enactment thereof) as may be applicable, the Securities andExchange Board of India Circular No. CFD/DIL3/CIR/2017/21 dated 10th March 2017, the observation letters issued by each of the BSE Limited and the National Stock Exchange of India Limited, both dated 3rd April 2019, the no objection letter dated 4th March 2019 issued by the National Housing Bank to the Company, the 'no objection' letter dated 14th March 2019 issued by the Reserve Bank of India to Bandhan Bank Limited and subject to the provisions of the Memorandum and Articles of Association of the Company and subject to the approval of Hon'ble National Company Law Tribunal, Bench at Ahmedabad (**"NCLT"**) and subject to such other approvals, permissions and sanctions of regulatory and other authorities, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by NCLT or by any regulatory or other authorities, while granting such consents, approvals and permissions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "**Board**", which term shall be deemed to mean and include one or more Committee(s) constituted/to be constituted by the Board or any person(s) which the Board may nominate to exercise its powers*

*including the powers conferred by this resolution), the arrangement embodied in the Scheme of Amalgamation of GRUH Finance Limited with Bandhan Bank Limited ("**Scheme**") placed before this meeting and initialled by the Chairman of the meeting for the purpose of identification, be and is hereby approved.*

***RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to this resolution and effectively implement the arrangement embodied in the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by the NCLT while sanctioning the arrangement embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any questions or doubts or difficulties that may arise including passing of such accounting entries and /or making such adjustments in the books of accounts as considered necessary in giving effect to the Scheme, as the Board may deem fit and proper."*

TAKE FURTHER NOTICE that you may attend and vote at the said meeting in person or by proxy provided that a proxy in the prescribed form, duly signed by you or your authorised representative, is deposited at the registered office of the Applicant Company at "GRUH", Netaji Marg, Nr. Mithakhali Six Roads, Ellisbridge, Ahmedabad – 380 006, Gujarat, India, not later than 48 (forty eight) hours before the time fixed for the aforesaid meeting. The form of proxy can be obtained free of charge from the registered office of the Applicant Company.

TAKE FURTHER NOTICE that in compliance with the provisions of (i) Section 230(4) read with Sections 108 and 110 of the Companies Act, 2013; (ii) Rule 6(3)(xi) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016; (iii) Rule 22 read with Rule 20 and other applicable provisions of the Companies (Management and Administration) Rules, 2014; and (iv) Regulation 44 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Applicant Company has provided the facility of voting by postal ballot and e-voting so as to enable the equity shareholders, to consider and approve the Scheme by way of the aforesaid resolution. Accordingly, voting by equity shareholders of the Applicant Company to the Scheme shall be carried out through (a) Postal Ballot; (b) e-voting; and (c) electronic voting system at the venue of the meeting to be held on Tuesday, the 4th June 2019.

Copies of the Scheme and of the Explanatory Statement, under Sections 230(3), 232(1) and (2) and 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, along with the enclosures as indicated in the Index, can be obtained free of charge at the registered office of the Applicant Company at "GRUH", Netaji Marg, Nr. Mithakhali Six Roads, Ellisbridge, Ahmedabad – 380 006, Gujarat, India or at the office of its advocates, M/s. Singhi & Co., Singhi House, 1, Magnet Corporate Park, Off Sola Bridge, S. G. Highway, Ahmedabad – 380 059, Gujarat, India.

NCLT has appointed Mr. Mihir Thakore, Senior Advocateand in his absence Mr. Rashesh Sanjanwala, Senior Advocateto be the Chairman of the said meeting including for any adjournment or adjournments thereof.

The Scheme, if approved in the aforesaid meeting, will be subject to the subsequent approval of NCLT.

A copy of the Explanatory Statement, under Sections 230(3), 232(1) and (2) and 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, the Scheme and the other enclosures as indicated in the Index are enclosed.

Sd/-
Mihir Thakore
Senior Advocate
Chairman appointed for the meeting

Dated this 20th April 2019

Registered office: "GRUH", Netaji Marg,
Nr. Mithakhali Six Roads,
Ellisbridge, Ahmedabad – 380006,
Gujarat, India

Notes:

1. Only registered equity shareholders of the Applicant Company may attend and vote either in person or by proxy (a proxy need not be an equity shareholder of the Applicant Company) or in the case of a body corporate or Registered Foreign Portfolio Investors **("RFPI")** or Foreign Institutional Investors (**"FII"**), by a representative authorised under Section 113 of the Companies Act, 2013 at the meeting of the equity shareholders of the Applicant Company. The authorised representative of a body corporate/RFPI/FII which is a registered equity shareholder of the Applicant Company may attend and vote at the meeting of the equity shareholders of the Applicant Company provided a copy of the resolution of the board of directors or other governing body of the body corporate/RFPI/FII authorising such representative to attend and vote at the meeting of the equity shareholders of the Applicant Company, duly certified to be a true copy by a director, the manager, the secretary or other authorised officer of such body corporate/RFPI/FII, is deposited at the registered office of the Applicant Company not later than 48 (forty eight) hours before the scheduled time of the commencement of the meeting of the equity shareholders of the Applicant Company.

2. As per Section 105 of the Companies Act, 2013 and the rules made thereunder, a person can act as proxy on behalf of not more than 50 (fifty) equity shareholders holding in aggregate, not more than 10% (ten percent) of the total share capital of the Applicant Company carrying voting rights. Equity shareholders holding more than 10 % (ten percent) of the total share capital of the Applicant Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or equity shareholder.

3. The form of proxy can be obtained free of charge from the registered office of the Applicant Company.

4. All alterations made in the form of proxy should be initialed.

5. During the period beginning 24 (twenty four) hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, an equity shareholder would be entitled to inspect the proxies lodged at any time during the business hours of the Applicant Company, provided that not less than 3 (three) days of notice in writing is given to the Applicant Company.

6. NCLT by its said Order has directed that a meeting of the equity shareholders of the Applicant Company shall be convened and held at H. T. Parekh Convention Centre, Ahmedabad Management Association (AMA), Atira Campus, Dr. Vikram Sarabhai Marg, Ahmedabad – 380 015, Gujarat, India, on Tuesday, the 4th June 2019 at 10.30 a.m. (1030 hours) for the purpose of considering, and if thought fit, approving, with or without modification(s), the arrangement embodied in the Scheme. Equity shareholders would be entitled to vote in the said meeting either in person or through proxy.

7. In compliance with the provisions of (i) Section 230(4) read with Sections 108 and 110 of the Companies Act, 2013; (ii) Rule 6(3)(xi) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016; (iii) Rule 22 read with Rule 20 and other applicable provisions of the Companies (Management and Administration) Rules, 2014; (and iv) Regulation 44 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Applicant Company has provided the facility of voting by postal ballot and e-voting so as to enable the equity shareholders, to consider and approve the Scheme by way of the aforesaid resolution. Accordingly, voting by equity shareholders of the Applicant Company to the Scheme shall be carried out through (a) Postal Ballot; (b) e-voting; and (c) electronic voting system at the venue of the meeting to be held on Tuesday, the 4th June 2019.

8. The quorum of the meeting of the equity shareholders of the Applicant Company shall be 30 (thirty) equity shareholders of the Applicant Company, present in person.

9. A registered equity shareholder or his proxy, attending the meeting, is requested to bring the Attendance Slip duly completed and signed.

10. The registered equity shareholders who hold shares in dematerialized form and who are attending the meeting are requested to bring their DP ID and Client ID for easy identification.

11. The registered equity shareholders are informed that in case of joint holders attending the meeting, only such joint holder whose name stands first in the register of members of the Applicant Company/ list of beneficial owners as received from National Securities Depository Limited

(**"NSDL"**)/ Central Depository Services (India) Limited (**"CDSL"**) in respect of such joint holding, will be entitled to vote.

12. The documents referred to in the accompanying Explanatory Statement shall be open for inspection by the equity shareholders at the registered office of the Applicant Company between 10.00 a.m. and 12.00 noon on all days (except Saturdays, Sundays and public holidays) up to the date of the meeting.

13. Equity shareholders holding equity shares as on 26th April 2019, being the cut-off date, will be entitled to exercise their right to vote on the above resolution.

14. The Notice, together with the documents accompanying the same, is being sent to all the equity shareholders either by registered post or speed post or by courier service or electronically by e-mail to those equity shareholders who have registered their e-mail ids with the Applicant Company/registrar and share transfer agents/ NSDL/CDSL, whose names appear in the register of members/list of beneficial owners as received from NSDL/CDSL as on 26th April 2019. The Notice will be displayed on the website of the Applicant Company www.gruh.com and on the website of NSDL, www.evoting.nsdl.com

15. A person, whose name is not recorded in the register of members or in the register of beneficial owners maintained by NSDL/CDSL as on the cut-off date i.e. 26th April 2019 shall not be entitled to avail the facility of e-voting or voting through postal ballot or voting at the venue of the meeting to be held on the 4th June 2019. Voting rights shall be reckoned on the paid-up value of the shares registered in the names of the equity shareholders as on Friday, the 26th April 2019. Persons who are not equity shareholders of the Applicant Company as on the cut-off date i.e. 26th April 2019 should treat this notice for information purposes only.

16. The voting by the equity shareholders through the postal ballot or e-voting shall close at 5:00 p.m. on the 3rd June 2019.

17. The notice convening the meeting will be published through advertisement in (i) Indian Express (All Editions) in English language; and (ii) translation there of in Sandesh (Ahmedabad Edition) in Gujarati language.

18. In accordance with the provisions of Sections 230 – 232 of the Companies Act, 2013, the Scheme shall be acted upon only if a majority of persons representing three fourth in value of the equity shareholders of the Applicant Company, voting in person or by proxy or by postal ballot or e-voting, agree to the Scheme.

19. The Applicant Company has engaged the services of NSDL for facilitating e-voting for the said meeting to be held on 4th June 2019. Equity shareholders desiring to exercise their vote by using e-voting facility are requested to follow the instructions mentioned in Note 32 below.

20. A postal ballot form along with self-addressed postage pre-paid envelope is also enclosed. Equity shareholders, voting in physical form are requested to carefully read the instructions printed in the attached postal ballot form. Equity shareholders who have received the postal ballot form by e-mail and who wish to vote through postal ballot form, can download the postal ballot form from the Applicant Company's website www.gruh.com or seek duplicate postal ballot form from the Applicant Company.

21. Equity shareholders shall fill in the requisite details and send the duly completed and signed postal ballot form in the enclosed self-addressed postage pre-paid envelope to the scrutinizer so as to reach the scrutinizer before 5.00 p.m. on or before 3rd June 2019. Postal ballot form, if sent by courier or by registered post/speed post at the expense of an equity shareholder will also be accepted. Any postal ballot form received after the said date and time period shall be treated as if the reply from the equity shareholders has not been received.

22. Incomplete, unsigned, improperly or incorrectly tick marked postal ballot forms will be rejected by the scrutinizer.

23. The vote on postal ballot cannot be exercised through proxy.

24. There will be only 1 (one) postal ballot form for every registered folio/client ID irrespective of the number of joint equity shareholders.

25. The postal ballot form should be completed and signed by the equity shareholders (as per specimen signature registered with the Applicant Company and/or furnished by the Depositories). In case, shares are jointly held, this form should be completed and signed by the first named equity shareholder and, in his/her absence, by the next named equity shareholder. Holder(s) of Power of Attorney **("PoA")** on behalf of an equity shareholder may vote on the postal ballot mentioning the registration number of the PoA with the Applicant Company or enclosing a copy of the PoA authenticated by a notary. In case of shares held by companies, societies etc., the duly completed postal ballot form should be accompanied by a certified copy of the board resolution/ authorisation giving the requisite authority to the person voting on the postal ballot form.

26. Mr. M.C. Gupta, of M/s. M. C. Gupta & Co., Company Secretaries, (Membership No. FCS : 2047) (Address : 703, Mauryansh Elanza, Near Parekh's Hospital, Shyamal Cross Roads, Satellite, Ahmedabad – 380015) has been appointed by the Applicant Company to act as the Scrutinizer to scrutinize Postal Ballot voting and the e-voting process in a fair and transparent manner.

27. The scrutinizer will submit his combined report to the Chairman of the meeting after completion of the scrutiny of the votes cast by the equity shareholders, of the Applicant Company through (i) e-voting process, (ii) postal ballot, and (iii) electronic voting system at the venue of the meeting. The scrutinizer's decision on the validity of the vote (including e-votes) shall be final. The results of votes cast through (i) remote e-voting, (ii) postal ballot, and (iii) electronic voting system at the venue of the meeting will be announced on or before the 6th June 2019 at the registered office of the Applicant Company. The results, together with the scrutinizer's reports, will be displayed at the registered office of the Applicant Company, on the website of the Applicant Company, www.gruh.com and on the website of NSDL, www.evoting.nsdl.com, besides being communicated to BSE Limited and National Stock Exchange of India Limited.

28. Kindly note that the equity shareholders can opt only one mode for voting i.e. either by postal ballot or remote e-voting or voting at the venue of the meeting. If an equity shareholder has opted for e-voting, then he/she should not vote by postal ballot form also and vice versa. However, in case equity shareholder(s) cast their vote both via postal ballot and e-voting, then voting validly done through e-voting shall prevail and voting done by postal ballot shall be treated as invalid.

29. The equity shareholders of the Applicant Company attending the meeting who have not cast their vote either through postal ballot or remote e-voting shall be entitled to exercise their vote at the venue of the meeting. Equity shareholders who have cast their votes through postal ballot or remote e-voting may also attend the meeting but shall not be entitled to cast their vote again.

30. The voting through postal ballot and e-voting period will commence at 9.00 a.m. (0900 hours) on Sunday, the 5th May 2019 and will end at 5.00 p.m. (1700 hours) on Monday, the 3rd June 2019. The e-voting module shall be disabled by NSDL for voting thereafter. During this period, the equity shareholders of the Applicant Company holding shares either in physical form or in dematerialized form, as on the cut-off date, i.e. 26th April 2019 may cast their vote electronically or by postal ballot. Once the vote on the resolution is cast by an equity shareholder, he or she will not be allowed to change it subsequently.

31. Any queries/grievances in relation to the voting by postal ballot or remote e-voting may be addressed to Mr. Marcus Lobo, Company Secretary of the Applicant Company at "GRUH", Netaji Marg, Nr. Mithakhali Six Roads, Ellisbridge, Ahmedabad – 380 006, Gujarat, India, or through email to investorcare@gruh.com. Mr. Marcus Lobo, Company Secretary of the Applicant Company can also be contacted at +91 79 2642 1671-75. You may also 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 toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

32. Voting through Electronic Means

(i) In compliance with the provisions of Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Sections 108 and 110 of the Companies Act, 2013 read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014, as amended and the Secretarial Standards on General Meetings, the Applicant Company is providing remote e-voting facility to all its Members to enable them to cast their vote on the matters listed in the Notice by electronic means. The Applicant Company has engaged the services of the National Securities Depository Limited (NSDL) to provide the e-voting facility.

(ii) The details of the process and manner for remote e-Voting are explained herein below:

Step 1 : Log-in to NSDL e-Voting system at https://www.evoting.nsdl.com/

Step 2 : Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

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 'Shareholders' section.

3. A new screen will open. You will have to enter your User ID, your Password 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

   a) For Members who hold shares in demat account with NSDL.

   b) For Members who hold shares in demat account with CDSL.

   c) For Members holding shares in Physical Form.

Your User ID is:

   a) 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) 16 Digit Beneficiary ID For example, if your Beneficiary ID is 12********** then your user ID is 12**********

   c) EVEN Number followed by Folio Number registered with the Applicant Company. For example, if folio number is 001*** and EVEN is _____110626 then user ID is 110626001***

5. Your password details are given below:

   a) If you are already registered for e-Voting, then you can user 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 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 Applicant 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, your 'initial password' is communicated to you on your postal address.

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.

b) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

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.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.

2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.

3. Select "EVEN" of Applicant Company for which you wish to cast your vote.

4. Now you are ready for e-Voting as the Voting page opens.

5. 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.

6. Upon confirmation, the message "Vote cast successfully" will be displayed.

7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Instructions

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 gruhscrutinizer@gmail.com with a copy marked to evoting@nsdl.co.in.

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 If you forget your password, you can reset your password by using 'Forget User Details/ Password' option available on https://www.evoting.nsdl.com.

Encl.: As above

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,

BENCH, AT AHMEDABAD

CA (CAA) NO. 54/NCLT/AHM/2019

In the matter of the Companies Act, 2013;

And

In the matter of Sections 230 - 232 read with other relevant provisions of the Companies Act, 2013;

And

In the matter of GRUH Finance Limited;

And

In the matter of Scheme of Amalgamation of GRUH Finance Limited with Bandhan Bank Limited;

GRUH Finance Limited, a company incorporated under the provisions of the Companies Act, 1956 and having its registered office at "GRUH", Netaji Marg, Nr. Mithakhali Six Roads, Ellisbridge, Ahmedabad – 380 006, Gujarat, India. } ...Applicant Company

EXPLANATORY STATEMENT UNDER SECTIONS 230(3), 232(1) AND (2) AND 102 OF THE COMPANIES ACT, 2013 READ WITH RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016

1. Pursuant to the Order dated 10th April 2019, passed by the Hon'ble National Company Law Tribunal, Bench at Ahmedabad (the **"NCLT"**), in CA (CAA) No. 54/NCLT/AHM/2019 (**"Order")**,a meeting of the equity shareholders of GRUH Finance Limited (hereinafter referred to as the **"Applicant Company"** or the **"Transferor Company"** or **"GRUH"** as the context may admit) is being convened at H. T. Parekh Convention Centre, Ahmedabad Management Association (AMA), Atira Campus, Dr. Vikram Sarabhai Marg, Ahmedabad – 380 015, Gujarat, India, on Tuesday, the 4th June 2019 at 10.30 a.m. (1030 hours),for the purpose of considering, and if thought fit, approving, with or without modification(s), the Scheme of Amalgamation of the Transferor Company with Bandhan Bank Limited (hereinafter referred to as the **"Transferee Company "** or **"Bandhan"** as the context may admit) under Sections 230-232 of the Companies Act, 2013and other applicable provisions of the Companies Act, 2013 (the **"Scheme"**) (GRUH and Bandhan are together referred to as the **"Companies"**or **"Parties"**or **"Amalgamating Companies"**, as the context may admit). A copy of the Scheme, which has been, inter alios, approved by the Audit Committee and the Board of Directors of the Applicant Company at their respective meetings both held on 7th January 2019, are enclosed as **Annexure 1**. Capitalised terms used herein but not defined shall have the meaning assigned to them in the Scheme, unless otherwise stated.

2. In terms of the said Order, the quorum for the said meeting shall be 30 (thirty) equity shareholders present in person. Further in terms of the said Order, NCLT, has appointed Mr. Mihir Thakore, Senior Advocateand in his absence Mr. Rashesh Sanjanwala, Senior Advocateas the Chairman of the meeting of the Applicant Company including for any adjournment or adjournments thereof.

3. This statement is being furnished as required under Sections 230(3), 232(1) and (2) and 102 of the Companies Act, 2013 (the **"Act"**) read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (the **"Rules"**).

4. As stated earlier, NCLT by its said Order has, inter alia, directed that a meeting of the equity shareholders of the Applicant Company shall be convened and held at H. T. Parekh Convention Centre, Ahmedabad Management Association (AMA), Atira Campus, Dr. Vikram Sarabhai Marg, Ahmedabad – 380 015, Gujarat, India, on Tuesday, the 4th June 2019 at 10.30 a.m. (1030 hours) for the purpose of considering, and if thought fit, approving, with or without modification(s), the arrangement embodied in the Scheme. Equity shareholders would be entitled to vote in the said meeting either in person or through proxy.

5. In accordance with the provisions of Sections 230 – 232 of the Act, the Scheme shall be acted upon only if a majority in number representing three fourths in value of the equity shareholders, of the Applicant Company, voting in person or by proxy or by postal ballot or e-voting, agree to the Scheme.

6. In terms of the Order dated 10th April 2019, passed by the NCLT, in CA (CAA) No. 54/NCLT/AHM/2019, if the entries in the records/registers of the Applicant Company in relation to the number or value, as the case may be, of the equity shares are disputed, the Chairman of the meeting shall determine the number or value, as the case may be, for the purposes of the said meeting, subject to the orders of NCLT in the petition seeking sanction of the Scheme.

Particulars of GRUH

7. The Transferor Company was incorporated on 21st July 1986 as Gujarat Rural Housing Finance Corporation Limited, a public company with the Registrar of Companies, Gujarat, under the provisions of the Companies Act, 1956. Its name was changed to GRUH Finance Limited with effect from 21st August 1995. The Corporate Identification Number of the Transferor Company is L65923GJ1986PLC008809. The Permanent Account Number of the Transferor Company is AAACG7010K. The equity shares of the Transferor Company are listed on BSE Limited (hereinafter referred to as "**BSE**") and National Stock Exchange of India Limited (hereinafter referred to as "**NSE**"). Two series of unsecured redeemable non-convertible subordinated debentures issued by the Transferor Company are listed on the Wholesale Debt Market segment of NSE.

8. The Registered Office of the Transferor Company is situated at "GRUH", Netaji Marg, Nr. Mithakhali Six Roads, Ellisbridge, Ahmedabad – 380 006, Gujarat, India. There has been no change in the registered office address of the Transferor Company in last five (5) years. The e-mail address of the Transferor Company is investorcare@gruh.com

9. The objects for which the Transferor Company has been established are set out in its Memorandum of Association. Some of the objects of the Transferor Company are as follows:

"III. (A)

(1) To carry on the business of providing long term finance to any person or persons, company or corporation, society or association of persons with or without interest and with or without any security for the purpose of enabling such borrower to construct or purchase or enlarge any house or dwelling unit or any part or portion thereof in India for residential purpose upon such terms and conditions as the Company may deem fit."

"III. (B)

(61) To amalgamate with any other company whose objects are or include objects similar to those of this Company, whether by sale or purchase (for fully or partly paid-up shares or otherwsise) of the undertaking subject to the liabilities of this or any such other company as aforesad, with or without winding up, or by sale or purchase (for fully or partly paid up shares or otherwise) of all or a controlling interest in the shares or stock of this or any such other company as aforesaid, or by partnership or any arrangement of the nature of partnership or in any other manner."

There has been no change in the main object clause of the Transferor Company in the last 5 years.

10. The Transferor Company is engaged inter alia in the business of providing home loans and is registered with the National Housing Bank (hereinafter referred to as "**NHB**") as a housing finance

company. The objects clause of the memorandum of association of the Transferor Company authorises the Transferor Company to carry on the business of housing finance.

11. The Authorised, Issued, Subscribed and Paid up Share Capital of the Transferor Company as on 31st March 2019 was as follows:

Particulars	Amount in Rupees
Authorised Capital	
100,00,00,000 equity shares of Rs. 2/- each	200,00,00,000
Total	**200,00,00,000**
Issued, Subscribed and Paid-up*	
73,36,87,512 equity shares of Rs. 2/- each	146,73,75,024
Total	**146,73,75,024**

** Certain employee stock options granted to the employees of the Transferor Company may get exercised before the Effective Date (as defined in the Scheme), which may result in an increase in the issued and paid-up share capital of the Transferor Company. The details of the unexercised employee stock options by the employees of the Transferor Company as on 31st March 2019 are set out below.*

Unexercised Employee Stock Options*	Amount in Rupees
7,59,024 options of Rs. 268.20 each	20,35,70,236.80
6,26,000 options of Rs. 612.55 each	38,34,56,300

** Each stock option entitles an employee for 2 equity shares of Rs. 2 each.*

Particulars of Bandhan

12. The Transferee Company was incorporated on 23rd December 2014, a public limited company, with the Registrar of Companies, West Bengal, under the provisions of the Act, in the name of Bandhan Bank Limited. The equity shares of the Transferee Company are listed on BSE and NSE. The Corporate Identification Number of the Transferee Company is L67190WB2014PLC204622. The Permanent Account Number of the Transferee Company is AAGCB1323G.

13. The registered office of the Transferee Company is situated at DN – 32, Sector V, Salt Lake, Kolkata – 700 091, West Bengal, India. There has been no change in the registered office address of the Transferee Company since its incorporation. The e-mail address of the Transferee Company is companysecretary@bandhanbank.com

14. The objects for which the Transferee Company has been established are set out in its Memorandum of Association. Some of the objects of the Transferee Company are as follows:

"III. (A)

1) To establish and carry on the business of banking in any part of India or outside India.

2) To carry on business of accepting, for the purpose of lending or investment, of deposits of money from the public, repayable on demand or otherwise, and withdrawable by cheque, draft, order or otherwise.

3) To carry on the business of:

(a) borrowing, raising or taking up of money;
(b) lending or advancing of money by way of loan, overdraft or on cash credit or other accounts or in any other manner whether without or on the security or movable or

immovable properties, bills of exchange, hundies, promissory notes, bills of lading, railway receipts, debentures, share warrants and other instruments whether transferable or negotiable or not;

(c) *drawing, making, accepting, discounting, buying, selling, collecting and dealing in bills of exchange, hundies, promissory notes, coupons, drafts, bills of lading, railway receipts, warrants, debentures, certificates, scrips and other instruments and securities whether transferable or negotiable or not;*

(d) *granting and issuing of letters of credits, travellers' cheques and circulars notes;*

(e) *buying, selling and dealing in bullion and specie;*

(f) *buying and selling of and dealing in foreign exchange including foreign bank notes;*

(g) *acquiring, holding, issuing on commission, underwriting and dealing in stock, funds, shares, debentures, debenture stock, bonds, obligations, securities and investments of all kinds;*

(h) *purchasing and selling of bonds, scrips or other forms of securities on behalf of itself, its constituents or others;*

(i) *negotiations of loans and advances;*

(j) *receiving of all kinds of bonds, scrips or valuables on deposit or for safe custody or otherwise;*

(k) *providing of safe deposit vaults;*

(l) *collecting and transmitting of money and all kinds of securities;*

(m) *issuing credit cards, debit cards, prepaid instruments, smart card or any similar instruments and extending any other credits;*

(n) *acting as aggregators, as may be permitted by the Pension Fund Regulatory and Development Authority ("PFRDA"), in connection with the National Pension System of the PFRDA.*

(o) *carrying on any other business specified in section 6(1)(a) to (n) of the Banking Regulation Act, 1949, as amended from time to time ("1949 Act"), and such other forms of business which the Central Government has pursuant to Section 6(1)(o) of 1949 Act specified or may from time to time specify by notification in the Official Gazette or as may be permitted by Reserve Bank of India ("RBI") from time to time as a form of business in which it would be lawful for a banking company to engage.*

4) *To carry on the business of merchant banking, investment banking, portfolio investment management, wealth management and investment advisors; to form, to constitute, promote, act as managing and issuing agents, prepare projects and feasibility reports for and on behalf of any company, association, society, firm, individual and body corporate.*

5) *To carry on the business of mutual fund distribution, equipment leasing and hire purchase.*

6) *To act as corporate agents for insurance products for life and general insurance including but not limited to health, pension & employees benefit, fire, marine, cargo, marine hull, aviation, oil & energy, engineering, accident, liability, motor vehicles, transit and other products and to carry on the business of insurance, re-insurance and risk management as an insurance agent or otherwise as may be permitted under law.*

7) *To carry on the business of factoring by purchasing and selling debts receivables and claims including invoice discounting and rendering bill collection, debt collection and other factoring services.*

8) *To carry on and transact the business of giving guarantees and counter guarantees and indemnities whether by personal conveant or by mortgaging or charging all or any part of the undertaking, property or assets of the Company, both present and future wherever situate or in any other manner and in particular to guarantee the payment of any principal moneys, interest or other moneys secured by or payable under debentures, bonds, debenture-stock, mortgages, charges, contracts, obligations and securities, and the repayment of the capital moneys and the payment of dividends in respect of stocks and shares or the performance of any such other obligations."*

"III. B)

50) *To amalagamte, merge, enter into any arrangement for sharing of profits, amalgamation, union of interest, reciprocal concession or cooperation with any company or companies or body corporate having objects altogether or in part similar to those of this Company, for the purpose of acquiring any business, undertaking, property or liabilities of such person, company or body corporate, or to sell, exchange, lease, underlease, surrender, abandon,*

amalagamte, sub-divide, mortgage or otherwise deal with either absolutely, conditionally, or for any limited interest, all or any part of the undertaking, property rights or privileges of the Company, as a going concern or otherwise, for advancing directly or indirectly the objects thereof for any other purpose which this Company may think expedient, with any public body, corporation, company, society, or association, or to any person or persons, for such consideration as the Company may think fit, and in particular for any stock, shares (whether wholly or partly paid), debentures, debenture stock, securities or property of any other Company."

There has been no change in the main object clause of the Transferee Company since its incorporation.

15. The Transferee Company is in the business of providing banking services. The Transferee Company was issued license dated 17th June 2015 by the Reserve Bank of India, under the provisions of the Banking Regulation Act, 1949, to carry on banking business in India. The objects clause of the Memorandum of Association of the Transferee Company authorises the Transferee Company to carry on the business of banking.

16. The Authorised, Issued, Subscribed and Paid up Share Capital of the Transferee Company as on 31st March 2019 was as follows:

Particulars	Amount in Rupees
Authorised Capital	
500,00,00,000 equity shares of Rs. 10 each	5000,00,00,000
Total	5000,00,00,000
Issued, Subscribed and Paid-up*	
119,30,82,855 equity shares of Rs. 10 each	1193,08,28,550
Total	**1193,08,28,550**

***** C*ertain employee stock options granted to the employees of the Transferee Company which are vested may get exercised before the Effective Date and un-granted employee stock options, the grant and consequent exercise of which may result in an increase in the issued and paid-up share capital of the Transferee Company. The details of the unexercised employee stock options (net of cancellation) by the employees of the Transferee Company as on 31st March 2019 are set out below:*

Unexercised Employee Stock Options	Amount in Rupees
18,62,715 options of Rs. 180 each	33,52,88,700
Total	**33,52,88,700**
Un-granted Employee Stock Options	**Amount**
Nil	Nil

Description and Rationale for the Scheme

17. The Transferor Company and the Transferee Company have entered into Merger Co-operation Agreement dated 7th January 2019, setting out the manner of effecting the Scheme and the rights and obligations of the respective Parties. The principal objective of the Merger Co-operation Agreement is to: (a) set out the agreement between the Parties in relation to the proposed Scheme; (b) provide the detailed mechanism for giving effect to the proposed Scheme and the related matters upon the Scheme coming into effect or being terminated/withdrawn; and (c) to provide appropriate representations and warranties by the Parties.

18. Description of the Scheme:

The Scheme, inter alia, provides for:

(i) amalgamation of the Transferor Company into and with the Transferee Company;

(ii) transfer of the authorised share capital of the Transferor Company to the Transferee Company and consequential increase in the authorised share capital of the Transferee Company;

(iii) issuance and allotment of fully paid-up equity shares of the Transferee Company to the shareholders of the Transferor Company, in accordance with Part III of the Scheme;

(iv) dissolution of the Transferor Company without winding up; and

(v) various other matters consequential or incidental to or otherwise integrally connected with the above.

19. Rationale for the Scheme:

The proposed amalgamation would be in the best interest of the Amalgamating Companies and their respective shareholders, employees, creditors and other stakeholders as the proposed amalgamation will yield advantages as set out inter alia below:

(i) The Transferee Company and the Transferor Company have developed exceptional skills in banking business and housing finance business respectively. The Transferor Company has a wide range of home loan products with a specific rural focus. With a retail network of 195 (one hundred ninety five) branches, it has a presence in 11 States and 1 Union Territory in India with almost 50% (fifty percent) of the existing loan assets advanced in rural areas. The Transferee Company received a banking license in 2015 from the RBI. Its focus has been to meet the financial needs of people who are overlooked by the formal banking system. The Transferor Company and the Transferee Company therefore have significant complementarities and the consolidation of the two businesses carried on by them is strategic in nature and will generate significant business synergies. The amalgamation will result in enhancement of shareholders' value accruing from synergy of operations, new product development, integration of technology and information technology platforms, and also enable the Amalgamating Companies to further their socio-economic objectives. Thus, a combination of the Transferor Company and the Transferee Company will enhance the value propositions of the combined entity which would be able to leverage the complementarities of the Amalgamating Companies;

(ii) The amalgamation of the Transferor Company with the Transferee Company will enable the Transferee Company to build and strengthen its housing loan portfolio, and establish a strong customer base of affordable housing customers. The Transferee Company would benefit from the loan assets of the Transferor Company as the strong loan book of the Transferor Company will stand merged into the Transferee Company pursuant to the amalgamation. In addition, the amalgamation will not dilute the focus of the Transferee Company on predominantly Priority Sector Lending ("PSL") loans as majority portfolio of the Transferor Company is PSL eligible;

(iii) pooling of resources, creating better synergies, optimal utilisation of resources and greater economies of scale;

(iv) better administration and cost reduction (including reduction in administrative and other common costs);

(v) while the Transferee Company has pan India presence in 34 States and Union Territories with a strong presence in east and north east part of India, the proposed amalgamation will enhance reach and distribution and help expand the geographic coverage for the combined entities;

(vi) greater efficiency in cash management and unfettered access to cash flow generated by the combined business, which can be deployed more efficiently, to maximise shareholder value;

(vii) create value for stakeholders including respective shareholders, customers, lenders and employees as the combined business would benefit from increased scale, product diversification and expanded reach with increased ability to growth opportunities, higher cross selling opportunities to a larger base of customers, improvement in productivity and operational efficiencies amongst others;

(viii) provide material realisable cost and revenue synergies for the benefit of the Amalgamating Companies; and

(ix) optimal utilisation of resources and economies of scale resulting in improved efficiencies; it will help the Transferee Company to establish a strong customer base of affordable housing and scale up rural lending

Relationship among Companies who are parties to the Scheme

20. As on 31st March 2019, Housing Development Finance Corporation Limited (hereinafter referred to as "**HDFC**") holds 56.09 % of the paid-up share capital of the Transferor Company. The Transferor Company is the subsidiary of HDFC and that HDFC is the promoter shareholder of the Transferor Company. The Transferee Company is promoted by Bandhan Financial Holdings Limited amongst others. None of the Companies are related to each other.

Corporate Approvals

21. The Scheme alongwith joint Valuation Report, recommending share exchange ratio, submitted by M/s. Desai Haribhakti & Co. and M/s. SRB and Associates, independent Chartered Accountants (the "**Joint Valuation Report**"), in respect of the proposed Scheme, were placed before the Audit Committee of the Transferor Company at its meeting held on 7th January 2019. A Fairness Opinion on the valuation, by JM Financial Limited, a SEBI registered merchant banker, ("**Fairness Opinion**") was also submitted to the Transferor Company's Audit Committee. A copy of the Joint Valuation Report is enclosed as **Annexure 2**. The Joint Valuation Report is also open for inspection at the registered office of the Transferor Company. A copy of the Fairness Opinion is enclosed as **Annexure 3**.The Audit Committee, inter alia, based on the aforesaid, recommended the Scheme for favourable consideration by the Board of Directors of the Transferor Company, the Reserve Bank of India (hereinafter referred to as "**RBI**"), Competition Commission of India (hereinafter referred to as "**CCI**"), the stock exchanges, Securities and Exchange Board of India (hereinafter referred to as "**SEBI**") and such other regulatory authorities, by its report dated 7th January 2019.

22. The Scheme alongwith the aforesaid Joint Valuation Report was placed before the Board of Directors of the Transferor Company at its meeting held on 7th January 2019. The aforesaid Fairness Opinion issued by JM Financial Limited was also submitted to the Transferor Company's Board of Directors. Based on the report submitted by the Audit Committee recommending the draft Scheme amongst others, the Board of Directors of the Transferor Company approved the Scheme at its meeting held on 7th January 2019. The meeting of the Board of Directors of the Transferor Company, held on 7th January 2019, was attended by 8 (eight) directors in person (namely, Mr. K.M. Mistry (Chairman), Ms. Renu Sud Karnad, Mr. K. G. Krishnamurthy, Mr. Biswamohan Mahapatra, Mr. Rajesh Gupta, Ms. Bhavna Doshi, Mr. Kamlesh Shah and Mr. Sudhin Choksey) and by 1 (one) director (namely, Mr. Prafull Anubhai) through video conference. None of the directors of the Transferor Company who attended the meeting voted against the Scheme. Thus, the Scheme was approved unanimously by the directors who attended and voted at the meeting.

23. Separately, the aforesaid Joint Valuation Report was placed before the Audit Committee of the Transferee Company at its meeting held on 7th January 2019. A fairness opinion on the valuation, by Kotak Mahindra Capital Company Limited, a SEBI registered merchant banker, was also submitted to the Transferee Company's Audit Committee. The Audit Committee, inter alia, reviewed the Joint Valuation Report and noted the valuation and the recommended share exchange ratio for the proposed Scheme. The Audit Committee recommended the Scheme to be effective from the Appointed Date, after taking into consideration the Joint Valuation Report including the share exchange ratio, to the Board of Directors of the Transferee Company, which the Board of Directors of the Transferee Company may take into consideration for determining its recommendation regarding the draft Scheme to the shareholders of the Transferee Company and creditors of the Transferee Company (as may be applicable) for their consideration and approval.

24. The Scheme alongwith the aforesaid Joint Valuation Report was placed before the Board of Directors of the Transferee Company at its meeting held on 7th January 2019. The aforesaid fairness opinion issued by Kotak Mahindra Capital Company Limited was also submitted to the Transferee Company's Board of Directors. Based on the report submitted by the Audit Committee recommending the draft Scheme amongst others, the Board of Directors of the Transferee Company approved the Scheme at its meeting held on 7th January 2019. The meeting of the Board of Directors of the Transferee Company, held on 7th January 2019, was attended by 12 (twelve) directors in person (namely, Dr. Anup Kumar Sinha, Mr. Harun Rasid Khan, Mr. Chandra Shekar Ghosh, Mr. Bhaskar Sen, Mr. Chintaman Mehadeo Dixit, Mr. Ranodeb Roy, Mr. Sisir Kumar Chakrabarti, Mr. Snehomoy Bhattacharya, Ms. T. S. Raji Gain, Dr. A. S. Ramasastri, Mr. Santanu Mukherjee and Dr. Holder Dirk Michaelis). None of the directors of the Transferee Company who attended the meeting voted against the Scheme. Thus, the Scheme was approved unanimously by the directors who attended and voted at the meeting.

Approvals and actions taken in relation to the Scheme

25. BSE was appointed as the designated stock exchange by the Transferor Company for the purpose of co-ordinating with the SEBI, pursuant to the Circular No. CFD/DIL3/CIR/2017/21 dated 10th March 2017 (the "**SEBI Circular**") issued by SEBI.

26. The Transferor Company received no adverse observations/No-objection letter regarding the Scheme from BSE and NSE, respectively, each dated 3rd April 2019 conveying their no adverse observations/No-objection for filing the Scheme with NCLT pursuant to the letter dated 3rd April 2019 addressed by SEBI to BSE and NSE, which, interalia, stated the following:

"Company shall ensure that additional information, if any, submitted by the Company, after filing the scheme with the Stock Exchange, and from the date of receipt of this letter is displayed on the websites of the listed company and the stock exchanges."

"Company shall duly comply with various provisions of the Circulars."

"Company is advised to comply with all the relevant RBI norms and the observations issued by RBI vide letter dated March 14, 2019."

"Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the company is obliged to bring the observations to the notice of NCLT."

"It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section230(5) of Companies Act, 2013 to SEBI again for its comments/observations/representations."

Copies of the no adverse observations/No-objection letters, both dated 3rd April 2019, received from BSE and NSE, respectively, are enclosed as **Annexures 4** and **Annexure 5.**

27. As required by the SEBI Circular, the Transferor Company had filed the complaints report with BSE and NSE, both dated 19th February 2019. These reports indicate that the Transferor Company received six complaints which were resolved. A copy of the complaints report submitted by the Transferor Company, both dated 19th February 2019, to BSE and NSE, respectively,are enclosed as **Annexure 6** and **Annexure 7**.

28. The Transferor Company has received no objection to the Scheme from NHB by its letter dated 4th March 2019.

29. The Transferee Company, pursuant to the application made by it to RBI, has received a communication dated 14th March 2019 from RBI, whereby RBI granted its 'no objection' to the Scheme, subject to conditions.

30. HDFC had made necessary application to RBI in relation to the acquisition of New Equity Shares (*as defined in the Scheme*) by it in the Transferee Company pursuant to and post effectiveness of the Scheme and in accordance with share exchange ratio. RBI by its letter dated 14th March 2019 granted its 'in-principle' approval to HDFC to acquire shareholding of 9.9 % or less of the paid-up voting equity capital of the Transferee Company upon the Scheme becoming effective.

31. The Companies had jointly filed necessary notification form with the CCI on 18th March 2019, disclosing the details of the proposed combination under the provisions of Section 6(2) of the Competition Act, 2002. Thereafter, the CCI, by its letter dated 15th April 2019 approved the proposed combination under Section 31(1) of the Competition Act, 2002.

32. The Companies or any of them would obtain such necessary approvals/sanctions/no objection(s) from the regulatory or other Governmental Authorities in respect of the Scheme in accordance with law, if so required.

33. CA (CAA) No. 54/NCLT/AHM/2018 along with the annexures thereto (which includes the Scheme) was filed by the Transferor Company with the NCLT, on 4th April 2019. Similarly, the Transferee Company filedCP No. 489 of 2019 along with annexures thereto (which includes the Scheme) with the Hon'ble National Company Law Tribunal, Bench at Kolkata, on the 4th April 2019.

Salient extracts of the Scheme

34. Certain clauses of the Scheme are extracted below:

PART I

1. DEFINITIONS

*"**Appointed Date**" means 1 January 2019, or such other date as may be mutually agreed between the Amalgamating Companies and is the date with effect from which this Scheme shall be effective.*

*"**Effective Date**" means the date on which certified copies of the orders of the Competent Authority are filed with the relevant RoC after the last of the approvals or events specified under Clause 9.1 of Part IV of the Scheme are satisfied or obtained or have occurred or the requirement of which has been waived (in writing) in accordance with this Scheme. The Scheme shall be operative from the Effective Date and effective from the Appointed Date and any references in this Scheme to "upon this Scheme becoming effective", "Scheme becomes effective" or "effectiveness of this Scheme" or likewise, means and refers to the Effective Date.*

*"**Transferor Company**" means GRUH Finance Limited, a company incorporated under the Companies Act, 1956 and having its registered office at "GRUH", Netaji Marg, Nr. Mithakhali Six Roads, Ellisbridge, Ahmedabad 380 006 and, notwithstanding anything to the contrary in this Scheme shall include:*

(a) any and all of its assets, whether movable or immovable, tangible or intangible, real or personal, corporeal or incorporeal, in possession or reversion, present, future, or contingent, including but not limited to registrations and memberships, electrical fittings, installations, tools, accessories, power lines, stocks, computers, communication facilities, vehicles, furniture, fixtures and office equipment, all rights, title, interests, covenants, undertakings, and society memberships and rights appurtenant to the immovable property, including continuing rights, covenants, title and interests in connection with any land (together with the buildings and structures standing thereon), whether freehold or leasehold or leave and licensed or right of way and all documents (including panchnamas, declarations, receipts) of title, rights and easements in relation thereto, plant, machinery, trading platform, appliances, equipment, whether leased or otherwise, together with all present and future liabilities including contingent liabilities and debts appertaining thereto;

(b) any and all of its investments (including shares whether in dematerialised or physical form, scrips, stocks, bonds, debentures, debenture stock, units or pass through certificates and other securities), including actionable claims, earnest monies, loans and advances, recoverable in cash or in kind or for value to be received, provisions, all cash and bank balances and deposits, money at call and short notice, contingent rights or benefits, receivables, including dividends declared or interest accrued thereon, reserves, provisions, funds, benefits of all agreements, bonds, debentures, debenture stock, units or pass through certificates;

(c) any and all of its licenses (including the licenses granted by any governmental, statutory or regulatory bodies for the purpose of carrying on its business or in

connection therewith), permissions (including but not limited to permissions granted in relation to launch futures and options contracts), allotments, approvals, consents, concessions, clearances, credits, awards, sanctions, exemptions, subsidies, registrations, no-objection certificates, permits, quotas, rights, entitlements, authorisation, applications made for obtaining all or any of the aforesaid, pre-qualifications, bid acceptances, tenders, certificates, tenancies, trade names, trademarks, service marks, copyrights, logos, corporate names, brand names, domain names, , sales tax credits, income-tax credits, goods and service tax credits, privileges and benefits of/ arising out of all contracts, agreements, applications and arrangements and all other rights including lease rights, powers and facilities of every kind and description whatsoever, equipment, installations and utilities such as electricity, water and other service connections, all benefits including subsidies, grants, incentives, tax credits (including but not limited to credits in respect of goods and services tax, income tax, minimum alternate tax, value added tax, etc., tax refunds) and all other rights, claims and powers, of whatsoever nature;

(d) any and all of its debts, borrowings and liabilities (whether denominated in Indian rupees or foreign currency), present or future, whether secured or unsecured, all guarantees, assurances, commitments and obligations of any nature or description, whether fixed, contingent or absolute, secured or unsecured, asserted or unasserted, matured or unmatured, liquidated or unliquidated, accrued or not accrued, known or unknown, due or to become due, whenever or however arising (including, without limitation, whether arising out of any contract or tort based on negligence or strict liability);

(e) all contracts, agreements, licenses, leases, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, letters of agreed points, bids, letters of intent, arrangements, undertakings, whether written or otherwise, deeds, bonds, schemes, arrangements, service agreements, sales orders, purchase orders, operation and maintenance compliance, equipment purchase agreements or other instruments of whatsoever nature to which the Transferor Company is a party, and other assurances in favour of the Transferor Company or powers or authorisations granted by or to it;

(f) all insurance policies;

(g) any and all of its staff and employees, who are on its payrolls, including those employed at its offices and branches, employees/personnel engaged on contract basis and contract labourers and interns/trainees, as are primarily engaged in or in relation to the business, activities and operations carried on by the Transferor Company, including liabilities of the Transferor Company, with regard to their staff and employees, with respect to the payment of gratuity, superannuation, pension benefits and provident fund or other compensation or benefits, if any, whether in the event of resignation, death, retirement, retrenchment or otherwise, in terms of its license, at its respective offices, branches or otherwise, and any other employees/personnel and contract labourers and interns/trainees hired by the Transferor Company as on the Effective Date;

(h) rights of any claim not made by the Transferor Company in respect of any refund of tax, duty, cess or other charge, including any erroneous or excess payment thereof made by the Transferor Company and any interest thereon, with regard to any law, act or rule or scheme made by the Governmental Authority, and in respect of carry forward of un-absorbed losses and unabsorbed tax depreciation, deferred revenue expenditure, rebate, incentives, benefits etc., under the Income Tax Act, 1961, sales tax, value added tax, custom duties and good and service tax or any other or like benefits under Applicable Law;

(i) any and all of the advance monies, earnest monies, margin money and/or security deposits, payment against warrants or other entitlements, as may be lying with them, including but not limited to the deposits from members, investor's service fund and investor protection fund;

(j) all deposits and balances with government, quasi-government, local and other authorities and bodies, customers and other persons, earnest monies and/or security deposits paid or received by the Transferor Company, directly or indirectly;

(k) *all books, records, files, papers, engineering and process information, application software, software licenses (whether proprietary or otherwise), test reports, computer programmes, drawings, manuals, data, databases including databases for procurement, commercial and management, catalogues, quotations, sales and advertising materials, product registrations, dossiers, lists of present and former borrowers, lenders and suppliers including service providers, other borrower information, customer credit information, customer/supplier pricing information, and all other books and records, whether in physical or electronic form;*

(l) *amounts claimed by the Transferor Company whether or not so recorded in the books of account of the Transferor Company from any Governmental Authority, under any law, act or rule in force, as refund of any tax, duty, cess, or of any excess payment;*

(m) *all registrations, trademarks, trade names, computer programmes, websites, manuals, data, service marks, copyrights, patents, designs, domain names, applications for trademarks, trade names, service marks, copyrights, designs and domain names exclusively used by or held for use by the Transferor Company in the business, activities and operations carried on by the Transferor Company; and*

(n) *all rights to use and avail telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interests held in trusts, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in control of or vested in or granted in favour of or enjoyed by the Transferor Company and all other rights and interests of whatsoever nature belonging to or in the ownership, power, possession or control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company.*

PART III

AMALGAMATION OF THE TRANSFEROR COMPANY INTO AND WITH THE TRANSFEREE COMPANY

1.1 *With effect from the Appointed Date and upon this Scheme becoming effective, the Transferor Company along with all its assets, liabilities, contracts, employees, licenses, records, approvals etc. being integral parts of the Transferor Company shall stand transferred to and vest in or shall be deemed to have been transferred to and vested in the Transferee Company, as a going concern, without any further act, instrument or deed, together with all its properties, assets, liabilities, rights, benefits and interest therein, subject to the provisions of this Scheme, in accordance with Sections 230 - 232 of the Act, the Income-Tax Act, 1961 and Applicable Law if any, in accordance with the provisions contained herein.*

1.2 *Without prejudice to the generality of the above and to the extent applicable, unless otherwise stated herein, upon this Scheme becoming effective and with effect from the Appointed Date:*

(c) *all immovable properties of the Transferor Company, including land together with the buildings and structures standing thereon and rights and interests in immovable properties of the Transferor Company, whether freehold or leasehold or otherwise and all documents of title, rights and easements in relation thereto, shall be vested in and/or be deemed to have been vested in the Transferee Company, without any further act or deed done or being required to be done by the Transferor Company and/or the Transferee Company. The Transferee Company shall be entitled to exercise all rights and privileges attached to the aforesaid immovable properties and shall be liable to pay the ground rent and taxes and fulfil all obligations in relation to or applicable to such immovable properties. The relevant authorities shall grant all clearances/permissions, if any, required for enabling the Transferee Company to absolutely own and enjoy the immovable properties in accordance with Applicable Law. The mutation or substitution of the title to the immovable properties shall, upon this Scheme becoming effective, be made and duly recorded in the name of the Transferee Company by Governmental Authorities pursuant to the sanction of this Scheme by the Competent Authority and upon the Scheme becoming effective in accordance with the terms hereof.*

(e) *all Encumbrances, if any, existing prior to the Effective Date over the assets of the*

Transferor Company which secure or relate to any liability, shall, after the Effective Date, without any further act, instrument or deed, continue to be related and attached to such assets or any part thereof to which they related or were attached prior to the Effective Date and as are transferred to the Transferee Company. Provided that if any assets of the Transferor Company have not been Encumbered in respect of the liabilities, such assets shall remain unencumbered and the existing Encumbrance referred to above shall not be extended to and shall not operate over such assets. Further, such Encumbrances shall not relate or attach to any of the other assets of the Transferee Company. The secured creditors of the Transferee Company and/or other holders of security over the properties of the Transferee Company shall not be entitled to any additional security over the properties, assets, rights, benefits and interests of the Transferor Company and therefore, such assets which are not currently Encumbered shall remain free and available for creation of any security thereon in future in relation to any current or future indebtedness of the Transferee Company. The absence of any formal amendment which may be required by a lender or trustee or any third party shall not affect the operation of the foregoing provisions of this Scheme.

(f) all estate, assets, rights, title, claims, interest, investments and properties of the Transferor Company as on the Appointed Date, whether or not included in the books of the Transferor Company, and all assets, rights, title, interest, investments and properties, of whatsoever nature and wherever situate, which are acquired by the Transferor Company on or after the Appointed Date but prior to the Effective Date, shall be deemed to be and shall become the assets and properties of the Transferee Company.

(g) all contracts, agreements, licences, leases, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, letters of agreed points, bids, letters of intent, arrangements, undertakings, whether written or otherwise, deeds, bonds, agreements, schemes, arrangements and other instruments to which the Transferor Company is a party, or to the benefit of which, the Transferor Company may be eligible/entitled, and which are subsisting or having effect immediately before the Effective Date, shall, without any further act, instrument or deed continue in full force and effect on, against or in favour of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligor thereto. If the Transferee Company enters into and/or issues and/or executes deeds, writings or confirmations or enters into any tripartite arrangements, confirmations or novations, the Transferor Company will, if necessary, also be party to such documents in order to give formal effect to the provisions of this Scheme, if so required. In relation to the same, any procedural requirements required to be fulfilled solely by the Transferor Company (and not by any of its successors), shall be fulfilled by the Transferee Company as if it is the duly constituted attorney of the Transferor Company.

(h) any pending suits/appeals, all legal, taxation or other proceedings including before any statutory or quasi-judicial authority or tribunal or other proceedings of whatsoever nature relating to the Transferor Company, whether by or against the Transferor Company, whether pending on the Appointed Date or which may be instituted any time in the future, shall not abate, be discontinued or in any way prejudicially affected by reason of the amalgamation of the Transferor Company or of anything contained in this Scheme, but the proceedings shall continue and any prosecution shall be enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued, prosecuted and/or enforced by or against the Transferor Company, as if this Scheme had not been implemented.

(i) all the security interest over any moveable and/or immoveable properties and security in any other form (both present and future) including but not limited to any pledges, or guarantees, if any, created/executed by any person in favour of the Transferor Company or any other person acting on behalf of or for the benefit of the Transferor Company for securing the obligations of the persons to whom the Transferor Company has advanced loans and granted other funded and non-funded financial assistance, by way of letter of comfort or through other similar instruments shall without any further act, instrument or deed stand vested in and be deemed to be in favour of the Transferee Company and the benefit of such security shall be available to the Transferee Company as if such security was ab initio created in favour of the Transferee Company. The mutation or substitution of the charge in relation to the movable and immovable properties of the Transferor

Company shall, upon this Scheme becoming effective, be made and duly recorded in the name of the Transferee Company by the appropriate authorities and third parties (including any depository participants) pursuant to the sanction of this Scheme by the Competent Authority and upon the Scheme becoming effective in accordance with the terms hereof.

(j) all debts, liabilities, contingent liabilities, duties and obligations, secured or unsecured (including rupee, foreign currency loans, time and demand liabilities, undertakings and obligations of the Transferor Company), of every kind, nature and description whatsoever and howsoever arising, whether provided for or not in the books of account or disclosed in the balance sheets of the Transferor Company shall be deemed to be the debts, liabilities, contingent liabilities, duties, and obligations of the Transferee Company, and the Transferee Company shall, and undertakes to meet, discharge and satisfy the same in terms of their respective terms and conditions, if any. All loans raised and used and all debts, duties, undertakings, liabilities and obligations incurred or undertaken by the Transferor Company after the Appointed Date and prior to the Effective Date, shall also be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and, to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of this Scheme, pursuant to the provisions of Sections 230 to 232 of the Act, without any further act, instrument or deed shall stand transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company and shall become the debt, duties, undertakings, liabilities and obligations of the Transferee Company which shall meet, discharge and satisfy the same.

(m) all letters of intent, requests for proposal, pre-qualifications, bid acceptances, tenders, and other instruments of whatsoever nature to which the Transferor Company is a party to or to the benefit of which the Transferor Company may be eligible, shall remain in full force and effect against or in favour of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto. Upon coming into effect of this Scheme, the past track record of the Transferor Company shall be deemed to be the track record of the Transferee Company for all commercial and regulatory purposes.

(n) all the staff and employees of the Transferor Company who are in such employment as on the Effective Date shall become, and be deemed to have become, the staff and employees of the Transferee Company, without any break or interruption in their services and on the same terms and conditions (and which are not less favourable than those) on which they are engaged by the Transferor Company as on the Effective Date. The Transferee Company further agrees that for the purpose of payment of any retirement benefit/compensation, such immediate uninterrupted past services with the Transferor Company, shall also be taken into account. With regard to provident fund, gratuity, superannuation, leave encashment and any other special scheme or benefits created or existing for the benefit of such employees of the Transferor Company, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever, upon this Scheme becoming effective, including with regard to the obligation to make contributions to relevant authorities, such as the regional provident fund commissioner or to such other funds maintained by the Transferor Company, in accordance with the provisions of Applicable Laws or otherwise. It is hereby clarified that upon this Scheme becoming effective, the aforesaid benefits or schemes shall continue to be provided to the transferred employees and the services of all the transferred employees of the Transferor Company for such purpose shall be treated as having been continuous.

(o) with regard to any provident fund, gratuity fund, pension, superannuation fund or other special fund created or existing for the benefit of such employees of the Transferor Company, it is the aim and intent of the Scheme that all the rights, duties, powers and obligations of the Transferor Company in relation to such schemes or funds shall become those of the Transferee Company. Upon the Scheme becoming effective, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever relating to the obligation to make contributions to the said funds in accordance with the provisions of such schemes or funds in the respective trust deeds or other documents. Any existing provident fund, gratuity fund and superannuation fund trusts created by the Transferor Company for its employees shall be continued for the benefit of such employees on the same terms and conditions until such time that they are transferred to the relevant funds of the Transferee Company. It is clarified that the services of all

employees of the Transferor Company transferred to the Transferee Company will be treated as having been continuous and uninterrupted for the purpose of the aforesaid schemes or funds. Without prejudice to the aforesaid, the Board of the Transferee Company, if it deems fit and subject to Applicable Laws, shall be entitled to: (i) retain separate trusts or funds within the Transferee Company for the erstwhile fund(s) of the Transferor Company; or (ii) merge the pre-existing fund of the Transferor Company with other similar funds of the Transferee Company.

(q) all trademarks, trade names, service marks, copyrights, logos, corporate names, brand names, domain names and all registrations, applications and renewals in connection therewith, and software and all website content (including text, graphics, images, audio, video and data), trade secrets, confidential business information and other proprietary information shall stand transferred to and vested in the Transferee Company.

(s) all taxes (including but not limited to advance tax, tax deducted at source, minimum alternate tax, withholding tax, banking cash transaction tax, securities transaction tax, taxes withheld/paid in a foreign country, value added tax, sales tax, service tax, goods and services tax, customs, duties, etc.), including any interest, penalty, surcharge and cess, if any, payable by or refundable to the Transferor Company, including all or any refunds or claims shall be treated as the tax liability or refunds/claims, as the case may be, of the Transferee Company, and any tax incentives, advantages, privileges, exemptions, credits, holidays, remissions, reductions etc., as would have been available to the Transferor Company, shall pursuant to this Scheme becoming effective, be available to the Transferee Company.

(t) all approvals, allotments, consents, concessions, clearances, credits, awards, sanctions, exemptions, subsidies, registrations, no-objection certificates, permits, quotas, rights, entitlements, authorisation, pre-qualifications, bid acceptances, tenders, licenses (including the licenses granted by any governmental, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith), permissions (including but not limited to permissions granted in relation to launch futures and options contracts) and certificates of every kind and description whatsoever in relation to the Transferor Company, or to the benefit of which the Transferor Company may be eligible/entitled, and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect in favour of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligor thereto. It is hereby clarified that if the consent of any third party or authority is required to give effect to the provisions of this Clause, the said third party or authority shall make and duly record the necessary substitution/endorsement in the name of the Transferee Company pursuant to the sanction of this Scheme by the Competent Authority, and upon this Scheme becoming effective in accordance with the terms hereof. For this purpose, the Transferee Company shall file appropriate applications/documents with relevant authorities concerned for information and record purposes.

(w) all the property, assets and liabilities of the Transferor Company shall be transferred to the Transferee Company at the values appearing in the books of account of the Transferor Company at the close of business of the day immediately preceding the Appointed Date.

(y) all the benefits under the various incentive schemes and policies that the Transferor Company is entitled to, including tax credits, tax deferral, exemptions and benefits (including sales tax and service tax), subsidies, tenancy rights, liberties, special status and other benefits or privileges enjoyed or conferred upon or held or availed by the Transferor Company and all rights or benefits that have accrued or which may accrue to the Transferor Company, whether on, before or after the Appointed Date, shall upon this Scheme becoming effective and with effect from the Appointed Date be transferred to and vest in the Transferee Company and all benefits, entitlements and incentives of any nature whatsoever, shall be claimed by the Transferee Company and these shall relate back to the Appointed Date as if the Transferee Company was originally entitled to all benefits under such incentive schemes and or policies.

(aa) without prejudice to the generality of the foregoing, all lease agreements and leave and license agreements, as the case may be, to which the Transferor Company is a party, and having effect immediately before the Effective Date, shall remain in full force and

effect on the terms and conditions contained therein in favour of or against the Transferee Company and may be enforced fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto or thereunder; and the respective lessees and the licensees, as the case may be, shall continue to be in possession of the premises subject to the terms and conditions contained in the relevant lease agreements or leave and license agreements, as the case may be. Further, all the rights, title, interest and claims of the Transferor Company in any properties including leasehold/ licensed properties of the Transferor Company including but not limited to security deposits and advance or prepaid lease or license fee, shall, on the same terms and conditions, be transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company automatically without requirement of any further act or deed. The Transferee Company shall continue to pay rent or lease or license fee as provided for under such agreements, and the Transferee Company shall continue to comply with the terms, conditions and covenants thereunder.

3.1 Upon this Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up, without any further act, instrument or deed.

4.1 As an integral part of the Scheme and upon this Scheme becoming effective, the authorized share capital of the Transferor Company shall stand transferred to and be amalgamated/combined with the authorized share capital of the Transferee Company. The fees or stamp duty, if any, paid by the Transferor Company on its authorized share capital shall be deemed to have been so paid by the Transferee Company on the combined authorized share capital, and the Transferee Company shall not be required to pay any fee/ stamp duty for the increase of the authorized share capital. The authorised share capital of the Transferee Company will automatically stand increased to that effect by simply filing the requisite forms with the relevant Registrar of Companies and no separate procedure or instrument or deed shall be required to be followed under the Act.

4.2 Clause V of the memorandum of association of the Transferee Company shall, upon this Scheme becoming effective, and without any further act, instrument or deed, be replaced by the following clause:

"The share capital of the Company is Rs. 5,200,00,00,000 (Rupees five thousand two hundred crore only) divided into 520,00,00,000 (five hundred twenty crore) equity shares of Rs. 10 (Rupees ten) each."

*5.1 Upon coming into effect of this Scheme and in consideration of the amalgamation of the Transferor Company in the Transferee Company, the Transferee Company shall, without any further application, act or deed, issue and allot to the shareholders of the Transferor Company whose names are recorded in the register of members as a member of the Transferor Company on the Record Date (or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognised by the Board of the Transferee Company), 568 (five hundred sixty eight) Transferee Company Shares, credited as fully paid-up, for every 1000 (one thousand) equity shares of the face value of Rs. 2 (Rupees two) each fully paid-up held by such member in the Transferor Company ("**Share Exchange Ratio**"). The Transferee Company Shares to be issued by the Transferee Company to the shareholders of the Transferor Company in accordance with this Clause 5.1 of Part III shall be hereinafter referred to as "**New Equity Shares**".*

6.3 The New Equity Shares of the Transferee Company allotted and issued in terms of Clause 5.1 of Part III above, shall be listed and/or admitted to trading on the BSE and NSE. The New Equity Shares of the Transferee Company shall, however, be listed subject to the Transferee Company obtaining the requisite approvals from all the relevant Governmental Authorities pertaining to the listing of the New Equity Shares of the Transferee Company. The Transferee Company shall enter into such arrangements and give such confirmations and/or undertakings as may be necessary in accordance with Applicable Laws for complying with the formalities of BSE and NSE.

6.10 The shares allotted pursuant to the Scheme shall remain frozen in the depositories system until listing/trading permission is given by the BSE and NSE, as the case may be.

6.11 There shall be no change in the shareholding pattern or control of the Transferee Company between the Record Date and the date of listing of equity shares of the Transferee Company which may affect the status of the BSE's approval or NSE's approval.

6.12 The New Equity Shares to be issued by the Transferee Company pursuant to Clause 5.1 of Part III above in respect of such equity shares of the Transferor Company as are subject to lock-in pursuant to Applicable Law shall be locked-in as and to the extent required under Applicable Law.

7.1 The Transferee Company shall, upon this Scheme becoming effective and with effect from the Appointed Date, record the assets and liabilities of the Transferor Company (as appearing in the books of accounts of the Transferor Company at the close of business on the day preceding the Appointed Date) as vested in the Transferee Company pursuant to this Scheme, at the respective book values thereof.

7.2 The Transferee Company shall follow the method of accounting as prescribed for the 'pooling of interest method' under Accounting Standard 14 as notified under the Companies Accounting Rules, 2006.

7.3 The Transferee Company shall issue and allot equity shares to the shareholders of the Transferor Company in accordance with Clause 6 above and credit the face value of such equity shares to its share capital account.

7.4 Upon this Scheme becoming effective and with effect from the Appointed Date, the excess, if any, of the book value of the assets over the book value of the liabilities of the Transferor Company recorded by the Transferee Company in its books of accounts as mentioned above, as reduced by the face value of shares issued by the Transferee Company to the shareholders of the Transferor Company shall be credited to the capital reserve account in the financial statements of the Transferee Company as drawn up in compliance with the Scheme and applicable accounting standards of the Transferee Company. In case of there being a deficit, such amount shall be debited to the general reserve. In case of any difference in the accounting policies between the Transferor Company and the Transferee Company, the accounting policies followed by the Transferee Company shall prevail and the difference, if any, will be quantified and adjusted in the general reserve mentioned earlier, to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy. Where the Transferee Company does not have sufficient general reserve, the balance amount remaining after adjustment with the general reserve of the Transferee Company, shall be adjusted against the capital reserve, if any, of the Transferee Company.

7.5 Notwithstanding the above, the Board of Directors of the Transferee Company is authorised to account for any of these balances in any manner whatsoever, as may be deemed fit, in accordance with the prescribed accounting standards under the Act and applicable RBI regulations and applicable generally accepted accounting principles as applicable to the Transferee Company. The identity of the reserves of the Transferor Company, if any and to the extent as required under any applicable regulation and as deemed appropriate by the Board of Directors of the Transferee Company, shall be preserved and they shall appear in the financial statements of the Transferee Company in the same form and manner, in which they appeared in the financial statements of the Transferor Company as prepared under the accounting standards applicable to the Transferee Company, prior to this Scheme becoming effective. Accordingly, if prior to this Scheme becoming effective there is any reserve in the financial statements of the Transferor Company available for distribution whether as bonus shares or dividend or otherwise, the same would also be available in the financial statements of the Transferee Company for such distribution pursuant to this Scheme becoming effective.

7.6 The balances of the profit and loss accounts of the Transferor Company (as appearing in the books of accounts of the Transferor Company at the close of business on the day preceding the Appointed Date) shall be aggregated and added to or set-off (as the case may be) with the corresponding balance appearing in the financial statements of the Transferee Company.

7.7 The Transferee Company shall record in its books of account, all transactions of the Transferor Company in respect of assets, liabilities, income and expenses, from the Appointed Date to the Effective Date. Any inter-company payables and receivables between the Transferor Company and the Transferee Company shall be cancelled and the Transferee Company shall accordingly not record any of such payables and receivables in its books.

*8.1 With respect to the stock options granted by the Transferor Company under the employees stock options scheme of the Transferor Company including the benefit of exercise price and the share entitlement pursuant to the bonus issuance by the Transferor Company in 2018, titled Employees Stock Option Scheme 2015 (the "**Transferor Company Option Scheme**"), upon*

*coming into effect of this Scheme, the Transferee Company shall issue stock options to Eligible Employees taking into account the Share Exchange Ratio and on the same terms and conditions as (and which are not less favourable than those) provided in the Transferor Company Option Scheme. Such stock options may be issued by the Transferee Company either under its existing stock option scheme or a revised employee stock option scheme ("**Transferee Company Option Scheme**").*

8.2 It is hereby clarified that upon this Scheme becoming effective, options granted by the Transferor Company to the Eligible Employees under the Transferor Company Option Scheme shall automatically stand cancelled. Further, upon this Scheme becoming effective and after cancellation of the options granted to the Eligible Employees under the Transferor Company Option Scheme, the fresh options shall be granted by the Transferee Company to the Eligible Employees on the basis of the Share Exchange Ratio (i.e. for every 1,000 options held by an Eligible Employee which entitle such Eligible Employee to acquire 2,000 equity shares (on account of 1:1 bonus issuance on 8 June 2018) in the Transferor Company, such Eligible Employee will be conferred 1,136 options in the Transferee Company which shall entitle him to acquire 1,136 equity shares in the Transferee Company), such that the Eligible Employees shall, as option holders of the Transferee Company, enjoy the same economic benefit as they would have received under the Transferor Company Option Scheme. Fractional entitlements, if any, arising pursuant to the applicability of the Share Exchange Ratio as above shall be rounded off to the nearest higher integer. The exercise price payable for options granted by the Transferee Company to the Eligible Employees shall be based on the exercise price payable by such Eligible Employees under the Transferor Company Option Scheme as adjusted after taking into account the effect of the Share Exchange Ratio.

8.3 On the Effective Date, the provisions of the SEBI (Share Based Employee Benefits) Regulations, 2014, as amended to-date, shall apply, to the extent applicable, to the stock options granted by the Transferee Company under the Transferee Company Option Scheme in pursuance of this Scheme.

8.4 The approval granted to the Scheme by the shareholders, the RBI, the National Housing Bank and/or any other regulatory authority shall be deemed to be approval granted to any modifications made to the Transferor Company Option Scheme by the Transferor Company and approval granted to the Transferee Company Option Scheme to be adopted by the Transferee Company.

8.5 It is hereby clarified that in relation to the options granted by the Transferee Company to the Eligible Employees, the period during which the options granted by the Transferor Company were held by or deemed to have been held by the Eligible Employees shall be taken into account for determining the minimum vesting period required under Applicable Law or agreement or deed for stock options granted under the Transferor Company Option Scheme or the Transferee Company Option Scheme, as the case may be.

8.6 The Board of Directors of the Amalgamating Companies or any of the committee(s) thereof, including the compensation committee, if any, shall take such actions and execute such further documents as may be necessary or desirable for the purpose of giving effect to the provisions of this clause of the Scheme.

PART IV

GENERAL TERMS AND CONDITIONS

2.3 This Scheme has been drawn up to comply with the conditions relating to "amalgamation" as specified under the tax laws, including Section 2 (1B) and other relevant sections of the Income Tax Act, 1961. If any terms or provisions of the Scheme are found to be or interpreted to be inconsistent with any of the said provisions at a later date, whether as a result of any amendment of law or any judicial or executive interpretation or for any other reason whatsoever, the aforesaid provisions of the Income Tax Act, 1961 shall prevail. The Scheme shall then stand modified to the extent deemed necessary to comply with the said provisions. Such modification will however not affect other parts of the Scheme. The power to make such amendments as may become necessary shall vest with the Board of Directors of the Amalgamating Companies, which power shall be exercised reasonably in the best interests of the companies concerned and their stakeholders.

9.1 The Scheme is conditional and subject to:

(a) the Scheme being approved by the requisite majority of each classes of members and/or creditors (where applicable) of the Amalgamating Companies in accordance with the Act and as may be directed by the Competent Authority;

(b) the Competent Authority having accorded its sanction to the Scheme;

(c) receipt of approval by the Transferee Company from the RBI in relation to the Scheme, which shall be in form and substance acceptable to the Amalgamating Companies, each acting reasonably and in good faith;

(d) receipt of approval by the promoter of the Transferor Company, from the RBI in relation to the acquisition of New Equity Shares by it in the Transferee Company pursuant to the Scheme;

(e) satisfaction of the conditions, if any, as set out in the approval provided by the RBI under Clause 9.1(c) and Clause 9.1(d) and which need to be satisfied on or prior to the Effective Date in accordance with the terms thereunder;

(f) receipt of no-objection letters by the Amalgamating Companies in respect from the BSE and the NSE in accordance with the LODR Regulations and the SEBI Circulars in respect of the Scheme (prior to filing the Scheme with the Competent Authority as well as following approval of the Scheme by the Competent Authority), which shall be in form and substance acceptable to the Amalgamating Companies, each acting reasonably and in good faith;

(g) intimation to/receipt of the approval from the National Housing Bank by the Transferor Company and/or its promoter, as applicable, which shall be in form and substance acceptable to the Amalgamating Companies, each acting reasonably and in good faith;

(h) receipt of the approval from the CCI in respect of the Scheme contemplated herein, in accordance with the provisions of the Competition Act, 2002, pursuant to a joint application filed by the Transferor Company and the Transferee Company, which shall be in form and substance acceptable to the Amalgamating Companies, each acting reasonably and in good faith, or the waiting period during which the CCI is required to provide its decision in respect of the application for approval in respect of the Scheme contemplated herein, together with any extensions thereof, shall have expired; and

(i) receipt of such other sanctions and approvals including sanction of any other Governmental Authority or stock exchange(s) as may be required by Applicable Law in respect of the Scheme.

You are requested to read the entire text of the Scheme to get fully acquainted with the provisions thereof. The aforesaid are only some of the salient extracts thereof.

Valuation and accounting treatment

35. Summary of the Joint Valuation Report including the basis of valuation is enclosed as **Annexure 8**.

36. The accounting treatment as proposed in the Scheme is in conformity with the accounting standards prescribed under Section 133 of the Act. The certificate issued by the Statutory Auditor of the Transferor Company is open for inspection at the registered office of the Transferor Company.

37. The auditor of the Transferee Company has also issued a certificate to the effect that the accounting treatment as prescribed in the Scheme is in conformity with the Accounting Standards as prescribed under Section 133 of the Act. The certificate issued by the Statutory Auditor of the Transferee Company is open for inspection at the registered office of the Transferor Company.

Effect of the Scheme on various parties

38. The effect of the proposed Scheme on the stakeholders of the Transferor Company would be as follows:

(a) Shareholders (promoter and non-promoter)

Under the Scheme, an arrangement is sought to be entered into between the Transferor Company and its equity shareholders. Upon the Scheme becoming effective, the equity shareholders of the Transferor Company, shall become the equity shareholders of the Transferee Company in the manner as stipulated in Clause 5.1 of Part III of the Scheme. Further, the authorised share capital of the Transferor Company shall stand transferred to and be

amalgamated/ combined with the authorised share capital of the Transferee Company in the manner as stipulated in Clause 4.1 of Part III of the Scheme.

The Transferor Company has 1 (one) promoter entity, namely Housing Development Finance Corporation Limited. The promoter of the Transferor Company shall not be part of the promoter or promoter group of the merged Transferee Company, and shall be issued such number of shares in the Transferee Company as it may be entitled to pursuant to the Scheme and subject to the approval of the Reserve Bank of India.

(b) Directors, key managerial personnel and employees

As stated in Clause 1.2 (n) of Part III of the Scheme, and with effect from the Effective Date, the Transferee Company has undertaken to engage all the staff and employees of the Transferor Company without any break or interruption in their services and on the same terms and conditions (and which are not less favourable than those) on which they are engaged by the Transferor Company as on the Effective Date. In the circumstances, the rights of the staff and employees of the Transferor Company would in no way be affected by the Scheme.

Upon the Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up. In the circumstances, the directors and key managerial personnel of the Transferor Company shall cease to be the directors and key managerial personnel of the Transferor Company.

The directors, key managerial personnel of the Transferor Company and their relatives may be deemed to have an interest in the Scheme to the extent of the equity shares held by them in the Amalgamating Companies and/or to the extent that the said director(s), key managerial personnel and their respective relatives are the director(s), members, of the companies that hold shares in the Amalgamating Companies. Save as aforesaid, none of the said director(s) or key managerial personnel have any interest in the Scheme. None of the directors of the Transferor Company or key managerial personnel of the Transferor Company hold shares exceeding two per cent. of the paid-up share capital of the Transferee Company.

(c) Creditors (including debenture holders and deposit holders)

Under the Scheme, there is no arrangement with the creditors, either secured (including secured debenture holders) or unsecured (including unsecured debenture holders and deposit holders) of the Transferor Company. No compromise is offered under the Scheme to any of the creditors of the Transferor Company. The liabilities of the creditors of the Transferor Company, under the Scheme, is neither being reduced nor being extinguished. The creditors of the Transferor Company would in no way be affected by the Scheme.

Under the Scheme, no arrangement is sought to be entered into between the Transferor Company and its debenture holders (either secured or unsecured). No rights of the debenture holders of the Transferor Company are being affected pursuant to the Scheme. The debenture trustee(s) appointed for the different series of the debentures shall continue to remain the debenture trustee(s). Thus, the debenture holders of the Transferor Company would in no way be affected by the Scheme.

Under the Scheme, no arrangement is sought to be entered into between the Transferor Company and its deposit holders. No rights of the deposit holders of the Transferor Company are being affected pursuant to the Scheme. There are no deposit trustee(s) in respect of the deposits invited by the Transferor Company. Thus, the deposit holders of the Transferor Company would in no way be affected by the Scheme.

39. In compliance with the provisions of Section 232(2)(c) of the Act, the Board of Directors of the Transferor Company, in itsmeeting, held on 7th January 2019, has adopted a report, inter alia, explaining the effect of the Scheme on its shareholders and key managerial personnel amongst others. Copy of the Report adopted by the Board of Directors of the Transferor Company, is enclosed as **Annexure 9**.

Other matters

40. No investigation proceedings have been instituted or are pending in relation to the Companies under Chapter XIV of the Act or under the corresponding provisions of Sections 235 to 251 of the Companies Act, 1956.

41. No proceedings are pending under the Act or under the corresponding provisions of the Companies Act, 1956 against the Transferor Company and the Transferee Company.

42. To the knowledge of the Transferor Company no winding up proceedings have been filed or pending against the Transferor Company under the Act or the corresponding provisions of the Companies Act, 1956. Further, to the knowledge of the Transferor Company, no winding up proceedings have been filed or pending against the Transferee Company under the Act or the corresponding provisions of the Companies Act, 1956.

43. The copy of the proposed Scheme has been filed by the Transferor Company, before the concerned Registrar of Companies, on the 16th April 2019.

44. The Unaudited Financial Results of the Transferor Company and the Transferee Company, respectively, for the quarter and nine months ended 31st December 2018, are enclosed as **Annexure 10** and **Annexure 11**, respectively.

45. As per the books of accounts (as on 31st December 2018) of the Transferor Company and the Transferee Company, respectively, the amount due to the unsecured creditors are Rs. 2733,88,12,357/- and Rs. 350,54,36,72,025/-, respectively.

46. The name and address of the promoter of the Transferor Company including its shareholding in the Companies as on 31st March 2019 are as under:

Sr. No.	Name and address of Promoter	GRUH Finance Limited		Bandhan Bank Limited	
		No. of Shares of Rs.2/- each	%	No. of Shares of Rs.10/- each	%
1	Housing Development Finance Corporation Limited Ramon House, H.T. Parekh Marg, 169, Backbay Reclamation, Churchgate, Mumbai – 400 020.	411555700	56.09	-	-

47. The names and addresses of the promoters of the Transferee Company including their shareholding in the Companies as on 31st March 2019 are as under:

Sr. No.	Name & Address of Promoter	Bandhan Bank Limited		GRUH Finance Limited	
		No. of Shares of Rs.10/- each	%	No. of Shares of Rs. 2/- each	%
1.	Bandhan Financial Holdings Limited DN-32, Sector - V, Salt Lake City, Kolkata – 700091, West Bengal, India (Category – Promoter)	98,14,83,040	82.26%	-	-
2.	Bandhan Financial Services Limited DN-32, Sector - V, Salt Lake City, Kolkata – 700091, West Bengal, India (Category – Promoter)	-	-	-	-

3.	Financial Inclusion Trust 302, Kirti Deep Building, Nangal Raya, New Delhi – 110046. (Category – Promoter)	-	-	-	-
4.	North East Financial Inclusion Trust Akhaura Road, P.O. - Ramnagar Agartala, Dist.-West Tripura, State - Tripura, Pin-799002. (Category – Promoter)	-	-	-	-
5.	Bandhan Konnagar; 99 H/2, Haran Chandra Banerjee Lane, Konnagar, Hooghly, Pin – 712235 (Category – Promoter Group)	-	-	-	-

48. The names and addresses of the directors of the Transferor Company as on 31st March 2019 are as follows:

Sr. No.	Name of Director	Designation	Address	PAN	DIN
1	Shri Keki Mistry	Non-Executive Chairman	Vivarea, B Wing, Flat No. 2603, 26th Floor, Sane Guruji Marg, Mahalaxmi East, Mumbai – 400 011	AAFPM0331B	00008886
2	Shri Prafull Anubhai	Independent Director	9, Pathik, Shital Baug,Ahmedabad – 380 007	ACJPS9659L	00040837
3	Shri S.G. Mankad	Independent Director	Plot no: 192, Sector 8-C, Gandhinagar – 382007	ABAPM7289E	00086077
4	Shri K. G. Krishnamurthy	Non-Executive Director	403-404, Meru Heights, 268, Telang Road, Matunga (E), Mumbai – 400 019	AAHPK4870D	00012579
5	Shri Biswamohan Mahapatra	Independent Director	Flat No. 502, Building M1, Riddhi Gardens, General Arun Kumar Vaidya Marg, Film City Road, Malad East, Mumbai – 400 097	ABKPM7949M	06990345
6	Shri Pankaj Patel	Independent Director	16, Azad Society, Ambawadi, Ahmedabad – 380 015	AFUPP4143C	00131852
7	Shri Rajesh Gupta	Independent Director	2201-B, 22nd Floor, Phoenix Towers B-Wing, S B Marg, Lower Parel (W), Mumbai – 400 013	ACUPG6247R	00229040

8	Ms. Bhavna Doshi	Independent Director	Flat No. C-191, Grand Paradi,August Kranti Road, Kemps Corner, Mumbai – 400 036	AACPD4427C	00400508
9	Shri Kamlesh Shah	Executive Director	291, Manekbag Society, Ambawadi, Ahmedabad – 380 015	ABIPS1788G	03092230
10	Shri Sudhin Choksey	Managing Director	B-601, Ratnakar Lane, Opp. IOC Petrol Pump, Off. 132 ft Ring Road, Satellite, Ahmedabad – 380 015	AAHPC1433E	00036085

49. The names and addresses of the directors of the Transferee Company as on 31st March 2019 are as follows:

Sr. No.	Name of Director	Designation	Address	PAN	DIN
1	Dr. Anup Kumar Sinha	Part-time (Independent) Chairman	T - 34, Flat 10-B, Genexx Vally, Joka, D. H. Road, Kolkata - 700104	AIQPS2851R	08249893
2	Mr. Harun Rasid Khan	Independent Director	Vista 2/ 901, "The Address" Opp. R City Mall, Ghatkopar (West), Mumbai – 400086, India	AGOPK7169G	07456806
3	Mr. Chandra Shekhar Ghosh	Managing Director & CEO	B-5, Survey Park, P.O.- Santoshpur, P.S.- Purba Jadavpur, Kolkata - 700075, West Bengal, India	AHEPG3269Q	00342477
4	Dr. A. S. Ramasastri	Independent Director	A 27 Dhanastri, 122 N P Marg, Colaba, Mumbai – 400005	AACPR8183P	06916673
5	Mr. Bhaskar Sen	Independent Director	178, Purbalok 9th Street, KMC, Purba Jadavpur, Kolkata – 700099, West Bengal, India	ALTPS7914H	03193003
6	Mr. C. Mahadeo Dixit	Independent Director	Laxmi Niwas 759 / 122, Prabhat Road, Lane 02 Deccan Gymkhana, Pune, 411004, Maharashtra, India	ABAPD7725L	00524318
7	Mr. Santanu Mukherjee	Independent Director	Flat No. 303, 3rd Floor, E – Tower,	AEIPM5485M	07716452

			My Home Abhra, Opp. – Inorbit Mall, Raidurg, Sherlingampally, Gachibowli, K. V. Rangareddy, Telengana - 500 032		
8	Mr. Sisir Kumar Chakrabarti	Independent Director	50A, Purna Das Road, Flat No. 212, Kolkata, 700029, West Bengal, India	ABJPC7596H	02848624
9	Mr. Snehomoy Bhattacharya	Independent Director	375, Prince Anwar Shah Road, Flat - 30L, Tower-4, Cedar South City Apartments, Kolkata – 700068, India	ACYPB1696H	02422012
10	Ms. T. S. Raji Gain	Independent Director	Flat 4C, Vishnu Residency, 193 NSC Bose Road, Kolkata - 700040	ADGPG8954J	07256149
11	Mr. Ranodeb Roy	Non-Executive Non-Independent Director	5 Nathan Road, #04-03 Regency Park, Singapore, Singapore - 248727	AABPR7753C	00328764
12	Dr. Holger Dirk Michaelis	Nominee Director	212 Depot Road, # 02 - 63, Singapore, 109700, Singapore	CWNPM0255Q	07205838

50. The details of the shareholding of the Directors and the Key Managerial Personnels (KMPs) of the Transferor Company in the Companies as on 31st March 2019 are as follows:

Sr. No.	Name of Director	Position	Shareholding in GRUH Finance Limited (Face Value of Rs.2/- each)	Shareholding in Bandhan Bank Limited (Face Value of Rs.10/- each)
1	Shri Keki Mistry	Non-Executive Chairman	6,65,800	766
2	Shri Prafull Anubhai	Independent Director	8,000	-
3	Shri S.G. Mankad	Independent Director	2,60,000	-
4	Shri K. G. Krishnamurthy	Non-Executive Director	9,37,300	-
5	Shri Biswamohan Mahapatra	Independent Director	-	-
6	Shri Pankaj Patel	Independent Director	-	-
7	Shri Rajesh Gupta	Independent Director	-	-
8	Ms. Bhavna Doshi	Independent Director	-	-
9	Shri Kamlesh Shah	Executive Director	6,92,652	-
10	Shri Sudhin Choksey	Managing Director	5,87,519	98
11	Shri Marcus Lobo	Company Secretary	6,57,400	55
12	Shri Hitesh Agrawal	Chief Financial Officer	81,300	-

51. The details of the shareholding of the Directors and the Key Managerial Personnels (KMPs) of the Transferee Company in the Companies as on 31st March 2019 are as follows:

Sr. No.	Name of Director	Position	Shareholding in GRUH Finance Limited (Face Value of Rs.2/- each)	Shareholding in Bandhan Bank Limited (Face Value of Rs.10/- each)
1	Mr.Anup Kumar Sinha	Non-Executive (Independent) Chairman	-	-
2	Mr. Chandra Shekhar Ghosh	Managing Director&CEO	-	15,24,436
3	Mr. Ranodeb Roy	Non-Executive Non-Independent Director	-	-
4	Mr. Chintaman Mahadev Dixit	Independent Director	-	-
5	Mr. Snehomoy Bhattacharya	Independent Director	105	-
6	Mr. Sisir Kumar Chakrabarti	Independent Director	1,310	-
7	Mr. Bhaskar Sen	Independent Director	-	-
8	Mr. Allamraju Subramanya Ramasastri	Independent Director	-	-
9	Mr. Holger Dirk Michaelis	Nominee Director	-	-
10	Ms. Raji Thekedathumadam Subramani Gain	Independent Director	-	-
11	Mr. Harun Rasid Khan	Independent Director	-	-
12	Mr. Santanu Mukherjee	Independent Director	-	-
13	Mr. Sunil Samdani	Chief Financial Officer	-	15,118
14	Mr. Indranil Banerjee	Company Secretary	-	2,035

52. The pre-Scheme shareholding pattern of the Transferor Company and the Transferee Company as on 31st March 2019 and the post-Scheme (expected) shareholding pattern of the Transferee Company are as under:

Pre-Scheme shareholding pattern of the Transferor Company as on 31st March 2019

Sr. No.	Category	No. of fully paid up equity shares held	Shareholding as a % of total no. of shares
(A)	**Promoter and Promoter Group**		
(1)	**Indian**		
(a)	Individuals/Hindu undivided Family	-	-
(b)	Body Corporate	411555700	56.09
	Sub-Total (A)(1)	**411555700**	**56.09**
(2)	**FOREIGN**		
(a)	Bodies Corporate	-	-
	Sub-Total (A)(2)	-	-
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	**411555700**	**56.09**
(B)	**Public Shareholding**		
(1)	Institutions		
(a)	Mutual Funds	68842399	9.38
(b)	Foreign Portfolio Investors	78913094	10.75
(c)	Financial Institutions / Banks	2824942	0.39
(d)	Insurance Companies	-	-
(e)	Venture Capital Funds	-	-
(f)	Alternate Investment Funds	4026382	0.55

	Sub-Total (B)(1)	**154606817**	**21.07**
(2)	Central Government /State Government(s) /President of India	2000000	0.27
	Sub-Total (B)(2)	**2000000**	**0.27**
(3)	Non-institutions		
(a)	i. Individual shareholders holding nominal share capital up to Rs 2 lakhs	72122198	9.83
	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs	33197933	4.52
(b)	NBFCs registered with RBI	86013	0.01
(c)	Trust Employee	684	0.00
(d)	Overseas Depositories (holding DRs)	-	-
(e)	Any Other		
	IEPF	1166235	0.16
	Trusts	106600	0.01
	Foreign National	100	0.00
	Hindu Undivided Family	2607258	0.36
	Non Resident Indian	15738328	2.16
	Office Bearers	9320525	1.27
	Unclaimed Shares	753220	0.10
	Clearing Members	13456449	1.83
	Overseas Bodies Corporate	0	0.00
	Bodies Corporate	16969452	2.31
	Sub-Total (B)(3)	165524995	22.56
	Total Public Shareholding (B)= (B)(1)+ (B)(2)+ (B)(3)	**322131812**	**43.91**
	Total Shareholding (A)+(B)	**733687512**	**100.00**

Pre-Scheme shareholding pattern of the Transferee Company as on 31st March 2019

Sr. No.	Category	No. of fully paid up equity shares held	Shareholding as a % of total no. of shares
(A)	**Promoter and Promoter Group**		
1	**Indian**		
(a)	Individuals/Hindu undivided Family	6	0.00
(b)	Body Corporate	981483040	82.26
	Sub-Total (A)(1)	**981483046**	**82.26**
2	**FOREIGN**	**0**	**0.00**
(a)	Bodies Corporate	0	0.00
	Sub-Total (A)(2)	**0**	**0.00**
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	**981483046**	**82.26**
(B)	**Public Shareholding**		
1	Institutions		
(a)	Mutual Funds	28743164	2.41
(b)	Foreign Portfolio Investors	66315824	5.56
(c)	Financial Institutions / Banks	3648586	0.31
(d)	Insurance Companies	0	0.00
(e)	Venture Capital Funds	0	0.00
(f)	Alternate Investment Funds	70642	0.01
(e)	Any Other	0	0.00

	Forign Bodies Corporate	87072908	7.30
	Sub-Total (B)(1)	**185851124**	**15.58**
2	Central Government /State Government(s) /President of India		
		0	0.00
	Sub-Total (B)(2)	**0**	**0.00**
3	Non-institutions		
(a)	i. Individual shareholders holding nominal share capital up to Rs 2 lakhs		
		15138158	1.27
	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs		
		5039081	0.42
(b)	NBFCs registered with RBI	1319	0.00
(c)	Trust Employee	0	0.00
(d)	Overseas Depositories (holding DRs)	0	0.00
(e)	Any Other		
	IEPF	0	0.00
	Trusts	11750	0.00
	Foreign National	0	0.00
	Hindu Undivided Family	573174	0.05
	Non Resident Indian	1110575	0.09
	Office Bearers	0	0.00
	Clearing Members	601077	0.05
	Overseas Bodies Corporate	0	0.00
	Bodies Corporate	3273551	0.27
	Sub-Total (B)(3)	**25748685**	**2.16**
	Total Public Shareholding (B)= (B)(1)+ (B)(2)+ (B)(3)	**211599809**	**17.74**
	Total Shareholding	**1193082855**	**100.00**

Post-Scheme (expected) shareholding pattern of the Transferee Company (assuming the continuing shareholding pattern as on 31st March 2019)

Sr. No.	Category	No. of fully paid up equity shares held	Shareholding as a % of total no. of shares
(A)	**Promoter and Promoter Group**		
1	**Indian**		
(a)	Individuals/Hindu undivided Family	6	0.00
(b)	Body Corporate	981483040	60.97
	Sub-Total (A)(1)	**981483046**	**60.97**
2	**FOREIGN**	**0**	**0.00**
(a)	Bodies Corporate	0	0.00
	Sub-Total (A)(2)	**0**	**0.00**
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	**981483046**	**60.97**
(B)	**Public Shareholding**		
1	Institutions		

(a)	Mutual Funds	67845647	4.21
(b)	Foreign Portfolio Investors	111138461	6.90
(c)	Financial Institutions / Banks	5253153	0.33
(d)	Insurance Companies	0	0.00
(e)	Venture Capital Funds	0	0.00
(f)	Alternate Investment Funds	2357627	0.15
(e)	Any Other	0	0.00
	Foreign Bodies Corporate	87072908	5.41
	Sub-Total (B)(1)	**273667796**	**17.00**
2	Central Government /State Government(s) /President of India		
		1136000	0.07
	Sub-Total (B)(2)	**1136000**	**0.07**
3	Non-institutions		
(a)	i. Individual shareholders holding nominal share capital up to Rs 2 lakhs		
		56103566	3.49
	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs		0.00
		23895507	1.48
(b)	NBFCs registered with RBI	50174	0.00
(c)	Trust Employee	389	0.00
(d)	Overseas Depositories (holding DRs)	0	0.00
(e)	Any Other		
	IEPF	662421	0.04
	Trusts	72299	0.00
	Foreign National	57	0.00
	Hindu Undivided Family	2054097	0.13
	Non Resident Indian	10049945	0.62
	Office Bearers	5294058	0.33
	Unclaimed Shares	427829	0.03
	Clearing Members	8244340	0.51
	Overseas Bodies Corporate	0	0.00
	Bodies Corporate	246675836	15.32
	Sub-Total (B)(3)	**353530520**	**21.96**
	Total Public Shareholding (B)= (B)(1)+ (B)(2)+ (B)(3)		
		628334316	**39.03**
	Total Shareholding	**1609817362**	**100.00**

53. The post-arrangement (expected) capital structure of the Transferee Company will be as follows (assuming the continuing capital structure as on 31st March 2019):

Particulars	**Amount in Rupees**
Authorised Capital	
520,00,00,000 equity shares of Rs. 10/- each	5,200,00,00,000
Total	**5,200,00,00,000**
Issued, Subscribed and Paid-up[1&2]	
160,98,17,362equity shares of Rs. 10/- each	1,609,81,73,620
Total	**1,609,81,73,620**

[1]Certain employee stock options granted to the employees of the Transferee Company which are vested may get exercised before the Effective Date and un-granted employee stock options, the grant and consequent exercise of which may result in an increase in the issued and paid-up share capital of the Transferee Company. The details of the unexercised employee stock options (net of cancellation) by the employees of the Transferee Company as on 31st March 2019 are set out below:

Unexercised Employee Stock Options	**Amount in Rupees**
18,62,715options of Rs. 180 each	33,52,88,700
Total	33,52,88,700
Un-granted Employee Stock Options	**Amount**
Nil	Nil

[2]Certain employee stock options granted to the employees of the Transferor Company may get exercised before the Effective Date, which may result in an increase in the issued and paid-up share capital of the Transferor Company. The details of the unexercised employee stock options by the employees of the Transferor Company as on 31st March 2019 are set out below:

Unexercised Employee Stock Options#	**Amount in Rupees**
7,59,024 options of Rs. 268.20 each	20,35,70,236.80
626,000 options of Rs. 612.55 each	383,456,300

Post amalgamation, in terms of Clause 8.2 of the Scheme, fresh options shall be granted by the Transferee Company to the Eligible Employees on the basis of the Share Exchange Ratio (i.e. for every 1,000 options held by an Eligible Employee which entitle such Eligible Employee to acquire 2,000 equity shares (on account of 1:1 bonus issuance on 8th June 2018) in the Transferor Company, such Eligible Employee will be conferred 1,136 options in the Transferee Company which shall entitle him to acquire 1,136 equity shares in the Transferee Company), such that the Eligible Employees shall, as option holders of the Transferee Company, enjoy the same economic benefit as they would have received under the Transferor Company Option Scheme.

54. In the event that the Scheme is withdrawn in accordance with its terms, the Scheme shall stand revoked, cancelled and be of no effect and null and void.

55. The following documents will be open for inspection by the equity shareholders of the Applicant Company at its registered office at "GRUH", Netaji Marg, Nr. Mithakhali Six Roads, Ellisbridge, Ahmedabad – 380 006, Gujarat, India, between 10.00 a.m. and 12.00 noon on all days (except Saturdays, Sundays and public holidays) up to the date of the meeting:

(i) Copy of the order passed by NCLT in CA (CAA) No. 54/NCLT/AHM/ 2019, dated 10thApril 2019, directing the Transferor Company to, inter alia, convene the meetings of its equity shareholders, secured creditors (including secured debentureholders) and unsecured creditors (including unsecured debentureholders and deposit holders);

(ii) Copy of CA (CAA) No. 54/NCLT/AHM/2019 along with annexures filed by the Transferor Company before NCLT;

(iii) Copy of the CP No. 489 of 2019 along with annexures filed by the Transferee Company before the National Company Law Tribunal, Bench at Kolkata;

(iv) Copy of the Memorandum and Articles of Association of the Companies;

(v) Copy of the annual reports of the Companies, for the financial years ended 31st March 2017 and 31st March 2016, respectively;

(vi) Copy of the annual report of the Companies, for the financial year ended 31st March 2018;

(vii) Copy of theUnaudited Financial Results of the Companies, for the quarter and nine months ended 31st December 2018;

(viii) Copy of the Register of Directors' shareholding of each of the Companies;

(ix) Copy of the Merger Co-operation Agreement dated 7th March 2019 entered into between the Companies;

(x) Copy of the letter dated 30th March 2019 addressed by the Transferee Company to the Transferor Company clarifying the issue in respect of Filing Long Stop Date under the Merger Co-operation Agreement and duly confirmed by the Transferor Company;

(xi) Copy of Joint Valuation Report dated 7th January 2019 issued by M/s. Desai Haribhakti & Co. and M/s. SRB and Associates, Chartered Accountants;

(xii) Copy of the Fairness Opinion dated 7th January 2019 issued by JM Financial Limited, to the Board of Directorsof the Transferor Company;

(xiii) Copy of the Audit Committee Report of the Transferor Company dated 7th January 2019;

(xiv) Copy of the Fairness Opinion dated 7th January 2019 issued by Kotak Mahindra Capital Company Limited, to the Board of Directors ofthe Transferee Company;

(xv) Copy of the Audit Committee Report of the Transferee Companydated 7th January 2019;

(xvi) Copy of the resolutions, both dated 7th January 2019, passed by the Board of Directors of the Transferor Company and the Transferee Company, respectively, approving the Scheme;

(xvii) Copy of the joint press release dated 7th January 2019 issued by the Companies;

(xviii) Copy of the letter dated 4th March 2019 addressed by NHB to the Transferor Company;

(xix) Copy of the letter dated 14th March 2019 issued by RBI to the Transferee Company;

(xx) Copy of the letter dated 14th March 2019 issued by RBI to HDFC;

(xxi) Copy of the Statutory Auditors' certificate dated 7th January 2019 issued by M/s Deloitte Haskins & Sells LLP, Chartered Accountant, Statutory Auditors of the Transferor Company;

(xxii) Copy of the Statutory Auditors' certificate dated 7th January 2019 issued by S. R. Batliboi & Associates LLP, Chartered Accountants, Statutory Auditors of the Transferee Company;

(xxiii) Copy of the complaints report, dated 19th February 2019, submitted by the Transferor Company to BSE;

(xxiv) Copy of the complaints report, dated 19th February 2019, submitted by the Transferor Company to NSE;

(xxv) Copy of the no adverse observations/No-objection letter issued by BSE and NSE, both dated 3rd April 2019, to the Transferor Company;

(xxvi) Copy of the no adverse observations/No-objection letter issued by BSE and NSE, both dated 3rd April 2019, to the Transferee Company

(xxvii) Summary of the Joint Valuation Report including the basis of valuation;

(xxviii) Copyof Form No. GNL-1 filed by the Transferor Company with the concerned Registrar of Companies, along with thechallan, dated 16th April 2019 evidencing filing of the Scheme;

(xxix) Copy of the certificate, dated 20th April 2019, issued by M/s. Sorab S. Engineer & Co., Chartered Accountants, certifying the amount due to the unsecured creditors of the Transferor Company as on 31st December 2018;

(xxx) Copy of the certificate, dated 18th March 2019, issued by SRB & Associates, Chartered Accountants, certifying the amount due to the unsecured creditors of the Transferee Company as on 31st December 2018;

(xxxi) Copy of the Scheme;

(xxxii) Copy of the Report dated 7th January 2019 adopted by the Board of Directors of the Transferor Company pursuant to the provisions of section 232(2)(c) of the Act;

(xxxiii) Copy of the undertaking by the Transferor Company certified by M/s Deloitte Haskins & Sells LLP, Chartered Accountant, Statutory Auditor of the Transferor Company, dated 7th January 2019, in respect of non-applicability of paragraph 9 of Annexure I to SEBI Circular; and

(xxxiv) Copy of the letter dated 15th April 2019 addressed by CCI.

The shareholders shall be entitled to obtain the extracts from or for making or obtaining the copies of the documents listed in item numbers (i), (vi),(vii), (xvii), (xxi) and (xxii) above.

56. This statement may be treated as an Explanatory Statement under Sections 230(3), 232(1) and (2) and 102 of the Act read with Rule 6 of the Rules. A copy of the Scheme, Explanatory Statement and Form of Proxy shall be furnished by the Applicant Company to its shareholders/creditors, free of charge, within one (1) day (except Saturdays, Sundays and public holidays) on a requisition being so made for the same by the shareholders/creditors of the Applicant Company.

57. After the Scheme is approved, by the equity shareholders, secured creditors (including secured debentureholders) and unsecured creditors (including unsecured debentureholders and deposit holders) of the Applicant Company, it will be subject to the approval/sanction by NCLT.

Dated this 20th April 2019

Place: Ahmedabad

Sd/-
Mihir Thakore
Senior Advocate
Chairman appointed for the meeting

Registered office: "GRUH", Netaji Marg,
Nr. Mithakhali Six Roads,
Ellisbridge, Ahmedabad – 380 006,
Gujarat, India.

Annexure 1

SCHEME OF AMALGAMATION

OF

GRUH FINANCE LIMITED **TRANSFEROR COMPANY**

WITH

BANDHAN BANK LIMITED **TRANSFEREE COMPANY**

UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013

PART I

OVERVIEW, OBJECTS, DEFINITIONS AND INTERPRERATION

1. OVERVIEW OF THE SCHEME

1.1 This Scheme (*as defined hereinafter*) seeks to amalgamate and consolidate the businesses of GRUH Finance Limited ("**Transferor Company**") into and with Bandhan Bank Limited ("**Transferee Company**") pursuant to the provisions of Sections 230 – 232 of the Act (*as defined hereinafter*) and other applicable provisions of the Act, the SEBI Circulars (*as defined hereinafter*) and Applicable Law.

1.2 The Board of Directors (*as defined hereinafter*) of the Transferor Company and the Transferee Company (together referred to as the "**Amalgamating Companies**") have resolved that the amalgamation of Transferor Company into and with the Transferee Company would be in the best interests of the Amalgamating Companies and their respective shareholders, creditors, employees and other stakeholders.

1.3 The Transferor Company is engaged in the business of providing home loans and is registered with the National Housing Bank as a housing finance company. The equity shares of the Transferor Company are listed on the BSE (*as defined hereinafter*)and NSE (*as defined hereinafter*).

1.4 The Transferee Company is in the business of providing banking services. The Transferee Company is licensed as a banking company under the provisions of the Banking Regulation Act, 1949. The equity shares of the Transferee Company are listed on the BSE and NSE.

1.5 The Amalgamating Companies believe that the financial, managerial and technical resources, personnel, capabilities, skills, expertise and technologies of each of the Amalgamating Companies pooled in the merged entity, will lead to increased competitive strength, cost reduction and efficiencies, productivity gains and logistic advantages, thereby significantly contributing to future growth and maximising shareholder value.

1.6 Upon the amalgamation of the Transferor Company into the Transferee Company pursuant to the Scheme becoming effective on the Effective Date (*as defined hereinafter*), the Transferee Company will issue New Equity Shares (*as defined hereinafter*) to the shareholders of the Transferor Company on the Record Date (*as defined hereinafter*), in accordance with the Share Exchange Ratio (*as defined hereinafter*) approved by the Board of Directors of each of the Amalgamating Companies and pursuant to Sections 230 – 232, and other relevant provisions of the Act (*as defined hereinafter*) in the manner provided for in this Scheme and in compliance with the provisions of the Income Tax Act, 1961.

1.7 The amalgamation of the Transferor Company with the Transferee Company will be effective from the Appointed Date.

1.8 This Scheme presented under Sections 230 - 232 of the Act for the amalgamation of the Transferor Company with the Transferee Company is divided into the following parts:

Part I:	Deals with the overview of the Scheme, brief overview of the Amalgamating Companies, objects of this Scheme and definitions and interpretation.
Part II:	Deals with capital structure of the Amalgamating Companies and date of taking effect.
Part III:	Deals with amalgamation of the Transferor Company into and with the Transferee Company and sets forth certain additional arrangements that form a part of this Scheme.
Part IV:	Deals with the general terms and conditions applicable to this Scheme.

1.9 This Scheme also provides for various other matters consequential or otherwise integrally connected herewith.

2. BRIEF OVERVIEW OF THE AMALGAMATING COMPANIES

2.1 GRUH Finance Limited

(i) The Transferor Company is a public limited company incorporated under the provisions of the Companies Act, 1956 and has its registered office at "GRUH", Netaji Marg, Nr. Mithakhali Six Roads, Ellisbridge, Ahmedabad 380 006. The equity shares of the Transferor Company are listed on BSE and NSE. Twoseries of unsecured redeemable non-convertible subordinated debentures issued by the Transferor Company are listed on the Wholesale Debt Market segment of NSE.

(ii) The Transferor Company was incorporated on 21 July 1986 as Gujarat Rural Finance Corporation Limited with the Registrar of Companies, Ahmedabad. Its name was changed to GRUH Finance Limited with effect from 21 August 1995. The Corporate Identification No. of the Transferor Company is L65923GJ1986PLC008809.

(iii) The Transferor Company is engaged *inter alia* in the business of providing home loans and is registered with the National Housing Bank as a housing finance institution. The objects clause of the memorandum of association of the Transferor Company authorises the Transferor Company to carry on the business of housing finance.

(iv) The main object of the Transferor Company as provided in its memorandum of association is "*to carry on the business of providing long term finance to any person or persons, company or corporation, society or association of persons, with or without interest and with or without any security for the purpose of enabling such borrower to construct or purchase or enlarge any house or dwelling unit or any part of portion thereof in India for residential purposes upon such terms and conditions as the Company may deem fit"*.

2.2 Bandhan Bank Limited

(i) Bandhan Bank Limited ("**Transferee Company**") is a public limited company incorporated under the Companies Act, 2013 and has its registered office at DN-32, Sector V, Salt Lake, Kolkata 700091. The equity shares of the Transferee Company are listed on BSE and NSE.

(ii) The Transferee Company was incorporated on 23 December 2014 with the Registrar of Companies, Kolkata. The Corporate Identification No. of the Transferee Company is L67190WB2014PLC204622.

(iii) The Transferee Company is in the business of providing banking services. The Transferee Company is licensed as a banking company under the provisions of the Banking Regulation Act, 1949. The objects clause of the memorandum of association of the Transferee Company authorises the Transferee Company to carry on the business of banking.

(iv) The main objects of the Transferee Company as provided in its memorandum of association are, *inter alia*:

(a) *"borrowing, raising or taking up of money*;

(b) *lending or advancing of money by way of a loan, overdraft or on cash credit or other accounts or in any other manner whether without or on the security or movable or immovable properties, bills of exchange, hundies, promissory notes, bills of lading, railway receipts, debentures, share warrants and other instruments whether transferable or negotiable or not;*

(c) *drawing, making, accepting, discounting, buying, selling, collecting and dealing in bills of exchange, hundies, promissory notes, coupons, drafts, bills of lading, railway receipts, warrants, debentures, certificates, scrips and other instruments and securities whether transferable or negotiable or not; and*

(d) *carrying on any other business specified in section 6(1)(a) to (n) of the Banking Regulation Act, 1949, as amended from time to time ("**1949 Act**"), and such other forms of business which the Central Government has pursuant to Section 6(1)(o) of 1949 Act specified or may from time to time specify by notification in the Official Gazette or as may be permitted by Reserve Bank of India ("**RBI**") from time to time as a form of business in which it would be lawful for a banking company to engage."*

3. OBJECTSOF THIS SCHEME

3.1 The proposed amalgamation would be in the best interest of the Amalgamating Companies and their respective shareholders, employees, creditors and other stakeholders as the proposed amalgamation will yield advantages as set out *inter alia* below:

(i) The Transferee Company and the Transferor Company have developed exceptional skills in banking business and housing finance business respectively. The Transferor Company has a wide range of home loan products with a specific rural focus. With a retail network of 195 (one hundred ninety five) branches, it has a presence in 11 States and 1 Union Territory in India with almost 50% (fifty percent) of the existing loan assets advanced in rural areas. The Transferee Company received a banking license in 2015 from the RBI. Its focus has been to meet the financial needs of people who are overlooked by the formal banking system. The Transferor Company and the Transferee Company therefore have significant complementarities and the consolidation of the two businesses carried on by them is strategic in nature and will generate significant business synergies. The amalgamation will result in enhancement of shareholders' value accruing from synergy of operations, new product development, integration of technology and information technology platforms, and also enable the Amalgamating Companies to further their socio-economic objectives. Thus, a combination of the Transferor Company and the Transferee Company will enhance the value propositions of the combined entity which would be able to leverage the complementarities of the Amalgamating Companies;

(ii) The amalgamation of the Transferor Company with the Transferee Company will enable the Transferee Company to build and strengthen its housing loan portfolio, and establish a strong customer base of affordable housing customers.The Transferee Company would benefit from the loan assets of the Transferor Company as the strong loan book of the Transferor Company will stand merged into the Transferee Company pursuant to the amalgamation. In addition, the amalgamation will not dilute the focus of the Transferee Company on predominantly Priority Sector Lending ("**PSL**") loans as majority portfolio of the Transferor Company is PSL eligible;

(iii) pooling of resources, creating better synergies, optimal utilisation of resources and greater economies of scale;

(iv) better administration and cost reduction (including reduction in administrative and other common costs);

(v) while the Transferee Company has pan India presence in 34 States and Union Territories with a strong presence in east and north east part of India, the proposed amalgamation will enhance reach and distribution and help expand the geographic coverage for the combined entities;

(vi) greater efficiency in cash management and unfettered access to cash flow generated by the combined business, which can be deployed more efficiently, to maximise shareholder value;

(vii) create value for stakeholders including respective shareholders, customers, lenders and employees as the combined business would benefit from increased scale, product diversification and expanded reach with increased ability to growth opportunities, higher cross selling opportunities to a larger base of customers, improvement in productivity and operational efficiencies amongst others;

(viii) provide material realisable cost and revenue synergies for the benefit of the

Amalgamating Companies; and

(ix) optimal utilisation of resources and economies of scale resulting in improved efficiencies; it will help the Transferee Company to establish a strong customer base of affordable housing and scale up rural lending.

3.2 As a result, the Board of Directors of the Amalgamating Companies are proposing this Scheme under Sections 230 - 232 of the Act.

4. DEFINITIONS

4.1 In this Scheme, unless inconsistent with the subject or context, the following expressions have the meanings as set out herein below:

"**Act**" means the Companies Act, 2013, as notified, clarified, amended, supplemented, modified and/or replaced from time to time and shall include any statutory replacement or re-enactment thereof, including any rules made thereunder or notifications, circulars or orders made/issued thereunder from time to time and shall include the provisions of the Companies Act, 1956, to the extent the corresponding provisions in the Companies Act, 2013 has not been notified;

"**AmalgamatingCompanies**" has the meaning ascribed to such term in Clause 1.2 of Part I;

"**Applicable Law**" means all applicable (i) statutes, enactments, acts of legislature or parliament, laws, ordinances, code, directives, rules, regulations, bye-laws, listing agreements, notifications, guidelines or policies of any applicable jurisdiction; and (ii) administrative interpretation, writ, injunction, directions, directives, judgment, arbitral award, decree, orders or approvals required from Governmental Authorities of, or agreements with, any Governmental Authority or a recognized stock exchange;

"**Appointed Date**" means 1 January 2019, or such other date as may be mutually agreed between the Amalgamating Companies and is the date with effect from which this Scheme shall be effective;

"**Board of Directors**" or "**Board**" in relation to the Amalgamating Companies means their respective board of directors, and unless it is repugnant to the context or otherwise, includes any committee of directors or any person authorised by the board of directors or by such committee of directors;

"**BSE**" means BSE Limited;

"**CCI**" means the Competition Commission of India;

"**Competent Authority**" means the National Company Law Tribunal, Ahmedabad Bench, which has the jurisdiction in relation to the Transferor Company and the National Company Law Tribunal, Kolkata Bench, which has the jurisdiction in relation to the Transferee Company;

"**Effective Date**" means the date on which certified copies of the orders of the Competent Authority are filed with the relevant RoC after the last of the approvals or events specified under Clause 9.1 of Part IV of the Scheme are satisfied or obtained or have occurred or the requirement of which has been waived (in writing) in accordance with this Scheme. The Scheme shall be operative from the Effective Date and effective from the Appointed Date and any references in this Scheme to "upon this Scheme becoming effective", "Scheme becomes effective" or "effectiveness of this Scheme" or likewise, means and refers to the Effective Date;

"**Eligible Employees**" means the employees of the Transferor Company, who are entitled to the Transferor Company Option Scheme established by the Transferor Company, to whom, as on the Effective Date, options of the Transferor Company have been granted, irrespective of whether the same are vested or not;

"**Encumbrance**" means (a) any encumbrance including, without limitation, any claim, mortgage, negative lien, pledge, equitable interest, charge (whether fixed or floating), hypothecation, lien, deposit by way of security, security interest, trust, guarantee,

commitment, assignment by way of security, or other encumbrances or security interest of any kind securing or conferring any priority of payment in respect of any obligation of any person and includes without limitation any right granted by a transaction which, in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security in each case under any law, contract or otherwise, including any option or right of pre-emption, public right, common right, easement rights, any attachment, restriction on use, transfer, receipt of income or exercise of any other attribute of ownership, right of set-off and/ or any other interest held by a third party; (b) any voting agreement, conditional sale contracts, interest, option, right of first offer or transfer restriction; (c) any adverse claim as to title, possession or use; and/ or (d) any agreement, conditional or otherwise, to create any of the foregoing, and the term 'encumber' shall be construed accordingly.

"**Governmental Authority**" means any governmental or statutory or regulatory or administrative authority, government department, agency, commission, board, tribunal or court or other entity authorised to make laws, rules or regulations or pass directions, having or purporting to have jurisdiction over any state or other sub-division thereof or any municipality, district or other sub-division thereof pursuant to Applicable Law;

"**LODR Regulations**" means the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and includes all amendments or statutory modifications thereto or re-enactments thereof;

"**New Equity Shares**" has the meaning given to it in Clause 5.1 of Part III;

"**NSE**" means the National Stock Exchange of India Limited;

"**RBI**" means the Reserve Bank of India;

"**Record Date**" means the date to be fixed by the Board of Directors of the Transferee Company after mutual agreement on the same between the Transferee Company and the Transferor Company, for the purpose of determining the shareholders of the Transferor Company to whom the New Equity Shares will be allotted pursuant to this Scheme;

"**Registrar of Companies**" or "**RoC**" means the Registrar of Companies, Ahmedabad and/or Kolkata, having jurisdiction over the Transferor Company and the Transferee Company respectively;

"**Scheme**" or "**the Scheme**" or "**this Scheme**" means this scheme of amalgamation pursuant to Sections 230 – 232 and other relevant provisions of the Act, with such modifications and amendments as may be made from time to time, with the appropriate approvals and sanctions of the Competent Authority and other relevant Governmental Authorities, as may be required under the Act and under all other Applicable Laws;

"**SEBI**" means the Securities and Exchange Board of India;

"**SEBI Circulars**" means, together: (a) circular no. CFD/DIL3/CIR/2017/21 dated 10 March 2017; (b) circular no. CFD/DIL3/CIR/2017/26 dated 23 March 2017; (c) circular no. CFD/DIL3/CIR/2017/105 dated 21 September 2017; (d) circular no. CFD/DIL3/CIR/2018/2 dated 3 January 2018; and (e) circular no. SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated 19 January 2018, each issued by the SEBI;

"**Transferee Company**" means Bandhan Bank Limited, a company incorporated under the Companies Act, 2013 and having its registered office at DN-32, Sector V, Salt Lake, Kolkata 700091;

"**Transferee Company Shares**" means the fully paid up equity shares of the Transferee Company, each having a face value of Rs. 10 (Rupees ten) and one (1) vote per equity share;

"**Transferor Company**" means GRUH Finance Limited, a company incorporated under the Companies Act, 1956 and having its registered office at "GRUH", Netaji Marg, Nr. Mithakhali Six Roads, Ellisbridge, Ahmedabad 380 006 and, notwithstanding anything to the contrary in this Scheme shall include:

(a) any and all of its assets, whether movable or immovable, tangible or intangible, real or personal, corporeal or incorporeal, in possession or reversion, present, future, or contingent, including but not limited to registrations and memberships, electrical fittings, installations, tools, accessories, power lines, stocks, computers, communication facilities, vehicles, furniture, fixtures and office equipment, all rights, title, interests, covenants, undertakings, and society memberships and rights appurtenant to the immovable property, including continuing rights, covenants, title and interests in connection with any land (together with the buildings and structures standing thereon), whether freehold or leasehold or leave and licensed or right of way and all documents (including panchnamas, declarations, receipts) of title, rights and easements in relation thereto, plant, machinery, trading platform, appliances, equipment, whether leased or otherwise, together with all present and future liabilities including contingent liabilities and debts appertaining thereto;

(b) any and all of its investments (including shares whether in dematerialised or physical form, scrips, stocks, bonds, debentures, debenture stock, units or pass through certificates and other securities), including actionable claims, earnest monies, loans and advances, recoverable in cash or in kind or for value to be received, provisions, all cash and bank balances and deposits, money at call and short notice, contingent rights or benefits, receivables, including dividends declared or interest accrued thereon, reserves, provisions, funds, benefits of all agreements, bonds, debentures, debenture stock, units or pass through certificates;

(c) any and all of its licenses (including the licenses granted by any governmental, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith), permissions (including but not limited to permissions granted in relation to launch futures and options contracts), allotments, approvals, consents, concessions, clearances, credits, awards, sanctions, exemptions, subsidies, registrations, no-objection certificates, permits, quotas, rights, entitlements, authorisation, applications made for obtaining all or any of the aforesaid, pre-qualifications, bid acceptances, tenders, certificates, tenancies, trade names, trademarks, service marks, copyrights, logos, corporate names, brand names, domain names, , sales tax credits, income-tax credits, goods and service tax credits, privileges and benefits of/ arising out of all contracts, agreements, applications and arrangements and all other rights including lease rights, powers and facilities of every kind and description whatsoever, equipment, installations and utilities such as electricity, water and other service connections, all benefits including subsidies, grants, incentives, tax credits (including but not limited to credits in respect of goods and services tax, income tax, minimum alternate tax, value added tax, etc., tax refunds) and all other rights, claims and powers, of whatsoever nature;

(d) any and all of its debts, borrowings and liabilities (whether denominated in Indian rupees or foreign currency), present or future, whether secured or unsecured, all guarantees, assurances, commitments and obligations of any nature or description, whether fixed, contingent or absolute, secured or unsecured, asserted or unasserted, matured or unmatured, liquidated or unliquidated, accrued or not accrued, known or unknown, due or to become due, whenever or however arising (including, without limitation, whether arising out of any contract or tort based on negligence or strict liability);

(e) all contracts, agreements, licenses, leases, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, letters of agreed points, bids, letters of intent, arrangements, undertakings, whether written or otherwise, deeds, bonds, schemes, arrangements, service agreements, sales orders, purchase orders, operation and maintenance compliance, equipment purchase agreements or other instruments of whatsoever nature to which the Transferor Company is a party, and other assurances in favour of the Transferor Company or powers or authorisations granted by or to it;

(f) all insurance policies;

(g) any and all of its staff and employees, who are on its payrolls, including those employed at its offices and branches, employees/personnel engaged on contract basis and contract labourers and interns/trainees, as are primarily engaged in or in relation

to the business, activities and operations carried on by the Transferor Company, including liabilities of the Transferor Company, with regard to their staff and employees, with respect to the payment of gratuity, superannuation, pension benefits and provident fund or other compensation or benefits, if any, whether in the event of resignation, death, retirement, retrenchment or otherwise, in terms of its license, at its respective offices, branches or otherwise, and any other employees/personnel and contract labourers and interns/trainees hired by the Transferor Company as on the Effective Date;

(h) rights of any claim not made by the Transferor Company in respect of any refund of tax, duty, cess or other charge, including any erroneous or excess payment thereof made by the Transferor Company and any interest thereon, with regard to any law, act or rule or scheme made by the Governmental Authority, and in respect of carry forward of un-absorbed losses and unabsorbed tax depreciation, deferred revenue expenditure, rebate, incentives, benefits etc., under the Income Tax Act, 1961, sales tax, value added tax, custom duties and good and service tax or any other or like benefits under Applicable Law;

(i) any and all of the advance monies, earnest monies, margin money and/or security deposits, payment against warrants or other entitlements, as may be lying with them, including but not limited to the deposits from members, investor's service fund and investor protection fund;

(j) all deposits and balances with government, quasi-government, local and other authorities and bodies, customers and other persons, earnest monies and/or security deposits paid or received by the Transferor Company, directly or indirectly;

(k) all books, records, files, papers, engineering and process information, application software, software licenses (whether proprietary or otherwise), test reports, computer programmes, drawings, manuals, data, databases including databases for procurement, commercial and management, catalogues, quotations, sales and advertising materials, product registrations, dossiers, lists of present and former borrowers, lenders and suppliers including service providers, other borrower information, customer credit information, customer/supplier pricing information, and all other books and records, whether in physical or electronic form;

(l) amounts claimed by the Transferor Company whether or not so recorded in the books of account of the Transferor Company from any Governmental Authority, under any law, act or rule in force, as refund of any tax, duty, cess, or of any excess payment;

(m) all registrations, trademarks, trade names, computer programmes, websites, manuals, data, service marks, copyrights, patents, designs, domain names, applications for trademarks, trade names, service marks, copyrights, designs and domain names exclusively used by or held for use by the Transferor Company in the business, activities and operations carried on by the Transferor Company; and

(n) all rights to use and avail telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interests held in trusts, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in control of or vested in or granted in favour of or enjoyed by the Transferor Company and all other rights and interests of whatsoever nature belonging to or in the ownership, power, possession or control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company;

"**Transferor Company Option Scheme**" has the meaning ascribed to it in Clause 8.1 of Part III of this Scheme; and

"**Transferee Company Option Scheme**" has the meaning ascribed to it in Clause 8.1 of Part III of this Scheme.

5. INTERPRETATION

5.1 Terms and expressions which are used in this Scheme but not defined herein shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Income-tax Act, 1961, the Securities Contracts (Regulation) Act, 1956, Securities and Exchange Board of India Act, 1992 (including the regulations made thereunder), the Depositories Act, 1996 and other Applicable Laws, rules, regulations, bye-laws, as the case may be, including any statutory modification or re-enactment thereof, from time to time. In particular, wherever reference is made to the Competent Authority in this Scheme, the reference would include, if appropriate, reference to the Competent Authority or such other forum or authority, as may be vested with any of the powers of the Competent Authority under the Act and/or rules made thereunder.

5.2 In this Scheme, unless the context otherwise requires:

(i) references to "persons" shall include individuals, bodies corporate (wherever incorporated), unincorporated associations and partnerships;

(ii) the headings, sub-headings, titles, sub-titles to clauses, sub-clauses and paragraphs are inserted for ease of reference only and shall not form part of the operative provisions of this Scheme and shall not affect the construction or interpretation of this Scheme;

(iii) references to one gender includes all genders;

(iv) words in the singular shall include the plural and *vice versa*;

(v) any references in this Scheme to "upon this Scheme becoming effective" or "upon coming into effect of this Scheme" or "upon the Scheme coming into effect" or "effectiveness of the Scheme" or likewise shall be construed to be a reference to the Effective Date;

(vi) words "include" and "including" are to be construed without limitation;

(vii) terms "hereof", "herein", "hereby", "hereto" and derivative or similar words shall refer to this entire Scheme or specified Clauses of this Scheme, as the case may be;

(viii) A reference to "writing" or "written" includes printing, typing, lithography and other means of reproducing words in a visible form including e-mail;

(ix) Reference to any agreement, contract, document or arrangement or to any provision thereof shall include references to any such agreement, contract, document or arrangement as it may, after the date hereof, from time to time, be amended, supplemented or novated;

(x) reference to the Recital or Clause shall be a reference to the Recital or Clause of this Scheme; and

(xi) references to any provision of law or legislation or regulation shall include: (a) such provision as from time to time amended, modified, re-enacted or consolidated (whether before or after the date of this Scheme) to the extent such amendment, modification, re-enactment or consolidation applies or is capable of applying to the transaction entered into under this Scheme and (to the extent liability there under may exist or can arise) shall include any past statutory provision (as amended, modified, re-enacted or consolidated from time to time) which the provision referred to has directly or indirectly replaced, (b) all subordinate legislations (including circulars, notifications, clarifications or supplement(s) to, or replacement or amendment of, that law or legislation or regulation) made from time to time under that provision (whether or not amended, modified, re-enacted or consolidated from time to time) and any retrospective amendment.

PART II

CAPITAL STRUCTURE AND DATE OF TAKING EFFECT

1. SHARE CAPITAL OF THE TRANSFEROR COMPANY

1.1 The share capital of the Transferor Company as at 31 December 2018 was as under:

Particulars	Amount in Rupees
Authorised Capital	
100,00,00,000 equity shares of Rs. 2/- each	200,00,00,000
Total	**200,00,00,000**
Issued, Subscribed and Paid-up*	
73,27,30,042 equity shares of Rs. 2/- each	146,54,60,084
Total	**146,54,60,084**

***** Certain employee stock options granted to the employees of the Transferor Company may get exercised before the Effective Date, which may result in an increase in the issued and paid-up share capital of the Transferor Company. The details of the unexercised employee stock options by the employees of the Transferor Company as on 31 December 2018 are set out below:

Unexercised Employee Stock Options*	Amount in Rupees
1,237,759 options of Rs. 268.20 each	331,966,963.80
626,000 options of Rs. 612.55 each	383,456,300

* Each stock option entitles an employee for 2 equity shares of Rs. 2 each.

1.2 The equity shares of the Transferor Company are listed on the BSE and NSE.

2. SHARE CAPITAL OF THE TRANSFEREE COMPANY

2.1 The share capital of the Transferee Company as at 31 December 2018 is as under:

Particulars	Amount in Rupees
Authorised Capital	
5,000,000,000 equity shares of Rs. 10 each	50,000,000,000
Total	50,000,000,000
Issued, Subscribed and Paid-up*	
1,192,804,944 equity shares of Rs. 10 each	11,928,049,440

Particulars	Amount in Rupees
Total	**11,928,049,440**

***** Certain employee stock options granted to the employees of the Transferee Company which are vested may get exercised before the Effective Date and un-granted employee stock options, the grant and consequent exercise of which may result in an increase in the issued and paid-up share capital of the Transferee Company. The details of the unexercised employee stock options (net of cancellation) by the employees of the Transferee Company as on 18 December 2018 are set out below:

Unexercised Employee Stock Options	Amount in Rupees
2,220,725 options of Rs. 180 each	399,730,500
Total	399,730,500
Un-granted Employee Stock Options	**Amount**
Nil	Nil

2.2 The equity shares of the Transferee Company are listed on the BSE and NSE.

3 DATE OF TAKING EFFECT

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the Competent Authority or any other Governmental Authority shall be effective from the Appointed Date but shall be operative from the Effective Date**.**

PART III

AMALGAMATION OF THE TRANSFEROR COMPANY INTO AND WITH THE TRANSFEREE COMPANY

1. TRANSFER AND VESTING OF THE TRANSFEROR COMPANY INTO AND WITH THE TRANSFEREE COMPANY

1.1 With effect from the Appointed Date and upon this Scheme becoming effective, the Transferor Company along with all its assets, liabilities, contracts, employees, licenses, records, approvals etc. being integral parts of the Transferor Company shall stand transferred to and vest in or shall be deemed to have been transferred to and vested in the Transferee Company, as a going concern, without any further act, instrument or deed, together with all its properties, assets, liabilities, rights, benefits and interest therein, subject to the provisions of this Scheme, in accordance with Sections 230 - 232 of the Act, the Income-Tax Act, 1961 and Applicable Law if any, in accordance with the provisions contained herein.

1.2 Without prejudice to the generality of the above and to the extent applicable, unless otherwise stated herein, upon this Scheme becoming effective and with effect from the Appointed Date:

(a) all assets of the Transferor Company, that are movable in nature or incorporeal property or are otherwise capable of transfer by physical or constructive delivery and/or by endorsement and delivery or by vesting and recordal of whatsoever nature, including machinery, equipment, pursuant to this Scheme shall stand transferred to and vested in and/or be deemed to be transferred to and vested in the Transferee Company, wherever located and shall become the property and an integral part of the Transferee Company. The vesting pursuant to this sub-clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery or by vesting and recordal, pursuant to this Scheme, as appropriate to the property being vested and title to the property shall be deemed to have been transferred accordingly;

(b) all other movable properties of the Transferor Company, including investments in shares and any other securities, sundry debtors, actionable claims, earnest monies, receivables, bills, credits, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits (including deposits from members), if any, with government, semi-government, local and other authorities and bodies, customers and other persons, shall without any further act, instrument or deed, become the property of the Transferee Company, and the same shall also be deemed to have been transferred by way of delivery of possession of the respective documents in this regard. It is hereby clarified that investments, if any, made by Transferor Company and all the rights, title and interest of the Transferor Company in any leasehold properties shall, pursuant to Section 232 of the Act and the provisions of this Scheme, without any further act or deed, be transferred to and vested in and/or be deemed to have been transferred to and vested in the Transferee Company;

(c) all immovable properties of the Transferor Company, including land together with the buildings and structures standing thereon and rights and interests in immovable properties of the Transferor Company, whether freehold or leasehold or otherwise and all documents of title, rights and easements in relation thereto, shall be vested in and/or be deemed to have been vested in the Transferee Company, without any further act or deed done or being required to be done by the Transferor Company and/or the Transferee Company. The Transferee Company shall be entitled to exercise all rights and privileges attached to the aforesaid immovable properties and shall be liable to pay the ground rent and taxes and fulfil all obligations in relation to or applicable to such immovable properties. The relevant authorities shall grant all clearances/permissions, if any, required for enabling the Transferee Company to

absolutely own and enjoy the immovable properties in accordance with Applicable Law. The mutation or substitution of the title to the immovable properties shall, upon this Scheme becoming effective, be made and duly recorded in the name of the Transferee Company by Governmental Authorities pursuant to the sanction of this Scheme by the Competent Authority and upon the Scheme becoming effective in accordance with the terms hereof;

(d) the transfer and vesting of movable and immovable properties as stated above, shall be subject to Encumbrances, if any, affecting the same;

(e) all Encumbrances, if any, existing prior to the Effective Date over the assets of the Transferor Company which secure or relate to any liability, shall, after the Effective Date, without any further act, instrument or deed, continue to be related and attached to such assets or any part thereof to which they related or were attached prior to the Effective Date and as are transferred to the Transferee Company. Provided that if any assets of the Transferor Company have not been Encumbered in respect of the liabilities, such assets shall remain unencumbered and the existing Encumbrance referred to above shall not be extended to and shall not operate over such assets. Further, such Encumbrances shall not relate or attach to any of the other assets of the Transferee Company. The secured creditors of the Transferee Company and/or other holders of security over the properties of the Transferee Company shall not be entitled to any additional security over the properties, assets, rights, benefits and interests of the Transferor Company and therefore, such assets which are not currently Encumbered shall remain free and available for creation of any security thereon in future in relation to any current or future indebtedness of the Transferee Company. The absence of any formal amendment which may be required by a lender or trustee or any third party shall not affect the operation of the foregoing provisions of this Scheme;

(f) all estate, assets, rights, title, claims, interest, investments and properties of the Transferor Company as on the Appointed Date, whether or not included in the books of the Transferor Company, and all assets, rights, title, interest, investments and properties, of whatsoever nature and wherever situate, which are acquired by the Transferor Company on or after the Appointed Date but prior to the Effective Date, shall be deemed to be and shall become the assets and properties of the Transferee Company;

(g) all contracts, agreements, licences, leases, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, letters of agreed points, bids, letters of intent, arrangements, undertakings, whether written or otherwise, deeds, bonds, agreements, schemes, arrangements and other instruments to which the Transferor Company is a party, or to the benefit of which, the Transferor Company may be eligible/entitled, and which are subsisting or having effect immediately before the Effective Date, shall, without any further act, instrument or deed continue in full force and effect on, against or in favour of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligor thereto. If the Transferee Company enters into and/or issues and/or executes deeds, writings or confirmations or enters into any tripartite arrangements, confirmations or novations, the Transferor Company will, if necessary, also be party to such documents in order to give formal effect to the provisions of this Scheme, if so required. In relation to the same, any procedural requirements required to be fulfilled solely by the Transferor Company (and not by any of its successors), shall be fulfilled by the Transferee Company as if it is the duly constituted attorney of the Transferor Company;

(h) any pending suits/appeals, all legal, taxation or other proceedings including before any statutory or quasi-judicial authority or tribunal or other proceedings of whatsoever nature relating to the Transferor Company, whether by or against the Transferor Company, whether pending on the Appointed Date or which may be instituted any time in the future, shall not abate, be discontinued or in any way

prejudicially affected by reason of the amalgamation of the Transferor Company or of anything contained in this Scheme, but the proceedings shall continue and any prosecution shall be enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued, prosecuted and/or enforced by or against the Transferor Company, as if this Scheme had not been implemented;

(i) all the security interest over any moveable and/or immoveable properties and security in any other form (both present and future) including but not limited to any pledges, or guarantees, if any, created/executed by any person in favour of the Transferor Company or any other person acting on behalf of or for the benefit of the Transferor Company for securing the obligations of the persons to whom the Transferor Company has advanced loans and granted other funded and non-funded financial assistance, by way of letter of comfort or through other similar instruments shall without any further act, instrument or deed stand vested in and be deemed to be in favour of the Transferee Company and the benefit of such security shall be available to the Transferee Company as if such security was ab initio created in favour of the Transferee Company. The mutation or substitution of the charge in relation to the movable and immovable properties of the Transferor Company shall, upon this Scheme becoming effective, be made and duly recorded in the name of the Transferee Company by the appropriate authorities and third parties (including any depository participants) pursuant to the sanction of this Scheme by the Competent Authority and upon the Scheme becoming effective in accordance with the terms hereof;

(j) all debts, liabilities, contingent liabilities, duties and obligations, secured or unsecured (including rupee, foreign currency loans, time and demand liabilities, undertakings and obligations of the Transferor Company), of every kind, nature and description whatsoever and howsoever arising, whether provided for or not in the books of account or disclosed in the balance sheets of the Transferor Company shall be deemed to be the debts, liabilities, contingent liabilities, duties, and obligations of the Transferee Company, and the Transferee Company shall, and undertakes to meet, discharge and satisfy the same in terms of their respective terms and conditions, if any. All loans raised and used and all debts, duties, undertakings, liabilities and obligations incurred or undertaken by the Transferor Company after the Appointed Date and prior to the Effective Date, shall also be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and, to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of this Scheme, pursuant to the provisions of Sections 230 to 232 of the Act, without any further act, instrument or deed shall stand transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company and shall become the debt, duties, undertakings, liabilities and obligations of the Transferee Company which shall meet, discharge and satisfy the same;

(k) all debentures, bonds, notes or other securities of the Transferor Company whether convertible into equity or otherwise, shall, without any further act, instrument or deed become the securities of the Transferee Company and all rights, powers, duties and obligations in relation thereto shall be and shall stand transferred to and vested in or deemed to be transferred to and vested in and shall be exercised by or against the Transferee Company as if it were the Transferor Company. If the securities issued by the Transferor Company, including but not limited to debentures and bonds, are listed on any stock exchange, the same shall upon issuance/endorsement by the Transferee Company in terms of this Scheme, subject to applicable regulations and prior approval requirements, if any, be listed and/or admitted to trading on the relevant stock exchange(s) whether in India or abroad, where the securities were listed and/or admitted to trading on the same terms and conditions unless otherwise modified in accordance with the provisions hereof. In addition, the Board of Directors of the Transferee Company, shall be authorised to take such steps and do all acts, deeds and things as may be necessary, desirable or proper to list the various debentures, bonds and infrastructure bonds on the relevant

exchanges. It is hereby clarified that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this Clause;

(l) the Transferee Company shall be entitled to operate all bank accounts, realise all monies and complete and enforce all pending contracts and transactions in the name of the Transferor Company to the extent necessary until the transfer of the rights and obligations of the Transferor Company to the Transferee Company under the Scheme is formally accepted and completed by the parties concerned. For avoidance of doubt, it is hereby clarified that all cheques and other negotiable instruments, payment orders received and presented for encashment which are in the name of the Transferor Company after the Effective Date, shall be accepted by the bankers of the Transferee Company and credited to the accounts of the Transferee Company, if presented by the Transferee Company. Similarly, the banker of the Transferee Company shall honour all cheques issued by the Transferor Company for payment after the Effective Date;

(m) all letters of intent, requests for proposal, pre-qualifications, bid acceptances, tenders, and other instruments of whatsoever nature to which the Transferor Company is a party to or to the benefit of which the Transferor Company may be eligible, shall remain in full force and effect against or in favour of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto. Upon coming into effect of this Scheme, the past track record of the Transferor Company shall be deemed to be the track record of the Transferee Company for all commercial and regulatory purposes;

(n) all the staff and employees of the Transferor Company who are in such employment as on the Effective Date shall become, and be deemed to have become, the staff and employees of the Transferee Company, without any break or interruption in their services and on the same terms and conditions (and which are not less favourable than those) on which they are engaged by the Transferor Company as on the Effective Date. The Transferee Company further agrees that for the purpose of payment of any retirement benefit/compensation, such immediate uninterrupted past services with the Transferor Company, shall also be taken into account. With regard to provident fund, gratuity, superannuation, leave encashment and any other special scheme or benefits created or existing for the benefit of such employees of the Transferor Company, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever, upon this Scheme becoming effective, including with regard to the obligation to make contributions to relevant authorities, such as the regional provident fund commissioner or to such other funds maintained by the Transferor Company, in accordance with the provisions of Applicable Laws or otherwise. It is hereby clarified that upon this Scheme becoming effective, the aforesaid benefits or schemes shall continue to be provided to the transferred employees and the services of all the transferred employees of the Transferor Company for such purpose shall be treated as having been continuous;

(o) with regard to any provident fund, gratuity fund, pension, superannuation fund or other special fund created or existing for the benefit of such employees of the Transferor Company, it is the aim and intent of the Scheme that all the rights, duties, powers and obligations of the Transferor Company in relation to such schemes or funds shall become those of the Transferee Company. Upon the Scheme becoming effective, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever relating to the obligation to make contributions to the said funds in accordance with the provisions of such schemes or funds in the respective trust deeds or other documents. Any existing provident fund, gratuity fund and superannuation fund trusts created by the Transferor Company for its employees shall be continued for the benefit of such employees on the same terms and conditions until such time that they are transferred to the relevant funds of the Transferee Company. It is clarified that the services of all employees of the

Transferor Company transferred to the Transferee Company will be treated as having been continuous and uninterrupted for the purpose of the aforesaid schemes or funds. Without prejudice to the aforesaid, the Board of the Transferee Company, if it deems fit and subject to Applicable Laws, shall be entitled to: (i) retain separate trusts or funds within the Transferee Company for the erstwhile fund(s) of the Transferor Company; or (ii) merge the pre-existing fund of the Transferor Company with other similar funds of the Transferee Company;

(p) the Transferee Company agrees that for the purpose of payment of any retrenchment compensation, gratuity and other terminal benefits, the past services of the employees with the Transferor Company, if any, as the case may be, shall also be taken into account, and agrees and undertakes to pay the same as and when payable;

(q) all trademarks, trade names, service marks, copyrights, logos, corporate names, brand names, domain names and all registrations, applications and renewals in connection therewith, and software and all website content (including text, graphics, images, audio, video and data), trade secrets, confidential business information and other proprietary information shall stand transferred to and vested in the Transferee Company;

(r) all registrations, goodwill and licenses, appertaining to the Transferor Company, if any, shall transferred to and vested in the Transferee Company;

(s) all taxes (including but not limited to advance tax, tax deducted at source, minimum alternate tax, withholding tax, banking cash transaction tax, securities transaction tax, taxes withheld/paid in a foreign country, value added tax, sales tax, service tax, goods and services tax, customs, duties, etc.), including any interest, penalty, surcharge and cess, if any, payable by or refundable to the Transferor Company, including all or any refunds or claims shall be treated as the tax liability or refunds/claims, as the case may be, of the Transferee Company, and any tax incentives, advantages, privileges, exemptions, credits, holidays, remissions, reductions etc., as would have been available to the Transferor Company, shall pursuant to this Scheme becoming effective, be available to the Transferee Company;

(t) all approvals, allotments, consents, concessions, clearances, credits, awards, sanctions, exemptions, subsidies, registrations, no-objection certificates, permits, quotas, rights, entitlements, authorisation, pre-qualifications, bid acceptances, tenders, licenses (including the licenses granted by any governmental, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith), permissions (including but not limited to permissions granted in relation to launch futures and options contracts) and certificates of every kind and description whatsoever in relation to the Transferor Company, or to the benefit of which the Transferor Company may be eligible/entitled, and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect in favour of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligor thereto. It is hereby clarified that if the consent of any third party or authority is required to give effect to the provisions of this Clause, the said third party or authority shall make and duly record the necessary substitution/endorsement in the name of the Transferee Company pursuant to the sanction of this Scheme by the Competent Authority, and upon this Scheme becoming effective in accordance with the terms hereof. For this purpose, the Transferee Company shall file appropriate applications/documents with relevant authorities concerned for information and record purposes;

(u) benefits of any and all corporate approvals as may have already been taken by the Transferor Company, whether being in the nature of compliances or otherwise, including without limitation approvals under Sections 42, 62(1)(a), 180, 185, 186,

188 etc., of the Act, read with the rules and regulations made thereunder, shall stand transferred to the Transferee Company and the said corporate approvals and compliances shall be deemed to have been taken/complied with by the Transferee Company; it being clarified that if any such resolutions have any monetary limits approved subject to the provisions of the Act and of any other applicable statutory provisions, then the said limits, as are considered necessary by the Board of the Transferee Company, shall be added to the limits, if any, under the like resolutions passed by the Transferee Company;

(v) all bank accounts operated or entitled to be operated by the Transferor Company shall be deemed to have transferred and shall stand transferred to the Transferee Company and names of the Transferor Company shall be substituted by the name of the Transferee Company in the bank's records;

(w) all the property, assets and liabilities of the Transferor Company shall be transferred to the Transferee Company at the values appearing in the books of account of the Transferor Company at the close of business of the day immediately preceding the Appointed Date;

(x) all public deposits, debentures or bonds of the Transferor Company shall be distinctly identified in the records of the Transferee Company for all intents and purposes including taxation and accounting and shall not be combined with any existing outstanding deposit scheme or series of debentures or bonds of the Transferee Company;

(y) all the benefits under the various incentive schemes and policies that the Transferor Company is entitled to, including tax credits, tax deferral, exemptions and benefits (including sales tax and service tax), subsidies, tenancy rights, liberties, special status and other benefits or privileges enjoyed or conferred upon or held or availed by the Transferor Company and all rights or benefits that have accrued or which may accrue to the Transferor Company, whether on, before or after the Appointed Date, shall upon this Scheme becoming effective and with effect from the Appointed Date be transferred to and vest in the Transferee Company and all benefits, entitlements and incentives of any nature whatsoever, shall be claimed by the Transferee Company and these shall relate back to the Appointed Date as if the Transferee Company was originally entitled to all benefits under such incentive schemes and or policies;

(z) where any of the debts, liabilities, duties and obligations incurred before the Appointed Date by the Transferor Company, deemed to have been transferred to the Transferee Company by virtue of this Scheme, have been discharged by the Transferor Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Transferee Company;

(aa) without prejudice to the generality of the foregoing, all lease agreements and leave and license agreements, as the case may be, to which the Transferor Company is a party, and having effect immediately before the Effective Date, shall remain in full force and effect on the terms and conditions contained therein in favour of or against the Transferee Company and may be enforced fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto or thereunder; and the respective lessees and the licensees, as the case may be, shall continue to be in possession of the premises subject to the terms and conditions contained in the relevant lease agreements or leave and license agreements, as the case may be. Further, all the rights, title, interest and claims of the Transferor Company in any properties including leasehold/ licensed properties of the Transferor Company including but not limited to security deposits and advance or prepaid lease or license fee, shall, on the same terms and conditions, be transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company automatically without requirement of any

further act or deed. The Transferee Company shall continue to pay rent or lease or license fee as provided for under such agreements, and the Transferee Company shall continue to comply with the terms, conditions and covenants thereunder;

(bb) any liabilities, loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Transferor Company and Transferee Company shall, ipso facto, stand discharged and come to an end and there shall be no liability in that behalf on any party and the appropriate effect shall be given in the books of accounts and records of the Transferee Company;and

(cc) for the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme and with effect from the Appointed Date, all consents, permissions, licenses, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Transferor Company shall stand transferred to the Transferee Company, and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company.

1.3 The Transferor Company and/or the Transferee Company as the case may be, shall, at any time after this Scheme becoming effective in accordance with the provisions hereof, if so required under Applicable Law or otherwise, do all such acts or things as may be necessary to transfer/obtain the approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses and certificates which were held or enjoyed by the Transferor Company. It is hereby clarified that if the consent of any third party or Governmental Authority, if any, is required to give effect to the provisions of this Clause, the said third party or Governmental Authority shall make and duly record the necessary substitution/endorsement in the name of the Transferee Company pursuant to the sanction of this Scheme by the Competent Authority, and upon this Scheme becoming effective in accordance with the provisions of the Act and with the terms hereof. For this purpose, the Transferee Company shall file appropriate applications/documents with relevant authorities concerned for information and record purposes.

1.4 The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to carry out or perform all such acts, formalities or compliances referred to above as may be required in this regard.

1.5 Without prejudice to the other provisions of the Scheme and notwithstanding the vesting of the Transferor Company into the Transferee Company by virtue of Part III of the Scheme itself, the Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under Applicable Law or otherwise, execute deeds (including deeds of adherence), confirmations or other writings or tripartite arrangements with any party to any contract or arrangement in relation to which the Transferor Company has been a party, including any filings with the regulatory authorities in order to give formal effect to the above provisions and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company. The Transferee Company will, if necessary, also be a party to the above.

2. CONDUCT OF BUSINESS UNTIL EFFECTIVE DATE

2.1 The Transferor Company and the Transferee Company have agreed that during the period between the approval of the Scheme by the respective Boards of the Transferor Company and the Transferee Company and up to the Effective Date, the business of the Transferor Company and the Transferee Company shall be carried out with reasonable diligence and business prudence in the ordinary course consistent with past practice, in good faith and in accordance with Applicable Law.

2.2 Except by mutual consent of the Board of Directors of the Transferor Company and the Transferee Company, or except as specifically contemplated in this Scheme (including Part III of this Scheme), pending sanction of this Scheme, the Transferor Company and/or the Transferee Company shall not make any change in their capital structures either by way of any increase (by issue of equity shares other than allotment of shares pursuant to exercise of stock options under their respective existing stock option schemes, bonus shares, convertible debentures or otherwise), decrease, reduction, reclassification, sub-division or consolidation, re-organisation or in any other manner, which would have the effect of re-organisation of capital of such company(ies).

2.3 With effect from the Appointed Date and up to and including the Effective Date:

(a) the Transferor Company undertakes to carry on and shall be deemed to have carried on its business activities and stand possessed and shall be deemed to have held and stood possessed of the properties and assets pertaining to the Transferor Company, for and on account of and in trust for the Transferee Company;

(b) the Transferor Company hereby undertakes to hold its said assets with utmost prudence in the ordinary course of business until the Effective Date;

(c) all profits and income accruing to the Transferor Company, and losses and expenditure incurred by it (including taxes, if any, accruing or paid in relation to any profits or income), for the period from the Appointed Date based on the accounts of the Transferor Company shall, subject to the Scheme being effective, for all purposes, be treated as the profits, income, losses or expenditure, as the case may be, of the Transferee Company;

(d) all debts, liabilities, loans raised and used, liabilities and obligations incurred, duties and obligations as on the close of business on the date preceding the Appointed Date, whether or not provided in the books of the Transferor Company which arise or accrue to the Transferor Company on or after the Appointed Date, shall be deemed to be of the Transferee Company;

(e) all assets and properties comprised in the Transferor Company as on the date immediately preceding the Appointed Date, whether or not included in the books of the Transferor Company and all assets and properties relating thereto, which are acquired by the Transferor Company, on or after the Appointed Date, shall be deemed to be the assets and properties of the Transferee Company; and

(f) any of the rights, powers, authorities, privileges exercised by the Transferor Company shall be deemed to have been exercised by such Transferor Company for and on behalf of, and in trust for the Transferee Company. Similarly, any of the obligations, duties and commitments that have been undertaken or discharged by Transferor Company shall be deemed to have been undertaken for and on behalf of the Transferee Company.

2.4 With effect from the Effective Date, the Transferee Company shall carry on and shall be authorised to carry on the businesses of Transferor Company.

2.5 For the purpose of giving effect to the order passed under Sections 230 – 232 and other applicable provisions of the Act in respect of this Scheme by the Competent Authority, the Transferee Company shall, at any time, pursuant to the order on this Scheme, be entitled to get the recordal of the change in the legal right(s) upon the transfer of the Transferor Company, in accordance with the provisions of Sections 230 - 232 of the Act. The Transferee Company is and shall always be deemed to have been authorised to execute any pleadings, applications, forms etc., as may be required to remove any difficulties and carry out any formalities or compliance as are necessary for the implementation of this Scheme, pursuant to the sanction of this Scheme by the Competent Authority.

2.6 The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to

the Governmental Authorities and all other agencies, departments and authorities concerned as are necessary under Applicable Law for such consents, approvals and sanctions which the Transferee Company may require to carry on the business of the Transferor Company.

2.7 Upon this Scheme becoming effective, the Transferee Company, unconditionally and irrevocably, agrees and undertakes to pay, discharge and satisfy all liabilities and obligations of the Transferor Company with effect from the Appointed Date, in order to give effect to the foregoing provisions.

2.8 The transfer and vesting of the assets, liabilities and obligations of the Transferor Company and the continuance of the proceedings by or against the Transferee Company shall not affect any transaction or proceedings already completed by the Transferor Company on or before the Appointed Date or after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts all acts, deeds and things done and executed by and / or on behalf of the Transferor Company as acts, deeds and things made, done and executed by and on behalf of the Transferee Company.

3. DISSOLUTION OF TRANSFEROR COMPANY

3.1 Upon this Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up, without any further act, instrument or deed.

4. CHANGES IN SHARE CAPITAL

4.1 As an integral part of the Scheme and upon this Scheme becoming effective, the authorized share capital of the Transferor Company shall stand transferred to and be amalgamated/combined with the authorized share capital of the Transferee Company. The fees or stamp duty, if any, paid by the Transferor Company on its authorized share capital shall be deemed to have been so paid by the Transferee Company on the combined authorized share capital, and the Transferee Company shall not be required to pay any fee/ stamp duty for the increase of the authorized share capital. The authorised share capital of the Transferee Company will automatically stand increased to that effect by simply filing the requisite forms with the relevant Registrar of Companies and no separate procedure or instrument or deed shall be required to be followed under the Act.

4.2 Clause V of the memorandum of association of the Transferee Company shall, upon this Scheme becoming effective, and without any further act, instrument or deed, be replaced by the following clause:

"The share capital of the Company is Rs. 5,200,00,00,000 (Rupees five thousand two hundred crore only) divided into 520,00,00,000 (five hundred twenty crore) equity shares of Rs. 10 (Rupees ten) each."

4.3 The approval of this Scheme by shareholders of the Transferee Company under sections 230 to 232 of the Act, whether at a meeting or otherwise, or any dispensation of the same by the NCLT, shall be deemed to have been an approval under section 13, section 61 and 64 or any other applicable provisions under the Act and no further resolution(s) would be required to be separately passed in this regard.

5. PAYMENT OF CONSIDERATION

5.1 Upon coming into effect of this Scheme and in consideration of the amalgamation of the Transferor Company in the Transferee Company, the Transferee Company shall, without any further application, act or deed, issue and allot to the shareholders of the Transferor Company whose names are recorded in the register of members as a member of the Transferor Company on the Record Date (or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognised by the Board of the Transferee Company), 568 (five hundred sixty eight) Transferee Company Shares, credited as fully paid-up, for every 1000 (one thousand) equity shares of the face value of Rs. 2 (Rupees two) each fully paid-up held by such member in the Transferor

Company ("**Share Exchange Ratio**"). The Transferee Company Shares to be issued by the Transferee Company to the shareholders of the Transferor Company in accordance with this Clause 5.1 of Part III shall be hereinafter referred to as "**New Equity Shares**".

5.2 The Transferor Company and the Transferee Company have respectively engaged M/s. Desai Haribhakti & Co. and M/s. SRB & Associates, independent Chartered Accountants, to provide a joint valuation report. In connection with such engagement, M/s. Desai Haribhakti & Co. and M/s. SRB & Associates have issued a joint valuation report dated 7 January 2019.

5.3 The Transferor Company had engaged JM Financial Limited as the merchant bankers to provide a fairness opinion on the Share Exchange Ratio adopted under the Scheme. In connection with such engagement, JM Financial Limited has issued a fairness opinion dated 7 January 2019.

5.4 The Transferee Company had engaged Kotak Mahindra Capital Company Limited as the merchant bankers to provide a fairness opinion on the Share Exchange Ratio adopted under the Scheme. In connection with such engagement, Kotak Mahindra Capital Company Limited has issued a fairness opinion dated 7 January 2019.

6. ISSUANCE MECHANICS

6.1 In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Transferor Company, the Board of the Transferee Company shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, as the case may be, to effectuate such a transfer as if such changes in registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor of the shares in the Transferor Company and in relation to the shares issued by the Transferee Company, after the effectiveness of the Scheme. The Board of the Transferee Company shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of new shareholders in the Transferee Company on account of difficulties faced in the transition period.

6.2 Where New Equity Shares of the Transferee Company are to be allotted to heirs, executors or administrators, as the case may be, to successors of deceased equity shareholders or legal representatives of the equity shareholders of the Transferor Company, the concerned heirs, executors, administrators, successors or legal representatives shall be obliged to produce evidence of title satisfactory to the Board of the Transferee Company.

6.3 The New Equity Shares of the Transferee Company allotted and issued in terms of Clause 5.1 of Part III above, shall be listed and/or admitted to trading on the BSE and NSE. The New Equity Shares of the Transferee Company shall, however, be listed subject to the Transferee Company obtaining the requisite approvals from all the relevant Governmental Authorities pertaining to the listing of the New Equity Shares of the Transferee Company. The Transferee Company shall enter into such arrangements and give such confirmations and/or undertakings as may be necessary in accordance with Applicable Laws for complying with the formalities of BSE and NSE.

6.4 The New Equity Shares of the Transferee Company to be allotted and issued to the shareholders of the Transferor Company as provided in Clause 5.1 of Part III above shall be subject to the provisions of the memorandum and articles of association of the Transferee Company and shall rank *pari passu* in all respects with the then existing equity shares of the Transferee Company after the Effective Date including in respect of dividend, if any, that may be declared by the Transferee Company on or after the Effective Date.

6.5 The Transferee Company shall complete all formalities, as may be required, for allotment of the New Equity Shares to the shareholders of the Transferor Company as provided in this Scheme within thirty (30) days from the Effective Date. It is clarified that the issue and allotment of New Equity Shares by the Transferee Company to the shareholders of the Transferor Company as provided in the Scheme, is an integral part thereof and shall be deemed to have been carried out without requiring any further act on the part of the

Transferee Company or its shareholders and as if the procedure laid down under Section 62 or any other applicable provisions of the Act, as may be applicable, and such other statues and regulations as may be applicable were duly complied with.

6.6 If any member becomes entitled to any fractional shares, entitlements or credit on the issue and allotment of the New Equity Shares by the Transferee Company in accordance with Clause 5.1 of Part III above, the Board of the Transferee Company shall consolidate all such fractional entitlements and shall, without any further application, act, instrument or deed, issue and allot such consolidated equity shares directly to an individual trust or a board of trustees or a corporate trustee nominated by the Transferee Company (the "**Trustee**"), who shall hold such New Equity Shares with all additions or accretions thereto in trust for the benefit of the respective shareholders, to whom they belong and their respective heirs, executors, administrators or successors for the specific purpose of selling such equity shares in the market at such price or prices and on such time or times within sixty (60) days from the date of allotment, as the Trustee may in its sole discretion decide and on such sale, pay to the Transferee Company, the net sale proceeds (after deduction of applicable taxes and costs incurred) thereof and any additions and accretions, whereupon the Transferee Company shall, subject to withholding tax, if any, distribute such sale proceeds to the concerned shareholders of the Transferor Company in proportion to their respective fractional entitlements.

6.7 In the event that the Amalgamating Companies restructure their equity share capital by way of share split/consolidation/issue of bonus shares during the pendency of the Scheme, the Share Exchange Ratio and the stock options, shall be adjusted accordingly to take into account the effect of any such corporate actions.

6.8 The Transferee Company shall, if and to the extent required, apply for and obtain any approvals from the concerned regulatory authorities, including the NSE and the BSE, for the issue and allotment by the Transferee Company of the New Equity Shares to the members of the Transferor Company pursuant to the Scheme.

6.9 The New Equity Shares issued to the members of the Transferor Company by the Transferee Company shall be issued in dematerialised form by the Transferee Company, provided that the details of the depository accounts of the members of the Transferor Company are made available to the Transferee Company by the Transferor Company at least two (2) working days prior to the Effective Date. In the event that such details are not available with the Transferee Company or for such members of the Transferor Company which hold the shares of the Transferor Company in physical form, it shall issue the New Equity Shares to the members of the Transferor Company in physical form.

6.10 The shares allotted pursuant to the Scheme shall remain frozen in the depositories system until listing/trading permission is given by the BSE and NSE, as the case may be.

6.11 There shall be no change in the shareholding pattern or control of the Transferee Company between the Record Date and the date of listing of equity shares of the Transferee Company which may affect the status of the BSE's approval or NSE's approval.

6.12 The New Equity Shares to be issued by the Transferee Company pursuant to Clause 5.1 of Part III above in respect of such equity shares of the Transferor Company as are subject to lock-in pursuant to Applicable Law shall be locked-in as and to the extent required under Applicable Law.

6.13 Upon this Scheme becoming effective and upon the New Equity Shares of the Transferee Company being allotted and issued by it to the shareholders of Transferor Company whose names appear on the register of members as a member of the Transferor Company on the Record Date or whose names appear as the beneficial owners of the equity shares of the Transferor Company in the records of the depositories/register of members, as the case may be, as on the Record Date, the equity shares of Transferor Company, both in electronic form and in the physical form, shall be deemed to have been automatically cancelled and be of no effect on and from the Record Date. Wherever applicable, Transferee

Company may, instead of requiring the surrender of the share certificates of Transferor Company, directly issue and dispatch the new share certificates of Transferee Company in lieu thereof.

6.14 The New Equity Shares to be issued by the Transferee Company pursuant to Clause 5.1 of Part III above in respect of such equity shares of the Transferor Company, the allotment or transfer of which is held in abeyance under Applicable Law shall, pending allotment or settlement of dispute by order of the appropriate court or otherwise, also be kept in abeyance in like manner by the Transferee Company.

7. ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFEREE COMPANY

7.1 The Transferee Company shall, upon this Scheme becoming effective and with effect from the Appointed Date, record the assets and liabilities of the Transferor Company (as appearing in the books of accounts of the Transferor Company at the close of business on the day preceding the Appointed Date) as vested in the Transferee Company pursuant to this Scheme, at the respective book values thereof.

7.2 The Transferee Company shall follow the method of accounting as prescribed for the 'pooling of interest method' under Accounting Standard 14 as notified under the Companies Accounting Rules, 2006.

7.3 The Transferee Company shall issue and allot equity shares to the shareholders of the Transferor Company in accordance with Clause 6 above and credit the face value of such equity shares to its share capital account.

7.4 Upon this Scheme becoming effective and with effect from the Appointed Date, the excess, if any, of the book value of the assets over the book value of the liabilities of the Transferor Company recorded by the Transferee Company in its books of accounts as mentioned above, as reduced by the face value of shares issued by the Transferee Company to the shareholders of the Transferor Company shall be credited to the capital reserve account in the financial statements of the Transferee Company as drawn up in compliance with the Scheme and applicable accounting standards of the Transferee Company. In case of there being a deficit, such amount shall be debited to the general reserve. In case of any difference in the accounting policies between the Transferor Company and the Transferee Company, the accounting policies followed by the Transferee Company shall prevail and the difference, if any, will be quantified and adjusted in the general reserve mentioned earlier, to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy. Where the Transferee Company does not have sufficient general reserve, the balance amount remaining after adjustment with the general reserve of the Transferee Company, shall be adjusted against the capital reserve, if any, of the Transferee Company.

7.5 Notwithstanding the above, the Board of Directors of the Transferee Company is authorised to account for any of these balances in any manner whatsoever, as may be deemed fit, in accordance with the prescribed accounting standards under the Act and applicable RBI regulations and applicable generally accepted accounting principles as applicable to the Transferee Company. The identity of the reserves of the Transferor Company, if any and to the extent as required under any applicable regulation and as deemed appropriate by the Board of Directors of the Transferee Company, shall be preserved and they shall appear in the financial statements of the Transferee Company in the same form and manner, in which they appeared in the financial statements of the Transferor Company as prepared under the accounting standards applicable to the Transferee Company, prior to this Scheme becoming effective. Accordingly, if prior to this Scheme becoming effective there is any reserve in the financial statements of the Transferor Company available for distribution whether as bonus shares or dividend or otherwise, the same would also be available in the financial statements of the Transferee Company for such distribution pursuant to this Scheme becoming effective.

7.6 The balances of the profit and loss accounts of the Transferor Company (as appearing in the books of accounts of the Transferor Company at the close of business on the day preceding

the Appointed Date) shall be aggregated and added to or set-off (as the case may be) with the corresponding balance appearing in the financial statements of the Transferee Company.

7.7 The Transferee Company shall record in its books of account, all transactions of the Transferor Company in respect of assets, liabilities, income and expenses, from the Appointed Date to the Effective Date. Any inter-company payables and receivables between the Transferor Company and the Transferee Company shall be cancelled and the Transferee Company shall accordingly not record any of such payables and receivables in its books.

7.8 **Accounting Treatment of Transferor Company:**

As the Transferor Company shall stand dissolved without being wound up upon the Scheme becoming effective, hence there is no accounting treatment prescribed under this Scheme in the books of the Transferor Company.

8. EMPLOYEE STOCK OPTION PLAN

8.1 With respect to the stock options granted by the Transferor Company under the employees stock options scheme of the Transferor Company including the benefit of exercise price and the share entitlement pursuant to the bonus issuance by the Transferor Company in 2018, titled Employees Stock Option Scheme 2015 (the "**Transferor Company Option Scheme**"), upon coming into effect of this Scheme, the Transferee Company shall issue stock options to Eligible Employees taking into account the Share Exchange Ratio and on the same terms and conditions as (and which are not less favourable than those) provided in the Transferor Company Option Scheme. Such stock options may be issued by the Transferee Company either under its existing stock option scheme or a revised employee stock option scheme ("**Transferee Company Option Scheme**").

8.2 It is hereby clarified that upon this Scheme becoming effective, options granted by the Transferor Company to the Eligible Employees under the Transferor Company Option Scheme shall automatically stand cancelled. Further, upon this Scheme becoming effective and after cancellation of the options granted to the Eligible Employees under the Transferor Company Option Scheme, the fresh options shall be granted by the Transferee Company to the Eligible Employees on the basis of the Share Exchange Ratio (i.e. for every 1,000options held by an Eligible Employee which entitle such Eligible Employee to acquire 2,000equity shares (on account of 1:1 bonus issuance on 8 June 2018) in the Transferor Company, such Eligible Employee will be conferred 1,136options in the Transferee Company which shall entitle him to acquire 1,136equity shares in the Transferee Company), such that the Eligible Employees shall, as option holders of the Transferee Company, enjoy the same economic benefit as they would have received under the Transferor Company Option Scheme. Fractional entitlements, if any, arising pursuant to the applicability of the Share Exchange Ratio as above shall be rounded off to the nearest higher integer. The exercise price payable for options granted by the Transferee Company to the Eligible Employees shall be based on the exercise price payable by such Eligible Employees under the Transferor Company Option Scheme as adjusted after taking into account the effect of the Share Exchange Ratio.

8.3 On the Effective Date, the provisions of the SEBI (Share Based Employee Benefits) Regulations, 2014, as amended to-date, shall apply, to the extent applicable, to the stock options granted by the Transferee Company under the Transferee Company Option Scheme in pursuance of this Scheme.

8.4 The approval granted to the Scheme by the shareholders, the RBI, the National Housing Bank and/or any other regulatory authority shall be deemed to be approval granted to any modifications made to the Transferor Company Option Scheme by the Transferor Company and approval granted to the Transferee Company Option Scheme to be adopted by the Transferee Company.

8.5 It is hereby clarified that in relation to the options granted by the Transferee Company to the Eligible Employees, the period during which the options granted by the Transferor Company were held by or deemed to have been held by the Eligible Employees shall be taken into

account for determining the minimum vesting period required under Applicable Law or agreement or deed for stock options granted under the Transferor Company Option Scheme or the Transferee Company Option Scheme, as the case may be.

8.6 The Board of Directors of the Amalgamating Companies or any of the committee(s) thereof, including the compensation committee, if any, shall take such actions and execute such further documents as may be necessary or desirable for the purpose of giving effect to the provisions of this clause of the Scheme.

PART IV

GENERAL TERMS AND CONDITIONS

1. PROVISIONS APPLICABLE TO PART III

1.1 Upon the sanction of this Scheme and upon this Scheme becoming effective, the following shall be deemed to have occurred on the Appointed Date and become effective and operative only in the sequence and in the order mentioned hereunder:

(a) amalgamation of the Transferor Company into the Transferee Company in accordance with Part III of the Scheme;

(b) transfer of the authorised share capital of the Transferor Company to the Transferee Company as provided in Part III of this Scheme, and consequential increase in the authorised share capital of the Transferee Company as provided in Part III of this Scheme;

(c) issuance and allotment of New Equity Shares to the shareholders of the Transferor Company as on the Record Date, without any further act, instrument or deed, in accordance with Part III of this Scheme; and

(d) dissolution of the Transferor Company without winding up.

2. COMPLIANCE WITH LAWS

2.1 This Scheme is presented and drawn up to comply with the provisions/requirements of Sections 230 - 232 of the Act, for the purpose of the merger of the Transferor Company with the Transferee Company.

2.2 The amalgamation of the Transferor Company with the Transferee Company in accordance with this Scheme will be in compliance with the provisions of Section 2(1B) of the Income-Tax Act, 1961, such that:

(a) all the properties of the Transferor Company, immediately before the amalgamation, shall become the property of the Transferee Company, by virtue of this amalgamation;

(b) all the liabilities of the Transferor Company, immediately before the amalgamation, shall become the liabilities of the Transferee Company, by virtue of this amalgamation; and

(c) shareholders holding not less than three-fourths in value of the shares in the Transferor Company (other than shares already held therein immediately before the amalgamation by, or by a nominee for, the Transferee Company or its subsidiary) will become shareholders of the Transferee Company by virtue of the amalgamation.

2.3 This Scheme has been drawn up to comply with the conditions relating to "amalgamation" as specified under the tax laws, including Section 2 (1B) and other relevant sections of the Income Tax Act, 1961. If any terms or provisions of the Scheme are found to be or interpreted to be inconsistent with any of the said provisions at a later date, whether as a result of any amendment of law or any judicial or executive interpretation or for any other reason whatsoever, the aforesaid provisions of the Income Tax Act, 1961 shall prevail. The Scheme shall then stand modified to the extent deemed necessary to comply with the said provisions. Such modification will however not affect other parts of the Scheme. The power to make such amendments as may become necessary shall vest with the Board of Directors of the Amalgamating Companies, which power shall be exercised reasonably in the best interests of the companies concerned and their stakeholders.

2.4 Upon this Scheme becoming effective, the Transferee Company is expressly permitted to prepare and/or revise their financial statements and returns along with prescribed forms, filings and annexures under the Income Tax Act, 1961 (including for minimum alternate tax purposes and tax benefits), service tax law and other tax laws, and to claim refunds and/or credits for taxes paid (including minimum alternate tax), and to claim tax benefits under the Income Tax Act, 1961, etc., and for matters incidental thereto, if required to give effect to the provisions of this Scheme. The order of the jurisdictional NCLT sanctioning the Scheme shall be deemed to be an order of the Competent Authority

permitting the Transferee Company to prepare and/or revise its financial statements and books of accounts and no further act shall be required to be undertaken by the Transferee Company.

3. CONSEQUENTIAL MATTERS RELATING TO TAX

3.1 All tax assessment proceedings/appeals of whatsoever nature by or against the Transferor Company pending and/or arising at the Appointed Date and relating to the Transferor Company shall be continued and/or enforced until the Effective Date by the Transferor Company. In the event of the Transferor Company failing to continue or enforce any proceeding/appeal, the same may be continued or enforced by the Transferee Company, at the cost of the Transferee Company. As and from the Effective Date, the tax proceedings shall be continued and enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company.

3.2 Further, the aforementioned proceedings shall not abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation of the Transferor Company with the Transferee Company or anything contained in the Scheme.

3.3 Upon the Scheme becoming effective, any advance tax, self-assessment tax, minimum alternate tax and/or TDS credit available or vested with the Transferor Company, including any taxes paid and taxes deducted at source and deposited by the Transferee Company on inter se transactions during the period between the Appointed Date and the Effective Date shall be treated as advance tax paid by the Transferee Company and shall be available to Transferee Company for set-off against its liability under the Income Tax Act, 1961 and any excess tax so paid shall be eligible for refund together with interest.

4. SAVING OF CONCLUDED TRANSACTIONS

4.1 The transfer of assets, properties and liabilities and the continuance of proceedings by or against the Transferor Company under Clause 1.2 of Part III of the Scheme above shall not affect any transaction or proceedings already concluded by the Transferor Company on and after the Appointed Date until the Effective Date, to the end and intent that the Transferee Company accept and adopt all acts, deeds and things done and executed by the Transferor Company in respect thereto as done and executed on behalf of the Transferee Company.

5. DIVIDENDS

5.1 The Amalgamating Companies shall be entitled to declare and pay dividends, whether interim and/or final, to their respective shareholders prior to the Effective Date, but only in the ordinary course of business.

5.2 It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any shareholder of the Amalgamating Companies to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Boards of Directors of the Amalgamating Companies, and if applicable in accordance with the provisions of the Act, be subject to the approval of the shareholders of the respective Amalgamating Companies.

6. INTERPRETATION

6.1 If any terms or provisions of this Scheme are found to be or interpreted to be inconsistent with any provisions of Applicable Law at a later date, whether as a result of any amendment of Applicable Law or any judicial or executive interpretation or for any other reason whatsoever, the provisions of the Applicable Law shall prevail. Subject to obtaining the sanction of the Competent Authority, if necessary, this Scheme shall then stand modified to the extent determined necessary to comply with the said provisions. Such modification will, however, not affect other parts of this Scheme. Notwithstanding the other provisions of this Scheme, the power to make such amendments/modifications as may become necessary, whether before or after the Effective Date, shall, subject to obtaining the sanction of the Competent Authority if necessary, vest with the Board of Directors of the Amalgamating Companies, which power shall be exercised reasonably in the best interests of the Amalgamating Companiesand their respective shareholders.

7. APPLICATION TO THE COMPETENT AUTHORITY

7.1 The Amalgamating Companies shall make applications and/or petitions under Sections 230 to 232 of the Act and other applicable provisions of the Act to the Competent Authorities for approval of the Scheme and all matters ancillary or incidental thereto, as may be necessary to give effect to the terms of the Scheme.

7.2 Upon this Scheme becoming effective, the shareholders of the Transferee Company shall be deemed to have also accorded their approval under all relevant provisions of the Act for giving effect to the provisions contained in this Scheme.

8. MODIFICATION OR AMENDMENTS TO THE SCHEME

8.1 The Amalgamating Companies, acting through their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorise including any committee or sub-committee thereof, may, jointly and as mutually agreed in writing, assent to/make and/or consent to any modifications/amendments to the Scheme, or to any conditions or limitations that the Competent Authority under Applicable Law may deem fit to direct or impose, or which may otherwise be considered necessary, desirable or appropriate as a result of subsequent events or otherwise by them (i.e., the Board of Directors), or modify, vary or withdraw this Scheme prior to the Effective Date in any manner at any time. The Amalgamating Companies, acting through their respective Boards of Directors or such other person or persons, as the respective Board of Directors may authorise including any committee or sub-committee thereof, be and are hereby authorised to take such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whatsoever for carrying the Scheme into effect, whether by reason of any orders of the Competent Authority or of any directive or orders of any other authorities or otherwise howsoever arising out of, under or by virtue of this Scheme and/or any matters concerning or connected therewith.

8.2 In case, post approval of the Scheme by the Competent Authority, there is any confusion in interpreting any Clause of this Scheme, or otherwise, the Board of Directors of the Amalgamating Companies shall have complete power to take the most sensible interpretation so as to render the Scheme operational.

8.3 In the event of any inconsistency between any of the terms and conditions of any earlier arrangement between the Amalgamating Companies and their respective shareholders and/or creditors, and the terms and conditions of this Scheme, the latter shall prevail.

8.4 If any part of this Scheme is invalid, ruled illegal or rejected by the Competent Authority or any court of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the Amalgamating Companies that such part shall be severable from the remainder of this Scheme and this Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to either the Transferor Company or Transferee Company, in which case the Amalgamating Companies, acting through their respective Boards of Directors, shall attempt to bring about a modification in this Scheme, as will best preserve for the parties, the benefits and obligations of this Scheme, including but not limited to such part, which is invalid, ruled illegal or rejected by the Competent Authority or any court of competent jurisdiction, or unenforceable under present or future Applicable Laws.

9. CONDITIONALITY TO EFFECTIVENESS OF THE SCHEME

9.1 The Scheme is conditional and subject to:

(a) the Scheme being approved by the requisite majority of each classes of members and/or creditors (where applicable) of the Amalgamating Companies in accordance with the Act and as may be directed by the Competent Authority;

(b) the Competent Authority having accorded its sanction to the Scheme;

(c) receipt of approval by the Transferee Company from the RBI in relation to the Scheme, which shall be in form and substance acceptable to the Amalgamating Companies, each acting reasonably and in good faith;

(d) receipt of approval by the promoter of the Transferor Company, from the RBI in relation to the acquisition of New Equity Shares by it in the Transferee Company pursuant to the Scheme;

(e) satisfaction of the conditions, if any, as set out in the approval provided by the RBI under

Clause 9.1(c) and Clause 9.1(d) and which need to be satisfied on or prior to the Effective Date in accordance with the terms thereunder;

(f) receipt of no-objection letters by the Amalgamating Companies in respect from the BSE and the NSE in accordance with the LODR Regulations and the SEBI Circulars in respect of the Scheme (prior to filing the Scheme with the Competent Authority as well as following approval of the Scheme by the Competent Authority), which shall be in form and substance acceptable to the Amalgamating Companies, each acting reasonably and in good faith;

(g) intimation to/receipt of the approval from the National Housing Bank by the Transferor Company and/or its promoter, as applicable,, which shall be in form and substance acceptable to the Amalgamating Companies, each acting reasonably and in good faith;

(h) receipt of the approval from the CCI in respect of the Scheme contemplated herein, in accordance with the provisions of the Competition Act, 2002, pursuant to a joint application filed by the Transferor Company and the Transferee Company, which shall be in form and substance acceptable to the Amalgamating Companies, each acting reasonably and in good faith, or the waiting period during which the CCI is required to provide its decision in respect of the application for approval in respect of the Scheme contemplated herein, together with any extensions thereof, shall have expired; and

(i) receipt of such other sanctions and approvals including sanction of any other Governmental Authority or stock exchange(s) as may be required by Applicable Law in respect of the Scheme.

9.2 The Scheme shall not come into effect unless the aforementioned conditions mentioned in Clause 9.1 of Part IV above are satisfied and in such an event, unless each of the conditions are satisfied, no rights and liabilities whatsoever shall accrue to or be incurred inter se the Amalgamating Companies or their respective shareholders or creditors or employees or any other person.

10. COSTS, CHARGES & EXPENSES

10.1 All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) of the Transferor Company and the Transferee Company arising out of or incurred in connection with and implementing this Scheme and matters incidental thereto on or prior to the Effective Date shall be borne by the respective Amalgamating Companies.

10.2 All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) of the Transferor Company and the Transferee Company arising out of or incurred in connection with and implementing this Scheme and matters incidental thereto after the Effective Date shall be borne by the Transferee Company.

11. RESIDUAL PROVISIONS

11.1 Upon this Scheme becoming effective, the Transferee Company shall be entitled to operate and utilize all bank accounts, cash and deposits relating to the Transferor Company, realise all monies and complete and enforce all pending contracts and transactions in respect of the Transferor Company in the name of the Transferor Company to the extent necessary.

11.2 Upon this Scheme becoming effective, the Transferee Company shall be entitled to occupy and use all premises, whether owned, leased or licensed, relating to the Transferor Company until the transfer of the rights and obligations of the Transferor Company to the Transferee Company under this Scheme is formally accepted by the parties concerned.

11.3 The Amalgamating Companies shall be at liberty to withdraw this Scheme at any time as may be mutually agreed by the respective Board of Directors of the Amalgamating Companies prior to the Effective Date. In such a case, each of the Amalgamating Companies shall respectively bear their own cost or as may be mutually agreed. It is hereby clarified that notwithstanding anything to the contrary contained in this Scheme except as provided in Clause 8.2, any one of the Amalgamating Companies shall not be entitled to withdraw the Scheme unilaterally: (a) without the prior written consent of the other Amalgamating Companies; or (b) unless such withdrawal is in accordance with any written agreement entered into between the Amalgamating Companies.

Desai Haribhakti & Co. Chartered Accountants Constantia 7th Floor B Wing 11, Dr U N Brahmachari Street, Kolkata - 700 017, West Bengal, India.	SRB & Associates Chartered Accountants A-3/7, Gillanders Gouse 8, N.S. Road, Kolkata - 700 001 West Bengal, India.

Dated: 7th January 2019

To,

The Board of Directors, GRUH Finance Limited "GRUH", Netaji Marg Nr. Mithakali Six Roads, Ellisbridge Ahmedabad - 380 006 Gujarat, India.	**The Board of Directors,** Bandhan Bank Limited DN – 32, Sector V Salt Lake Kolkata - 700 091 West Bengal, India.

Sub: Recommendation of fair equity share exchange ratio for the purpose of the proposed merger of GRUH Finance Limited into Bandhan Bank Limited

Dear Madams / Sirs,

We refer to the engagement/appointment letters whereby,

- GRUH Finance Limited (hereinafter referred to as "GFL") has appointed Desai Haribhakti & Co., Chartered Accountants (hereinafter referred to as "DHC") vide engagement letter effective from 27th December 2018; and
- Bandhan Bank Limited (hereinafter referred to as "BBL") has appointed SRB & Associates, Chartered Accountants (hereinafter referred to as "SRB") vide engagement letter effective from 20th December 2018.

for recommendation of the fair equity share exchange ratio (hereinafter referred to as "Fair Equity Share Exchange Ratio") for the proposed merger of GFL into BBL (hereinafter jointly referred to as the "Companies") on a going concern basis with effect from the proposed Appointed Date of 1st January 2019 or such other date as approved by the Companies and other relevant authorities.

The Fair Equity Share Exchange Ratio for this report ("Report") refers to the number of equity shares of BBL of face value of INR 10/- each, which would be issued to equity shareholders of GFL in lieu of their equity shareholding in GFL pursuant to the proposed merger.

DHC and SRB are hereinafter referred to as "Valuers" or "we" or "us" and individually referred to as "Valuer" in this joint Report.

Desai Haribhakti & Co. Chartered Accountants

SRB & ASSOCIATES Chartered Accountants

1. SCOPE AND PURPOSE OF THIS REPORT

1.1. GFL, incorporated on 21st July 1986, is engaged in the business of providing home loans and is registered with the National Housing Bank as a housing finance institution. Currently, GFL is a subsidiary of Housing Development Finance Corporation Limited ("HDFC"). The equity shares of the GFL are listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"). HDFC owns 57.86% of paid-up outstanding equity shares and balance is held by public shareholders as of 30th September 2018. GFL had reported total income and profit after tax of INR 16,871.9 million and INR 3,626.8 million respectively for the year ended 31st March 2018.

1.2. BBL, incorporated on 23rd December 2014, is in the business of providing banking services and is licensed as banking company under the provisions of Banking Regulation Act, 1949. The equity shares of the BBL are listed on BSE and NSE. The promoter and the promoter group of BBL owns 82.28% of paid-up outstanding equity shares and balance is held by institutional and public shareholders as of 30th September 2018. BBL had reported total income and profit after tax of INR 55,084.8 million and INR 13,455.5 million respectively for the year ended 31st March 2018.

1.3. We understand that the managements of GFL and BBL ("Management/s") are contemplating to consolidate their operations on a going concern basis with effect from proposed Appointed Date of 1st January 2019 pursuant to a scheme of amalgamation (the "Scheme") under the provisions of Sections 230-232 of the Companies Act, 2013 and other applicable securities and capital market laws and rules issued thereunder to the extent applicable (the "Proposed Merger").

1.4. In consideration thereof, equity shares of BBL will be issued to the equity shareholders of GFL, once the Scheme becomes effective. The number of equity shares of BBL of face value of INR 10/- each to be issued for the equity shares of GFL in the event of the Proposed Merger is referred to as the "Fair Equity Share Exchange Ratio".

1.5. For the aforesaid purpose, GFL and BBL have appointed DHC and SRB respectively to submit a joint report on the Fair Equity Share Exchange Ratio for the consideration of the Board of Directors (the "Boards") of the respective Companies as required under the provisions of Sections 230-232 of the Companies Act, 2013 and other applicable securities and capital market laws and rules issued thereunder.

1.6. The scope of our services is to conduct a relative valuation (not an absolute valuation) of the equity shares of the Companies, without considering the effect of proposed merger and recommending a Fair Equity Share Exchange Ratio for the Proposed Merger.

1.7. This Report will be placed before the Boards / Audit Committees of the respective Companies, as applicable, as per the relevant SEBI circulars, and, to the extent mandatorily required under applicable laws of India. This Report may be required to be produced before the judicial, regulatory or government authorities, stock exchanges, shareholders in connection with the Proposed Merger under applicable laws.

1.8. The Valuers have been appointed severally and not jointly and have worked independently in their analysis. Both the Valuers have received information and clarification from their respective Companies. The Valuers have independently arrived at different values per share of the Companies. However, to arrive at the consensus on the Fair Equity Share Exchange Ratio for the Proposed Merger, appropriate minor adjustments / rounding off has been done in the values arrived at by the Valuers.

1.9. We have considered financial information up to 30th September 2018 and the current market parameters in our analysis and made adjustments for additional facts made known to us till the date of our Report

which will have a bearing on the valuation analysis to the extent considered appropriate. Further, the Managements have informed us that all material information impacting the Companies have been disclosed to us.

1.10. The Managements have informed us that:

a) There would not be any capital variation in the Companies till the Proposed Merger becomes effective without the approval of the shareholders other than on account of existing Employee Stock Options ("ESOPs") Scheme which would not be material;

b) Neither Companies would declare any dividend which are either materially different than those declared in the past few years or having materially different yields.

c) There are no unusual / abnormal events in both the Companies since the last result declaration date till the Report date materially impacting their operating/ financial performance.

We have relied on the above while arriving at the Fair Equity Share Exchange Ratio for the Proposed Merger.

1.11. This Report is our deliverable in respect of our recommendation of the Fair Equity Share Exchange Ratio for the Proposed Merger.

1.12. Our opinion is based on prevailing market, economic and other conditions as at the date of this Report. These conditions can change over relatively short periods of time. Any subsequent changes in these conditions could have an impact upon our opinion. We do not undertake to update this Report for events or circumstances arising after the date of this Report.

1.13. This Report is subject to the scope, assumptions, exclusions, limitations and disclaimers detailed hereinafter. As such, the Report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.

2. SOURCES OF INFORMATION

2.1. In connection with this exercise, we have used the following information about the Companies as received from the Managements in either oral or in written form and/or gathered from public domain:

a. Salient features of the Proposed Merger;

b. Annual Reports for the year ended 31st March 2018 of GFL and BBL and for the earlier periods;

c. Unaudited financial statements of GFL and BBL for 6 months period ended 30th September 2018;

d. List of outstanding ESOPs for various plans with respective exercise price for the Companies as of 30th September 2018;

e. Other relevant information

2.2. Information provided by leading database sources, market research reports and other published data;

2.3. It may be noted that no future business plans for the Companies have been provided to us.

2.4. During the discussions with the Managements, we have also obtained information and explaination considered necessary and relevant for our exercise.

2.5. We have prepared this Report from information provided by and from discussions with the Managements.

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2.6. We have not verified the accuracy, reliability and competence of the information provided and the procedures that we used to perform the work did not constitute an audit or review made under any generally accepted accounting standard.

2.7. The Companies have been provided with the opportunity to review the draft Report (excluding the recommended Fair Equity Share Exchange Ratio) for this engagement to make sure that factual inaccuracies and omissions are avoided in our final Report.

3. PROCEDURES ADOPTED FOR THE PURPOSE OF THE VALUATION

We have performed the valuation analysis, to the extent applicable, in accordance with Indian Valuation Standards, 2018 issued by the Institute of Chartered Accountants of India ("IVS"). In connection with this analysis, we have adopted the following procedures to carry out the valuation analysis:

3.1. Requested and received financial and qualitative information relating to the Companies

3.2. Obtained and analyzed data available in public domain, as considered relevant by us

3.3. Discussed with the management and representatives of the respective Companies on understanding of the business and fundamental factors affecting the Companies.

3.4. Undertook industry analysis:

a. Research publicly available market data including economic factors and industry trends that may impact the valuation.

b. Analysis of key trends and valuation multiples of comparable companies/comparable transactions, if any, using proprietary databases subscribed by us.

3.5. Analysis of other publicly available information.

3.6. Selection of valuation approach and valuation methodology/(ies), in accordance with IVS, as considered appropriate and relevant by us.

3.7. Determination of relative values of the equity shares of the Companies.

3.8. Further, at the request of respective Managements, we have had discussions with fairness opinion providers appointed by respective Companies on the valuation approach adopted and assumptions made.

4. SCOPE LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS AND DISCLAIMERS

4.1. Valuation analysis and results are specific to the purpose of valuation and is not intended to represent value at any time other than valuation date of 4th January, 2019 ("Valuation Date") mentioned in the Report and as per agreed terms of our engagement. It may not be valid for any other purpose or as at any other date. Also, it may not be valid if done on behalf of any other entity.

4.2. This Report, its contents and the results are specific to (i) the purpose of valuation agreed as per the terms of our engagements; (ii) the Valuation Date and (iii) are based on the financial information of the Companies till 30th September 2018. The Managements has represented that the business activities of GFL and BBL have been carried out in normal and ordinary course between 30th September 2018 and

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the Valuation Date and that no material changes have occurred in their respective operations and financial position between 30th September 2018 and the Valuation Date.

4.3. A valuation or determination of share exchange ratio of this nature involves consideration of various factors including those impacted by prevailing stock market trends in general and industry trends in particular. This Report is issued on the understanding that the Managements have drawn our attention to all the matters, which they are aware of concerning the financial position of the Companies and any other matter, which may have an impact on our opinion, on the Fair Equity Share Exchange Ratio for the Proposed Merger as on the Valuation Date.

4.4. We have no responsibility to update the Report for any events and circumstances occurring after the date of the Report. Our valuation analysis was completed on a date subsequent to the Valuation Date and accordingly we have taken into account such valuation parameters and over such period, as we considered appropriate and relevant, up to a date close to Valuation Date.

4.5. This Report is intended only for the sole use and information of the respective Boards of the Companies and only in connection with the Proposed Merger including for the purpose of obtaining regulatory approvals, as required under applicable laws of India.

4.6. This Report and the information contained herein are absolutely confidential and is prepared on for the stated purposes in this report. This Report should not be copied, disclosed, circulated, quoted or referred to either in whole or in part, in correspondence or in discussion with any other person except to whom it is issued without our written consent. The Companies are required to submit this Report to regulatory or judicial authorities, government authorities, stock exchanges, courts, shareholders, their professional advisors including merchant bankers providing the fairness opinion on the Fair Equity Share Exchange Ratio in connection with the Proposed Merger to the extent mandatorily required under applicable laws of India. We hereby consent to such disclosure of this Report, on the basis that we owe responsibility only to the Boards of the respective Companies that have engaged us, under the terms of our engagement, and no other person; and that, to the fullest extent permitted by law, we accept no responsibility or liability to the shareholders of the Companies or any other party, in connection with this Report. The results of our valuation analysis and our Report cannot be used or relied by the Companies for any other purpose or by any other party for any purpose whatsoever.

4.7. We are not responsible to any other person / party for any decision of such person / party based on this report. Any person / party intending to provide finance / invest in the shares / business of the Companies / their holding companies / subsidiaries / associates / investee companies / other group companies, if any, shall do so after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision. If any person / party (other than the Companies) chooses to place reliance upon any matters included in the Report, they shall do so at their own risk and without recourse to the Valuers.

4.8. For the purpose of opining on the relative valuation of the Companies and the Fair Equity Share Exchange Ratio, we have used financial and other information provided to us by the Managements and the information that was publicly available, sourced from subscribed databases and formed substantial basis for this Report which we believe to be reliable and conclusions are dependent on such information being complete and accurate in all material aspects. While information obtained from public domain or external sources have not been verified for authenticity, accuracy or completeness, we have obtained information as far as possible, from sources generally considered to be reliable. We assume no responsibility for such information. Our scope of work refrains us to accept responsibility for the accuracy and completeness of the financial and other information provided to us by the Managements. Our conclusion on value assumes

that the assets and liabilities of the Companies, reflected in their respective latest balance sheets remain intact as of the Report date.

4.9. In accordance with the terms of our respective engagement letters and in accordance with the customary approach adopted in valuation exercises, we have not audited, reviewed, certified, carried out a due diligence, or otherwise investigated the historical and projected financial information, if any, provided to us regarding the Companies / their holding / subsidiary / associates / joint ventures / investee companies, if any. Accordingly, we do not express an opinion or offer any form of assurance regarding the truth and fairness of the financial position as indicated in the historical financials / financial statements and projections. The assignment did not involve us to conduct the financial, legal, regulatory, tax, accounting, actuarial or technical feasibility study. We have not done any independent technical valuation or appraisal or due diligence of the assets or liabilities of the Companies. Also, with respect to explanations and information sought from the Managements, we have been given to understand by the Managements that they have not omitted any relevant and material factors about the Companies and that they have checked the relevance or materiality of any specific information to the present exercise with us in case of any doubt.

4.10. Our conclusion is based on the assumptions and information given to us by/on behalf of the Companies. The respective Managements of the Companies have indicated to us that they have understood that any omissions, inaccuracies or misstatements may materially affect our valuation analysis/results. Accordingly, we assume no responsibility for any errors in the information furnished by the Managements and their impact on the report.

4.11. It should be noted that we have examined the Fair Equity Share Exchange Ratio for the Proposed Merger and not examined any other matter including economic rationale for the Proposed Merger per se or accounting, legal or tax matters involved in the Proposed Merger.

4.12. Whilst all reasonable care has been taken to ensure that the factual statements in the Report are accurate, neither us, nor any of our partners, officers or employees shall in any way be liable or responsible either directly or indirectly for the contents stated herein. Accordingly, we make no representation or warranty, express or implied, in respect of the completeness, authenticity or accuracy of such factual statements. We expressly disclaim any and all liabilities, which may arise based upon the information used in this report.

4.13. The Report assumes that the Companies comply fully with relevant laws and regulations applicable in all its areas of operations unless otherwise stated, and that the Companies will be managed in a competent and responsible manner. Further, except as specifically stated to the contrary, this Report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigation and other contingent liabilities that are not recorded in the audited / unaudited balance sheets of the Companies / their holding / subsidiary / associates / joint ventures / investee companies, if any.

4.14. Our Report is not nor should it be construed as our opining or certifying the compliance of the Proposed Merger with the provisions of any law / standards including companies, foreign exchange regulatory, securities market, accounting and taxation (including transfer pricing) laws / standards or as regards any legal, accounting or taxation implications or issues arising from such Proposed Merger.

4.15. Our Report is not nor should it be construed as our recommendation on the Proposed Merger or anything consequential thereto / resulting therefrom. Our scope of work is limited to expression of our view on the relative value and the Fair Equity Share Exchange Ratio. This Report does not address the relative merits of the Proposed Merger as compared with any other alternatives or whether or not such alternatives could

be achieved or are available. Any decision by the Companies / their shareholders / creditors regarding whether or not to proceed with the Proposed Merger shall rest solely with them. We express no opinion or recommendation as to how the shareholders / creditors of the Companies should vote at any shareholders' / creditors' meeting(s) to be held in connection with the Proposed Merger. This Report does not in any manner address, opine on or recommend the prices at which the securities of the Companies could or should transact at following the announcement / consummation of the Proposed Merger. Our report and the opinion / valuation analysis contained herein is not nor should it be construed as advice relating to investing in, purchasing, selling or otherwise dealing in securities or as providing management services or carrying out management functions. It is understood that this analysis does not represent a fairness opinion.

4.16. We express no opinion on the achievability of the forecasts, if any, relating to the Companies given to us by the Managements.

4.17. We have not conducted or provided an analysis or prepared a model for any individual assets / liabilities and have wholly relied on information provided to us by the Managements in that regard.

4.18. The fee for our valuation analysis and the Report is not contingent upon the results reported.

4.19. This Report is subject to the laws of India.

4.20. Any discrepancies in any table / annexure between the total and the sums of the amounts listed are due to rounding-off.

5. SHARECAPITAL DETAILS OF THE COMPANIES

5.1. **GRUH Finance Limited**

Based on the share capital of GFL as at 30th September 2018, and the outstanding options (including unexercised options) as at that date, we have considered the diluted equity share capital of GFL was ~ INR 1,472.9 million consisting of 73,64,57,560 equity shares of face value of INR 2/- each fully paid up.

5.2. **Bandhan Bank Limited**

Based on the share capital of BBL as at 30th September 2018, and the outstanding options (including unexercised options) at that date, we have considered the diluted equity share capital of BBL was ~ INR 11,950.2 million consisting of 1,19,50,25,669 equity shares of face value of INR 10/- each fully paid up.

6. APPROACH – BASIS OF AMALGAMATION

6.1. The Scheme contemplates the Proposed Merger under Sections 230-232 of the Companies Act, 2013 and rules issued thereunder to the extent applicable.

6.2. Arriving at the Fair Equity Share Exchange Ratio for the purposes of a merger such as the Proposed Merger, in accordance with the IVS would require determining the relative values of each company involved and of their shares. These values are to be determined independently but on a relative basis, and without considering the effect of the merger.

6.3. The three main valuation approaches are the asset approach, market approach and income approach. There are several commonly used and accepted methods including those set out in the IVS, within the market approach, income approach and asset approach, for determining the relative fair value of equity

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shares, which can be considered in the present case, to the extent relevant and applicable, to arrive at the Fair Equity Share Exchange Ratio for the purpose of the Proposed Merger, such as:

a. Asset Approach including
   - Net Asset Value (NAV) Method

b. Market Approach including
   - Market Price Method
   - Comparable Companies Multiple (CCM) Method

c. Income Approach including
   - Discounted Cash Flow (DCF) Method
   - Earning Capitalization Value (ECV) Method

6.4. It should be understood that the valuation of any company or its assets is inherently subjective and is subject to uncertainties and contingencies, all of which are difficult to predict and are beyond our control. In performing our analysis, we made assumptions with respect to industry performance and general business and economic conditions, many of which are beyond the control of the companies. In addition, this valuation will fluctuate with changes in prevailing market conditions, the conditions and prospects, financial and otherwise, of the companies / businesses, and other factors which generally influence the valuation of companies and their assets.

6.5. The application of any particular method of valuation depends on the purpose for which the valuation is done. Although different values may exist for different purposes, it cannot be too strongly emphasized that a valuer can only arrive at one value for one purpose. Our choice of method of valuation has been arrived at using usual and conventional methods adopted for transactions of a similar nature and our reasonable judgment, in an independent and bona fide manner based on our previous experience of assignments of a similar nature.

6.6. **Asset Approach:** The asset based valuation technique is based on the value of underlying net assets of business either on a book value basis or realizable value basis or replacement cost basis

a. **Net Asset Value Method:** The asset based valuation technique is based on the value of the underlying net assets of the business, either on a book value basis or realizable value basis or replacement cost basis. This valuation approach may be used in cases where the assets base dominates the earnings capability. A scheme of arrangement would normally be proceeded with, on the assumption that the companies would merge as going concerns and an actual realization of the operating assets is not contemplated. The operating assets have therefore been considered at their book values.

6.7. **Market Approach:** Market approach is a valuation approach that uses prices and other relevant information generated by market transactions involving identical or comparable (i.e., similar) assets, liabilities or a group of assets and liabilities, such as a business.

a. **Market Price Method:** Under this method, the market price of an equity share of the company as quoted on a recognized stock exchange is normally considered as the fair value of the equity shares of that company where such quotations are arising from the shares being regularly and freely traded. The market value generally reflects the investors' perception about the true worth of the company, subject to the element of speculative support that may be inbuilt in the market price. But there could be situations where the value of the share as quoted on the stock market would not be regarded as a proper index of the fair value of the share, especially where the market values are fluctuating in a volatile capital market. Further, in the case of a merger, where there is a question of evaluating the

shares of one company against those of another, the volume of transactions and the number of shares available for trading on the stock exchange over a reasonable period would have to be of a comparable standard.

b. **Comparable Companies Multiple (CCM) Method** : Under this method, one attempts to measure the value of the shares / business of company by applying the derived market multiple based on market quotations of comparable public / listed companies, in an active market, possessing attributes similar to the business of such company - to the relevant financial parameter of the company / business (based on past and / or projected working results) after making adjustments to the derived multiples on account of dissimilarities with the comparable companies and the strengths, weaknesses and other factors peculiar to the company being valued. These valuations are based on the principle that such market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances.

6.8. **Income Approach**: Income approach is a valuation approach that converts maintainable or future amounts (e.g., cash flows or income and expenses) to a single current (i.e., discounted or capitalised) amount. The value measurement is determined on the basis of the value indicated by current market expectations about those future amounts.

a. **Discounted Cash Flow (DCF) Method:**

Under the DCF method the projected free cash flows to the firm are discounted at the weighted average cost of capital. The sum of the discounted value of such free cash flows is the value of the firm.

Such DCF analysis involves determining the following:

Estimating future free cash flows:

Free cash flows are the cash flows expected to be generated by the company that are available to the providers of the company's capital – both debt and equity.

Appropriate discount rate to be applied to cash flows i.e. the cost of capital:

This discount rate, which is applied to the free cash flows, should reflect the opportunity cost to all the capital providers (namely shareholders and creditors), weighted by their relative contribution to the total capital of the company. The opportunity cost to the capital provider equals the rate of return the capital provider expects to earn on other investments of equivalent risk.

b. **Earnings Capitalization Value (ECV) Method**: This method involves determination of the maintainable earnings level of the company from its operations, based on past and / or projected working results. These earnings are then capitalized at a rate, which in the opinion of the valuer combines an adequate expectation of reward from the enterprise risk, to arrive at the value of the company.

Out of the above methods, we have used approaches / methods as considered appropriate by us. The values arrived at under such approaches / methods has been tabled in the section 7 of this Report.

7. BASIS OF FAIR EQUITY SHARE EXCHANGE RATIO

7.1. The fair basis of the Proposed Merger would have to be determined after taking into consideration all the factors, approaches and methods considered appropriate by the respective Valuer. Though different

values have been arrived at under each of the above approaches / methods, for the purposes of recommending the Fair Equity Share Exchange Ratio it is necessary to arrive at a single value for the shares of the Companies involved in a merger such as the Proposed Merger. It is however important to note that in doing so, we are not attempting to arrive at the absolute values of the shares of the Companies but at their relative values to facilitate the determination of a Fair Equity Share Exchange Ratio. For this purpose, it is necessary to give appropriate weights to the values arrived at under each approach / method.

7.2. In the ultimate analysis, valuation will have to be arrived at by the exercise of judicious discretion by the valuer and judgments taking into account all the relevant factors. There will always be several factors, e.g. quality of the management, present and prospective competition, yield on comparable securities and market sentiment, etc. which are not evident from the face of the balance sheets but which will strongly influence the worth of a share. This concept is also recognized in judicial decisions. There is, therefore, no indisputable single exchange ratio. While we have provided our recommendation of the Fair Equity Share Exchange Ratio based on the information available to us and within the scope and constraints of our engagement, others may have a different opinion as to the Fair Equity Share Exchange Ratio of the equity shares of GFL and BBL. The final responsibility for the determination of the exchange ratio at which the Proposed Merger shall take place will be with the Boards of the Companies who should take into account other factors such as their own assessment of the Proposed Merger and input of other advisors.

7.3. The Fair Equity Share Exchange Ratio has been arrived at on the basis of a relative equity valuation of GFL and BBL based on the various approaches / methods explained herein earlier and various qualitative factors relevant to each company and the business dynamics and growth potentials of the businesses of these Companies, having regard to information base, key underlying assumptions and limitations.

7.4. We have independently applied methods discussed above, as considered appropriate, and arrived at their assessment of the value per equity share of GFL and BBL. To arrive at the consensus on the Fair Equity Share Exchange Ratio for the Proposed Merger, suitable minor adjustments / rounding off has been done in the values arrived at by the Valuers.

In light of the above, and on a consideration of all the relevant factors and circumstances as discussed and outlined herein above, we recommend the following Fair Equity Share Exchange Ratio for the Proposed Merger whose computation is as under:

The Computation of Fair Equity Share Exchange Ratio as derived by DHC, is given below:

Valuation Approach	**GRUH Finance Limited**		**Bandhan Bank Limited**	
	Value per Share (INR)	**Weight**	**Value per Share (INR)**	**Weight**
Asset Approach	23.60	0%	85.75	0%
Income Approach	NA	NA	NA	NA
Market Approach – Market Price Method	308.51	50%	554.30	50%
Market Approach – Comparable Companies Multiple Method	334.38	50%	577.54	50%
Relative Value per Share	**321.45**		**565.92**	
Exchange Ratio (rounded off)	**0.568**			

*N/A = Not Applicable

The Computation of Fair Equity Share Exchange Ratio as derived by SRB, is given below:

Valuation Approach	GRUH Finance Limited		Bandhan Bank Limited	
	Value per Share (INR)	Weight	Value per Share (INR)	Weight
Asset Approach	23.60	0%	85.75	0%
Income Approach	NA	NA	NA	NA
Market Approach – Market Price Method	308.51	50%	554.30	50%
Market Approach – Comparable Companies Multiple Method	335.40	50%	578.61	50%
Relative Value per Share	**321.95**		**566.46**	
Exchange Ratio (rounded off)	**0.568**			

*N/A = Not Applicable

Ratio:

In light of the above, and on a consideration of all the relevant factors and circumstances as discussed and outlined herein above, we recommend the following Fair Equity Share Exchange Ratio for the Proposed Merger:

568 [Five hundred and Sixty Eight] equity shares of Bandhan Bank Limited of INR 10/- each fully paid up for every 1,000 [Thousand] equity shares of GRUH Finance Limited of INR 2/- each fully paid up.

Respectfully Submitted,

Desai Haribhakti & Co. Chartered Accountants ICAI Firm Registration Number: 323806E **Arvind Godhawala** *Partner* Membership No: 106621 Date: 7th January 2019 Place: Mumbai, India	SRB & Associates. Chartered Accountants ICAI Firm Registration Number: 310009E **Biswanath Paul** *Partner* Membership No: 068186 Date: 7th January 2019 Place: Mumbai, India

JM FINANCIAL

STRICTLY CONFIDENTIAL

January 7, 2019

The Board of Directors,
Gruh Finance Limited,
Netaji Marg, Nr. Mithakhali Six Roads,
Ellisbridge, Ahmedabad 380 006

Ladies / Gentlemen:

We refer to the engagement letter dated January 3, 2019 (**"Engagement Letter"**) whereby Gruh Finance Limited (**"Gruh"** or **"Company"**) has engaged JM Financial Limited (**"JM Financial"**), *inter alia,* to provide a fairness opinion to the Company on the share exchange ratio report dated January 7, 2019 (**"Share Exchange Ratio Report"**) issued jointly by Desai Haribhakti & Co., Chartered Accountants (**"DHC"** or **"Valuer"**) and SRB & Associates, Chartered Accountants (**"SRB"** or **"Valuer"**) (DHC and SRB are collectively referred as **"Valuers"**) for the proposed merger of Company into Bandhan Bank Limited (**"Bandhan Bank"**) on a going concern basis pursuant to a scheme of Amalgamation (the **"Proposed Scheme"**) under the provisions of Sections 230-232 of the Companies Act, 2013 and other applicable securities and capital market laws and rules issued thereunder to the extent applicable (the **"Proposed Merger"**).

Company Background and Purpose

Gruh, incorporated on 21st July 1986, is engaged in the business of providing home loans and is registered with the National Housing Bank as a housing finance institution. The equity shares of the Gruh are listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE" and together with the BSE, the "Stock Exchanges").

Bandhan Bank, incorporated on 23rd December 2014, is in the business of providing banking services and is licensed as banking company under the provisions of Banking Regulation Act, 1949. The equity shares of Bandhan Bank are listed on BSE and NSE.

The proposal envisages, inter alia, the amalgamation of Gruh into Bandhan Bank, whereby equity shares of Bandhan Bank will be issued to the shareholders of Gruh. The Company appointed Valuer has arrived at a swap ratio of 568 (Five Hundred and Sixty Eight) equity shares of Bandhan Bank of INR 10/- each fully paid up for every 1,000 (One Thousand) equity shares of Gruh of INR 2/- each fully paid up (**"Share Exchange Ratio"**). The Company in terms of the Engagement Letter requested us to issue our independent opinion as to the fairness of the Share Exchange Ratio recommended by the Valuers (**"Fairness Opinion"**).

Source of Information

For the said examination and for arriving at the opinion set forth below, we have received:

1. Share Exchange Ratio Report issued by the Valuers;
2. Draft of the Proposed Scheme; and
3. Certain explanations and information from the representatives of the Company.

JM Financial Limited
Corporate Identity Number : L67120MH1986PLC038784
Regd. Office: 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025.
T: +91 22 6630 3030 F: +91 22 6630 3330 www.jmfl.com

Scope Limitations

We have assumed and relied upon, without independent verification, the accuracy and completeness of all information that was publicly available or provided or otherwise made available to us by the Company for the purposes of this Fairness Opinion. We express no opinion, and accordingly, accept no responsibility with respect to or for such information, or the assumptions on which it is based, and, we have simply accepted this information on an "as is" basis, and, have not verified the accuracy and/or the completeness of the same from our end. We have not assumed any obligation to conduct, nor have we conducted any physical inspection or title verification of the properties or facilities of the Company or Bandhan Bank and neither express any opinion with respect thereto nor accept any responsibility therefore. We have not made any independent valuation or appraisal of the assets or liabilities of the Company or Bandhan Bank, nor have we been furnished with any such appraisals. We have not reviewed any internal management information statements or any non-public reports, and instead, with your consent, have relied upon information that was publicly available or provided or otherwise made available to us by the Company or Bandhan Bank on an "as is" basis for the purposes of this Fairness Opinion. We are not experts in the evaluation of litigation or other actual or threatened claims, and accordingly, we have not evaluated any litigation or other actual or threatened claims. In addition, we have assumed that the Proposed Scheme will be approved by regulatory authorities and that the Proposed Scheme will be consummated substantially in accordance with the terms set forth in the Proposed Scheme. We have assumed that there are no other contingent liabilities or circumstances that could materially affect the business or financial prospects of the Company or Bandhan Bank.

We understand that the management of the Company, during our discussion with them, would have drawn our attention to all such information and matters which may have an impact on our analysis and opinion. We have assumed that in the course of obtaining necessary regulatory or other consents or approvals for the Proposed Scheme, no restrictions will be imposed or there will be no delays that will have a material adverse effect on the benefits of the Proposed Scheme that may have been contemplated. Our opinion is necessarily based on financial, economic, market and other conditions as they currently exist and on the information made available to us as of the date hereof. It should be understood that although subsequent developments may affect this opinion, we do not have an obligation to update, revise or reaffirm this opinion. In arriving at our opinion, we were not authorized to solicit, and did not solicit, interest from any party with respect to the acquisition, business combination or other extraordinary transaction involving the Company or any of its assets, nor did we negotiate with any other party in this regard.

In the ordinary course of business, the JM Financial group is engaged in securities trading, securities brokerage and investment activities, as well as, providing investment banking and investment advisory services. In the ordinary course of its trading, brokerage and financing activities, any member of the JM Financial group may at any time hold long or short positions, and may trade or otherwise effect transactions, for its own account or the accounts of customers, in debt or equity securities or senior loans of any company that may be involved in the Proposed Scheme.

We express no opinion whatsoever and make no recommendation at all as to the Company's underlying decision to effect the Proposed Scheme or as to how the holders of equity shares or secured or unsecured creditors of Company should vote at their respective meetings held in

connection with the Proposed Scheme. We do not express and should not be deemed to have expressed any views on any other terms of the Proposed Scheme. We also express no opinion, and accordingly, accept no responsibility for or as to the price at which the equity shares of the Company or Bandhan Bank will trade following the announcement of the Proposed Scheme or as to the financial performance of the Company or Bandhan Bank following the consummation of the Proposed Scheme. We express no opinion whatsoever and make no recommendations at all (and accordingly take no responsibility) as to whether shareholders / investors should buy, sell or hold any stake in the Company or any of its related parties (holding company / subsidiary /associates etc) or Bandhan Bank.

Conclusion

Based on our examination of the Share Exchange Ratio Report, such other information / undertakings / representations provided to us by the Company and our independent analysis and evaluation of such information and subject to the scope limitations as mentioned hereinabove and to the best of our knowledge and belief, we are of the opinion that the Share Exchange Ratio is fair for the shareholders of the Company.

Distribution of the Fairness Opinion

The Fairness Opinion is addressed only to the Board of Directors of the Company. The Fairness Opinion shall not otherwise be disclosed or referred to publicly or to any other third party without JM Financial's prior written consent.

However, Company may provide a copy of the Fairness Opinion if requested / called upon by any regulatory authorities of India subject to Company promptly intimating JM Financial in writing about receipt of such request from the regulatory authority. The Fairness Opinion should be read in totality and not in parts. Further, this Fairness Opinion should not be used or quoted for any purpose other than the purpose mentioned hereinabove. If this Fairness Opinion is used by any person other than to whom it is addressed or for any purpose other than the purpose stated hereinabove, then, we will not be liable for any consequences thereof and shall not take any responsibility for the same. Neither this Fairness Opinion nor its contents may be referred to or quoted to / by any third party, in any registration statement, prospectus, offering memorandum, annual report, loan agreement or any other agreement or documents given to third parties. In no circumstances however, will JM Financial or its management, directors, officers, employees, agents, advisors, representatives and controlling persons of JM Financial accept any responsibility or liability including any pecuniary or financial liability to any third party.

Yours truly,

For **JM Financial Limited**

Authorized Signatory

EXPERIENCE THE NEW

DCS/AMAL/SV/R37/1423/2019-20 **April 03, 2019**

The Company Secretary,
Gruh Finance Ltd.
Gruh, Netaji Marg, Near Mithakhali Six Roads,
Ellisbridge, Ahmedabad, Gujarat, 380006

Sir,

Sub: Observation letter regarding the Draft Scheme of amalgamation of Gruh Finance Limited with Bandhan Bank Ltd and its shareholders.

We are in receipt of Draft Scheme of amalgamation of Gruh Finance Limited with Bandhan Bank Ltd and its shareholders filed as required under SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017; SEBI vide its letter dated April 03,2019 has inter alia given the following comment(s) on the draft scheme of arrangement:

- **"Company shall ensure that additional information, if any, submitted by the Company, after filing the scheme with the Stock Exchange, and from the date of receipt of this letter is displayed on the websites of the listed company and the stock exchanges."**
- **"Company shall duly comply with various provisions of the Circulars."**
- **"Company is advised to comply with all the relevant RBI norms and the observations issued by RBI vide letter dated March 14, 2019."**
- **"Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the company is obliged to bring the observations to the notice of NCLT."**
- **"It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations."**

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble NCLT.

Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose information about unlisted companies involved in the format prescribed for abridged prospectus as specified in the circular dated March 10, 2017.

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the validity of this Observation Letter shall be six months from the date of this Letter, within which the scheme shall be submitted to the NCLT.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Yours faithfully,

Tushar Kamath
Deputy Gen Manager

Sabah Vaze
Associate Manager

National Stock Exchange Of India Limited

Ref: NSE/LIST/19749 April 03, 2019

The Company Secretary
Gruh Finance Limited
"GRUH", Netaji Marg,
Near Mithakali Six Road,
Ellisbridge, Ahmedabad – 380006
Gujarat

Kind Attn.: Mr. Marcus Lobo

Dear Sir,

Sub: **Observation Letter for Scheme of Amalgamation between Gruh Finance Limited and Bandhan Bank Limited.**

We are in receipt of the Scheme of Amalgamation between Gruh Finance Limited (Transferor Company) and Bandhan Bank Limited (Transferee Company) vide application dated January 12, 2019.

Based on our letter reference no Ref: NSE/LIST/72526 submitted to SEBI and pursuant to SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 ('Circular'), SEBI vide letter dated April 03, 2019, has given following comments:

a. *The Company shall ensure that additional information, if any, submitted by the Company, after filing the Scheme with the Stock Exchange and from the date of the receipt of this letter is displayed on the website of the listed company.*

b. *Bandhan Bank shall comply with all the relevant RBI Norms and the observations issued by RBI vide letter dated March 14, 2019.*

c. *The Company shall duly comply with various provisions of the Circular.*

d. *The Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the company is obliged to bring the observations to the notice of NCLT.*

e. *It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments/observations/ representations.*

It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to National Stock Exchange of India Limited again for its comments/observations/ representations.

This Document is Digitally Signed
Signer: Rajendra P Bhosale
Date: Wed, Apr 3, 2019 18:49:19 IST
Location: NSE

Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of Regulation 11 of SEBI (LODR) Regulations, 2015, we hereby convey our "No-objection" in terms of Regulation 94 of SEBI (LODR) Regulations, 2015, so as to enable the Company to file the draft scheme with NCLT.

However, the Exchange reserves its rights to raise objections at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Regulations, Guidelines / Regulations issued by statutory authorities.

The validity of this "Observation Letter" shall be six months from April 03, 2019, within which the scheme shall be submitted to NCLT.

Yours faithfully,
For **National Stock Exchange of India Limited**

Rajendra Bhosale
Manager

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL http://www.nseindia.com/corporates/content/further_issues.htm

This Document is Digitally Signed

Signer: Rajendra P Bhosale
Date: Wed, Apr 3, 2019 18:49:19 IST
Location: NSE

GRUH FINANCE LIMITED
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SEC: 2019
February 19, 2019

BSE Limited
PJ Towers, Dalal Street,
Mumbai 400001.

Scrip Code: 511288

Dear Sir/Ma'am,

Sub: Complaints Report in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") for the scheme of amalgamation between GRUH Finance Limited ("Transferor Company") into and with Bandhan Bank Limited ("Transferee Company") under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions ("Scheme of Amalgamation" or "Scheme").

This is with reference to the captioned application submitted by us on January 12, 2019.

In terms of paragraph 6(b) of Annexure I of the SEBI Circular bearing reference number CFD/DIL3/CIR/2017/21 dated March 10, 2017 ("SEBI Circular"), a listed entity is required to submit a "Report on Complaints" to the stock exchanges within 7 days of expiry of 21 days from the date of filing of the draft Scheme with the stock exchanges and hosting of the draft Scheme along with documents specified under paragraph 2 of Annexure I of the SEBI Circular on the websites of stock exchanges and such listed entity. It may be noted that the stock exchange, i.e. BSE Limited ("BSE") had hosted the draft Scheme of Amalgamation along with the required documents on its website on January 24, 2019 and was hosted on January 23, 2019 by NSE. The SEBI Circular requires the Reports on Complaints to be in the format prescribed in Annexure III of the SEBI Circular.

In view of the above, we enclose the "Report on Complaints" as per the format prescribed under the said SEBI Circular.

It may be noted that the Transferor Company (i.e., GRUH Finance Limited) has received six complaints/comments from its shareholders with respect to the said Scheme from January 23, 2019 (being the first date of uploading of the Scheme on NSE) till the close of business hours on February 14,2019 either directly or through the stock exchanges, i.e. NSE or BSE Limited or through SEBI.

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GRUH FINANCE LIMITED

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As required under paragraph 8 of Annexure I of the SEBI Circular, the Transferor Company will upload the "Report on Complaints" on its website, www.gruh.com.

Thanking you,

Yours faithfully,

For GRUH Finance Limited

Marcus Lobo
Company Secretary
Membership No. F4256

Encl. a/a

GRUH FINANCE LTD. AHMEDABAD

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Complaints Report

Part A

S.N.	Particulars	Number
1.	Number of complaints/comments received directly	6
2.	Number of complaints forwarded by Stock Exchange	Nil
3.	Total Number of complaints/comments received (1+2)	6
4.	Number of complaints resolved	6
5.	Number of complaints pending	Nil

Part B

S.N.	Name of complainant	Date of complaint/ comment	Status (Resolved/Pending)
1.	Mr. Atul Vyas	09/01/2019, 18/01/2019 & 30/01/2019	Resolved
2.	Mr. Bharat (Barry) Sahgal	09/01/2019 & 23/01/2019	Resolved
3.	Mr. Sanjay Arora	25/01/2019	Resolved
4.	Mr. Chetan Jayantilal Shah	23/01/2019 & 24/01/2019	Resolved
5.	Mr. Hemant Amin	23/01/2019	Resolved
6.	Mr. Megh Manseta	24/01/2019	Resolved

For, GRUH FINANCE LTD.

MARCUS LOBO
COMPANY SECRETARY

GRUH FINANCE LTD. AHMEDABAD

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SEC: 2019
February 19, 2019

National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1, G Block,
Bandra Kurla Complex,
Bandra (East),
Mumbai - 400 051

Scrip Code: GRUH

Dear Sir/Ma'am,

Sub: Complaints Report in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") for the scheme of amalgamation between GRUH Finance Limited ("Transferor Company") into and with Bandhan Bank Limited ("Transferee Company") under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions ("Scheme of Amalgamation" or "Scheme").

This is with reference to the captioned application submitted by us on January 12, 2019.

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In view of the above, we enclose the "Report on Complaints" as per the format prescribed under the said SEBI Circular.

It may be noted that the Transferor Company (i.e., GRUH Finance Limited) has received six complaints/ comments from its shareholders with respect to the said Scheme from January 23, 2019 (being the date of uploading of the scheme by NSE) till the close of business hours on February 13, 2019 either directly or through the stock exchanges, i.e. NSE or BSE Limited or through SEBI.

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As required under paragraph 8 of Annexure I of the SEBI Circular, the Transferor Company will upload the "Report on Complaints" on its website, www.gruh.com.

Thanking you,

Yours faithfully,

For GRUH Finance Limited

Marcus Lobo
Company Secretary
Membership No. F4256

Encl. a/a

GRUH FINANCE LIMITED
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Complaints Report

Part A

S.N.	Particulars	Number
1.	Number of complaints/comments received directly	6
2.	Number of complaints forwarded by Stock Exchange	Nil
3.	Total Number of complaints/comments received (1+2)	6
4.	Number of complaints resolved	6
5.	Number of complaints pending	Nil

Part B

S.N.	Name of complainant	Date of complaint/ comment	Status (Resolved/Pending)
1.	Mr. Atul Vyas	09/01/2019, 18/01/2019 & 30/01/2019	Resolved
2.	Mr. Bharat (Barry) Sahgal	09/01/2019 & 23/01/2019	Resolved
3.	Mr. Sanjay Arora	25/01/2019	Resolved
4.	Mr. Chetan Jayantilal Shah	23/01/2019 & 24/01/2019	Resolved
5.	Mr. Hemant Amin	23/01/2019	Resolved
6.	Mr. Megh Manseta	24/01/2019	Resolved

For, GRUH FINANCE LTD.

MARCUS LOBO
COMPANY SECRETARY

GRUH FINANCE LTD. AHMEDABAD

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Summary of Joint Valuation Report

1. GRUH Finance Limited ("**GRUH**") appointed Desai Haribhakti & Co., Chartered Accountants ("DHC") and Bandhan Bank Limited ("**Bandhan**") appointed SRB & Associates, Chartered Accountants ("**SRB**") for recommendation of the fair equity share exchange ratio ("**Fair Equity Share Exchange Ratio**") for the proposed merger of GRUH with Bandhan (hereinafter jointly referred to as "**Companies**") on a going concern basis with effect from the proposed Appointed Date (as defined in the Scheme). Accordingly, DHC and SRB (hereinafter jointly referred to as "Valuers") had issued a joint valuation report dated January 7, 2019 ("**Valuation Report**"). The Fair Equity Share Exchange Ratio for the Valuation Report referred to the number of equity shares of Bandhan of face value Rs. 10 (Rupees ten) each which would be issued to equity shareholders of GRUH in lieu of their equity shareholding in GRUH pursuant to the proposed merger.

2. The Valuers performed the valuation analysis, to the extent applicable, in accordance with the Indian Valuation Standards, 2018 issued by the Institute of Chartered Accountants of India ("**IVS**"). The recommendation of the Fair Equity Share Exchange Ratio was arrived on the basis of a relative valuation (not absolute valuation) of equity shares of the Companies, which was based on the following valuation approaches, namely (i) Asset Approach; (ii) Income Approach; (iii) Market Approach - Market Price Method; and (iv) Market Approach - Comparable Companies Multiple method and various qualitative factors relevant to each company and business dynamics and growth potential of the businesses of the Transferor and Transferee Company, having regard to the information base, management representations, key underlying assumptions and limitations as specified in the Valuation Report.

3. The relevant approaches adopted and weightages provided to such approaches are summarized herein below for ease of reference:

Approach	SRB & Associates		Desai Haribhakti & Co.	
	GRUH	Bandhan	GRUH	Bandhan
Asset	Rs. 23.60 Weightage (Nil)*	Rs. 85.75 Weightage (Nil) *	Rs. 23.60 Weightage (Nil) *	Rs. 85.75 Weightage (Nil) *
Income**	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Market Approach - Market Price Method	Rs. 308.51 Weightage: 50%	Rs. 554.30 Weightage: 50%	Rs. 308.51 Weightage: 50%	Rs. 554.30 Weightage: 50%
Market Approach - Comparable Companies Multiple Method	Rs. 335.40 Weightage: 50%	Rs. 578.61 Weightage: 50%	Rs. 334.38 Weightage: 50%	Rs. 577.54 Weightage: 50%

** As the valuation were proceeded on the basis of going concern basis, underlying asset value was of limited relevance, as evidenced by the Nil Weightage.*
***in absence of projections, discounted cash flow method under income approach could not be considered.*

Registered Office: "GRUH", Netaji Marg, Near Mithakhali Six Roads, Ellisbridge, Ahmedabad-380 006.
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4. Basis the aforesaid valuation, SRB arrived at the Relative value per share of GRUH at Rs. 321.95 and for Bandhan at Rs. 566.46. On the other hand, the relative values derived by DHC for GRUH and Bandhan were Rs. 321.45 and Rs. 565.92 respectively. Accordingly, an exchange ratio of 0.568 was arrived at and the following Fair Equity Share Exchange Ratio was suggested:

> *For every 1,000 fully paid up equity shares of face value of Rs. 2 (Rupees two) each held in the Transferor Company as on the Record Date (as defined in the Scheme), the equity shareholders of the Transferor Company shall receive 568 fully paid-up equity shares of Transferee Company of face value of Rs. 10 (Rupees ten) each credited as fully paid up in Transferee Company.*

5. GRUH appointed JM Financial Limited to provide an independent opinion to the board of directors of GRUH on the fairness of the Fair Equity Share Exchange Ratio recommended by the Valuers. JM Financial Limited has carried out their independent analysis and *vide* their report dated January 7, 2019 opined to the board of directors of GRUH that the Fair Equity Share Exchange Ratio is fair.

6. Bandhan appointed Kotak Mahindra Capital Company Limited to provide an independent opinion to the board of directors of Bandhan on the fairness of the Fair Equity Share Exchange Ratio recommended by the Valuers. Kotak Mahindra Capital Company Limited has carried out their independent analysis and *vide* their report dated January 7, 2019 opined to the board of directors of Bandhan that the Fair Equity Share Exchange Ratio is fair.

For GRUH Finance Limited

Marcus Lobo
Company Secretary

GRUH FINANCE LTD. AHMEDABAD

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REPORT ADOPTED BY THE BOARD OF DIRECTORS OF GRUH FINANCE LIMITED AT ITS MEETING HELD ON JANUARY 7, 2019 EXPLAINING THE EFFECT OF THE SCHEME ON EQUITY SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS:

1. Background

1.1. The board of directors ("**Board**") of GRUH Finance Limited ("**Transferor Company**") at its meeting held on January 7, 2019 approved a scheme of amalgamation between the Transferor Company and Bandhan Bank Limited ("**Transferee Company**") under sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("**Companies Act**"), Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and other rules and regulations framed thereunder ("**Scheme**"). The Transferor Company and the Transferee Company are together referred to as the "Amalgamating Companies".

1.2. As per the provisions of section 232(2)(c) of the Companies Act, the directors of the Transferor Company are required to adopt a report explaining the effect of the Scheme on equity shareholders, key managerial personnel, promoters and non-promoter shareholders of the company, laying out, in particular, the share exchange ratio, and the same is required to be circulated to the equity shareholders and creditors along with the notice convening their meetings. This report has, accordingly been made for adoption by the Board, in pursuance of the requirements under section 232(2)(c) of the Companies Act.

1.3. The following documents were placed before the Board:

(i) draft Scheme;
(ii) joint valuation report dated January 7, 2019 issued by M/s. Desai Haribhakti & Co. and M/s. SRB & Associates, chartered accountants ("**Valuation Report**");
(iii) fairness opinion dated January 7, 2019 issued by JM Financial Limited, a SEBI registered merchant banker opining on the fairness of the share exchange ratio as recommended in the Valuation Report ("**Fairness Opinion**"); and
(iv) report of the audit committee of the Board dated January 7, 2019, recommending the draft Scheme to the Board for approval.

2. Effect of the Scheme

2.1. The Scheme contemplates amalgamation of the Transferor Company into the Transferee Company pursuant to the provisions of sections 230 to 232 of the Companies Act and other applicable provisions, and the dissolution without winding up of the Transferor Company pursuant thereto. It does not contemplate any compromise or arrangement with any other class of persons, apart from the shareholders of the respective companies.

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2.2. Upon the Scheme becoming effective, the existing equity share capital of the Transferor Company shall stand cancelled, and in consideration of the amalgamation of the Transferor Company in the Transferee Company, the Transferee Company shall, without any further application, act or deed, issue and allot to the shareholders of the Transferor Company, 568 (five hundred sixty eight) equity shares, credited as fully paid-up, for every 1000 (one thousand) equity shares of the face value of Rs. 2 (Rupees two) each fully paid-up held by such member in the Transferor Company, as stipulated in Clause 5.1 of Part III of the Scheme. The share exchange ratio for issue and allotment of equity shares to the shareholders of the Transferor Company has been fixed on a fair and reasonable basis and on the basis of the joint Valuation Report. JM Financial Limited, a SEBI registered merchant banker, by its Fairness Opinion, has also confirmed that the share exchange ratio is fair and proper.

2.3. The effect of the proposed Scheme on the stakeholders of the Company would be as follows:

a. *Shareholders (promoter and non-promoter)*

Under the Scheme, an arrangement is sought to be entered into between the Transferor Company and its equity shareholders. Upon the Scheme becoming effective, the equity shareholders of the Transferor Company, shall become the equity shareholders of the Transferee Company in the manner as stipulated in Clause 5.1 of Part III of the Scheme. Further, the authorised share capital of the Transferor Company shall stand transferred to and be amalgamated/ combined with the authorised share capital of the Transferee Company in the manner as stipulated in Clause 4.1 of Part III of the Scheme.

The Transferor Company has 1 (one) promoter entity, namely Housing Development Finance Corporation Limited. The promoter of the Transferor Company shall not be part of the promoter or promoter group of the merged Transferee Company, and shall be issued such number of shares in the Transferee Company as it may be entitled to pursuant to the Scheme and subject to the approval of the Reserve Bank of India.

b. *Directors, key managerial personnel and employees*

As stated in Clause 1.2 (n) of Part III of the Scheme, with effect from the Effective Date (*as defined in the Scheme*), the Transferee Company has undertaken to engage all the staff and employees of the Transferor Company without any break or interruption in their services and on the same terms and conditions (and which are not less favourable than those) on which they are engaged by the Transferor Company as on the Effective Date. In the circumstances, the rights of the staff and employees of the Transferor Company would in no way be affected by the Scheme.

Upon the Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up. In the circumstances, the directors and key managerial personnel of the Transferor Company shall cease to be the directors and key managerial personnel of the Transferor Company.

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The directors, key managerial personnel of the Transferor Company and their relatives may be deemed to have an interest in the Scheme to the extent of the equity shares held by them in the Amalgamating Companies and/or to the extent that the said director(s), key managerial personnel and their respective relatives are the director(s), members, of the companies that hold shares in the Amalgamating Companies. Save as aforesaid, none of the said director(s) or key managerial personnel have any interest in the Scheme. None of the directors of the Transferor Company or key managerial personnel of the Transferor Company hold shares exceeding two per cent. of the paid-up share capital of the Transferee Company.

c. *Creditors (including debenture holders and deposit holders)*

Under the Scheme, there is no arrangement with the creditors, either secured (including secured debenture holders) or unsecured (including unsecured debenture holders and deposit holders) of the Transferor Company. No compromise is offered under the Scheme to any of the creditors of the Transferor Company. The liabilities of the creditors of the Transferor Company, under the Scheme, is neither being reduced nor being extinguished. The creditors of the Transferor Company would in no way be affected by the Scheme.

Under the Scheme, no arrangement is sought to be entered into between the Transferor Company and its debenture holders (either secured or unsecured). No rights of the debenture holders of the Transferor Company are being affected pursuant to the Scheme. The debenture trustee(s) appointed for the different series of the debentures shall continue to remain the debenture trustee(s). Thus, the debenture holders of the Transferor Company would in no way be affected by the Scheme.

Under the Scheme, no arrangement is sought to be entered into between the Transferor Company and its deposit holders. No rights of the deposit holders of the Transferor Company are being affected pursuant to the Scheme. There are no deposit trustee(s) in respect of the deposits invited by the Transferor Company. Thus, the deposit holders of the Transferor Company would in no way be affected by the Scheme.

3. **Valuation**

No special valuation difficulties were reported by the valuers.

For and on behalf of the board of directors of GRUH Finance Limited:

Marcus Lobo
Company Secretary
Place : Mumbai
Date : January 7, 2019

Registered Office:"GRUH", Netaji Marg, Near Mithakhali Six Roads, Ellisbridge, Ahmedabad-380 006.
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STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2018

(Rs. in crore)

Particulars	Quarter ended Dec 31, 2018	Quarter ended Sept 30, 2018	Quarter ended Dec 31, 2017	Nine Months ended Dec 31, 2018	Nine Months ended Dec 31, 2017
	Reviewed				
Income from Operations :					
a) Revenue from Operations	540.06	480.54	432.75	1,472.79	1,253.38
b) Other Income	0.00	0.00	0.00	0.00	0.00
Total Income from Operations	**540.06**	**480.54**	**432.75**	**1,472.79**	**1,253.38**
Expenditure :					
a) Finance Cost	373.40	289.78	252.13	926.61	731.56
b) Employee Benefit Expenses	16.13	20.85	12.90	51.97	46.49
c) Other Expenses	13.12	14.61	11.34	41.19	33.74
d) Depreciation and Amortisation	0.88	0.87	0.77	2.58	2.19
e) Provisions for Expected Credit Loss and Write offs	1.52	8.47	26.02	13.76	60.16
Total Expenditure	**405.05**	**334.58**	**303.16**	**1,036.11**	**874.14**
Profit Before Tax	**135.01**	**145.96**	**129.59**	**436.68**	**379.24**
Tax Expense					
- Current Tax	38.13	43.29	44.36	121.82	121.38
- Deferred Tax	(0.07)	(2.82)	(5.61)	(2.69)	(16.79)
Total Tax Expense	**38.06**	**40.47**	**38.75**	**119.13**	**104.59**
Net Profit After Tax	**96.95**	**105.49**	**90.84**	**317.55**	**274.65**
Other Comprehensive Income (net of tax)	(0.15)	(0.10)	(0.22)	(0.32)	(0.53)
Total Comprehensive Income	**96.80**	**105.39**	**90.62**	**317.23**	**274.12**
Earnings per Share (of Rs. 2 each) # (Not Annualised) - Basic (Rs.)	1.32	1.44	1.24	4.33	3.76
- Diluted (Rs.)	1.32	1.44	1.24	4.33	3.76
Paid-up Equity Share Capital (Face Value of Rs. 2 each)	146.55	146.48	73.13	146.55	73.13

Earnings per Share for corresponding period in previous year have been adjusted to give impact of bonus shares issued during June'2018.

NOTES :

1. The Company has adopted Indian Accounting Standards (Ind AS) with effect from April 1, 2018 with comparative figures being restated to make them comparable. The above financial results have been prepared in accordance with the recognition and measurement principles laid down in Ind AS 34 - Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 read with relevant Rules issued thereunder and other accounting principles generally accepted in India.

   Further transition adjustments may be required to these financial results including those arising from new or revised standards or interpretations issued by the Ministry of Corporate Affairs and National Housing Bank, as applicable.

2. Loan Assets have increased from Rs. 14,775 crore as on December 31, 2017 to Rs. 16,852 crore as on December 31, 2018 registering a growth of 14%.

3. The Company's main business is to provide loans for purchase or construction of residential houses. All other activities of the Company revolve around the main business. As such, there are no separate reportable segments, as per the Ind AS 108 "Operating Segments" specified under section 133 of the Companies Act, 2013.

4. As required by paragraph 32 of Ind AS 101, net profit reconciliation between the figures reported, net of tax, under erstwhile Indian GAAP and Ind AS is given below:

(Rs. in crore)

Particulars	Quarter ended Dec 31, 2017	Nine Months ended Dec 31, 2017
Net Profit reported as per previous Indian GAAP	**82.16**	**232.17**
Add / (Less) : Adjustments for GAAP Differences		
Increase in Employee Benefit Expenses due to Fair Valuation of Employee Stock options	(0.88)	(3.01)
Increase in Interest Income pursuant to application of Effective Interest Rate (EIR) Method	4.28	12.69
Increase in Borrowing cost pursuant to application of Effective Interest Rate (EIR) Method	(0.38)	(1.85)
Reclassification of net Actuarial loss on Employee defined Benefit obligation to Other Comprehensive Income (OCI)	0.22	0.53
Provision for Expected Credit Loss	(1.83)	14.84
Deferred Tax	7.27	19.28
Net Profit Before Other Comprehensive Income as per Ind AS	**90.84**	**274.65**
Other Comprehensive Income after Tax	(0.22)	(0.53)
Total Comprehensive Income as per Ind AS	**90.62**	**274.12**

5. During the nine months, the Company has allotted 12,90,020 (previous nine months 10,69,887) Equity Shares pursuant to exercise of stock options by employees.



GRUH FINANCE LIMITED
We help you build homes

6. The Board of Directors of the Company, at its meeting held on January 7, 2019, approved a Scheme of Amalgamation, for the merger of GRUH Finance Limited with Bandhan Bank Limited with effect from proposed Appointed Date of January 1, 2019, subject to regulatory and other approvals as applicable.

7. The financial results have been prepared in accordance with the circular no. LIST/COMP/27/2018-19 and NSE/CML/2018/32 issued by BSE and NSE respectively on November 22, 2018.

The above results for the quarter and nine-months ended December 31, 2018, which have been subjected to a 'Limited Review' by the Auditors of the Company, were reviewed and recommended by the Audit Committee of Directors and subsequently approved by the Board of Directors at its meeting held on January 25, 2019 in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm Registration No. 117366W/W-100018

Gaurav J Shah
Partner
Membership No. 35701

Mumbai
January 25, 2019

For GRUH Finance Limited

Sudhin Choksey
Managing Director
DIN : 00036085

GRUH FINANCE LIMITED

We help you build homes

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2018

(Rs. in crore)

Particulars	Quarter ended Dec 31, 2018	Nine Months ended Dec 31, 2018	Quarter ended Dec 31, 2017
	Reviewed		
Total Income from Operations (net)	540.06	1,472.79	432.75
Net Profit for the period (before tax and Extraordinary items)	135.01	436.68	129.59
Net Profit for the period before tax (after Extraordinary items)	135.01	436.68	129.59
Net Profit for the period after tax (after Extraordinary items)	96.95	317.55	90.84
Total Comprehensive income for the period	96.80	317.23	90.62
Equity Share Capital (Face value of Rs.2)	146.55	146.55	73.13
Earnings Per Share (before extraordinary items) (of Rs.2/- each)#			
Basic :	1.32	4.33	1.24
Diluted :	1.32	4.33	1.24
Earnings Per Share (after extraordinary items) (of Rs.2/- each)#			
Basic :	1.32	4.33	1.24
Diluted :	1.32	4.33	1.24

Not annualised and Earnings Per Share for the quarter ended December 31, 2017 have been adjusted to give impact of bonus shares issued during June'2018

Note :

1. The above results of the Company have been reviewed and recommended by the Audit Committee and approved by the Board of Directors of the Company at its meeting held on January 25, 2019.

2. The financial results of the Company for the quarter and nine-months ended December 31, 2018 is prepared in compliance with Ind AS and have been subjected to limited review by the Statutory Auditors of the Company. The comparative figures for the corresponding period in previous year have been restated to confirm to current period in accordance with Ind AS norms.

3. The Board of Directors of the Company, at its meeting held on January 7, 2019, approved a Scheme of Amalgamation, for the merger of GRUH Finance Limited with Bandhan Bank Limited with effect from proposed Appointed Date of January 1, 2019, subject to regulatory and other approvals as applicable.

4. The above is an extract of the detailed Quarterly and nine-months Financial Results filed with the BSE Limited and National Stock Exchange of India Limited under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The full Financial Results are available on www.bseindia.com, www.nseindia.com and on the Company's website www.gruh.com.

For GRUH Finance Limited

Mumbai
January 25, 2019

Sudhin Choksey
Managing Director
DIN : 00036085

Deloitte
Haskins & Sells LLP

Chartered Accountants
19th Floor, Shapath - V
S G Highway
Ahmedabad - 380 015
Gujarat, India

Tel: +91 79 6682 7300
Fax: +91 79 6682 7400

INDEPENDENT AUDITORS' REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF
GRUH FINANCE LIMITED

1. We have reviewed the accompanying Interim Statement of Unaudited Financial Results of **GRUH FINANCE LIMITED** (the "Company") for the quarter and nine months ended December 31, 2018 (the "Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

4. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Gaurav J. Shah
Partner
(Membership No. 35701)

MUMBAI, January 25, 2019

Bandhan Bank Limited
DN-32, Sector V, Salt Lake, Kolkata - 700091
CIN: U67190WB2014PLC204622
Tel: 033-66090909; www.bandhanbank.com; Email: info@bandhanbank.com

FINANCIAL RESULT FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2018

(₹ in lacs)

	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31.12.2018	30.09.2018	31.12.2017	31.12.2018	31.12.2017	31.03.2018
		Unaudited	Unaudited	Unaudited	Unaudited	Audited	Audited
1	**Interest Earned (a+b+c+d)**	**164,955.28**	**160,564.07**	**117,822.50**	**481,136.60**	**345,170.17**	**480,229.63**
	a) Interest/discount on advances/bills	143,555.39	139,984.13	95,488.59	413,344.81	264,508.39	382,360.24
	b) Income on Investments	15,125.34	15,944.01	12,975.30	46,158.25	35,355.42	49,002.21
	c) Interest on balance with Reserve Bank of India and other inter bank funds	1,260.31	1,254.45	2,109.17	5,975.77	13,204.17	14,161.07
	d) Others	5,014.24	3,381.48	7,249.44	15,657.77	32,102.19	34,706.11
2	Other Income	23,409.85	23,043.51	15,820.19	67,522.22	50,280.53	70,618.46
3	**Total Income (1+2)**	**188,365.13**	**183,607.58**	**133,642.69**	**548,658.82**	**395,450.70**	**550,848.09**
4	Interest Expended	52,555.14	52,818.70	44,644.45	157,274.04	128,286.99	177,006.04
5	Operating Expenses	45,762.33	43,389.55	31,551.55	131,886.40	94,533.52	130,831.04
	i) Employees Cost	25,575.48	23,415.74	16,295.59	73,876.32	49,937.89	68,798.01
	ii) Other Operating Expenses	20,186.85	19,973.81	15,255.96	58,010.08	44,595.63	62,033.03
6	**Total Expenditure (4+5) (Excluding provisions & Contingencies)**	**98,317.47**	**96,208.25**	**76,196.00**	**289,160.44**	**222,820.51**	**307,837.08**
7	**Operating Profit before Provisions & Contingencies (3-6)**	**90,047.66**	**87,399.33**	**57,446.69**	**259,498.38**	**172,630.19**	**243,011.01**
8	Provisions (other than tax) & Contingencies	37,764.69	12,417.86	12,254.63	58,185.34	26,512.70	37,421.27
9	Exceptional Items	-	-	-	-	-	-
10	Profit/(Loss) from ordinary activities before tax (7-8-9)	52,282.97	74,981.47	45,192.06	201,313.04	146,117.49	205,589.74
11	Tax Expenses	19,156.29	26,216.30	15,187.55	71,249.97	50,347.49	71,034.06
12	Net Profit/(Loss) from ordinary activities after tax (10-11)	33,126.68	48,765.17	30,004.51	130,063.07	95,770.00	134,555.68
13	Extraordinary items (net of tax expenses)	-	-	-	-	-	-
14	**Net Profit/(Loss) for the period (12-13)**	**33,126.68**	**48,765.17**	**30,004.51**	**130,063.07**	**95,770.00**	**134,555.68**
15	Paid up equity share capital (Face value of ₹10/- each)	119,280.49	119,280.49	109,514.10	119,280.49	109,514.10	119,280.49
16	Reserve excluding revaluation reserves						818,914.22
17	Analytical Ratios						
	(i) Percentage of shares held by Government of India	NIL	NIL	NIL	NIL	NIL	NIL
	(ii) Capital Adequacy Ratio	32.81	32.59	24.85	32.81	24.85	31.48
	(iii) Earning per share	-					
	(a) Basic EPS before & after extraordinary items*	2.78	4.09	2.74	10.90	8.74	12.26
	(b) Diluted EPS before & after extraordinary items*	2.77	4.08	2.74	10.89	8.74	12.26
	(iv) NPA Ratios						
	(a) Gross NPAs	83,102.21	41,334.78	38,629.44	83,102.21	38,629.44	37,314.06
	(b) Net NPAs	23,671.11	22,036.32	18,412.15	23,671.11	18,412.15	17,290.38
	(c) % of Gross NPAs to Gross Advances	2.41%	1.29%	1.67%	2.41%	1.67%	1.25%
	(d) % of Net NPAs to Net Advances	0.70%	0.69%	0.80%	0.70%	0.80%	0.58%
	(v) Return on Assets (average)*	0.73%	1.08%	0.92%	2.92%	3.07%	4.06%

* Figures for the quarter and nine months are not annualised

S.R. BATLIBOI & ASSOCIATES LLP * CHARTERED ACCOUNTANTS * MUMBAI

Bandhan Bank Limited Kolkata

Bandhan Bank Limited
DN-32, Sector V, Salt Lake, Kolkata - 700091
CIN: U67190WB2014PLC204622
Tel: 033-66090909; www.bandhanbank.com; Email: info@bandhanbank.com

Segment information in accordance with the Accounting standard on Segment Reporting (AS 17) of the operating segment of the bank is as under:

(₹ in lacs)

	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31.12.2018	30.09.2018	31.12.2017	31.12.2018	31.12.2017	31.03.2018
		Unaudited	Unaudited	Unaudited	Unaudited	Audited	Audited
1	**Segment Revenue**						
a)	Treasury	17,421.23	18,758.19	16,513.95	56,107.88	55,604.57	70,673.14
b)	Retail Banking	168,804.39	162,081.09	123,261.18	484,360.57	357,843.67	492,813.47
c)	Wholesale Banking	4,468.49	4,374.38	2,516.28	13,526.46	6,172.75	10,053.86
d)	Other Banking Operations	699.46	662.30	-	1,659.68	-	853.73
e)	Unallocated	-	-	-	-	-	-
	Total	191,393.57	185,875.96	142,291.41	555,654.59	419,620.99	574,394.20
	Less: Inter segment revenue	3,028.44	2,268.38	8,648.72	6,995.77	24,170.29	23,546.11
	Income from operations	**188,365.13**	**183,607.58**	**133,642.69**	**548,658.82**	**395,450.70**	**550,848.09**
2	**Segment Results**						
a)	Treasury	21,777.05	9,108.68	344.91	40,439.24	15,301.38	22,139.08
b)	Retail Banking	68,055.98	64,576.88	44,922.15	196,170.00	130,147.16	179,696.01
c)	Wholesale Banking	(38,215.05)	671.71	(75.00)	(36,838.51)	668.95	2,906.44
d)	Other Banking Operations	664.99	624.20	-	1,542.31	-	848.21
e)	Unallocated	-	-	-	-	-	-
	Total Profit Before Tax	**52,282.97**	**74,981.47**	**45,192.06**	**201,313.04**	**146,117.49**	**205,589.74**
3	**Segment Assets**						
a)	Treasury	994,358.59	1,123,726.54	826,371.84	994,358.59	826,371.84	1,180,924.15
b)	Retail Banking	3,462,920.20	3,257,604.19	2,405,588.78	3,462,920.20	2,405,588.78	3,033,844.98
c)	Wholesale Banking	203,361.09	161,083.48	77,028.35	203,361.09	77,028.35	200,028.48
d)	Other Banking Operations	196.92	161.92	-	196.92	-	337.92
e)	Unallocated	18,631.53	17,861.87	12,936.57	18,631.53	12,936.57	15,870.08
	Total	**4,679,468.33**	**4,560,438.00**	**3,321,925.54**	**4,679,468.33**	**3,321,925.54**	**4,431,005.61**
4	**Segment Liabilities**						
a)	Treasury	30,814.99	208,038.71	136,263.68	30,814.99	136,263.68	180,409.30
b)	Retail Banking	3,500,158.25	3,258,760.58	2,588,332.74	3,500,158.25	2,588,332.74	3,140,510.27
c)	Wholesale Banking	91,837.98	61,564.62	51,011.48	91,837.98	51,011.48	169,473.35
d)	Other Banking Operations	-	-	-	-	-	-
e)	Unallocated	2,779.22	11,322.88	5,902.11	2,779.22	5,902.11	2,417.98
	Total	**3,625,590.44**	**3,539,686.79**	**2,781,510.01**	**3,625,590.44**	**2,781,510.01**	**3,492,810.90**
5	**Capital Employed**						
a)	Treasury	963,543.60	915,687.83	690,108.16	963,543.60	690,108.16	1,000,514.85
b)	Retail Banking	(37,238.05)	(1,156.39)	(182,743.96)	(37,238.05)	(182,743.96)	(106,665.29)
c)	Wholesale Banking	111,523.11	99,518.86	26,016.87	111,523.11	26,016.87	30,555.13
d)	Other Banking Operations	196.92	161.92	-	196.92	-	337.92
e)	Unallocated	15,852.31	6,538.99	7,034.46	15,852.31	7,034.46	13,452.10
	Total	**1,053,877.89**	**1,020,751.21**	**540,415.53**	**1,053,877.89**	**540,415.53**	**938,194.71**

S.R. BATLIBOI & ASSOCIATES LLP * CHARTERED ACCOUNTANTS * MUMBAI

Bandhan Bank Limited Kolkata

Notes:

1 The above results were reviewed by the Audit Committee and approved by the Board of Directors of the Bank at its meeting held on January 10, 2019. The results for the quarter and nine months ended December 31, 2018 are subjected to 'Limited Review' by the Statutory Auditors of the Bank and there are no qualifications in the limited review report.

2 On January 7, 2019, the Board of Directors of the Bank approved a merger of Gruh Finance Limited with the Bank in an all stock transaction through a Composite Scheme of Arrangement. The Scheme is subject to the approval of the Reserve Bank of India (RBI), the Competition Commission of India (CCI), the Securities and Exchange Board of India (SEBI)/Stock Exchange, the National Housing Board (NHB), the respective Shareholders and Creditors of each entities and the National Company Law Tribunal (NCLT). The appointed date for the transaction is proposed to be January 1, 2019 and the effective date is based on the receipt of the aforesaid approvals. Pending the same, the proposed transaction does not have any impact on the current financial result or the financial position of the Bank as at December 31, 2018.

3 Other income relates to processing fee, sale of Priority Sector Lending Certificates, card charges recovered from customers and profit from sale of investments.

4 As at December 31, 2018, the total number of branches, DSCs and ATM network stood at 978 Branches, 3014 DSCs and 480 ATMs respectively.

5 RBI Master Circular DBR.No.BP.BC.1/21.06.201/2015-16 dated July 1, 2015 as amended on 'Basel III Capital Regulations' contain guidelines on certain Pillar 3 and leverage ratio disclosure requirements that are to be made along with the publication of financial results. Accordingly, such applicable disclosures have been placed on the website of the Bank which can be accessed at the following link: http://www.bandhanbank.com. These disclosures are not subjected to limited review by the statutory auditors.

6 In accordance with RBI circular no. DBR.No.BP.BC.113 /21.04.048/2017-18 dated June 15, 2018, the Bank was amortising the mark-to-mark losess incured in the quarter ended June 30, 2018 on its AFS/HFT category. However, during the quarter ended December 31, 2018, the brought forward unamortised depreciation balance of Rs. 43.38 Crores has been fully offset against the appreciation recorded in the AFS/HFT investments.

7 The Bank has received Rs.276.85 crores during the nine months ended December 31, 2018 from sale of Priority Sector Lending Certificates. Out of the aforesaid amount, Rs.203.57 crores has been recognised in the profit and loss account during the nine months ended December 31, 2018. The remaining amount of Rs 73.28 crores will be recognised in the profit and loss account over the remaining quarter. In the previous year, income from sale of Priority Sector Lending Certificates were recognised upfront.

8 Provision and contingencies for the quarter ended December 31,2018 includes a provision of Rs. 384.95 crore made on a prudent basis, in respect of an exposure to a borrower from infrastructure development and finance sector, which was classified as non performing asset and fully provided for during the quarter. The profit before tax for the quarter is lower to that extent.

9 Figures of the previous year/period have been regrouped / reclassified wherever necessary to conform to current year/period's classification.

For Bandhan Bank Limited

Chandra Shekhar Ghosh
Managing Director & CEO

Bandhan Bank Limited Kolkata

Place : Mumbai
Date : 10th January 2019

S.R. BATLIBOI & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants

12th Floor, The Ruby
29 Senapati Bapat Marg
Dadar (West)
Mumbai - 400 028, India
Tel : +91 22 6819 8000

Limited Review Report

Review Report to
The Board of Directors
Bandhan Bank Limited

1. We have reviewed the accompanying statement of unaudited financial results of Bandhan Bank Limited ('the Bank') for the quarter and nine months ended December 31, 2018 (the "Statement") being submitted by the Bank pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The disclosures relating to "Pillar 3 under Basel III Capital Regulations", "Leverage Ratio" and "Liquidity Coverage Ratio" as have been disclosed on the Bank's website and in respect of which a link have been provided in aforesaid Statement have not been reviewed by us. This Statement is the responsibility of the Bank's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.

2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of bank personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

3. Based on our review conducted as mentioned in paragraph 2 above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.

For S.R. BATLIBOI & ASSOCIATES LLP
ICAI Firm registration number: 101049W/E300004
Chartered Accountants

per Amit Kabra
Partner
Membership No.: 094533

Place: Mumbai
Date: January 10, 2019

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GRUH FINANCE LIMITED

Regd. Office: "GRUH", Netaji Marg, Nr. Mithakhali Six Roads,
Ellisbridge, Ahmedabad 380 006 • Phone : 079 2642 1671-75.
E-mail : investorcare@gruh.com • www.gruh.com
CIN : L65923GJ1986PLC008809

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL, BENCH, AT AHMEDABAD
CA (CAA) NO. 54/NCLT/AHM/2019

In the matter of the Companies Act, 2013; And In the matter of Sections 230 - 232 read with other relevant provisions of the Companies Act, 2013; And In the matter of GRUH Finance Limited; And In the matter of the Scheme of Amalgamation of GRUH Finance Limited with Bandhan Bank Limited;

GRUH Finance Limited,

a company incorporated under the provisions of the Companies Act, 1956 and having its registered office at "GRUH", Netaji Marg, Nr. Mithakhali Six Roads, Ellisbridge, Ahmedabad – 380 006, Gujarat, India.

. . . .Applicant Company

EQUITY SHAREHOLDERS

FORM OF PROXY

[As per Form MGT -11 and pursuant to Section 105(7) of the Companies Act, 2013 and Rule 19 (3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s)	
Registered Address	
E – mail ID	
Folio No./ DPID and Client ID*	

*applicable in case of shares held in electronic form

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

1. Name : .....
   Address : .....
   E-mail ID : ..... Signature: ....., or failing him;
2. Name : .....
   Address : .....
   E-mail ID : ..... Signature: ....., or failing him;
3. Name : .....
   Address : .....
   E-mail ID : ..... Signature: ....., or failing him;

as my/our proxy, to act for me/us at the meeting of the Equity Shareholders of the Applicant Company to be held at H. T. Parekh Convention Centre, Ahmedabad Management Association (AMA), Atira Campus, Dr. Vikram Sarabhai Marg, Ahmedabad – 380 015, Gujarat, India, on Tuesday, the 4th June 2019 at 10.30 a.m. (1030 hours) for the purpose of considering and, if thought fit, approving, with or without modification(s), the arrangement embodied in the Scheme of Amalgamation of GRUH Finance Limited with Bandhan Bank Limited (the "Scheme") and at such meeting, and at any adjournment or adjournments thereof, to vote, for me/us and in my/our name(s)_____ (here, if 'for', insert **'FOR'**, if 'against', insert **'AGAINST'**, and in the later case, strike out the words below after 'the Scheme') the said arrangement embodied in the Scheme, either with or without modification(s)*, as my/our proxy may approve. (*Strike out whatever is not applicable)

Signed this _____ day of _____ 2019

Signature of Shareholder (s) _____

Signature of Proxy Holder (s) _____

Affix Revenue Stamp of Re.1/-

(Signature across the stamp)

Notes:

1. The form of proxy must be deposited at the registered office of "GRUH", Netaji Marg, Nr. Mithakhali Six Roads, Ellisbridge, Ahmedabad – 380 006, Gujarat, India, at least 48 (forty-eight) hours before the scheduled time of the commencement of the said meeting.
2. All alterations made in the form of proxy should be initialed.
3. Please affix appropriate revenue stamp before putting signature.
4. In case of multiple proxies, the proxy later in time shall be accepted.
5. Proxy need not be a shareholder of GRUH Finance Limited.
6. No person shall be appointed as a proxy who is a minor.
7. The proxy of a shareholder, blind or incapable of writing, would be accepted if such shareholder has attached his signature or mark thereto in the presence of a witness who shall add to his signature his description and address: provided that all insertions in the proxy are in the handwriting of the witness and such witness shall have certified at the foot of the proxy that all such insertions have been made by him at the request and in the presence of the shareholder before he attached his signature or mark.
8. The proxy of a shareholder who does not know English would be accepted if it is executed in the manner prescribed in point no. 7 above and the witness certifies that it was explained to the shareholder in the language known to him, and gives the shareholder's name in English below the signature.

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GRUH FINANCE LIMITED

We help you build homes

GRUH FINANCE LIMITED

Regd. Office: "GRUH", Netaji Marg, Nr. Mithakhali Six Roads,
Ellisbridge, Ahmedabad 380 006 • Phone : 079 2642 1671-75.
E-mail : investorcare@gruh.com • www.gruh.com
CIN : L65923GJ1986PLC008809

EQUITY SHAREHOLDERS

ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND OVER AT THE ENTRANCE OF THE MEETING HALL

MEETING OF THE EQUITY SHAREHOLDERS ON TUESDAY THE 4TH JUNE 2019 AT 10.30 A.M.

I/We hereby record my/our presence at the meeting of the Equity Shareholders of GRUH Finance Limited, the Applicant Company, convened pursuant to the order dated 10th April 2019 of the NCLT at H. T. Parekh Convention Centre, Ahmedabad Management Association (AMA), Atira Campus, Dr. Vikram Sarabhai Marg, Ahmedabad – 380 015, Gujarat, India, on Tuesday, the 4th June 2019 at 10.30 a.m. (1030 hours).

Name and address of Equity Shareholder

IN BLOCK LETTERS) : _____

_____

_____

Signature : _____

Reg. Folio No. : _____

Client ID : _____

D. P. ID : _____

No. of Shares : _____

Name of the Proxy* : _____

(IN BLOCK LETTERS) : _____

Signature : _____

*(To be filled in by the Proxy in case he/she attends instead of the shareholder)

Notes:

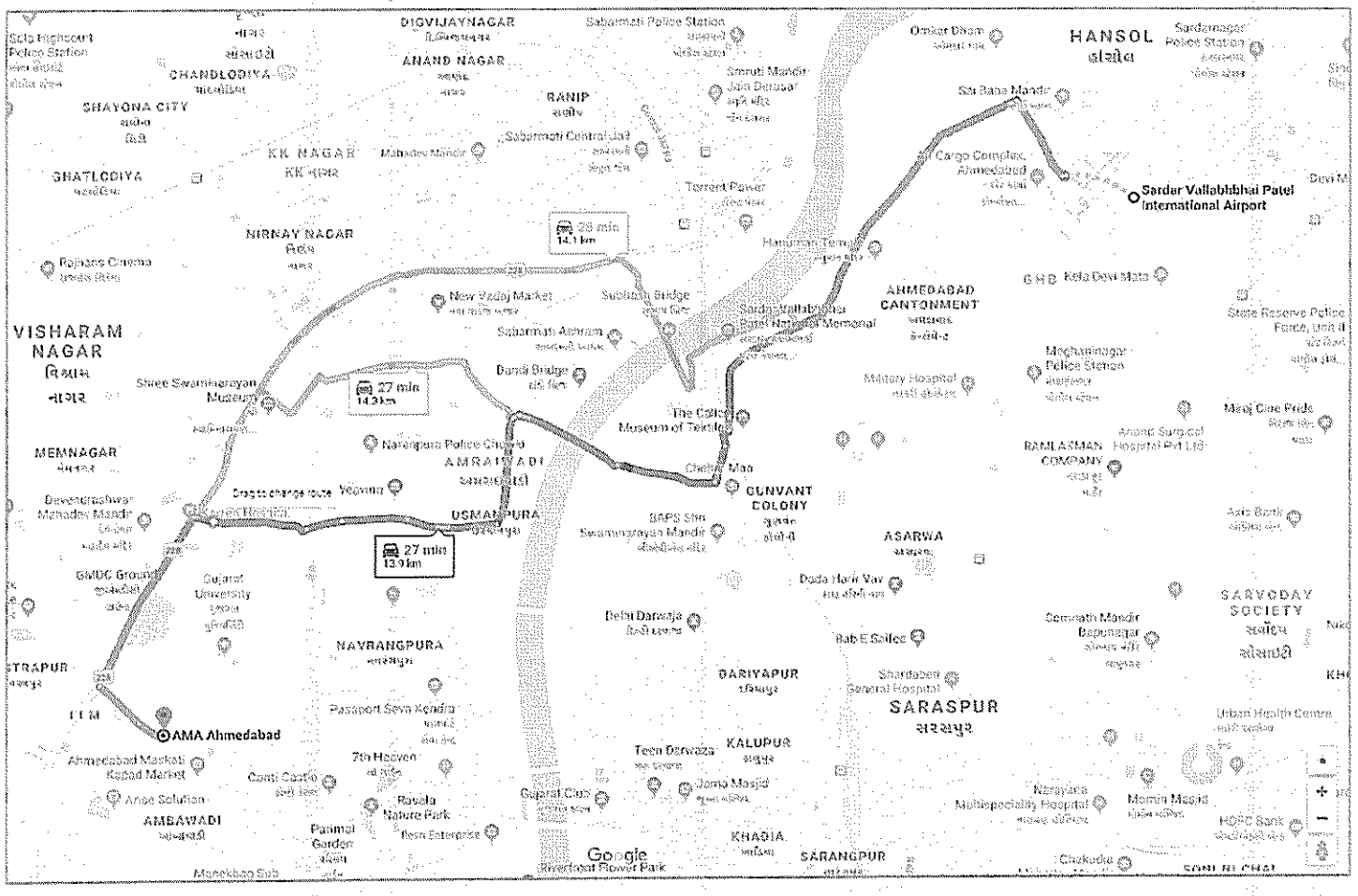
1. Equity Shareholders attending the meeting in person or by proxy or through authorised representative are requested to complete and bring the Attendance slip with them and hand it over at the entrance of the meeting hall.
2. Equity Shareholders who come to attend the meeting are requested to bring their copy of the Scheme with them.
3. Equity Shareholders who hold shares in dematerialized form are requested to bring their client ID and DP ID for easy identification of attendance at the meeting.
4. Equity Shareholders are informed that in case of joint holders attending the meeting, only such joint holder whose name stands first in the Register of Members of GRUH Finance Limited in respect of such joint holding will be entitled to vote.

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Route Map for the Venue of the Meeting





We help you build homes

(A subsidiary of HDFC Ltd.)

Regd. Office: "GRUH", Netaji Marg, Near Mithakhali Six Roads, Ellisbridge, Ahmedabad-380 006.
Toll-Free : (Loans) 1800 233 5300, (Deposits) 1800 233 7923
www.gruh.com • CIN : L65923GJ1986PLC008809

NOTICE - SECURED CREDITORS (INCLUDING SECURED DEBENTURE HOLDERS)



GRUH FINANCE LIMITED

Registered Office : "GRUH", Netaji Marg, Nr. Mithakhali Six Roads, Ellisbridge, Ahmedabad – 380 006, Gujarat, India

Tel No : +91 79 2642 1671-75

CIN : L65923GJ1986PLC008809

Website : www.gruh.com

E-mail :investorcare@gruh.com

MEETING OF THE SECURED CREDITORS (INCLUDING SECURED DEBENTURE HOLDERS) OF GRUH FINANCE LIMITED

(convened pursuant to the order dated 10th April 2019 passed by the National Company Law Tribunal, Bench at Ahmedabad)

MEETING:		
Day	:	Tuesday
Date	:	4th June 2019
Time	:	11.30 a.m. (1130 hours)
Venue	:	H. T. Parekh Convention Centre, Ahmedabad Management Association (AMA), Atira Campus, Dr. Vikram Sarabhai Marg, Ahmedabad – 380 015, Gujarat, India

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BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,

BENCH, AT AHMEDABAD

CA (CAA) NO. 54/NCLT/AHM/2019

In the matter of the Companies Act, 2013;

And

In the matter of Sections 230 - 232 read with other relevant provisions of the Companies Act, 2013;

And

In the matter of GRUH Finance Limited;

And

In the matter of Scheme of Amalgamation of GRUH Finance Limited with Bandhan Bank Limited;

GRUH Finance Limited, a company incorporated under the provisions of the Companies Act, 1956 and having its registered office at "GRUH", Netaji Marg, Nr. Mithakhali Six Roads, Ellisbridge, Ahmedabad – 380 006, Gujarat, India. } } } }

...Applicant Company

NOTICE CONVENING THE MEETING OF THE SECURED CREDITORS (INCLUDING SECURED DEBENTURE HOLDERS) OF THE APPLICANT COMPANY

To,
All the secured creditors (including secured debenture holders) of GRUH Finance Limited (the "**Applicant Company**"):

NOTICE is hereby given that by an Order dated 10th April 2019 (hereinafter referred to as the "**Order**"), the Hon'ble National Company Law Tribunal, Bench at Ahmedabad (hereinafter referred to as the **"NCLT"**) has directed a meeting to be held of the secured creditors (including secured debenture holders) of the Applicant Company for the purpose of considering, and if thought fit, approving, with or without modification(s), the arrangement embodied in the Scheme of Amalgamation of GRUH Finance Limited with Bandhan Bank Limited(hereinafter referred to as the **"Scheme"**).

In pursuance of the said Order and as directed therein further notice is hereby given that a meeting of the secured creditors (including secured debenture holders) of the Applicant Company will be held at H. T. Parekh Convention Centre, Ahmedabad Management Association (AMA), Atira Campus, Dr. Vikram Sarabhai Marg, Ahmedabad – 380 015, Gujarat, India, on Tuesday, the 4th June 2019 at 11.30 a.m. (1130 hours), at which time and place you are requested to attend. At the meeting, the following resolution will be considered and if thought fit, be passed, with or without modification(s):

*"**RESOLVED THAT** pursuant to the provisions of Sections 230 - 232 and other applicable provisions of the Companies Act, 2013, the rules, circulars and notifications made thereunder (including any statutory modification or re-enactment thereof) as may be applicable, the Securities andExchange Board ofIndia Circular No. CFD/DIL3/CIR/2017/21 dated 10th March 2017, the observation letters issued by each of the BSE Limited and the National Stock Exchange of India Limited, both dated 3rd April 2019, the no objection letter dated 4th March 2019 issued by the National Housing Bank to the Company, the 'no objection' letter dated 14th March 2019 issued by the Reserve Bank of Indiato Bandhan Bank Limitedand subject to the provisions of the Memorandum and Articles of Association of the Company and subject to the approval of Hon'ble National Company Law Tribunal, Bench at Ahmedabad (**"NCLT"**) and subject to such other approvals, permissions*

*and sanctions of regulatory and other authorities, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by NCLT or by any regulatory or other authorities, while granting such consents, approvals and permissions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "**Board**", which term shall be deemed to mean and include one or more Committee(s) constituted/to be constituted by the Board or any person(s) which the Board may nominate to exercise its powers including the powers conferred by this resolution), the arrangement embodied in the Scheme of Amalgamation of GRUH Finance Limited with Bandhan Bank Limited ("**Scheme**") placed before this meeting and initialled by the Chairman of the meeting for the purpose of identification, be and is hereby approved.*

***RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to this resolution and effectively implement the arrangement embodied in the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by the NCLT while sanctioning the arrangement embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any questions or doubts or difficulties that may arise including passing of such accounting entries and /or making such adjustments in the books of accounts as considered necessary in giving effect to the Scheme, as the Board may deem fit and proper."*

TAKE FURTHER NOTICE that you may attend and vote at the said meeting in person or by proxy provided that a proxy in the prescribed form, duly signed by you or your authorised representative, is deposited at the registered office of the Applicant Company at "GRUH", Netaji Marg, Nr. Mithakhali Six Roads, Ellisbridge, Ahmedabad – 380 006, Gujarat, India, not later than 48 (forty eight) hours before the time fixed for the aforesaid meeting. The form of proxy can be obtained free of charge from the registered office of the Applicant Company.

Copies of the Scheme and of the Explanatory Statement, under Sections 230(3), 232(1) and (2) and 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, along with the enclosures as indicated in the Index, can be obtained free of charge at the registered office of the Applicant Company at "GRUH", Netaji Marg, Nr. Mithakhali Six Roads, Ellisbridge, Ahmedabad – 380 006, Gujarat, India, or at the office of its advocates, M/s. Singhi & Co., Singhi House, 1, Magnet Corporate Park, Near Sola Bridge, S. G. Highway, Ahmedabad – 380 059, Gujarat, India.

NCLT has appointed Mr. Mihir Thakore, Senior Advocateand in his absence Mr. Rashesh Sanjanwala, Senior Advocateto be the Chairman of the said meeting including for any adjournment or adjournments thereof.

The Scheme, if approved in the aforesaid meeting, will be subject to the subsequent approval of NCLT.

A copy of the Explanatory Statement, under Sections 230(3), 232(1) and (2) and 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, the Scheme and the other enclosures as indicated in the Index are enclosed.

Sd/-
Mihir Thakore
Senior Advocate
Chairman appointed for the meeting

Dated this 20th April 2019.

Registered office: "GRUH", Netaji Marg,
Nr. Mithakhali Six Roads,
Ellisbridge, Ahmedabad – 380 006,
Gujarat, India.

Notes:

1. All alterations made in the Form of Proxy should be initialled.

2. Only secured creditors (including secured debenture holders) of the Applicant Company may attend and vote either in person or by proxy [a proxy need not be a secured creditor (including secured debenture holder) of the Applicant Company] or in the case of a body corporate, by a representative authorised under Section 113 of the Companies Act, 2013 at the meeting of the secured creditors (including secured debenture holders) of the Applicant Company. The authorised representative of a body corporate which is a secured creditor (including secured debenture holder) of the Applicant Company may attend and vote at the meeting of the secured creditors (including secured debenture holders) of the Applicant Company provided a certified true copy of the resolution of the board of directors or other governing body of the body corporate authorising such representative to attend and vote at the meeting of the secured creditors (including secured debenture holders) of the Applicant Company is deposited at the registered office of the Applicant Company not later than 48 (forty eight) hours before the scheduled time of the commencement of the meeting of the secured creditors (including secured debenture holders) of the Applicant Company. The Form of Proxy can be obtained free of charge at the registered office of the Applicant Company.

3. The quorum of the meeting of the secured creditors (including secured debenture holders) of the Applicant Company shall be 2 (two) secured creditors (including secured debenture holders) of the Applicant Company, present in person.

4. Secured creditor (including secured debenture holder) or his proxy, attending the meeting, is requested to bring the Attendance Slip duly completed and signed.

5. The documents referred to in the accompanying Explanatory Statement shall be open for inspection by the secured creditors (including secured debenture holders) at the registered office of the Applicant Company between 10.00 a.m. and 12.00 noon on all days (except Saturdays, Sundays and public holidays) upto the date of the meeting.

6. Secured creditors (including secured debenture holders) as per the books of accounts as on 31st March 2019will be entitled to exercise their right to vote on the above meeting.

7. Mr. M. C. Gupta of M/s M. C. Gupta & Co., Practicing Company Secretary (Membership No. FCS: 2047)(Address: 703, Mauryansh Elanza, Near Parekh's Hospital, Shyamal Cross Roads, Satellite, Ahmedabad – 380015)has been appointed as the scrutinizer to conduct the voting process through ballot/polling at the venue of the meeting in a fair and transparent manner.

8. The scrutinizer will submit his report to the Chairman of the meeting after completion of the scrutiny of the votes cast by the secured creditors (including secured debenture holders) of the Applicant Company through ballot/polling paper at the venue of the meeting. The scrutinizer's decision on the validity of the vote shall be final. The results of votes cast through ballot/polling paper at the venue of the meeting will be announced on or before 6th June 2019 at the registered office of the Applicant Company. The results, together with the scrutinizer's Reports, will be displayed at the registered office of the Applicant Company and on the website of the Applicant Company www.gruh.combesides being communicated to BSE Limited and National Stock Exchange of India Limited.

9. NCLT by its said Order has directed that a meeting of the secured creditors (including secured debenture holders) of the Applicant Company shall be convened and held at H. T. Parekh Convention Centre, Ahmedabad Management Association (AMA), Atira Campus, Dr. Vikram Sarabhai Marg, Ahmedabad – 380 015, Gujarat, India,on Tuesday, the 4thJune 2019 at 11.30 a.m. (1130 hours) for the purpose of considering, and if thought fit, approving, with or without modification(s), the arrangement embodied in the Scheme. Secured creditors (including secured debenture holders) would be entitled to vote in the said meeting either in person or through proxy.

10. The Applicant Company has provided the facility of ballot/poll paper at the venue of the meeting.

11. In accordance with the provisions of Sections 230 – 232 of the Companies Act, 2013, the Scheme shall be acted upon only if a majority in number representing three fourth in value of the secured creditors (including secured debenture holders) of the Applicant Company, voting in person or by proxy, agree to the Scheme.

12. The Notice, together with the documents accompanying the same, is being sent to the secured creditors (including secured debenture holders) by registered post or speed post or by courier or by e-mail. The Notice will be displayed on the website of the Applicant Company www.gruh.com.

13. The notice convening the meeting, the date of dispatch of the notice and the Explanatory Statement, amongst others, will be published through advertisement in the following newspapers, namely, (i) Indian Express (All Editions) in English language; and (ii) translation thereof in Sandesh (Ahmedabad Edition) in Gujarati language.

Encl.: As above

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,

BENCH, AT AHMEDABAD

CA (CAA) NO. 54/NCLT/AHM/2019

In the matter of the Companies Act, 2013;

And

In the matter of Sections 230 - 232 read with other relevant provisions of the Companies Act, 2013;

And

In the matter of GRUH Finance Limited;

And

In the matter of Scheme of Amalgamation of GRUH Finance Limited with Bandhan Bank Limited;

GRUH Finance Limited, a company incorporated under the provisions of the Companies Act, 1956 and having its registered office at "GRUH", Netaji Marg, Nr. Mithakhali Six Roads, Ellisbridge, Ahmedabad – 380 006, Gujarat, India. } } } }

...Applicant Company

EXPLANATORY STATEMENT UNDER SECTIONS 230(3), 232(1) AND (2) AND 102 OF THE COMPANIES ACT, 2013 READ WITH RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016

1. Pursuant to the Order dated 10th April 2019, passed by the Hon'ble National Company Law Tribunal, Bench at Ahmedabad (hereinafter referred to as the **"NCLT"**), in CA (CAA) No. 54/NCLT/AHM/2019 (hereinafter referred to as the **"Order")**,a meeting of the secured creditors (including secured debenture holders) of GRUH Finance Limited (hereinafter referred to as the **"Applicant Company"** or the **"Transferor Company"** or **"GRUH"** as the context may admit) is being convened at H. T. Parekh Convention Centre, Ahmedabad Management Association (AMA), Atira Campus, Dr. Vikram Sarabhai Marg, Ahmedabad – 380 015, Gujarat, India, on Tuesday, the 4th June 2019 at 11.30 a.m. (1130 hours),for the purpose of considering, and if thought fit, approving, with or without modification(s), the Scheme of Amalgamation of the Transferor Company with Bandhan Bank Limited (hereinafter referred to as the **"Transferee Company "** or **"Bandhan"** as the context may admit) under Sections 230-232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 (hereinafter referred to as the**"Scheme"**) (GRUH and Bandhan are together referred to as the **"Companies"** or **"Parties"** or **"Amalgamating Companies"**, as the context may admit). A copy of the Scheme, which has been, inter alios, approved by the Audit Committee and the Board of Directors of the Applicant Company at their respective meetings both held on 7th January 2019, are enclosed as **Annexure 1**. Capitalised terms used herein but not defined shall have the meaning assigned to them in the Scheme, unless otherwise stated.

2. In terms of the said Order, the quorum for the said meeting shall be 2 (two) members present in person. Further in terms of the said Order, NCLT, has appointed Mr. Mihir Thakore, Senior Advocateand in his absence Mr. Rashesh Sanjanwala, Senior Advocate as the Chairman of the meeting of the secured creditors (including secured debenture holders) of the Applicant Company including for any adjournment or adjournments thereof.

3. This statement is being furnished as required under Sections 230(3), 232(1) and (2) and 102 of the Companies Act, 2013 (hereinafter referred to as the**"Act"**) read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (hereinafter referred to as the**"Rules"**).

4. As stated earlier, NCLT by its said Order has, inter alia, directed that a meeting of the secured creditors (including secured debenture holders) of the Applicant Company shall be convened and held at H. T. Parekh Convention Centre, Ahmedabad Management Association (AMA), Atira Campus, Dr. Vikram Sarabhai Marg, Ahmedabad – 380 015, Gujarat, India, on Tuesday, the 4th June 2019 at 11.30 a.m. (1130 hours) for the purpose of considering, and if thought fit, approving, with or without modification(s), the arrangement embodied in the Scheme. Secured creditors (including secured debenture holders)would be entitled to vote in the said meeting either in person or through proxy.

5. In accordance with the provisions of Sections 230 – 232 of the Act, the Scheme shall be acted upon only if a majority in number representing three fourths in value of the secured creditors (including secured debenture holders), of the Applicant Company, voting in person or by proxy agree to the Scheme.

6. In terms of the Order dated 10thApril 2019, passed by the NCLT, in CA(CAA) No. 54/NCLT/AHM/2019, if the entries in the records/registers of the Applicant Company in relation to the number or value, as the case may be, of the secured creditors (including secured debenture holders)are disputed, the Chairman of the meeting shall determine the number or value, as the case may be, for purposes of the meeting, subject to the orders of the NCLT in the petition seeking sanction of the Scheme.

Particulars of GRUH

7. The Transferor Company was incorporated on 21st July 1986 as Gujarat Rural Housing Finance Corporation Limited, a public company with the Registrar of Companies, Gujarat, under the provisions of the Companies Act, 1956. Its name was changed to GRUH Finance Limited with effect from 21st August 1995. The Corporate Identification Number of the Transferor Company is L65923GJ1986PLC008809. The Permanent Account Number of the Transferor Company is AAACG7010K. The equity shares of the Transferor Company are listed on BSE Limited (hereinafter referred to as "**BSE**") and National Stock Exchange of India Limited (hereinafter referred to as "**NSE**"). Two series of unsecured redeemable non-convertible subordinated debentures issued by the Transferor Company are listed on the Wholesale Debt Market segment of NSE.

8. The Registered Office of the Transferor Company is situated at "GRUH", Netaji Marg, Nr. Mithakhali Six Roads, Ellisbridge, Ahmedabad – 380 006, Gujarat, India. There has been no change in the registered office address of the Transferor Company in last five (5) years. The e-mail address of the Transferor Company is investorcare@gruh.com

9. The objects for which the Transferor Company has been established are set out in its Memorandum of Association. Some of the objects of the Transferor Company are as follows:

"III. (A)

(1) To carry on the business of providing long term finance to any person or persons, company or corporation, society or association of persons with or without interest and with or without any security for the purpose of enabling such borrower to construct or purchase or enlarge any house or dwelling unit or any part or portion thereof in India for residential purpose upon such terms and conditions as the Company may deem fit."

"III. (B)

(61) To amalgamate with any other company whose objects are or include objects similar to those of this Company, whether by sale or purchase (for fully or partly paid-up shares or otherwsise) of the undertaking subject to the liabilities of this or any such other company as aforesad, with or without winding up, or by sale or purchase (for fully or partly paid up shares or otherwise) of all or a controlling interest in the shares or stock of this or any such other company as aforesaid, or by partnership or any arrangement of the nature of partnership or in any other manner."

There has been no change in the main object clause of the Transferor Company in the last 5 years.

10. The Transferor Company is engaged inter alia in the business of providing home loans and is registered with the National Housing Bank (hereinafter referred to as "**NHB**") as a housing finance company. The objects clause of the memorandum of association of the Transferor Company authorises the Transferor Company to carry on the business of housing finance.

11. The Authorised, Issued, Subscribed and Paid up Share Capital of the Transferor Company as on 31st March 2019 was as follows:

Particulars	Amount in Rupees
Authorised Capital	
100,00,00,000 equity shares of Rs. 2/- each	200,00,00,000
Total	**200,00,00,000**
Issued, Subscribed and Paid-up*	
73,36,87,512 equity shares of Rs. 2/- each	146,73,75,024
Total	**146,73,75,024**

** Certain employee stock options granted to the employees of the Transferor Company may get exercised before the Effective Date (as defined in the Scheme), which may result in an increase in the issued and paid-up share capital of the Transferor Company. The details of the unexercised employee stock options by the employees of the Transferor Company as on 31st March 2019 are set out below.*

Unexercised Employee Stock Options*	Amount in Rupees
7,59,024 options of Rs. 268.20 each	20,35,70,236.80
6,26,000 options of Rs. 612.55 each	38,34,56,300

Each stock option entitles an employee for 2 equity shares of Rs. 2 each

Particulars of Bandhan

12. The Transferee Company was incorporated on 23rd December 2014, a public limited company, with the Registrar of Companies, West Bengal, under the provisions of the Act, in the name of Bandhan Bank Limited. The equity shares of the Transferee Company are listed on BSE and NSE. The Corporate Identification Number of the Transferee Company is L67190WB2014PLC204622. The Permanent Account Number of the Transferee Company is AAGCB1323G.

13. The registered office of the Transferee Company is situated at DN – 32, Sector V, Salt Lake, Kolkata – 700 091, West Bengal, India. There has been no change in the registered office address of the Transferee Company since its incorporation. The e-mail address of the Transferee Company is companysecretary@bandhanbank.com

14. The objects for which the Transferee Company has been established are set out in its Memorandum of Association. Some of the objects of the Transferee Company are as follows:

"III. (A)

1) To establish and carry on the business of banking in any part of India or outside India.

2) To carry on business of accepting, for the purpose of lending or investment, of deposits of money from the public, repayable on demand or otherwise, and withdrawable by cheque, draft, order or otherwise.

3) To carry on the business of:

(a) borrowing, raising or taking up of money;
(b) lending or advancing of money by way of loan, overdraft or on cash credit or other accounts or in any other manner whether without or on the security or movable or immovable properties, bills of exchange, hundies, promissory notes, bills of lading, railway receipts, debentures, share warrants and other instruments whether transferable or negotiable or not;
(c) drawing, making, accepting, discounting, buying, selling, collecting and dealing in bills of exchange, hundies, promissory notes, coupons, drafts, bills of lading, railway receipts, warrants, debentures, certificates, scrips and other instruments and securities whether transferable or negotiable or not;
(d) granting and issuing of letters of credits, travellers' cheques and circulars notes;
(e) buying, selling and dealing in bullion and specie;
(f) buying and selling of and dealing in foreign exchange including foreign bank notes;
(g) acquiring, holding, issuing on commission, underwriting and dealing in stock, funds, shares, debentures, debenture stock, bonds, obligations, securities and investments of all kinds;
(h) purchasing and selling of bonds, scrips or other forms of securities on behalf of itself, its constituents or others;
(i) negotiations of loans and advances;
(j) receiving of all kinds of bonds, scrips or valuables on deposit or for safe custody or otherwise;
(k) providing of safe deposit vaults;
(l) collecting and transmitting of money and all kinds of securities;
(m) issuing credit cards, debit cards, prepaid instruments, smart card or any similar instruments and extending any other credits;
(n) acting as aggregators, as may be permitted by the Pension Fund Regulatory and Development Authority ("PFRDA"), in connection with the National Pension System of the PFRDA.
(o) carrying on any other business specified in section 6(1)(a) to (n) of the Banking Regulation Act, 1949, as amended from time to time ("1949 Act"), and such other forms of business which the Central Government has pursuant to Section 6(1)(o) of 1949 Act specified or may from time to time specify by notification in the Official Gazette or as may be permitted by Reserve Bank of India ("RBI") from time to time as a form of business in which it would be lawful for a banking company to engage.

4) To carry on the business of merchant banking, investment banking, portfolio investment management, wealth management and investment advisors; to form, to constitute, promote, act as managing and issuing agents, prepare projects and feasibility reports for and on behalf of any company, association, society, firm, individual and body corporate.

5) To carry on the business of mutual fund distribution, equipment leasing and hire purchase.

6) To act as corporate agents for insurance products for life and general insurance including but not limited to health, pension & employees benefit, fire, marine, cargo, marine hull, aviation, oil & energy, engineering, accident, liability, motor vehicles, transit and other products and to carry on the business of insurance, re-insurance and risk management as an insurance agent or otherwise as may be permitted under law.

7) To carry on the business of factoring by purchasing and selling debts receivables and claims including invoice discounting and rendering bill collection, debt collection and other factoring services.

8) To carry on and transact the business of giving guarantees and counter guarantees and indemnities whether by personal conveant or by mortgaging or charging all or any part of the undertaking, property or assets of the Company, both present and future wherever situate or in any other manner and in particular to guarantee the payment of any principal moneys, interest or other moneys secured by or payable under debentures, bonds, debenture-stock, mortgages, charges, contracts, obligations and securities, and the repayment of the capital moneys and the payment of dividends in respect of stocks and shares or the performance of any such other obligations."

"III. B)

50) To amalgamate, merge, enter into any arrangement for sharing of profits, amalgamation, union of interest, reciprocal concession or cooperation with any company or companies or body corporate having objects altogether or in part similar to those of this Company, for the purpose of acquiring any business, undertaking, property or liabilities of such person, company or body corporate, or to sell, exchange, lease, underlease, surrender, abandon, amalgamate, sub-divide, mortgage or otherwise deal with either absolutely, conditionally, or for any limited interest, all or any part of the undertaking, property rights or privileges of the Company, as a going concern or otherwise, for advancing directly or indirectly the objects thereof for any other purpose which this Company may think expedient, with any public body, corporation, company, society, or association, or to any person or persons, for such consideration as the Company may think fit, and in particular for any stock, shares (whether wholly or partly paid), debentures, debenture stock, securities or property of any other Company."

There has been no change in the main object clause of the Transferee Company since its incorporation.

15. The Transferee Company is in the business of providing banking services. The Transferee Company was issued license dated 17th June 2015 by the Reserve Bank of India, under the provisions of the Banking Regulation Act, 1949, to carry on banking business in India. The objects clause of the Memorandum of Association of the Transferee Company authorises the Transferee Company to carry on the business of banking.

16. The Authorised, Issued, Subscribed and Paid up Share Capital of the Transferee Company as on 31st March 2019 was as follows:

Particulars	Amount in Rupees
Authorised Capital	
500,00,00,000 equity shares of Rs. 10 each	5000,00,00,000
Total	5000,00,00,000
Issued, Subscribed and Paid-up*	
119,30,82,855 equity shares of Rs. 10 each	1193,08,28,550
Total	**1193,08,28,550**

***** C*ertain employee stock options granted to the employees of the Transferee Company which are vested may get exercised before the Effective Date and un-granted employee stock options, the grant and consequent exercise of which may result in an increase in the issued and paid-up share capital of the Transferee Company. The details of the unexercised employee stock options (net of cancellation) by the employees of the Transferee Company as on 31st March 2019 are set out below:*

Unexercised Employee Stock Options	Amount in Rupees
18,62,715options of Rs. 180 each	33,52,88,700
Total	**33,52,88,700**
Un-granted Employee Stock Options	**Amount**
Nil	Nil

Description and Rationale for the Scheme

17. The Transferor Company and the Transferee Company have entered into Merger Co-operation Agreement dated 7th January 2019, setting out the manner of effecting the Scheme and the rights and obligations of the respective Parties. The principal objective of the Merger Co-operation Agreement is to: (a) set out the agreement between the Parties in relation to the proposed Scheme; (b) provide the detailed mechanism for giving effect to the proposed Scheme and the related matters upon the Scheme coming into effect or being terminated/withdrawn; and (c) to provide appropriate representations and warranties by the Parties.

18. Description of the Scheme:

The Scheme, inter alia, provides for:

(i) amalgamation of the Transferor Company into and with the Transferee Company;

(ii) transfer of the authorised share capital of the Transferor Company to the Transferee Company and consequential increase in the authorised share capital of the Transferee Company;

(iii) issuance and allotment of fully paid-up equity shares of the Transferee Company to the shareholders of the Transferor Company, in accordance with Part III of the Scheme;

(iv) dissolution of the Transferor Company without winding up; and

(v) various other matters consequential or incidental to or otherwise integrally connected with the above.

19. Rationale for the Scheme:

The proposed amalgamation would be in the best interest of the Amalgamating Companies and their respective shareholders, employees, creditors and other stakeholders as the proposed amalgamation will yield advantages as set out inter alia below:

i. The Transferee Company and the Transferor Company have developed exceptional skills in banking business and housing finance business respectively. The Transferor Company has a wide range of home loan products with a specific rural focus. With a retail network of 195 (one hundred ninety five) branches, it has a presence in 11 States and 1 Union Territory in India with almost 50% (fifty percent) of the existing loan assets advanced in rural areas. The Transferee Company received a banking license in 2015 from the RBI. Its focus has been to meet the financial needs of people who are overlooked by the formal banking system. The Transferor Company and the Transferee Company therefore have significant complementarities and the consolidation of the two businesses carried on by them is strategic in nature and will generate significant business synergies. The amalgamation will result in enhancement of shareholders' value accruing from synergy of operations, new product development, integration of technology and information technology platforms, and also enable the Amalgamating Companies to further their socio-economic objectives. Thus, a combination of the Transferor Company and the Transferee Company will enhance the value propositions of the combined entity which would be able to leverage the complementarities of the Amalgamating Companies;

ii. The amalgamation of the Transferor Company with the Transferee Company will enable the Transferee Company to build and strengthen its housing loan portfolio, and establish a strong customer base of affordable housing customers. The Transferee Company would benefit from the loan assets of the Transferor Company as the strong loan book of the Transferor Company will stand merged into the Transferee Company pursuant to the amalgamation. In addition, the amalgamation will not dilute the focus of the Transferee Company on predominantly Priority Sector Lending ("PSL") loans as majority portfolio of the Transferor Company is PSL eligible;

iii. pooling of resources, creating better synergies, optimal utilisation of resources and greater economies of scale;

iv. better administration and cost reduction (including reduction in administrative and other common costs);

v. while the Transferee Company has pan India presence in 34 States and Union Territories with a strong presence in east and north east part of India, the proposed amalgamation will enhance reach and distribution and help expand the geographic coverage for the combined entities;

vi. greater efficiency in cash management and unfettered access to cash flow generated by the combined business, which can be deployed more efficiently, to maximise shareholder value;

vii. create value for stakeholders including respective shareholders, customers, lenders and employees as the combined business would benefit from increased scale, product diversification and expanded reach with increased ability to growth opportunities, higher cross selling opportunities to a larger base of customers, improvement in productivity and operational efficiencies amongst others;

viii. provide material realisable cost and revenue synergies for the benefit of the Amalgamating Companies; and

ix. optimal utilisation of resources and economies of scale resulting in improved efficiencies; it will help the Transferee Company to establish a strong customer base of affordable housing and scale up rural lending

Relationship among Companies who are parties to the Scheme

20. As on 31st March 2019, Housing Development Finance Corporation Limited (hereinafter referred to as "**HDFC**") holds 56.09 % of the paid-up share capital of the Transferor Company. The Transferor Company is the subsidiary of HDFC and that HDFC is the promoter shareholder of the Transferor Company. The Transferee Company is promoted by Bandhan Financial Holdings Limited amongst others.None of the Companies are related to each other.

Corporate Approvals

21. The Scheme alongwith joint Valuation Report, recommending share exchange ratio, submitted by M/s. Desai Haribhakti & Co. and M/s. SRB and Associates, independent Chartered Accountants (hereinafter referred to as the "**Joint Valuation Report**"), in respect of the proposed Scheme, were placed before the Audit Committee of the Transferor Company at its meeting held on 7th January 2019. A Fairness Opinion on the valuation, by JM Financial Limited, a SEBI registered merchant banker, (hereinafter referred to as the "**Fairness Opinion**") was also submitted to the Transferor Company's Audit Committee. A copy of the Joint Valuation Report is enclosed as **Annexure 2**. The Joint Valuation Report is also open for inspection at the registered office of the Transferor Company. A copy of the Fairness Opinion is enclosed as **Annexure 3**.The Audit Committee, inter alia, based on the aforesaid, recommended the Scheme for favourable consideration by the Board of Directors of the Transferor Company, the Reserve Bank of India (hereinafter referred to as "**RBI**"), Competition Commission of India (hereinafter referred to as "**CCI**"), the stock exchanges, Securities and Exchange Board of India (hereinafter referred to as "**SEBI**") and such other regulatory authorities, by its report dated 7th January 2019.

22. The Scheme alongwith the aforesaid Joint Valuation Report was placed before the Board of Directors of the Transferor Company at its meeting held on 7th January 2019. The aforesaid Fairness Opinion issued by JM Financial Limited was also submitted to the Transferor Company's Board of Directors. Based on the report submitted by the Audit Committee recommending the draft Scheme amongst others, the Board of Directors of the Transferor Company approved the Scheme at its meeting held on 7th January 2019. The meeting of the Board of Directors of the Transferor Company, held on 7th January 2019, was attended by 8 (eight) directors in person (namely, Mr. K.M. Mistry (Chairman), Ms. Renu Sud Karnad, Mr. K. G. Krishnamurthy, Mr. Biswamohan Mahapatra, Mr. Rajesh Gupta, Ms. Bhavna Doshi, Mr. Kamlesh Shah and Mr. Sudhin Choksey) and by 1 (one) director (namely, Mr. Prafull Anubhai) through video conference. None of the directors of the Transferor Company who attended the meeting voted against the Scheme. Thus, the Scheme was approved unanimously by the directors who attended and voted at the meeting.

23. Separately, the aforesaid Joint Valuation Report was placed before the Audit Committee of the Transferee Company at its meeting held on 7th January 2019. A fairness opinion on the valuation, by Kotak Mahindra Capital Company Limited, a SEBI registered merchant banker, was also submitted to the Transferee Company's Audit Committee. The Audit Committee, inter alia, reviewed the Joint

Valuation Report and noted the valuation and the recommended share exchange ratio for the proposed Scheme. The Audit Committee recommended the Scheme to be effective from the Appointed Date, after taking into consideration the Joint Valuation Report including the share exchange ratio, to the Board of Directors of the Transferee Company, which the Board of Directors of the Transferee Company may take into consideration for determining its recommendation regarding the draft Scheme to the shareholders of the Transferee Company and creditors of the Transferee Company (as may be applicable) for their consideration and approval.

24. The Scheme alongwith the aforesaid Joint Valuation Report was placed before the Board of Directors of the Transferee Company at its meeting held on 7th January 2019. The aforesaid fairness opinion issued by Kotak Mahindra Capital Company Limited was also submitted to the Transferee Company's Board of Directors. Based on the report submitted by the Audit Committee recommending the draft Scheme amongst others, the Board of Directors of the Transferee Company approved the Scheme at its meeting held on 7th January 2019. The meeting of the Board of Directors of the Transferee Company, held on 7th January 2019, was attended by 12 (twelve) directors in person (namely, Dr. Anup Kumar Sinha, Mr. Harun Rasid Khan, Mr. Chandra Shekar Ghosh, Mr. Bhaskar Sen, Mr. Chintaman Mehadeo Dixit, Mr. Ranodeb Roy, Mr. Sisir Kumar Chakrabarti, Mr. Snehomoy Bhattacharya, Ms. T. S. Raji Gain, Dr. A. S. Ramasastri, Mr. Santanu Mukherjee and Dr. Holder Dirk Michaelis). None of the directors of the Transferee Company who attended the meeting voted against the Scheme. Thus, the Scheme was approved unanimously by the directors who attended and voted at the meeting.

Approvals and actions taken in relation to the Scheme

25. BSE was appointed as the designated stock exchange by the Transferor Company for the purpose of co-ordinating with the SEBI, pursuant to the Circular No. CFD/DIL3/CIR/2017/21 dated 10th March 2017 (hereinafter referred to as the"**SEBI Circular**") issued by SEBI.

26. The Transferor Company received no adverse observations/No-objection letter regarding the Scheme from BSE and NSE, respectively, each dated 3rd April 2019 conveying their no adverse observations/No-objection for filing the Scheme with NCLT pursuant to the letter dated 3rd April 2019 addressed by SEBI to BSE and NSE, which, inter alia, stated the following:

"Company shall ensure that additional information, if any, submitted by the Company, after filing the scheme with the Stock Exchange, and from the date of receipt of this letter is displayed on the websites of the listed company and the stock exchanges."

"Company shall duly comply with various provisions of the Circulars."

"Company is advised to comply with all the relevant RBI norms and the observations issued by RBI vide letter dated March 14, 2019."

"Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the company is obliged to bring the observations to the notice of NCLT."

"It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section230(5) of Companies Act, 2013 to SEBI again for its comments/observations/representations."

Copies of the no adverse observations/No-objection letters, both dated 3rd April 2019, received from BSE and NSE, respectively, are enclosed as **Annexures 4** and **Annexure 5**.

27. As required by the SEBI Circular, the Transferor Company had filed the complaints report with BSE and NSE, both dated 19th February 2019. These reports indicate that the Transferor Company received six complaints which were resolved. A copy of the complaints report submitted by the Transferor Company, both dated 19th February 2019, to BSE and NSE, respectively, are enclosed as **Annexure 6 and Annexure 7**.

28. The Transferor Company has received no objection to the Scheme from NHB by its letter dated 4th March 2019.

29. The Transferee Company, pursuant to the application made by it to RBI, has received a communication dated 14th March 2019 from RBI, whereby RBI granted its 'no objection' to the Scheme, subject to conditions.

30. HDFC had made necessary application to RBI in relation to the acquisition of New Equity Shares (*as defined in the Scheme*) by it in the Transferee Company pursuant to and post effectiveness of the Scheme and in accordance with share exchange ratio. RBI by its letter dated 14th March 2019 granted its 'in-principle' approval to HDFC to acquire shareholding of 9.9% or less of the paid-up voting equity capital of the Transferee Company upon the Scheme becoming effective.

31. The Companies had jointly filed necessary notification form with the CCI on 18th March 2019, disclosing the details of the proposed combination under the provisions of Section 6(2) of the Competition Act, 2002. Thereafter, the CCI, by its letter dated 15th April 2019 approved the proposed combination under Section 31(1) of the Competition Act, 2002.

32. The Companies or any of them would obtain such necessary approvals/sanctions/no objection(s) from the regulatory or other Governmental Authorities in respect of the Scheme in accordance with law, if so required.

33. CA (CAA) No. 54/NCLT/AHM/2018 along with the annexures thereto (which includes the Scheme) was filed by the Transferor Company with the NCLT, on 4th April 2019. Similarly, the Transferee Company filed CP No. 489 of 2019 along with annexures thereto (which includes the Scheme) with the Hon'ble National Company Law Tribunal, Bench at Kolkata, on the 4th April 2019.

Salient extracts of the Scheme

34. Certain clauses of the Scheme are extracted below:

PART I

1. DEFINITIONS

*"**Appointed Date**" means 1 January 2019, or such other date as may be mutually agreed between the Amalgamating Companies and is the date with effect from which this Scheme shall be effective.*

*"**Effective Date**" means the date on which certified copies of the orders of the Competent Authority are filed with the relevant RoC after the last of the approvals or events specified under Clause 9.1 of Part IV of the Scheme are satisfied or obtained or have occurred or the requirement of which has been waived (in writing) in accordance with this Scheme. The Scheme shall be operative from the Effective Date and effective from the Appointed Date and any references in this Scheme to "upon this Scheme becoming effective", "Scheme becomes effective" or "effectiveness of this Scheme" or likewise, means and refers to the Effective Date.*

*"**Transferor Company**" means GRUH Finance Limited, a company incorporated under the Companies Act, 1956 and having its registered office at "GRUH", Netaji Marg, Nr. Mithakhali Six Roads, Ellisbridge, Ahmedabad 380 006 and, notwithstanding anything to the contrary in this Scheme shall include:*

(a) any and all of its assets, whether movable or immovable, tangible or intangible, real or personal, corporeal or incorporeal, in possession or reversion, present, future, or contingent, including but not limited to registrations and memberships, electrical fittings, installations, tools, accessories, power lines, stocks, computers, communication facilities, vehicles, furniture, fixtures and office equipment, all rights, title, interests, covenants, undertakings, and society memberships and rights appurtenant to the immovable property, including continuing rights, covenants, title and interests in connection with any land (together with the buildings and structures standing thereon), whether freehold or leasehold or leave and licensed or right of way and all documents (including panchnamas, declarations, receipts) of title, rights and easements in relation thereto, plant, machinery, trading platform, appliances, equipment, whether leased or otherwise, together with all present and future liabilities including contingent liabilities and debts appertaining thereto;

(b) any and all of its investments (including shares whether in dematerialised or physical form, scrips, stocks, bonds, debentures, debenture stock, units or pass through certificates and other securities), including actionable claims, earnest monies, loans and advances,

recoverable in cash or in kind or for value to be received, provisions, all cash and bank balances and deposits, money at call and short notice, contingent rights or benefits, receivables, including dividends declared or interest accrued thereon, reserves, provisions, funds, benefits of all agreements, bonds, debentures, debenture stock, units or pass through certificates;

(c) any and all of its licenses (including the licenses granted by any governmental, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith), permissions (including but not limited to permissions granted in relation to launch futures and options contracts), allotments, approvals, consents, concessions, clearances, credits, awards, sanctions, exemptions, subsidies, registrations, no-objection certificates, permits, quotas, rights, entitlements, authorisation, applications made for obtaining all or any of the aforesaid, pre-qualifications, bid acceptances, tenders, certificates, tenancies, trade names, trademarks, service marks, copyrights, logos, corporate names, brand names, domain names, , sales tax credits, income-tax credits, goods and service tax credits, privileges and benefits of/ arising out of all contracts, agreements, applications and arrangements and all other rights including lease rights, powers and facilities of every kind and description whatsoever, equipment, installations and utilities such as electricity, water and other service connections, all benefits including subsidies, grants, incentives, tax credits (including but not limited to credits in respect of goods and services tax, income tax, minimum alternate tax, value added tax, etc., tax refunds) and all other rights, claims and powers, of whatsoever nature;

(d) any and all of its debts, borrowings and liabilities (whether denominated in Indian rupees or foreign currency), present or future, whether secured or unsecured, all guarantees, assurances, commitments and obligations of any nature or description, whether fixed, contingent or absolute, secured or unsecured, asserted or unasserted, matured or unmatured, liquidated or unliquidated, accrued or not accrued, known or unknown, due or to become due, whenever or however arising (including, without limitation, whether arising out of any contract or tort based on negligence or strict liability);

(e) all contracts, agreements, licenses, leases, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, letters of agreed points, bids, letters of intent, arrangements, undertakings, whether written or otherwise, deeds, bonds, schemes, arrangements, service agreements, sales orders, purchase orders, operation and maintenance compliance, equipment purchase agreements or other instruments of whatsoever nature to which the Transferor Company is a party, and other assurances in favour of the Transferor Company or powers or authorisations granted by or to it;

(f) all insurance policies;

(g) any and all of its staff and employees, who are on its payrolls, including those employed at its offices and branches, employees/personnel engaged on contract basis and contract labourers and interns/trainees, as are primarily engaged in or in relation to the business, activities and operations carried on by the Transferor Company, including liabilities of the Transferor Company, with regard to their staff and employees, with respect to the payment of gratuity, superannuation, pension benefits and provident fund or other compensation or benefits, if any, whether in the event of resignation, death, retirement, retrenchment or otherwise, in terms of its license, at its respective offices, branches or otherwise, and any other employees/personnel and contract labourers and interns/trainees hired by the Transferor Company as on the Effective Date;

(h) rights of any claim not made by the Transferor Company in respect of any refund of tax, duty, cess or other charge, including any erroneous or excess payment thereof made by the Transferor Company and any interest thereon, with regard to any law, act or rule or scheme made by the Governmental Authority, and in respect of carry forward of un-absorbed losses and unabsorbed tax depreciation, deferred revenue expenditure, rebate, incentives, benefits etc., under the Income Tax Act, 1961, sales tax, value added tax, custom duties and good and service tax or any other or like benefits under Applicable Law;

(i) any and all of the advance monies, earnest monies, margin money and/or security deposits, payment against warrants or other entitlements, as may be lying with them, including but not limited to the deposits from members, investor's service fund and investor protection fund;

(j) all deposits and balances with government, quasi-government, local and other authorities and bodies, customers and other persons, earnest monies and/or security deposits paid or received by the Transferor Company, directly or indirectly;

(k) all books, records, files, papers, engineering and process information, application software, software licenses (whether proprietary or otherwise), test reports, computer programmes, drawings, manuals, data, databases including databases for procurement, commercial and management, catalogues, quotations, sales and advertising materials, product registrations, dossiers, lists of present and former borrowers, lenders and suppliers including service providers, other borrower information, customer credit information, customer/supplier pricing information, and all other books and records, whether in physical or electronic form;

(l) amounts claimed by the Transferor Company whether or not so recorded in the books of account of the Transferor Company from any Governmental Authority, under any law, act or rule in force, as refund of any tax, duty, cess, or of any excess payment;

(m) all registrations, trademarks, trade names, computer programmes, websites, manuals, data, service marks, copyrights, patents, designs, domain names, applications for trademarks, trade names, service marks, copyrights, designs and domain names exclusively used by or held for use by the Transferor Company in the business, activities and operations carried on by the Transferor Company; and

(n) all rights to use and avail telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interests held in trusts, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in control of or vested in or granted in favour of or enjoyed by the Transferor Company and all other rights and interests of whatsoever nature belonging to or in the ownership, power, possession or control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company.

PART III

AMALGAMATION OF THE TRANSFEROR COMPANY INTO AND WITH THE TRANSFEREE COMPANY

1.1 *With effect from the Appointed Date and upon this Scheme becoming effective, the Transferor Company along with all its assets, liabilities, contracts, employees, licenses, records, approvals etc. being integral parts of the Transferor Company shall stand transferred to and vest in or shall be deemed to have been transferred to and vested in the Transferee Company, as a going concern, without any further act, instrument or deed, together with all its properties, assets, liabilities, rights, benefits and interest therein, subject to the provisions of this Scheme, in accordance with Sections 230 - 232 of the Act, the Income-Tax Act, 1961 and Applicable Law if any, in accordance with the provisions contained herein.*

1.2 *Without prejudice to the generality of the above and to the extent applicable, unless otherwise stated herein, upon this Scheme becoming effective and with effect from the Appointed Date:*

(c) all immovable properties of the Transferor Company, including land together with the buildings and structures standing thereon and rights and interests in immovable properties of the Transferor Company, whether freehold or leasehold or otherwise and all documents of title, rights and easements in relation thereto, shall be vested in and/or be deemed to have been vested in the Transferee Company, without any further act or deed done or being required to be done by the Transferor Company and/or the Transferee Company. The Transferee Company shall be entitled to exercise all rights and privileges attached to the aforesaid immovable properties and shall be liable to pay the ground rent and taxes and fulfil all obligations in relation to or applicable to such immovable properties. The relevant authorities shall grant all clearances/permissions, if any, required for enabling the Transferee Company to absolutely own and enjoy the immovable properties in accordance with Applicable Law. The mutation or substitution of the title to the immovable properties shall,

upon this Scheme becoming effective, be made and duly recorded in the name of the Transferee Company by Governmental Authorities pursuant to the sanction of this Scheme by the Competent Authority and upon the Scheme becoming effective in accordance with the terms hereof.

(e) all Encumbrances, if any, existing prior to the Effective Date over the assets of the Transferor Company which secure or relate to any liability, shall, after the Effective Date, without any further act, instrument or deed, continue to be related and attached to such assets or any part thereof to which they related or were attached prior to the Effective Date and as are transferred to the Transferee Company. Provided that if any assets of the Transferor Company have not been Encumbered in respect of the liabilities, such assets shall remain unencumbered and the existing Encumbrance referred to above shall not be extended to and shall not operate over such assets. Further, such Encumbrances shall not relate or attach to any of the other assets of the Transferee Company. The secured creditors of the Transferee Company and/or other holders of security over the properties of the Transferee Company shall not be entitled to any additional security over the properties, assets, rights, benefits and interests of the Transferor Company and therefore, such assets which are not currently Encumbered shall remain free and available for creation of any security thereon in future in relation to any current or future indebtedness of the Transferee Company. The absence of any formal amendment which may be required by a lender or trustee or any third party shall not affect the operation of the foregoing provisions of this Scheme.

(f) all estate, assets, rights, title, claims, interest, investments and properties of the Transferor Company as on the Appointed Date, whether or not included in the books of the Transferor Company, and all assets, rights, title, interest, investments and properties, of whatsoever nature and wherever situate, which are acquired by the Transferor Company on or after the Appointed Date but prior to the Effective Date, shall be deemed to be and shall become the assets and properties of the Transferee Company.

(g) all contracts, agreements, licences, leases, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, letters of agreed points, bids, letters of intent, arrangements, undertakings, whether written or otherwise, deeds, bonds, agreements, schemes, arrangements and other instruments to which the Transferor Company is a party, or to the benefit of which, the Transferor Company may be eligible/entitled, and which are subsisting or having effect immediately before the Effective Date, shall, without any further act, instrument or deed continue in full force and effect on, against or in favour of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligor thereto. If the Transferee Company enters into and/or issues and/or executes deeds, writings or confirmations or enters into any tripartite arrangements, confirmations or novations, the Transferor Company will, if necessary, also be party to such documents in order to give formal effect to the provisions of this Scheme, if so required. In relation to the same, any procedural requirements required to be fulfilled solely by the Transferor Company (and not by any of its successors), shall be fulfilled by the Transferee Company as if it is the duly constituted attorney of the Transferor Company.

(h) any pending suits/appeals, all legal, taxation or other proceedings including before any statutory or quasi-judicial authority or tribunal or other proceedings of whatsoever nature relating to the Transferor Company, whether by or against the Transferor Company, whether pending on the Appointed Date or which may be instituted any time in the future, shall not abate, be discontinued or in any way prejudicially affected by reason of the amalgamation of the Transferor Company or of anything contained in this Scheme, but the proceedings shall continue and any prosecution shall be enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued, prosecuted and/or enforced by or against the Transferor Company, as if this Scheme had not been implemented.

(i) all the security interest over any moveable and/or immoveable properties and security in any other form (both present and future) including but not limited to any pledges, or guarantees, if any, created/executed by any person in favour of the Transferor Company or any other person acting on behalf of or for the benefit of the Transferor Company for securing the obligations of the persons to whom the Transferor Company has advanced loans and granted other funded and non-funded financial assistance, by way of letter of comfort or through other similar instruments shall without any further act, instrument or deed stand vested in

and be deemed to be in favour of the Transferee Company and the benefit of such security shall be available to the Transferee Company as if such security was ab initio created in favour of the Transferee Company. The mutation or substitution of the charge in relation to the movable and immovable properties of the Transferor Company shall, upon this Scheme becoming effective, be made and duly recorded in the name of the Transferee Company by the appropriate authorities and third parties (including any depository participants) pursuant to the sanction of this Scheme by the Competent Authority and upon the Scheme becoming effective in accordance with the terms hereof.

(j) all debts, liabilities, contingent liabilities, duties and obligations, secured or unsecured (including rupee, foreign currency loans, time and demand liabilities, undertakings and obligations of the Transferor Company), of every kind, nature and description whatsoever and howsoever arising, whether provided for or not in the books of account or disclosed in the balance sheets of the Transferor Company shall be deemed to be the debts, liabilities, contingent liabilities, duties, and obligations of the Transferee Company, and the Transferee Company shall, and undertakes to meet, discharge and satisfy the same in terms of their respective terms and conditions, if any. All loans raised and used and all debts, duties, undertakings, liabilities and obligations incurred or undertaken by the Transferor Company after the Appointed Date and prior to the Effective Date, shall also be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and, to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of this Scheme, pursuant to the provisions of Sections 230 to 232 of the Act, without any further act, instrument or deed shall stand transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company and shall become the debt, duties, undertakings, liabilities and obligations of the Transferee Company which shall meet, discharge and satisfy the same.

(m) all letters of intent, requests for proposal, pre-qualifications, bid acceptances, tenders, and other instruments of whatsoever nature to which the Transferor Company is a party to or to the benefit of which the Transferor Company may be eligible, shall remain in full force and effect against or in favour of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto. Upon coming into effect of this Scheme, the past track record of the Transferor Company shall be deemed to be the track record of the Transferee Company for all commercial and regulatory purposes.

(n) all the staff and employees of the Transferor Company who are in such employment as on the Effective Date shall become, and be deemed to have become, the staff and employees of the Transferee Company, without any break or interruption in their services and on the same terms and conditions (and which are not less favourable than those) on which they are engaged by the Transferor Company as on the Effective Date. The Transferee Company further agrees that for the purpose of payment of any retirement benefit/compensation, such immediate uninterrupted past services with the Transferor Company, shall also be taken into account. With regard to provident fund, gratuity, superannuation, leave encashment and any other special scheme or benefits created or existing for the benefit of such employees of the Transferor Company, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever, upon this Scheme becoming effective, including with regard to the obligation to make contributions to relevant authorities, such as the regional provident fund commissioner or to such other funds maintained by the Transferor Company, in accordance with the provisions of Applicable Laws or otherwise. It is hereby clarified that upon this Scheme becoming effective, the aforesaid benefits or schemes shall continue to be provided to the transferred employees and the services of all the transferred employees of the Transferor Company for such purpose shall be treated as having been continuous.

(o) with regard to any provident fund, gratuity fund, pension, superannuation fund or other special fund created or existing for the benefit of such employees of the Transferor Company, it is the aim and intent of the Scheme that all the rights, duties, powers and obligations of the Transferor Company in relation to such schemes or funds shall become those of the Transferee Company. Upon the Scheme becoming effective, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever relating to the obligation to make contributions to the said funds in accordance with the provisions of such schemes or funds in the respective trust deeds or other documents. Any existing provident fund, gratuity fund and superannuation fund trusts created by the Transferor Company for its employees shall be continued for the benefit of such employees on the same terms and

conditions until such time that they are transferred to the relevant funds of the Transferee Company. It is clarified that the services of all employees of the Transferor Company transferred to the Transferee Company will be treated as having been continuous and uninterrupted for the purpose of the aforesaid schemes or funds. Without prejudice to the aforesaid, the Board of the Transferee Company, if it deems fit and subject to Applicable Laws, shall be entitled to: (i) retain separate trusts or funds within the Transferee Company for the erstwhile fund(s) of the Transferor Company; or (ii) merge the pre-existing fund of the Transferor Company with other similar funds of the Transferee Company.

(q) all trademarks, trade names, service marks, copyrights, logos, corporate names, brand names, domain names and all registrations, applications and renewals in connection therewith, and software and all website content (including text, graphics, images, audio, video and data), trade secrets, confidential business information and other proprietary information shall stand transferred to and vested in the Transferee Company.

(s) all taxes (including but not limited to advance tax, tax deducted at source, minimum alternate tax, withholding tax, banking cash transaction tax, securities transaction tax, taxes withheld/paid in a foreign country, value added tax, sales tax, service tax, goods and services tax, customs, duties, etc.), including any interest, penalty, surcharge and cess, if any, payable by or refundable to the Transferor Company, including all or any refunds or claims shall be treated as the tax liability or refunds/claims, as the case may be, of the Transferee Company, and any tax incentives, advantages, privileges, exemptions, credits, holidays, remissions, reductions etc., as would have been available to the Transferor Company, shall pursuant to this Scheme becoming effective, be available to the Transferee Company.

(t) all approvals, allotments, consents, concessions, clearances, credits, awards, sanctions, exemptions, subsidies, registrations, no-objection certificates, permits, quotas, rights, entitlements, authorisation, pre-qualifications, bid acceptances, tenders, licenses (including the licenses granted by any governmental, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith), permissions (including but not limited to permissions granted in relation to launch futures and options contracts) and certificates of every kind and description whatsoever in relation to the Transferor Company, or to the benefit of which the Transferor Company may be eligible/entitled, and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect in favour of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligor thereto. It is hereby clarified that if the consent of any third party or authority is required to give effect to the provisions of this Clause, the said third party or authority shall make and duly record the necessary substitution/endorsement in the name of the Transferee Company pursuant to the sanction of this Scheme by the Competent Authority, and upon this Scheme becoming effective in accordance with the terms hereof. For this purpose, the Transferee Company shall file appropriate applications/documents with relevant authorities concerned for information and record purposes.

(w) all the property, assets and liabilities of the Transferor Company shall be transferred to the Transferee Company at the values appearing in the books of account of the Transferor Company at the close of business of the day immediately preceding the Appointed Date.

(y) all the benefits under the various incentive schemes and policies that the Transferor Company is entitled to, including tax credits, tax deferral, exemptions and benefits (including sales tax and service tax), subsidies, tenancy rights, liberties, special status and other benefits or privileges enjoyed or conferred upon or held or availed by the Transferor Company and all rights or benefits that have accrued or which may accrue to the Transferor Company, whether on, before or after the Appointed Date, shall upon this Scheme becoming effective and with effect from the Appointed Date be transferred to and vest in the Transferee Company and all benefits, entitlements and incentives of any nature whatsoever, shall be claimed by the Transferee Company and these shall relate back to the Appointed Date as if the Transferee Company was originally entitled to all benefits under such incentive schemes and or policies.

(aa) without prejudice to the generality of the foregoing, all lease agreements and leave and license agreements, as the case may be, to which the Transferor Company is a party, and having effect immediately before the Effective Date, shall remain in full force and effect on the terms and conditions contained therein in favour of or against the Transferee Company

and may be enforced fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto or thereunder; and the respective lessees and the licensees, as the case may be, shall continue to be in possession of the premises subject to the terms and conditions contained in the relevant lease agreements or leave and license agreements, as the case may be. Further, all the rights, title, interest and claims of the Transferor Company in any properties including leasehold/ licensed properties of the Transferor Company including but not limited to security deposits and advance or prepaid lease or license fee, shall, on the same terms and conditions, be transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company automatically without requirement of any further act or deed. The Transferee Company shall continue to pay rent or lease or license fee as provided for under such agreements, and the Transferee Company shall continue to comply with the terms, conditions and covenants thereunder.

3.1 Upon this Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up, without any further act, instrument or deed.

4.1 As an integral part of the Scheme and upon this Scheme becoming effective, the authorized share capital of the Transferor Company shall stand transferred to and be amalgamated/combined with the authorized share capital of the Transferee Company. The fees or stamp duty, if any, paid by the Transferor Company on its authorized share capital shall be deemed to have been so paid by the Transferee Company on the combined authorized share capital, and the Transferee Company shall not be required to pay any fee/ stamp duty for the increase of the authorized share capital. The authorised share capital of the Transferee Company will automatically stand increased to that effect by simply filing the requisite forms with the relevant Registrar of Companies and no separate procedure or instrument or deed shall be required to be followed under the Act.

4.2 Clause V of the memorandum of association of the Transferee Company shall, upon this Scheme becoming effective, and without any further act, instrument or deed, be replaced by the following clause:

"The share capital of the Company is Rs. 5,200,00,00,000 (Rupees five thousand two hundred crore only) divided into 520,00,00,000 (five hundred twenty crore) equity shares of Rs. 10 (Rupees ten) each."

*5.1 Upon coming into effect of this Scheme and in consideration of the amalgamation of the Transferor Company in the Transferee Company, the Transferee Company shall, without any further application, act or deed, issue and allot to the shareholders of the Transferor Company whose names are recorded in the register of members as a member of the Transferor Company on the Record Date (or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognised by the Board of the Transferee Company), 568 (five hundred sixty eight) Transferee Company Shares, credited as fully paid-up, for every 1000 (one thousand) equity shares of the face value of Rs. 2 (Rupees two) each fully paid-up held by such member in the Transferor Company ("**Share Exchange Ratio**"). The Transferee Company Shares to be issued by the Transferee Company to the shareholders of the Transferor Company in accordance with this Clause 5.1 of Part III shall be hereinafter referred to as "**New Equity Shares**".*

6.3 The New Equity Shares of the Transferee Company allotted and issued in terms of Clause 5.1 of Part III above, shall be listed and/or admitted to trading on the BSE and NSE. The New Equity Shares of the Transferee Company shall, however, be listed subject to the Transferee Company obtaining the requisite approvals from all the relevant Governmental Authorities pertaining to the listing of the New Equity Shares of the Transferee Company. The Transferee Company shall enter into such arrangements and give such confirmations and/or undertakings as may be necessary in accordance with Applicable Laws for complying with the formalities of BSE and NSE.

6.10 The shares allotted pursuant to the Scheme shall remain frozen in the depositories system until listing/trading permission is given by the BSE and NSE, as the case may be.

6.11 There shall be no change in the shareholding pattern or control of the Transferee Company between the Record Date and the date of listing of equity shares of the Transferee Company which may affect the status of the BSE's approval or NSE's approval.

6.12 The New Equity Shares to be issued by the Transferee Company pursuant to Clause 5.1 of Part III

above in respect of such equity shares of the Transferor Company as are subject to lock-in pursuant to Applicable Law shall be locked-in as and to the extent required under Applicable Law.

7.1 *The Transferee Company shall, upon this Scheme becoming effective and with effect from the Appointed Date, record the assets and liabilities of the Transferor Company (as appearing in the books of accounts of the Transferor Company at the close of business on the day preceding the Appointed Date) as vested in the Transferee Company pursuant to this Scheme, at the respective book values thereof.*

7.2 *The Transferee Company shall follow the method of accounting as prescribed for the 'pooling of interest method' under Accounting Standard 14 as notified under the Companies Accounting Rules, 2006.*

7.3 *The Transferee Company shall issue and allot equity shares to the shareholders of the Transferor Company in accordance with Clause 6 above and credit the face value of such equity shares to its share capital account.*

7.4 *Upon this Scheme becoming effective and with effect from the Appointed Date, the excess, if any, of the book value of the assets over the book value of the liabilities of the Transferor Company recorded by the Transferee Company in its books of accounts as mentioned above, as reduced by the face value of shares issued by the Transferee Company to the shareholders of the Transferor Company shall be credited to the capital reserve account in the financial statements of the Transferee Company as drawn up in compliance with the Scheme and applicable accounting standards of the Transferee Company. In case of there being a deficit, such amount shall be debited to the general reserve. In case of any difference in the accounting policies between the Transferor Company and the Transferee Company, the accounting policies followed by the Transferee Company shall prevail and the difference, if any, will be quantified and adjusted in the general reserve mentioned earlier, to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy. Where the Transferee Company does not have sufficient general reserve, the balance amount remaining after adjustment with the general reserve of the Transferee Company, shall be adjusted against the capital reserve, if any, of the Transferee Company.*

7.5 *Notwithstanding the above, the Board of Directors of the Transferee Company is authorised to account for any of these balances in any manner whatsoever, as may be deemed fit, in accordance with the prescribed accounting standards under the Act and applicable RBI regulations and applicable generally accepted accounting principles as applicable to the Transferee Company. The identity of the reserves of the Transferor Company, if any and to the extent as required under any applicable regulation and as deemed appropriate by the Board of Directors of the Transferee Company, shall be preserved and they shall appear in the financial statements of the Transferee Company in the same form and manner, in which they appeared in the financial statements of the Transferor Company as prepared under the accounting standards applicable to the Transferee Company, prior to this Scheme becoming effective. Accordingly, if prior to this Scheme becoming effective there is any reserve in the financial statements of the Transferor Company available for distribution whether as bonus shares or dividend or otherwise, the same would also be available in the financial statements of the Transferee Company for such distribution pursuant to this Scheme becoming effective.*

7.6 *The balances of the profit and loss accounts of the Transferor Company (as appearing in the books of accounts of the Transferor Company at the close of business on the day preceding the Appointed Date) shall be aggregated and added to or set-off (as the case may be) with the corresponding balance appearing in the financial statements of the Transferee Company.*

7.7 *The Transferee Company shall record in its books of account, all transactions of the Transferor Company in respect of assets, liabilities, income and expenses, from the Appointed Date to the Effective Date. Any inter-company payables and receivables between the Transferor Company and the Transferee Company shall be cancelled and the Transferee Company shall accordingly not record any of such payables and receivables in its books.*

8.1 *With respect to the stock options granted by the Transferor Company under the employees stock options scheme of the Transferor Company including the benefit of exercise price and the share entitlement pursuant to the bonus issuance by the Transferor Company in 2018, titled Employees Stock Option Scheme 2015 (the "**Transferor Company Option Scheme**"), upon coming into effect of this Scheme, the Transferee Company shall issue stock options to Eligible Employees taking*

*into account the Share Exchange Ratio and on the same terms and conditions as (and which are not less favourable than those) provided in the Transferor Company Option Scheme. Such stock options may be issued by the Transferee Company either under its existing stock option scheme or a revised employee stock option scheme ("**Transferee Company Option Scheme**").*

8.2 It is hereby clarified that upon this Scheme becoming effective, options granted by the Transferor Company to the Eligible Employees under the Transferor Company Option Scheme shall automatically stand cancelled. Further, upon this Scheme becoming effective and after cancellation of the options granted to the Eligible Employees under the Transferor Company Option Scheme, the fresh options shall be granted by the Transferee Company to the Eligible Employees on the basis of the Share Exchange Ratio (i.e. for every 1,000 options held by an Eligible Employee which entitle such Eligible Employee to acquire 2,000 equity shares (on account of 1:1 bonus issuance on 8 June 2018) in the Transferor Company, such Eligible Employee will be conferred 1,136 options in the Transferee Company which shall entitle him to acquire 1,136 equity shares in the Transferee Company), such that the Eligible Employees shall, as option holders of the Transferee Company, enjoy the same economic benefit as they would have received under the Transferor Company Option Scheme. Fractional entitlements, if any, arising pursuant to the applicability of the Share Exchange Ratio as above shall be rounded off to the nearest higher integer. The exercise price payable for options granted by the Transferee Company to the Eligible Employees shall be based on the exercise price payable by such Eligible Employees under the Transferor Company Option Scheme as adjusted after taking into account the effect of the Share Exchange Ratio.

8.3 On the Effective Date, the provisions of the SEBI (Share Based Employee Benefits) Regulations, 2014, as amended to-date, shall apply, to the extent applicable, to the stock options granted by the Transferee Company under the Transferee Company Option Scheme in pursuance of this Scheme.

8.4 The approval granted to the Scheme by the shareholders, the RBI, the National Housing Bank and/or any other regulatory authority shall be deemed to be approval granted to any modifications made to the Transferor Company Option Scheme by the Transferor Company and approval granted to the Transferee Company Option Scheme to be adopted by the Transferee Company.

8.5 It is hereby clarified that in relation to the options granted by the Transferee Company to the Eligible Employees, the period during which the options granted by the Transferor Company were held by or deemed to have been held by the Eligible Employees shall be taken into account for determining the minimum vesting period required under Applicable Law or agreement or deed for stock options granted under the Transferor Company Option Scheme or the Transferee Company Option Scheme, as the case may be.

8.6 The Board of Directors of the Amalgamating Companies or any of the committee(s) thereof, including the compensation committee, if any, shall take such actions and execute such further documents as may be necessary or desirable for the purpose of giving effect to the provisions of this clause of the Scheme.

PART IV

GENERAL TERMS AND CONDITIONS

2.3 This Scheme has been drawn up to comply with the conditions relating to "amalgamation" as specified under the tax laws, including Section 2 (1B) and other relevant sections of the Income Tax Act, 1961. If any terms or provisions of the Scheme are found to be or interpreted to be inconsistent with any of the said provisions at a later date, whether as a result of any amendment of law or any judicial or executive interpretation or for any other reason whatsoever, the aforesaid provisions of the Income Tax Act, 1961 shall prevail. The Scheme shall then stand modified to the extent deemed necessary to comply with the said provisions. Such modification will however not affect other parts of the Scheme. The power to make such amendments as may become necessary shall vest with the Board of Directors of the Amalgamating Companies, which power shall be exercised reasonably in the best interests of the companies concerned and their stakeholders.

9.1 The Scheme is conditional and subject to:

(a) the Scheme being approved by the requisite majority of each classes of members and/or creditors (where applicable) of the Amalgamating Companies in accordance with the Act and as may be directed by the Competent Authority;

(b) the Competent Authority having accorded its sanction to the Scheme;

(c) receipt of approval by the Transferee Company from the RBI in relation to the Scheme, which shall be in form and substance acceptable to the Amalgamating Companies, each acting reasonably and in good faith;

(d) receipt of approval by the promoter of the Transferor Company, from the RBI in relation to the acquisition of New Equity Shares by it in the Transferee Company pursuant to the Scheme;

(e) satisfaction of the conditions, if any, as set out in the approval provided by the RBI under Clause 9.1(c) and Clause 9.1(d) and which need to be satisfied on or prior to the Effective Date in accordance with the terms thereunder;

(f) receipt of no-objection letters by the Amalgamating Companies in respect from the BSE and the NSE in accordance with the LODR Regulations and the SEBI Circulars in respect of the Scheme (prior to filing the Scheme with the Competent Authority as well as following approval of the Scheme by the Competent Authority), which shall be in form and substance acceptable to the Amalgamating Companies, each acting reasonably and in good faith;

(g) intimation to/receipt of the approval from the National Housing Bank by the Transferor Company and/or its promoter, as applicable, which shall be in form and substance acceptable to the Amalgamating Companies, each acting reasonably and in good faith;

(h) receipt of the approval from the CCI in respect of the Scheme contemplated herein, in accordance with the provisions of the Competition Act, 2002, pursuant to a joint application filed by the Transferor Company and the Transferee Company, which shall be in form and substance acceptable to the Amalgamating Companies, each acting reasonably and in good faith, or the waiting period during which the CCI is required to provide its decision in respect of the application for approval in respect of the Scheme contemplated herein, together with any extensions thereof, shall have expired; and

(i) receipt of such other sanctions and approvals including sanction of any other Governmental Authority or stock exchange(s) as may be required by Applicable Law in respect of the Scheme."

You are requested to read the entire text of the Scheme to get fully acquainted with the provisions thereof. The aforesaid are only some of the salient extracts thereof.

Valuation and accounting treatment

35. Summary of the Joint Valuation Report including the basis of valuation is enclosed as **Annexure 8**.

36. The accounting treatment as proposed in the Scheme is in conformity with the accounting standards prescribed under Section 133 of the Act. The certificate issued by the Statutory Auditor of the Transferor Company is open for inspection at the registered office of the Transferor Company.

37. The auditor of the Transferee Company has also issued a certificate to the effect that the accounting treatment as prescribed in the Scheme is in conformity with the Accounting Standards as prescribed under Section 133 of the Act. The certificate issued by the Statutory Auditor of the Transferee Company is open for inspection at the registered office of the Transferor Company.

Effect of the Scheme on various parties

38. The effect of the proposed Scheme on the stakeholders of the Transferor Company would be as follows:

(a) Shareholders (promoter and non-promoter)

Under the Scheme, an arrangement is sought to be entered into between the Transferor Company and its equity shareholders. Upon the Scheme becoming effective, the equity shareholders of the Transferor Company, shall become the equity shareholders of the Transferee Company in the manner as stipulated in Clause 5.1 of Part III of the Scheme. Further, the authorised share capital of the Transferor Company shall stand transferred to and be amalgamated/ combined with the authorised share capital of the Transferee Company in the manner as stipulated in Clause 4.1 of Part III of the Scheme.

The Transferor Company has 1 (one) promoter entity, namely Housing Development Finance Corporation Limited. The promoter of the Transferor Company shall not be part of the promoter or promoter group of the merged Transferee Company, and shall be issued such number of shares in the Transferee Company as it may be entitled to pursuant to the Scheme and subject to the approval of the Reserve Bank of India.

(b) Directors, key managerial personnel and employees

As stated in Clause 1.2 (n) of Part III of the Scheme, and with effect from the Effective Date, the Transferee Company has undertaken to engage all the staff and employees of the Transferor Company without any break or interruption in their services and on the same terms and conditions (and which are not less favourable than those) on which they are engaged by the Transferor Company as on the Effective Date. In the circumstances, the rights of the staff and employees of the Transferor Company would in no way be affected by the Scheme.

Upon the Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up. In the circumstances, the directors and key managerial personnel of the Transferor Company shall cease to be the directors and key managerial personnel of the Transferor Company.

The directors, key managerial personnel of the Transferor Company and their relatives may be deemed to have an interest in the Scheme to the extent of the equity shares held by them in the Amalgamating Companies and/or to the extent that the said director(s), key managerial personnel and their respective relatives are the director(s), members, of the companies that hold shares in the Amalgamating Companies. Save as aforesaid, none of the said director(s) or key managerial personnel have any interest in the Scheme. None of the directors of the Transferor Company or key managerial personnel of the Transferor Company hold shares exceeding two per cent. of the paid-up share capital of the Transferee Company.

(c) Creditors (including debenture holders and deposit holders)

Under the Scheme, there is no arrangement with the creditors, either secured (including secured debenture holders) or unsecured (including unsecured debenture holders and deposit holders) of the Transferor Company. No compromise is offered under the Scheme to any of the creditors of the Transferor Company. The liabilities of the creditors of the Transferor Company, under the Scheme, is neither being reduced nor being extinguished. The creditors of the Transferor Company would in no way be affected by the Scheme.

Under the Scheme, no arrangement is sought to be entered into between the Transferor Company and its debenture holders (either secured or unsecured). No rights of the debenture holders of the Transferor Company are being affected pursuant to the Scheme. The debenture trustee(s) appointed for the different series of the debentures shall continue to remain the debenture trustee(s). Thus, the debenture holders of the Transferor Company would in no way be affected by the Scheme.

Under the Scheme, no arrangement is sought to be entered into between the Transferor Company and its deposit holders. No rights of the deposit holders of the Transferor Company are being affected pursuant to the Scheme. There are no deposit trustee(s) in respect of the deposits invited by the Transferor Company. Thus, the deposit holders of the Transferor Company would in no way be affected by the Scheme.

39. In compliance with the provisions of Section 232(2)(c) of the Act, the Board of Directors of the Transferor Company, in its meeting, held on 7th January 2019 has adopted a report, inter alia, explaining the effect of the Scheme on its shareholders and key managerial personnel amongst others. Copy of the Report adopted by the Board of Directors of the Transferor Company is enclosed as **Annexure 9**.

Other matters

Other matters

40. No investigation proceedings have been instituted or are pending in relation to the Companies under Chapter XIV of the Act or under the corresponding provisions of Sections 235 to 251 of the Companies Act, 1956.
41. No proceedings are pending under the Act or under the corresponding provisions of the Companies Act, 1956 against the Transferor Company and the Transferee Company.

42. To the knowledge of the Transferor Company no winding up proceedings have been filed or pending against the Transferor Company under the Act or the corresponding provisions of the Companies Act, 1956. Further, to the knowledge of the Transferor Company, no winding up proceedings have been filed or pending against the Transferee Company under the Act or the corresponding provisions of the Companies Act, 1956.

43. The copy of the proposed Scheme has been filed by the Transferor Company before the concerned Registrar of Companies, on the 16th April 2019.

44. The Unaudited Financial Results of the Transferor Company and the Transferee Company, respectively, for the quarter and nine months ended 31st December 2018, are enclosed as **Annexure 10** and **Annexure 11**, respectively.

45. As per the books of accounts (as on 31st December 2018) of the Transferor Company and the Transferee Company, respectively, the amount due to the unsecured creditors are Rs. 2733,88,12,357/- and Rs. 350,54,36,72,025/-, respectively.

46. The names and addresses of the promoters of the Transferor Company including its shareholding in the Companies as on 31st March 2019 are as under:

Sr. No.	Name and address of Promoter	GRUH Finance Limited		Bandhan Bank Limited	
		No. of Shares of Rs.2/- each	%	No. of Shares of Rs.10/- each	%
1	Housing Development Finance Corporation Limited Ramon House, H.T. Parekh Marg, 169, Backbay Reclamation, Churchgate, Mumbai – 400 020.	411555700	56.09	-	-

47. The names and addresses of the promoters of the Transferee Company including their shareholding in the Companies as on 31st March 2019 are as under:

Sr. No.	**Name & Address of Promoter**	**Bandhan Bank Limited**		**GRUH Finance Limited**	
		No. of Shares of Rs.10/- each	**%**	**No. of Shares of Rs.2/- each**	**%**
1.	Bandhan Financial Holdings Limited DN-32, Sector - V, Salt Lake City, Kolkata – 700091, West Bengal, India (Category – Promoter)	98,14,83,040	82.26%	-	-
2.	Bandhan Financial Services Limited DN-32, Sector - V, Salt Lake City, Kolkata – 700091, West Bengal, India (Category – Promoter)	-	-	-	-
3.	Financial Inclusion Trust 302, Kirti Deep Building, Nangal Raya, New Delhi – 110046. (Category – Promoter)	-	-	-	-

4.	North East Financial Inclusion Trust Akhaura Road, P.O. - Ramnagar Agartala, Dist.-West Tripura, State - Tripura, Pin-799002. (Category – Promoter)	-	-	-	-
5.	Bandhan Konnagar; 99 H/2, Haran Chandra Banerjee Lane, Konnagar, Hooghly, Pin – 712235 (Category – Promoter Group)	-	-	-	-

48. The names and addresses of the directors of the Transferor Company as on 31st March 2019 are as follows:

Sr. No.	Name of Director	Designation	Address	PAN	DIN
1	Shri Keki Mistry	Non-Executive Chairman	Vivarea, B Wing, Flat No. 2603, 26th Floor, Sane Guruji Marg, Mahalaxmi East, Mumbai – 400 011	AAFPM0331B	00008886
2	Shri Prafull Anubhai	Independent Director	9, Pathik, Shital Baug, Ahmedabad – 380 007	ACJPS9659L	00040837
3	Shri S.G. Mankad	Independent Director	Plot no: 192, Sector 8-C, Gandhinagar – 382007	ABAPM7289E	00086077
4	Shri K. G. Krishnamurthy	Non-Executive Director	403-404, Meru Heights, 268, Telang Road, Matunga (E), Mumbai – 400 019	AAHPK4870D	00012579
5	Shri Biswamohan Mahapatra	Independent Director	Flat No. 502, Building M1, Riddhi Gardens, General Arun Kumar Vaidya Marg, Film City Road, Malad East,Mumbai – 400 097	ABKPM7949M	06990345
6	Shri Pankaj Patel	Independent Director	16, Azad Society, Ambawadi, Ahmedabad – 380 015	AFUPP4143C	00131852
7	Shri Rajesh Gupta	Independent Director	2201-B, 22nd Floor, Phoenix Towers B-Wing, S B Marg, Lower Parel (W), Mumbai – 400 013	ACUPG6247R	00229040
8	Ms. Bhavna Doshi	Independent Director	Flat No. C-191, Grand Paradi,August Kranti Road, Kemps Corner, Mumbai – 400 036	AACPD4427C	00400508
9	Shri Kamlesh Shah	Executive Director	291, Manekbag Society, Ambawadi, Ahmedabad – 380 015	ABIPS1788G	03092230
10	Shri Sudhin Choksey	Managing Director	B-601, Ratnakar Lane, Opp. IOC Petrol Pump, Off. 132 ft Ring Road, Satellite, Ahmedabad – 380 015	AAHPC1433E	00036085

49. The names and addresses of the directors of the Transferee Company as on 31st March 2019 are as follows:

Sr. No.	Name of Director	Designation	Address	PAN	DIN
1	Dr. Anup Kumar Sinha	Part-time (Independent) Chairman	T - 34, Flat 10-B, Genexx Vally, Joka, D. H. Road, Kolkata - 700104	AIQPS2851R	08249893
2	Mr. Harun Rasid Khan	Independent Director	Vista 2/ 901, "The Address" Opp. R City Mall, Ghatkopar (West), Mumbai – 400086, India	AGOPK7169G	07456806
3	Mr. Chandra Shekhar Ghosh	Managing Director & CEO	B-5, Survey Park, P.O.- Santoshpur, P.S.- Purba Jadavpur, Kolkata - 700075, West Bengal, India	AHEPG3269Q	00342477
4	Dr. A. S. Ramasastri	Independent Director	A 27 Dhanastri, 122 N P Marg, Colaba, Mumbai – 400005	AACPR8183P	06916673
5	Mr. Bhaskar Sen	Independent Director	178, Purbalok 9th Street, KMC, Purba Jadavpur, Kolkata – 700099, West Bengal, India	ALTPS7914H	03193003
6	Mr. C. Mahadeo Dixit	Independent Director	Laxmi Niwas 759 / 122, Prabhat Road, Lane 02 Deccan Gymkhana, Pune, 411004, Maharashtra, India	ABAPD7725L	00524318
7	Mr. Santanu Mukherjee	Independent Director	Flat No. 303, 3rd Floor, E – Tower, My Home Abhra, Opp. – Inorbit Mall, Raidurg, Sherlingampally, Gachibowli, K. V. Rangareddy, Telengana - 500 032	AEIPM5485M	07716452
8	Mr. Sisir Kumar Chakrabarti	Independent Director	50A, Purna Das Road, Flat No. 212, Kolkata, 700029, West Bengal, India	ABJPC7596H	02848624
9	Mr. Snehomoy Bhattacharya	Independent Director	375, Prince Anwar Shah Road, Flat -30L, Tower-4, Cedar South City Apartments, Kolkata – 700068, India	ACYPB1696H	02422012

10	Ms. T. S. Raji Gain	Independent Director	Flat 4C, Vishnu Residency, 193 NSC Bose Road, Kolkata - 700040	ADGPG8954J	07256149
11	Mr. Ranodeb Roy	Non-Executive Non-Independent Director	5 Nathan Road, #04-03 Regency Park, Singapore, Singapore - 248727	AABPR7753C	00328764
12	Dr. Holger Dirk Michaelis	Nominee Director	212 Depot Road, # 02 - 63, Singapore, 109700, Singapore	CWNPM0255Q	07205838

50. The details of the shareholding of the Directors and the Key Managerial Personnel (KMP) of the Transferor Company in the Companies as on 31st March 2019 are as follows:

Sr. No.	Name of Director	Position	Shareholding in GRUH Finance Limited (Face Value of Rs.2/- each)	Shareholding in Bandhan Bank Limited (Face Value of Rs.10/- each)
1	Shri Keki Mistry	Non-Executive Chairman	6,65,800	766
2	Shri Prafull Anubhai	Independent Director	8,000	-
3	Shri S.G. Mankad	Independent Director	2,60,000	-
4	Shri K. G. Krishnamurthy	Non-Executive Director	9,37,300	-
5	Shri Biswamohan Mahapatra	Independent Director	-	-
6	Shri Pankaj Patel	Independent Director	-	-
7	Shri Rajesh Gupta	Independent Director	-	-
8	Ms. Bhavna Doshi	Independent Director	-	-
9	Shri Kamlesh Shah	Executive Director	6,92,652	-
10	Shri Sudhin Choksey	Managing Director	5,87,519	98
11	Shri Marcus Lobo	Company Secretary	6,57,400	55
12	Shri Hitesh Agrawal	Chief Financial Officer	81,300	-

51. The details of the shareholding of the Directors and the Key Managerial Personnel (KMP) of the Transferee Company in the Companies as on 31st March 2019 are as follows:

Sr. No.	Name of Director	Position	Shareholding in GRUH Finance Limited (Face Value of Rs.2/- each)	Shareholding in Bandhan Bank Limited (Face Value of Rs.10/- each)
1	Mr.Anup Kumar Sinha	Non-Executive (Independent) Chairman	-	-
2	Mr. Chandra Shekhar Ghosh	Managing Director & CEO	-	15,24,436
3	Mr. Ranodeb Roy	Non-Executive Non-Independent Director	-	-
4	Mr. Chintaman Mahadev Dixit	Independent Director	-	-
5	Mr. Snehomoy Bhattacharya	Independent Director	105	-
6	Mr. Sisir Kumar Chakrabarti	Independent Director	1,310	-

7	Mr. Bhaskar Sen	Independent Director	-	-
8	Mr. Allamraju Subramanya Ramasastri	Independent Director	-	-
9	Mr. Holger Dirk Michaelis	Nominee Director	-	-
10	Ms. Raji Thekedathumadam Subramani Gain	Independent Director	-	-
11	Mr. Harun Rasid Khan	Independent Director	-	-
12	Mr. Santanu Mukherjee	Independent Director	-	-
13	Mr. Sunil Samdani	Chief Financial Officer	-	15,118
14	Mr. Indranil Banerjee	Company Secretary	-	2,035

52. The pre-Scheme shareholding pattern of the Transferor Company and the Transferee Company as on 31st March 2019 and the post-Scheme (expected) shareholding pattern of the Transferee Company are as under:

Pre-Scheme shareholding pattern of the Transferor Company as on 31st March 2019

Sr. No.	Category	No. of fully paid up equity shares held	Shareholding as a % of total no. of shares
(A)	**Promoter and Promoter Group**		
(1)	**Indian**		
(a)	Individuals/Hindu undivided Family	-	-
(b)	Body Corporate	411555700	56.09
	Sub-Total (A)(1)	**411555700**	**56.09**
(2)	**FOREIGN**		
(a)	Bodies Corporate	-	-
	Sub-Total (A)(2)	-	-
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	**411555700**	**56.09**
(B)	**Public Shareholding**		
(1)	Institutions		
(a)	Mutual Funds	68842399	9.38
(b)	Foreign Portfolio Investors	78913094	10.75
(c)	Financial Institutions / Banks	2824942	0.39
(d)	Insurance Companies	-	-
(e)	Venture Capital Funds	-	-
(f)	Alternate Investment Funds	4026382	0.55
	Sub-Total (B)(1)	**154606817**	**21.07**
(2)	Central Government /State Government(s) /President of India	2000000	0.27
	Sub-Total (B)(2)	**2000000**	**0.27**
(3)	Non-institutions		
(a)	i. Individual shareholders holding nominal share capital up to Rs 2 lakhs	72122198	9.83
	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs	33197933	4.52
(b)	NBFCs registered with RBI	86013	0.01
(c)	Trust Employee	684	0.00
(d)	Overseas Depositories (holding DRs)	-	-
(e)	Any Other		
	IEPF	1166235	0.16
	Trusts	106600	0.01
	Foreign National	100	0.00
	Hindu Undivided Family	2607258	0.36
	Non Resident Indian	15738328	2.16
	Office Bearers	9320525	1.27
	Unclaimed Shares	753220	0.10
	Clearing Members	13456449	1.83
	Overseas Bodies Corporate	0	0.00
	Bodies Corporate	16969452	2.31

	Sub-Total (B)(3)	165524995	22.56
	Total Public Shareholding (B)= (B)(1)+ (B)(2)+ (B)(3)	**322131812**	**43.91**
	Total Shareholding (A)+(B)	**733687512**	**100.00**

Pre-Scheme shareholding pattern of the Transferee Company as on 31st March 2019

Sr. No.	Category	No. of fully paid up equity shares held	Shareholding as a % of total no. of shares
(A)	**Promoter and Promoter Group**		
1	**Indian**		
(a)	Individuals/Hindu undivided Family	6	0.00
(b)	Body Corporate	981483040	82.26
	Sub-Total (A)(1)	**981483046**	**82.26**
2	**FOREIGN**	**0**	**0.00**
(a)	Bodies Corporate	0	0.00
	Sub-Total (A)(2)	**0**	**0.00**
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	**981483046**	**82.26**
(B)	**Public Shareholding**		
1	Institutions		
(a)	Mutual Funds	28743164	2.41
(b)	Foreign Portfolio Investors	66315824	5.56
(c)	Financial Institutions / Banks	3648586	0.31
(d)	Insurance Companies	0	0.00
(e)	Venture Capital Funds	0	0.00
(f)	Alternate Investment Funds	70642	0.01
(e)	Any Other	0	0.00
	Forign Bodies Corporate	87072908	7.30
	Sub-Total (B)(1)	**185851124**	**15.58**
2	Central Government /State Government(s) /President of India		
		0	0.00
	Sub-Total (B)(2)	**0**	**0.00**
3	Non-institutions		
(a)	i. Individual shareholders holding nominal share capital up to Rs 2 lakhs		
		15138158	1.27
	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs		
		5039081	0.42
(b)	NBFCs registered with RBI	1319	0.00
(c)	Trust Employee	0	0.00
(d)	Overseas Depositories (holding DRs)	0	0.00
(e)	Any Other		
	IEPF	0	0.00
	Trusts	11750	0.00

	Foreign National	0	0.00
	Hindu Undivided Family	573174	0.05
	Non Resident Indian	1110575	0.09
	Office Bearers	0	0.00
	Clearing Members	601077	0.05
	Overseas Bodies Corporate	0	0.00
	Bodies Corporate	3273551	0.27
	Sub-Total (B)(3)	**25748685**	**2.16**
	Total Public Shareholding (B)= (B)(1)+ (B)(2)+ (B)(3)	**211599809**	**17.74**
	Total Shareholding	**1193082855**	**100.00**

Post-Scheme (expected) shareholding pattern of the Transferee Company (assuming the continuing shareholding pattern as on 31st March 2019)

Sr. No.	Category	No. of fully paid up equity shares held	Shareholding as a % of total no. of shares
(A)	**Promoter and Promoter Group**		
1	**Indian**		
(a)	Individuals/Hindu undivided Family	6	0.00
(b)	Body Corporate	981483040	60.97
	Sub-Total (A)(1)	**981483046**	**60.97**
2	**FOREIGN**	**0**	**0.00**
(a)	Bodies Corporate	0	0.00
	Sub-Total (A)(2)	**0**	**0.00**
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	**981483046**	**60.97**
(B)	**Public Shareholding**		
1	Institutions		
(a)	Mutual Funds	67845647	4.21
(b)	Foreign Portfolio Investors	111138461	6.90
(c)	Financial Institutions / Banks	5253153	0.33
(d)	Insurance Companies	0	0.00
(e)	Venture Capital Funds	0	0.00
(f)	Alternate Investment Funds	2357627	0.15
(e)	Any Other	0	0.00
	Foreign Bodies Corporate	87072908	5.41
	Sub-Total (B)(1)	**273667796**	**17.00**
2	Central Government /State Government(s) /President of India		
		1136000	0.07
	Sub-Total (B)(2)	**1136000**	**0.07**
3	Non-institutions		
(a)	i. Individual shareholders holding nominal share capital up to Rs 2 lakhs		
		56103566	3.49

	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs		0.00
		23895507	1.48
(b)	NBFCs registered with RBI	50174	0.00
(c)	Trust Employee	389	0.00
(d)	Overseas Depositories (holding DRs)	0	0.00
(e)	Any Other		
	IEPF	662421	0.04
	Trusts	72299	0.00
	Foreign National	57	0.00
	Hindu Undivided Family	2054097	0.13
	Non Resident Indian	10049945	0.62
	Office Bearers	5294058	0.33
	Unclaimed Shares	427829	0.03
	Clearing Members	8244340	0.51
	Overseas Bodies Corporate	0	0.00
	Bodies Corporate	246675836	15.32
	Sub-Total (B)(3)	**353530520**	**21.96**
	Total Public Shareholding (B)= (B)(1)+ (B)(2)+ (B)(3)		
		628334316	**39.03**
	Total Shareholding	**1609817362**	**100.00**

53. The post-arrangement (expected) capital structure of the Transferee Company will be as follows (assuming the continuing capital structure as on 31st March 2019):

Particulars	Amount in Rupees
Authorised Capital	
520,00,00,000 equity shares of Rs. 10/- each	5,200,00,00,000
Total	**5,200,00,00,000**
Issued, Subscribed and Paid-up[1&2]	
160,98,17,362equity shares of Rs. 10/- each	1,609,81,73,620
Total	**1,609,81,73,620**

[1]Certain employee stock options granted to the employees of the Transferee Company which are vested may get exercised before the Effective Date and un-granted employee stock options, the grant and consequent exercise of which may result in an increase in the issued and paid-up share capital of the Transferee Company. The details of the unexercised employee stock options (net of cancellation) by the employees of the Transferee Company as on 31st March 2019 are set out below:

Unexercised Employee Stock Options	Amount in Rupees
18,62,715options of Rs. 180 each	33,52,88,700
Total	33,52,88,700
Un-granted Employee Stock Options	**Amount**
Nil	Nil

[2]Certain employee stock options granted to the employees of the Transferor Company may get exercised before the Effective Date, which may result in an increase in the issued and paid-up share capital of the Transferor Company. The details of the unexercised employee stock options by the employees of the Transferor Company as on 31st March 2019 are set out below:

Unexercised Employee Stock Options#	Amount in Rupees
7,59,024 options of Rs. 268.20 each	20,35,70,236.80
626,000 options of Rs. 612.55 each	383,456,300

Post amalgamation, in terms of Clause 8.2 of the Scheme, fresh options shall be granted by the Transferee Company to the Eligible Employees on the basis of the Share Exchange Ratio (i.e. for every 1,000 options held by an Eligible Employee which entitle such Eligible Employee to acquire 2,000 equity shares (on account of 1:1 bonus issuance on 8 June 2018) in the Transferor Company, such Eligible Employee will be conferred 1,136 options in the Transferee Company which shall entitle him to acquire 1,136 equity shares in the Transferee Company), such that the Eligible Employees shall, as option holders of the Transferee Company, enjoy the same economic benefit as they would have received under the Transferor Company Option Scheme.

54. In the event that the Scheme is withdrawn in accordance with its terms, the Scheme shall stand revoked, cancelled and be of no effect and null and void.

55. The following documents will be open for inspection by the secured creditors (including secured debenture holders) of the Transferor Company at its registered office at GRUH", Netaji Marg, Nr. Mithakhali Six Roads, Ellisbridge, Ahmedabad – 380 006, Gujarat, India, between 10.00 a.m. and 12.00 noon on all days (except Saturdays, Sundays and public holidays) upto the date of the meeting:

(i) Copy of the order passed by NCLT in CA (CAA) No. 54/NCLT/AHM/ 2019, dated 10th April 2019, directing the Transferor Company to, inter alia, convene the meetings of its equity shareholders, secured creditors (including secured debenture holders) and unsecured creditors (including unsecured debenture holders and deposit holders);

(ii) Copy of CA (CAA) No. 54/NCLT/AHM/2019 along with annexures filed by the Transferor Company before NCLT;

(iii) Copy of the CP No. 489 of 2019 along with annexures filed by the Transferee Company before the National Company Law Tribunal, Bench at Kolkata;

(iv) Copy of the Memorandum and Articles of Association of the Companies;

(v) Copy of the annual reports of the Companies, for the financial years ended 31st March 2017 and 31st March 2016, respectively;

(vi) Copy of the annual report of the Companies, for the financial year ended 31st March 2018;

(vii) Copy of the Unaudited Financial Results of the Companies, for the quarter and nine months ended 31st December 2018;

(viii) Copy of the Register of Directors' shareholding of each of the Companies;

(ix) Copy of the Merger Co-operation Agreement dated 7th March 2019 entered into between the Companies;

(x) Copy of the letter dated 30th March 2019 addressed by the Transferee Company to the Transferor Company clarifying the issue in respect of Filing Long Stop Date under the Merger Co-operation Agreement and duly confirmed by the Transferor Company;

(xi) Copy of Joint Valuation Report dated 7th January 2019 issued by M/s. Desai Haribhakti & Co. and M/s. SRB and Associates, Chartered Accountants;

(xii) Copy of the Fairness Opinion dated 7th January 2019 issued by JM Financial Limited, to the Board of Directors of the Transferor Company;

(xiii) Copy of the Audit Committee Report of the Transferor Company dated 7th January 2019;

(xiv) Copy of the Fairness Opinion dated 7th January 2019 issued by Kotak Mahindra Capital Company Limited, to the Board of Directors of the Transferee Company;

(xv) Copy of the Audit Committee Report of the Transferee Company dated 7th January 2019;

(xvi) Copy of the resolutions, both dated 7th January 2019, passed by the Board of Directors of the Transferor Company and the Transferee Company, respectively, approving the Scheme;

(xvii) Copy of the joint press release dated 7th January 2019 issued by the Companies;

(xviii) Copy of the letter dated 4th March 2019 addressed by NHB to the Transferor Company;

(xix) Copy of the letter dated 14th March 2019 issued by RBI to the Transferee Company;

(xx) Copy of the letter dated 14th March 2019 issued by RBI to HDFC;

(xxi) Copy of the Statutory Auditors' certificate dated 7th January 2019 issued by M/s Deloitte Haskins & Sells LLP, Chartered Accountant, Statutory Auditors of the Transferor Company;

(xxii) Copy of the Statutory Auditors' certificate dated 7th January 2019 issued by S. R. Batliboi & Associates LLP, Chartered Accountants, Statutory Auditors of the Transferee Company;

(xxiii) Copy of the complaints report, dated 19th February 2019, submitted by the Transferor Company to BSE;

(xxiv) Copy of the complaints report, dated 19th February 2019, submitted by the Transferor Company to NSE;

(xxv) Copy of the no adverse observations/No-objection letter issued by BSE and NSE, both dated 3rd April 2019, to the Transferor Company;

(xxvi) Copy of the no adverse observations/No-objection letter issued by BSE and NSE, both dated 3rd April 2019, to the Transferee Company

(xxvii) Summary of the Joint Valuation Report including the basis of valuation;

(xxviii) Copy of Form No. GNL-1 filed by the Transferor Company with the concerned Registrar of Companies, along with the challan, dated 16th April 2019 evidencing filing of the Scheme;

(xxix) Copy of the certificate, dated 20th April 2019, issued by M/s. Sorab S. Engineer & Co., Chartered Accountants, certifying the amount due to the unsecured creditors of the Transferor Company as on 31st December 2018;

(xxx) Copy of the certificate, dated 18th March 2019, issued by SRB & Associates, Chartered Accountants, certifying the amount due to the unsecured creditors of the Transferee Company as on 31st December 2018;

(xxxi) Copy of the Scheme;

(xxxii) Copy of the Report dated 7th January 2019 adopted by the Board of Directors of the Transferor Company pursuant to the provisions of section 232(2)(c) of the Act;

(xxxiii) Copy of the undertaking by the Transferor Company certified by M/s Deloitte Haskins & Sells LLP, Chartered Accountant, Statutory Auditor of the Transferor Company, dated 7th January 2019, in respect of non-applicability of paragraph 9 of Annexure I to SEBI Circular; and

(xxxiv) Copy of the letter dated 15th April 2019 addressed by CCI.

The shareholders shall be entitled to obtain the extracts from or for making or obtaining the copies of the documents listed in item numbers (i), (vi), (vii), (xvii), (xxi) and (xxii)above.

56. This statement may be treated as an Explanatory Statement under Sections 230(3), 232(1) and (2) and 102 of the Act read with Rule 6 of the Rules. A copy of the Scheme, Explanatory Statement and Form of Proxy shall be furnished by the Transferor Company to its shareholders/creditors, free of charge, within one (1) day (except Saturdays, Sundays and public holidays) on a requisition being so made for the same by the shareholders/creditors of the Transferor Company.

57. After the Scheme is approved by the equity shareholders, secured creditors (including secured debenture holders) and unsecured creditors (including unsecured debenture holders and deposit holders) of the Transferor Company, it will be subject to the approval/sanction by NCLT.

Dated this 20th April 2019

Place: Ahmedabad

Sd/-
Mihir Thakore
Senior Advocate
Chairman appointed for the meeting

Registered office: "GRUH", Netaji Marg,
Nr. Mithakhali Six Roads,
Ellisbridge, Ahmedabad – 380 006,
Gujarat, India.

Annexure 1

SCHEME OF AMALGAMATION

OF

GRUH FINANCE LIMITED **TRANSFEROR COMPANY**

WITH

BANDHAN BANK LIMITED **TRANSFEREE COMPANY**

UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013

PART I

OVERVIEW, OBJECTS, DEFINITIONS AND INTERPRERATION

1. OVERVIEW OF THE SCHEME

1.1 This Scheme (*as defined hereinafter*) seeks to amalgamate and consolidate the businesses of GRUH Finance Limited ("**Transferor Company**") into and with Bandhan Bank Limited ("**Transferee Company**") pursuant to the provisions of Sections 230 – 232 of the Act (*as defined hereinafter*) and other applicable provisions of the Act, the SEBI Circulars (*as defined hereinafter*) and Applicable Law.

1.2 The Board of Directors (*as defined hereinafter*) of the Transferor Company and the Transferee Company (together referred to as the "**Amalgamating Companies**") have resolved that the amalgamation of Transferor Company into and with the Transferee Company would be in the best interests of the Amalgamating Companies and their respective shareholders, creditors, employees and other stakeholders.

1.3 The Transferor Company is engaged in the business of providing home loans and is registered with the National Housing Bank as a housing finance company. The equity shares of the Transferor Company are listed on the BSE (*as defined hereinafter*)and NSE (*as defined hereinafter*).

1.4 The Transferee Company is in the business of providing banking services. The Transferee Company is licensed as a banking company under the provisions of the Banking Regulation Act, 1949. The equity shares of the Transferee Company are listed on the BSE and NSE.

1.5 The Amalgamating Companies believe that the financial, managerial and technical resources, personnel, capabilities, skills, expertise and technologies of each of the Amalgamating Companies pooled in the merged entity, will lead to increased competitive strength, cost reduction and efficiencies, productivity gains and logistic advantages, thereby significantly contributing to future growth and maximising shareholder value.

1.6 Upon the amalgamation of the Transferor Company into the Transferee Company pursuant to the Scheme becoming effective on the Effective Date (*as defined hereinafter*), the Transferee Company will issue New Equity Shares (*as defined hereinafter*) to the shareholders of the Transferor Company on the Record Date (*as defined hereinafter*), in accordance with the Share Exchange Ratio (*as defined hereinafter*) approved by the Board of Directors of each of the Amalgamating Companies and pursuant to Sections 230 – 232, and other relevant provisions of the Act (*as defined hereinafter*) in the manner provided for in this Scheme and in compliance with the provisions of the Income Tax Act, 1961.

1.7 The amalgamation of the Transferor Company with the Transferee Company will be effective from the Appointed Date.

1.8 This Scheme presented under Sections 230 - 232 of the Act for the amalgamation of the Transferor Company with the Transferee Company is divided into the following parts:

Part I:	Deals with the overview of the Scheme, brief overview of the Amalgamating Companies, objects of this Scheme and definitions and interpretation.
Part II:	Deals with capital structure of the Amalgamating Companies and date of taking effect.
Part III:	Deals with amalgamation of the Transferor Company into and with the Transferee Company and sets forth certain additional arrangements that form a part of this Scheme.
Part IV:	Deals with the general terms and conditions applicable to this Scheme.

1.9 This Scheme also provides for various other matters consequential or otherwise integrally connected herewith.

2. BRIEF OVERVIEW OF THE AMALGAMATING COMPANIES

2.1 GRUH Finance Limited

(i) The Transferor Company is a public limited company incorporated under the provisions of the Companies Act, 1956 and has its registered office at "GRUH", Netaji Marg, Nr. Mithakhali Six Roads, Ellisbridge, Ahmedabad 380 006. The equity shares of the Transferor Company are listed on BSE and NSE. Twoseries of unsecured redeemable non-convertible subordinated debentures issued by the Transferor Company are listed on the Wholesale Debt Market segment of NSE.

(ii) The Transferor Company was incorporated on 21 July 1986 as Gujarat Rural Finance Corporation Limited with the Registrar of Companies, Ahmedabad. Its name was changed to GRUH Finance Limited with effect from 21 August 1995. The Corporate Identification No. of the Transferor Company is L65923GJ1986PLC008809.

(iii) The Transferor Company is engaged *inter alia* in the business of providing home loans and is registered with the National Housing Bank as a housing finance institution. The objects clause of the memorandum of association of the Transferor Company authorises the Transferor Company to carry on the business of housing finance.

(iv) The main object of the Transferor Company as provided in its memorandum of association is "*to carry on the business of providing long term finance to any person or persons, company or corporation, society or association of persons, with or without interest and with or without any security for the purpose of enabling such borrower to construct or purchase or enlarge any house or dwelling unit or any part of portion thereof in India for residential purposes upon such terms and conditions as the Company may deem fit"*.

2.2 Bandhan Bank Limited

(i) Bandhan Bank Limited ("**Transferee Company**") is a public limited company incorporated under the Companies Act, 2013 and has its registered office at DN-32, Sector V, Salt Lake, Kolkata 700091. The equity shares of the Transferee Company are listed on BSE and NSE.

(ii) The Transferee Company was incorporated on 23 December 2014 with the Registrar of Companies, Kolkata. The Corporate Identification No. of the Transferee Company is L67190WB2014PLC204622.

(iii) The Transferee Company is in the business of providing banking services. The Transferee Company is licensed as a banking company under the provisions of the Banking Regulation Act, 1949. The objects clause of the memorandum of association of the Transferee Company authorises the Transferee Company to carry on the business of banking.

(iv) The main objects of the Transferee Company as provided in its memorandum of association are, *inter alia*:

(a) *"borrowing, raising or taking up of money*;

(b) *lending or advancing of money by way of a loan, overdraft or on cash credit or other accounts or in any other manner whether without or on the security or movable or immovable properties, bills of exchange, hundies, promissory notes, bills of lading, railway receipts, debentures, share warrants and other instruments whether transferable or negotiable or not;*

(c) *drawing, making, accepting, discounting, buying, selling, collecting and dealing in bills of exchange, hundies, promissory notes, coupons, drafts, bills of lading, railway receipts, warrants, debentures, certificates, scrips and other instruments and securities whether transferable or negotiable or not; and*

(d) *carrying on any other business specified in section 6(1)(a) to (n) of the Banking Regulation Act, 1949, as amended from time to time ("**1949 Act**"), and such other forms of business which the Central Government has pursuant to Section 6(1)(o) of 1949 Act specified or may from time to time specify by notification in the Official Gazette or as may be permitted by Reserve Bank of India ("**RBI**") from time to time as a form of business in which it would be lawful for a banking company to engage."*

3. OBJECTSOF THIS SCHEME

3.1 The proposed amalgamation would be in the best interest of the Amalgamating Companies and their respective shareholders, employees, creditors and other stakeholders as the proposed amalgamation will yield advantages as set out *inter alia* below:

(i) The Transferee Company and the Transferor Company have developed exceptional skills in banking business and housing finance business respectively. The Transferor Company has a wide range of home loan products with a specific rural focus. With a retail network of 195 (one hundred ninety five) branches, it has a presence in 11 States and 1 Union Territory in India with almost 50% (fifty percent) of the existing loan assets advanced in rural areas. The Transferee Company received a banking license in 2015 from the RBI. Its focus has been to meet the financial needs of people who are overlooked by the formal banking system. The Transferor Company and the Transferee Company therefore have significant complementarities and the consolidation of the two businesses carried on by them is strategic in nature and will generate significant business synergies. The amalgamation will result in enhancement of shareholders' value accruing from synergy of operations, new product development, integration of technology and information technology platforms, and also enable the Amalgamating Companies to further their socio-economic objectives. Thus, a combination of the Transferor Company and the Transferee Company will enhance the value propositions of the combined entity which would be able to leverage the complementarities of the Amalgamating Companies;

(ii) The amalgamation of the Transferor Company with the Transferee Company will enable the Transferee Company to build and strengthen its housing loan portfolio, and establish a strong customer base of affordable housing customers.The Transferee Company would benefit from the loan assets of the Transferor Company as the strong loan book of the Transferor Company will stand merged into the Transferee Company pursuant to the amalgamation. In addition, the amalgamation will not dilute the focus of the Transferee Company on predominantly Priority Sector Lending ("**PSL**") loans as majority portfolio of the Transferor Company is PSL eligible;

(iii) pooling of resources, creating better synergies, optimal utilisation of resources and greater economies of scale;

(iv) better administration and cost reduction (including reduction in administrative and other common costs);

(v) while the Transferee Company has pan India presence in 34 States and Union Territories with a strong presence in east and north east part of India, the proposed amalgamation will enhance reach and distribution and help expand the geographic coverage for the combined entities;

(vi) greater efficiency in cash management and unfettered access to cash flow generated by the combined business, which can be deployed more efficiently, to maximise shareholder value;

(vii) create value for stakeholders including respective shareholders, customers, lenders and employees as the combined business would benefit from increased scale, product diversification and expanded reach with increased ability to growth opportunities, higher cross selling opportunities to a larger base of customers, improvement in productivity and operational efficiencies amongst others;

(viii) provide material realisable cost and revenue synergies for the benefit of the

Amalgamating Companies; and

(ix) optimal utilisation of resources and economies of scale resulting in improved efficiencies; it will help the Transferee Company to establish a strong customer base of affordable housing and scale up rural lending.

3.2 As a result, the Board of Directors of the Amalgamating Companies are proposing this Scheme under Sections 230 - 232 of the Act.

4. DEFINITIONS

4.1 In this Scheme, unless inconsistent with the subject or context, the following expressions have the meanings as set out herein below:

"**Act**" means the Companies Act, 2013, as notified, clarified, amended, supplemented, modified and/or replaced from time to time and shall include any statutory replacement or re-enactment thereof, including any rules made thereunder or notifications, circulars or orders made/issued thereunder from time to time and shall include the provisions of the Companies Act, 1956, to the extent the corresponding provisions in the Companies Act, 2013 has not been notified;

"**AmalgamatingCompanies**" has the meaning ascribed to such term in Clause 1.2 of Part I;

"**Applicable Law**" means all applicable (i) statutes, enactments, acts of legislature or parliament, laws, ordinances, code, directives, rules, regulations, bye-laws, listing agreements, notifications, guidelines or policies of any applicable jurisdiction; and (ii) administrative interpretation, writ, injunction, directions, directives, judgment, arbitral award, decree, orders or approvals required from Governmental Authorities of, or agreements with, any Governmental Authority or a recognized stock exchange;

"**Appointed Date**" means 1 January 2019, or such other date as may be mutually agreed between the Amalgamating Companies and is the date with effect from which this Scheme shall be effective;

"**Board of Directors**" or "**Board**" in relation to the Amalgamating Companies means their respective board of directors, and unless it is repugnant to the context or otherwise, includes any committee of directors or any person authorised by the board of directors or by such committee of directors;

"**BSE**" means BSE Limited;

"**CCI**" means the Competition Commission of India;

"**Competent Authority**" means the National Company Law Tribunal, Ahmedabad Bench, which has the jurisdiction in relation to the Transferor Company and the National Company Law Tribunal, Kolkata Bench, which has the jurisdiction in relation to the Transferee Company;

"**Effective Date**" means the date on which certified copies of the orders of the Competent Authority are filed with the relevant RoC after the last of the approvals or events specified under Clause 9.1 of Part IV of the Scheme are satisfied or obtained or have occurred or the requirement of which has been waived (in writing) in accordance with this Scheme. The Scheme shall be operative from the Effective Date and effective from the Appointed Date and any references in this Scheme to "upon this Scheme becoming effective", "Scheme becomes effective" or "effectiveness of this Scheme" or likewise, means and refers to the Effective Date;

"**Eligible Employees**" means the employees of the Transferor Company, who are entitled to the Transferor Company Option Scheme established by the Transferor Company, to whom, as on the Effective Date, options of the Transferor Company have been granted, irrespective of whether the same are vested or not;

"**Encumbrance**" means (a) any encumbrance including, without limitation, any claim, mortgage, negative lien, pledge, equitable interest, charge (whether fixed or floating), hypothecation, lien, deposit by way of security, security interest, trust, guarantee,

commitment, assignment by way of security, or other encumbrances or security interest of any kind securing or conferring any priority of payment in respect of any obligation of any person and includes without limitation any right granted by a transaction which, in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security in each case under any law, contract or otherwise, including any option or right of pre-emption, public right, common right, easement rights, any attachment, restriction on use, transfer, receipt of income or exercise of any other attribute of ownership, right of set-off and/ or any other interest held by a third party; (b) any voting agreement, conditional sale contracts, interest, option, right of first offer or transfer restriction; (c) any adverse claim as to title, possession or use; and/ or (d) any agreement, conditional or otherwise, to create any of the foregoing, and the term 'encumber' shall be construed accordingly.

"**Governmental Authority**" means any governmental or statutory or regulatory or administrative authority, government department, agency, commission, board, tribunal or court or other entity authorised to make laws, rules or regulations or pass directions, having or purporting to have jurisdiction over any state or other sub-division thereof or any municipality, district or other sub-division thereof pursuant to Applicable Law;

"**LODR Regulations**" means the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and includes all amendments or statutory modifications thereto or re-enactments thereof;

"**New Equity Shares**" has the meaning given to it in Clause 5.1 of Part III;

"**NSE**" means the National Stock Exchange of India Limited;

"**RBI**" means the Reserve Bank of India;

"**Record Date**" means the date to be fixed by the Board of Directors of the Transferee Company after mutual agreement on the same between the Transferee Company and the Transferor Company, for the purpose of determining the shareholders of the Transferor Company to whom the New Equity Shares will be allotted pursuant to this Scheme;

"**Registrar of Companies**" or "**RoC**" means the Registrar of Companies, Ahmedabad and/or Kolkata, having jurisdiction over the Transferor Company and the Transferee Company respectively;

"**Scheme**" or "**the Scheme**" or "**this Scheme**" means this scheme of amalgamation pursuant to Sections 230 – 232 and other relevant provisions of the Act, with such modifications and amendments as may be made from time to time, with the appropriate approvals and sanctions of the Competent Authority and other relevant Governmental Authorities, as may be required under the Act and under all other Applicable Laws;

"**SEBI**" means the Securities and Exchange Board of India;

"**SEBI Circulars**" means, together: (a) circular no. CFD/DIL3/CIR/2017/21 dated 10 March 2017; (b) circular no. CFD/DIL3/CIR/2017/26 dated 23 March 2017; (c) circular no. CFD/DIL3/CIR/2017/105 dated 21 September 2017; (d) circular no. CFD/DIL3/CIR/2018/2 dated 3 January 2018; and (e) circular no. SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated 19 January 2018, each issued by the SEBI;

"**Transferee Company**" means Bandhan Bank Limited, a company incorporated under the Companies Act, 2013 and having its registered office at DN-32, Sector V, Salt Lake, Kolkata 700091;

"**Transferee Company Shares**" means the fully paid up equity shares of the Transferee Company, each having a face value of Rs. 10 (Rupees ten) and one (1) vote per equity share;

"**Transferor Company**" means GRUH Finance Limited, a company incorporated under the Companies Act, 1956 and having its registered office at "GRUH", Netaji Marg, Nr. Mithakhali Six Roads, Ellisbridge, Ahmedabad 380 006 and, notwithstanding anything to the contrary in this Scheme shall include:

(a) any and all of its assets, whether movable or immovable, tangible or intangible, real or personal, corporeal or incorporeal, in possession or reversion, present, future, or contingent, including but not limited to registrations and memberships, electrical fittings, installations, tools, accessories, power lines, stocks, computers, communication facilities, vehicles, furniture, fixtures and office equipment, all rights, title, interests, covenants, undertakings, and society memberships and rights appurtenant to the immovable property, including continuing rights, covenants, title and interests in connection with any land (together with the buildings and structures standing thereon), whether freehold or leasehold or leave and licensed or right of way and all documents (including panchnamas, declarations, receipts) of title, rights and easements in relation thereto, plant, machinery, trading platform, appliances, equipment, whether leased or otherwise, together with all present and future liabilities including contingent liabilities and debts appertaining thereto;

(b) any and all of its investments (including shares whether in dematerialised or physical form, scrips, stocks, bonds, debentures, debenture stock, units or pass through certificates and other securities), including actionable claims, earnest monies, loans and advances, recoverable in cash or in kind or for value to be received, provisions, all cash and bank balances and deposits, money at call and short notice, contingent rights or benefits, receivables, including dividends declared or interest accrued thereon, reserves, provisions, funds, benefits of all agreements, bonds, debentures, debenture stock, units or pass through certificates;

(c) any and all of its licenses (including the licenses granted by any governmental, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith), permissions (including but not limited to permissions granted in relation to launch futures and options contracts), allotments, approvals, consents, concessions, clearances, credits, awards, sanctions, exemptions, subsidies, registrations, no-objection certificates, permits, quotas, rights, entitlements, authorisation, applications made for obtaining all or any of the aforesaid, pre-qualifications, bid acceptances, tenders, certificates, tenancies, trade names, trademarks, service marks, copyrights, logos, corporate names, brand names, domain names, , sales tax credits, income-tax credits, goods and service tax credits, privileges and benefits of/ arising out of all contracts, agreements, applications and arrangements and all other rights including lease rights, powers and facilities of every kind and description whatsoever, equipment, installations and utilities such as electricity, water and other service connections, all benefits including subsidies, grants, incentives, tax credits (including but not limited to credits in respect of goods and services tax, income tax, minimum alternate tax, value added tax, etc., tax refunds) and all other rights, claims and powers, of whatsoever nature;

(d) any and all of its debts, borrowings and liabilities (whether denominated in Indian rupees or foreign currency), present or future, whether secured or unsecured, all guarantees, assurances, commitments and obligations of any nature or description, whether fixed, contingent or absolute, secured or unsecured, asserted or unasserted, matured or unmatured, liquidated or unliquidated, accrued or not accrued, known or unknown, due or to become due, whenever or however arising (including, without limitation, whether arising out of any contract or tort based on negligence or strict liability);

(e) all contracts, agreements, licenses, leases, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, letters of agreed points, bids, letters of intent, arrangements, undertakings, whether written or otherwise, deeds, bonds, schemes, arrangements, service agreements, sales orders, purchase orders, operation and maintenance compliance, equipment purchase agreements or other instruments of whatsoever nature to which the Transferor Company is a party, and other assurances in favour of the Transferor Company or powers or authorisations granted by or to it;

(f) all insurance policies;

(g) any and all of its staff and employees, who are on its payrolls, including those employed at its offices and branches, employees/personnel engaged on contract basis and contract labourers and interns/trainees, as are primarily engaged in or in relation

to the business, activities and operations carried on by the Transferor Company, including liabilities of the Transferor Company, with regard to their staff and employees, with respect to the payment of gratuity, superannuation, pension benefits and provident fund or other compensation or benefits, if any, whether in the event of resignation, death, retirement, retrenchment or otherwise, in terms of its license, at its respective offices, branches or otherwise, and any other employees/personnel and contract labourers and interns/trainees hired by the Transferor Company as on the Effective Date;

(h) rights of any claim not made by the Transferor Company in respect of any refund of tax, duty, cess or other charge, including any erroneous or excess payment thereof made by the Transferor Company and any interest thereon, with regard to any law, act or rule or scheme made by the Governmental Authority, and in respect of carry forward of un-absorbed losses and unabsorbed tax depreciation, deferred revenue expenditure, rebate, incentives, benefits etc., under the Income Tax Act, 1961, sales tax, value added tax, custom duties and good and service tax or any other or like benefits under Applicable Law;

(i) any and all of the advance monies, earnest monies, margin money and/or security deposits, payment against warrants or other entitlements, as may be lying with them, including but not limited to the deposits from members, investor's service fund and investor protection fund;

(j) all deposits and balances with government, quasi-government, local and other authorities and bodies, customers and other persons, earnest monies and/or security deposits paid or received by the Transferor Company, directly or indirectly;

(k) all books, records, files, papers, engineering and process information, application software, software licenses (whether proprietary or otherwise), test reports, computer programmes, drawings, manuals, data, databases including databases for procurement, commercial and management, catalogues, quotations, sales and advertising materials, product registrations, dossiers, lists of present and former borrowers, lenders and suppliers including service providers, other borrower information, customer credit information, customer/supplier pricing information, and all other books and records, whether in physical or electronic form;

(l) amounts claimed by the Transferor Company whether or not so recorded in the books of account of the Transferor Company from any Governmental Authority, under any law, act or rule in force, as refund of any tax, duty, cess, or of any excess payment;

(m) all registrations, trademarks, trade names, computer programmes, websites, manuals, data, service marks, copyrights, patents, designs, domain names, applications for trademarks, trade names, service marks, copyrights, designs and domain names exclusively used by or held for use by the Transferor Company in the business, activities and operations carried on by the Transferor Company; and

(n) all rights to use and avail telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interests held in trusts, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in control of or vested in or granted in favour of or enjoyed by the Transferor Company and all other rights and interests of whatsoever nature belonging to or in the ownership, power, possession or control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company;

"**Transferor Company Option Scheme**" has the meaning ascribed to it in Clause 8.1 of Part III of this Scheme; and

"**Transferee Company Option Scheme**" has the meaning ascribed to it in Clause 8.1 of Part III of this Scheme.

5. INTERPRETATION

5.1 Terms and expressions which are used in this Scheme but not defined herein shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Income-tax Act, 1961, the Securities Contracts (Regulation) Act, 1956, Securities and Exchange Board of India Act, 1992 (including the regulations made thereunder), the Depositories Act, 1996 and other Applicable Laws, rules, regulations, bye-laws, as the case may be, including any statutory modification or re-enactment thereof, from time to time. In particular, wherever reference is made to the Competent Authority in this Scheme, the reference would include, if appropriate, reference to the Competent Authority or such other forum or authority, as may be vested with any of the powers of the Competent Authority under the Act and/or rules made thereunder.

5.2 In this Scheme, unless the context otherwise requires:

(i) references to "persons" shall include individuals, bodies corporate (wherever incorporated), unincorporated associations and partnerships;

(ii) the headings, sub-headings, titles, sub-titles to clauses, sub-clauses and paragraphs are inserted for ease of reference only and shall not form part of the operative provisions of this Scheme and shall not affect the construction or interpretation of this Scheme;

(iii) references to one gender includes all genders;

(iv) words in the singular shall include the plural and *vice versa*;

(v) any references in this Scheme to "upon this Scheme becoming effective" or "upon coming into effect of this Scheme" or "upon the Scheme coming into effect" or "effectiveness of the Scheme" or likewise shall be construed to be a reference to the Effective Date;

(vi) words "include" and "including" are to be construed without limitation;

(vii) terms "hereof", "herein", "hereby", "hereto" and derivative or similar words shall refer to this entire Scheme or specified Clauses of this Scheme, as the case may be;

(viii) A reference to "writing" or "written" includes printing, typing, lithography and other means of reproducing words in a visible form including e-mail;

(ix) Reference to any agreement, contract, document or arrangement or to any provision thereof shall include references to any such agreement, contract, document or arrangement as it may, after the date hereof, from time to time, be amended, supplemented or novated;

(x) reference to the Recital or Clause shall be a reference to the Recital or Clause of this Scheme; and

(xi) references to any provision of law or legislation or regulation shall include: (a) such provision as from time to time amended, modified, re-enacted or consolidated (whether before or after the date of this Scheme) to the extent such amendment, modification, re-enactment or consolidation applies or is capable of applying to the transaction entered into under this Scheme and (to the extent liability there under may exist or can arise) shall include any past statutory provision (as amended, modified, re-enacted or consolidated from time to time) which the provision referred to has directly or indirectly replaced, (b) all subordinate legislations (including circulars, notifications, clarifications or supplement(s) to, or replacement or amendment of, that law or legislation or regulation) made from time to time under that provision (whether or not amended, modified, re-enacted or consolidated from time to time) and any retrospective amendment.

PART II

CAPITAL STRUCTURE AND DATE OF TAKING EFFECT

1. SHARE CAPITAL OF THE TRANSFEROR COMPANY

1.1 The share capital of the Transferor Company as at 31 December 2018 was as under:

Particulars	Amount in Rupees
Authorised Capital	
100,00,00,000 equity shares of Rs. 2/- each	200,00,00,000
Total	**200,00,00,000**
Issued, Subscribed and Paid-up*	
73,27,30,042 equity shares of Rs. 2/- each	146,54,60,084
Total	**146,54,60,084**

***** Certain employee stock options granted to the employees of the Transferor Company may get exercised before the Effective Date, which may result in an increase in the issued and paid-up share capital of the Transferor Company. The details of the unexercised employee stock options by the employees of the Transferor Company as on 31 December 2018 are set out below:

Unexercised Employee Stock Options*	Amount in Rupees
1,237,759 options of Rs. 268.20 each	331,966,963.80
626,000 options of Rs. 612.55 each	383,456,300

* Each stock option entitles an employee for 2 equity shares of Rs. 2 each.

1.2 The equity shares of the Transferor Company are listed on the BSE and NSE.

2. SHARE CAPITAL OF THE TRANSFEREE COMPANY

2.1 The share capital of the Transferee Company as at 31 December 2018 is as under:

Particulars	Amount in Rupees
Authorised Capital	
5,000,000,000 equity shares of Rs. 10 each	50,000,000,000
Total	50,000,000,000
Issued, Subscribed and Paid-up*	
1,192,804,944 equity shares of Rs. 10 each	11,928,049,440

Particulars	Amount in Rupees
Total	**11,928,049,440**

***** Certain employee stock options granted to the employees of the Transferee Company which are vested may get exercised before the Effective Date and un-granted employee stock options, the grant and consequent exercise of which may result in an increase in the issued and paid-up share capital of the Transferee Company. The details of the unexercised employee stock options (net of cancellation) by the employees of the Transferee Company as on 18 December 2018 are set out below:

Unexercised Employee Stock Options	Amount in Rupees
2,220,725 options of Rs. 180 each	399,730,500
Total	399,730,500
Un-granted Employee Stock Options	**Amount**
Nil	Nil

2.2 The equity shares of the Transferee Company are listed on the BSE and NSE.

3 DATE OF TAKING EFFECT

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the Competent Authority or any other Governmental Authority shall be effective from the Appointed Date but shall be operative from the Effective Date**.**

PART III

AMALGAMATION OF THE TRANSFEROR COMPANY INTO AND WITH THE TRANSFEREE COMPANY

1. TRANSFER AND VESTING OF THE TRANSFEROR COMPANY INTO AND WITH THE TRANSFEREE COMPANY

1.1 With effect from the Appointed Date and upon this Scheme becoming effective, the Transferor Company along with all its assets, liabilities, contracts, employees, licenses, records, approvals etc. being integral parts of the Transferor Company shall stand transferred to and vest in or shall be deemed to have been transferred to and vested in the Transferee Company, as a going concern, without any further act, instrument or deed, together with all its properties, assets, liabilities, rights, benefits and interest therein, subject to the provisions of this Scheme, in accordance with Sections 230 - 232 of the Act, the Income-Tax Act, 1961 and Applicable Law if any, in accordance with the provisions contained herein.

1.2 Without prejudice to the generality of the above and to the extent applicable, unless otherwise stated herein, upon this Scheme becoming effective and with effect from the Appointed Date:

(a) all assets of the Transferor Company, that are movable in nature or incorporeal property or are otherwise capable of transfer by physical or constructive delivery and/or by endorsement and delivery or by vesting and recordal of whatsoever nature, including machinery, equipment, pursuant to this Scheme shall stand transferred to and vested in and/or be deemed to be transferred to and vested in the Transferee Company, wherever located and shall become the property and an integral part of the Transferee Company. The vesting pursuant to this sub-clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery or by vesting and recordal, pursuant to this Scheme, as appropriate to the property being vested and title to the property shall be deemed to have been transferred accordingly;

(b) all other movable properties of the Transferor Company, including investments in shares and any other securities, sundry debtors, actionable claims, earnest monies, receivables, bills, credits, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits (including deposits from members), if any, with government, semi-government, local and other authorities and bodies, customers and other persons, shall without any further act, instrument or deed, become the property of the Transferee Company, and the same shall also be deemed to have been transferred by way of delivery of possession of the respective documents in this regard. It is hereby clarified that investments, if any, made by Transferor Company and all the rights, title and interest of the Transferor Company in any leasehold properties shall, pursuant to Section 232 of the Act and the provisions of this Scheme, without any further act or deed, be transferred to and vested in and/or be deemed to have been transferred to and vested in the Transferee Company;

(c) all immovable properties of the Transferor Company, including land together with the buildings and structures standing thereon and rights and interests in immovable properties of the Transferor Company, whether freehold or leasehold or otherwise and all documents of title, rights and easements in relation thereto, shall be vested in and/or be deemed to have been vested in the Transferee Company, without any further act or deed done or being required to be done by the Transferor Company and/or the Transferee Company. The Transferee Company shall be entitled to exercise all rights and privileges attached to the aforesaid immovable properties and shall be liable to pay the ground rent and taxes and fulfil all obligations in relation to or applicable to such immovable properties. The relevant authorities shall grant all clearances/permissions, if any, required for enabling the Transferee Company to

absolutely own and enjoy the immovable properties in accordance with Applicable Law. The mutation or substitution of the title to the immovable properties shall, upon this Scheme becoming effective, be made and duly recorded in the name of the Transferee Company by Governmental Authorities pursuant to the sanction of this Scheme by the Competent Authority and upon the Scheme becoming effective in accordance with the terms hereof;

(d) the transfer and vesting of movable and immovable properties as stated above, shall be subject to Encumbrances, if any, affecting the same;

(e) all Encumbrances, if any, existing prior to the Effective Date over the assets of the Transferor Company which secure or relate to any liability, shall, after the Effective Date, without any further act, instrument or deed, continue to be related and attached to such assets or any part thereof to which they related or were attached prior to the Effective Date and as are transferred to the Transferee Company. Provided that if any assets of the Transferor Company have not been Encumbered in respect of the liabilities, such assets shall remain unencumbered and the existing Encumbrance referred to above shall not be extended to and shall not operate over such assets. Further, such Encumbrances shall not relate or attach to any of the other assets of the Transferee Company. The secured creditors of the Transferee Company and/or other holders of security over the properties of the Transferee Company shall not be entitled to any additional security over the properties, assets, rights, benefits and interests of the Transferor Company and therefore, such assets which are not currently Encumbered shall remain free and available for creation of any security thereon in future in relation to any current or future indebtedness of the Transferee Company. The absence of any formal amendment which may be required by a lender or trustee or any third party shall not affect the operation of the foregoing provisions of this Scheme;

(f) all estate, assets, rights, title, claims, interest, investments and properties of the Transferor Company as on the Appointed Date, whether or not included in the books of the Transferor Company, and all assets, rights, title, interest, investments and properties, of whatsoever nature and wherever situate, which are acquired by the Transferor Company on or after the Appointed Date but prior to the Effective Date, shall be deemed to be and shall become the assets and properties of the Transferee Company;

(g) all contracts, agreements, licences, leases, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, letters of agreed points, bids, letters of intent, arrangements, undertakings, whether written or otherwise, deeds, bonds, agreements, schemes, arrangements and other instruments to which the Transferor Company is a party, or to the benefit of which, the Transferor Company may be eligible/entitled, and which are subsisting or having effect immediately before the Effective Date, shall, without any further act, instrument or deed continue in full force and effect on, against or in favour of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligor thereto. If the Transferee Company enters into and/or issues and/or executes deeds, writings or confirmations or enters into any tripartite arrangements, confirmations or novations, the Transferor Company will, if necessary, also be party to such documents in order to give formal effect to the provisions of this Scheme, if so required. In relation to the same, any procedural requirements required to be fulfilled solely by the Transferor Company (and not by any of its successors), shall be fulfilled by the Transferee Company as if it is the duly constituted attorney of the Transferor Company;

(h) any pending suits/appeals, all legal, taxation or other proceedings including before any statutory or quasi-judicial authority or tribunal or other proceedings of whatsoever nature relating to the Transferor Company, whether by or against the Transferor Company, whether pending on the Appointed Date or which may be instituted any time in the future, shall not abate, be discontinued or in any way

prejudicially affected by reason of the amalgamation of the Transferor Company or of anything contained in this Scheme, but the proceedings shall continue and any prosecution shall be enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued, prosecuted and/or enforced by or against the Transferor Company, as if this Scheme had not been implemented;

(i) all the security interest over any moveable and/or immoveable properties and security in any other form (both present and future) including but not limited to any pledges, or guarantees, if any, created/executed by any person in favour of the Transferor Company or any other person acting on behalf of or for the benefit of the Transferor Company for securing the obligations of the persons to whom the Transferor Company has advanced loans and granted other funded and non-funded financial assistance, by way of letter of comfort or through other similar instruments shall without any further act, instrument or deed stand vested in and be deemed to be in favour of the Transferee Company and the benefit of such security shall be available to the Transferee Company as if such security was ab initio created in favour of the Transferee Company. The mutation or substitution of the charge in relation to the movable and immovable properties of the Transferor Company shall, upon this Scheme becoming effective, be made and duly recorded in the name of the Transferee Company by the appropriate authorities and third parties (including any depository participants) pursuant to the sanction of this Scheme by the Competent Authority and upon the Scheme becoming effective in accordance with the terms hereof;

(j) all debts, liabilities, contingent liabilities, duties and obligations, secured or unsecured (including rupee, foreign currency loans, time and demand liabilities, undertakings and obligations of the Transferor Company), of every kind, nature and description whatsoever and howsoever arising, whether provided for or not in the books of account or disclosed in the balance sheets of the Transferor Company shall be deemed to be the debts, liabilities, contingent liabilities, duties, and obligations of the Transferee Company, and the Transferee Company shall, and undertakes to meet, discharge and satisfy the same in terms of their respective terms and conditions, if any. All loans raised and used and all debts, duties, undertakings, liabilities and obligations incurred or undertaken by the Transferor Company after the Appointed Date and prior to the Effective Date, shall also be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and, to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of this Scheme, pursuant to the provisions of Sections 230 to 232 of the Act, without any further act, instrument or deed shall stand transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company and shall become the debt, duties, undertakings, liabilities and obligations of the Transferee Company which shall meet, discharge and satisfy the same;

(k) all debentures, bonds, notes or other securities of the Transferor Company whether convertible into equity or otherwise, shall, without any further act, instrument or deed become the securities of the Transferee Company and all rights, powers, duties and obligations in relation thereto shall be and shall stand transferred to and vested in or deemed to be transferred to and vested in and shall be exercised by or against the Transferee Company as if it were the Transferor Company. If the securities issued by the Transferor Company, including but not limited to debentures and bonds, are listed on any stock exchange, the same shall upon issuance/endorsement by the Transferee Company in terms of this Scheme, subject to applicable regulations and prior approval requirements, if any, be listed and/or admitted to trading on the relevant stock exchange(s) whether in India or abroad, where the securities were listed and/or admitted to trading on the same terms and conditions unless otherwise modified in accordance with the provisions hereof. In addition, the Board of Directors of the Transferee Company, shall be authorised to take such steps and do all acts, deeds and things as may be necessary, desirable or proper to list the various debentures, bonds and infrastructure bonds on the relevant

exchanges. It is hereby clarified that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this Clause;

(l) the Transferee Company shall be entitled to operate all bank accounts, realise all monies and complete and enforce all pending contracts and transactions in the name of the Transferor Company to the extent necessary until the transfer of the rights and obligations of the Transferor Company to the Transferee Company under the Scheme is formally accepted and completed by the parties concerned. For avoidance of doubt, it is hereby clarified that all cheques and other negotiable instruments, payment orders received and presented for encashment which are in the name of the Transferor Company after the Effective Date, shall be accepted by the bankers of the Transferee Company and credited to the accounts of the Transferee Company, if presented by the Transferee Company. Similarly, the banker of the Transferee Company shall honour all cheques issued by the Transferor Company for payment after the Effective Date;

(m) all letters of intent, requests for proposal, pre-qualifications, bid acceptances, tenders, and other instruments of whatsoever nature to which the Transferor Company is a party to or to the benefit of which the Transferor Company may be eligible, shall remain in full force and effect against or in favour of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto. Upon coming into effect of this Scheme, the past track record of the Transferor Company shall be deemed to be the track record of the Transferee Company for all commercial and regulatory purposes;

(n) all the staff and employees of the Transferor Company who are in such employment as on the Effective Date shall become, and be deemed to have become, the staff and employees of the Transferee Company, without any break or interruption in their services and on the same terms and conditions (and which are not less favourable than those) on which they are engaged by the Transferor Company as on the Effective Date. The Transferee Company further agrees that for the purpose of payment of any retirement benefit/compensation, such immediate uninterrupted past services with the Transferor Company, shall also be taken into account. With regard to provident fund, gratuity, superannuation, leave encashment and any other special scheme or benefits created or existing for the benefit of such employees of the Transferor Company, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever, upon this Scheme becoming effective, including with regard to the obligation to make contributions to relevant authorities, such as the regional provident fund commissioner or to such other funds maintained by the Transferor Company, in accordance with the provisions of Applicable Laws or otherwise. It is hereby clarified that upon this Scheme becoming effective, the aforesaid benefits or schemes shall continue to be provided to the transferred employees and the services of all the transferred employees of the Transferor Company for such purpose shall be treated as having been continuous;

(o) with regard to any provident fund, gratuity fund, pension, superannuation fund or other special fund created or existing for the benefit of such employees of the Transferor Company, it is the aim and intent of the Scheme that all the rights, duties, powers and obligations of the Transferor Company in relation to such schemes or funds shall become those of the Transferee Company. Upon the Scheme becoming effective, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever relating to the obligation to make contributions to the said funds in accordance with the provisions of such schemes or funds in the respective trust deeds or other documents. Any existing provident fund, gratuity fund and superannuation fund trusts created by the Transferor Company for its employees shall be continued for the benefit of such employees on the same terms and conditions until such time that they are transferred to the relevant funds of the Transferee Company. It is clarified that the services of all employees of the

Transferor Company transferred to the Transferee Company will be treated as having been continuous and uninterrupted for the purpose of the aforesaid schemes or funds. Without prejudice to the aforesaid, the Board of the Transferee Company, if it deems fit and subject to Applicable Laws, shall be entitled to: (i) retain separate trusts or funds within the Transferee Company for the erstwhile fund(s) of the Transferor Company; or (ii) merge the pre-existing fund of the Transferor Company with other similar funds of the Transferee Company;

(p) the Transferee Company agrees that for the purpose of payment of any retrenchment compensation, gratuity and other terminal benefits, the past services of the employees with the Transferor Company, if any, as the case may be, shall also be taken into account, and agrees and undertakes to pay the same as and when payable;

(q) all trademarks, trade names, service marks, copyrights, logos, corporate names, brand names, domain names and all registrations, applications and renewals in connection therewith, and software and all website content (including text, graphics, images, audio, video and data), trade secrets, confidential business information and other proprietary information shall stand transferred to and vested in the Transferee Company;

(r) all registrations, goodwill and licenses, appertaining to the Transferor Company, if any, shall transferred to and vested in the Transferee Company;

(s) all taxes (including but not limited to advance tax, tax deducted at source, minimum alternate tax, withholding tax, banking cash transaction tax, securities transaction tax, taxes withheld/paid in a foreign country, value added tax, sales tax, service tax, goods and services tax, customs, duties, etc.), including any interest, penalty, surcharge and cess, if any, payable by or refundable to the Transferor Company, including all or any refunds or claims shall be treated as the tax liability or refunds/claims, as the case may be, of the Transferee Company, and any tax incentives, advantages, privileges, exemptions, credits, holidays, remissions, reductions etc., as would have been available to the Transferor Company, shall pursuant to this Scheme becoming effective, be available to the Transferee Company;

(t) all approvals, allotments, consents, concessions, clearances, credits, awards, sanctions, exemptions, subsidies, registrations, no-objection certificates, permits, quotas, rights, entitlements, authorisation, pre-qualifications, bid acceptances, tenders, licenses (including the licenses granted by any governmental, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith), permissions (including but not limited to permissions granted in relation to launch futures and options contracts) and certificates of every kind and description whatsoever in relation to the Transferor Company, or to the benefit of which the Transferor Company may be eligible/entitled, and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect in favour of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligor thereto. It is hereby clarified that if the consent of any third party or authority is required to give effect to the provisions of this Clause, the said third party or authority shall make and duly record the necessary substitution/endorsement in the name of the Transferee Company pursuant to the sanction of this Scheme by the Competent Authority, and upon this Scheme becoming effective in accordance with the terms hereof. For this purpose, the Transferee Company shall file appropriate applications/documents with relevant authorities concerned for information and record purposes;

(u) benefits of any and all corporate approvals as may have already been taken by the Transferor Company, whether being in the nature of compliances or otherwise, including without limitation approvals under Sections 42, 62(1)(a), 180, 185, 186,

188 etc., of the Act, read with the rules and regulations made thereunder, shall stand transferred to the Transferee Company and the said corporate approvals and compliances shall be deemed to have been taken/complied with by the Transferee Company; it being clarified that if any such resolutions have any monetary limits approved subject to the provisions of the Act and of any other applicable statutory provisions, then the said limits, as are considered necessary by the Board of the Transferee Company, shall be added to the limits, if any, under the like resolutions passed by the Transferee Company;

(v) all bank accounts operated or entitled to be operated by the Transferor Company shall be deemed to have transferred and shall stand transferred to the Transferee Company and names of the Transferor Company shall be substituted by the name of the Transferee Company in the bank's records;

(w) all the property, assets and liabilities of the Transferor Company shall be transferred to the Transferee Company at the values appearing in the books of account of the Transferor Company at the close of business of the day immediately preceding the Appointed Date;

(x) all public deposits, debentures or bonds of the Transferor Company shall be distinctly identified in the records of the Transferee Company for all intents and purposes including taxation and accounting and shall not be combined with any existing outstanding deposit scheme or series of debentures or bonds of the Transferee Company;

(y) all the benefits under the various incentive schemes and policies that the Transferor Company is entitled to, including tax credits, tax deferral, exemptions and benefits (including sales tax and service tax), subsidies, tenancy rights, liberties, special status and other benefits or privileges enjoyed or conferred upon or held or availed by the Transferor Company and all rights or benefits that have accrued or which may accrue to the Transferor Company, whether on, before or after the Appointed Date, shall upon this Scheme becoming effective and with effect from the Appointed Date be transferred to and vest in the Transferee Company and all benefits, entitlements and incentives of any nature whatsoever, shall be claimed by the Transferee Company and these shall relate back to the Appointed Date as if the Transferee Company was originally entitled to all benefits under such incentive schemes and or policies;

(z) where any of the debts, liabilities, duties and obligations incurred before the Appointed Date by the Transferor Company, deemed to have been transferred to the Transferee Company by virtue of this Scheme, have been discharged by the Transferor Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Transferee Company;

(aa) without prejudice to the generality of the foregoing, all lease agreements and leave and license agreements, as the case may be, to which the Transferor Company is a party, and having effect immediately before the Effective Date, shall remain in full force and effect on the terms and conditions contained therein in favour of or against the Transferee Company and may be enforced fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto or thereunder; and the respective lessees and the licensees, as the case may be, shall continue to be in possession of the premises subject to the terms and conditions contained in the relevant lease agreements or leave and license agreements, as the case may be. Further, all the rights, title, interest and claims of the Transferor Company in any properties including leasehold/ licensed properties of the Transferor Company including but not limited to security deposits and advance or prepaid lease or license fee, shall, on the same terms and conditions, be transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company automatically without requirement of any

further act or deed. The Transferee Company shall continue to pay rent or lease or license fee as provided for under such agreements, and the Transferee Company shall continue to comply with the terms, conditions and covenants thereunder;

(bb) any liabilities, loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Transferor Company and Transferee Company shall, ipso facto, stand discharged and come to an end and there shall be no liability in that behalf on any party and the appropriate effect shall be given in the books of accounts and records of the Transferee Company;and

(cc) for the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme and with effect from the Appointed Date, all consents, permissions, licenses, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Transferor Company shall stand transferred to the Transferee Company, and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company.

1.3 The Transferor Company and/or the Transferee Company as the case may be, shall, at any time after this Scheme becoming effective in accordance with the provisions hereof, if so required under Applicable Law or otherwise, do all such acts or things as may be necessary to transfer/obtain the approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses and certificates which were held or enjoyed by the Transferor Company. It is hereby clarified that if the consent of any third party or Governmental Authority, if any, is required to give effect to the provisions of this Clause, the said third party or Governmental Authority shall make and duly record the necessary substitution/endorsement in the name of the Transferee Company pursuant to the sanction of this Scheme by the Competent Authority, and upon this Scheme becoming effective in accordance with the provisions of the Act and with the terms hereof. For this purpose, the Transferee Company shall file appropriate applications/documents with relevant authorities concerned for information and record purposes.

1.4 The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to carry out or perform all such acts, formalities or compliances referred to above as may be required in this regard.

1.5 Without prejudice to the other provisions of the Scheme and notwithstanding the vesting of the Transferor Company into the Transferee Company by virtue of Part III of the Scheme itself, the Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under Applicable Law or otherwise, execute deeds (including deeds of adherence), confirmations or other writings or tripartite arrangements with any party to any contract or arrangement in relation to which the Transferor Company has been a party, including any filings with the regulatory authorities in order to give formal effect to the above provisions and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company. The Transferee Company will, if necessary, also be a party to the above.

2. CONDUCT OF BUSINESS UNTIL EFFECTIVE DATE

2.1 The Transferor Company and the Transferee Company have agreed that during the period between the approval of the Scheme by the respective Boards of the Transferor Company and the Transferee Company and up to the Effective Date, the business of the Transferor Company and the Transferee Company shall be carried out with reasonable diligence and business prudence in the ordinary course consistent with past practice, in good faith and in accordance with Applicable Law.

2.2 Except by mutual consent of the Board of Directors of the Transferor Company and the Transferee Company, or except as specifically contemplated in this Scheme (including Part III of this Scheme), pending sanction of this Scheme, the Transferor Company and/or the Transferee Company shall not make any change in their capital structures either by way of any increase (by issue of equity shares other than allotment of shares pursuant to exercise of stock options under their respective existing stock option schemes, bonus shares, convertible debentures or otherwise), decrease, reduction, reclassification, sub-division or consolidation, re-organisation or in any other manner, which would have the effect of re-organisation of capital of such company(ies).

2.3 With effect from the Appointed Date and up to and including the Effective Date:

(a) the Transferor Company undertakes to carry on and shall be deemed to have carried on its business activities and stand possessed and shall be deemed to have held and stood possessed of the properties and assets pertaining to the Transferor Company, for and on account of and in trust for the Transferee Company;

(b) the Transferor Company hereby undertakes to hold its said assets with utmost prudence in the ordinary course of business until the Effective Date;

(c) all profits and income accruing to the Transferor Company, and losses and expenditure incurred by it (including taxes, if any, accruing or paid in relation to any profits or income), for the period from the Appointed Date based on the accounts of the Transferor Company shall, subject to the Scheme being effective, for all purposes, be treated as the profits, income, losses or expenditure, as the case may be, of the Transferee Company;

(d) all debts, liabilities, loans raised and used, liabilities and obligations incurred, duties and obligations as on the close of business on the date preceding the Appointed Date, whether or not provided in the books of the Transferor Company which arise or accrue to the Transferor Company on or after the Appointed Date, shall be deemed to be of the Transferee Company;

(e) all assets and properties comprised in the Transferor Company as on the date immediately preceding the Appointed Date, whether or not included in the books of the Transferor Company and all assets and properties relating thereto, which are acquired by the Transferor Company, on or after the Appointed Date, shall be deemed to be the assets and properties of the Transferee Company; and

(f) any of the rights, powers, authorities, privileges exercised by the Transferor Company shall be deemed to have been exercised by such Transferor Company for and on behalf of, and in trust for the Transferee Company. Similarly, any of the obligations, duties and commitments that have been undertaken or discharged by Transferor Company shall be deemed to have been undertaken for and on behalf of the Transferee Company.

2.4 With effect from the Effective Date, the Transferee Company shall carry on and shall be authorised to carry on the businesses of Transferor Company.

2.5 For the purpose of giving effect to the order passed under Sections 230 – 232 and other applicable provisions of the Act in respect of this Scheme by the Competent Authority, the Transferee Company shall, at any time, pursuant to the order on this Scheme, be entitled to get the recordal of the change in the legal right(s) upon the transfer of the Transferor Company, in accordance with the provisions of Sections 230 - 232 of the Act. The Transferee Company is and shall always be deemed to have been authorised to execute any pleadings, applications, forms etc., as may be required to remove any difficulties and carry out any formalities or compliance as are necessary for the implementation of this Scheme, pursuant to the sanction of this Scheme by the Competent Authority.

2.6 The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to

the Governmental Authorities and all other agencies, departments and authorities concerned as are necessary under Applicable Law for such consents, approvals and sanctions which the Transferee Company may require to carry on the business of the Transferor Company.

2.7 Upon this Scheme becoming effective, the Transferee Company, unconditionally and irrevocably, agrees and undertakes to pay, discharge and satisfy all liabilities and obligations of the Transferor Company with effect from the Appointed Date, in order to give effect to the foregoing provisions.

2.8 The transfer and vesting of the assets, liabilities and obligations of the Transferor Company and the continuance of the proceedings by or against the Transferee Company shall not affect any transaction or proceedings already completed by the Transferor Company on or before the Appointed Date or after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts all acts, deeds and things done and executed by and / or on behalf of the Transferor Company as acts, deeds and things made, done and executed by and on behalf of the Transferee Company.

3. DISSOLUTION OF TRANSFEROR COMPANY

3.1 Upon this Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up, without any further act, instrument or deed.

4. CHANGES IN SHARE CAPITAL

4.1 As an integral part of the Scheme and upon this Scheme becoming effective, the authorized share capital of the Transferor Company shall stand transferred to and be amalgamated/combined with the authorized share capital of the Transferee Company. The fees or stamp duty, if any, paid by the Transferor Company on its authorized share capital shall be deemed to have been so paid by the Transferee Company on the combined authorized share capital, and the Transferee Company shall not be required to pay any fee/ stamp duty for the increase of the authorized share capital. The authorised share capital of the Transferee Company will automatically stand increased to that effect by simply filing the requisite forms with the relevant Registrar of Companies and no separate procedure or instrument or deed shall be required to be followed under the Act.

4.2 Clause V of the memorandum of association of the Transferee Company shall, upon this Scheme becoming effective, and without any further act, instrument or deed, be replaced by the following clause:

"The share capital of the Company is Rs. 5,200,00,00,000 (Rupees five thousand two hundred crore only) divided into 520,00,00,000 (five hundred twenty crore) equity shares of Rs. 10 (Rupees ten) each."

4.3 The approval of this Scheme by shareholders of the Transferee Company under sections 230 to 232 of the Act, whether at a meeting or otherwise, or any dispensation of the same by the NCLT, shall be deemed to have been an approval under section 13, section 61 and 64 or any other applicable provisions under the Act and no further resolution(s) would be required to be separately passed in this regard.

5. PAYMENT OF CONSIDERATION

5.1 Upon coming into effect of this Scheme and in consideration of the amalgamation of the Transferor Company in the Transferee Company, the Transferee Company shall, without any further application, act or deed, issue and allot to the shareholders of the Transferor Company whose names are recorded in the register of members as a member of the Transferor Company on the Record Date (or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognised by the Board of the Transferee Company), 568 (five hundred sixty eight) Transferee Company Shares, credited as fully paid-up, for every 1000 (one thousand) equity shares of the face value of Rs. 2 (Rupees two) each fully paid-up held by such member in the Transferor

Company ("**Share Exchange Ratio**"). The Transferee Company Shares to be issued by the Transferee Company to the shareholders of the Transferor Company in accordance with this Clause 5.1 of Part III shall be hereinafter referred to as "**New Equity Shares**".

5.2 The Transferor Company and the Transferee Company have respectively engaged M/s. Desai Haribhakti & Co. and M/s. SRB & Associates, independent Chartered Accountants, to provide a joint valuation report. In connection with such engagement, M/s. Desai Haribhakti & Co. and M/s. SRB & Associates have issued a joint valuation report dated 7 January 2019.

5.3 The Transferor Company had engaged JM Financial Limited as the merchant bankers to provide a fairness opinion on the Share Exchange Ratio adopted under the Scheme. In connection with such engagement, JM Financial Limited has issued a fairness opinion dated 7 January 2019.

5.4 The Transferee Company had engaged Kotak Mahindra Capital Company Limited as the merchant bankers to provide a fairness opinion on the Share Exchange Ratio adopted under the Scheme. In connection with such engagement, Kotak Mahindra Capital Company Limited has issued a fairness opinion dated 7 January 2019.

6. ISSUANCE MECHANICS

6.1 In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Transferor Company, the Board of the Transferee Company shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, as the case may be, to effectuate such a transfer as if such changes in registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor of the shares in the Transferor Company and in relation to the shares issued by the Transferee Company, after the effectiveness of the Scheme. The Board of the Transferee Company shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of new shareholders in the Transferee Company on account of difficulties faced in the transition period.

6.2 Where New Equity Shares of the Transferee Company are to be allotted to heirs, executors or administrators, as the case may be, to successors of deceased equity shareholders or legal representatives of the equity shareholders of the Transferor Company, the concerned heirs, executors, administrators, successors or legal representatives shall be obliged to produce evidence of title satisfactory to the Board of the Transferee Company.

6.3 The New Equity Shares of the Transferee Company allotted and issued in terms of Clause 5.1 of Part III above, shall be listed and/or admitted to trading on the BSE and NSE. The New Equity Shares of the Transferee Company shall, however, be listed subject to the Transferee Company obtaining the requisite approvals from all the relevant Governmental Authorities pertaining to the listing of the New Equity Shares of the Transferee Company. The Transferee Company shall enter into such arrangements and give such confirmations and/or undertakings as may be necessary in accordance with Applicable Laws for complying with the formalities of BSE and NSE.

6.4 The New Equity Shares of the Transferee Company to be allotted and issued to the shareholders of the Transferor Company as provided in Clause 5.1 of Part III above shall be subject to the provisions of the memorandum and articles of association of the Transferee Company and shall rank *pari passu* in all respects with the then existing equity shares of the Transferee Company after the Effective Date including in respect of dividend, if any, that may be declared by the Transferee Company on or after the Effective Date.

6.5 The Transferee Company shall complete all formalities, as may be required, for allotment of the New Equity Shares to the shareholders of the Transferor Company as provided in this Scheme within thirty (30) days from the Effective Date. It is clarified that the issue and allotment of New Equity Shares by the Transferee Company to the shareholders of the Transferor Company as provided in the Scheme, is an integral part thereof and shall be deemed to have been carried out without requiring any further act on the part of the

Transferee Company or its shareholders and as if the procedure laid down under Section 62 or any other applicable provisions of the Act, as may be applicable, and such other statues and regulations as may be applicable were duly complied with.

6.6 If any member becomes entitled to any fractional shares, entitlements or credit on the issue and allotment of the New Equity Shares by the Transferee Company in accordance with Clause 5.1 of Part III above, the Board of the Transferee Company shall consolidate all such fractional entitlements and shall, without any further application, act, instrument or deed, issue and allot such consolidated equity shares directly to an individual trust or a board of trustees or a corporate trustee nominated by the Transferee Company (the "**Trustee**"), who shall hold such New Equity Shares with all additions or accretions thereto in trust for the benefit of the respective shareholders, to whom they belong and their respective heirs, executors, administrators or successors for the specific purpose of selling such equity shares in the market at such price or prices and on such time or times within sixty (60) days from the date of allotment, as the Trustee may in its sole discretion decide and on such sale, pay to the Transferee Company, the net sale proceeds (after deduction of applicable taxes and costs incurred) thereof and any additions and accretions, whereupon the Transferee Company shall, subject to withholding tax, if any, distribute such sale proceeds to the concerned shareholders of the Transferor Company in proportion to their respective fractional entitlements.

6.7 In the event that the Amalgamating Companies restructure their equity share capital by way of share split/consolidation/issue of bonus shares during the pendency of the Scheme, the Share Exchange Ratio and the stock options, shall be adjusted accordingly to take into account the effect of any such corporate actions.

6.8 The Transferee Company shall, if and to the extent required, apply for and obtain any approvals from the concerned regulatory authorities, including the NSE and the BSE, for the issue and allotment by the Transferee Company of the New Equity Shares to the members of the Transferor Company pursuant to the Scheme.

6.9 The New Equity Shares issued to the members of the Transferor Company by the Transferee Company shall be issued in dematerialised form by the Transferee Company, provided that the details of the depository accounts of the members of the Transferor Company are made available to the Transferee Company by the Transferor Company at least two (2) working days prior to the Effective Date. In the event that such details are not available with the Transferee Company or for such members of the Transferor Company which hold the shares of the Transferor Company in physical form, it shall issue the New Equity Shares to the members of the Transferor Company in physical form.

6.10 The shares allotted pursuant to the Scheme shall remain frozen in the depositories system until listing/trading permission is given by the BSE and NSE, as the case may be.

6.11 There shall be no change in the shareholding pattern or control of the Transferee Company between the Record Date and the date of listing of equity shares of the Transferee Company which may affect the status of the BSE's approval or NSE's approval.

6.12 The New Equity Shares to be issued by the Transferee Company pursuant to Clause 5.1 of Part III above in respect of such equity shares of the Transferor Company as are subject to lock-in pursuant to Applicable Law shall be locked-in as and to the extent required under Applicable Law.

6.13 Upon this Scheme becoming effective and upon the New Equity Shares of the Transferee Company being allotted and issued by it to the shareholders of Transferor Company whose names appear on the register of members as a member of the Transferor Company on the Record Date or whose names appear as the beneficial owners of the equity shares of the Transferor Company in the records of the depositories/register of members, as the case may be, as on the Record Date, the equity shares of Transferor Company, both in electronic form and in the physical form, shall be deemed to have been automatically cancelled and be of no effect on and from the Record Date. Wherever applicable, Transferee

Company may, instead of requiring the surrender of the share certificates of Transferor Company, directly issue and dispatch the new share certificates of Transferee Company in lieu thereof.

6.14 The New Equity Shares to be issued by the Transferee Company pursuant to Clause 5.1 of Part III above in respect of such equity shares of the Transferor Company, the allotment or transfer of which is held in abeyance under Applicable Law shall, pending allotment or settlement of dispute by order of the appropriate court or otherwise, also be kept in abeyance in like manner by the Transferee Company.

7. ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFEREE COMPANY

7.1 The Transferee Company shall, upon this Scheme becoming effective and with effect from the Appointed Date, record the assets and liabilities of the Transferor Company (as appearing in the books of accounts of the Transferor Company at the close of business on the day preceding the Appointed Date) as vested in the Transferee Company pursuant to this Scheme, at the respective book values thereof.

7.2 The Transferee Company shall follow the method of accounting as prescribed for the 'pooling of interest method' under Accounting Standard 14 as notified under the Companies Accounting Rules, 2006.

7.3 The Transferee Company shall issue and allot equity shares to the shareholders of the Transferor Company in accordance with Clause 6 above and credit the face value of such equity shares to its share capital account.

7.4 Upon this Scheme becoming effective and with effect from the Appointed Date, the excess, if any, of the book value of the assets over the book value of the liabilities of the Transferor Company recorded by the Transferee Company in its books of accounts as mentioned above, as reduced by the face value of shares issued by the Transferee Company to the shareholders of the Transferor Company shall be credited to the capital reserve account in the financial statements of the Transferee Company as drawn up in compliance with the Scheme and applicable accounting standards of the Transferee Company. In case of there being a deficit, such amount shall be debited to the general reserve. In case of any difference in the accounting policies between the Transferor Company and the Transferee Company, the accounting policies followed by the Transferee Company shall prevail and the difference, if any, will be quantified and adjusted in the general reserve mentioned earlier, to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy. Where the Transferee Company does not have sufficient general reserve, the balance amount remaining after adjustment with the general reserve of the Transferee Company, shall be adjusted against the capital reserve, if any, of the Transferee Company.

7.5 Notwithstanding the above, the Board of Directors of the Transferee Company is authorised to account for any of these balances in any manner whatsoever, as may be deemed fit, in accordance with the prescribed accounting standards under the Act and applicable RBI regulations and applicable generally accepted accounting principles as applicable to the Transferee Company. The identity of the reserves of the Transferor Company, if any and to the extent as required under any applicable regulation and as deemed appropriate by the Board of Directors of the Transferee Company, shall be preserved and they shall appear in the financial statements of the Transferee Company in the same form and manner, in which they appeared in the financial statements of the Transferor Company as prepared under the accounting standards applicable to the Transferee Company, prior to this Scheme becoming effective. Accordingly, if prior to this Scheme becoming effective there is any reserve in the financial statements of the Transferor Company available for distribution whether as bonus shares or dividend or otherwise, the same would also be available in the financial statements of the Transferee Company for such distribution pursuant to this Scheme becoming effective.

7.6 The balances of the profit and loss accounts of the Transferor Company (as appearing in the books of accounts of the Transferor Company at the close of business on the day preceding

the Appointed Date) shall be aggregated and added to or set-off (as the case may be) with the corresponding balance appearing in the financial statements of the Transferee Company.

7.7 The Transferee Company shall record in its books of account, all transactions of the Transferor Company in respect of assets, liabilities, income and expenses, from the Appointed Date to the Effective Date. Any inter-company payables and receivables between the Transferor Company and the Transferee Company shall be cancelled and the Transferee Company shall accordingly not record any of such payables and receivables in its books.

7.8 **Accounting Treatment of Transferor Company:**

As the Transferor Company shall stand dissolved without being wound up upon the Scheme becoming effective, hence there is no accounting treatment prescribed under this Scheme in the books of the Transferor Company.

8. EMPLOYEE STOCK OPTION PLAN

8.1 With respect to the stock options granted by the Transferor Company under the employees stock options scheme of the Transferor Company including the benefit of exercise price and the share entitlement pursuant to the bonus issuance by the Transferor Company in 2018, titled Employees Stock Option Scheme 2015 (the "**Transferor Company Option Scheme**"), upon coming into effect of this Scheme, the Transferee Company shall issue stock options to Eligible Employees taking into account the Share Exchange Ratio and on the same terms and conditions as (and which are not less favourable than those) provided in the Transferor Company Option Scheme. Such stock options may be issued by the Transferee Company either under its existing stock option scheme or a revised employee stock option scheme ("**Transferee Company Option Scheme**").

8.2 It is hereby clarified that upon this Scheme becoming effective, options granted by the Transferor Company to the Eligible Employees under the Transferor Company Option Scheme shall automatically stand cancelled. Further, upon this Scheme becoming effective and after cancellation of the options granted to the Eligible Employees under the Transferor Company Option Scheme, the fresh options shall be granted by the Transferee Company to the Eligible Employees on the basis of the Share Exchange Ratio (i.e. for every 1,000options held by an Eligible Employee which entitle such Eligible Employee to acquire 2,000equity shares (on account of 1:1 bonus issuance on 8 June 2018) in the Transferor Company, such Eligible Employee will be conferred 1,136options in the Transferee Company which shall entitle him to acquire 1,136equity shares in the Transferee Company), such that the Eligible Employees shall, as option holders of the Transferee Company, enjoy the same economic benefit as they would have received under the Transferor Company Option Scheme. Fractional entitlements, if any, arising pursuant to the applicability of the Share Exchange Ratio as above shall be rounded off to the nearest higher integer. The exercise price payable for options granted by the Transferee Company to the Eligible Employees shall be based on the exercise price payable by such Eligible Employees under the Transferor Company Option Scheme as adjusted after taking into account the effect of the Share Exchange Ratio.

8.3 On the Effective Date, the provisions of the SEBI (Share Based Employee Benefits) Regulations, 2014, as amended to-date, shall apply, to the extent applicable, to the stock options granted by the Transferee Company under the Transferee Company Option Scheme in pursuance of this Scheme.

8.4 The approval granted to the Scheme by the shareholders, the RBI, the National Housing Bank and/or any other regulatory authority shall be deemed to be approval granted to any modifications made to the Transferor Company Option Scheme by the Transferor Company and approval granted to the Transferee Company Option Scheme to be adopted by the Transferee Company.

8.5 It is hereby clarified that in relation to the options granted by the Transferee Company to the Eligible Employees, the period during which the options granted by the Transferor Company were held by or deemed to have been held by the Eligible Employees shall be taken into

account for determining the minimum vesting period required under Applicable Law or agreement or deed for stock options granted under the Transferor Company Option Scheme or the Transferee Company Option Scheme, as the case may be.

8.6 The Board of Directors of the Amalgamating Companies or any of the committee(s) thereof, including the compensation committee, if any, shall take such actions and execute such further documents as may be necessary or desirable for the purpose of giving effect to the provisions of this clause of the Scheme.

PART IV

GENERAL TERMS AND CONDITIONS

1. PROVISIONS APPLICABLE TO PART III

1.1 Upon the sanction of this Scheme and upon this Scheme becoming effective, the following shall be deemed to have occurred on the Appointed Date and become effective and operative only in the sequence and in the order mentioned hereunder:

(a) amalgamation of the Transferor Company into the Transferee Company in accordance with Part III of the Scheme;

(b) transfer of the authorised share capital of the Transferor Company to the Transferee Company as provided in Part III of this Scheme, and consequential increase in the authorised share capital of the Transferee Company as provided in Part III of this Scheme;

(c) issuance and allotment of New Equity Shares to the shareholders of the Transferor Company as on the Record Date, without any further act, instrument or deed, in accordance with Part III of this Scheme; and

(d) dissolution of the Transferor Company without winding up.

2. COMPLIANCE WITH LAWS

2.1 This Scheme is presented and drawn up to comply with the provisions/requirements of Sections 230 - 232 of the Act, for the purpose of the merger of the Transferor Company with the Transferee Company.

2.2 The amalgamation of the Transferor Company with the Transferee Company in accordance with this Scheme will be in compliance with the provisions of Section 2(1B) of the Income-Tax Act, 1961, such that:

(a) all the properties of the Transferor Company, immediately before the amalgamation, shall become the property of the Transferee Company, by virtue of this amalgamation;

(b) all the liabilities of the Transferor Company, immediately before the amalgamation, shall become the liabilities of the Transferee Company, by virtue of this amalgamation; and

(c) shareholders holding not less than three-fourths in value of the shares in the Transferor Company (other than shares already held therein immediately before the amalgamation by, or by a nominee for, the Transferee Company or its subsidiary) will become shareholders of the Transferee Company by virtue of the amalgamation.

2.3 This Scheme has been drawn up to comply with the conditions relating to "amalgamation" as specified under the tax laws, including Section 2 (1B) and other relevant sections of the Income Tax Act, 1961. If any terms or provisions of the Scheme are found to be or interpreted to be inconsistent with any of the said provisions at a later date, whether as a result of any amendment of law or any judicial or executive interpretation or for any other reason whatsoever, the aforesaid provisions of the Income Tax Act, 1961 shall prevail. The Scheme shall then stand modified to the extent deemed necessary to comply with the said provisions. Such modification will however not affect other parts of the Scheme. The power to make such amendments as may become necessary shall vest with the Board of Directors of the Amalgamating Companies, which power shall be exercised reasonably in the best interests of the companies concerned and their stakeholders.

2.4 Upon this Scheme becoming effective, the Transferee Company is expressly permitted to prepare and/or revise their financial statements and returns along with prescribed forms, filings and annexures under the Income Tax Act, 1961 (including for minimum alternate tax purposes and tax benefits), service tax law and other tax laws, and to claim refunds and/or credits for taxes paid (including minimum alternate tax), and to claim tax benefits under the Income Tax Act, 1961, etc., and for matters incidental thereto, if required to give effect to the provisions of this Scheme. The order of the jurisdictional NCLT sanctioning the Scheme shall be deemed to be an order of the Competent Authority

permitting the Transferee Company to prepare and/or revise its financial statements and books of accounts and no further act shall be required to be undertaken by the Transferee Company.

3. CONSEQUENTIAL MATTERS RELATING TO TAX

3.1 All tax assessment proceedings/appeals of whatsoever nature by or against the Transferor Company pending and/or arising at the Appointed Date and relating to the Transferor Company shall be continued and/or enforced until the Effective Date by the Transferor Company. In the event of the Transferor Company failing to continue or enforce any proceeding/appeal, the same may be continued or enforced by the Transferee Company, at the cost of the Transferee Company. As and from the Effective Date, the tax proceedings shall be continued and enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company.

3.2 Further, the aforementioned proceedings shall not abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation of the Transferor Company with the Transferee Company or anything contained in the Scheme.

3.3 Upon the Scheme becoming effective, any advance tax, self-assessment tax, minimum alternate tax and/or TDS credit available or vested with the Transferor Company, including any taxes paid and taxes deducted at source and deposited by the Transferee Company on inter se transactions during the period between the Appointed Date and the Effective Date shall be treated as advance tax paid by the Transferee Company and shall be available to Transferee Company for set-off against its liability under the Income Tax Act, 1961 and any excess tax so paid shall be eligible for refund together with interest.

4. SAVING OF CONCLUDED TRANSACTIONS

4.1 The transfer of assets, properties and liabilities and the continuance of proceedings by or against the Transferor Company under Clause 1.2 of Part III of the Scheme above shall not affect any transaction or proceedings already concluded by the Transferor Company on and after the Appointed Date until the Effective Date, to the end and intent that the Transferee Company accept and adopt all acts, deeds and things done and executed by the Transferor Company in respect thereto as done and executed on behalf of the Transferee Company.

5. DIVIDENDS

5.1 The Amalgamating Companies shall be entitled to declare and pay dividends, whether interim and/or final, to their respective shareholders prior to the Effective Date, but only in the ordinary course of business.

5.2 It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any shareholder of the Amalgamating Companies to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Boards of Directors of the Amalgamating Companies, and if applicable in accordance with the provisions of the Act, be subject to the approval of the shareholders of the respective Amalgamating Companies.

6. INTERPRETATION

6.1 If any terms or provisions of this Scheme are found to be or interpreted to be inconsistent with any provisions of Applicable Law at a later date, whether as a result of any amendment of Applicable Law or any judicial or executive interpretation or for any other reason whatsoever, the provisions of the Applicable Law shall prevail. Subject to obtaining the sanction of the Competent Authority, if necessary, this Scheme shall then stand modified to the extent determined necessary to comply with the said provisions. Such modification will, however, not affect other parts of this Scheme. Notwithstanding the other provisions of this Scheme, the power to make such amendments/modifications as may become necessary, whether before or after the Effective Date, shall, subject to obtaining the sanction of the Competent Authority if necessary, vest with the Board of Directors of the Amalgamating Companies, which power shall be exercised reasonably in the best interests of the Amalgamating Companiesand their respective shareholders.

7. APPLICATION TO THE COMPETENT AUTHORITY

7.1 The Amalgamating Companies shall make applications and/or petitions under Sections 230 to 232 of the Act and other applicable provisions of the Act to the Competent Authorities for approval of the Scheme and all matters ancillary or incidental thereto, as may be necessary to give effect to the terms of the Scheme.

7.2 Upon this Scheme becoming effective, the shareholders of the Transferee Company shall be deemed to have also accorded their approval under all relevant provisions of the Act for giving effect to the provisions contained in this Scheme.

8. MODIFICATION OR AMENDMENTS TO THE SCHEME

8.1 The Amalgamating Companies, acting through their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorise including any committee or sub-committee thereof, may, jointly and as mutually agreed in writing, assent to/make and/or consent to any modifications/amendments to the Scheme, or to any conditions or limitations that the Competent Authority under Applicable Law may deem fit to direct or impose, or which may otherwise be considered necessary, desirable or appropriate as a result of subsequent events or otherwise by them (i.e., the Board of Directors), or modify, vary or withdraw this Scheme prior to the Effective Date in any manner at any time. The Amalgamating Companies, acting through their respective Boards of Directors or such other person or persons, as the respective Board of Directors may authorise including any committee or sub-committee thereof, be and are hereby authorised to take such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whatsoever for carrying the Scheme into effect, whether by reason of any orders of the Competent Authority or of any directive or orders of any other authorities or otherwise howsoever arising out of, under or by virtue of this Scheme and/or any matters concerning or connected therewith.

8.2 In case, post approval of the Scheme by the Competent Authority, there is any confusion in interpreting any Clause of this Scheme, or otherwise, the Board of Directors of the Amalgamating Companies shall have complete power to take the most sensible interpretation so as to render the Scheme operational.

8.3 In the event of any inconsistency between any of the terms and conditions of any earlier arrangement between the Amalgamating Companies and their respective shareholders and/or creditors, and the terms and conditions of this Scheme, the latter shall prevail.

8.4 If any part of this Scheme is invalid, ruled illegal or rejected by the Competent Authority or any court of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the Amalgamating Companies that such part shall be severable from the remainder of this Scheme and this Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to either the Transferor Company or Transferee Company, in which case the Amalgamating Companies, acting through their respective Boards of Directors, shall attempt to bring about a modification in this Scheme, as will best preserve for the parties, the benefits and obligations of this Scheme, including but not limited to such part, which is invalid, ruled illegal or rejected by the Competent Authority or any court of competent jurisdiction, or unenforceable under present or future Applicable Laws.

9. CONDITIONALITY TO EFFECTIVENESS OF THE SCHEME

9.1 The Scheme is conditional and subject to:

(a) the Scheme being approved by the requisite majority of each classes of members and/or creditors (where applicable) of the Amalgamating Companies in accordance with the Act and as may be directed by the Competent Authority;

(b) the Competent Authority having accorded its sanction to the Scheme;

(c) receipt of approval by the Transferee Company from the RBI in relation to the Scheme, which shall be in form and substance acceptable to the Amalgamating Companies, each acting reasonably and in good faith;

(d) receipt of approval by the promoter of the Transferor Company, from the RBI in relation to the acquisition of New Equity Shares by it in the Transferee Company pursuant to the Scheme;

(e) satisfaction of the conditions, if any, as set out in the approval provided by the RBI under

Clause 9.1(c) and Clause 9.1(d) and which need to be satisfied on or prior to the Effective Date in accordance with the terms thereunder;

(f) receipt of no-objection letters by the Amalgamating Companies in respect from the BSE and the NSE in accordance with the LODR Regulations and the SEBI Circulars in respect of the Scheme (prior to filing the Scheme with the Competent Authority as well as following approval of the Scheme by the Competent Authority), which shall be in form and substance acceptable to the Amalgamating Companies, each acting reasonably and in good faith;

(g) intimation to/receipt of the approval from the National Housing Bank by the Transferor Company and/or its promoter, as applicable,, which shall be in form and substance acceptable to the Amalgamating Companies, each acting reasonably and in good faith;

(h) receipt of the approval from the CCI in respect of the Scheme contemplated herein, in accordance with the provisions of the Competition Act, 2002, pursuant to a joint application filed by the Transferor Company and the Transferee Company, which shall be in form and substance acceptable to the Amalgamating Companies, each acting reasonably and in good faith, or the waiting period during which the CCI is required to provide its decision in respect of the application for approval in respect of the Scheme contemplated herein, together with any extensions thereof, shall have expired; and

(i) receipt of such other sanctions and approvals including sanction of any other Governmental Authority or stock exchange(s) as may be required by Applicable Law in respect of the Scheme.

9.2 The Scheme shall not come into effect unless the aforementioned conditions mentioned in Clause 9.1 of Part IV above are satisfied and in such an event, unless each of the conditions are satisfied, no rights and liabilities whatsoever shall accrue to or be incurred inter se the Amalgamating Companies or their respective shareholders or creditors or employees or any other person.

10. COSTS, CHARGES & EXPENSES

10.1 All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) of the Transferor Company and the Transferee Company arising out of or incurred in connection with and implementing this Scheme and matters incidental thereto on or prior to the Effective Date shall be borne by the respective Amalgamating Companies.

10.2 All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) of the Transferor Company and the Transferee Company arising out of or incurred in connection with and implementing this Scheme and matters incidental thereto after the Effective Date shall be borne by the Transferee Company.

11. RESIDUAL PROVISIONS

11.1 Upon this Scheme becoming effective, the Transferee Company shall be entitled to operate and utilize all bank accounts, cash and deposits relating to the Transferor Company, realise all monies and complete and enforce all pending contracts and transactions in respect of the Transferor Company in the name of the Transferor Company to the extent necessary.

11.2 Upon this Scheme becoming effective, the Transferee Company shall be entitled to occupy and use all premises, whether owned, leased or licensed, relating to the Transferor Company until the transfer of the rights and obligations of the Transferor Company to the Transferee Company under this Scheme is formally accepted by the parties concerned.

11.3 The Amalgamating Companies shall be at liberty to withdraw this Scheme at any time as may be mutually agreed by the respective Board of Directors of the Amalgamating Companies prior to the Effective Date. In such a case, each of the Amalgamating Companies shall respectively bear their own cost or as may be mutually agreed. It is hereby clarified that notwithstanding anything to the contrary contained in this Scheme except as provided in Clause 8.2, any one of the Amalgamating Companies shall not be entitled to withdraw the Scheme unilaterally: (a) without the prior written consent of the other Amalgamating Companies; or (b) unless such withdrawal is in accordance with any written agreement entered into between the Amalgamating Companies.

Desai Haribhakti & Co. Chartered Accountants Constantia 7th Floor B Wing 11, Dr U N Brahmachari Street, Kolkata - 700 017, West Bengal, India.	SRB & Associates Chartered Accountants A-3/7, Gillanders Gouse 8, N.S. Road, Kolkata - 700 001 West Bengal, India.

Dated: 7th January 2019

To,

The Board of Directors, GRUH Finance Limited "GRUH", Netaji Marg Nr. Mithakali Six Roads, Ellisbridge Ahmedabad - 380 006 Gujarat, India.	**The Board of Directors,** Bandhan Bank Limited DN – 32, Sector V Salt Lake Kolkata - 700 091 West Bengal, India

Sub: Recommendation of fair equity share exchange ratio for the purpose of the proposed merger of GRUH Finance Limited into Bandhan Bank Limited

Dear Madams / Sirs,

We refer to the engagement/appointment letters whereby,

- GRUH Finance Limited (hereinafter referred to as "GFL") has appointed Desai Haribhakti & Co., Chartered Accountants (hereinafter referred to as "DHC") vide engagement letter effective from 27th December 2018; and
- Bandhan Bank Limited (hereinafter referred to as "BBL") has appointed SRB & Associates, Chartered Accountants (hereinafter referred to as "SRB") vide engagement letter effective from 20th December 2018.

for recommendation of the fair equity share exchange ratio (hereinafter referred to as "Fair Equity Share Exchange Ratio") for the proposed merger of GFL into BBL (hereinafter jointly referred to as the "Companies") on a going concern basis with effect from the proposed Appointed Date of 1st January 2019 or such other date as approved by the Companies and other relevant authorities.

The Fair Equity Share Exchange Ratio for this report ("Report") refers to the number of equity shares of BBL of face value of INR 10/- each, which would be issued to equity shareholders of GFL in lieu of their equity shareholding in GFL pursuant to the proposed merger.

DHC and SRB are hereinafter referred to as "Valuers" or "we" or "us" and individually referred to as "Valuer" in this joint Report.

Desai Haribhakti & Co. Chartered Accountants

SRB & ASSOCIATES Chartered Accountants

1. SCOPE AND PURPOSE OF THIS REPORT

1.1. GFL, incorporated on 21st July 1986, is engaged in the business of providing home loans and is registered with the National Housing Bank as a housing finance institution. Currently, GFL is a subsidiary of Housing Development Finance Corporation Limited ("HDFC"). The equity shares of the GFL are listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"). HDFC owns 57.86% of paid-up outstanding equity shares and balance is held by public shareholders as of 30th September 2018. GFL had reported total income and profit after tax of INR 16,871.9 million and INR 3,626.8 million respectively for the year ended 31st March 2018.

1.2. BBL, incorporated on 23rd December 2014, is in the business of providing banking services and is licensed as banking company under the provisions of Banking Regulation Act, 1949. The equity shares of the BBL are listed on BSE and NSE. The promoter and the promoter group of BBL owns 82.28% of paid-up outstanding equity shares and balance is held by institutional and public shareholders as of 30th September 2018. BBL had reported total income and profit after tax of INR 55,084.8 million and INR 13,455.5 million respectively for the year ended 31st March 2018.

1.3. We understand that the managements of GFL and BBL ("Management/s") are contemplating to consolidate their operations on a going concern basis with effect from proposed Appointed Date of 1st January 2019 pursuant to a scheme of amalgamation (the "Scheme") under the provisions of Sections 230-232 of the Companies Act, 2013 and other applicable securities and capital market laws and rules issued thereunder to the extent applicable (the "Proposed Merger").

1.4. In consideration thereof, equity shares of BBL will be issued to the equity shareholders of GFL, once the Scheme becomes effective. The number of equity shares of BBL of face value of INR 10/- each to be issued for the equity shares of GFL in the event of the Proposed Merger is referred to as the "Fair Equity Share Exchange Ratio".

1.5. For the aforesaid purpose, GFL and BBL have appointed DHC and SRB respectively to submit a joint report on the Fair Equity Share Exchange Ratio for the consideration of the Board of Directors (the "Boards") of the respective Companies as required under the provisions of Sections 230-232 of the Companies Act, 2013 and other applicable securities and capital market laws and rules issued thereunder.

1.6. The scope of our services is to conduct a relative valuation (not an absolute valuation) of the equity shares of the Companies, without considering the effect of proposed merger and recommending a Fair Equity Share Exchange Ratio for the Proposed Merger.

1.7. This Report will be placed before the Boards / Audit Committees of the respective Companies, as applicable, as per the relevant SEBI circulars, and, to the extent mandatorily required under applicable laws of India. This Report may be required to be produced before the judicial, regulatory or government authorities, stock exchanges, shareholders in connection with the Proposed Merger under applicable laws.

1.8. The Valuers have been appointed severally and not jointly and have worked independently in their analysis. Both the Valuers have received information and clarification from their respective Companies. The Valuers have independently arrived at different values per share of the Companies. However, to arrive at the consensus on the Fair Equity Share Exchange Ratio for the Proposed Merger, appropriate minor adjustments / rounding off has been done in the values arrived at by the Valuers.

1.9. We have considered financial information up to 30th September 2018 and the current market parameters in our analysis and made adjustments for additional facts made known to us till the date of our Report

which will have a bearing on the valuation analysis to the extent considered appropriate. Further, the Managements have informed us that all material information impacting the Companies have been disclosed to us.

1.10. The Managements have informed us that:

a) There would not be any capital variation in the Companies till the Proposed Merger becomes effective without the approval of the shareholders other than on account of existing Employee Stock Options ("ESOPs") Scheme which would not be material;

b) Neither Companies would declare any dividend which are either materially different than those declared in the past few years or having materially different yields.

c) There are no unusual / abnormal events in both the Companies since the last result declaration date till the Report date materially impacting their operating/ financial performance.

We have relied on the above while arriving at the Fair Equity Share Exchange Ratio for the Proposed Merger.

1.11. This Report is our deliverable in respect of our recommendation of the Fair Equity Share Exchange Ratio for the Proposed Merger.

1.12. Our opinion is based on prevailing market, economic and other conditions as at the date of this Report. These conditions can change over relatively short periods of time. Any subsequent changes in these conditions could have an impact upon our opinion. We do not undertake to update this Report for events or circumstances arising after the date of this Report.

1.13. This Report is subject to the scope, assumptions, exclusions, limitations and disclaimers detailed hereinafter. As such, the Report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.

2. SOURCES OF INFORMATION

2.1. In connection with this exercise, we have used the following information about the Companies as received from the Managements in either oral or in written form and/or gathered from public domain:

a. Salient features of the Proposed Merger;

b. Annual Reports for the year ended 31st March 2018 of GFL and BBL and for the earlier periods;

c. Unaudited financial statements of GFL and BBL for 6 months period ended 30th September 2018;

d. List of outstanding ESOPs for various plans with respective exercise price for the Companies as of 30th September 2018;

e. Other relevant information

2.2. Information provided by leading database sources, market research reports and other published data;

2.3. It may be noted that no future business plans for the Companies have been provided to us.

2.4. During the discussions with the Managements, we have also obtained information and explaination considered necessary and relevant for our exercise.

2.5. We have prepared this Report from information provided by and from discussions with the Managements.

Desai Haribhakti & Co. Chartered Accountants

SRB & ASSOCIATES Chartered Accountants

2.6. We have not verified the accuracy, reliability and competence of the information provided and the procedures that we used to perform the work did not constitute an audit or review made under any generally accepted accounting standard.

2.7. The Companies have been provided with the opportunity to review the draft Report (excluding the recommended Fair Equity Share Exchange Ratio) for this engagement to make sure that factual inaccuracies and omissions are avoided in our final Report.

3. PROCEDURES ADOPTED FOR THE PURPOSE OF THE VALUATION

We have performed the valuation analysis, to the extent applicable, in accordance with Indian Valuation Standards, 2018 issued by the Institute of Chartered Accountants of India ("IVS"). In connection with this analysis, we have adopted the following procedures to carry out the valuation analysis:

3.1. Requested and received financial and qualitative information relating to the Companies

3.2. Obtained and analyzed data available in public domain, as considered relevant by us

3.3. Discussed with the management and representatives of the respective Companies on understanding of the business and fundamental factors affecting the Companies.

3.4. Undertook industry analysis:

a. Research publicly available market data including economic factors and industry trends that may impact the valuation.

b. Analysis of key trends and valuation multiples of comparable companies/comparable transactions, if any, using proprietary databases subscribed by us.

3.5. Analysis of other publicly available information.

3.6. Selection of valuation approach and valuation methodology/(ies), in accordance with IVS, as considered appropriate and relevant by us.

3.7. Determination of relative values of the equity shares of the Companies.

3.8. Further, at the request of respective Managements, we have had discussions with fairness opinion providers appointed by respective Companies on the valuation approach adopted and assumptions made.

4. SCOPE LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS AND DISCLAIMERS

4.1. Valuation analysis and results are specific to the purpose of valuation and is not intended to represent value at any time other than valuation date of 4th January, 2019 ("Valuation Date") mentioned in the Report and as per agreed terms of our engagement. It may not be valid for any other purpose or as at any other date. Also, it may not be valid if done on behalf of any other entity.

4.2. This Report, its contents and the results are specific to (i) the purpose of valuation agreed as per the terms of our engagements; (ii) the Valuation Date and (iii) are based on the financial information of the Companies till 30th September 2018. The Managements has represented that the business activities of GFL and BBL have been carried out in normal and ordinary course between 30th September 2018 and

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the Valuation Date and that no material changes have occurred in their respective operations and financial position between 30th September 2018 and the Valuation Date.

4.3. A valuation or determination of share exchange ratio of this nature involves consideration of various factors including those impacted by prevailing stock market trends in general and industry trends in particular. This Report is issued on the understanding that the Managements have drawn our attention to all the matters, which they are aware of concerning the financial position of the Companies and any other matter, which may have an impact on our opinion, on the Fair Equity Share Exchange Ratio for the Proposed Merger as on the Valuation Date.

4.4. We have no responsibility to update the Report for any events and circumstances occurring after the date of the Report. Our valuation analysis was completed on a date subsequent to the Valuation Date and accordingly we have taken into account such valuation parameters and over such period, as we considered appropriate and relevant, up to a date close to Valuation Date.

4.5. This Report is intended only for the sole use and information of the respective Boards of the Companies and only in connection with the Proposed Merger including for the purpose of obtaining regulatory approvals, as required under applicable laws of India.

4.6. This Report and the information contained herein are absolutely confidential and is prepared on for the stated purposes in this report. This Report should not be copied, disclosed, circulated, quoted or referred to either in whole or in part, in correspondence or in discussion with any other person except to whom it is issued without our written consent. The Companies are required to submit this Report to regulatory or judicial authorities, government authorities, stock exchanges, courts, shareholders, their professional advisors including merchant bankers providing the fairness opinion on the Fair Equity Share Exchange Ratio in connection with the Proposed Merger to the extent mandatorily required under applicable laws of India. We hereby consent to such disclosure of this Report, on the basis that we owe responsibility only to the Boards of the respective Companies that have engaged us, under the terms of our engagement, and no other person; and that, to the fullest extent permitted by law, we accept no responsibility or liability to the shareholders of the Companies or any other party, in connection with this Report. The results of our valuation analysis and our Report cannot be used or relied by the Companies for any other purpose or by any other party for any purpose whatsoever.

4.7. We are not responsible to any other person / party for any decision of such person / party based on this report. Any person / party intending to provide finance / invest in the shares / business of the Companies / their holding companies / subsidiaries / associates / investee companies / other group companies, if any, shall do so after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision. If any person / party (other than the Companies) chooses to place reliance upon any matters included in the Report, they shall do so at their own risk and without recourse to the Valuers.

4.8. For the purpose of opining on the relative valuation of the Companies and the Fair Equity Share Exchange Ratio, we have used financial and other information provided to us by the Managements and the information that was publicly available, sourced from subscribed databases and formed substantial basis for this Report which we believe to be reliable and conclusions are dependent on such information being complete and accurate in all material aspects. While information obtained from public domain or external sources have not been verified for authenticity, accuracy or completeness, we have obtained information as far as possible, from sources generally considered to be reliable. We assume no responsibility for such information. Our scope of work refrains us to accept responsibility for the accuracy and completeness of the financial and other information provided to us by the Managements. Our conclusion on value assumes

that the assets and liabilities of the Companies, reflected in their respective latest balance sheets remain intact as of the Report date.

4.9. In accordance with the terms of our respective engagement letters and in accordance with the customary approach adopted in valuation exercises, we have not audited, reviewed, certified, carried out a due diligence, or otherwise investigated the historical and projected financial information, if any, provided to us regarding the Companies / their holding / subsidiary / associates / joint ventures / investee companies, if any. Accordingly, we do not express an opinion or offer any form of assurance regarding the truth and fairness of the financial position as indicated in the historical financials / financial statements and projections. The assignment did not involve us to conduct the financial, legal, regulatory, tax, accounting, actuarial or technical feasibility study. We have not done any independent technical valuation or appraisal or due diligence of the assets or liabilities of the Companies. Also, with respect to explanations and information sought from the Managements, we have been given to understand by the Managements that they have not omitted any relevant and material factors about the Companies and that they have checked the relevance or materiality of any specific information to the present exercise with us in case of any doubt.

4.10. Our conclusion is based on the assumptions and information given to us by/on behalf of the Companies. The respective Managements of the Companies have indicated to us that they have understood that any omissions, inaccuracies or misstatements may materially affect our valuation analysis/results. Accordingly, we assume no responsibility for any errors in the information furnished by the Managements and their impact on the report.

4.11. It should be noted that we have examined the Fair Equity Share Exchange Ratio for the Proposed Merger and not examined any other matter including economic rationale for the Proposed Merger per se or accounting, legal or tax matters involved in the Proposed Merger.

4.12. Whilst all reasonable care has been taken to ensure that the factual statements in the Report are accurate, neither us, nor any of our partners, officers or employees shall in any way be liable or responsible either directly or indirectly for the contents stated herein. Accordingly, we make no representation or warranty, express or implied, in respect of the completeness, authenticity or accuracy of such factual statements. We expressly disclaim any and all liabilities, which may arise based upon the information used in this report.

4.13. The Report assumes that the Companies comply fully with relevant laws and regulations applicable in all its areas of operations unless otherwise stated, and that the Companies will be managed in a competent and responsible manner. Further, except as specifically stated to the contrary, this Report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigation and other contingent liabilities that are not recorded in the audited / unaudited balance sheets of the Companies / their holding / subsidiary / associates / joint ventures / investee companies, if any.

4.14. Our Report is not nor should it be construed as our opining or certifying the compliance of the Proposed Merger with the provisions of any law / standards including companies, foreign exchange regulatory, securities market, accounting and taxation (including transfer pricing) laws / standards or as regards any legal, accounting or taxation implications or issues arising from such Proposed Merger.

4.15. Our Report is not nor should it be construed as our recommendation on the Proposed Merger or anything consequential thereto / resulting therefrom. Our scope of work is limited to expression of our view on the relative value and the Fair Equity Share Exchange Ratio. This Report does not address the relative merits of the Proposed Merger as compared with any other alternatives or whether or not such alternatives could





be achieved or are available. Any decision by the Companies / their shareholders / creditors regarding whether or not to proceed with the Proposed Merger shall rest solely with them. We express no opinion or recommendation as to how the shareholders / creditors of the Companies should vote at any shareholders' / creditors' meeting(s) to be held in connection with the Proposed Merger. This Report does not in any manner address, opine on or recommend the prices at which the securities of the Companies could or should transact at following the announcement / consummation of the Proposed Merger. Our report and the opinion / valuation analysis contained herein is not nor should it be construed as advice relating to investing in, purchasing, selling or otherwise dealing in securities or as providing management services or carrying out management functions. It is understood that this analysis does not represent a fairness opinion.

4.16. We express no opinion on the achievability of the forecasts, if any, relating to the Companies given to us by the Managements.

4.17. We have not conducted or provided an analysis or prepared a model for any individual assets / liabilities and have wholly relied on information provided to us by the Managements in that regard.

4.18. The fee for our valuation analysis and the Report is not contingent upon the results reported.

4.19. This Report is subject to the laws of India.

4.20. Any discrepancies in any table / annexure between the total and the sums of the amounts listed are due to rounding-off.

5. SHARECAPITAL DETAILS OF THE COMPANIES

5.1. **GRUH Finance Limited**

Based on the share capital of GFL as at 30th September 2018, and the outstanding options (including unexercised options) as at that date, we have considered the diluted equity share capital of GFL was ~ INR 1,472.9 million consisting of 73,64,57,560 equity shares of face value of INR 2/- each fully paid up.

5.2. **Bandhan Bank Limited**

Based on the share capital of BBL as at 30th September 2018, and the outstanding options (including unexercised options) at that date, we have considered the diluted equity share capital of BBL was ~ INR 11,950.2 million consisting of 1,19,50,25,669 equity shares of face value of INR 10/- each fully paid up.

6. APPROACH – BASIS OF AMALGAMATION

6.1. The Scheme contemplates the Proposed Merger under Sections 230-232 of the Companies Act, 2013 and rules issued thereunder to the extent applicable.

6.2. Arriving at the Fair Equity Share Exchange Ratio for the purposes of a merger such as the Proposed Merger, in accordance with the IVS would require determining the relative values of each company involved and of their shares. These values are to be determined independently but on a relative basis, and without considering the effect of the merger.

6.3. The three main valuation approaches are the asset approach, market approach and income approach. There are several commonly used and accepted methods including those set out in the IVS, within the market approach, income approach and asset approach, for determining the relative fair value of equity

shares, which can be considered in the present case, to the extent relevant and applicable, to arrive at the Fair Equity Share Exchange Ratio for the purpose of the Proposed Merger, such as:

a. Asset Approach including
   - Net Asset Value (NAV) Method

b. Market Approach including
   - Market Price Method
   - Comparable Companies Multiple (CCM) Method

c. Income Approach including
   - Discounted Cash Flow (DCF) Method
   - Earning Capitalization Value (ECV) Method

6.4. It should be understood that the valuation of any company or its assets is inherently subjective and is subject to uncertainties and contingencies, all of which are difficult to predict and are beyond our control. In performing our analysis, we made assumptions with respect to industry performance and general business and economic conditions, many of which are beyond the control of the companies. In addition, this valuation will fluctuate with changes in prevailing market conditions, the conditions and prospects, financial and otherwise, of the companies / businesses, and other factors which generally influence the valuation of companies and their assets.

6.5. The application of any particular method of valuation depends on the purpose for which the valuation is done. Although different values may exist for different purposes, it cannot be too strongly emphasized that a valuer can only arrive at one value for one purpose. Our choice of method of valuation has been arrived at using usual and conventional methods adopted for transactions of a similar nature and our reasonable judgment, in an independent and bona fide manner based on our previous experience of assignments of a similar nature.

6.6. **Asset Approach**: The asset based valuation technique is based on the value of underlying net assets of business either on a book value basis or realizable value basis or replacement cost basis

a. **Net Asset Value Method**: The asset based valuation technique is based on the value of the underlying net assets of the business, either on a book value basis or realizable value basis or replacement cost basis. This valuation approach may be used in cases where the assets base dominates the earnings capability. A scheme of arrangement would normally be proceeded with, on the assumption that the companies would merge as going concerns and an actual realization of the operating assets is not contemplated. The operating assets have therefore been considered at their book values.

6.7. **Market Approach**: Market approach is a valuation approach that uses prices and other relevant information generated by market transactions involving identical or comparable (i.e., similar) assets, liabilities or a group of assets and liabilities, such as a business.

a. **Market Price Method**: Under this method, the market price of an equity share of the company as quoted on a recognized stock exchange is normally considered as the fair value of the equity shares of that company where such quotations are arising from the shares being regularly and freely traded. The market value generally reflects the investors' perception about the true worth of the company, subject to the element of speculative support that may be inbuilt in the market price. But there could be situations where the value of the share as quoted on the stock market would not be regarded as a proper index of the fair value of the share, especially where the market values are fluctuating in a volatile capital market. Further, in the case of a merger, where there is a question of evaluating the

shares of one company against those of another, the volume of transactions and the number of shares available for trading on the stock exchange over a reasonable period would have to be of a comparable standard.

b. **Comparable Companies Multiple (CCM) Method** : Under this method, one attempts to measure the value of the shares / business of company by applying the derived market multiple based on market quotations of comparable public / listed companies, in an active market, possessing attributes similar to the business of such company - to the relevant financial parameter of the company / business (based on past and / or projected working results) after making adjustments to the derived multiples on account of dissimilarities with the comparable companies and the strengths, weaknesses and other factors peculiar to the company being valued. These valuations are based on the principle that such market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances.

6.8. **Income Approach:** Income approach is a valuation approach that converts maintainable or future amounts (e.g., cash flows or income and expenses) to a single current (i.e., discounted or capitalised) amount. The value measurement is determined on the basis of the value indicated by current market expectations about those future amounts.

a. **Discounted Cash Flow (DCF) Method:**

Under the DCF method the projected free cash flows to the firm are discounted at the weighted average cost of capital. The sum of the discounted value of such free cash flows is the value of the firm.

Such DCF analysis involves determining the following:

Estimating future free cash flows:

Free cash flows are the cash flows expected to be generated by the company that are available to the providers of the company's capital – both debt and equity.

Appropriate discount rate to be applied to cash flows i.e. the cost of capital:

This discount rate, which is applied to the free cash flows, should reflect the opportunity cost to all the capital providers (namely shareholders and creditors), weighted by their relative contribution to the total capital of the company. The opportunity cost to the capital provider equals the rate of return the capital provider expects to earn on other investments of equivalent risk.

b. **Earnings Capitalization Value (ECV) Method:** This method involves determination of the maintainable earnings level of the company from its operations, based on past and / or projected working results. These earnings are then capitalized at a rate, which in the opinion of the valuer combines an adequate expectation of reward from the enterprise risk, to arrive at the value of the company.

Out of the above methods, we have used approaches / methods as considered appropriate by us. The values arrived at under such approaches / methods has been tabled in the section 7 of this Report.

7. BASIS OF FAIR EQUITY SHARE EXCHANGE RATIO

7.1. The fair basis of the Proposed Merger would have to be determined after taking into consideration all the factors, approaches and methods considered appropriate by the respective Valuer. Though different

values have been arrived at under each of the above approaches / methods, for the purposes of recommending the Fair Equity Share Exchange Ratio it is necessary to arrive at a single value for the shares of the Companies involved in a merger such as the Proposed Merger. It is however important to note that in doing so, we are not attempting to arrive at the absolute values of the shares of the Companies but at their relative values to facilitate the determination of a Fair Equity Share Exchange Ratio. For this purpose, it is necessary to give appropriate weights to the values arrived at under each approach / method.

7.2. In the ultimate analysis, valuation will have to be arrived at by the exercise of judicious discretion by the valuer and judgments taking into account all the relevant factors. There will always be several factors, e.g. quality of the management, present and prospective competition, yield on comparable securities and market sentiment, etc. which are not evident from the face of the balance sheets but which will strongly influence the worth of a share. This concept is also recognized in judicial decisions. There is, therefore, no indisputable single exchange ratio. While we have provided our recommendation of the Fair Equity Share Exchange Ratio based on the information available to us and within the scope and constraints of our engagement, others may have a different opinion as to the Fair Equity Share Exchange Ratio of the equity shares of GFL and BBL. The final responsibility for the determination of the exchange ratio at which the Proposed Merger shall take place will be with the Boards of the Companies who should take into account other factors such as their own assessment of the Proposed Merger and input of other advisors.

7.3. The Fair Equity Share Exchange Ratio has been arrived at on the basis of a relative equity valuation of GFL and BBL based on the various approaches / methods explained herein earlier and various qualitative factors relevant to each company and the business dynamics and growth potentials of the businesses of these Companies, having regard to information base, key underlying assumptions and limitations.

7.4. We have independently applied methods discussed above, as considered appropriate, and arrived at their assessment of the value per equity share of GFL and BBL. To arrive at the consensus on the Fair Equity Share Exchange Ratio for the Proposed Merger, suitable minor adjustments / rounding off has been done in the values arrived at by the Valuers.

In light of the above, and on a consideration of all the relevant factors and circumstances as discussed and outlined herein above, we recommend the following Fair Equity Share Exchange Ratio for the Proposed Merger whose computation is as under:

The Computation of Fair Equity Share Exchange Ratio as derived by DHC, is given below:

Valuation Approach	GRUH Finance Limited		Bandhan Bank Limited	
	Value per Share (INR)	Weight	Value per Share (INR)	Weight
Asset Approach	23.60	0%	85.75	0%
Income Approach	NA	NA	NA	NA
Market Approach – Market Price Method	308.51	50%	554.30	50%
Market Approach – Comparable Companies Multiple Method	334.38	50%	577.54	50%
Relative Value per Share	**321.45**		**565.92**	
Exchange Ratio (rounded off)	**0.568**			

*N/A = Not Applicable

Desai Haribhakti & Co. Chartered Accountants

SRB & ASSOCIATES Chartered Accountants

The Computation of Fair Equity Share Exchange Ratio as derived by SRB, is given below:

Valuation Approach	GRUH Finance Limited		Bandhan Bank Limited	
	Value per Share (INR)	Weight	Value per Share (INR)	Weight
Asset Approach	23.60	0%	85.75	0%
Income Approach	NA	NA	NA	NA
Market Approach – Market Price Method	308.51	50%	554.30	50%
Market Approach – Comparable Companies Multiple Method	335.40	50%	578.61	50%
Relative Value per Share	**321.95**		**566.46**	
Exchange Ratio (rounded off)	**0.568**			

*N/A = Not Applicable

Ratio:

In light of the above, and on a consideration of all the relevant factors and circumstances as discussed and outlined herein above, we recommend the following Fair Equity Share Exchange Ratio for the Proposed Merger:

568 [Five hundred and Sixty Eight] equity shares of Bandhan Bank Limited of INR 10/- each fully paid up for every 1,000 [Thousand] equity shares of GRUH Finance Limited of INR 2/- each fully paid up.

Respectfully Submitted,

Desai Haribhakti & Co. Chartered Accountants ICAI Firm Registration Number: 323806E **Arvind Godhawala** *Partner* Membership No: 106621 Date: 7th January 2019 Place: Mumbai, India	SRB & Associates. Chartered Accountants ICAI Firm Registration Number: 310009E **Biswanath Paul** *Partner* Membership No: 068186 Date: 7th January 2019 Place: Mumbai, India

JM FINANCIAL

STRICTLY CONFIDENTIAL

January 7, 2019

The Board of Directors,
Gruh Finance Limited,
Netaji Marg, Nr. Mithakhali Six Roads,
Ellisbridge, Ahmedabad 380 006

Ladies / Gentlemen:

We refer to the engagement letter dated January 3, 2019 (**"Engagement Letter"**) whereby Gruh Finance Limited (**"Gruh"** or **"Company"**) has engaged JM Financial Limited (**"JM Financial"**), *inter alia,* to provide a fairness opinion to the Company on the share exchange ratio report dated January 7, 2019 (**"Share Exchange Ratio Report"**) issued jointly by Desai Haribhakti & Co., Chartered Accountants (**"DHC"** or **"Valuer"**) and SRB & Associates, Chartered Accountants (**"SRB"** or **"Valuer"**) (DHC and SRB are collectively referred as **"Valuers"**) for the proposed merger of Company into Bandhan Bank Limited (**"Bandhan Bank"**) on a going concern basis pursuant to a scheme of Amalgamation (the **"Proposed Scheme"**) under the provisions of Sections 230-232 of the Companies Act, 2013 and other applicable securities and capital market laws and rules issued thereunder to the extent applicable (the **"Proposed Merger"**).

Company Background and Purpose

Gruh, incorporated on 21st July 1986, is engaged in the business of providing home loans and is registered with the National Housing Bank as a housing finance institution. The equity shares of the Gruh are listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE" and together with the BSE, the "Stock Exchanges").

Bandhan Bank, incorporated on 23rd December 2014, is in the business of providing banking services and is licensed as banking company under the provisions of Banking Regulation Act, 1949. The equity shares of Bandhan Bank are listed on BSE and NSE.

The proposal envisages, inter alia, the amalgamation of Gruh into Bandhan Bank, whereby equity shares of Bandhan Bank will be issued to the shareholders of Gruh. The Company appointed Valuer has arrived at a swap ratio of 568 (Five Hundred and Sixty Eight) equity shares of Bandhan Bank of INR 10/- each fully paid up for every 1,000 (One Thousand) equity shares of Gruh of INR 2/- each fully paid up (**"Share Exchange Ratio"**). The Company in terms of the Engagement Letter requested us to issue our independent opinion as to the fairness of the Share Exchange Ratio recommended by the Valuers (**"Fairness Opinion"**).

Source of Information

For the said examination and for arriving at the opinion set forth below, we have received:

1. Share Exchange Ratio Report issued by the Valuers;
2. Draft of the Proposed Scheme; and
3. Certain explanations and information from the representatives of the Company.

JM Financial Limited
Corporate Identity Number : L67120MH1986PLC038784
Regd. Office: 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025.
T: +91 22 6630 3030 F: +91 22 6630 3330 www.jmfl.com

Scope Limitations

We have assumed and relied upon, without independent verification, the accuracy and completeness of all information that was publicly available or provided or otherwise made available to us by the Company for the purposes of this Fairness Opinion. We express no opinion, and accordingly, accept no responsibility with respect to or for such information, or the assumptions on which it is based, and, we have simply accepted this information on an "as is" basis, and, have not verified the accuracy and/or the completeness of the same from our end. We have not assumed any obligation to conduct, nor have we conducted any physical inspection or title verification of the properties or facilities of the Company or Bandhan Bank and neither express any opinion with respect thereto nor accept any responsibility therefore. We have not made any independent valuation or appraisal of the assets or liabilities of the Company or Bandhan Bank, nor have we been furnished with any such appraisals. We have not reviewed any internal management information statements or any non-public reports, and instead, with your consent, have relied upon information that was publicly available or provided or otherwise made available to us by the Company or Bandhan Bank on an "as is" basis for the purposes of this Fairness Opinion. We are not experts in the evaluation of litigation or other actual or threatened claims, and accordingly, we have not evaluated any litigation or other actual or threatened claims. In addition, we have assumed that the Proposed Scheme will be approved by regulatory authorities and that the Proposed Scheme will be consummated substantially in accordance with the terms set forth in the Proposed Scheme. We have assumed that there are no other contingent liabilities or circumstances that could materially affect the business or financial prospects of the Company or Bandhan Bank.

We understand that the management of the Company, during our discussion with them, would have drawn our attention to all such information and matters which may have an impact on our analysis and opinion. We have assumed that in the course of obtaining necessary regulatory or other consents or approvals for the Proposed Scheme, no restrictions will be imposed or there will be no delays that will have a material adverse effect on the benefits of the Proposed Scheme that may have been contemplated. Our opinion is necessarily based on financial, economic, market and other conditions as they currently exist and on the information made available to us as of the date hereof. It should be understood that although subsequent developments may affect this opinion, we do not have an obligation to update, revise or reaffirm this opinion. In arriving at our opinion, we were not authorized to solicit, and did not solicit, interest from any party with respect to the acquisition, business combination or other extraordinary transaction involving the Company or any of its assets, nor did we negotiate with any other party in this regard.

In the ordinary course of business, the JM Financial group is engaged in securities trading, securities brokerage and investment activities, as well as, providing investment banking and investment advisory services. In the ordinary course of its trading, brokerage and financing activities, any member of the JM Financial group may at any time hold long or short positions, and may trade or otherwise effect transactions, for its own account or the accounts of customers, in debt or equity securities or senior loans of any company that may be involved in the Proposed Scheme.

We express no opinion whatsoever and make no recommendation at all as to the Company's underlying decision to effect the Proposed Scheme or as to how the holders of equity shares or secured or unsecured creditors of Company should vote at their respective meetings held in

connection with the Proposed Scheme. We do not express and should not be deemed to have expressed any views on any other terms of the Proposed Scheme. We also express no opinion, and accordingly, accept no responsibility for or as to the price at which the equity shares of the Company or Bandhan Bank will trade following the announcement of the Proposed Scheme or as to the financial performance of the Company or Bandhan Bank following the consummation of the Proposed Scheme. We express no opinion whatsoever and make no recommendations at all (and accordingly take no responsibility) as to whether shareholders / investors should buy, sell or hold any stake in the Company or any of its related parties (holding company / subsidiary /associates etc) or Bandhan Bank.

Conclusion

Based on our examination of the Share Exchange Ratio Report, such other information / undertakings / representations provided to us by the Company and our independent analysis and evaluation of such information and subject to the scope limitations as mentioned hereinabove and to the best of our knowledge and belief, we are of the opinion that the Share Exchange Ratio is fair for the shareholders of the Company.

Distribution of the Fairness Opinion

The Fairness Opinion is addressed only to the Board of Directors of the Company. The Fairness Opinion shall not otherwise be disclosed or referred to publicly or to any other third party without JM Financial's prior written consent.

However, Company may provide a copy of the Fairness Opinion if requested / called upon by any regulatory authorities of India subject to Company promptly intimating JM Financial in writing about receipt of such request from the regulatory authority. The Fairness Opinion should be read in totality and not in parts. Further, this Fairness Opinion should not be used or quoted for any purpose other than the purpose mentioned hereinabove. If this Fairness Opinion is used by any person other than to whom it is addressed or for any purpose other than the purpose stated hereinabove, then, we will not be liable for any consequences thereof and shall not take any responsibility for the same. Neither this Fairness Opinion nor its contents may be referred to or quoted to / by any third party, in any registration statement, prospectus, offering memorandum, annual report, loan agreement or any other agreement or documents given to third parties. In no circumstances however, will JM Financial or its management, directors, officers, employees, agents, advisors, representatives and controlling persons of JM Financial accept any responsibility or liability including any pecuniary or financial liability to any third party.

Yours truly,

For **JM Financial Limited**

Authorized Signatory

BSE - PUBLIC

BSE
EXPERIENCE THE NEW

DCS/AMAL/SV/R37/1423/2019-20 **April 03, 2019**

The Company Secretary,
Gruh Finance Ltd.
Gruh, Netaji Marg, Near Mithakhali Six Roads,
Ellisbridge, Ahmedabad, Gujarat, 380006

Sir,

Sub: Observation letter regarding the Draft Scheme of amalgamation of Gruh Finance Limited with Bandhan Bank Ltd and its shareholders.

We are in receipt of Draft Scheme of amalgamation of Gruh Finance Limited with Bandhan Bank Ltd and its shareholders filed as required under SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017; SEBI vide its letter dated April 03,2019 has inter alia given the following comment(s) on the draft scheme of arrangement:

- **"Company shall ensure that additional information, if any, submitted by the Company, after filing the scheme with the Stock Exchange, and from the date of receipt of this letter is displayed on the websites of the listed company and the stock exchanges."**
- **"Company shall duly comply with various provisions of the Circulars."**
- **"Company is advised to comply with all the relevant RBI norms and the observations issued by RBI vide letter dated March 14, 2019."**
- **"Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the company is obliged to bring the observations to the notice of NCLT."**
- **"It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations."**

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble NCLT.

Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose information about unlisted companies involved in the format prescribed for abridged prospectus as specified in the circular dated March 10, 2017.

(2)

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the validity of this Observation Letter shall be six months from the date of this Letter, within which the scheme shall be submitted to the NCLT.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Yours faithfully,

Tushar Kamath
Deputy Gen Manager

Sabah Vaze
Associate Manager

National Stock Exchange Of India Limited

Ref: NSE/LIST/19749 April 03, 2019

The Company Secretary
Gruh Finance Limited
"GRUH", Netaji Marg,
Near Mithakali Six Road,
Ellisbridge, Ahmedabad – 380006
Gujarat

Kind Attn.: Mr. Marcus Lobo

Dear Sir,

Sub: Observation Letter for Scheme of Amalgamation between Gruh Finance Limited and Bandhan Bank Limited.

We are in receipt of the Scheme of Amalgamation between Gruh Finance Limited (Transferor Company) and Bandhan Bank Limited (Transferee Company) vide application dated January 12, 2019.

Based on our letter reference no Ref: NSE/LIST/72526 submitted to SEBI and pursuant to SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 ('Circular'), SEBI vide letter dated April 03, 2019, has given following comments:

a. *The Company shall ensure that additional information, if any, submitted by the Company, after filing the Scheme with the Stock Exchange and from the date of the receipt of this letter is displayed on the website of the listed company.*

b. *Bandhan Bank shall comply with all the relevant RBI Norms and the observations issued by RBI vide letter dated March 14, 2019.*

c. *The Company shall duly comply with various provisions of the Circular.*

d. *The Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the company is obliged to bring the observations to the notice of NCLT.*

e. *It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments/observations/ representations.*

It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to National Stock Exchange of India Limited again for its comments/observations/ representations.

This Document is Digitally Signed

Signer: Rajendra P Bhosale
Date: Wed, Apr 3, 2019 18:49:19 IST
Location: NSE

Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of Regulation 11 of SEBI (LODR) Regulations, 2015, we hereby convey our "No-objection" in terms of Regulation 94 of SEBI (LODR) Regulations, 2015, so as to enable the Company to file the draft scheme with NCLT.

However, the Exchange reserves its rights to raise objections at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Regulations, Guidelines / Regulations issued by statutory authorities.

The validity of this "Observation Letter" shall be six months from April 03, 2019, within which the scheme shall be submitted to NCLT.

Yours faithfully,
For **National Stock Exchange of India Limited**

Rajendra Bhosale
Manager

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL http://www.nseindia.com/corporates/content/further_issues.htm

This Document is Digitally Signed

Signer: Rajendra P Bhosale
Date: Wed, Apr 3, 2019 18:49:19 IST
Location: NSE

GRUH FINANCE LIMITED
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SEC: 2019
February 19, 2019

BSE Limited
PJ Towers, Dalal Street,
Mumbai 400001.

Scrip Code: 511288

Dear Sir/Ma'am,

Sub: Complaints Report in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") for the scheme of amalgamation between GRUH Finance Limited ("Transferor Company") into and with Bandhan Bank Limited ("Transferee Company") under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions ("Scheme of Amalgamation" or "Scheme").

This is with reference to the captioned application submitted by us on January 12, 2019.

In terms of paragraph 6(b) of Annexure I of the SEBI Circular bearing reference number CFD/DIL3/CIR/2017/21 dated March 10, 2017 ("SEBI Circular"), a listed entity is required to submit a "Report on Complaints" to the stock exchanges within 7 days of expiry of 21 days from the date of filing of the draft Scheme with the stock exchanges and hosting of the draft Scheme along with documents specified under paragraph 2 of Annexure I of the SEBI Circular on the websites of stock exchanges and such listed entity. It may be noted that the stock exchange, i.e. BSE Limited ("BSE") had hosted the draft Scheme of Amalgamation along with the required documents on its website on January 24, 2019 and was hosted on January 23, 2019 by NSE. The SEBI Circular requires the Reports on Complaints to be in the format prescribed in Annexure III of the SEBI Circular.

In view of the above, we enclose the "Report on Complaints" as per the format prescribed under the said SEBI Circular.

It may be noted that the Transferor Company (i.e., GRUH Finance Limited) has received six complaints/comments from its shareholders with respect to the said Scheme from January 23, 2019 (being the first date of uploading of the Scheme on NSE) till the close of business hours on February 14,2019 either directly or through the stock exchanges, i.e. NSE or BSE Limited or through SEBI.

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As required under paragraph 8 of Annexure I of the SEBI Circular, the Transferor Company will upload the "Report on Complaints" on its website, www.gruh.com.

Thanking you,

Yours faithfully,

For GRUH Finance Limited

Marcus Lobo
Company Secretary
Membership No. F4256

Encl. a/a

GRUH FINANCE LTD. AHMEDABAD

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Complaints Report

Part A

S.N.	Particulars	Number
1.	Number of complaints/comments received directly	6
2.	Number of complaints forwarded by Stock Exchange	Nil
3.	Total Number of complaints/comments received (1+2)	6
4.	Number of complaints resolved	6
5.	Number of complaints pending	Nil

Part B

S.N.	Name of complainant	Date of complaint/ comment	Status (Resolved/Pending)
1.	Mr. Atul Vyas	09/01/2019, 18/01/2019 & 30/01/2019	Resolved
2.	Mr. Bharat (Barry) Sahgal	09/01/2019 & 23/01/2019	Resolved
3.	Mr. Sanjay Arora	25/01/2019	Resolved
4.	Mr. Chetan Jayantilal Shah	23/01/2019 & 24/01/2019	Resolved
5.	Mr. Hemant Amin	23/01/2019	Resolved
6.	Mr. Megh Manseta	24/01/2019	Resolved

For, GRUH FINANCE LTD.

MARCUS LOBO
COMPANY SECRETARY

GRUH FINANCE LTD. AHMEDABAD

GRUH FINANCE LIMITED
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SEC: 2019
February 19, 2019

National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1, G Block,
Bandra Kurla Complex,
Bandra (East),
Mumbai - 400 051

Scrip Code: GRUH

Dear Sir/Ma'am,

Sub: Complaints Report in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") for the scheme of amalgamation between GRUH Finance Limited ("Transferor Company") into and with Bandhan Bank Limited ("Transferee Company") under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions ("Scheme of Amalgamation" or "Scheme").

This is with reference to the captioned application submitted by us on January 12, 2019.

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In view of the above, we enclose the "Report on Complaints" as per the format prescribed under the said SEBI Circular.

It may be noted that the Transferor Company (i.e., GRUH Finance Limited) has received six complaints/ comments from its shareholders with respect to the said Scheme from January 23, 2019 (being the date of uploading of the scheme by NSE) till the close of business hours on February 13, 2019 either directly or through the stock exchanges, i.e. NSE or BSE Limited or through SEBI.

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As required under paragraph 8 of Annexure I of the SEBI Circular, the Transferor Company will upload the "Report on Complaints" on its website, www.gruh.com.

Thanking you,

Yours faithfully,

For GRUH Finance Limited

Marcus Lobo
Company Secretary
Membership No. F4256

Encl. a/a

GRUH FINANCE LIMITED
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Complaints Report

Part A

S.N.	Particulars	Number
1.	Number of complaints/comments received directly	6
2.	Number of complaints forwarded by Stock Exchange	Nil
3.	Total Number of complaints/comments received (1+2)	6
4.	Number of complaints resolved	6
5.	Number of complaints pending	Nil

Part B

S.N.	Name of complainant	Date of complaint/ comment	Status (Resolved/Pending)
1.	Mr. Atul Vyas	09/01/2019, 18/01/2019 & 30/01/2019	Resolved
2.	Mr. Bharat (Barry) Sahgal	09/01/2019 & 23/01/2019	Resolved
3.	Mr. Sanjay Arora	25/01/2019	Resolved
4.	Mr. Chetan Jayantilal Shah	23/01/2019 & 24/01/2019	Resolved
5.	Mr. Hemant Amin	23/01/2019	Resolved
6.	Mr. Megh Manseta	24/01/2019	Resolved

For, GRUH FINANCE LTD.

MARCUS LOBO
COMPANY SECRETARY

GRUH FINANCE LTD. AHMEDABAD

GRUH FINANCE LIMITED
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Summary of Joint Valuation Report

1. GRUH Finance Limited ("**GRUH**") appointed Desai Haribhakti & Co., Chartered Accountants ("DHC") and Bandhan Bank Limited ("**Bandhan**") appointed SRB & Associates, Chartered Accountants ("**SRB**") for recommendation of the fair equity share exchange ratio ("**Fair Equity Share Exchange Ratio**") for the proposed merger of GRUH with Bandhan (hereinafter jointly referred to as "**Companies**") on a going concern basis with effect from the proposed Appointed Date (as defined in the Scheme). Accordingly, DHC and SRB (hereinafter jointly referred to as "**Valuers**") had issued a joint valuation report dated January 7, 2019 ("**Valuation Report**"). The Fair Equity Share Exchange Ratio for the Valuation Report referred to the number of equity shares of Bandhan of face value Rs. 10 (Rupees ten) each which would be issued to equity shareholders of GRUH in lieu of their equity shareholding in GRUH pursuant to the proposed merger.

2. The Valuers performed the valuation analysis, to the extent applicable, in accordance with the Indian Valuation Standards, 2018 issued by the Institute of Chartered Accountants of India ("**IVS**"). The recommendation of the Fair Equity Share Exchange Ratio was arrived on the basis of a relative valuation (not absolute valuation) of equity shares of the Companies, which was based on the following valuation approaches, namely (i) Asset Approach; (ii) Income Approach; (iii) Market Approach - Market Price Method; and (iv) Market Approach - Comparable Companies Multiple method and various qualitative factors relevant to each company and business dynamics and growth potential of the businesses of the Transferor and Transferee Company, having regard to the information base, management representations, key underlying assumptions and limitations as specified in the Valuation Report.

3. The relevant approaches adopted and weightages provided to such approaches are summarized herein below for ease of reference:

Approach	SRB & Associates		Desai Haribhakti & Co.	
	GRUH	Bandhan	GRUH	Bandhan
Asset	Rs. 23.60 Weightage (Nil)*	Rs. 85.75 Weightage (Nil) *	Rs. 23.60 Weightage (Nil) *	Rs. 85.75 Weightage (Nil) *
Income**	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Market Approach - Market Price Method	Rs. 308.51 Weightage: 50%	Rs. 554.30 Weightage: 50%	Rs. 308.51 Weightage: 50%	Rs. 554.30 Weightage: 50%
Market Approach - Comparable Companies Multiple Method	Rs. 335.40 Weightage: 50%	Rs. 578.61 Weightage: 50%	Rs. 334.38 Weightage: 50%	Rs. 577.54 Weightage: 50%

** As the valuation were proceeded on the basis of going concern basis, underlying asset value was of limited relevance, as evidenced by the Nil Weightage.*
***in absence of projections, discounted cash flow method under income approach could not be considered.*

Registered Office: "GRUH", Netaji Marg, Near Mithakhali Six Roads, Ellisbridge, Ahmedabad-380 006.
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CIN : L65923GJ1986PLC008809 - Website : www.gruh.com

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4. Basis the aforesaid valuation, SRB arrived at the Relative value per share of GRUH at Rs. 321.95 and for Bandhan at Rs. 566.46. On the other hand, the relative values derived by DHC for GRUH and Bandhan were Rs. 321.45 and Rs. 565.92 respectively. Accordingly, an exchange ratio of 0.568 was arrived at and the following Fair Equity Share Exchange Ratio was suggested:

> *For every 1,000 fully paid up equity shares of face value of Rs. 2 (Rupees two) each held in the Transferor Company as on the Record Date (as defined in the Scheme), the equity shareholders of the Transferor Company shall receive 568 fully paid-up equity shares of Transferee Company of face value of Rs. 10 (Rupees ten) each credited as fully paid up in Transferee Company.*

5. GRUH appointed JM Financial Limited to provide an independent opinion to the board of directors of GRUH on the fairness of the Fair Equity Share Exchange Ratio recommended by the Valuers. JM Financial Limited has carried out their independent analysis and *vide* their report dated January 7, 2019 opined to the board of directors of GRUH that the Fair Equity Share Exchange Ratio is fair.

6. Bandhan appointed Kotak Mahindra Capital Company Limited to provide an independent opinion to the board of directors of Bandhan on the fairness of the Fair Equity Share Exchange Ratio recommended by the Valuers. Kotak Mahindra Capital Company Limited has carried out their independent analysis and *vide* their report dated January 7, 2019 opined to the board of directors of Bandhan that the Fair Equity Share Exchange Ratio is fair.

For GRUH Finance Limited

Marcus Lobo
Company Secretary

GRUH FINANCE LTD. AHMEDABAD

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REPORT ADOPTED BY THE BOARD OF DIRECTORS OF GRUH FINANCE LIMITED AT ITS MEETING HELD ON JANUARY 7, 2019 EXPLAINING THE EFFECT OF THE SCHEME ON EQUITY SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS:

1. Background

1.1. The board of directors ("**Board**") of GRUH Finance Limited ("**Transferor Company**") at its meeting held on January 7, 2019 approved a scheme of amalgamation between the Transferor Company and Bandhan Bank Limited ("**Transferee Company**") under sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("**Companies Act**"), Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and other rules and regulations framed thereunder ("**Scheme**"). The Transferor Company and the Transferee Company are together referred to as the "Amalgamating Companies".

1.2. As per the provisions of section 232(2)(c) of the Companies Act, the directors of the Transferor Company are required to adopt a report explaining the effect of the Scheme on equity shareholders, key managerial personnel, promoters and non-promoter shareholders of the company, laying out, in particular, the share exchange ratio, and the same is required to be circulated to the equity shareholders and creditors along with the notice convening their meetings. This report has, accordingly been made for adoption by the Board, in pursuance of the requirements under section 232(2)(c) of the Companies Act.

1.3. The following documents were placed before the Board:

(i) draft Scheme;
(ii) joint valuation report dated January 7, 2019 issued by M/s. Desai Haribhakti & Co. and M/s. SRB & Associates, chartered accountants ("**Valuation Report**");
(iii) fairness opinion dated January 7, 2019 issued by JM Financial Limited, a SEBI registered merchant banker opining on the fairness of the share exchange ratio as recommended in the Valuation Report ("**Fairness Opinion**"); and
(iv) report of the audit committee of the Board dated January 7, 2019, recommending the draft Scheme to the Board for approval.

2. Effect of the Scheme

2.1. The Scheme contemplates amalgamation of the Transferor Company into the Transferee Company pursuant to the provisions of sections 230 to 232 of the Companies Act and other applicable provisions, and the dissolution without winding up of the Transferor Company pursuant thereto. It does not contemplate any compromise or arrangement with any other class of persons, apart from the shareholders of the respective companies.

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2.2. Upon the Scheme becoming effective, the existing equity share capital of the Transferor Company shall stand cancelled, and in consideration of the amalgamation of the Transferor Company in the Transferee Company, the Transferee Company shall, without any further application, act or deed, issue and allot to the shareholders of the Transferor Company, 568 (five hundred sixty eight) equity shares, credited as fully paid-up, for every 1000 (one thousand) equity shares of the face value of Rs. 2 (Rupees two) each fully paid-up held by such member in the Transferor Company, as stipulated in Clause 5.1 of Part III of the Scheme. The share exchange ratio for issue and allotment of equity shares to the shareholders of the Transferor Company has been fixed on a fair and reasonable basis and on the basis of the joint Valuation Report. JM Financial Limited, a SEBI registered merchant banker, by its Fairness Opinion, has also confirmed that the share exchange ratio is fair and proper.

2.3. The effect of the proposed Scheme on the stakeholders of the Company would be as follows:

a. *Shareholders (promoter and non-promoter)*

Under the Scheme, an arrangement is sought to be entered into between the Transferor Company and its equity shareholders. Upon the Scheme becoming effective, the equity shareholders of the Transferor Company, shall become the equity shareholders of the Transferee Company in the manner as stipulated in Clause 5.1 of Part III of the Scheme. Further, the authorised share capital of the Transferor Company shall stand transferred to and be amalgamated/ combined with the authorised share capital of the Transferee Company in the manner as stipulated in Clause 4.1 of Part III of the Scheme.

The Transferor Company has 1 (one) promoter entity, namely Housing Development Finance Corporation Limited. The promoter of the Transferor Company shall not be part of the promoter or promoter group of the merged Transferee Company, and shall be issued such number of shares in the Transferee Company as it may be entitled to pursuant to the Scheme and subject to the approval of the Reserve Bank of India.

b. *Directors, key managerial personnel and employees*

As stated in Clause 1.2 (n) of Part III of the Scheme, with effect from the Effective Date (*as defined in the Scheme*), the Transferee Company has undertaken to engage all the staff and employees of the Transferor Company without any break or interruption in their services and on the same terms and conditions (and which are not less favourable than those) on which they are engaged by the Transferor Company as on the Effective Date. In the circumstances, the rights of the staff and employees of the Transferor Company would in no way be affected by the Scheme.

Upon the Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up. In the circumstances, the directors and key managerial personnel of the Transferor Company shall cease to be the directors and key managerial personnel of the Transferor Company.

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The directors, key managerial personnel of the Transferor Company and their relatives may be deemed to have an interest in the Scheme to the extent of the equity shares held by them in the Amalgamating Companies and/or to the extent that the said director(s), key managerial personnel and their respective relatives are the director(s), members, of the companies that hold shares in the Amalgamating Companies. Save as aforesaid, none of the said director(s) or key managerial personnel have any interest in the Scheme. None of the directors of the Transferor Company or key managerial personnel of the Transferor Company hold shares exceeding two per cent. of the paid-up share capital of the Transferee Company.

c. *Creditors (including debenture holders and deposit holders)*

Under the Scheme, there is no arrangement with the creditors, either secured (including secured debenture holders) or unsecured (including unsecured debenture holders and deposit holders) of the Transferor Company. No compromise is offered under the Scheme to any of the creditors of the Transferor Company. The liabilities of the creditors of the Transferor Company, under the Scheme, is neither being reduced nor being extinguished. The creditors of the Transferor Company would in no way be affected by the Scheme.

Under the Scheme, no arrangement is sought to be entered into between the Transferor Company and its debenture holders (either secured or unsecured). No rights of the debenture holders of the Transferor Company are being affected pursuant to the Scheme. The debenture trustee(s) appointed for the different series of the debentures shall continue to remain the debenture trustee(s). Thus, the debenture holders of the Transferor Company would in no way be affected by the Scheme.

Under the Scheme, no arrangement is sought to be entered into between the Transferor Company and its deposit holders. No rights of the deposit holders of the Transferor Company are being affected pursuant to the Scheme. There are no deposit trustee(s) in respect of the deposits invited by the Transferor Company. Thus, the deposit holders of the Transferor Company would in no way be affected by the Scheme.

3. **Valuation**

No special valuation difficulties were reported by the valuers.

For and on behalf of the board of directors of GRUH Finance Limited:

Marcus Lobo
Company Secretary
Place : Mumbai
Date : January 7, 2019

Registered Office: "GRUH", Netaji Marg, Near Mithakhali Six Roads, Ellisbridge, Ahmedabad-380 006.
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STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2018

(Rs. in crore)

Particulars	Quarter ended Dec 31, 2018	Quarter ended Sept 30, 2018	Quarter ended Dec 31, 2017	Nine Months ended Dec 31, 2018	Nine Months ended Dec 31, 2017
	Reviewed				
Income from Operations :					
a) Revenue from Operations	540.06	480.54	432.75	1,472.79	1,253.38
b) Other Income	0.00	0.00	0.00	0.00	0.00
Total Income from Operations	**540.06**	**480.54**	**432.75**	**1,472.79**	**1,253.38**
Expenditure :					
a) Finance Cost	373.40	289.78	252.13	926.61	731.56
b) Employee Benefit Expenses	16.13	20.85	12.90	51.97	46.49
c) Other Expenses	13.12	14.61	11.34	41.19	33.74
d) Depreciation and Amortisation	0.88	0.87	0.77	2.58	2.19
e) Provisions for Expected Credit Loss and Write offs	1.52	8.47	26.02	13.76	60.16
Total Expenditure	**405.05**	**334.58**	**303.16**	**1,036.11**	**874.14**
Profit Before Tax	**135.01**	**145.96**	**129.59**	**436.68**	**379.24**
Tax Expense					
- Current Tax	38.13	43.29	44.36	121.82	121.38
- Deferred Tax	(0.07)	(2.82)	(5.61)	(2.69)	(16.79)
Total Tax Expense	**38.06**	**40.47**	**38.75**	**119.13**	**104.59**
Net Profit After Tax	**96.95**	**105.49**	**90.84**	**317.55**	**274.65**
Other Comprehensive Income (net of tax)	(0.15)	(0.10)	(0.22)	(0.32)	(0.53)
Total Comprehensive Income	**96.80**	**105.39**	**90.62**	**317.23**	**274.12**
Earnings per Share (of Rs. 2 each) # (Not Annualised) - Basic (Rs.)	1.32	1.44	1.24	4.33	3.76
- Diluted (Rs.)	1.32	1.44	1.24	4.33	3.76
Paid-up Equity Share Capital (Face Value of Rs. 2 each)	146.55	146.48	73.13	146.55	73.13

Earnings per Share for corresponding period in previous year have been adjusted to give impact of bonus shares issued during June'2018.

NOTES :

1. The Company has adopted Indian Accounting Standards (Ind AS) with effect from April 1, 2018 with comparative figures being restated to make them comparable. The above financial results have been prepared in accordance with the recognition and measurement principles laid down in Ind AS 34 - Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 read with relevant Rules issued thereunder and other accounting principles generally accepted in India.

   Further transition adjustments may be required to these financial results including those arising from new or revised standards or interpretations issued by the Ministry of Corporate Affairs and National Housing Bank, as applicable.

2. Loan Assets have increased from Rs. 14,775 crore as on December 31, 2017 to Rs. 16,852 crore as on December 31, 2018 registering a growth of 14%.

3. The Company's main business is to provide loans for purchase or construction of residential houses. All other activities of the Company revolve around the main business. As such, there are no separate reportable segments, as per the Ind AS 108 "Operating Segments" specified under section 133 of the Companies Act, 2013.

4. As required by paragraph 32 of Ind AS 101, net profit reconciliation between the figures reported, net of tax, under erstwhile Indian GAAP and Ind AS is given below:

(Rs. in crore)

Particulars	Quarter ended Dec 31, 2017	Nine Months ended Dec 31, 2017
Net Profit reported as per previous Indian GAAP	**82.16**	**232.17**
Add / (Less) : Adjustments for GAAP Differences		
Increase in Employee Benefit Expenses due to Fair Valuation of Employee Stock options	(0.88)	(3.01)
Increase in Interest Income pursuant to application of Effective Interest Rate (EIR) Method	4.28	12.69
Increase in Borrowing cost pursuant to application of Effective Interest Rate (EIR) Method	(0.38)	(1.85)
Reclassification of net Actuarial loss on Employee defined Benefit obligation to Other Comprehensive Income (OCI)	0.22	0.53
Provision for Expected Credit Loss	(1.83)	14.84
Deferred Tax	7.27	19.28
Net Profit Before Other Comprehensive Income as per Ind AS	**90.84**	**274.65**
Other Comprehensive Income after Tax	(0.22)	(0.53)
Total Comprehensive Income as per Ind AS	**90.62**	**274.12**

5. During the nine months, the Company has allotted 12,90,020 (previous nine months 10,69,887) Equity Shares pursuant to exercise of stock options by employees.

BSR & Co. LLP * CHARTERED ACCOUNTANTS * DELOITTE HASKINS & SELLS LLP

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6. The Board of Directors of the Company, at its meeting held on January 7, 2019, approved a Scheme of Amalgamation, for the merger of GRUH Finance Limited with Bandhan Bank Limited with effect from proposed Appointed Date of January 1, 2019, subject to regulatory and other approvals as applicable.

7. The financial results have been prepared in accordance with the circular no. LIST/COMP/27/2018-19 and NSE/CML/2018/32 issued by BSE and NSE respectively on November 22, 2018.

The above results for the quarter and nine-months ended December 31, 2018, which have been subjected to a 'Limited Review' by the Auditors of the Company, were reviewed and recommended by the Audit Committee of Directors and subsequently approved by the Board of Directors at its meeting held on January 25, 2019 in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm Registration No. 117366W/W-100018

Gaurav J Shah
Partner
Membership No. 35701

Mumbai
January 25, 2019

For GRUH Finance Limited

Sudhin Choksey
Managing Director
DIN : 00036085

GRUH FINANCE LIMITED

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UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2018

(Rs. in crore)

Particulars	Quarter ended Dec 31, 2018	Nine Months ended Dec 31, 2018	Quarter ended Dec 31, 2017
	Reviewed		
Total Income from Operations (net)	540.06	1,472.79	432.75
Net Profit for the period (before tax and Extraordinary items)	135.01	436.68	129.59
Net Profit for the period before tax (after Extraordinary items)	135.01	436.68	129.59
Net Profit for the period after tax (after Extraordinary items)	96.95	317.55	90.84
Total Comprehensive income for the period	96.80	317.23	90.62
Equity Share Capital (Face value of Rs.2)	146.55	146.55	73.13
Earnings Per Share (before extraordinary items) (of Rs.2/- each)#			
Basic :	1.32	4.33	1.24
Diluted :	1.32	4.33	1.24
Earnings Per Share (after extraordinary items) (of Rs.2/- each)#			
Basic :	1.32	4.33	1.24
Diluted :	1.32	4.33	1.24

Not annualised and Earnings Per Share for the quarter ended December 31, 2017 have been adjusted to give impact of bonus shares issued during June'2018

Note :

1. The above results of the Company have been reviewed and recommended by the Audit Committee and approved by the Board of Directors of the Company at its meeting held on January 25, 2019.

2. The financial results of the Company for the quarter and nine-months ended December 31, 2018 is prepared in compliance with Ind AS and have been subjected to limited review by the Statutory Auditors of the Company. The comparative figures for the corresponding period in previous year have been restated to confirm to current period in accordance with Ind AS norms.

3. The Board of Directors of the Company, at its meeting held on January 7, 2019, approved a Scheme of Amalgamation, for the merger of GRUH Finance Limited with Bandhan Bank Limited with effect from proposed Appointed Date of January 1, 2019, subject to regulatory and other approvals as applicable.

4. The above is an extract of the detailed Quarterly and nine-months Financial Results filed with the BSE Limited and National Stock Exchange of India Limited under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The full Financial Results are available on www.bseindia.com, www.nseindia.com and on the Company's website www.gruh.com.

For GRUH Finance Limited

Sudhin Choksey
Managing Director
DIN : 00036085

Mumbai
January 25, 2019

Deloitte
Haskins & Sells LLP

Chartered Accountants
19th Floor, Shapath - V
S G Highway
Ahmedabad - 380 015
Gujarat, India

Tel: +91 79 6682 7300
Fax: +91 79 6682 7400

INDEPENDENT AUDITORS' REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF
GRUH FINANCE LIMITED

1. We have reviewed the accompanying Interim Statement of Unaudited Financial Results of **GRUH FINANCE LIMITED** (the "Company") for the quarter and nine months ended December 31, 2018 (the "Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

4. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Gaurav J. Shah
Partner
(Membership No. 35701)

MUMBAI, January 25, 2019

Bandhan Bank Limited
DN-32, Sector V, Salt Lake, Kolkata - 700091
CIN: U67190WB2014PLC204622
Tel: 033-66090909; www.bandhanbank.com; Email: info@bandhanbank.com

FINANCIAL RESULT FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2018

(₹ in lacs)

	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31.12.2018	30.09.2018	31.12.2017	31.12.2018	31.12.2017	31.03.2018
		Unaudited	Unaudited	Unaudited	Unaudited	Audited	Audited
1	**Interest Earned (a+b+c+d)**	**164,955.28**	**160,564.07**	**117,822.50**	**481,136.60**	**345,170.17**	**480,229.63**
	a) Interest/discount on advances/bills	143,555.39	139,984.13	95,488.59	413,344.81	264,508.39	382,360.24
	b) Income on Investments	15,125.34	15,944.01	12,975.30	46,158.25	35,355.42	49,002.21
	c) Interest on balance with Reserve Bank of India and other inter bank funds	1,260.31	1,254.45	2,109.17	5,975.77	13,204.17	14,161.07
	d) Others	5,014.24	3,381.48	7,249.44	15,657.77	32,102.19	34,706.11
2	Other Income	23,409.85	23,043.51	15,820.19	67,522.22	50,280.53	70,618.46
3	**Total Income (1+2)**	**188,365.13**	**183,607.58**	**133,642.69**	**548,658.82**	**395,450.70**	**550,848.09**
4	Interest Expended	52,555.14	52,818.70	44,644.45	157,274.04	128,286.99	177,006.04
5	Operating Expenses	45,762.33	43,389.55	31,551.55	131,886.40	94,533.52	130,831.04
	i) Employees Cost	25,575.48	23,415.74	16,295.59	73,876.32	49,937.89	68,798.01
	ii) Other Operating Expenses	20,186.85	19,973.81	15,255.96	58,010.08	44,595.63	62,033.03
6	**Total Expenditure (4+5) (Excluding provisions & Contingencies)**	**98,317.47**	**96,208.25**	**76,196.00**	**289,160.44**	**222,820.51**	**307,837.08**
7	**Operating Profit before Provisions & Contingencies (3-6)**	**90,047.66**	**87,399.33**	**57,446.69**	**259,498.38**	**172,630.19**	**243,011.01**
8	Provisions (other than tax) & Contingencies	37,764.69	12,417.86	12,254.63	58,185.34	26,512.70	37,421.27
9	Exceptional Items	-	-	-	-	-	-
10	Profit/(Loss) from ordinary activities before tax (7-8-9)	52,282.97	74,981.47	45,192.06	201,313.04	146,117.49	205,589.74
11	Tax Expenses	19,156.29	26,216.30	15,187.55	71,249.97	50,347.49	71,034.06
12	Net Profit/(Loss) from ordinary activities after tax (10-11)	33,126.68	48,765.17	30,004.51	130,063.07	95,770.00	134,555.68
13	Extraordinary items (net of tax expenses)	-	-	-	-	-	-
14	**Net Profit/(Loss) for the period (12-13)**	**33,126.68**	**48,765.17**	**30,004.51**	**130,063.07**	**95,770.00**	**134,555.68**
15	Paid up equity share capital (Face value of ₹10/- each)	119,280.49	119,280.49	109,514.10	119,280.49	109,514.10	119,280.49
16	Reserve excluding revaluation reserves						818,914.22
17	Analytical Ratios						
	(i) Percentage of shares held by Government of India	NIL	NIL	NIL	NIL	NIL	NIL
	(ii) Capital Adequacy Ratio	32.81	32.59	24.85	32.81	24.85	31.48
	(iii) Earning per share	-					
	(a) Basic EPS before & after extraordinary items*	2.78	4.09	2.74	10.90	8.74	12.26
	(b) Diluted EPS before & after extraordinary items*	2.77	4.08	2.74	10.89	8.74	12.26
	(iv) NPA Ratios						
	(a) Gross NPAs	83,102.21	41,334.78	38,629.44	83,102.21	38,629.44	37,314.06
	(b) Net NPAs	23,671.11	22,036.32	18,412.15	23,671.11	18,412.15	17,290.38
	(c) % of Gross NPAs to Gross Advances	2.41%	1.29%	1.67%	2.41%	1.67%	1.25%
	(d) % of Net NPAs to Net Advances	0.70%	0.69%	0.80%	0.70%	0.80%	0.58%
	(v) Return on Assets (average)*	0.73%	1.08%	0.92%	2.92%	3.07%	4.06%

* Figures for the quarter and nine months are not annualised

S.R. BATLIBOI & ASSOCIATES LLP ★ MUMBAI ★ CHARTERED ACCOUNTANTS

Bandhan Bank Limited ★ Kolkata ★

Bandhan Bank Limited
DN-32, Sector V, Salt Lake, Kolkata - 700091
CIN: U67190WB2014PLC204622
Tel: 033-66090909; www.bandhanbank.com; Email: info@bandhanbank.com

Segment information in accordance with the Accounting standard on Segment Reporting (AS 17) of the operating segment of the bank is as under:

(₹ in lacs)

	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31.12.2018	30.09.2018	31.12.2017	31.12.2018	31.12.2017	31.03.2018
		Unaudited	Unaudited	Unaudited	Unaudited	Audited	Audited
1	**Segment Revenue**						
a)	Treasury	17,421.23	18,758.19	16,513.95	56,107.88	55,604.57	70,673.14
b)	Retail Banking	168,804.39	162,081.09	123,261.18	484,360.57	357,843.67	492,813.47
c)	Wholesale Banking	4,468.49	4,374.38	2,516.28	13,526.46	6,172.75	10,053.86
d)	Other Banking Operations	699.46	662.30	-	1,659.68	-	853.73
e)	Unallocated	-	-	-	-	-	-
	Total	191,393.57	185,875.96	142,291.41	555,654.59	419,620.99	574,394.20
	Less: Inter segment revenue	3,028.44	2,268.38	8,648.72	6,995.77	24,170.29	23,546.11
	Income from operations	**188,365.13**	**183,607.58**	**133,642.69**	**548,658.82**	**395,450.70**	**550,848.09**
2	**Segment Results**						
a)	Treasury	21,777.05	9,108.68	344.91	40,439.24	15,301.38	22,139.08
b)	Retail Banking	68,055.98	64,576.88	44,922.15	196,170.00	130,147.16	179,696.01
c)	Wholesale Banking	(38,215.05)	671.71	(75.00)	(36,838.51)	668.95	2,906.44
d)	Other Banking Operations	664.99	624.20	-	1,542.31	-	848.21
e)	Unallocated	-	-	-	-	-	-
	Total Profit Before Tax	**52,282.97**	**74,981.47**	**45,192.06**	**201,313.04**	**146,117.49**	**205,589.74**
3	**Segment Assets**						
a)	Treasury	994,358.59	1,123,726.54	826,371.84	994,358.59	826,371.84	1,180,924.15
b)	Retail Banking	3,462,920.20	3,257,604.19	2,405,588.78	3,462,920.20	2,405,588.78	3,033,844.98
c)	Wholesale Banking	203,361.09	161,083.48	77,028.35	203,361.09	77,028.35	200,028.48
d)	Other Banking Operations	196.92	161.92	-	196.92	-	337.92
e)	Unallocated	18,631.53	17,861.87	12,936.57	18,631.53	12,936.57	15,870.08
	Total	**4,679,468.33**	**4,560,438.00**	**3,321,925.54**	**4,679,468.33**	**3,321,925.54**	**4,431,005.61**
4	**Segment Liabilities**						
a)	Treasury	30,814.99	208,038.71	136,263.68	30,814.99	136,263.68	180,409.30
b)	Retail Banking	3,500,158.25	3,258,760.58	2,588,332.74	3,500,158.25	2,588,332.74	3,140,510.27
c)	Wholesale Banking	91,837.98	61,564.62	51,011.48	91,837.98	51,011.48	169,473.35
d)	Other Banking Operations	-	-	-	-	-	-
e)	Unallocated	2,779.22	11,322.88	5,902.11	2,779.22	5,902.11	2,417.98
	Total	**3,625,590.44**	**3,539,686.79**	**2,781,510.01**	**3,625,590.44**	**2,781,510.01**	**3,492,810.90**
5	**Capital Employed**						
a)	Treasury	963,543.60	915,687.83	690,108.16	963,543.60	690,108.16	1,000,514.85
b)	Retail Banking	(37,238.05)	(1,156.39)	(182,743.96)	(37,238.05)	(182,743.96)	(106,665.29)
c)	Wholesale Banking	111,523.11	99,518.86	26,016.87	111,523.11	26,016.87	30,555.13
d)	Other Banking Operations	196.92	161.92	-	196.92	-	337.92
e)	Unallocated	15,852.31	6,538.99	7,034.46	15,852.31	7,034.46	13,452.10
	Total	**1,053,877.89**	**1,020,751.21**	**540,415.53**	**1,053,877.89**	**540,415.53**	**938,194.71**

S.R. BATLIBOI & ASSOCIATES LLP * MUMBAI * CHARTERED ACCOUNTANTS

Bandhan Bank Limited Kolkata

Notes:

1 The above results were reviewed by the Audit Committee and approved by the Board of Directors of the Bank at its meeting held on January 10, 2019. The results for the quarter and nine months ended December 31, 2018 are subjected to 'Limited Review' by the Statutory Auditors of the Bank and there are no qualifications in the limited review report.

2 On January 7, 2019, the Board of Directors of the Bank approved a merger of Gruh Finance Limited with the Bank in an all stock transaction through a Composite Scheme of Arrangement. The Scheme is subject to the approval of the Reserve Bank of India (RBI), the Competition Commission of India (CCI), the Securities and Exchange Board of India (SEBI)/Stock Exchange, the National Housing Board (NHB), the respective Shareholders and Creditors of each entities and the National Company Law Tribunal (NCLT). The appointed date for the transaction is proposed to be January 1, 2019 and the effective date is based on the receipt of the aforesaid approvals. Pending the same, the proposed transaction does not have any impact on the current financial result or the financial position of the Bank as at December 31, 2018.

3 Other income relates to processing fee, sale of Priority Sector Lending Certificates, card charges recovered from customers and profit from sale of investments.

4 As at December 31, 2018, the total number of branches, DSCs and ATM network stood at 978 Branches, 3014 DSCs and 480 ATMs respectively.

5 RBI Master Circular DBR.No.BP.BC.1/21.06.201/2015-16 dated July 1, 2015 as amended on 'Basel III Capital Regulations' contain guidelines on certain Pillar 3 and leverage ratio disclosure requirements that are to be made along with the publication of financial results. Accordingly, such applicable disclosures have been placed on the website of the Bank which can be accessed at the following link: http://www.bandhanbank.com. These disclosures are not subjected to limited review by the statutory auditors.

6 In accordance with RBI circular no. DBR.No.BP.BC.113 /21.04.048/2017-18 dated June 15, 2018, the Bank was amortising the mark-to-mark losess incured in the quarter ended June 30, 2018 on its AFS/HFT category. However, during the quarter ended December 31, 2018, the brought forward unamortised depreciation balance of Rs. 43.38 Crores has been fully offset against the appreciation recorded in the AFS/HFT investments.

7 The Bank has received Rs.276.85 crores during the nine months ended December 31, 2018 from sale of Priority Sector Lending Certificates. Out of the aforesaid amount, Rs.203.57 crores has been recognised in the profit and loss account during the nine months ended December 31, 2018. The remaining amount of Rs 73.28 crores will be recognised in the profit and loss account over the remaining quarter. In the previous year, income from sale of Priority Sector Lending Certificates were recognised upfront.

8 Provision and contingencies for the quarter ended December 31,2018 includes a provision of Rs. 384.95 crore made on a prudent basis, in respect of an exposure to a borrower from infrastructure development and finance sector, which was classified as non performing asset and fully provided for during the quarter. The profit before tax for the quarter is lower to that extent.

9 Figures of the previous year/period have been regrouped / reclassified wherever necessary to conform to current year/period's classification.

For Bandhan Bank Limited

Bandhan Bank Limited Kolkata

Chandra Shekhar Ghosh
Managing Director & CEO

Place : Mumbai
Date : 10th January 2019

S.R. BATLIBOI & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants

12th Floor, The Ruby
29 Senapati Bapat Marg
Dadar (West)
Mumbai - 400 028, India
Tel : +91 22 6819 8000

Limited Review Report

Review Report to
The Board of Directors
Bandhan Bank Limited

1. We have reviewed the accompanying statement of unaudited financial results of Bandhan Bank Limited ('the Bank') for the quarter and nine months ended December 31, 2018 (the "Statement") being submitted by the Bank pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The disclosures relating to "Pillar 3 under Basel III Capital Regulations", "Leverage Ratio" and "Liquidity Coverage Ratio" as have been disclosed on the Bank's website and in respect of which a link have been provided in aforesaid Statement have not been reviewed by us. This Statement is the responsibility of the Bank's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.

2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of bank personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

3. Based on our review conducted as mentioned in paragraph 2 above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.

For S.R. BATLIBOI & ASSOCIATES LLP
ICAI Firm registration number: 101049W/E300004
Chartered Accountants



per Amit Kabra
Partner
Membership No.: 094533

Place: Mumbai
Date: January 10, 2019

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GRUH FINANCE LIMITED

Regd. Office: "GRUH", Netaji Marg, Nr. Mithakhali Six Roads,
Ellisbridge, Ahmedabad 380 006 • Phone : 079 2642 1671-75.
E-mail : investorcare@gruh.com • www.gruh.com
CIN : L65923GJ1986PLC008809

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL, BENCH, AT AHMEDABAD

CA (CAA) NO. 54/NCLT/AHM/2019

In the matter of the Companies Act, 2013; And In the matter of Sections 230 - 232 read with other relevant provisions of the Companies Act, 2013; And In the matter of GRUH Finance Limited; And In the matter of the Scheme of Amalgamation of GRUH Finance Limited with Bandhan Bank Limited;

GRUH Finance Limited,

a company incorporated under the provisions of the Companies Act, 1956 and having its registered office at "GRUH", Netaji Marg, Nr. Mithakhali Six Roads, Ellisbridge, Ahmedabad – 380 006, Gujarat, India. } } }

. . . .Applicant Company

SECURED CREDITORS (INCLUDING SECURED DEBENTUR EHOLDERS)

FORM OF PROXY

[As per Form MGT -11 and pursuant to Section 105(7) of the Companies Act, 2013 and Rule 19 (3) of the Companies (Management and Administration) Rules, 2014]

I/We, _____, the undersigned secured creditor/s (including secured debenture holder/s) of GRUH Finance Limited, being the Applicant Company abovenamed, do hereby appoint Mr./Ms._____ of _____ and failing him/her _____ of _____ as my/our proxy, to act for me/us at the meeting of the secured creditors (including secured debenture holders) of the Applicant Company to be held at H. T. Parekh Convention Centre, Ahmedabad Management Association (AMA), Atira Campus, Dr. Vikram Sarabhai Marg, Ahmedabad – 380 015, Gujarat, India, on Tuesday, the 4th June 2019 at 11.30 a.m. (1130 hours) for the purpose of considering and, if thought fit, approving, with or without modification(s), the arrangement embodied Scheme of Amalgamation of GRUH Finance Limited with Bandhan Bank Limited (the "Scheme") and at such meeting, and at any adjournment or adjournments thereof, to vote, for me/us and in my/our name(s) _____ (here, if 'for', insert **'FOR',** if 'against', insert **'AGAINST'**, and in the latter case, strike out the words below after 'the Scheme') the said arrangement embodied in the Scheme, either with or without modification(s)*, as my/our proxy may approve. (*Strike out whatever is not applicable)

Dated this ____ day of _____ 2019.

Signature ---------- Affix Revenue Stamp of Re.1/-

Name: _____

Address: _____

Signature of secured creditor
(including secured debenture holder): _____

Signature of Proxy: _____

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Notes:

1 The form of proxy must be deposited at the registered office of GRUH Finance Limited at "GRUH", Netaji Marg, Nr. Mithakhali Six Roads, Ellisbridge, Ahmedabad – 380 006, Gujarat, India, at least 48 (forty-eight) hours before the scheduled time of the commencement of the said meeting.

2 All alterations made in the form of proxy should be initialled.

3 Please affix appropriate revenue stamp before putting signature.

4 In case of multiple proxies, the proxy later in time shall be accepted.

5 Proxy need not be a secured creditor (including secured debenture holder) of GRUH Finance Limited.

6 No person shall be appointed as a proxy who is a minor.

7 The proxy of a secured creditor (including secured debenture holder), blind or incapable of writing, would be accepted if such secured creditor (including secured debenture holder) has attached his signature or mark thereto in the presence of a witness who shall add to his signature his description and address: provided that all insertions in the proxy are in the handwriting of the witness and such witness shall have certified at the foot of the proxy that all such insertions have been made by him at the request and in the presence of the secured creditor (including secured debenture holder) before he attached his signature or mark.

8 The proxy of a secured creditor (including secured debenture holder) who does not know English would be accepted if it is executed in the manner prescribed in point no. 7 above and the witness certifies that it was explained to the secured creditor (including secured debenture holder) in the language known to him, and gives the secured creditor's (including secured debenture holder's) name in English below the signature.

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GRUH FINANCE LIMITED

Regd. Office: "GRUH", Netaji Marg, Nr. Mithakhali Six Roads,
Ellisbridge, Ahmedabad 380 006 • Phone : 079 2642 1671-75.
E-mail : investorcare@gruh.com • www.gruh.com
CIN : L65923GJ1986PLC008809

SECURED CREDITORS (INCLUDING SECURED DEBENTURE HOLDERS)

ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP A ND HAND OVER AT THE ENTRANCE OF THE MEETING HALL

MEETING OF THE SECURED CREDITORS (INCLUDING SECURED DEBENTURE HOLDERS)
ON TUESDAY THE 4TH JUNE 2019 AT 11.30 A.M

I/We hereby record my/our presence at the meeting of the secured creditors (including secured debenture holders) of GRUH Finance Limited, the Applicant Company, convened pursuant to the order dated 10th April 2019 of the NCLT at H. T. Parekh Convention Centre, Ahmedabad Management Association (AMA), Atira Campus, Dr. Vikram Sarabhai Marg, Ahmedabad – 380 015, Gujarat, India, on Tuesday, the 4th June 2019 at 11.30 a.m. (1130 hours).

Name and address of secured creditor
(including secured debenture holder)

(IN BLOCK LETTERS) : _____

_____

_____

Signature : _____

Name of the Proxy* : _____

(IN BLOCK LETTERS) : _____

Signature : _____

*[To be filled in by the Proxy in case he/she attends instead of the secured creditor (including secured debenture holder)]

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Notes:

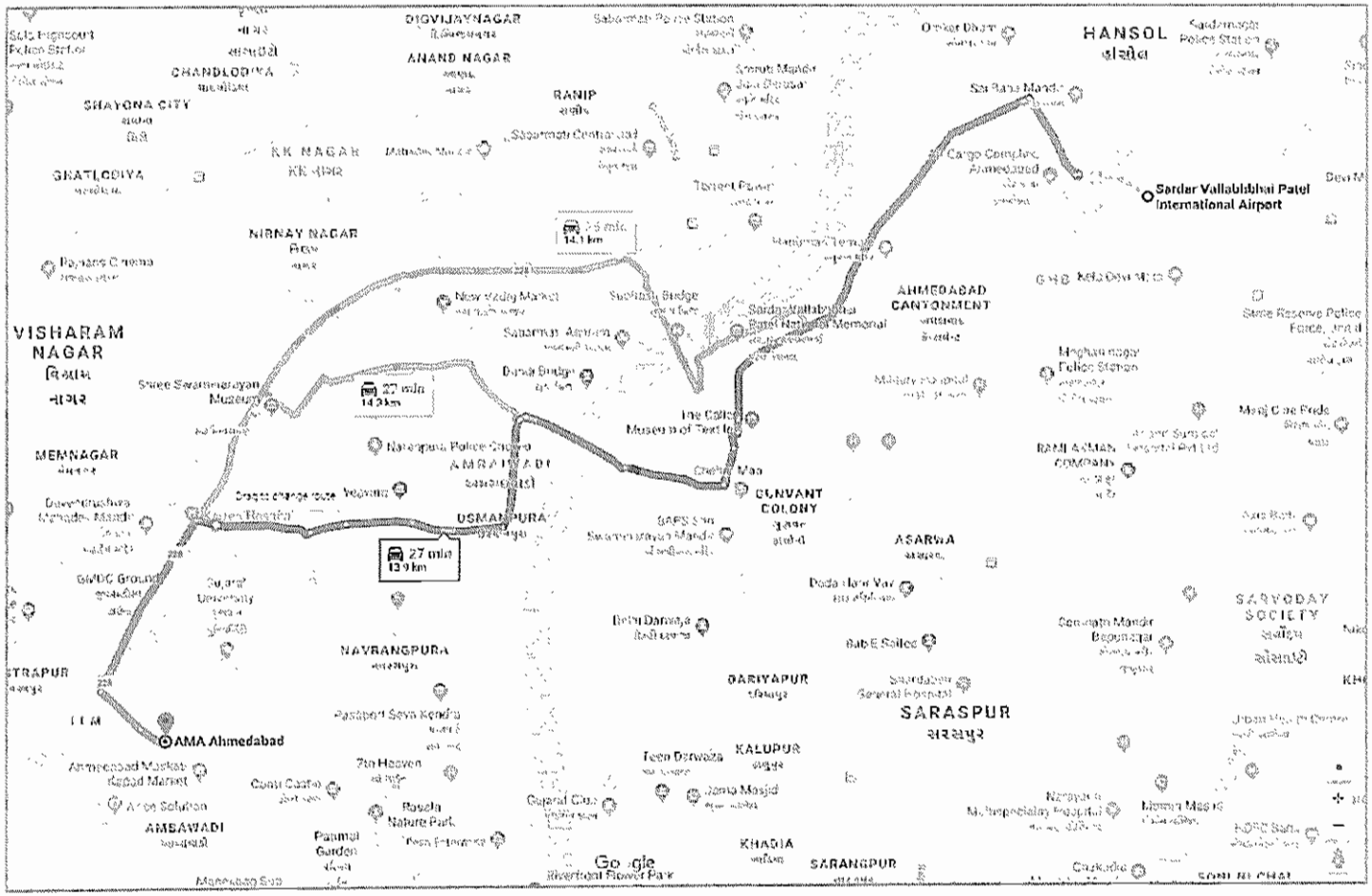
1. Secured creditor (including secured debenture holder) attending the meeting in person or by proxy or through authorised representative are requested to complete and bring the Attendance slip with them and hand it over at the entrance of the meeting hall.
2. Secured creditor (including secured debenture holder) who come to attend the meeting are requested to bring their copy of the Scheme with them.

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Route Map for the Venue of the Meeting





We help you build homes

(A subsidiary of HDFC Ltd.)

Regd. Office: "GRUH", Netaji Marg, Near Mithakhali Six Roads, Ellisbridge, Ahmedabad-380 006.
Toll-Free : (Loans) 1800 233 5300, (Deposits) 1800 233 7923
www.gruh.com • CIN : L65923GJ1986PLC008809

NOTICE - UNSECURED CREDITORS (INCLUDING UNSECURED DEBENTURE HOLDERS AND DEPOSIT HOLDERS)

GRUH FINANCE LIMITED

We help you build homes

GRUH FINANCE LIMITED

Registered Office : "GRUH", Netaji Marg, Nr. Mithakhali Six Roads,
Ellisbridge, Ahmedabad – 380 006, Gujarat, India
Tel No : +91 79 2642 1671-75
CIN : L65923GJ1986PLC008809
Website : www.gruh.com
E-mail :investorcare@gruh.com

MEETING OF THE UNSECURED CREDITORS (INCLUDING UNSECURED DEBENTURE HOLDERS AND DEPOSIT HOLDERS) OF GRUH FINANCE LIMITED

(convened pursuant to the order dated 10th April 2019 passed by the National Company Law Tribunal, Bench at Ahmedabad)

MEETING:		
Day	:	Tuesday
Date	:	4th June 2019
Time	:	12.30 a.m. (1230 hours)
Venue	:	H. T. Parekh Convention Centre, Ahmedabad Management Association (AMA), Atira Campus, Dr. Vikram Sarabhai Marg, Ahmedabad – 380 015, Gujarat, India

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BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,

BENCH, AT AHMEDABAD

CA (CAA) NO. 54/NCLT/AHM/2019

In the matter of the Companies Act, 2013;

And

In the matter of Sections 230 - 232 read with other relevant provisions of the Companies Act, 2013;

And

In the matter of GRUH Finance Limited;

And

In the matter of Scheme of Amalgamation of GRUH Finance Limited with Bandhan Bank Limited;

GRUH Finance Limited, a company incorporated under the provisions of the Companies Act, 1956 and having its registered office at "GRUH", Netaji Marg, Nr. Mithakhali Six Roads, Ellisbridge, Ahmedabad – 380 006, Gujarat, India. } } } }

...Applicant Company

NOTICE CONVENING THE MEETING OF THE UNSECURED CREDITORS (INCLUDING UNSECURED DEBENTURE HOLDERS AND DEPOSIT HOLDERS) OF THE APPLICANT COMPANY

To,
All the unsecured creditors (including unsecured debenture holders and deposit holders) of GRUH Finance Limited (the "**Applicant Company**"):

NOTICE is hereby given that by an Order dated 10th April 2019 (hereinafter referred to as the "**Order**"), the Hon'ble National Company Law Tribunal, Bench at Ahmedabad (hereinafter referred to as the **"NCLT"**) has directed a meeting to be held of the unsecured creditors (including unsecured debenture holders and deposit holders) of the Applicant Company for the purpose of considering, and if thought fit, approving, with or without modification(s), the arrangement embodied in the Scheme of Amalgamation of GRUH Finance Limited with Bandhan Bank Limited (hereinafter referred to as the **"Scheme"**).

In pursuance of the said Order and as directed therein further notice is hereby given that a meeting of the unsecured creditors (including unsecured debenture holders and deposit holders) of the Applicant Company will be held at H. T. Parekh Convention Centre, Ahmedabad Management Association (AMA), Atira Campus, Dr. Vikram Sarabhai Marg, Ahmedabad – 380 015, Gujarat, India, on Tuesday, the 4th June 2019 at 12.30 p.m. (1230 hours), at which time and place you are requested to attend. At the meeting, the following resolution will be considered and if thought fit, be passed, with or without modification(s):

*"**RESOLVED THAT** pursuant to the provisions of Sections 230 - 232 and other applicable provisions of the Companies Act, 2013, the rules, circulars and notifications made thereunder (including any statutory modification or re-enactment thereof) as may be applicable, the Securities andExchange Board ofIndia Circular No. CFD/DIL3/CIR/2017/21 dated 10th March 2017, the observation letters issued by each of the BSE Limited and the National Stock Exchange of India Limited, both dated 3rd April 2019, the no objection letter dated 4th March 2019 issued by the National Housing Bank to the Company, the 'no objection' letter dated 14th March 2019 issued by the Reserve Bank of India to Bandhan Bank Limited and subject to the provisions of the Memorandum and Articles of Association of the Company and subject to the approval of Hon'ble National Company Law Tribunal, Bench at Ahmedabad (**"NCLT"**) and subject to such other approvals,*

*permissions and sanctions of regulatory and other authorities, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by NCLT or by any regulatory or other authorities, while granting such consents, approvals and permissions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "**Board**", which term shall be deemed to mean and include one or more Committee(s) constituted/to be constituted by the Board or any person(s) which the Board may nominate to exercise its powers including the powers conferred by this resolution), the arrangement embodied in the Scheme of Amalgamation of GRUH Finance Limited with Bandhan Bank Limited ("**Scheme**") placed before this meeting and initialled by the Chairman of the meeting for the purpose of identification, be and is hereby approved.*

***RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to this resolution and effectively implement the arrangement embodied in the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by the NCLT while sanctioning the arrangement embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any questions or doubts or difficulties that may arise including passing of such accounting entries and /or making such adjustments in the books of accounts as considered necessary in giving effect to the Scheme, as the Board may deem fit and proper."*

TAKE FURTHER NOTICE that you may attend and vote at the said meeting in person or by proxy provided that a proxy in the prescribed form, duly signed by you or your authorised representative, is deposited at the registered office of the Applicant Company at "GRUH", Netaji Marg, Nr. Mithakhali Six Roads, Ellisbridge, Ahmedabad – 380 006, Gujarat, India, not later than 48 (forty eight) hours before the time fixed for the aforesaid meeting. The form of proxy can be obtained free of charge from the registered office of the Applicant Company.

Copies of the Scheme and of the Explanatory Statement, under Sections 230(3), 232(1) and (2) and 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, along with the enclosures as indicated in the Index, can be obtained free of charge at the registered office of the Applicant Company at "GRUH", Netaji Marg, Nr. Mithakhali Six Roads, Ellisbridge, Ahmedabad – 380 006, Gujarat, India, or at the office of its advocates, M/s. Singhi & Co., Singhi House, 1, Magnet Corporate Park, Near Sola Bridge, S. G. Highway, Ahmedabad – 380 059, Gujarat, India.

NCLT has appointed Mr. Mihir Thakore, Senior Advocateand in his absence Mr. Rashesh Sanjanwala, Senior Advocateto be the Chairman of the said meeting including for any adjournment or adjournments thereof.

The Scheme, if approved in the aforesaid meeting, will be subject to the subsequent approval of NCLT.

A copy of the Explanatory Statement, under Sections 230(3), 232(1) and (2) and 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, the Scheme and the other enclosures as indicated in the Index are enclosed.

Sd/-
Mihir Thakore
Senior Advocate
Chairman appointed for the meeting

Dated this 20th April 2019.

Registered office: "GRUH", Netaji Marg,
Nr. Mithakhali Six Roads,
Ellisbridge,
Ahmedabad – 380 006,
Gujarat, India.

Notes:

1. All alterations made in the Form of Proxy should be initialled.

2. Only unsecured creditors (including unsecured debenture holders and deposit holders) of the Applicant Company may attend and vote either in person or by proxy [a proxy need not be a unsecured creditors (including unsecured debenture holders and deposit holders) of the Applicant Company] or in the case of a body corporate, by a representative authorised under Section 113 of the Companies Act, 2013 at the meeting of the unsecured creditors (including unsecured debenture holders and deposit holders) of the Applicant Company. The authorised representative of a body corporate which is anunsecured creditor (including unsecured debenture holder and deposit holder) of the Applicant Company may attend and vote at the meeting of the unsecured creditors (including unsecured debenture holders and deposit holders) of the Applicant Company provided a certified true copy of the resolution of the board of directors or other governing body of the body corporate authorising such representative to attend and vote at the meeting of the unsecured creditors (including unsecured debenture holders and deposit holders) of the Applicant Company is deposited at the registered office of the Applicant Company not later than 48 (forty eight) hours before the scheduled time of the commencement of the meeting of the unsecured creditors (including unsecured debenture holders and deposit holders) of the Applicant Company. The Form of Proxy can be obtained free of charge at the registered office of the Applicant Company.

3. The quorum of the meeting of the unsecured creditors (including unsecured debenture holders and deposit holders) of the Applicant Company shall be 5 (five) unsecured creditors (including unsecured debenture holders and deposit holders) of the Applicant Company, present in person.

4. Unsecured creditor (including unsecured debenture holder and deposit holder) or his proxy, attending the meeting, is requested to bring the Attendance Slip duly completed and signed.

5. The documents referred to in the accompanying Explanatory Statement shall be open for inspection by the unsecured creditors (including unsecured debenture holders and deposit holders) at the registered office of the Applicant Company between 10.00 a.m. and 12.00 noon on all days (except Saturdays, Sundays and public holidays) upto the date of the meeting.

6. Unsecured creditors (including unsecured debenture holders and deposit holders) as per the books of accounts as on 31st March 2019 will be entitled to exercise their right to vote on the above meeting.

7. Mr. M. C. Gupta of M/s M. C. Gupta & Co., Practicing Company Secretary (Membership No. FCS: 2047) (Address: 703, Mauryansh Elanza, Near Parekh's Hospital, Shyamal Cross Roads, Satellite, Ahmedabad – 380015) has been appointed as the scrutinizer to conduct the voting process through ballot/polling at the venue of the meeting in a fair and transparent manner.

8. The scrutinizer will submit his report to the Chairman of the meeting after completion of the scrutiny of the votes cast by the unsecured creditors (including unsecured debenture holders and deposit holders) of the Applicant Company through ballot/polling paper at the venue of the meeting. The scrutinizer's decision on the validity of the vote shall be final. The results of votes cast through ballot/polling paper at the venue of the meeting will be announced on or before 6th June 2019 at the registered office of the Applicant Company. The results, together with the scrutinizer's Reports, will be displayed at the registered office of the Applicant Company and on the website of the Applicant Company www.gruh.com besides being communicated to BSE Limited and National Stock Exchange of India Limited.

9. NCLT by its said Order has directed that a meeting of the unsecured creditors (including unsecured debenture holders and deposit holders) of the Applicant Company shall be convened and held at H. T. Parekh Convention Centre, Ahmedabad Management Association (AMA), Atira Campus, Dr. Vikram Sarabhai Marg, Ahmedabad – 380 015, Gujarat, India,on Tuesday, the 4thJune 2019 at 12.30 p.m. (1230 hours) for the purpose of considering, and if thought fit, approving, with or without modification(s), the arrangement embodied in the Scheme. Unsecured creditors (including unsecured debenture holders and deposit holders) would be entitled to vote in the said meeting either in person or through proxy.

10. The Applicant Company has provided the facility of ballot/poll paper at the venue of the meeting.

11. In accordance with the provisions of Sections 230 – 232 of the Companies Act, 2013, the Scheme shall be acted upon only if a majority in number representing three fourth in value of the unsecured creditors (including unsecured debenture holders and deposit holders) of the Applicant Company, voting in person or by proxy, agree to the Scheme.

12. The Notice, together with the documents accompanying the same, is being sent to the unsecured creditors (including unsecured debenture holders and deposit holders) by registered post or speed post or by courier or by e-mail. The Notice will be displayed on the website of the Applicant Company www.gruh.com

13. The notice convening the meeting, the date of dispatch of the notice and the Explanatory Statement, amongst others, will be published through advertisement in the following newspapers, namely, (i) Indian Express (All Editions) in English language; and (ii) translation thereof in Sandesh (Ahmedabad Edition) in Gujarati language.

Encl.: As above

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,

BENCH, AT AHMEDABAD

CA (CAA) NO. 54/NCLT/AHM/2019

In the matter of the Companies Act, 2013;

And

In the matter of Sections 230 - 232 read with other relevant provisions of the Companies Act, 2013;

And

In the matter of GRUH Finance Limited;

And

In the matter of Scheme of Amalgamation of GRUH Finance Limited with Bandhan Bank Limited;

GRUH Finance Limited, a company incorporated under the provisions of the Companies Act, 1956 and having its registered office at "GRUH", Netaji Marg, Nr. Mithakhali Six Roads, Ellisbridge, Ahmedabad – 380 006, Gujarat, India. } } } }

...Applicant Company

EXPLANATORY STATEMENT UNDER SECTIONS230 (3), 232(1) AND (2) AND 102 OF THE COMPANIES ACT, 2013 READ WITH RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016

1. Pursuant to the Order dated 10th April 2019, passed by the Hon'ble National Company Law Tribunal, Bench at Ahmedabad (hereinafter referred to as the **"NCLT"**), in CA (CAA) No. 54/NCLT/AHM/2019 (hereinafter referred to as the **"Order")**,a meeting of the unsecured creditors (including unsecured debenture holders and deposit holders) of GRUH Finance Limited (hereinafter referred to as the **"Applicant Company"** or the **"Transferor Company"** or **"GRUH"** as the context may admit) is being convened at H. T. Parekh Convention Centre, Ahmedabad Management Association (AMA), Atira Campus, Dr. Vikram Sarabhai Marg, Ahmedabad – 380 015, Gujarat, India, on Tuesday, the 4th June 2019 at 12.30 p.m. (1230 hours),for the purpose of considering, and if thought fit, approving, with or without modification(s), the Scheme of Amalgamation of the Transferor Company with Bandhan Bank Limited (hereinafter referred to as the **"Transferee Company "** or **"Bandhan"** as the context may admit) under Sections 230-232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 (hereinafter referred to as the**"Scheme"**) (GRUH and Bandhan are together referred to as the **"Companies"** or **"Parties"** or **"Amalgamating Companies"**, as the context may admit). A copy of the Scheme, which has been, inter alios, approved by the Audit Committee and the Board of Directors of the Applicant Company at their respective meetings both held on 7th January 2019, are enclosed as **Annexure 1**. Capitalised terms used herein but not defined shall have the meaning assigned to them in the Scheme, unless otherwise stated.

2. In terms of the said Order, the quorum for the said meeting shall be 5 (five) members present in person. Further in terms of the said Order, NCLT, has appointed Mr. Mihir Thakore, Senior Advocateand in his absence Mr. Rashesh Sanjanwala, Senior Advocate as the Chairman of the meeting of the unsecured creditors (including unsecured debenture holders and deposit holders) of the Applicant Company including for any adjournment or adjournments thereof.

3. This statement is being furnished as required under Sections 230(3), 232(1) and (2) and 102 of the Companies Act, 2013 (hereinafter referred to as the**"Act"**) read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (hereinafter referred to as the**"Rules"**).

4. As stated earlier, NCLT by its said Order has, inter alia, directed that a meeting of the unsecured creditors (including unsecured debenture holders and deposit holders) of the Applicant Company shall be convened and held at H. T. Parekh Convention Centre, Ahmedabad Management Association (AMA), Atira Campus, Dr. Vikram Sarabhai Marg, Ahmedabad – 380 015, Gujarat, India, on Tuesday, the 4th June 2019 at 12.30 p.m. (1230 hours) for the purpose of considering, and if thought fit, approving, with or without modification(s), the arrangement embodied in the Scheme. Unsecured creditors (including unsecured debenture holders and deposit holders) would be entitled to vote in the said meeting either in person or through proxy.

5. In accordance with the provisions of Sections 230 – 232 of the Act, the Scheme shall be acted upon only if a majority in number representing three fourths in value of the unsecured creditors (including unsecured debenture holders and deposit holders), of the Applicant Company, voting in person or by proxy agree to the Scheme.

6. In terms of the Order dated 10thApril 2019, passed by the NCLT, in CA(CAA) No. 54/NCLT/AHM/2019, if the entries in the records/registers of the Applicant Company in relation to the number or value, as the case may be, of the unsecured creditors (including unsecured debenture holders and deposit holders) are disputed, the Chairman of the meeting shall determine the number or value, as the case may be, for purposes of the meeting, subject to the orders of the NCLT in the petition seeking sanction of the Scheme.

Particulars of GRUH

7. The Transferor Company was incorporated on 21st July 1986 as Gujarat Rural Housing Finance Corporation Limited, a public company with the Registrar of Companies, Gujarat, under the provisions of the Companies Act, 1956. Its name was changed to GRUH Finance Limited with effect from 21st August 1995. The Corporate Identification Number of the Transferor Company is L65923GJ1986PLC008809. The Permanent Account Number of the Transferor Company is AAACG7010K. The equity shares of the Transferor Company are listed on BSE Limited (hereinafter referred to as "**BSE**") and National Stock Exchange of India Limited (hereinafter referred to as "**NSE**"). Two series of unsecured redeemable non-convertible subordinated debentures issued by the Transferor Company are listed on the Wholesale Debt Market segment of NSE.

8. The Registered Office of the Transferor Company is situated at "GRUH", Netaji Marg, Nr. Mithakhali Six Roads, Ellisbridge, Ahmedabad – 380 006, Gujarat, India. There has been no change in the registered office address of the Transferor Company in last five (5) years. The e-mail address of the Transferor Company is investorcare@gruh.com

9. The objects for which the Transferor Company has been established are set out in its Memorandum of Association. Some of the objects of the Transferor Company are as follows:

"III. (A)

(1) To carry on the business of providing long term finance to any person or persons, company or corporation, society or association of persons with or without interest and with or without any security for the purpose of enabling such borrower to construct or purchase or enlarge any house or dwelling unit or any part or portion thereof in India for residential purpose upon such terms and conditions as the Company may deem fit."

"III. (B)

(61) To amalgamate with any other company whose objects are or include objects similar to those of this Company, whether by sale or purchase (for fully or partly paid-up shares or otherwsise) of the undertaking subject to the liabilities of this or any such other company as aforesad, with or without winding up, or by sale or purchase (for fully or partly paid up shares or otherwise) of all or a controlling interest in the shares or stock of this or any such other company as aforesaid, or by partnership or any arrangement of the nature of partnership or in any other manner."

There has been no change in the main object clause of the Transferor Company in the last 5 years.

10. The Transferor Company is engaged inter alia in the business of providing home loans and is registered with the National Housing Bank (hereinafter referred to as "**NHB**") as a housing finance company. The objects clause of the memorandum of association of the Transferor Company authorises the Transferor Company to carry on the business of housing finance.

11. The Authorised, Issued, Subscribed and Paid up Share Capital of the Transferor Company as on 31st March 2019 was as follows:

Particulars	Amount in Rupees
Authorised Capital	
100,00,00,000 equity shares of Rs. 2/- each	200,00,00,000
Total	**200,00,00,000**
Issued, Subscribed and Paid-up*	
73,36,87,512equity shares of Rs. 2/- each	146,73,75,024
Total	**146,73,75,024**

** Certain employee stock options granted to the employees of the Transferor Company may get exercised before the Effective Date (as defined in the Scheme), which may result in an increase in the issued and paid-up share capital of the Transferor Company. The details of the unexercised employee stock options by the employees of the Transferor Company as on 31st March 2019 are set out below.*

Unexercised Employee Stock Options*	Amount in Rupees
7,59,024 options of Rs. 268.20 each	20,35,70,236.80
6,26,000 options of Rs. 612.55 each	38,34,56,300

Each stock option entitles an employee for 2 equity shares of Rs. 2 each

Particulars of Bandhan

12. The Transferee Company was incorporated on 23rd December 2014, a public limited company, with the Registrar of Companies, West Bengal, under the provisions of the Act, in the name of Bandhan Bank Limited. The equity shares of the Transferee Company are listed on BSE and NSE. The Corporate Identification Number of the Transferee Company is L67190WB2014PLC204622. The Permanent Account Number of the Transferee Company is AAGCB1323G.

13. The registered office of the Transferee Company is situated at DN – 32, Sector V, Salt Lake, Kolkata – 700 091, West Bengal, India. There has been no change in the registered office address of the Transferee Company since its incorporation. The e-mail address of the Transferee Company is companysecretary@bandhanbank.com

14. The objects for which the Transferee Company has been established are set out in its Memorandum of Association. Some of the objects of the Transferee Company are as follows:

"III. (A)

1) To establish and carry on the business of banking in any part of India or outside India.

2) To carry on business of accepting, for the purpose of lending or investment, of deposits of money from the public, repayable on demand or otherwise, and withdrawable by cheque, draft, order or otherwise.

3) To carry on the business of:

(a) borrowing, raising or taking up of money;
(b) lending or advancing of money by way of loan, overdraft or on cash credit or other accounts or in any other manner whether without or on the security or movable or immovable properties, bills of exchange, hundies, promissory notes, bills of lading, railway receipts, debentures, share warrants and other instruments whether transferable or negotiable or not;
(c) drawing, making, accepting, discounting, buying, selling, collecting and dealing in bills of exchange, hundies, promissory notes, coupons, drafts, bills of lading, railway receipts, warrants, debentures, certificates, scrips and other instruments and securities whether transferable or negotiable or not;
(d) granting and issuing of letters of credits, travellers' cheques and circulars notes;
(e) buying, selling and dealing in bullion and specie;
(f) buying and selling of and dealing in foreign exchange including foreign bank notes;
(g) acquiring, holding, issuing on commission, underwriting and dealing in stock, funds, shares, debentures, debenture stock, bonds, obligations, securities and investments of all kinds;
(h) purchasing and selling of bonds, scrips or other forms of securities on behalf of itself, its constituents or others;
(i) negotiations of loans and advances;
(j) receiving of all kinds of bonds, scrips or valuables on deposit or for safe custody or otherwise;
(k) providing of safe deposit vaults;
(l) collecting and transmitting of money and all kinds of securities;
(m) issuing credit cards, debit cards, prepaid instruments, smart card or any similar instruments and extending any other credits;
(n) acting as aggregators, as may be permitted by the Pension Fund Regulatory and Development Authority ("PFRDA"), in connection with the National Pension System of the PFRDA.
(o) carrying on any other business specified in section 6(1)(a) to (n) of the Banking Regulation Act, 1949, as amended from time to time ("1949 Act"), and such other forms of business which the Central Government has pursuant to Section 6(1)(o) of 1949 Act specified or may from time to time specify by notification in the Official Gazette or as may be permitted by Reserve Bank of India ("RBI") from time to time as a form of business in which it would be lawful for a banking company to engage.

4) To carry on the business of merchant banking, investment banking, portfolio investment management, wealth management and investment advisors; to form, to constitute, promote, act as managing and issuing agents, prepare projects and feasibility reports for and on behalf of any company, association, society, firm, individual and body corporate.

5) To carry on the business of mutual fund distribution, equipment leasing and hire purchase.

6) To act as corporate agents for insurance products for life and general insurance including but not limited to health, pension & employees benefit, fire, marine, cargo, marine hull, aviation, oil & energy, engineering, accident, liability, motor vehicles, transit and other products and to carry on the business of insurance, re-insurance and risk management as an insurance agent or otherwise as may be permitted under law.

7) To carry on the business of factoring by purchasing and selling debts receivables and claims including invoice discounting and rendering bill collection, debt collection and other factoring services.

8) To carry on and transact the business of giving guarantees and counter guarantees and indemnities whether by personal conveant or by mortgaging or charging all or any part of the undertaking, property or assets of the Company, both present and future wherever situate or in any other manner and in particular to guarantee the payment of any principal moneys, interest or other moneys secured by or payable under debentures, bonds, debenture-stock, mortgages, charges, contracts, obligations and securities, and the repayment of the capital moneys and the payment of dividends in respect of stocks and shares or the performance of any such other obligations."

"III. B)

50) To amalgamate, merge, enter into any arrangement for sharing of profits, amalgamation, union of interest, reciprocal concession or cooperation with any company or companies or body

corporate having objects altogether or in part similar to those of this Company, for the purpose of acquiring any business, undertaking, property or liabilities of such person, company or body corporate, or to sell, exchange, lease, underlease, surrender, abandon, amalgamate, sub-divide, mortgage or otherwise deal with either absolutely, conditionally, or for any limited interest, all or any part of the undertaking, property rights or privileges of the Company, as a going concern or otherwise, for advancing directly or indirectly the objects thereof for any other purpose which this Company may think expedient, with any public body, corporation, company, society, or association, or to any person or persons, for such consideration as the Company may think fit, and in particular for any stock, shares (whether wholly or partly paid), debentures, debenture stock, securities or property of any other Company."

There has been no change in the main object clause of the Transferee Company since its incorporation.

15. The Transferee Company is in the business of providing banking services. The Transferee Company was issued license dated 17th June 2015 by the Reserve Bank of India, under the provisions of the Banking Regulation Act, 1949, to carry on banking business in India. The objects clause of the Memorandum of Association of the Transferee Company authorises the Transferee Company to carry on the business of banking.

16. The Authorised, Issued, Subscribed and Paid up Share Capital of the Transferee Company as on 31st March 2019 was as follows:

Particulars	Amount in Rupees
Authorised Capital	
500,00,00,000 equity shares of Rs. 10 each	5000,00,00,000
Total	5000,00,00,000
Issued, Subscribed and Paid-up*	
119,30,82,855 equity shares of Rs. 10 each	1193,08,28,550
Total	**1193,08,28,550**

***** C*ertain employee stock options granted to the employees of the Transferee Company which are vested may get exercised before the Effective Date and un-granted employee stock options, the grant and consequent exercise of which may result in an increase in the issued and paid-up share capital of the Transferee Company. The details of the unexercised employee stock options (net of cancellation) by the employees of the Transferee Company as on 31st March 2019 are set out below:*

Unexercised Employee Stock Options	Amount in Rupees
18,62,715 options of Rs. 180 each	33,52,88,700
Total	**33,52,88,700**
Un-granted Employee Stock Options	**Amount**
Nil	Nil

Description and Rationale for the Scheme

17. The Transferor Company and the Transferee Company have entered into Merger Co-operation Agreement dated 7th January 2019, setting out the manner of effecting the Scheme and the rights and obligations of the respective Parties. The principal objective of the Merger Co-operation Agreement is to: (a) set out the agreement between the Parties in relation to the proposed Scheme; (b) provide the

detailed mechanism for giving effect to the proposed Scheme and the related matters upon the Scheme coming into effect or being terminated/withdrawn; and (c) to provide appropriate representations and warranties by the Parties.

18. Description of the Scheme:

The Scheme, inter alia, provides for:

(i) amalgamation of the Transferor Company into and with the Transferee Company;

(ii) transfer of the authorised share capital of the Transferor Company to the Transferee Company and consequential increase in the authorised share capital of the Transferee Company;

(iii) issuance and allotment of fully paid-up equity shares of the Transferee Company to the shareholders of the Transferor Company, in accordance with Part III of the Scheme;

(iv) dissolution of the Transferor Company without winding up; and

(v) various other matters consequential or incidental to or otherwise integrally connected with the above.

19. Rationale for the Scheme:

The proposed amalgamation would be in the best interest of the Amalgamating Companies and their respective shareholders, employees, creditors and other stakeholders as the proposed amalgamation will yield advantages as set out inter alia below:

i. The Transferee Company and the Transferor Company have developed exceptional skills in banking business and housing finance business respectively. The Transferor Company has a wide range of home loan products with a specific rural focus. With a retail network of 195 (one hundred ninety five) branches, it has a presence in 11 States and 1 Union Territory in India with almost 50% (fifty percent) of the existing loan assets advanced in rural areas. The Transferee Company received a banking license in 2015 from the RBI. Its focus has been to meet the financial needs of people who are overlooked by the formal banking system. The Transferor Company and the Transferee Company therefore have significant complementarities and the consolidation of the two businesses carried on by them is strategic in nature and will generate significant business synergies. The amalgamation will result in enhancement of shareholders' value accruing from synergy of operations, new product development, integration of technology and information technology platforms, and also enable the Amalgamating Companies to further their socio-economic objectives. Thus, a combination of the Transferor Company and the Transferee Company will enhance the value propositions of the combined entity which would be able to leverage the complementarities of the Amalgamating Companies;

ii. The amalgamation of the Transferor Company with the Transferee Company will enable the Transferee Company to build and strengthen its housing loan portfolio, and establish a strong customer base of affordable housing customers. The Transferee Company would benefit from the loan assets of the Transferor Company as the strong loan book of the Transferor Company will stand merged into the Transferee Company pursuant to the amalgamation. In addition, the amalgamation will not dilute the focus of the Transferee Company on predominantly Priority Sector Lending ("PSL") loans as majority portfolio of the Transferor Company is PSL eligible;

iii. pooling of resources, creating better synergies, optimal utilisation of resources and greater economies of scale;

iv. better administration and cost reduction (including reduction in administrative and other common costs);

v. while the Transferee Company has pan India presence in 34 States and Union Territories with a strong presence in east and north east part of India, the proposed amalgamation will enhance reach and distribution and help expand the geographic coverage for the combined entities;

vi. greater efficiency in cash management and unfettered access to cash flow generated by the combined business, which can be deployed more efficiently, to maximise shareholder value;

vii. create value for stakeholders including respective shareholders, customers, lenders and employees as the combined business would benefit from increased scale, product diversification and expanded reach with increased ability to growth opportunities, higher cross selling opportunities to a larger base of customers, improvement in productivity and operational efficiencies amongst others;

viii. provide material realisable cost and revenue synergies for the benefit of the Amalgamating Companies; and

ix. optimal utilisation of resources and economies of scale resulting in improved efficiencies; it will help the Transferee Company to establish a strong customer base of affordable housing and scale up rural lending

Relationship among Companies who are parties to the Scheme

20. As on 31st March 2019, Housing Development Finance Corporation Limited (hereinafter referred to as "**HDFC**") holds 56.09% of the paid-up share capital of the Transferor Company. The Transferor Company is the subsidiary of HDFC and that HDFC is the promoter shareholder of the Transferor Company. The Transferee Company is promoted by Bandhan Financial Holdings Limited amongst others. None of the Companies are related to each other.

Corporate Approvals

21. The Scheme alongwith joint Valuation Report, recommending share exchange ratio, submitted by M/s. Desai Haribhakti& Co. and M/s. SRB and Associates, independent Chartered Accountants (hereinafter referred to as the "**Joint Valuation Report**"), in respect of the proposed Scheme, were placed before the Audit Committee of the Transferor Company at its meeting held on 7th January 2019. A Fairness Opinion on the valuation, by JM Financial Limited, a SEBI registered merchant banker, (hereinafter referred to as the "**Fairness Opinion**") was also submitted to the Transferor Company's Audit Committee. A copy of the Joint Valuation Report is enclosed as **Annexure 2**. The Joint Valuation Report is also open for inspection at the registered office of the Transferor Company. A copy of the Fairness Opinion is enclosed as **Annexure 3**.The Audit Committee, inter alia, based on the aforesaid, recommended the Scheme for favourable consideration by the Board of Directors of the Transferor Company, the Reserve Bank of India (hereinafter referred to as "**RBI**"), Competition Commission of India (hereinafter referred to as "**CCI**"), the stock exchanges, Securities and Exchange Board of India (hereinafter referred to as "**SEBI**") and such other regulatory authorities, by its report dated 7th January 2019.

22. The Scheme alongwith the aforesaid Joint Valuation Report was placed before the Board of Directors of the Transferor Company at its meeting held on 7th January 2019. The aforesaid Fairness Opinion issued by JM Financial Limited was also submitted to the Transferor Company's Board of Directors. Based on the report submitted by the Audit Committee recommending the draft Scheme amongst others, the Board of Directors of the Transferor Company approved the Scheme at its meeting held on 7th January 2019. The meeting of the Board of Directors of the Transferor Company, held on 7th January 2019, was attended by 8 (eight) directors in person (namely, Mr. K.M. Mistry (Chairman), Ms. Renu Sud Karnad, Mr. K. G. Krishnamurthy, Mr. Biswamohan Mahapatra, Mr. Rajesh Gupta, Ms. Bhavna Doshi, Mr. Kamlesh Shah and Mr. Sudhin Choksey) and by 1 (one) director (namely, Mr. Prafull Anubhai) through video conference. None of the directors of the Transferor Company who attended the meeting voted against the Scheme. Thus, the Scheme was approved unanimously by the directors who attended and voted at the meeting.

23. Separately, the aforesaid Joint Valuation Report was placed before the Audit Committee of the Transferee Company at its meeting held on 7th January 2019. A fairness opinion on the valuation, by Kotak Mahindra Capital Company Limited, a SEBI registered merchant banker, was also submitted to the Transferee Company's Audit Committee. The Audit Committee, inter alia, reviewed the Joint Valuation Report and noted the valuation and the recommended share exchange ratio for the proposed Scheme. The Audit Committee recommended the Scheme to be effective from the Appointed Date, after taking into consideration the Joint Valuation Report including the share exchange ratio, to the Board of Directors of the Transferee Company, which the Board of Directors of the Transferee Company may take into consideration for determining its recommendation regarding the draft Scheme

to the shareholders of the Transferee Company and creditors of the Transferee Company (as may be applicable) for their consideration and approval.

24. The Scheme along with the aforesaid Joint Valuation Report was placed before the Board of Directors of the Transferee Company at its meeting held on 7th January 2019. The aforesaid fairness opinion issued by Kotak Mahindra Capital Company Limited was also submitted to the Transferee Company's Board of Directors. Based on the report submitted by the Audit Committee recommending the draft Scheme amongst others, the Board of Directors of the Transferee Company approved the Scheme at its meeting held on 7th January 2019. The meeting of the Board of Directors of the Transferee Company, held on 7th January 2019, was attended by 12 (twelve) directors in person (namely, Dr. Anup Kumar Sinha, Mr. Harun Rasid Khan, Mr. Chandra Shekar Ghosh, Mr. Bhaskar Sen, Mr. Chintaman Mehadeo Dixit, Mr. Ranodeb Roy, Mr. Sisir Kumar Chakrabarti, Mr. Snehomoy Bhattacharya, Ms. T. S. Raji Gain, Dr. A. S. Ramasastri, Mr. Santanu Mukherjee and Dr. Holder Dirk Michaelis). None of the directors of the Transferee Company who attended the meeting voted against the Scheme. Thus, the Scheme was approved unanimously by the directors who attended and voted at the meeting.

Approvals and actions taken in relation to the Scheme

25. BSE was appointed as the designated stock exchange by the Transferor Company for the purpose of co-ordinating with the SEBI, pursuant to the Circular No. CFD/DIL3/CIR/2017/21 dated 10th March 2017 (hereinafter referred to as the"**SEBI Circular**") issued by SEBI.

26. The Transferor Company received no adverse observations/No-objection letter regarding the Scheme from BSE and NSE, respectively, each dated 3rd April 2019 conveying their no adverse observations/No-objection for filing the Scheme with NCLT pursuant to the letter dated 3rd April 2019 addressed by SEBI to BSE and NSE, which, inter alia, stated the following:

"Company shall ensure that additional information, if any, submitted by the Company, after filing the scheme with the Stock Exchange, and from the date of receipt of this letter is displayed on the websites of the listed company and the stock exchanges."

"Company shall duly comply with various provisions of the Circulars."

"Company is advised to comply with all the relevant RBI norms and the observations issued by RBI vide letter dated March 14, 2019."

"Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the company is obliged to bring the observations to the notice of NCLT."

"It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section230(5) of Companies Act, 2013 to SEBI again for its comments/observations/representations."

Copies of the no adverse observations/No-objection letters, both dated 3rd April 2019, received from BSE and NSE, respectively, are enclosed as **Annexures 4** and **5**.

27. As required by the SEBI Circular, the Transferor Company had filed the complaints report with BSE and NSE, both dated 19th February 2019. These reports indicate that the Transferor Company received six complaints which were resolved. A copy of the complaints report submitted by the Transferor Company, both dated 19th February 2019, to BSE and NSE, respectively, are enclosed as **Annexure 6 and Annexure 7**.

28. The Transferor Company has received no objection to the Scheme from NHB by its letter dated 4th March 2019.

29. The Transferee Company, pursuant to the application made by it to RBI, has received a communication dated 14th March 2019 from RBI, whereby RBI granted its 'no objection' to the Scheme, subject to conditions.

30. HDFC had made necessary application to RBI in relation to the acquisition of New Equity Shares (*as defined in the Scheme*) by it in the Transferee Company pursuant to and post effectiveness of the Scheme and in accordance with share exchange ratio. RBI by its letter dated 14th March 2019 granted

its 'in-principle' approval to HDFC to acquire shareholding of 9.9% or less of the paid-up voting equity capital of the Transferee Company upon the Scheme becoming effective.

31. The Companies had jointly filed necessary notification form with the CCI on 18th March 2019, disclosing the details of the proposed combination under the provisions of Section 6(2) of the Competition Act, 2002. Thereafter, the CCI, by its letter dated 15th April 2019 approved the proposed combination under Section 31(1) of the Competition Act, 2002.

32. The Companies or any of them would obtain such necessary approvals/sanctions/no objection(s) from the regulatory or other Governmental Authorities in respect of the Scheme in accordance with law, if so required.

33. CA (CAA) No. 54/NCLT/AHM/2018 along with the annexures thereto (which includes the Scheme) was filed by the Transferor Company with the NCLT, on 4th April 2019. Similarly, the Transferee Company filed CP No. 489 of 2019 along with annexures thereto (which includes the Scheme) with the Hon'ble National Company Law Tribunal, Bench at Kolkata, on the 4th April 2019.

Salient extracts of the Scheme

34. Certain clauses of the Scheme are extracted below:

PART I

1. DEFINITIONS

*"**Appointed Date**" means 1 January 2019, or such other date as may be mutually agreed between the Amalgamating Companies and is the date with effect from which this Scheme shall be effective.*

*"**Effective Date**" means the date on which certified copies of the orders of the Competent Authority are filed with the relevant RoC after the last of the approvals or events specified under Clause 9.1 of Part IV of the Scheme are satisfied or obtained or have occurred or the requirement of which has been waived (in writing) in accordance with this Scheme. The Scheme shall be operative from the Effective Date and effective from the Appointed Date and any references in this Scheme to "upon this Scheme becoming effective", "Scheme becomes effective" or "effectiveness of this Scheme" or likewise, means and refers to the Effective Date.*

*"**Transferor Company**" means GRUH Finance Limited, a company incorporated under the Companies Act, 1956 and having its registered office at "GRUH", Netaji Marg, Nr. Mithakhali Six Roads, Ellisbridge, Ahmedabad 380 006 and, notwithstanding anything to the contrary in this Scheme shall include:*

(a) any and all of its assets, whether movable or immovable, tangible or intangible, real or personal, corporeal or incorporeal, in possession or reversion, present, future, or contingent, including but not limited to registrations and memberships, electrical fittings, installations, tools, accessories, power lines, stocks, computers, communication facilities, vehicles, furniture, fixtures and office equipment, all rights, title, interests, covenants, undertakings, and society memberships and rights appurtenant to the immovable property, including continuing rights, covenants, title and interests in connection with any land (together with the buildings and structures standing thereon), whether freehold or leasehold or leave and licensed or right of way and all documents (including panchnamas, declarations, receipts) of title, rights and easements in relation thereto, plant, machinery, trading platform, appliances, equipment, whether leased or otherwise, together with all present and future liabilities including contingent liabilities and debts appertaining thereto;

(b) any and all of its investments (including shares whether in dematerialised or physical form, scrips, stocks, bonds, debentures, debenture stock, units or pass through certificates and other securities), including actionable claims, earnest monies, loans and advances, recoverable in cash or in kind or for value to be received, provisions, all cash and bank balances and deposits, money at call and short notice, contingent rights or benefits, receivables, including dividends declared or interest accrued thereon, reserves, provisions, funds, benefits of all agreements, bonds, debentures, debenture stock, units or pass through certificates;

(c) any and all of its licenses (including the licenses granted by any governmental, statutory or

regulatory bodies for the purpose of carrying on its business or in connection therewith), permissions (including but not limited to permissions granted in relation to launch futures and options contracts), allotments, approvals, consents, concessions, clearances, credits, awards, sanctions, exemptions, subsidies, registrations, no-objection certificates, permits, quotas, rights, entitlements, authorisation, applications made for obtaining all or any of the aforesaid, pre-qualifications, bid acceptances, tenders, certificates, tenancies, trade names, trademarks, service marks, copyrights, logos, corporate names, brand names, domain names, , sales tax credits, income-tax credits, goods and service tax credits, privileges and benefits of/ arising out of all contracts, agreements, applications and arrangements and all other rights including lease rights, powers and facilities of every kind and description whatsoever, equipment, installations and utilities such as electricity, water and other service connections, all benefits including subsidies, grants, incentives, tax credits (including but not limited to credits in respect of goods and services tax, income tax, minimum alternate tax, value added tax, etc., tax refunds) and all other rights, claims and powers, of whatsoever nature;

(d) any and all of its debts, borrowings and liabilities (whether denominated in Indian rupees or foreign currency), present or future, whether secured or unsecured, all guarantees, assurances, commitments and obligations of any nature or description, whether fixed, contingent or absolute, secured or unsecured, asserted or unasserted, matured or unmatured, liquidated or unliquidated, accrued or not accrued, known or unknown, due or to become due, whenever or however arising (including, without limitation, whether arising out of any contract or tort based on negligence or strict liability);

(e) all contracts, agreements, licenses, leases, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, letters of agreed points, bids, letters of intent, arrangements, undertakings, whether written or otherwise, deeds, bonds, schemes, arrangements, service agreements, sales orders, purchase orders, operation and maintenance compliance, equipment purchase agreements or other instruments of whatsoever nature to which the Transferor Company is a party, and other assurances in favour of the Transferor Company or powers or authorisations granted by or to it;

(f) all insurance policies;

(g) any and all of its staff and employees, who are on its payrolls, including those employed at its offices and branches, employees/personnel engaged on contract basis and contract labourers and interns/trainees, as are primarily engaged in or in relation to the business, activities and operations carried on by the Transferor Company, including liabilities of the Transferor Company, with regard to their staff and employees, with respect to the payment of gratuity, superannuation, pension benefits and provident fund or other compensation or benefits, if any, whether in the event of resignation, death, retirement, retrenchment or otherwise, in terms of its license, at its respective offices, branches or otherwise, and any other employees/personnel and contract labourers and interns/trainees hired by the Transferor Company as on the Effective Date;

(h) rights of any claim not made by the Transferor Company in respect of any refund of tax, duty, cess or other charge, including any erroneous or excess payment thereof made by the Transferor Company and any interest thereon, with regard to any law, act or rule or scheme made by the Governmental Authority, and in respect of carry forward of un-absorbed losses and unabsorbed tax depreciation, deferred revenue expenditure, rebate, incentives, benefits etc., under the Income Tax Act, 1961, sales tax, value added tax, custom duties and good and service tax or any other or like benefits under Applicable Law;

(i) any and all of the advance monies, earnest monies, margin money and/or security deposits, payment against warrants or other entitlements, as may be lying with them, including but not limited to the deposits from members, investor's service fund and investor protection fund;

(j) all deposits and balances with government, quasi-government, local and other authorities and bodies, customers and other persons, earnest monies and/or security deposits paid or received by the Transferor Company, directly or indirectly;

(k) all books, records, files, papers, engineering and process information, application software, software licenses (whether proprietary or otherwise), test reports, computer programmes,

drawings, manuals, data, databases including databases for procurement, commercial and management, catalogues, quotations, sales and advertising materials, product registrations, dossiers, lists of present and former borrowers, lenders and suppliers including service providers, other borrower information, customer credit information, customer/supplier pricing information, and all other books and records, whether in physical or electronic form;

(l) amounts claimed by the Transferor Company whether or not so recorded in the books of account of the Transferor Company from any Governmental Authority, under any law, act or rule in force, as refund of any tax, duty, cess, or of any excess payment;

(m) all registrations, trademarks, trade names, computer programmes, websites, manuals, data, service marks, copyrights, patents, designs, domain names, applications for trademarks, trade names, service marks, copyrights, designs and domain names exclusively used by or held for use by the Transferor Company in the business, activities and operations carried on by the Transferor Company; and

(n) all rights to use and avail telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interests held in trusts, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in control of or vested in or granted in favour of or enjoyed by the Transferor Company and all other rights and interests of whatsoever nature belonging to or in the ownership, power, possession or control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company.

PART III

AMALGAMATION OF THE TRANSFEROR COMPANY INTO AND WITH THE TRANSFEREE COMPANY

1.1 *With effect from the Appointed Date and upon this Scheme becoming effective, the Transferor Company along with all its assets, liabilities, contracts, employees, licenses, records, approvals etc. being integral parts of the Transferor Company shall stand transferred to and vest in or shall be deemed to have been transferred to and vested in the Transferee Company, as a going concern, without any further act, instrument or deed, together with all its properties, assets, liabilities, rights, benefits and interest therein, subject to the provisions of this Scheme, in accordance with Sections 230 - 232 of the Act, the Income-Tax Act, 1961 and Applicable Law if any, in accordance with the provisions contained herein.*

1.2 *Without prejudice to the generality of the above and to the extent applicable, unless otherwise stated herein, upon this Scheme becoming effective and with effect from the Appointed Date:*

(c) all immovable properties of the Transferor Company, including land together with the buildings and structures standing thereon and rights and interests in immovable properties of the Transferor Company, whether freehold or leasehold or otherwise and all documents of title, rights and easements in relation thereto, shall be vested in and/or be deemed to have been vested in the Transferee Company, without any further act or deed done or being required to be done by the Transferor Company and/or the Transferee Company. The Transferee Company shall be entitled to exercise all rights and privileges attached to the aforesaid immovable properties and shall be liable to pay the ground rent and taxes and fulfil all obligations in relation to or applicable to such immovable properties. The relevant authorities shall grant all clearances/permissions, if any, required for enabling the Transferee Company to absolutely own and enjoy the immovable properties in accordance with Applicable Law. The mutation or substitution of the title to the immovable properties shall, upon this Scheme becoming effective, be made and duly recorded in the name of the Transferee Company by Governmental Authorities pursuant to the sanction of this Scheme by the Competent Authority and upon the Scheme becoming effective in accordance with the terms hereof.

(e) all Encumbrances, if any, existing prior to the Effective Date over the assets of the Transferor Company which secure or relate to any liability, shall, after the Effective Date, without any further act, instrument or deed, continue to be related and attached to such assets or any

part thereof to which they related or were attached prior to the Effective Date and as are transferred to the Transferee Company. Provided that if any assets of the Transferor Company have not been Encumbered in respect of the liabilities, such assets shall remain unencumbered and the existing Encumbrance referred to above shall not be extended to and shall not operate over such assets. Further, such Encumbrances shall not relate or attach to any of the other assets of the Transferee Company. The secured creditors of the Transferee Company and/or other holders of security over the properties of the Transferee Company shall not be entitled to any additional security over the properties, assets, rights, benefits and interests of the Transferor Company and therefore, such assets which are not currently Encumbered shall remain free and available for creation of any security thereon in future in relation to any current or future indebtedness of the Transferee Company. The absence of any formal amendment which may be required by a lender or trustee or any third party shall not affect the operation of the foregoing provisions of this Scheme.

(f) all estate, assets, rights, title, claims, interest, investments and properties of the Transferor Company as on the Appointed Date, whether or not included in the books of the Transferor Company, and all assets, rights, title, interest, investments and properties, of whatsoever nature and wherever situate, which are acquired by the Transferor Company on or after the Appointed Date but prior to the Effective Date, shall be deemed to be and shall become the assets and properties of the Transferee Company.

(g) all contracts, agreements, licences, leases, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, letters of agreed points, bids, letters of intent, arrangements, undertakings, whether written or otherwise, deeds, bonds, agreements, schemes, arrangements and other instruments to which the Transferor Company is a party, or to the benefit of which, the Transferor Company may be eligible/entitled, and which are subsisting or having effect immediately before the Effective Date, shall, without any further act, instrument or deed continue in full force and effect on, against or in favour of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligor thereto. If the Transferee Company enters into and/or issues and/or executes deeds, writings or confirmations or enters into any tripartite arrangements, confirmations or novations, the Transferor Company will, if necessary, also be party to such documents in order to give formal effect to the provisions of this Scheme, if so required. In relation to the same, any procedural requirements required to be fulfilled solely by the Transferor Company (and not by any of its successors), shall be fulfilled by the Transferee Company as if it is the duly constituted attorney of the Transferor Company.

(h) any pending suits/appeals, all legal, taxation or other proceedings including before any statutory or quasi-judicial authority or tribunal or other proceedings of whatsoever nature relating to the Transferor Company, whether by or against the Transferor Company, whether pending on the Appointed Date or which may be instituted any time in the future, shall not abate, be discontinued or in any way prejudicially affected by reason of the amalgamation of the Transferor Company or of anything contained in this Scheme, but the proceedings shall continue and any prosecution shall be enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued, prosecuted and/or enforced by or against the Transferor Company, as if this Scheme had not been implemented.

(i) all the security interest over any moveable and/or immoveable properties and security in any other form (both present and future) including but not limited to any pledges, or guarantees, if any, created/executed by any person in favour of the Transferor Company or any other person acting on behalf of or for the benefit of the Transferor Company for securing the obligations of the persons to whom the Transferor Company has advanced loans and granted other funded and non-funded financial assistance, by way of letter of comfort or through other similar instruments shall without any further act, instrument or deed stand vested in and be deemed to be in favour of the Transferee Company and the benefit of such security shall be available to the Transferee Company as if such security was ab initio created in favour of the Transferee Company. The mutation or substitution of the charge in relation to the movable and immovable properties of the Transferor Company shall, upon this Scheme becoming effective, be made and duly recorded in the name of the Transferee Company by the appropriate authorities and third parties (including any depository participants) pursuant to the sanction of this Scheme by the Competent Authority and upon the Scheme becoming effective in accordance with the terms hereof.

(j) all debts, liabilities, contingent liabilities, duties and obligations, secured or unsecured (including rupee, foreign currency loans, time and demand liabilities, undertakings and obligations of the Transferor Company), of every kind, nature and description whatsoever and howsoever arising, whether provided for or not in the books of account or disclosed in the balance sheets of the Transferor Company shall be deemed to be the debts, liabilities, contingent liabilities, duties, and obligations of the Transferee Company, and the Transferee Company shall, and undertakes to meet, discharge and satisfy the same in terms of their respective terms and conditions, if any. All loans raised and used and all debts, duties, undertakings, liabilities and obligations incurred or undertaken by the Transferor Company after the Appointed Date and prior to the Effective Date, shall also be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and, to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of this Scheme, pursuant to the provisions of Sections 230 to 232 of the Act, without any further act, instrument or deed shall stand transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company and shall become the debt, duties, undertakings, liabilities and obligations of the Transferee Company which shall meet, discharge and satisfy the same.

(m) all letters of intent, requests for proposal, pre-qualifications, bid acceptances, tenders, and other instruments of whatsoever nature to which the Transferor Company is a party to or to the benefit of which the Transferor Company may be eligible, shall remain in full force and effect against or in favour of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto. Upon coming into effect of this Scheme, the past track record of the Transferor Company shall be deemed to be the track record of the Transferee Company for all commercial and regulatory purposes.

(n) all the staff and employees of the Transferor Company who are in such employment as on the Effective Date shall become, and be deemed to have become, the staff and employees of the Transferee Company, without any break or interruption in their services and on the same terms and conditions (and which are not less favourable than those) on which they are engaged by the Transferor Company as on the Effective Date. The Transferee Company further agrees that for the purpose of payment of any retirement benefit/compensation, such immediate uninterrupted past services with the Transferor Company, shall also be taken into account. With regard to provident fund, gratuity, superannuation, leave encashment and any other special scheme or benefits created or existing for the benefit of such employees of the Transferor Company, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever, upon this Scheme becoming effective, including with regard to the obligation to make contributions to relevant authorities, such as the regional provident fund commissioner or to such other funds maintained by the Transferor Company, in accordance with the provisions of Applicable Laws or otherwise. It is hereby clarified that upon this Scheme becoming effective, the aforesaid benefits or schemes shall continue to be provided to the transferred employees and the services of all the transferred employees of the Transferor Company for such purpose shall be treated as having been continuous.

(o) with regard to any provident fund, gratuity fund, pension, superannuation fund or other special fund created or existing for the benefit of such employees of the Transferor Company, it is the aim and intent of the Scheme that all the rights, duties, powers and obligations of the Transferor Company in relation to such schemes or funds shall become those of the Transferee Company. Upon the Scheme becoming effective, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever relating to the obligation to make contributions to the said funds in accordance with the provisions of such schemes or funds in the respective trust deeds or other documents. Any existing provident fund, gratuity fund and superannuation fund trusts created by the Transferor Company for its employees shall be continued for the benefit of such employees on the same terms and conditions until such time that they are transferred to the relevant funds of the Transferee Company. It is clarified that the services of all employees of the Transferor Company transferred to the Transferee Company will be treated as having been continuous and uninterrupted for the purpose of the aforesaid schemes or funds. Without prejudice to the aforesaid, the Board of the Transferee Company, if it deems fit and subject to Applicable Laws, shall be entitled to: (i) retain separate trusts or funds within the Transferee Company for the erstwhile fund(s) of the Transferor Company; or (ii) merge the pre-existing fund of

the Transferor Company with other similar funds of the Transferee Company.

(q) *all trademarks, trade names, service marks, copyrights, logos, corporate names, brand names, domain names and all registrations, applications and renewals in connection therewith, and software and all website content (including text, graphics, images, audio, video and data), trade secrets, confidential business information and other proprietary information shall stand transferred to and vested in the Transferee Company.*

(s) *all taxes (including but not limited to advance tax, tax deducted at source, minimum alternate tax, withholding tax, banking cash transaction tax, securities transaction tax, taxes withheld/paid in a foreign country, value added tax, sales tax, service tax, goods and services tax, customs, duties, etc.), including any interest, penalty, surcharge and cess, if any, payable by or refundable to the Transferor Company, including all or any refunds or claims shall be treated as the tax liability or refunds/claims, as the case may be, of the Transferee Company, and any tax incentives, advantages, privileges, exemptions, credits, holidays, remissions, reductions etc., as would have been available to the Transferor Company, shall pursuant to this Scheme becoming effective, be available to the Transferee Company.*

(t) *all approvals, allotments, consents, concessions, clearances, credits, awards, sanctions, exemptions, subsidies, registrations, no-objection certificates, permits, quotas, rights, entitlements, authorisation, pre-qualifications, bid acceptances, tenders, licenses (including the licenses granted by any governmental, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith), permissions (including but not limited to permissions granted in relation to launch futures and options contracts) and certificates of every kind and description whatsoever in relation to the Transferor Company, or to the benefit of which the Transferor Company may be eligible/entitled, and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect in favour of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligor thereto. It is hereby clarified that if the consent of any third party or authority is required to give effect to the provisions of this Clause, the said third party or authority shall make and duly record the necessary substitution/endorsement in the name of the Transferee Company pursuant to the sanction of this Scheme by the Competent Authority, and upon this Scheme becoming effective in accordance with the terms hereof. For this purpose, the Transferee Company shall file appropriate applications/documents with relevant authorities concerned for information and record purposes.*

(w) *all the property, assets and liabilities of the Transferor Company shall be transferred to the Transferee Company at the values appearing in the books of account of the Transferor Company at the close of business of the day immediately preceding the Appointed Date.*

(y) *all the benefits under the various incentive schemes and policies that the Transferor Company is entitled to, including tax credits, tax deferral, exemptions and benefits (including sales tax and service tax), subsidies, tenancy rights, liberties, special status and other benefits or privileges enjoyed or conferred upon or held or availed by the Transferor Company and all rights or benefits that have accrued or which may accrue to the Transferor Company, whether on, before or after the Appointed Date, shall upon this Scheme becoming effective and with effect from the Appointed Date be transferred to and vest in the Transferee Company and all benefits, entitlements and incentives of any nature whatsoever, shall be claimed by the Transferee Company and these shall relate back to the Appointed Date as if the Transferee Company was originally entitled to all benefits under such incentive schemes and or policies.*

(aa) *without prejudice to the generality of the foregoing, all lease agreements and leave and license agreements, as the case may be, to which the Transferor Company is a party, and having effect immediately before the Effective Date, shall remain in full force and effect on the terms and conditions contained therein in favour of or against the Transferee Company and may be enforced fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto or thereunder; and the respective lessees and the licensees, as the case may be, shall continue to be in possession of the premises subject to the terms and conditions contained in the relevant lease agreements or leave and license agreements, as the case may be. Further, all the rights, title, interest and claims of the Transferor Company in any properties including*

leasehold/ licensed properties of the Transferor Company including but not limited to security deposits and advance or prepaid lease or license fee, shall, on the same terms and conditions, be transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company automatically without requirement of any further act or deed. The Transferee Company shall continue to pay rent or lease or license fee as provided for under such agreements, and the Transferee Company shall continue to comply with the terms, conditions and covenants thereunder.

3.1 Upon this Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up, without any further act, instrument or deed.

4.1 As an integral part of the Scheme and upon this Scheme becoming effective, the authorized share capital of the Transferor Company shall stand transferred to and be amalgamated/combined with the authorized share capital of the Transferee Company. The fees or stamp duty, if any, paid by the Transferor Company on its authorized share capital shall be deemed to have been so paid by the Transferee Company on the combined authorized share capital, and the Transferee Company shall not be required to pay any fee/ stamp duty for the increase of the authorized share capital. The authorised share capital of the Transferee Company will automatically stand increased to that effect by simply filing the requisite forms with the relevant Registrar of Companies and no separate procedure or instrument or deed shall be required to be followed under the Act.

4.2 Clause V of the memorandum of association of the Transferee Company shall, upon this Scheme becoming effective, and without any further act, instrument or deed, be replaced by the following clause:

"The share capital of the Company is Rs. 5,200,00,00,000 (Rupees five thousand two hundred crore only) divided into 520,00,00,000 (five hundred twenty crore) equity shares of Rs. 10 (Rupees ten) each."

*5.1 Upon coming into effect of this Scheme and in consideration of the amalgamation of the Transferor Company in the Transferee Company, the Transferee Company shall, without any further application, act or deed, issue and allot to the shareholders of the Transferor Company whose names are recorded in the register of members as a member of the Transferor Company on the Record Date (or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognised by the Board of the Transferee Company), 568 (five hundred sixty eight) Transferee Company Shares, credited as fully paid-up, for every 1000 (one thousand) equity shares of the face value of Rs. 2 (Rupees two) each fully paid-up held by such member in the Transferor Company ("**Share Exchange Ratio**"). The Transferee Company Shares to be issued by the Transferee Company to the shareholders of the Transferor Company in accordance with this Clause 5.1 of Part III shall be hereinafter referred to as "**New Equity Shares**".*

6.3 The New Equity Shares of the Transferee Company allotted and issued in terms of Clause 5.1 of Part III above, shall be listed and/or admitted to trading on the BSE and NSE. The New Equity Shares of the Transferee Company shall, however, be listed subject to the Transferee Company obtaining the requisite approvals from all the relevant Governmental Authorities pertaining to the listing of the New Equity Shares of the Transferee Company. The Transferee Company shall enter into such arrangements and give such confirmations and/or undertakings as may be necessary in accordance with Applicable Laws for complying with the formalities of BSE and NSE.

6.10 The shares allotted pursuant to the Scheme shall remain frozen in the depositories system until listing/trading permission is given by the BSE and NSE, as the case may be.

6.11 There shall be no change in the shareholding pattern or control of the Transferee Company between the Record Date and the date of listing of equity shares of the Transferee Company which may affect the status of the BSE's approval or NSE's approval.

6.12 The New Equity Shares to be issued by the Transferee Company pursuant to Clause 5.1 of Part III above in respect of such equity shares of the Transferor Company as are subject to lock-in pursuant to Applicable Law shall be locked-in as and to the extent required under Applicable Law.

7.1 The Transferee Company shall, upon this Scheme becoming effective and with effect from the Appointed Date, record the assets and liabilities of the Transferor Company (as appearing in the books of accounts of the Transferor Company at the close of business on the day preceding the

Appointed Date) as vested in the Transferee Company pursuant to this Scheme, at the respective book values thereof.

7.2 The Transferee Company shall follow the method of accounting as prescribed for the 'pooling of interest method' under Accounting Standard 14 as notified under the Companies Accounting Rules, 2006.

7.3 The Transferee Company shall issue and allot equity shares to the shareholders of the Transferor Company in accordance with Clause 6 above and credit the face value of such equity shares to its share capital account.

7.4 Upon this Scheme becoming effective and with effect from the Appointed Date, the excess, if any, of the book value of the assets over the book value of the liabilities of the Transferor Company recorded by the Transferee Company in its books of accounts as mentioned above, as reduced by the face value of shares issued by the Transferee Company to the shareholders of the Transferor Company shall be credited to the capital reserve account in the financial statements of the Transferee Company as drawn up in compliance with the Scheme and applicable accounting standards of the Transferee Company. In case of there being a deficit, such amount shall be debited to the general reserve. In case of any difference in the accounting policies between the Transferor Company and the Transferee Company, the accounting policies followed by the Transferee Company shall prevail and the difference, if any, will be quantified and adjusted in the general reserve mentioned earlier, to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy. Where the Transferee Company does not have sufficient general reserve, the balance amount remaining after adjustment with the general reserve of the Transferee Company, shall be adjusted against the capital reserve, if any, of the Transferee Company.

7.5 Notwithstanding the above, the Board of Directors of the Transferee Company is authorised to account for any of these balances in any manner whatsoever, as may be deemed fit, in accordance with the prescribed accounting standards under the Act and applicable RBI regulations and applicable generally accepted accounting principles as applicable to the Transferee Company. The identity of the reserves of the Transferor Company, if any and to the extent as required under any applicable regulation and as deemed appropriate by the Board of Directors of the Transferee Company, shall be preserved and they shall appear in the financial statements of the Transferee Company in the same form and manner, in which they appeared in the financial statements of the Transferor Company as prepared under the accounting standards applicable to the Transferee Company, prior to this Scheme becoming effective. Accordingly, if prior to this Scheme becoming effective there is any reserve in the financial statements of the Transferor Company available for distribution whether as bonus shares or dividend or otherwise, the same would also be available in the financial statements of the Transferee Company for such distribution pursuant to this Scheme becoming effective.

7.6 The balances of the profit and loss accounts of the Transferor Company (as appearing in the books of accounts of the Transferor Company at the close of business on the day preceding the Appointed Date) shall be aggregated and added to or set-off (as the case may be) with the corresponding balance appearing in the financial statements of the Transferee Company.

7.7 The Transferee Company shall record in its books of account, all transactions of the Transferor Company in respect of assets, liabilities, income and expenses, from the Appointed Date to the Effective Date. Any inter-company payables and receivables between the Transferor Company and the Transferee Company shall be cancelled and the Transferee Company shall accordingly not record any of such payables and receivables in its books.

*8.1 With respect to the stock options granted by the Transferor Company under the employees stock options scheme of the Transferor Company including the benefit of exercise price and the share entitlement pursuant to the bonus issuance by the Transferor Company in 2018, titled Employees Stock Option Scheme 2015 (the "**Transferor Company Option Scheme**"), upon coming into effect of this Scheme, the Transferee Company shall issue stock options to Eligible Employees taking into account the Share Exchange Ratio and on the same terms and conditions as (and which are not less favourable than those) provided in the Transferor Company Option Scheme. Such stock options may be issued by the Transferee Company either under its existing stock option scheme or a revised employee stock option scheme ("**Transferee Company Option Scheme**").*

8.2 It is hereby clarified that upon this Scheme becoming effective, options granted by the Transferor

Company to the Eligible Employees under the Transferor Company Option Scheme shall automatically stand cancelled. Further, upon this Scheme becoming effective and after cancellation of the options granted to the Eligible Employees under the Transferor Company Option Scheme, the fresh options shall be granted by the Transferee Company to the Eligible Employees on the basis of the Share Exchange Ratio (i.e. for every 1,000 options held by an Eligible Employee which entitle such Eligible Employee to acquire 2,000 equity shares (on account of 1:1 bonus issuance on 8 June 2018) in the Transferor Company, such Eligible Employee will be conferred 1,136 options in the Transferee Company which shall entitle him to acquire 1,136 equity shares in the Transferee Company), such that the Eligible Employees shall, as option holders of the Transferee Company, enjoy the same economic benefit as they would have received under the Transferor Company Option Scheme. Fractional entitlements, if any, arising pursuant to the applicability of the Share Exchange Ratio as above shall be rounded off to the nearest higher integer. The exercise price payable for options granted by the Transferee Company to the Eligible Employees shall be based on the exercise price payable by such Eligible Employees under the Transferor Company Option Scheme as adjusted after taking into account the effect of the Share Exchange Ratio.

8.3 On the Effective Date, the provisions of the SEBI (Share Based Employee Benefits) Regulations, 2014, as amended to-date, shall apply, to the extent applicable, to the stock options granted by the Transferee Company under the Transferee Company Option Scheme in pursuance of this Scheme.

8.4 The approval granted to the Scheme by the shareholders, the RBI, the National Housing Bank and/or any other regulatory authority shall be deemed to be approval granted to any modifications made to the Transferor Company Option Scheme by the Transferor Company and approval granted to the Transferee Company Option Scheme to be adopted by the Transferee Company.

8.5 It is hereby clarified that in relation to the options granted by the Transferee Company to the Eligible Employees, the period during which the options granted by the Transferor Company were held by or deemed to have been held by the Eligible Employees shall be taken into account for determining the minimum vesting period required under Applicable Law or agreement or deed for stock options granted under the Transferor Company Option Scheme or the Transferee Company Option Scheme, as the case may be.

8.6 The Board of Directors of the Amalgamating Companies or any of the committee(s) thereof, including the compensation committee, if any, shall take such actions and execute such further documents as may be necessary or desirable for the purpose of giving effect to the provisions of this clause of the Scheme.

PART IV

GENERAL TERMS AND CONDITIONS

2.3 This Scheme has been drawn up to comply with the conditions relating to "amalgamation" as specified under the tax laws, including Section 2 (1B) and other relevant sections of the Income Tax Act, 1961. If any terms or provisions of the Scheme are found to be or interpreted to be inconsistent with any of the said provisions at a later date, whether as a result of any amendment of law or any judicial or executive interpretation or for any other reason whatsoever, the aforesaid provisions of the Income Tax Act, 1961 shall prevail. The Scheme shall then stand modified to the extent deemed necessary to comply with the said provisions. Such modification will however not affect other parts of the Scheme. The power to make such amendments as may become necessary shall vest with the Board of Directors of the Amalgamating Companies, which power shall be exercised reasonably in the best interests of the companies concerned and their stakeholders.

9.1 The Scheme is conditional and subject to:

- *(a) the Scheme being approved by the requisite majority of each classes of members and/or creditors (where applicable) of the Amalgamating Companies in accordance with the Act and as may be directed by the Competent Authority;*
- *(b) the Competent Authority having accorded its sanction to the Scheme;*
- *(c) receipt of approval by the Transferee Company from the RBI in relation to the Scheme, which shall be in form and substance acceptable to the Amalgamating Companies, each acting reasonably and in good faith;*
- *(d) receipt of approval by the promoter of the Transferor Company, from the RBI in relation to the acquisition of New Equity Shares by it in the Transferee Company pursuant to the*

Scheme;

(e) satisfaction of the conditions, if any, as set out in the approval provided by the RBI under Clause 9.1(c) and Clause 9.1(d) and which need to be satisfied on or prior to the Effective Date in accordance with the terms thereunder;

(f) receipt of no-objection letters by the Amalgamating Companies in respect from the BSE and the NSE in accordance with the LODR Regulations and the SEBI Circulars in respect of the Scheme (prior to filing the Scheme with the Competent Authority as well as following approval of the Scheme by the Competent Authority), which shall be in form and substance acceptable to the Amalgamating Companies, each acting reasonably and in good faith;

(g) intimation to/receipt of the approval from the National Housing Bank by the Transferor Company and/or its promoter, as applicable, which shall be in form and substance acceptable to the Amalgamating Companies, each acting reasonably and in good faith;

(h) receipt of the approval from the CCI in respect of the Scheme contemplated herein, in accordance with the provisions of the Competition Act, 2002, pursuant to a joint application filed by the Transferor Company and the Transferee Company, which shall be in form and substance acceptable to the Amalgamating Companies, each acting reasonably and in good faith, or the waiting period during which the CCI is required to provide its decision in respect of the application for approval in respect of the Scheme contemplated herein, together with any extensions thereof, shall have expired; and

(i) receipt of such other sanctions and approvals including sanction of any other Governmental Authority or stock exchange(s) as may be required by Applicable Law in respect of the Scheme."

You are requested to read the entire text of the Scheme to get fully acquainted with the provisions thereof. The aforesaid are only some of the salient extracts thereof.

Valuation and accounting treatment

35. Summary of the Joint Valuation Report including the basis of valuation is enclosed as **Annexure 8**.

36. The accounting treatment as proposed in the Scheme is in conformity with the accounting standards prescribed under Section 133 of the Act. The certificate issued by the Statutory Auditor of the Transferor Company is open for inspection at the registered office of the Transferor Company.

37. The auditor of the Transferee Company has also issued a certificate to the effect that the accounting treatment as prescribed in the Scheme is in conformity with the Accounting Standards as prescribed under Section 133 of the Act. The certificate issued by the Statutory Auditor of the Transferee Company is open for inspection at the registered office of the Transferor Company.

Effect of the Scheme on various parties

38. The effect of the proposed Scheme on the stakeholders of the Transferor Company would be as follows:

(a) Shareholders (promoter and non-promoter)

Under the Scheme, an arrangement is sought to be entered into between the Transferor Company and its equity shareholders. Upon the Scheme becoming effective, the equity shareholders of the Transferor Company, shall become the equity shareholders of the Transferee Company in the manner as stipulated in Clause 5.1 of Part III of the Scheme. Further, the authorised share capital of the Transferor Company shall stand transferred to and be amalgamated/ combined with the authorised share capital of the Transferee Company in the manner as stipulated in Clause 4.1 of Part III of the Scheme.

The Transferor Company has 1 (one) promoter entity, namely Housing Development Finance Corporation Limited. The promoter of the Transferor Company shall not be part of the promoter or promoter group of the merged Transferee Company, and shall be issued such number of shares in the Transferee Company as it may be entitled to pursuant to the Scheme and subject to the approval of the Reserve Bank of India.

(b) Directors, key managerial personnel and employees

As stated in Clause 1.2 (n) of Part III of the Scheme, and with effect from the Effective Date, the Transferee Company has undertaken to engage all the staff and employees of the Transferor Company without any break or interruption in their services and on the same terms and conditions (and which are not less favourable than those) on which they are engaged by the Transferor Company

as on the Effective Date. In the circumstances, the rights of the staff and employees of the Transferor Company would in no way be affected by the Scheme.

Upon the Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up. In the circumstances, the directors and key managerial personnel of the Transferor Company shall cease to be the directors and key managerial personnel of the Transferor Company.

The directors, key managerial personnel of the Transferor Company and their relatives may be deemed to have an interest in the Scheme to the extent of the equity shares held by them in the Amalgamating Companies and/or to the extent that the said director(s), key managerial personnel and their respective relatives are the director(s), members, of the companies that hold shares in the Amalgamating Companies. Save as aforesaid, none of the said director(s) or key managerial personnel have any interest in the Scheme. None of the directors of the Transferor Company or key managerial personnel of the Transferor Company hold shares exceeding two per cent. of the paid-up share capital of the Transferee Company.

(c) Creditors (including debenture holders and deposit holders)

Under the Scheme, there is no arrangement with the creditors, either secured (including secured debenture holders) or unsecured (including unsecured debenture holders and deposit holders) of the Transferor Company. No compromise is offered under the Scheme to any of the creditors of the Transferor Company. The liabilities of the creditors of the Transferor Company, under the Scheme, is neither being reduced nor being extinguished. The creditors of the Transferor Company would in no way be affected by the Scheme.

Under the Scheme, no arrangement is sought to be entered into between the Transferor Company and its debenture holders (either secured or unsecured). No rights of the debenture holders of the Transferor Company are being affected pursuant to the Scheme. The debenture trustee(s) appointed for the different series of the debentures shall continue to remain the debenture trustee(s). Thus, the debenture holders of the Transferor Company would in no way be affected by the Scheme.

Under the Scheme, no arrangement is sought to be entered into between the Transferor Company and its deposit holders. No rights of the deposit holders of the Transferor Company are being affected pursuant to the Scheme. There are no deposit trustee(s) in respect of the deposits invited by the Transferor Company. Thus, the deposit holders of the Transferor Company would in no way be affected by the Scheme.

39. In compliance with the provisions of Section 232(2)(c) of the Act, the Board of Directors of the Transferor Company in its meetings, held on 7th January 2019 has adopted a report, inter alia, explaining the effect of the Scheme on its shareholders and key managerial personnel amongst others. Copy of the Report adopted by the Board of Directors of the Transferor Company is enclosed as **Annexure 9**.

Other matters

40. No investigation proceedings have been instituted or are pending in relation to the Companies under Chapter XIV of the Act or under the corresponding provisions of Sections 235 to 251 of the Companies Act, 1956.

41. No proceedings are pending under the Act or under the corresponding provisions of the Companies Act, 1956 against the Transferor Company and the Transferee Company.

42. To the knowledge of the Transferor Company no winding up proceedings have been filed or pending against the Transferor Company under the Act or the corresponding provisions of the Companies Act, 1956. Further, to the knowledge of the Transferor Company, no winding up proceedings have been filed or pending against the Transferee Company under the Act or the corresponding provisions of the Companies Act, 1956.

43. The copy of the proposed Scheme has been filed by the Transferor Company before the concerned Registrar of Companies, on the 16th April 2019.

44. The Unaudited Financial Results of the Transferor Company and the Transferee Company, respectively, for the quarter and nine months ended 31st December 2018, are enclosed as **Annexure 10** and **Annexure 11**, respectively.

45. As per the books of accounts (as on 31st December 2018) of the Transferor Company and the Transferee Company, respectively, the amount due to the unsecured creditors are Rs. 2733,88,12,357/- and Rs. 350,54,36,72,025/-, respectively.

46. The names and addresses of the promoters of the Transferor Company including its shareholding in the Companies as on 31st March 2019 are as under:

Sr. No.	Name and address of Promoter	GRUH Finance Limited		Bandhan Bank Limited	
		No. of Shares of Rs.2/- each	%	No. of Shares of Rs.10/- each	%
1	Housing Development Finance Corporation Limited Ramon House, H.T. Parekh Marg, 169, Backbay Reclamation, Churchgate, Mumbai – 400 020	411555700	56.09	-	-

47. The names and addresses of the promoters of the Transferee Company including their shareholding in the Companies as on 31st March 2019 are as under:

Sr. No.	**Name & Address of Promoter**	**Bandhan Bank Limited**		**GRUH Finance Limited**	
		No. of Shares of Rs.10/- each	**%**	**No. of Shares of Rs.2/- each**	**%**
1.	Bandhan Financial Holdings Limited DN-32, Sector - V, Salt Lake City, Kolkata – 700091, West Bengal, India (Category – Promoter)	98,14,83,040	82.26%	-	-
2.	Bandhan Financial Services Limited DN-32, Sector - V, Salt Lake City, Kolkata – 700091, West Bengal, India (Category – Promoter)	-	-	-	-
3.	Financial Inclusion Trust 302, Kirti Deep Building, Nangal Raya, New Delhi – 110046. (Category – Promoter)	-	-	-	-
4.	North East Financial Inclusion Trust Akhaura Road, P.O. - RamnagarAgartala, Dist.-West Tripura, State - Tripura, Pin-799002. (Category – Promoter)	-	-	-	-
5.	BandhanKonnagar; 99 H/2, Haran Chandra Banerjee Lane, Konnagar, Hooghly, Pin – 712235 (Category – Promoter Group)	-	-	-	-

48. The names and addresses of the directors of the Transferor Company as on 31st March 2019 are as follows:

Sr. No.	Name of Director	Designation	Address	PAN	DIN
1	Shri Keki Mistry	Non-Executive Chairman	Vivarea, B Wing, Flat No. 2603, 26th Floor, Sane Guruji Marg, Mahalaxmi East, Mumbai – 400 011	AAFPM0331B	00008886
2	Shri Prafull Anubhai	Independent Director	9, Pathik, ShitalBaug,Ahmedabad – 380 007	ACJPS9659L	00040837
3	Shri S.G. Mankad	Independent Director	Plot no: 192, Sector 8-C, Gandhinagar – 382007	ABAPM7289E	00086077
4	Shri K. G. Krishnamurthy	Non-Executive Director	403-404, Meru Heights, 268, Telang Road, Matunga (E), Mumbai – 400 019	AAHPK4870D	00012579
5	Shri BiswamohanMahapatra	Independent Director	Flat No. 502, Building M1, Riddhi Gardens, General Arun Kumar Vaidya Marg, Film City Road, Malad East,Mumbai – 400 097	ABKPM7949M	06990345
6	Shri Pankaj Patel	Independent Director	16, Azad Society, Ambawadi, Ahmedabad – 380 015	AFUPP4143C	00131852
7	Shri Rajesh Gupta	Independent Director	2201-B, 22nd Floor, Phoenix Towers B-Wing, S B Marg, Lower Parel (W), Mumbai – 400 013	ACUPG6247R	00229040
8	Ms. Bhavna Doshi	Independent Director	Flat No. C-191, Grand Paradi,August Kranti Road, Kemps Corner, Mumbai – 400 036	AACPD4427C	00400508
9	Shri Kamlesh Shah	Executive Director	291, Manekbag Society, Ambawadi, Ahmedabad – 380 015	ABIPS1788G	03092230
10	Shri SudhinChoksey	Managing Director	B-601, Ratnakar Lane, Opp. IOC Petrol Pump, Off. 132 ft Ring Road, Satellite, Ahmedabad – 380 015	AAHPC1433E	00036085

49. The names and addresses of the directors of the Transferee Company as on 31st March2019 are as follows:

Sr. No.	Name of Director	Designation	Address	PAN	DIN
1	Dr. Anup Kumar Sinha	Part-time (Independent) Chairman	T - 34, Flat 10-B, GenexxVally, Joka, D. H. Road, Kolkata - 700104	AIQPS2851R	08249893
2	Mr. Harun Rasid Khan	Independent Director	Vista 2/ 901, "The Address" Opp. R City Mall, Ghatkopar (West), Mumbai – 400086, India	AGOPK7169G	07456806
3	Mr. Chandra Shekhar Ghosh	Managing Director & CEO	B-5, Survey Park, P.O.-Santoshpur, P.S.-PurbaJadavpur, Kolkata - 700075, West Bengal, India	AHEPG3269Q	00342477
4	Dr. A. S. Ramasastri	Independent Director	A 27 Dhanastri, 122 N P Marg, Colaba, Mumbai – 400005	AACPR8183P	06916673
5	Mr. Bhaskar Sen	Independent Director	178, Purbalok 9th Street, KMC, PurbaJadavpur, Kolkata – 700099, West Bengal, India	ALTPS7914H	03193003
6	Mr. C. Mahadeo Dixit	Independent Director	Laxmi Niwas 759 / 122, Prabhat Road, Lane 02 Deccan Gymkhana, Pune, 411004, Maharashtra, India	ABAPD7725L	00524318
7	Mr. Santanu Mukherjee	Independent Director	Flat No. 303, 3rd Floor, E – Tower, My Home Abhra, Opp. – Inorbit Mall, Raidurg, Sherlingampally, Gachibowli, K. V. Rangareddy, Telengana - 500 032	AEIPM5485M	07716452
8	Mr. Sisir Kumar Chakrabarti	Independent Director	50A, Purna Das Road, Flat No. 212, Kolkata, 700029, West Bengal, India	ABJPC7596H	02848624
9	Mr. Snehomoy Bhattacharya	Independent Director	375, Prince Anwar Shah Road, Flat -30L, Tower-4, Cedar South City Apartments, Kolkata – 700068, India	ACYPB1696H	02422012

10	Ms. T. S. Raji Gain	Independent Director	Flat 4C, Vishnu Residency, 193 NSC Bose Road, Kolkata - 700040	ADGPG8954J	07256149
11	Mr. Ranodeb Roy	Non-Executive Non-Independent Director	5 Nathan Road, #04-03 Regency Park, Singapore, Singapore - 248727	AABPR7753C	00328764
12	Dr. Holger Dirk Michaelis	Nominee Director	212 Depot Road, # 02 - 63, Singapore, 109700, Singapore	CWNPM0255Q	07205838

50. The details of the shareholding of the Directors and the Key Managerial Personnel (KMP) of the Transferor Company in the Companies as on 31st March 2019 are as follows:

Sr. No.	Name of Director	Position	Shareholding in GRUH Finance Limited (Face Value of Rs.2/- each	Shareholding in Bandhan Bank Limited (Face Value of Rs.10/- each)
1	Shri Keki Mistry	Non-Executive Chairman	6,65,800	766
2	Shri Prafull Anubhai	Independent Director	8,000	-
3	Shri S.G. Mankad	Independent Director	2,60,000	-
4	Shri K. G. Krishnamurthy	Non-Executive Director	9,37,300	-
5	Shri Biswamohan Mahapatra	Independent Director	-	-
6	Shri Pankaj Patel	Independent Director	-	-
7	Shri Rajesh Gupta	Independent Director	-	-
8	Ms. Bhavna Doshi	Independent Director	-	-
9	Shri Kamlesh Shah	Executive Director	6,92,652	-
10	Shri Sudhin Choksey	Managing Director	5,87,519	98
11	Shri Marcus Lobo	Company Secretary	6,57,400	55
12	Shri Hitesh Agrawal	Chief Financial Officer	81,300	-

51. The details of the shareholding of the Directors and the Key Managerial Personnel (KMP) of the Transferee Company in the Companies as on 31st March 2019 are as follows:

Sr. No.	Name of Director	Position	Shareholding in GRUH Finance Limited (Face Value of Rs.2/- each)	Shareholding in Bandhan Bank Limited (Face Value of Rs.10/- each)
1	Mr.Anup Kumar Sinha	Non-Executive (Independent) Chairman	-	-
2	Mr. Chandra Shekhar Ghosh	Managing Director & CEO	-	15,24,436
3	Mr. Ranodeb Roy	Non-Executive Non-Independent Director	-	-
4	Mr. Chintaman Mahadev Dixit	Independent Director	-	-
5	Mr. Snehomoy Bhattacharya	Independent Director	105	-

6	Mr. Sisir Kumar Chakrabarti	Independent Director	1,310	-
7	Mr. Bhaskar Sen	Independent Director	-	-
8	Mr. Allamraju Subramanya Ramasastri	Independent Director	-	-
9	Mr. Holger Dirk Michaelis	Nominee Director	-	-
10	Ms. RajiThekedathumadam Subramani Gain	Independent Director	-	-
11	Mr. Harun Rasid Khan	Independent Director	-	-
12	Mr. Santanu Mukherjee	Independent Director	-	-
13	Mr. Sunil Samdani	Chief Financial Officer	-	15,118
14	Mr. Indranil Banerjee	Company Secretary	-	2,035

52. The pre-Scheme shareholding pattern of the Transferor Company and the Transferee Company as on 31st March 2019 and the post-Scheme (expected) shareholding pattern of the Transferee Company are as under:

Pre-Scheme shareholding pattern of the Transferor Company as on 31st March 2019

Sr. No.	Category	No. of fully paid up equity shares held	Shareholding as a % of total no. of shares
(A)	**Promoter and Promoter Group**		
(1)	**Indian**		
(a)	Individuals/Hindu undivided Family	-	-
(b)	Body Corporate	411555700	56.09
	Sub-Total (A)(1)	**411555700**	**56.09**
(2)	**FOREIGN**		
(a)	Bodies Corporate	-	-
	Sub-Total (A)(2)	-	-
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	**411555700**	**56.09**
(B)	**Public Shareholding**		
(1)	Institutions		
(a)	Mutual Funds	68842399	9.38
(b)	Foreign Portfolio Investors	78913094	10.75
(c)	Financial Institutions / Banks	2824942	0.39
(d)	Insurance Companies	-	-
(e)	Venture Capital Funds	-	-
(f)	Alternate Investment Funds	4026382	0.55
	Sub-Total (B)(1)	**154606817**	**21.07**
(2)	Central Government /State Government(s) /President of India	2000000	0.27
	Sub-Total (B)(2)	**2000000**	**0.27**
(3)	Non-institutions		
(a)	i. Individual shareholders holding nominal share capital up to Rs 2 lakhs	72122198	9.83
	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs	33197933	4.52
(b)	NBFCs registered with RBI	86013	0.01
(c)	Trust Employee	684	0.00
(d)	Overseas Depositories (holding DRs)	-	-
(e)	Any Other		
	IEPF	1166235	0.16
	Trusts	106600	0.01
	Foreign National	100	0.00
	Hindu Undivided Family	2607258	0.36
	Non Resident Indian	15738328	2.16
	Office Bearers	9320525	1.27
	Unclaimed Shares	753220	0.10

	Clearing Members	13456449	1.83
	Overseas Bodies Corporate	0	0.00
	Bodies Corporate	16969452	2.31
	Sub-Total (B)(3)	165524995	22.56
	Total Public Shareholding (B)= (B)(1)+ (B)(2)+ (B)(3)	**322131812**	**43.91**
	Total Shareholding (A)+(B)	**733687512**	**100.00**

Pre-Scheme shareholding pattern of the Transferee Company as on 31st March 2019

Sr. No.	Category	No. of fully paid up equity shares held	Shareholding as a % of total no. of shares
(A)	**Promoter and Promoter Group**		
1	**Indian**		
(a)	Individuals/Hindu undivided Family	6	0.00
(b)	Body Corporate	981483040	82.26
	Sub-Total (A)(1)	**981483046**	**82.26**
2	**FOREIGN**	**0**	**0.00**
(a)	Bodies Corporate	0	0.00
	Sub-Total (A)(2)	**0**	**0.00**
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	**981483046**	**82.26**
(B)	**Public Shareholding**		
1	Institutions		
(a)	Mutual Funds	28743164	2.41
(b)	Foreign Portfolio Investors	66315824	5.56
(c)	Financial Institutions / Banks	3648586	0.31
(d)	Insurance Companies	0	0.00
(e)	Venture Capital Funds	0	0.00
(f)	Alternate Investment Funds	70642	0.01
(e)	Any Other	0	0.00
	Forign Bodies Corporate	87072908	7.30
	Sub-Total (B)(1)	**185851124**	**15.58**
2	Central Government /State Government(s) /President of India		
		0	0.00
	Sub-Total (B)(2)	**0**	**0.00**
3	Non-institutions		
(a)	i. Individual shareholders holding nominal share capital up to Rs 2 lakhs		
		15138158	1.27
	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs		
		5039081	0.42
(b)	NBFCs registered with RBI	1319	0.00
(c)	Trust Employee	0	0.00
(d)	Overseas Depositories (holding DRs)	0	0.00
(e)	Any Other		
	IEPF	0	0.00

	Trusts	11750	0.00
	Foreign National	0	0.00
	Hindu Undivided Family	573174	0.05
	Non Resident Indian	1110575	0.09
	Office Bearers	0	0.00
	Clearing Members	601077	0.05
	Overseas Bodies Corporate	0	0.00
	Bodies Corporate	3273551	0.27
	Sub-Total (B)(3)	**25748685**	**2.16**
	Total Public Shareholding (B)= (B)(1)+ (B)(2)+ (B)(3)	**211599809**	**17.74**
	Total Shareholding	**1193082855**	**100.00**

Post-Scheme (expected) shareholding pattern of the Transferee Company (assuming the continuing shareholding pattern as on 31st March 2019)

Sr. No.	Category	No. of fully paid up equity shares held	Shareholding as a % of total no. of shares
(A)	**Promoter and Promoter Group**		
1	**Indian**		
(a)	Individuals/Hindu undivided Family	6	0.00
(b)	Body Corporate	981483040	60.97
	Sub-Total (A)(1)	**981483046**	**60.97**
2	**FOREIGN**	**0**	**0.00**
(a)	Bodies Corporate	0	0.00
	Sub-Total (A)(2)	**0**	**0.00**
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	**981483046**	**60.97**
(B)	**Public Shareholding**		
1	Institutions		
(a)	Mutual Funds	67845647	4.21
(b)	Foreign Portfolio Investors	111138461	6.90
(c)	Financial Institutions / Banks	5253153	0.33
(d)	Insurance Companies	0	0.00
(e)	Venture Capital Funds	0	0.00
(f)	Alternate Investment Funds	2357627	0.15
(e)	Any Other	0	0.00
	Foreign Bodies Corporate	87072908	5.41
	Sub-Total (B)(1)	**273667796**	**17.00**
2	Central Government /State Government(s) /President of India		
		1136000	0.07
	Sub-Total (B)(2)	**1136000**	**0.07**
3	Non-institutions		
(a)	i. Individual shareholders holding nominal		

	share capital up to Rs 2 lakhs	56103566	3.49
	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs		0.00
		23895507	1.48
(b)	NBFCs registered with RBI	50174	0.00
(c)	Trust Employee	389	0.00
(d)	Overseas Depositories (holding DRs)	0	0.00
(e)	Any Other		
	IEPF	662421	0.04
	Trusts	72299	0.00
	Foreign National	57	0.00
	Hindu Undivided Family	2054097	0.13
	Non Resident Indian	10049945	0.62
	Office Bearers	5294058	0.33
	Unclaimed Shares	427829	0.03
	Clearing Members	8244340	0.51
	Overseas Bodies Corporate	0	0.00
	Bodies Corporate	246675836	15.32
	Sub-Total (B)(3)	**353530520**	**21.96**
	Total Public Shareholding (B)= (B)(1)+ (B)(2)+ (B)(3)		
		628334316	**39.03**
	Total Shareholding	**1609817362**	**100.00**

53. The post-arrangement (expected) capital structure of the Transferee Company will be as follows (assuming the continuing capital structure as on 31st March 2019):

Particulars	Amount in Rupees
Authorised Capital	
520,00,00,000 equity shares of Rs. 10/- each	5,200,00,00,000
Total	**5,200,00,00,000**
Issued, Subscribed and Paid-up[1&2]	
160,98,17,362 equity shares of Rs. 10/- each	1,609,81,73,620
Total	**1,609,81,73,620**

[1]Certain employee stock options granted to the employees of the Transferee Company which are vested may get exercised before the Effective Date and un-granted employee stock options, the grant and consequent exercise of which may result in an increase in the issued and paid-up share capital of the Transferee Company. The details of the unexercised employee stock options (net of cancellation) by the employees of the Transferee Company as on 31st March 2019 are set out below:

Unexercised Employee Stock Options	Amount in Rupees
18,62,715options of Rs. 180 each	33,52,88,700
Total	33,52,88,700
Un-granted Employee Stock Options	**Amount**
Nil	Nil

[2]Certain employee stock options granted to the employees of the Transferor Company may get exercised before the Effective Date, which may result in an increase in the issued and paid-up share capital of the Transferor Company. The details of the unexercised employee stock options by the employees of the Transferor Company as on 31st March 2019 are set out below:

Unexercised Employee Stock Options#	Amount in Rupees
7,59,024 options of Rs. 268.20 each	20,35,70,236.80
626,000 options of Rs. 612.55 each	383,456,300

Post amalgamation, in terms of Clause 8.2 of the Scheme, fresh options shall be granted by the Transferee Company to the Eligible Employees on the basis of the Share Exchange Ratio (i.e. for every 1,000 options held by an Eligible Employee which entitle such Eligible Employee to acquire 2,000 equity shares (on account of 1:1 bonus issuance on 8 June 2018) in the Transferor Company, such Eligible Employee will be conferred 1,136 options in the Transferee Company which shall entitle him to acquire 1,136 equity shares in the Transferee Company), such that the Eligible Employees shall, as option holders of the Transferee Company, enjoy the same economic benefit as they would have received under the Transferor Company Option Scheme.

54. In the event that the Scheme is withdrawn in accordance with its terms, the Scheme shall stand revoked, cancelled and be of no effect and null and void.

55. The following documents will be open for inspection by the unsecured creditors (including unsecured debenture holders and deposit holders) of the Transferor Company at its registered office at GRUH", Netaji Marg, Nr. Mithakhali Six Roads, Ellisbridge, Ahmedabad – 380 006, Gujarat, India, between 10.00 a.m. and 12.00 noon on all days (except Saturdays, Sundays and public holidays) upto the date of the meeting:

(i) Copy of the order passed by NCLT in CA (CAA) No. 54/NCLT/AHM/ 2019, dated 10th April 2019, directing the Transferor Company to, inter alia, convene the meetings of its equity shareholders, secured creditors (including secured debenture holders) and unsecured creditors (including unsecured debenture holders and deposit holders);

(ii) Copy of CA (CAA) No. 54/NCLT/AHM/2019 along with annexures filed by the Transferor Company before NCLT;

(iii) Copy of the CP No. 489 of 2019 along with annexures filed by the Transferee Company before the National Company Law Tribunal, Bench at Kolkata;

(iv) Copy of the Memorandum and Articles of Association of the Companies;

(v) Copy of the annual reports of the Companies, for the financial years ended 31st March 2017 and 31st March 2016, respectively;

(vi) Copy of the annual report of the Companies, for the financial year ended 31st March 2018;

(vii) Copy of the Unaudited Financial Results of the Companies, for the quarter and nine months ended 31st December 2018;

(viii) Copy of the Register of Directors' shareholding of each of the Companies;

(ix) Copy of the Merger Co-operation Agreement dated 7th March 2019 entered into between the Companies;

(x) Copy of the letter dated 30th March 2019 addressed by the Transferee Company to the Transferor Company clarifying the issue in respect of Filing Long Stop Date under the Merger Co-operation Agreement and duly confirmed by the Transferor Company;

(xi) Copy of Joint Valuation Report dated 7th January 2019 issued by M/s. Desai Haribhakti& Co. and M/s. SRB and Associates, Chartered Accountants;

(xii) Copy of the Fairness Opinion dated 7th January 2019 issued by JM Financial Limited, to the Board of Directors of the Transferor Company;

(xiii) Copy of the Audit Committee Report of the Transferor Company dated 7th January 2019;

(xiv) Copy of the Fairness Opinion dated 7th January 2019 issued by Kotak Mahindra Capital Company Limited, to the Board of Directors of the Transferee Company;

(xv) Copy of the Audit Committee Report of the Transferee Company dated 7th January 2019;

(xvi) Copy of the resolutions, both dated 7th January 2019, passed by the Board of Directors of the Transferor Company and the Transferee Company, respectively, approving the Scheme;

(xvii) Copy of the joint press release dated 7th January 2019 issued by the Companies;

(xviii) Copy of the letter dated 4th March 2019 addressed by NHB to the Transferor Company;

(xix) Copy of the letter dated 14th March 2019 issued by RBI to the Transferee Company;

(xx) Copy of the letter dated 14th March 2019 issued by RBI to HDFC;

(xxi) Copy of the Statutory Auditors' certificate dated 7th January 2019 issued by M/s Deloitte Haskins & Sells LLP, Chartered Accountant, Statutory Auditors of the Transferor Company;

(xxii) Copy of the Statutory Auditors' certificate dated 7th January 2019 issued by S. R. Batliboi& Associates LLP, Chartered Accountants, Statutory Auditors of the Transferee Company;

(xxiii) Copy of the complaints report, dated 19th February 2019, submitted by the Transferor Company to BSE;

(xxiv) Copy of the complaints report, dated 19th February 2019, submitted by the Transferor Company to NSE;

(xxv) Copy of the no adverse observations/No-objection letter issued by BSE and NSE, both dated 3rd April 2019, to the Transferor Company;

(xxvi) Copy of the no adverse observations/No-objection letter issued by BSE and NSE, both dated 3rd April 2019, to the Transferee Company

(xxvii) Summary of the Joint Valuation Report including the basis of valuation;

(xxviii) Copy of Form No. GNL-1 filed by the Transferor Company with the concerned Registrar of Companies, along with the challan, dated 16th April 2019 evidencing filing of the Scheme;

(xxix) Copy of the certificate, dated 20thApril 2019, issued by M/s. Sorab S. Engineer & Co., Chartered Accountants, certifying the amount due to the unsecured creditors of the Transferor Company as on 31stDecember2018;

(xxx) Copy of the certificate, dated 18th March 2019, issued by SRB & Associates, Chartered Accountants, certifying the amount due to the unsecured creditors of the Transferee Company as on 31st December 2018;

(xxxi) Copy of the Scheme;

(xxxii) Copy of the Report dated 7th January 2019 adopted by the Board of Directors of the Transferor Company pursuant to the provisions of section 232(2)(c) of the Act;

(xxxiii) Copy of the undertaking by the Transferor Company certified by M/s Deloitte Haskins & Sells LLP, Chartered Accountant, Statutory Auditor of the Transferor Company, dated 7th January 2019, in respect of non-applicability of paragraph 9 of Annexure I to SEBI Circular; and

(xxxiv) Copy of the letter dated 15th April 2019 addressed by CCI.

The shareholders shall be entitled to obtain the extracts from or for making or obtaining the copies of the documents listed in item numbers (i), (vi), (vii), (xvii), (xxi) and (xxii)above.

56. This statement may be treated as an Explanatory Statement under Sections 230(3), 232(1) and (2) and 102 of the Act read with Rule 6 of the Rules. A copy of the Scheme, Explanatory Statement and Form of Proxy shall be furnished by the Transferor Company to its shareholders/creditors, free of charge, within one (1)day (except Saturdays, Sundays and public holidays) on a requisition being so made for the same by the shareholders/creditors of the Transferor Company.

57. After the Scheme is approved by the equity shareholders, secured creditors (including secured debenture holders) and unsecured creditors (including unsecured debenture holders and deposit holders) of the Transferor Company, it will be subject to the approval/sanction by NCLT.

Dated this 20th April 2019

Place: Ahmedabad

Sd/-
Mihir Thakore
Senior Advocate
Chairman appointed for the meeting

Registered office: "GRUH", Netaji Marg,
Nr. Mithakhali Six Roads,
Ellisbridge, Ahmedabad – 380 006,
Gujarat, India.

Annexure 1

SCHEME OF AMALGAMATION

OF

GRUH FINANCE LIMITED **TRANSFEROR COMPANY**

WITH

BANDHAN BANK LIMITED **TRANSFEREE COMPANY**

UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013

PART I

OVERVIEW, OBJECTS, DEFINITIONS AND INTERPRERATION

1. OVERVIEW OF THE SCHEME

1.1 This Scheme (*as defined hereinafter*) seeks to amalgamate and consolidate the businesses of GRUH Finance Limited ("**Transferor Company**") into and with Bandhan Bank Limited ("**Transferee Company**") pursuant to the provisions of Sections 230 – 232 of the Act (*as defined hereinafter*) and other applicable provisions of the Act, the SEBI Circulars (*as defined hereinafter*) and Applicable Law.

1.2 The Board of Directors (*as defined hereinafter*) of the Transferor Company and the Transferee Company (together referred to as the "**Amalgamating Companies**") have resolved that the amalgamation of Transferor Company into and with the Transferee Company would be in the best interests of the Amalgamating Companies and their respective shareholders, creditors, employees and other stakeholders.

1.3 The Transferor Company is engaged in the business of providing home loans and is registered with the National Housing Bank as a housing finance company. The equity shares of the Transferor Company are listed on the BSE (*as defined hereinafter*)and NSE (*as defined hereinafter*).

1.4 The Transferee Company is in the business of providing banking services. The Transferee Company is licensed as a banking company under the provisions of the Banking Regulation Act, 1949. The equity shares of the Transferee Company are listed on the BSE and NSE.

1.5 The Amalgamating Companies believe that the financial, managerial and technical resources, personnel, capabilities, skills, expertise and technologies of each of the Amalgamating Companies pooled in the merged entity, will lead to increased competitive strength, cost reduction and efficiencies, productivity gains and logistic advantages, thereby significantly contributing to future growth and maximising shareholder value.

1.6 Upon the amalgamation of the Transferor Company into the Transferee Company pursuant to the Scheme becoming effective on the Effective Date (*as defined hereinafter*), the Transferee Company will issue New Equity Shares (*as defined hereinafter*) to the shareholders of the Transferor Company on the Record Date (*as defined hereinafter*), in accordance with the Share Exchange Ratio (*as defined hereinafter*) approved by the Board of Directors of each of the Amalgamating Companies and pursuant to Sections 230 – 232, and other relevant provisions of the Act (*as defined hereinafter*) in the manner provided for in this Scheme and in compliance with the provisions of the Income Tax Act, 1961.

1.7 The amalgamation of the Transferor Company with the Transferee Company will be effective from the Appointed Date.

1.8 This Scheme presented under Sections 230 - 232 of the Act for the amalgamation of the Transferor Company with the Transferee Company is divided into the following parts:

Part I:	Deals with the overview of the Scheme, brief overview of the Amalgamating Companies, objects of this Scheme and definitions and interpretation.
Part II:	Deals with capital structure of the Amalgamating Companies and date of taking effect.
Part III:	Deals with amalgamation of the Transferor Company into and with the Transferee Company and sets forth certain additional arrangements that form a part of this Scheme.
Part IV:	Deals with the general terms and conditions applicable to this Scheme.

1.9 This Scheme also provides for various other matters consequential or otherwise integrally connected herewith.

2. BRIEF OVERVIEW OF THE AMALGAMATING COMPANIES

2.1 GRUH Finance Limited

(i) The Transferor Company is a public limited company incorporated under the provisions of the Companies Act, 1956 and has its registered office at "GRUH", Netaji Marg, Nr. Mithakhali Six Roads, Ellisbridge, Ahmedabad 380 006. The equity shares of the Transferor Company are listed on BSE and NSE. Twoseries of unsecured redeemable non-convertible subordinated debentures issued by the Transferor Company are listed on the Wholesale Debt Market segment of NSE.

(ii) The Transferor Company was incorporated on 21 July 1986 as Gujarat Rural Finance Corporation Limited with the Registrar of Companies, Ahmedabad. Its name was changed to GRUH Finance Limited with effect from 21 August 1995. The Corporate Identification No. of the Transferor Company is L65923GJ1986PLC008809.

(iii) The Transferor Company is engaged *inter alia* in the business of providing home loans and is registered with the National Housing Bank as a housing finance institution. The objects clause of the memorandum of association of the Transferor Company authorises the Transferor Company to carry on the business of housing finance.

(iv) The main object of the Transferor Company as provided in its memorandum of association is "*to carry on the business of providing long term finance to any person or persons, company or corporation, society or association of persons, with or without interest and with or without any security for the purpose of enabling such borrower to construct or purchase or enlarge any house or dwelling unit or any part of portion thereof in India for residential purposes upon such terms and conditions as the Company may deem fit"*.

2.2 Bandhan Bank Limited

(i) Bandhan Bank Limited ("**Transferee Company**") is a public limited company incorporated under the Companies Act, 2013 and has its registered office at DN-32, Sector V, Salt Lake, Kolkata 700091. The equity shares of the Transferee Company are listed on BSE and NSE.

(ii) The Transferee Company was incorporated on 23 December 2014 with the Registrar of Companies, Kolkata. The Corporate Identification No. of the Transferee Company is L67190WB2014PLC204622.

(iii) The Transferee Company is in the business of providing banking services. The Transferee Company is licensed as a banking company under the provisions of the Banking Regulation Act, 1949. The objects clause of the memorandum of association of the Transferee Company authorises the Transferee Company to carry on the business of banking.

(iv) The main objects of the Transferee Company as provided in its memorandum of association are, *inter alia*:

(a) *"borrowing, raising or taking up of money*;

(b) *lending or advancing of money by way of a loan, overdraft or on cash credit or other accounts or in any other manner whether without or on the security or movable or immovable properties, bills of exchange, hundies, promissory notes, bills of lading, railway receipts, debentures, share warrants and other instruments whether transferable or negotiable or not;*

(c) *drawing, making, accepting, discounting, buying, selling, collecting and dealing in bills of exchange, hundies, promissory notes, coupons, drafts, bills of lading, railway receipts, warrants, debentures, certificates, scrips and other instruments and securities whether transferable or negotiable or not; and*

(d) *carrying on any other business specified in section 6(1)(a) to (n) of the Banking Regulation Act, 1949, as amended from time to time ("**1949 Act**"), and such other forms of business which the Central Government has pursuant to Section 6(1)(o) of 1949 Act specified or may from time to time specify by notification in the Official Gazette or as may be permitted by Reserve Bank of India ("**RBI**") from time to time as a form of business in which it would be lawful for a banking company to engage."*

3. OBJECTSOF THIS SCHEME

3.1 The proposed amalgamation would be in the best interest of the Amalgamating Companies and their respective shareholders, employees, creditors and other stakeholders as the proposed amalgamation will yield advantages as set out *inter alia* below:

(i) The Transferee Company and the Transferor Company have developed exceptional skills in banking business and housing finance business respectively. The Transferor Company has a wide range of home loan products with a specific rural focus. With a retail network of 195 (one hundred ninety five) branches, it has a presence in 11 States and 1 Union Territory in India with almost 50% (fifty percent) of the existing loan assets advanced in rural areas. The Transferee Company received a banking license in 2015 from the RBI. Its focus has been to meet the financial needs of people who are overlooked by the formal banking system. The Transferor Company and the Transferee Company therefore have significant complementarities and the consolidation of the two businesses carried on by them is strategic in nature and will generate significant business synergies. The amalgamation will result in enhancement of shareholders' value accruing from synergy of operations, new product development, integration of technology and information technology platforms, and also enable the Amalgamating Companies to further their socio-economic objectives. Thus, a combination of the Transferor Company and the Transferee Company will enhance the value propositions of the combined entity which would be able to leverage the complementarities of the Amalgamating Companies;

(ii) The amalgamation of the Transferor Company with the Transferee Company will enable the Transferee Company to build and strengthen its housing loan portfolio, and establish a strong customer base of affordable housing customers.The Transferee Company would benefit from the loan assets of the Transferor Company as the strong loan book of the Transferor Company will stand merged into the Transferee Company pursuant to the amalgamation. In addition, the amalgamation will not dilute the focus of the Transferee Company on predominantly Priority Sector Lending ("**PSL**") loans as majority portfolio of the Transferor Company is PSL eligible;

(iii) pooling of resources, creating better synergies, optimal utilisation of resources and greater economies of scale;

(iv) better administration and cost reduction (including reduction in administrative and other common costs);

(v) while the Transferee Company has pan India presence in 34 States and Union Territories with a strong presence in east and north east part of India, the proposed amalgamation will enhance reach and distribution and help expand the geographic coverage for the combined entities;

(vi) greater efficiency in cash management and unfettered access to cash flow generated by the combined business, which can be deployed more efficiently, to maximise shareholder value;

(vii) create value for stakeholders including respective shareholders, customers, lenders and employees as the combined business would benefit from increased scale, product diversification and expanded reach with increased ability to growth opportunities, higher cross selling opportunities to a larger base of customers, improvement in productivity and operational efficiencies amongst others;

(viii) provide material realisable cost and revenue synergies for the benefit of the

Amalgamating Companies; and

(ix) optimal utilisation of resources and economies of scale resulting in improved efficiencies; it will help the Transferee Company to establish a strong customer base of affordable housing and scale up rural lending.

3.2 As a result, the Board of Directors of the Amalgamating Companies are proposing this Scheme under Sections 230 - 232 of the Act.

4. DEFINITIONS

4.1 In this Scheme, unless inconsistent with the subject or context, the following expressions have the meanings as set out herein below:

"**Act**" means the Companies Act, 2013, as notified, clarified, amended, supplemented, modified and/or replaced from time to time and shall include any statutory replacement or re-enactment thereof, including any rules made thereunder or notifications, circulars or orders made/issued thereunder from time to time and shall include the provisions of the Companies Act, 1956, to the extent the corresponding provisions in the Companies Act, 2013 has not been notified;

"**AmalgamatingCompanies**" has the meaning ascribed to such term in Clause 1.2 of Part I;

"**Applicable Law**" means all applicable (i) statutes, enactments, acts of legislature or parliament, laws, ordinances, code, directives, rules, regulations, bye-laws, listing agreements, notifications, guidelines or policies of any applicable jurisdiction; and (ii) administrative interpretation, writ, injunction, directions, directives, judgment, arbitral award, decree, orders or approvals required from Governmental Authorities of, or agreements with, any Governmental Authority or a recognized stock exchange;

"**Appointed Date**" means 1 January 2019, or such other date as may be mutually agreed between the Amalgamating Companies and is the date with effect from which this Scheme shall be effective;

"**Board of Directors**" or "**Board**" in relation to the Amalgamating Companies means their respective board of directors, and unless it is repugnant to the context or otherwise, includes any committee of directors or any person authorised by the board of directors or by such committee of directors;

"**BSE**" means BSE Limited;

"**CCI**" means the Competition Commission of India;

"**Competent Authority**" means the National Company Law Tribunal, Ahmedabad Bench, which has the jurisdiction in relation to the Transferor Company and the National Company Law Tribunal, Kolkata Bench, which has the jurisdiction in relation to the Transferee Company;

"**Effective Date**" means the date on which certified copies of the orders of the Competent Authority are filed with the relevant RoC after the last of the approvals or events specified under Clause 9.1 of Part IV of the Scheme are satisfied or obtained or have occurred or the requirement of which has been waived (in writing) in accordance with this Scheme. The Scheme shall be operative from the Effective Date and effective from the Appointed Date and any references in this Scheme to "upon this Scheme becoming effective", "Scheme becomes effective" or "effectiveness of this Scheme" or likewise, means and refers to the Effective Date;

"**Eligible Employees**" means the employees of the Transferor Company, who are entitled to the Transferor Company Option Scheme established by the Transferor Company, to whom, as on the Effective Date, options of the Transferor Company have been granted, irrespective of whether the same are vested or not;

"**Encumbrance**" means (a) any encumbrance including, without limitation, any claim, mortgage, negative lien, pledge, equitable interest, charge (whether fixed or floating), hypothecation, lien, deposit by way of security, security interest, trust, guarantee,

commitment, assignment by way of security, or other encumbrances or security interest of any kind securing or conferring any priority of payment in respect of any obligation of any person and includes without limitation any right granted by a transaction which, in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security in each case under any law, contract or otherwise, including any option or right of pre-emption, public right, common right, easement rights, any attachment, restriction on use, transfer, receipt of income or exercise of any other attribute of ownership, right of set-off and/ or any other interest held by a third party; (b) any voting agreement, conditional sale contracts, interest, option, right of first offer or transfer restriction; (c) any adverse claim as to title, possession or use; and/ or (d) any agreement, conditional or otherwise, to create any of the foregoing, and the term 'encumber' shall be construed accordingly.

"**Governmental Authority**" means any governmental or statutory or regulatory or administrative authority, government department, agency, commission, board, tribunal or court or other entity authorised to make laws, rules or regulations or pass directions, having or purporting to have jurisdiction over any state or other sub-division thereof or any municipality, district or other sub-division thereof pursuant to Applicable Law;

"**LODR Regulations**" means the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and includes all amendments or statutory modifications thereto or re-enactments thereof;

"**New Equity Shares**" has the meaning given to it in Clause 5.1 of Part III;

"**NSE**" means the National Stock Exchange of India Limited;

"**RBI**" means the Reserve Bank of India;

"**Record Date**" means the date to be fixed by the Board of Directors of the Transferee Company after mutual agreement on the same between the Transferee Company and the Transferor Company, for the purpose of determining the shareholders of the Transferor Company to whom the New Equity Shares will be allotted pursuant to this Scheme;

"**Registrar of Companies**" or "**RoC**" means the Registrar of Companies, Ahmedabad and/or Kolkata, having jurisdiction over the Transferor Company and the Transferee Company respectively;

"**Scheme**" or "**the Scheme**" or "**this Scheme**" means this scheme of amalgamation pursuant to Sections 230 – 232 and other relevant provisions of the Act, with such modifications and amendments as may be made from time to time, with the appropriate approvals and sanctions of the Competent Authority and other relevant Governmental Authorities, as may be required under the Act and under all other Applicable Laws;

"**SEBI**" means the Securities and Exchange Board of India;

"**SEBI Circulars**" means, together: (a) circular no. CFD/DIL3/CIR/2017/21 dated 10 March 2017; (b) circular no. CFD/DIL3/CIR/2017/26 dated 23 March 2017; (c) circular no. CFD/DIL3/CIR/2017/105 dated 21 September 2017; (d) circular no. CFD/DIL3/CIR/2018/2 dated 3 January 2018; and (e) circular no. SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated 19 January 2018, each issued by the SEBI;

"**Transferee Company**" means Bandhan Bank Limited, a company incorporated under the Companies Act, 2013 and having its registered office at DN-32, Sector V, Salt Lake, Kolkata 700091;

"**Transferee Company Shares**" means the fully paid up equity shares of the Transferee Company, each having a face value of Rs. 10 (Rupees ten) and one (1) vote per equity share;

"**Transferor Company**" means GRUH Finance Limited, a company incorporated under the Companies Act, 1956 and having its registered office at "GRUH", Netaji Marg, Nr. Mithakhali Six Roads, Ellisbridge, Ahmedabad 380 006 and, notwithstanding anything to the contrary in this Scheme shall include:

(a) any and all of its assets, whether movable or immovable, tangible or intangible, real or personal, corporeal or incorporeal, in possession or reversion, present, future, or contingent, including but not limited to registrations and memberships, electrical fittings, installations, tools, accessories, power lines, stocks, computers, communication facilities, vehicles, furniture, fixtures and office equipment, all rights, title, interests, covenants, undertakings, and society memberships and rights appurtenant to the immovable property, including continuing rights, covenants, title and interests in connection with any land (together with the buildings and structures standing thereon), whether freehold or leasehold or leave and licensed or right of way and all documents (including panchnamas, declarations, receipts) of title, rights and easements in relation thereto, plant, machinery, trading platform, appliances, equipment, whether leased or otherwise, together with all present and future liabilities including contingent liabilities and debts appertaining thereto;

(b) any and all of its investments (including shares whether in dematerialised or physical form, scrips, stocks, bonds, debentures, debenture stock, units or pass through certificates and other securities), including actionable claims, earnest monies, loans and advances, recoverable in cash or in kind or for value to be received, provisions, all cash and bank balances and deposits, money at call and short notice, contingent rights or benefits, receivables, including dividends declared or interest accrued thereon, reserves, provisions, funds, benefits of all agreements, bonds, debentures, debenture stock, units or pass through certificates;

(c) any and all of its licenses (including the licenses granted by any governmental, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith), permissions (including but not limited to permissions granted in relation to launch futures and options contracts), allotments, approvals, consents, concessions, clearances, credits, awards, sanctions, exemptions, subsidies, registrations, no-objection certificates, permits, quotas, rights, entitlements, authorisation, applications made for obtaining all or any of the aforesaid, pre-qualifications, bid acceptances, tenders, certificates, tenancies, trade names, trademarks, service marks, copyrights, logos, corporate names, brand names, domain names, , sales tax credits, income-tax credits, goods and service tax credits, privileges and benefits of/ arising out of all contracts, agreements, applications and arrangements and all other rights including lease rights, powers and facilities of every kind and description whatsoever, equipment, installations and utilities such as electricity, water and other service connections, all benefits including subsidies, grants, incentives, tax credits (including but not limited to credits in respect of goods and services tax, income tax, minimum alternate tax, value added tax, etc., tax refunds) and all other rights, claims and powers, of whatsoever nature;

(d) any and all of its debts, borrowings and liabilities (whether denominated in Indian rupees or foreign currency), present or future, whether secured or unsecured, all guarantees, assurances, commitments and obligations of any nature or description, whether fixed, contingent or absolute, secured or unsecured, asserted or unasserted, matured or unmatured, liquidated or unliquidated, accrued or not accrued, known or unknown, due or to become due, whenever or however arising (including, without limitation, whether arising out of any contract or tort based on negligence or strict liability);

(e) all contracts, agreements, licenses, leases, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, letters of agreed points, bids, letters of intent, arrangements, undertakings, whether written or otherwise, deeds, bonds, schemes, arrangements, service agreements, sales orders, purchase orders, operation and maintenance compliance, equipment purchase agreements or other instruments of whatsoever nature to which the Transferor Company is a party, and other assurances in favour of the Transferor Company or powers or authorisations granted by or to it;

(f) all insurance policies;

(g) any and all of its staff and employees, who are on its payrolls, including those employed at its offices and branches, employees/personnel engaged on contract basis and contract labourers and interns/trainees, as are primarily engaged in or in relation

to the business, activities and operations carried on by the Transferor Company, including liabilities of the Transferor Company, with regard to their staff and employees, with respect to the payment of gratuity, superannuation, pension benefits and provident fund or other compensation or benefits, if any, whether in the event of resignation, death, retirement, retrenchment or otherwise, in terms of its license, at its respective offices, branches or otherwise, and any other employees/personnel and contract labourers and interns/trainees hired by the Transferor Company as on the Effective Date;

(h) rights of any claim not made by the Transferor Company in respect of any refund of tax, duty, cess or other charge, including any erroneous or excess payment thereof made by the Transferor Company and any interest thereon, with regard to any law, act or rule or scheme made by the Governmental Authority, and in respect of carry forward of un-absorbed losses and unabsorbed tax depreciation, deferred revenue expenditure, rebate, incentives, benefits etc., under the Income Tax Act, 1961, sales tax, value added tax, custom duties and good and service tax or any other or like benefits under Applicable Law;

(i) any and all of the advance monies, earnest monies, margin money and/or security deposits, payment against warrants or other entitlements, as may be lying with them, including but not limited to the deposits from members, investor's service fund and investor protection fund;

(j) all deposits and balances with government, quasi-government, local and other authorities and bodies, customers and other persons, earnest monies and/or security deposits paid or received by the Transferor Company, directly or indirectly;

(k) all books, records, files, papers, engineering and process information, application software, software licenses (whether proprietary or otherwise), test reports, computer programmes, drawings, manuals, data, databases including databases for procurement, commercial and management, catalogues, quotations, sales and advertising materials, product registrations, dossiers, lists of present and former borrowers, lenders and suppliers including service providers, other borrower information, customer credit information, customer/supplier pricing information, and all other books and records, whether in physical or electronic form;

(l) amounts claimed by the Transferor Company whether or not so recorded in the books of account of the Transferor Company from any Governmental Authority, under any law, act or rule in force, as refund of any tax, duty, cess, or of any excess payment;

(m) all registrations, trademarks, trade names, computer programmes, websites, manuals, data, service marks, copyrights, patents, designs, domain names, applications for trademarks, trade names, service marks, copyrights, designs and domain names exclusively used by or held for use by the Transferor Company in the business, activities and operations carried on by the Transferor Company; and

(n) all rights to use and avail telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interests held in trusts, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in control of or vested in or granted in favour of or enjoyed by the Transferor Company and all other rights and interests of whatsoever nature belonging to or in the ownership, power, possession or control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company;

"**Transferor Company Option Scheme**" has the meaning ascribed to it in Clause 8.1 of Part III of this Scheme; and

"**Transferee Company Option Scheme**" has the meaning ascribed to it in Clause 8.1 of Part III of this Scheme.

5. INTERPRETATION

5.1 Terms and expressions which are used in this Scheme but not defined herein shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Income-tax Act, 1961, the Securities Contracts (Regulation) Act, 1956, Securities and Exchange Board of India Act, 1992 (including the regulations made thereunder), the Depositories Act, 1996 and other Applicable Laws, rules, regulations, bye-laws, as the case may be, including any statutory modification or re-enactment thereof, from time to time. In particular, wherever reference is made to the Competent Authority in this Scheme, the reference would include, if appropriate, reference to the Competent Authority or such other forum or authority, as may be vested with any of the powers of the Competent Authority under the Act and/or rules made thereunder.

5.2 In this Scheme, unless the context otherwise requires:

(i) references to "persons" shall include individuals, bodies corporate (wherever incorporated), unincorporated associations and partnerships;

(ii) the headings, sub-headings, titles, sub-titles to clauses, sub-clauses and paragraphs are inserted for ease of reference only and shall not form part of the operative provisions of this Scheme and shall not affect the construction or interpretation of this Scheme;

(iii) references to one gender includes all genders;

(iv) words in the singular shall include the plural and *vice versa*;

(v) any references in this Scheme to "upon this Scheme becoming effective" or "upon coming into effect of this Scheme" or "upon the Scheme coming into effect" or "effectiveness of the Scheme" or likewise shall be construed to be a reference to the Effective Date;

(vi) words "include" and "including" are to be construed without limitation;

(vii) terms "hereof", "herein", "hereby", "hereto" and derivative or similar words shall refer to this entire Scheme or specified Clauses of this Scheme, as the case may be;

(viii) A reference to "writing" or "written" includes printing, typing, lithography and other means of reproducing words in a visible form including e-mail;

(ix) Reference to any agreement, contract, document or arrangement or to any provision thereof shall include references to any such agreement, contract, document or arrangement as it may, after the date hereof, from time to time, be amended, supplemented or novated;

(x) reference to the Recital or Clause shall be a reference to the Recital or Clause of this Scheme; and

(xi) references to any provision of law or legislation or regulation shall include: (a) such provision as from time to time amended, modified, re-enacted or consolidated (whether before or after the date of this Scheme) to the extent such amendment, modification, re-enactment or consolidation applies or is capable of applying to the transaction entered into under this Scheme and (to the extent liability there under may exist or can arise) shall include any past statutory provision (as amended, modified, re-enacted or consolidated from time to time) which the provision referred to has directly or indirectly replaced, (b) all subordinate legislations (including circulars, notifications, clarifications or supplement(s) to, or replacement or amendment of, that law or legislation or regulation) made from time to time under that provision (whether or not amended, modified, re-enacted or consolidated from time to time) and any retrospective amendment.

PART II

CAPITAL STRUCTURE AND DATE OF TAKING EFFECT

1. SHARE CAPITAL OF THE TRANSFEROR COMPANY

1.1 The share capital of the Transferor Company as at 31 December 2018 was as under:

Particulars	Amount in Rupees
Authorised Capital	
100,00,00,000 equity shares of Rs. 2/- each	200,00,00,000
Total	**200,00,00,000**
Issued, Subscribed and Paid-up*	
73,27,30,042 equity shares of Rs. 2/- each	146,54,60,084
Total	**146,54,60,084**

***** Certain employee stock options granted to the employees of the Transferor Company may get exercised before the Effective Date, which may result in an increase in the issued and paid-up share capital of the Transferor Company. The details of the unexercised employee stock options by the employees of the Transferor Company as on 31 December 2018 are set out below:

Unexercised Employee Stock Options*	Amount in Rupees
1,237,759 options of Rs. 268.20 each	331,966,963.80
626,000 options of Rs. 612.55 each	383,456,300

* Each stock option entitles an employee for 2 equity shares of Rs. 2 each.

1.2 The equity shares of the Transferor Company are listed on the BSE and NSE.

2. SHARE CAPITAL OF THE TRANSFEREE COMPANY

2.1 The share capital of the Transferee Company as at 31 December 2018 is as under:

Particulars	Amount in Rupees
Authorised Capital	
5,000,000,000 equity shares of Rs. 10 each	50,000,000,000
Total	50,000,000,000
Issued, Subscribed and Paid-up*	
1,192,804,944 equity shares of Rs. 10 each	11,928,049,440

Particulars	Amount in Rupees
Total	**11,928,049,440**

***** Certain employee stock options granted to the employees of the Transferee Company which are vested may get exercised before the Effective Date and un-granted employee stock options, the grant and consequent exercise of which may result in an increase in the issued and paid-up share capital of the Transferee Company. The details of the unexercised employee stock options (net of cancellation) by the employees of the Transferee Company as on 18 December 2018 are set out below:

Unexercised Employee Stock Options	Amount in Rupees
2,220,725 options of Rs. 180 each	399,730,500
Total	399,730,500
Un-granted Employee Stock Options	**Amount**
Nil	Nil

2.2 The equity shares of the Transferee Company are listed on the BSE and NSE.

3 DATE OF TAKING EFFECT

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the Competent Authority or any other Governmental Authority shall be effective from the Appointed Date but shall be operative from the Effective Date**.**

PART III

AMALGAMATION OF THE TRANSFEROR COMPANY INTO AND WITH THE TRANSFEREE COMPANY

1. TRANSFER AND VESTING OF THE TRANSFEROR COMPANY INTO AND WITH THE TRANSFEREE COMPANY

1.1 With effect from the Appointed Date and upon this Scheme becoming effective, the Transferor Company along with all its assets, liabilities, contracts, employees, licenses, records, approvals etc. being integral parts of the Transferor Company shall stand transferred to and vest in or shall be deemed to have been transferred to and vested in the Transferee Company, as a going concern, without any further act, instrument or deed, together with all its properties, assets, liabilities, rights, benefits and interest therein, subject to the provisions of this Scheme, in accordance with Sections 230 - 232 of the Act, the Income-Tax Act, 1961 and Applicable Law if any, in accordance with the provisions contained herein.

1.2 Without prejudice to the generality of the above and to the extent applicable, unless otherwise stated herein, upon this Scheme becoming effective and with effect from the Appointed Date:

(a) all assets of the Transferor Company, that are movable in nature or incorporeal property or are otherwise capable of transfer by physical or constructive delivery and/or by endorsement and delivery or by vesting and recordal of whatsoever nature, including machinery, equipment, pursuant to this Scheme shall stand transferred to and vested in and/or be deemed to be transferred to and vested in the Transferee Company, wherever located and shall become the property and an integral part of the Transferee Company. The vesting pursuant to this sub-clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery or by vesting and recordal, pursuant to this Scheme, as appropriate to the property being vested and title to the property shall be deemed to have been transferred accordingly;

(b) all other movable properties of the Transferor Company, including investments in shares and any other securities, sundry debtors, actionable claims, earnest monies, receivables, bills, credits, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits (including deposits from members), if any, with government, semi-government, local and other authorities and bodies, customers and other persons, shall without any further act, instrument or deed, become the property of the Transferee Company, and the same shall also be deemed to have been transferred by way of delivery of possession of the respective documents in this regard. It is hereby clarified that investments, if any, made by Transferor Company and all the rights, title and interest of the Transferor Company in any leasehold properties shall, pursuant to Section 232 of the Act and the provisions of this Scheme, without any further act or deed, be transferred to and vested in and/or be deemed to have been transferred to and vested in the Transferee Company;

(c) all immovable properties of the Transferor Company, including land together with the buildings and structures standing thereon and rights and interests in immovable properties of the Transferor Company, whether freehold or leasehold or otherwise and all documents of title, rights and easements in relation thereto, shall be vested in and/or be deemed to have been vested in the Transferee Company, without any further act or deed done or being required to be done by the Transferor Company and/or the Transferee Company. The Transferee Company shall be entitled to exercise all rights and privileges attached to the aforesaid immovable properties and shall be liable to pay the ground rent and taxes and fulfil all obligations in relation to or applicable to such immovable properties. The relevant authorities shall grant all clearances/permissions, if any, required for enabling the Transferee Company to

absolutely own and enjoy the immovable properties in accordance with Applicable Law. The mutation or substitution of the title to the immovable properties shall, upon this Scheme becoming effective, be made and duly recorded in the name of the Transferee Company by Governmental Authorities pursuant to the sanction of this Scheme by the Competent Authority and upon the Scheme becoming effective in accordance with the terms hereof;

(d) the transfer and vesting of movable and immovable properties as stated above, shall be subject to Encumbrances, if any, affecting the same;

(e) all Encumbrances, if any, existing prior to the Effective Date over the assets of the Transferor Company which secure or relate to any liability, shall, after the Effective Date, without any further act, instrument or deed, continue to be related and attached to such assets or any part thereof to which they related or were attached prior to the Effective Date and as are transferred to the Transferee Company. Provided that if any assets of the Transferor Company have not been Encumbered in respect of the liabilities, such assets shall remain unencumbered and the existing Encumbrance referred to above shall not be extended to and shall not operate over such assets. Further, such Encumbrances shall not relate or attach to any of the other assets of the Transferee Company. The secured creditors of the Transferee Company and/or other holders of security over the properties of the Transferee Company shall not be entitled to any additional security over the properties, assets, rights, benefits and interests of the Transferor Company and therefore, such assets which are not currently Encumbered shall remain free and available for creation of any security thereon in future in relation to any current or future indebtedness of the Transferee Company. The absence of any formal amendment which may be required by a lender or trustee or any third party shall not affect the operation of the foregoing provisions of this Scheme;

(f) all estate, assets, rights, title, claims, interest, investments and properties of the Transferor Company as on the Appointed Date, whether or not included in the books of the Transferor Company, and all assets, rights, title, interest, investments and properties, of whatsoever nature and wherever situate, which are acquired by the Transferor Company on or after the Appointed Date but prior to the Effective Date, shall be deemed to be and shall become the assets and properties of the Transferee Company;

(g) all contracts, agreements, licences, leases, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, letters of agreed points, bids, letters of intent, arrangements, undertakings, whether written or otherwise, deeds, bonds, agreements, schemes, arrangements and other instruments to which the Transferor Company is a party, or to the benefit of which, the Transferor Company may be eligible/entitled, and which are subsisting or having effect immediately before the Effective Date, shall, without any further act, instrument or deed continue in full force and effect on, against or in favour of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligor thereto. If the Transferee Company enters into and/or issues and/or executes deeds, writings or confirmations or enters into any tripartite arrangements, confirmations or novations, the Transferor Company will, if necessary, also be party to such documents in order to give formal effect to the provisions of this Scheme, if so required. In relation to the same, any procedural requirements required to be fulfilled solely by the Transferor Company (and not by any of its successors), shall be fulfilled by the Transferee Company as if it is the duly constituted attorney of the Transferor Company;

(h) any pending suits/appeals, all legal, taxation or other proceedings including before any statutory or quasi-judicial authority or tribunal or other proceedings of whatsoever nature relating to the Transferor Company, whether by or against the Transferor Company, whether pending on the Appointed Date or which may be instituted any time in the future, shall not abate, be discontinued or in any way

prejudicially affected by reason of the amalgamation of the Transferor Company or of anything contained in this Scheme, but the proceedings shall continue and any prosecution shall be enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued, prosecuted and/or enforced by or against the Transferor Company, as if this Scheme had not been implemented;

(i) all the security interest over any moveable and/or immoveable properties and security in any other form (both present and future) including but not limited to any pledges, or guarantees, if any, created/executed by any person in favour of the Transferor Company or any other person acting on behalf of or for the benefit of the Transferor Company for securing the obligations of the persons to whom the Transferor Company has advanced loans and granted other funded and non-funded financial assistance, by way of letter of comfort or through other similar instruments shall without any further act, instrument or deed stand vested in and be deemed to be in favour of the Transferee Company and the benefit of such security shall be available to the Transferee Company as if such security was ab initio created in favour of the Transferee Company. The mutation or substitution of the charge in relation to the movable and immovable properties of the Transferor Company shall, upon this Scheme becoming effective, be made and duly recorded in the name of the Transferee Company by the appropriate authorities and third parties (including any depository participants) pursuant to the sanction of this Scheme by the Competent Authority and upon the Scheme becoming effective in accordance with the terms hereof;

(j) all debts, liabilities, contingent liabilities, duties and obligations, secured or unsecured (including rupee, foreign currency loans, time and demand liabilities, undertakings and obligations of the Transferor Company), of every kind, nature and description whatsoever and howsoever arising, whether provided for or not in the books of account or disclosed in the balance sheets of the Transferor Company shall be deemed to be the debts, liabilities, contingent liabilities, duties, and obligations of the Transferee Company, and the Transferee Company shall, and undertakes to meet, discharge and satisfy the same in terms of their respective terms and conditions, if any. All loans raised and used and all debts, duties, undertakings, liabilities and obligations incurred or undertaken by the Transferor Company after the Appointed Date and prior to the Effective Date, shall also be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and, to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of this Scheme, pursuant to the provisions of Sections 230 to 232 of the Act, without any further act, instrument or deed shall stand transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company and shall become the debt, duties, undertakings, liabilities and obligations of the Transferee Company which shall meet, discharge and satisfy the same;

(k) all debentures, bonds, notes or other securities of the Transferor Company whether convertible into equity or otherwise, shall, without any further act, instrument or deed become the securities of the Transferee Company and all rights, powers, duties and obligations in relation thereto shall be and shall stand transferred to and vested in or deemed to be transferred to and vested in and shall be exercised by or against the Transferee Company as if it were the Transferor Company. If the securities issued by the Transferor Company, including but not limited to debentures and bonds, are listed on any stock exchange, the same shall upon issuance/endorsement by the Transferee Company in terms of this Scheme, subject to applicable regulations and prior approval requirements, if any, be listed and/or admitted to trading on the relevant stock exchange(s) whether in India or abroad, where the securities were listed and/or admitted to trading on the same terms and conditions unless otherwise modified in accordance with the provisions hereof. In addition, the Board of Directors of the Transferee Company, shall be authorised to take such steps and do all acts, deeds and things as may be necessary, desirable or proper to list the various debentures, bonds and infrastructure bonds on the relevant

exchanges. It is hereby clarified that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this Clause;

(l) the Transferee Company shall be entitled to operate all bank accounts, realise all monies and complete and enforce all pending contracts and transactions in the name of the Transferor Company to the extent necessary until the transfer of the rights and obligations of the Transferor Company to the Transferee Company under the Scheme is formally accepted and completed by the parties concerned. For avoidance of doubt, it is hereby clarified that all cheques and other negotiable instruments, payment orders received and presented for encashment which are in the name of the Transferor Company after the Effective Date, shall be accepted by the bankers of the Transferee Company and credited to the accounts of the Transferee Company, if presented by the Transferee Company. Similarly, the banker of the Transferee Company shall honour all cheques issued by the Transferor Company for payment after the Effective Date;

(m) all letters of intent, requests for proposal, pre-qualifications, bid acceptances, tenders, and other instruments of whatsoever nature to which the Transferor Company is a party to or to the benefit of which the Transferor Company may be eligible, shall remain in full force and effect against or in favour of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto. Upon coming into effect of this Scheme, the past track record of the Transferor Company shall be deemed to be the track record of the Transferee Company for all commercial and regulatory purposes;

(n) all the staff and employees of the Transferor Company who are in such employment as on the Effective Date shall become, and be deemed to have become, the staff and employees of the Transferee Company, without any break or interruption in their services and on the same terms and conditions (and which are not less favourable than those) on which they are engaged by the Transferor Company as on the Effective Date. The Transferee Company further agrees that for the purpose of payment of any retirement benefit/compensation, such immediate uninterrupted past services with the Transferor Company, shall also be taken into account. With regard to provident fund, gratuity, superannuation, leave encashment and any other special scheme or benefits created or existing for the benefit of such employees of the Transferor Company, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever, upon this Scheme becoming effective, including with regard to the obligation to make contributions to relevant authorities, such as the regional provident fund commissioner or to such other funds maintained by the Transferor Company, in accordance with the provisions of Applicable Laws or otherwise. It is hereby clarified that upon this Scheme becoming effective, the aforesaid benefits or schemes shall continue to be provided to the transferred employees and the services of all the transferred employees of the Transferor Company for such purpose shall be treated as having been continuous;

(o) with regard to any provident fund, gratuity fund, pension, superannuation fund or other special fund created or existing for the benefit of such employees of the Transferor Company, it is the aim and intent of the Scheme that all the rights, duties, powers and obligations of the Transferor Company in relation to such schemes or funds shall become those of the Transferee Company. Upon the Scheme becoming effective, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever relating to the obligation to make contributions to the said funds in accordance with the provisions of such schemes or funds in the respective trust deeds or other documents. Any existing provident fund, gratuity fund and superannuation fund trusts created by the Transferor Company for its employees shall be continued for the benefit of such employees on the same terms and conditions until such time that they are transferred to the relevant funds of the Transferee Company. It is clarified that the services of all employees of the

Transferor Company transferred to the Transferee Company will be treated as having been continuous and uninterrupted for the purpose of the aforesaid schemes or funds. Without prejudice to the aforesaid, the Board of the Transferee Company, if it deems fit and subject to Applicable Laws, shall be entitled to: (i) retain separate trusts or funds within the Transferee Company for the erstwhile fund(s) of the Transferor Company; or (ii) merge the pre-existing fund of the Transferor Company with other similar funds of the Transferee Company;

(p) the Transferee Company agrees that for the purpose of payment of any retrenchment compensation, gratuity and other terminal benefits, the past services of the employees with the Transferor Company, if any, as the case may be, shall also be taken into account, and agrees and undertakes to pay the same as and when payable;

(q) all trademarks, trade names, service marks, copyrights, logos, corporate names, brand names, domain names and all registrations, applications and renewals in connection therewith, and software and all website content (including text, graphics, images, audio, video and data), trade secrets, confidential business information and other proprietary information shall stand transferred to and vested in the Transferee Company;

(r) all registrations, goodwill and licenses, appertaining to the Transferor Company, if any, shall transferred to and vested in the Transferee Company;

(s) all taxes (including but not limited to advance tax, tax deducted at source, minimum alternate tax, withholding tax, banking cash transaction tax, securities transaction tax, taxes withheld/paid in a foreign country, value added tax, sales tax, service tax, goods and services tax, customs, duties, etc.), including any interest, penalty, surcharge and cess, if any, payable by or refundable to the Transferor Company, including all or any refunds or claims shall be treated as the tax liability or refunds/claims, as the case may be, of the Transferee Company, and any tax incentives, advantages, privileges, exemptions, credits, holidays, remissions, reductions etc., as would have been available to the Transferor Company, shall pursuant to this Scheme becoming effective, be available to the Transferee Company;

(t) all approvals, allotments, consents, concessions, clearances, credits, awards, sanctions, exemptions, subsidies, registrations, no-objection certificates, permits, quotas, rights, entitlements, authorisation, pre-qualifications, bid acceptances, tenders, licenses (including the licenses granted by any governmental, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith), permissions (including but not limited to permissions granted in relation to launch futures and options contracts) and certificates of every kind and description whatsoever in relation to the Transferor Company, or to the benefit of which the Transferor Company may be eligible/entitled, and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect in favour of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligor thereto. It is hereby clarified that if the consent of any third party or authority is required to give effect to the provisions of this Clause, the said third party or authority shall make and duly record the necessary substitution/endorsement in the name of the Transferee Company pursuant to the sanction of this Scheme by the Competent Authority, and upon this Scheme becoming effective in accordance with the terms hereof. For this purpose, the Transferee Company shall file appropriate applications/documents with relevant authorities concerned for information and record purposes;

(u) benefits of any and all corporate approvals as may have already been taken by the Transferor Company, whether being in the nature of compliances or otherwise, including without limitation approvals under Sections 42, 62(1)(a), 180, 185, 186,

188 etc., of the Act, read with the rules and regulations made thereunder, shall stand transferred to the Transferee Company and the said corporate approvals and compliances shall be deemed to have been taken/complied with by the Transferee Company; it being clarified that if any such resolutions have any monetary limits approved subject to the provisions of the Act and of any other applicable statutory provisions, then the said limits, as are considered necessary by the Board of the Transferee Company, shall be added to the limits, if any, under the like resolutions passed by the Transferee Company;

(v) all bank accounts operated or entitled to be operated by the Transferor Company shall be deemed to have transferred and shall stand transferred to the Transferee Company and names of the Transferor Company shall be substituted by the name of the Transferee Company in the bank's records;

(w) all the property, assets and liabilities of the Transferor Company shall be transferred to the Transferee Company at the values appearing in the books of account of the Transferor Company at the close of business of the day immediately preceding the Appointed Date;

(x) all public deposits, debentures or bonds of the Transferor Company shall be distinctly identified in the records of the Transferee Company for all intents and purposes including taxation and accounting and shall not be combined with any existing outstanding deposit scheme or series of debentures or bonds of the Transferee Company;

(y) all the benefits under the various incentive schemes and policies that the Transferor Company is entitled to, including tax credits, tax deferral, exemptions and benefits (including sales tax and service tax), subsidies, tenancy rights, liberties, special status and other benefits or privileges enjoyed or conferred upon or held or availed by the Transferor Company and all rights or benefits that have accrued or which may accrue to the Transferor Company, whether on, before or after the Appointed Date, shall upon this Scheme becoming effective and with effect from the Appointed Date be transferred to and vest in the Transferee Company and all benefits, entitlements and incentives of any nature whatsoever, shall be claimed by the Transferee Company and these shall relate back to the Appointed Date as if the Transferee Company was originally entitled to all benefits under such incentive schemes and or policies;

(z) where any of the debts, liabilities, duties and obligations incurred before the Appointed Date by the Transferor Company, deemed to have been transferred to the Transferee Company by virtue of this Scheme, have been discharged by the Transferor Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Transferee Company;

(aa) without prejudice to the generality of the foregoing, all lease agreements and leave and license agreements, as the case may be, to which the Transferor Company is a party, and having effect immediately before the Effective Date, shall remain in full force and effect on the terms and conditions contained therein in favour of or against the Transferee Company and may be enforced fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto or thereunder; and the respective lessees and the licensees, as the case may be, shall continue to be in possession of the premises subject to the terms and conditions contained in the relevant lease agreements or leave and license agreements, as the case may be. Further, all the rights, title, interest and claims of the Transferor Company in any properties including leasehold/ licensed properties of the Transferor Company including but not limited to security deposits and advance or prepaid lease or license fee, shall, on the same terms and conditions, be transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company automatically without requirement of any

further act or deed. The Transferee Company shall continue to pay rent or lease or license fee as provided for under such agreements, and the Transferee Company shall continue to comply with the terms, conditions and covenants thereunder;

(bb) any liabilities, loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Transferor Company and Transferee Company shall, ipso facto, stand discharged and come to an end and there shall be no liability in that behalf on any party and the appropriate effect shall be given in the books of accounts and records of the Transferee Company;and

(cc) for the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme and with effect from the Appointed Date, all consents, permissions, licenses, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Transferor Company shall stand transferred to the Transferee Company, and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company.

1.3 The Transferor Company and/or the Transferee Company as the case may be, shall, at any time after this Scheme becoming effective in accordance with the provisions hereof, if so required under Applicable Law or otherwise, do all such acts or things as may be necessary to transfer/obtain the approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses and certificates which were held or enjoyed by the Transferor Company. It is hereby clarified that if the consent of any third party or Governmental Authority, if any, is required to give effect to the provisions of this Clause, the said third party or Governmental Authority shall make and duly record the necessary substitution/endorsement in the name of the Transferee Company pursuant to the sanction of this Scheme by the Competent Authority, and upon this Scheme becoming effective in accordance with the provisions of the Act and with the terms hereof. For this purpose, the Transferee Company shall file appropriate applications/documents with relevant authorities concerned for information and record purposes.

1.4 The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to carry out or perform all such acts, formalities or compliances referred to above as may be required in this regard.

1.5 Without prejudice to the other provisions of the Scheme and notwithstanding the vesting of the Transferor Company into the Transferee Company by virtue of Part III of the Scheme itself, the Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under Applicable Law or otherwise, execute deeds (including deeds of adherence), confirmations or other writings or tripartite arrangements with any party to any contract or arrangement in relation to which the Transferor Company has been a party, including any filings with the regulatory authorities in order to give formal effect to the above provisions and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company. The Transferee Company will, if necessary, also be a party to the above.

2. CONDUCT OF BUSINESS UNTIL EFFECTIVE DATE

2.1 The Transferor Company and the Transferee Company have agreed that during the period between the approval of the Scheme by the respective Boards of the Transferor Company and the Transferee Company and up to the Effective Date, the business of the Transferor Company and the Transferee Company shall be carried out with reasonable diligence and business prudence in the ordinary course consistent with past practice, in good faith and in accordance with Applicable Law.

2.2 Except by mutual consent of the Board of Directors of the Transferor Company and the Transferee Company, or except as specifically contemplated in this Scheme (including Part III of this Scheme), pending sanction of this Scheme, the Transferor Company and/or the Transferee Company shall not make any change in their capital structures either by way of any increase (by issue of equity shares other than allotment of shares pursuant to exercise of stock options under their respective existing stock option schemes, bonus shares, convertible debentures or otherwise), decrease, reduction, reclassification, sub-division or consolidation, re-organisation or in any other manner, which would have the effect of re-organisation of capital of such company(ies).

2.3 With effect from the Appointed Date and up to and including the Effective Date:

(a) the Transferor Company undertakes to carry on and shall be deemed to have carried on its business activities and stand possessed and shall be deemed to have held and stood possessed of the properties and assets pertaining to the Transferor Company, for and on account of and in trust for the Transferee Company;

(b) the Transferor Company hereby undertakes to hold its said assets with utmost prudence in the ordinary course of business until the Effective Date;

(c) all profits and income accruing to the Transferor Company, and losses and expenditure incurred by it (including taxes, if any, accruing or paid in relation to any profits or income), for the period from the Appointed Date based on the accounts of the Transferor Company shall, subject to the Scheme being effective, for all purposes, be treated as the profits, income, losses or expenditure, as the case may be, of the Transferee Company;

(d) all debts, liabilities, loans raised and used, liabilities and obligations incurred, duties and obligations as on the close of business on the date preceding the Appointed Date, whether or not provided in the books of the Transferor Company which arise or accrue to the Transferor Company on or after the Appointed Date, shall be deemed to be of the Transferee Company;

(e) all assets and properties comprised in the Transferor Company as on the date immediately preceding the Appointed Date, whether or not included in the books of the Transferor Company and all assets and properties relating thereto, which are acquired by the Transferor Company, on or after the Appointed Date, shall be deemed to be the assets and properties of the Transferee Company; and

(f) any of the rights, powers, authorities, privileges exercised by the Transferor Company shall be deemed to have been exercised by such Transferor Company for and on behalf of, and in trust for the Transferee Company. Similarly, any of the obligations, duties and commitments that have been undertaken or discharged by Transferor Company shall be deemed to have been undertaken for and on behalf of the Transferee Company.

2.4 With effect from the Effective Date, the Transferee Company shall carry on and shall be authorised to carry on the businesses of Transferor Company.

2.5 For the purpose of giving effect to the order passed under Sections 230 – 232 and other applicable provisions of the Act in respect of this Scheme by the Competent Authority, the Transferee Company shall, at any time, pursuant to the order on this Scheme, be entitled to get the recordal of the change in the legal right(s) upon the transfer of the Transferor Company, in accordance with the provisions of Sections 230 - 232 of the Act. The Transferee Company is and shall always be deemed to have been authorised to execute any pleadings, applications, forms etc., as may be required to remove any difficulties and carry out any formalities or compliance as are necessary for the implementation of this Scheme, pursuant to the sanction of this Scheme by the Competent Authority.

2.6 The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to

the Governmental Authorities and all other agencies, departments and authorities concerned as are necessary under Applicable Law for such consents, approvals and sanctions which the Transferee Company may require to carry on the business of the Transferor Company.

2.7 Upon this Scheme becoming effective, the Transferee Company, unconditionally and irrevocably, agrees and undertakes to pay, discharge and satisfy all liabilities and obligations of the Transferor Company with effect from the Appointed Date, in order to give effect to the foregoing provisions.

2.8 The transfer and vesting of the assets, liabilities and obligations of the Transferor Company and the continuance of the proceedings by or against the Transferee Company shall not affect any transaction or proceedings already completed by the Transferor Company on or before the Appointed Date or after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts all acts, deeds and things done and executed by and / or on behalf of the Transferor Company as acts, deeds and things made, done and executed by and on behalf of the Transferee Company.

3. DISSOLUTION OF TRANSFEROR COMPANY

3.1 Upon this Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up, without any further act, instrument or deed.

4. CHANGES IN SHARE CAPITAL

4.1 As an integral part of the Scheme and upon this Scheme becoming effective, the authorized share capital of the Transferor Company shall stand transferred to and be amalgamated/combined with the authorized share capital of the Transferee Company. The fees or stamp duty, if any, paid by the Transferor Company on its authorized share capital shall be deemed to have been so paid by the Transferee Company on the combined authorized share capital, and the Transferee Company shall not be required to pay any fee/ stamp duty for the increase of the authorized share capital. The authorised share capital of the Transferee Company will automatically stand increased to that effect by simply filing the requisite forms with the relevant Registrar of Companies and no separate procedure or instrument or deed shall be required to be followed under the Act.

4.2 Clause V of the memorandum of association of the Transferee Company shall, upon this Scheme becoming effective, and without any further act, instrument or deed, be replaced by the following clause:

"The share capital of the Company is Rs. 5,200,00,00,000 (Rupees five thousand two hundred crore only) divided into 520,00,00,000 (five hundred twenty crore) equity shares of Rs. 10 (Rupees ten) each."

4.3 The approval of this Scheme by shareholders of the Transferee Company under sections 230 to 232 of the Act, whether at a meeting or otherwise, or any dispensation of the same by the NCLT, shall be deemed to have been an approval under section 13, section 61 and 64 or any other applicable provisions under the Act and no further resolution(s) would be required to be separately passed in this regard.

5. PAYMENT OF CONSIDERATION

5.1 Upon coming into effect of this Scheme and in consideration of the amalgamation of the Transferor Company in the Transferee Company, the Transferee Company shall, without any further application, act or deed, issue and allot to the shareholders of the Transferor Company whose names are recorded in the register of members as a member of the Transferor Company on the Record Date (or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognised by the Board of the Transferee Company), 568 (five hundred sixty eight) Transferee Company Shares, credited as fully paid-up, for every 1000 (one thousand) equity shares of the face value of Rs. 2 (Rupees two) each fully paid-up held by such member in the Transferor

Company ("**Share Exchange Ratio**"). The Transferee Company Shares to be issued by the Transferee Company to the shareholders of the Transferor Company in accordance with this Clause 5.1 of Part III shall be hereinafter referred to as "**New Equity Shares**".

5.2 The Transferor Company and the Transferee Company have respectively engaged M/s. Desai Haribhakti & Co. and M/s. SRB & Associates, independent Chartered Accountants, to provide a joint valuation report. In connection with such engagement, M/s. Desai Haribhakti & Co. and M/s. SRB & Associates have issued a joint valuation report dated 7 January 2019.

5.3 The Transferor Company had engaged JM Financial Limited as the merchant bankers to provide a fairness opinion on the Share Exchange Ratio adopted under the Scheme. In connection with such engagement, JM Financial Limited has issued a fairness opinion dated 7 January 2019.

5.4 The Transferee Company had engaged Kotak Mahindra Capital Company Limited as the merchant bankers to provide a fairness opinion on the Share Exchange Ratio adopted under the Scheme. In connection with such engagement, Kotak Mahindra Capital Company Limited has issued a fairness opinion dated 7 January 2019.

6. ISSUANCE MECHANICS

6.1 In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Transferor Company, the Board of the Transferee Company shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, as the case may be, to effectuate such a transfer as if such changes in registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor of the shares in the Transferor Company and in relation to the shares issued by the Transferee Company, after the effectiveness of the Scheme. The Board of the Transferee Company shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of new shareholders in the Transferee Company on account of difficulties faced in the transition period.

6.2 Where New Equity Shares of the Transferee Company are to be allotted to heirs, executors or administrators, as the case may be, to successors of deceased equity shareholders or legal representatives of the equity shareholders of the Transferor Company, the concerned heirs, executors, administrators, successors or legal representatives shall be obliged to produce evidence of title satisfactory to the Board of the Transferee Company.

6.3 The New Equity Shares of the Transferee Company allotted and issued in terms of Clause 5.1 of Part III above, shall be listed and/or admitted to trading on the BSE and NSE. The New Equity Shares of the Transferee Company shall, however, be listed subject to the Transferee Company obtaining the requisite approvals from all the relevant Governmental Authorities pertaining to the listing of the New Equity Shares of the Transferee Company. The Transferee Company shall enter into such arrangements and give such confirmations and/or undertakings as may be necessary in accordance with Applicable Laws for complying with the formalities of BSE and NSE.

6.4 The New Equity Shares of the Transferee Company to be allotted and issued to the shareholders of the Transferor Company as provided in Clause 5.1 of Part III above shall be subject to the provisions of the memorandum and articles of association of the Transferee Company and shall rank *pari passu* in all respects with the then existing equity shares of the Transferee Company after the Effective Date including in respect of dividend, if any, that may be declared by the Transferee Company on or after the Effective Date.

6.5 The Transferee Company shall complete all formalities, as may be required, for allotment of the New Equity Shares to the shareholders of the Transferor Company as provided in this Scheme within thirty (30) days from the Effective Date. It is clarified that the issue and allotment of New Equity Shares by the Transferee Company to the shareholders of the Transferor Company as provided in the Scheme, is an integral part thereof and shall be deemed to have been carried out without requiring any further act on the part of the

Transferee Company or its shareholders and as if the procedure laid down under Section 62 or any other applicable provisions of the Act, as may be applicable, and such other statues and regulations as may be applicable were duly complied with.

6.6 If any member becomes entitled to any fractional shares, entitlements or credit on the issue and allotment of the New Equity Shares by the Transferee Company in accordance with Clause 5.1 of Part III above, the Board of the Transferee Company shall consolidate all such fractional entitlements and shall, without any further application, act, instrument or deed, issue and allot such consolidated equity shares directly to an individual trust or a board of trustees or a corporate trustee nominated by the Transferee Company (the "**Trustee**"), who shall hold such New Equity Shares with all additions or accretions thereto in trust for the benefit of the respective shareholders, to whom they belong and their respective heirs, executors, administrators or successors for the specific purpose of selling such equity shares in the market at such price or prices and on such time or times within sixty (60) days from the date of allotment, as the Trustee may in its sole discretion decide and on such sale, pay to the Transferee Company, the net sale proceeds (after deduction of applicable taxes and costs incurred) thereof and any additions and accretions, whereupon the Transferee Company shall, subject to withholding tax, if any, distribute such sale proceeds to the concerned shareholders of the Transferor Company in proportion to their respective fractional entitlements.

6.7 In the event that the Amalgamating Companies restructure their equity share capital by way of share split/consolidation/issue of bonus shares during the pendency of the Scheme, the Share Exchange Ratio and the stock options, shall be adjusted accordingly to take into account the effect of any such corporate actions.

6.8 The Transferee Company shall, if and to the extent required, apply for and obtain any approvals from the concerned regulatory authorities, including the NSE and the BSE, for the issue and allotment by the Transferee Company of the New Equity Shares to the members of the Transferor Company pursuant to the Scheme.

6.9 The New Equity Shares issued to the members of the Transferor Company by the Transferee Company shall be issued in dematerialised form by the Transferee Company, provided that the details of the depository accounts of the members of the Transferor Company are made available to the Transferee Company by the Transferor Company at least two (2) working days prior to the Effective Date. In the event that such details are not available with the Transferee Company or for such members of the Transferor Company which hold the shares of the Transferor Company in physical form, it shall issue the New Equity Shares to the members of the Transferor Company in physical form.

6.10 The shares allotted pursuant to the Scheme shall remain frozen in the depositories system until listing/trading permission is given by the BSE and NSE, as the case may be.

6.11 There shall be no change in the shareholding pattern or control of the Transferee Company between the Record Date and the date of listing of equity shares of the Transferee Company which may affect the status of the BSE's approval or NSE's approval.

6.12 The New Equity Shares to be issued by the Transferee Company pursuant to Clause 5.1 of Part III above in respect of such equity shares of the Transferor Company as are subject to lock-in pursuant to Applicable Law shall be locked-in as and to the extent required under Applicable Law.

6.13 Upon this Scheme becoming effective and upon the New Equity Shares of the Transferee Company being allotted and issued by it to the shareholders of Transferor Company whose names appear on the register of members as a member of the Transferor Company on the Record Date or whose names appear as the beneficial owners of the equity shares of the Transferor Company in the records of the depositories/register of members, as the case may be, as on the Record Date, the equity shares of Transferor Company, both in electronic form and in the physical form, shall be deemed to have been automatically cancelled and be of no effect on and from the Record Date. Wherever applicable, Transferee

Company may, instead of requiring the surrender of the share certificates of Transferor Company, directly issue and dispatch the new share certificates of Transferee Company in lieu thereof.

6.14 The New Equity Shares to be issued by the Transferee Company pursuant to Clause 5.1 of Part III above in respect of such equity shares of the Transferor Company, the allotment or transfer of which is held in abeyance under Applicable Law shall, pending allotment or settlement of dispute by order of the appropriate court or otherwise, also be kept in abeyance in like manner by the Transferee Company.

7. ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFEREE COMPANY

7.1 The Transferee Company shall, upon this Scheme becoming effective and with effect from the Appointed Date, record the assets and liabilities of the Transferor Company (as appearing in the books of accounts of the Transferor Company at the close of business on the day preceding the Appointed Date) as vested in the Transferee Company pursuant to this Scheme, at the respective book values thereof.

7.2 The Transferee Company shall follow the method of accounting as prescribed for the 'pooling of interest method' under Accounting Standard 14 as notified under the Companies Accounting Rules, 2006.

7.3 The Transferee Company shall issue and allot equity shares to the shareholders of the Transferor Company in accordance with Clause 6 above and credit the face value of such equity shares to its share capital account.

7.4 Upon this Scheme becoming effective and with effect from the Appointed Date, the excess, if any, of the book value of the assets over the book value of the liabilities of the Transferor Company recorded by the Transferee Company in its books of accounts as mentioned above, as reduced by the face value of shares issued by the Transferee Company to the shareholders of the Transferor Company shall be credited to the capital reserve account in the financial statements of the Transferee Company as drawn up in compliance with the Scheme and applicable accounting standards of the Transferee Company. In case of there being a deficit, such amount shall be debited to the general reserve. In case of any difference in the accounting policies between the Transferor Company and the Transferee Company, the accounting policies followed by the Transferee Company shall prevail and the difference, if any, will be quantified and adjusted in the general reserve mentioned earlier, to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy. Where the Transferee Company does not have sufficient general reserve, the balance amount remaining after adjustment with the general reserve of the Transferee Company, shall be adjusted against the capital reserve, if any, of the Transferee Company.

7.5 Notwithstanding the above, the Board of Directors of the Transferee Company is authorised to account for any of these balances in any manner whatsoever, as may be deemed fit, in accordance with the prescribed accounting standards under the Act and applicable RBI regulations and applicable generally accepted accounting principles as applicable to the Transferee Company. The identity of the reserves of the Transferor Company, if any and to the extent as required under any applicable regulation and as deemed appropriate by the Board of Directors of the Transferee Company, shall be preserved and they shall appear in the financial statements of the Transferee Company in the same form and manner, in which they appeared in the financial statements of the Transferor Company as prepared under the accounting standards applicable to the Transferee Company, prior to this Scheme becoming effective. Accordingly, if prior to this Scheme becoming effective there is any reserve in the financial statements of the Transferor Company available for distribution whether as bonus shares or dividend or otherwise, the same would also be available in the financial statements of the Transferee Company for such distribution pursuant to this Scheme becoming effective.

7.6 The balances of the profit and loss accounts of the Transferor Company (as appearing in the books of accounts of the Transferor Company at the close of business on the day preceding

the Appointed Date) shall be aggregated and added to or set-off (as the case may be) with the corresponding balance appearing in the financial statements of the Transferee Company.

7.7 The Transferee Company shall record in its books of account, all transactions of the Transferor Company in respect of assets, liabilities, income and expenses, from the Appointed Date to the Effective Date. Any inter-company payables and receivables between the Transferor Company and the Transferee Company shall be cancelled and the Transferee Company shall accordingly not record any of such payables and receivables in its books.

7.8 **Accounting Treatment of Transferor Company:**

As the Transferor Company shall stand dissolved without being wound up upon the Scheme becoming effective, hence there is no accounting treatment prescribed under this Scheme in the books of the Transferor Company.

8. EMPLOYEE STOCK OPTION PLAN

8.1 With respect to the stock options granted by the Transferor Company under the employees stock options scheme of the Transferor Company including the benefit of exercise price and the share entitlement pursuant to the bonus issuance by the Transferor Company in 2018, titled Employees Stock Option Scheme 2015 (the "**Transferor Company Option Scheme**"), upon coming into effect of this Scheme, the Transferee Company shall issue stock options to Eligible Employees taking into account the Share Exchange Ratio and on the same terms and conditions as (and which are not less favourable than those) provided in the Transferor Company Option Scheme. Such stock options may be issued by the Transferee Company either under its existing stock option scheme or a revised employee stock option scheme ("**Transferee Company Option Scheme**").

8.2 It is hereby clarified that upon this Scheme becoming effective, options granted by the Transferor Company to the Eligible Employees under the Transferor Company Option Scheme shall automatically stand cancelled. Further, upon this Scheme becoming effective and after cancellation of the options granted to the Eligible Employees under the Transferor Company Option Scheme, the fresh options shall be granted by the Transferee Company to the Eligible Employees on the basis of the Share Exchange Ratio (i.e. for every 1,000options held by an Eligible Employee which entitle such Eligible Employee to acquire 2,000equity shares (on account of 1:1 bonus issuance on 8 June 2018) in the Transferor Company, such Eligible Employee will be conferred 1,136options in the Transferee Company which shall entitle him to acquire 1,136equity shares in the Transferee Company), such that the Eligible Employees shall, as option holders of the Transferee Company, enjoy the same economic benefit as they would have received under the Transferor Company Option Scheme. Fractional entitlements, if any, arising pursuant to the applicability of the Share Exchange Ratio as above shall be rounded off to the nearest higher integer. The exercise price payable for options granted by the Transferee Company to the Eligible Employees shall be based on the exercise price payable by such Eligible Employees under the Transferor Company Option Scheme as adjusted after taking into account the effect of the Share Exchange Ratio.

8.3 On the Effective Date, the provisions of the SEBI (Share Based Employee Benefits) Regulations, 2014, as amended to-date, shall apply, to the extent applicable, to the stock options granted by the Transferee Company under the Transferee Company Option Scheme in pursuance of this Scheme.

8.4 The approval granted to the Scheme by the shareholders, the RBI, the National Housing Bank and/or any other regulatory authority shall be deemed to be approval granted to any modifications made to the Transferor Company Option Scheme by the Transferor Company and approval granted to the Transferee Company Option Scheme to be adopted by the Transferee Company.

8.5 It is hereby clarified that in relation to the options granted by the Transferee Company to the Eligible Employees, the period during which the options granted by the Transferor Company were held by or deemed to have been held by the Eligible Employees shall be taken into

account for determining the minimum vesting period required under Applicable Law or agreement or deed for stock options granted under the Transferor Company Option Scheme or the Transferee Company Option Scheme, as the case may be.

8.6 The Board of Directors of the Amalgamating Companies or any of the committee(s) thereof, including the compensation committee, if any, shall take such actions and execute such further documents as may be necessary or desirable for the purpose of giving effect to the provisions of this clause of the Scheme.

PART IV

GENERAL TERMS AND CONDITIONS

1. PROVISIONS APPLICABLE TO PART III

1.1 Upon the sanction of this Scheme and upon this Scheme becoming effective, the following shall be deemed to have occurred on the Appointed Date and become effective and operative only in the sequence and in the order mentioned hereunder:

(a) amalgamation of the Transferor Company into the Transferee Company in accordance with Part III of the Scheme;

(b) transfer of the authorised share capital of the Transferor Company to the Transferee Company as provided in Part III of this Scheme, and consequential increase in the authorised share capital of the Transferee Company as provided in Part III of this Scheme;

(c) issuance and allotment of New Equity Shares to the shareholders of the Transferor Company as on the Record Date, without any further act, instrument or deed, in accordance with Part III of this Scheme; and

(d) dissolution of the Transferor Company without winding up.

2. COMPLIANCE WITH LAWS

2.1 This Scheme is presented and drawn up to comply with the provisions/requirements of Sections 230 - 232 of the Act, for the purpose of the merger of the Transferor Company with the Transferee Company.

2.2 The amalgamation of the Transferor Company with the Transferee Company in accordance with this Scheme will be in compliance with the provisions of Section 2(1B) of the Income-Tax Act, 1961, such that:

(a) all the properties of the Transferor Company, immediately before the amalgamation, shall become the property of the Transferee Company, by virtue of this amalgamation;

(b) all the liabilities of the Transferor Company, immediately before the amalgamation, shall become the liabilities of the Transferee Company, by virtue of this amalgamation; and

(c) shareholders holding not less than three-fourths in value of the shares in the Transferor Company (other than shares already held therein immediately before the amalgamation by, or by a nominee for, the Transferee Company or its subsidiary) will become shareholders of the Transferee Company by virtue of the amalgamation.

2.3 This Scheme has been drawn up to comply with the conditions relating to "amalgamation" as specified under the tax laws, including Section 2 (1B) and other relevant sections of the Income Tax Act, 1961. If any terms or provisions of the Scheme are found to be or interpreted to be inconsistent with any of the said provisions at a later date, whether as a result of any amendment of law or any judicial or executive interpretation or for any other reason whatsoever, the aforesaid provisions of the Income Tax Act, 1961 shall prevail. The Scheme shall then stand modified to the extent deemed necessary to comply with the said provisions. Such modification will however not affect other parts of the Scheme. The power to make such amendments as may become necessary shall vest with the Board of Directors of the Amalgamating Companies, which power shall be exercised reasonably in the best interests of the companies concerned and their stakeholders.

2.4 Upon this Scheme becoming effective, the Transferee Company is expressly permitted to prepare and/or revise their financial statements and returns along with prescribed forms, filings and annexures under the Income Tax Act, 1961 (including for minimum alternate tax purposes and tax benefits), service tax law and other tax laws, and to claim refunds and/or credits for taxes paid (including minimum alternate tax), and to claim tax benefits under the Income Tax Act, 1961, etc., and for matters incidental thereto, if required to give effect to the provisions of this Scheme. The order of the jurisdictional NCLT sanctioning the Scheme shall be deemed to be an order of the Competent Authority

permitting the Transferee Company to prepare and/or revise its financial statements and books of accounts and no further act shall be required to be undertaken by the Transferee Company.

3. CONSEQUENTIAL MATTERS RELATING TO TAX

3.1 All tax assessment proceedings/appeals of whatsoever nature by or against the Transferor Company pending and/or arising at the Appointed Date and relating to the Transferor Company shall be continued and/or enforced until the Effective Date by the Transferor Company. In the event of the Transferor Company failing to continue or enforce any proceeding/appeal, the same may be continued or enforced by the Transferee Company, at the cost of the Transferee Company. As and from the Effective Date, the tax proceedings shall be continued and enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company.

3.2 Further, the aforementioned proceedings shall not abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation of the Transferor Company with the Transferee Company or anything contained in the Scheme.

3.3 Upon the Scheme becoming effective, any advance tax, self-assessment tax, minimum alternate tax and/or TDS credit available or vested with the Transferor Company, including any taxes paid and taxes deducted at source and deposited by the Transferee Company on inter se transactions during the period between the Appointed Date and the Effective Date shall be treated as advance tax paid by the Transferee Company and shall be available to Transferee Company for set-off against its liability under the Income Tax Act, 1961 and any excess tax so paid shall be eligible for refund together with interest.

4. SAVING OF CONCLUDED TRANSACTIONS

4.1 The transfer of assets, properties and liabilities and the continuance of proceedings by or against the Transferor Company under Clause 1.2 of Part III of the Scheme above shall not affect any transaction or proceedings already concluded by the Transferor Company on and after the Appointed Date until the Effective Date, to the end and intent that the Transferee Company accept and adopt all acts, deeds and things done and executed by the Transferor Company in respect thereto as done and executed on behalf of the Transferee Company.

5. DIVIDENDS

5.1 The Amalgamating Companies shall be entitled to declare and pay dividends, whether interim and/or final, to their respective shareholders prior to the Effective Date, but only in the ordinary course of business.

5.2 It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any shareholder of the Amalgamating Companies to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Boards of Directors of the Amalgamating Companies, and if applicable in accordance with the provisions of the Act, be subject to the approval of the shareholders of the respective Amalgamating Companies.

6. INTERPRETATION

6.1 If any terms or provisions of this Scheme are found to be or interpreted to be inconsistent with any provisions of Applicable Law at a later date, whether as a result of any amendment of Applicable Law or any judicial or executive interpretation or for any other reason whatsoever, the provisions of the Applicable Law shall prevail. Subject to obtaining the sanction of the Competent Authority, if necessary, this Scheme shall then stand modified to the extent determined necessary to comply with the said provisions. Such modification will, however, not affect other parts of this Scheme. Notwithstanding the other provisions of this Scheme, the power to make such amendments/modifications as may become necessary, whether before or after the Effective Date, shall, subject to obtaining the sanction of the Competent Authority if necessary, vest with the Board of Directors of the Amalgamating Companies, which power shall be exercised reasonably in the best interests of the Amalgamating Companiesand their respective shareholders.

7. APPLICATION TO THE COMPETENT AUTHORITY

7.1 The Amalgamating Companies shall make applications and/or petitions under Sections 230 to 232 of the Act and other applicable provisions of the Act to the Competent Authorities for approval of the Scheme and all matters ancillary or incidental thereto, as may be necessary to give effect to the terms of the Scheme.

7.2 Upon this Scheme becoming effective, the shareholders of the Transferee Company shall be deemed to have also accorded their approval under all relevant provisions of the Act for giving effect to the provisions contained in this Scheme.

8. MODIFICATION OR AMENDMENTS TO THE SCHEME

8.1 The Amalgamating Companies, acting through their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorise including any committee or sub-committee thereof, may, jointly and as mutually agreed in writing, assent to/make and/or consent to any modifications/amendments to the Scheme, or to any conditions or limitations that the Competent Authority under Applicable Law may deem fit to direct or impose, or which may otherwise be considered necessary, desirable or appropriate as a result of subsequent events or otherwise by them (i.e., the Board of Directors), or modify, vary or withdraw this Scheme prior to the Effective Date in any manner at any time. The Amalgamating Companies, acting through their respective Boards of Directors or such other person or persons, as the respective Board of Directors may authorise including any committee or sub-committee thereof, be and are hereby authorised to take such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whatsoever for carrying the Scheme into effect, whether by reason of any orders of the Competent Authority or of any directive or orders of any other authorities or otherwise howsoever arising out of, under or by virtue of this Scheme and/or any matters concerning or connected therewith.

8.2 In case, post approval of the Scheme by the Competent Authority, there is any confusion in interpreting any Clause of this Scheme, or otherwise, the Board of Directors of the Amalgamating Companies shall have complete power to take the most sensible interpretation so as to render the Scheme operational.

8.3 In the event of any inconsistency between any of the terms and conditions of any earlier arrangement between the Amalgamating Companies and their respective shareholders and/or creditors, and the terms and conditions of this Scheme, the latter shall prevail.

8.4 If any part of this Scheme is invalid, ruled illegal or rejected by the Competent Authority or any court of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the Amalgamating Companies that such part shall be severable from the remainder of this Scheme and this Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to either the Transferor Company or Transferee Company, in which case the Amalgamating Companies, acting through their respective Boards of Directors, shall attempt to bring about a modification in this Scheme, as will best preserve for the parties, the benefits and obligations of this Scheme, including but not limited to such part, which is invalid, ruled illegal or rejected by the Competent Authority or any court of competent jurisdiction, or unenforceable under present or future Applicable Laws.

9. CONDITIONALITY TO EFFECTIVENESS OF THE SCHEME

9.1 The Scheme is conditional and subject to:

(a) the Scheme being approved by the requisite majority of each classes of members and/or creditors (where applicable) of the Amalgamating Companies in accordance with the Act and as may be directed by the Competent Authority;

(b) the Competent Authority having accorded its sanction to the Scheme;

(c) receipt of approval by the Transferee Company from the RBI in relation to the Scheme, which shall be in form and substance acceptable to the Amalgamating Companies, each acting reasonably and in good faith;

(d) receipt of approval by the promoter of the Transferor Company, from the RBI in relation to the acquisition of New Equity Shares by it in the Transferee Company pursuant to the Scheme;

(e) satisfaction of the conditions, if any, as set out in the approval provided by the RBI under

Clause 9.1(c) and Clause 9.1(d) and which need to be satisfied on or prior to the Effective Date in accordance with the terms thereunder;

(f) receipt of no-objection letters by the Amalgamating Companies in respect from the BSE and the NSE in accordance with the LODR Regulations and the SEBI Circulars in respect of the Scheme (prior to filing the Scheme with the Competent Authority as well as following approval of the Scheme by the Competent Authority), which shall be in form and substance acceptable to the Amalgamating Companies, each acting reasonably and in good faith;

(g) intimation to/receipt of the approval from the National Housing Bank by the Transferor Company and/or its promoter, as applicable,, which shall be in form and substance acceptable to the Amalgamating Companies, each acting reasonably and in good faith;

(h) receipt of the approval from the CCI in respect of the Scheme contemplated herein, in accordance with the provisions of the Competition Act, 2002, pursuant to a joint application filed by the Transferor Company and the Transferee Company, which shall be in form and substance acceptable to the Amalgamating Companies, each acting reasonably and in good faith, or the waiting period during which the CCI is required to provide its decision in respect of the application for approval in respect of the Scheme contemplated herein, together with any extensions thereof, shall have expired; and

(i) receipt of such other sanctions and approvals including sanction of any other Governmental Authority or stock exchange(s) as may be required by Applicable Law in respect of the Scheme.

9.2 The Scheme shall not come into effect unless the aforementioned conditions mentioned in Clause 9.1 of Part IV above are satisfied and in such an event, unless each of the conditions are satisfied, no rights and liabilities whatsoever shall accrue to or be incurred inter se the Amalgamating Companies or their respective shareholders or creditors or employees or any other person.

10. COSTS, CHARGES & EXPENSES

10.1 All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) of the Transferor Company and the Transferee Company arising out of or incurred in connection with and implementing this Scheme and matters incidental thereto on or prior to the Effective Date shall be borne by the respective Amalgamating Companies.

10.2 All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) of the Transferor Company and the Transferee Company arising out of or incurred in connection with and implementing this Scheme and matters incidental thereto after the Effective Date shall be borne by the Transferee Company.

11. RESIDUAL PROVISIONS

11.1 Upon this Scheme becoming effective, the Transferee Company shall be entitled to operate and utilize all bank accounts, cash and deposits relating to the Transferor Company, realise all monies and complete and enforce all pending contracts and transactions in respect of the Transferor Company in the name of the Transferor Company to the extent necessary.

11.2 Upon this Scheme becoming effective, the Transferee Company shall be entitled to occupy and use all premises, whether owned, leased or licensed, relating to the Transferor Company until the transfer of the rights and obligations of the Transferor Company to the Transferee Company under this Scheme is formally accepted by the parties concerned.

11.3 The Amalgamating Companies shall be at liberty to withdraw this Scheme at any time as may be mutually agreed by the respective Board of Directors of the Amalgamating Companies prior to the Effective Date. In such a case, each of the Amalgamating Companies shall respectively bear their own cost or as may be mutually agreed. It is hereby clarified that notwithstanding anything to the contrary contained in this Scheme except as provided in Clause 8.2, any one of the Amalgamating Companies shall not be entitled to withdraw the Scheme unilaterally: (a) without the prior written consent of the other Amalgamating Companies; or (b) unless such withdrawal is in accordance with any written agreement entered into between the Amalgamating Companies.

Desai Haribhakti & Co. Chartered Accountants Constantia 7th Floor B Wing 11, Dr U N Brahmachari Street, Kolkata - 700 017, West Bengal, India.	SRB & Associates Chartered Accountants A-3/7, Gillanders Gouse 8, N.S. Road, Kolkata - 700 001 West Bengal, India.

Dated: 7th January 2019

To,

The Board of Directors, GRUH Finance Limited "GRUH", Netaji Marg Nr. Mithakali Six Roads, Ellisbridge Ahmedabad - 380 006 Gujarat, India.	**The Board of Directors,** Bandhan Bank Limited DN – 32, Sector V Salt Lake Kolkata - 700 091 West Bengal, India

Sub: Recommendation of fair equity share exchange ratio for the purpose of the proposed merger of GRUH Finance Limited into Bandhan Bank Limited

Dear Madams / Sirs,

We refer to the engagement/appointment letters whereby,

- GRUH Finance Limited (hereinafter referred to as "GFL") has appointed Desai Haribhakti & Co., Chartered Accountants (hereinafter referred to as "DHC") vide engagement letter effective from 27th December 2018; and
- Bandhan Bank Limited (hereinafter referred to as "BBL") has appointed SRB & Associates, Chartered Accountants (hereinafter referred to as "SRB") vide engagement letter effective from 20th December 2018.

for recommendation of the fair equity share exchange ratio (hereinafter referred to as "Fair Equity Share Exchange Ratio") for the proposed merger of GFL into BBL (hereinafter jointly referred to as the "Companies") on a going concern basis with effect from the proposed Appointed Date of 1st January 2019 or such other date as approved by the Companies and other relevant authorities.

The Fair Equity Share Exchange Ratio for this report ("Report") refers to the number of equity shares of BBL of face value of INR 10/- each, which would be issued to equity shareholders of GFL in lieu of their equity shareholding in GFL pursuant to the proposed merger.

DHC and SRB are hereinafter referred to as "Valuers" or "we" or "us" and individually referred to as "Valuer" in this joint Report.

Desai Haribhakti & Co. Chartered Accountants

SRB & ASSOCIATES Chartered Accountants

1. SCOPE AND PURPOSE OF THIS REPORT

1.1. GFL, incorporated on 21st July 1986, is engaged in the business of providing home loans and is registered with the National Housing Bank as a housing finance institution. Currently, GFL is a subsidiary of Housing Development Finance Corporation Limited ("HDFC"). The equity shares of the GFL are listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"). HDFC owns 57.86% of paid-up outstanding equity shares and balance is held by public shareholders as of 30th September 2018. GFL had reported total income and profit after tax of INR 16,871.9 million and INR 3,626.8 million respectively for the year ended 31st March 2018.

1.2. BBL, incorporated on 23rd December 2014, is in the business of providing banking services and is licensed as banking company under the provisions of Banking Regulation Act, 1949. The equity shares of the BBL are listed on BSE and NSE. The promoter and the promoter group of BBL owns 82.28% of paid-up outstanding equity shares and balance is held by institutional and public shareholders as of 30th September 2018. BBL had reported total income and profit after tax of INR 55,084.8 million and INR 13,455.5 million respectively for the year ended 31st March 2018.

1.3. We understand that the managements of GFL and BBL ("Management/s") are contemplating to consolidate their operations on a going concern basis with effect from proposed Appointed Date of 1st January 2019 pursuant to a scheme of amalgamation (the "Scheme") under the provisions of Sections 230-232 of the Companies Act, 2013 and other applicable securities and capital market laws and rules issued thereunder to the extent applicable (the "Proposed Merger").

1.4. In consideration thereof, equity shares of BBL will be issued to the equity shareholders of GFL, once the Scheme becomes effective. The number of equity shares of BBL of face value of INR 10/- each to be issued for the equity shares of GFL in the event of the Proposed Merger is referred to as the "Fair Equity Share Exchange Ratio".

1.5. For the aforesaid purpose, GFL and BBL have appointed DHC and SRB respectively to submit a joint report on the Fair Equity Share Exchange Ratio for the consideration of the Board of Directors (the "Boards") of the respective Companies as required under the provisions of Sections 230-232 of the Companies Act, 2013 and other applicable securities and capital market laws and rules issued thereunder.

1.6. The scope of our services is to conduct a relative valuation (not an absolute valuation) of the equity shares of the Companies, without considering the effect of proposed merger and recommending a Fair Equity Share Exchange Ratio for the Proposed Merger.

1.7. This Report will be placed before the Boards / Audit Committees of the respective Companies, as applicable, as per the relevant SEBI circulars, and, to the extent mandatorily required under applicable laws of India. This Report may be required to be produced before the judicial, regulatory or government authorities, stock exchanges, shareholders in connection with the Proposed Merger under applicable laws.

1.8. The Valuers have been appointed severally and not jointly and have worked independently in their analysis. Both the Valuers have received information and clarification from their respective Companies. The Valuers have independently arrived at different values per share of the Companies. However, to arrive at the consensus on the Fair Equity Share Exchange Ratio for the Proposed Merger, appropriate minor adjustments / rounding off has been done in the values arrived at by the Valuers.

1.9. We have considered financial information up to 30th September 2018 and the current market parameters in our analysis and made adjustments for additional facts made known to us till the date of our Report

which will have a bearing on the valuation analysis to the extent considered appropriate. Further, the Managements have informed us that all material information impacting the Companies have been disclosed to us.

1.10. The Managements have informed us that:

a) There would not be any capital variation in the Companies till the Proposed Merger becomes effective without the approval of the shareholders other than on account of existing Employee Stock Options ("ESOPs") Scheme which would not be material;

b) Neither Companies would declare any dividend which are either materially different than those declared in the past few years or having materially different yields.

c) There are no unusual / abnormal events in both the Companies since the last result declaration date till the Report date materially impacting their operating/ financial performance.

We have relied on the above while arriving at the Fair Equity Share Exchange Ratio for the Proposed Merger.

1.11. This Report is our deliverable in respect of our recommendation of the Fair Equity Share Exchange Ratio for the Proposed Merger.

1.12. Our opinion is based on prevailing market, economic and other conditions as at the date of this Report. These conditions can change over relatively short periods of time. Any subsequent changes in these conditions could have an impact upon our opinion. We do not undertake to update this Report for events or circumstances arising after the date of this Report.

1.13. This Report is subject to the scope, assumptions, exclusions, limitations and disclaimers detailed hereinafter. As such, the Report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.

2. SOURCES OF INFORMATION

2.1. In connection with this exercise, we have used the following information about the Companies as received from the Managements in either oral or in written form and/or gathered from public domain:

a. Salient features of the Proposed Merger;

b. Annual Reports for the year ended 31st March 2018 of GFL and BBL and for the earlier periods;

c. Unaudited financial statements of GFL and BBL for 6 months period ended 30th September 2018;

d. List of outstanding ESOPs for various plans with respective exercise price for the Companies as of 30th September 2018;

e. Other relevant information

2.2. Information provided by leading database sources, market research reports and other published data;

2.3. It may be noted that no future business plans for the Companies have been provided to us.

2.4. During the discussions with the Managements, we have also obtained information and explaination considered necessary and relevant for our exercise.

2.5. We have prepared this Report from information provided by and from discussions with the Managements.

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SRB & ASSOCIATES Chartered Accountants

2.6. We have not verified the accuracy, reliability and competence of the information provided and the procedures that we used to perform the work did not constitute an audit or review made under any generally accepted accounting standard.

2.7. The Companies have been provided with the opportunity to review the draft Report (excluding the recommended Fair Equity Share Exchange Ratio) for this engagement to make sure that factual inaccuracies and omissions are avoided in our final Report.

3. PROCEDURES ADOPTED FOR THE PURPOSE OF THE VALUATION

We have performed the valuation analysis, to the extent applicable, in accordance with Indian Valuation Standards, 2018 issued by the Institute of Chartered Accountants of India ("IVS"). In connection with this analysis, we have adopted the following procedures to carry out the valuation analysis:

3.1. Requested and received financial and qualitative information relating to the Companies

3.2. Obtained and analyzed data available in public domain, as considered relevant by us

3.3. Discussed with the management and representatives of the respective Companies on understanding of the business and fundamental factors affecting the Companies.

3.4. Undertook industry analysis:

a. Research publicly available market data including economic factors and industry trends that may impact the valuation.

b. Analysis of key trends and valuation multiples of comparable companies/comparable transactions, if any, using proprietary databases subscribed by us.

3.5. Analysis of other publicly available information.

3.6. Selection of valuation approach and valuation methodology/(ies), in accordance with IVS, as considered appropriate and relevant by us.

3.7. Determination of relative values of the equity shares of the Companies.

3.8. Further, at the request of respective Managements, we have had discussions with fairness opinion providers appointed by respective Companies on the valuation approach adopted and assumptions made.

4. SCOPE LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS AND DISCLAIMERS

4.1. Valuation analysis and results are specific to the purpose of valuation and is not intended to represent value at any time other than valuation date of 4th January, 2019 ("Valuation Date") mentioned in the Report and as per agreed terms of our engagement. It may not be valid for any other purpose or as at any other date. Also, it may not be valid if done on behalf of any other entity.

4.2. This Report, its contents and the results are specific to (i) the purpose of valuation agreed as per the terms of our engagements; (ii) the Valuation Date and (iii) are based on the financial information of the Companies till 30th September 2018. The Managements has represented that the business activities of GFL and BBL have been carried out in normal and ordinary course between 30th September 2018 and

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the Valuation Date and that no material changes have occurred in their respective operations and financial position between 30th September 2018 and the Valuation Date.

4.3. A valuation or determination of share exchange ratio of this nature involves consideration of various factors including those impacted by prevailing stock market trends in general and industry trends in particular. This Report is issued on the understanding that the Managements have drawn our attention to all the matters, which they are aware of concerning the financial position of the Companies and any other matter, which may have an impact on our opinion, on the Fair Equity Share Exchange Ratio for the Proposed Merger as on the Valuation Date.

4.4. We have no responsibility to update the Report for any events and circumstances occurring after the date of the Report. Our valuation analysis was completed on a date subsequent to the Valuation Date and accordingly we have taken into account such valuation parameters and over such period, as we considered appropriate and relevant, up to a date close to Valuation Date.

4.5. This Report is intended only for the sole use and information of the respective Boards of the Companies and only in connection with the Proposed Merger including for the purpose of obtaining regulatory approvals, as required under applicable laws of India.

4.6. This Report and the information contained herein are absolutely confidential and is prepared on for the stated purposes in this report. This Report should not be copied, disclosed, circulated, quoted or referred to either in whole or in part, in correspondence or in discussion with any other person except to whom it is issued without our written consent. The Companies are required to submit this Report to regulatory or judicial authorities, government authorities, stock exchanges, courts, shareholders, their professional advisors including merchant bankers providing the fairness opinion on the Fair Equity Share Exchange Ratio in connection with the Proposed Merger to the extent mandatorily required under applicable laws of India. We hereby consent to such disclosure of this Report, on the basis that we owe responsibility only to the Boards of the respective Companies that have engaged us, under the terms of our engagement, and no other person; and that, to the fullest extent permitted by law, we accept no responsibility or liability to the shareholders of the Companies or any other party, in connection with this Report. The results of our valuation analysis and our Report cannot be used or relied by the Companies for any other purpose or by any other party for any purpose whatsoever.

4.7. We are not responsible to any other person / party for any decision of such person / party based on this report. Any person / party intending to provide finance / invest in the shares / business of the Companies / their holding companies / subsidiaries / associates / investee companies / other group companies, if any, shall do so after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision. If any person / party (other than the Companies) chooses to place reliance upon any matters included in the Report, they shall do so at their own risk and without recourse to the Valuers.

4.8. For the purpose of opining on the relative valuation of the Companies and the Fair Equity Share Exchange Ratio, we have used financial and other information provided to us by the Managements and the information that was publicly available, sourced from subscribed databases and formed substantial basis for this Report which we believe to be reliable and conclusions are dependent on such information being complete and accurate in all material aspects. While information obtained from public domain or external sources have not been verified for authenticity, accuracy or completeness, we have obtained information as far as possible, from sources generally considered to be reliable. We assume no responsibility for such information. Our scope of work refrains us to accept responsibility for the accuracy and completeness of the financial and other information provided to us by the Managements. Our conclusion on value assumes

that the assets and liabilities of the Companies, reflected in their respective latest balance sheets remain intact as of the Report date.

4.9. In accordance with the terms of our respective engagement letters and in accordance with the customary approach adopted in valuation exercises, we have not audited, reviewed, certified, carried out a due diligence, or otherwise investigated the historical and projected financial information, if any, provided to us regarding the Companies / their holding / subsidiary / associates / joint ventures / investee companies, if any. Accordingly, we do not express an opinion or offer any form of assurance regarding the truth and fairness of the financial position as indicated in the historical financials / financial statements and projections. The assignment did not involve us to conduct the financial, legal, regulatory, tax, accounting, actuarial or technical feasibility study. We have not done any independent technical valuation or appraisal or due diligence of the assets or liabilities of the Companies. Also, with respect to explanations and information sought from the Managements, we have been given to understand by the Managements that they have not omitted any relevant and material factors about the Companies and that they have checked the relevance or materiality of any specific information to the present exercise with us in case of any doubt.

4.10. Our conclusion is based on the assumptions and information given to us by/on behalf of the Companies. The respective Managements of the Companies have indicated to us that they have understood that any omissions, inaccuracies or misstatements may materially affect our valuation analysis/results. Accordingly, we assume no responsibility for any errors in the information furnished by the Managements and their impact on the report.

4.11. It should be noted that we have examined the Fair Equity Share Exchange Ratio for the Proposed Merger and not examined any other matter including economic rationale for the Proposed Merger per se or accounting, legal or tax matters involved in the Proposed Merger.

4.12. Whilst all reasonable care has been taken to ensure that the factual statements in the Report are accurate, neither us, nor any of our partners, officers or employees shall in any way be liable or responsible either directly or indirectly for the contents stated herein. Accordingly, we make no representation or warranty, express or implied, in respect of the completeness, authenticity or accuracy of such factual statements. We expressly disclaim any and all liabilities, which may arise based upon the information used in this report.

4.13. The Report assumes that the Companies comply fully with relevant laws and regulations applicable in all its areas of operations unless otherwise stated, and that the Companies will be managed in a competent and responsible manner. Further, except as specifically stated to the contrary, this Report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigation and other contingent liabilities that are not recorded in the audited / unaudited balance sheets of the Companies / their holding / subsidiary / associates / joint ventures / investee companies, if any.

4.14. Our Report is not nor should it be construed as our opining or certifying the compliance of the Proposed Merger with the provisions of any law / standards including companies, foreign exchange regulatory, securities market, accounting and taxation (including transfer pricing) laws / standards or as regards any legal, accounting or taxation implications or issues arising from such Proposed Merger.

4.15. Our Report is not nor should it be construed as our recommendation on the Proposed Merger or anything consequential thereto / resulting therefrom. Our scope of work is limited to expression of our view on the relative value and the Fair Equity Share Exchange Ratio. This Report does not address the relative merits of the Proposed Merger as compared with any other alternatives or whether or not such alternatives could





be achieved or are available. Any decision by the Companies / their shareholders / creditors regarding whether or not to proceed with the Proposed Merger shall rest solely with them. We express no opinion or recommendation as to how the shareholders / creditors of the Companies should vote at any shareholders' / creditors' meeting(s) to be held in connection with the Proposed Merger. This Report does not in any manner address, opine on or recommend the prices at which the securities of the Companies could or should transact at following the announcement / consummation of the Proposed Merger. Our report and the opinion / valuation analysis contained herein is not nor should it be construed as advice relating to investing in, purchasing, selling or otherwise dealing in securities or as providing management services or carrying out management functions. It is understood that this analysis does not represent a fairness opinion.

4.16. We express no opinion on the achievability of the forecasts, if any, relating to the Companies given to us by the Managements.

4.17. We have not conducted or provided an analysis or prepared a model for any individual assets / liabilities and have wholly relied on information provided to us by the Managements in that regard.

4.18. The fee for our valuation analysis and the Report is not contingent upon the results reported.

4.19. This Report is subject to the laws of India.

4.20. Any discrepancies in any table / annexure between the total and the sums of the amounts listed are due to rounding-off.

5. SHARECAPITAL DETAILS OF THE COMPANIES

5.1. **GRUH Finance Limited**

Based on the share capital of GFL as at 30th September 2018, and the outstanding options (including unexercised options) as at that date, we have considered the diluted equity share capital of GFL was ~ INR 1,472.9 million consisting of 73,64,57,560 equity shares of face value of INR 2/- each fully paid up.

5.2. **Bandhan Bank Limited**

Based on the share capital of BBL as at 30th September 2018, and the outstanding options (including unexercised options) at that date, we have considered the diluted equity share capital of BBL was ~ INR 11,950.2 million consisting of 1,19,50,25,669 equity shares of face value of INR 10/- each fully paid up.

6. APPROACH – BASIS OF AMALGAMATION

6.1. The Scheme contemplates the Proposed Merger under Sections 230-232 of the Companies Act, 2013 and rules issued thereunder to the extent applicable.

6.2. Arriving at the Fair Equity Share Exchange Ratio for the purposes of a merger such as the Proposed Merger, in accordance with the IVS would require determining the relative values of each company involved and of their shares. These values are to be determined independently but on a relative basis, and without considering the effect of the merger.

6.3. The three main valuation approaches are the asset approach, market approach and income approach. There are several commonly used and accepted methods including those set out in the IVS, within the market approach, income approach and asset approach, for determining the relative fair value of equity

shares, which can be considered in the present case, to the extent relevant and applicable, to arrive at the Fair Equity Share Exchange Ratio for the purpose of the Proposed Merger, such as:

a. Asset Approach including
   - Net Asset Value (NAV) Method

b. Market Approach including
   - Market Price Method
   - Comparable Companies Multiple (CCM) Method

c. Income Approach including
   - Discounted Cash Flow (DCF) Method
   - Earning Capitalization Value (ECV) Method

6.4. It should be understood that the valuation of any company or its assets is inherently subjective and is subject to uncertainties and contingencies, all of which are difficult to predict and are beyond our control. In performing our analysis, we made assumptions with respect to industry performance and general business and economic conditions, many of which are beyond the control of the companies. In addition, this valuation will fluctuate with changes in prevailing market conditions, the conditions and prospects, financial and otherwise, of the companies / businesses, and other factors which generally influence the valuation of companies and their assets.

6.5. The application of any particular method of valuation depends on the purpose for which the valuation is done. Although different values may exist for different purposes, it cannot be too strongly emphasized that a valuer can only arrive at one value for one purpose. Our choice of method of valuation has been arrived at using usual and conventional methods adopted for transactions of a similar nature and our reasonable judgment, in an independent and bona fide manner based on our previous experience of assignments of a similar nature.

6.6. **Asset Approach**: The asset based valuation technique is based on the value of underlying net assets of business either on a book value basis or realizable value basis or replacement cost basis

a. **Net Asset Value Method**: The asset based valuation technique is based on the value of the underlying net assets of the business, either on a book value basis or realizable value basis or replacement cost basis. This valuation approach may be used in cases where the assets base dominates the earnings capability. A scheme of arrangement would normally be proceeded with, on the assumption that the companies would merge as going concerns and an actual realization of the operating assets is not contemplated. The operating assets have therefore been considered at their book values.

6.7. **Market Approach**: Market approach is a valuation approach that uses prices and other relevant information generated by market transactions involving identical or comparable (i.e., similar) assets, liabilities or a group of assets and liabilities, such as a business.

a. **Market Price Method**: Under this method, the market price of an equity share of the company as quoted on a recognized stock exchange is normally considered as the fair value of the equity shares of that company where such quotations are arising from the shares being regularly and freely traded. The market value generally reflects the investors' perception about the true worth of the company, subject to the element of speculative support that may be inbuilt in the market price. But there could be situations where the value of the share as quoted on the stock market would not be regarded as a proper index of the fair value of the share, especially where the market values are fluctuating in a volatile capital market. Further, in the case of a merger, where there is a question of evaluating the

shares of one company against those of another, the volume of transactions and the number of shares available for trading on the stock exchange over a reasonable period would have to be of a comparable standard.

b. **Comparable Companies Multiple (CCM) Method** : Under this method, one attempts to measure the value of the shares / business of company by applying the derived market multiple based on market quotations of comparable public / listed companies, in an active market, possessing attributes similar to the business of such company - to the relevant financial parameter of the company / business (based on past and / or projected working results) after making adjustments to the derived multiples on account of dissimilarities with the comparable companies and the strengths, weaknesses and other factors peculiar to the company being valued. These valuations are based on the principle that such market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances.

6.8. **Income Approach:** Income approach is a valuation approach that converts maintainable or future amounts (e.g., cash flows or income and expenses) to a single current (i.e., discounted or capitalised) amount. The value measurement is determined on the basis of the value indicated by current market expectations about those future amounts.

a. **Discounted Cash Flow (DCF) Method:**

Under the DCF method the projected free cash flows to the firm are discounted at the weighted average cost of capital. The sum of the discounted value of such free cash flows is the value of the firm.

Such DCF analysis involves determining the following:

Estimating future free cash flows:

Free cash flows are the cash flows expected to be generated by the company that are available to the providers of the company's capital – both debt and equity.

Appropriate discount rate to be applied to cash flows i.e. the cost of capital:

This discount rate, which is applied to the free cash flows, should reflect the opportunity cost to all the capital providers (namely shareholders and creditors), weighted by their relative contribution to the total capital of the company. The opportunity cost to the capital provider equals the rate of return the capital provider expects to earn on other investments of equivalent risk.

b. **Earnings Capitalization Value (ECV) Method:** This method involves determination of the maintainable earnings level of the company from its operations, based on past and / or projected working results. These earnings are then capitalized at a rate, which in the opinion of the valuer combines an adequate expectation of reward from the enterprise risk, to arrive at the value of the company.

Out of the above methods, we have used approaches / methods as considered appropriate by us. The values arrived at under such approaches / methods has been tabled in the section 7 of this Report.

7. BASIS OF FAIR EQUITY SHARE EXCHANGE RATIO

7.1. The fair basis of the Proposed Merger would have to be determined after taking into consideration all the factors, approaches and methods considered appropriate by the respective Valuer. Though different

values have been arrived at under each of the above approaches / methods, for the purposes of recommending the Fair Equity Share Exchange Ratio it is necessary to arrive at a single value for the shares of the Companies involved in a merger such as the Proposed Merger. It is however important to note that in doing so, we are not attempting to arrive at the absolute values of the shares of the Companies but at their relative values to facilitate the determination of a Fair Equity Share Exchange Ratio. For this purpose, it is necessary to give appropriate weights to the values arrived at under each approach / method.

7.2. In the ultimate analysis, valuation will have to be arrived at by the exercise of judicious discretion by the valuer and judgments taking into account all the relevant factors. There will always be several factors, e.g. quality of the management, present and prospective competition, yield on comparable securities and market sentiment, etc. which are not evident from the face of the balance sheets but which will strongly influence the worth of a share. This concept is also recognized in judicial decisions. There is, therefore, no indisputable single exchange ratio. While we have provided our recommendation of the Fair Equity Share Exchange Ratio based on the information available to us and within the scope and constraints of our engagement, others may have a different opinion as to the Fair Equity Share Exchange Ratio of the equity shares of GFL and BBL. The final responsibility for the determination of the exchange ratio at which the Proposed Merger shall take place will be with the Boards of the Companies who should take into account other factors such as their own assessment of the Proposed Merger and input of other advisors.

7.3. The Fair Equity Share Exchange Ratio has been arrived at on the basis of a relative equity valuation of GFL and BBL based on the various approaches / methods explained herein earlier and various qualitative factors relevant to each company and the business dynamics and growth potentials of the businesses of these Companies, having regard to information base, key underlying assumptions and limitations.

7.4. We have independently applied methods discussed above, as considered appropriate, and arrived at their assessment of the value per equity share of GFL and BBL. To arrive at the consensus on the Fair Equity Share Exchange Ratio for the Proposed Merger, suitable minor adjustments / rounding off has been done in the values arrived at by the Valuers.

In light of the above, and on a consideration of all the relevant factors and circumstances as discussed and outlined herein above, we recommend the following Fair Equity Share Exchange Ratio for the Proposed Merger whose computation is as under:

The Computation of Fair Equity Share Exchange Ratio as derived by DHC, is given below:

Valuation Approach	GRUH Finance Limited		Bandhan Bank Limited	
	Value per Share (INR)	Weight	Value per Share (INR)	Weight
Asset Approach	23.60	0%	85.75	0%
Income Approach	NA	NA	NA	NA
Market Approach – Market Price Method	308.51	50%	554.30	50%
Market Approach – Comparable Companies Multiple Method	334.38	50%	577.54	50%
Relative Value per Share	**321.45**		**565.92**	
Exchange Ratio (rounded off)	**0.568**			

*N/A = Not Applicable

Desai Haribhakti & Co. Chartered Accountants

SRB & ASSOCIATES Chartered Accountants

The Computation of Fair Equity Share Exchange Ratio as derived by SRB, is given below:

Valuation Approach	GRUH Finance Limited		Bandhan Bank Limited	
	Value per Share (INR)	Weight	Value per Share (INR)	Weight
Asset Approach	23.60	0%	85.75	0%
Income Approach	NA	NA	NA	NA
Market Approach – Market Price Method	308.51	50%	554.30	50%
Market Approach – Comparable Companies Multiple Method	335.40	50%	578.61	50%
Relative Value per Share	**321.95**		**566.46**	
Exchange Ratio (rounded off)	**0.568**			

*N/A = Not Applicable

Ratio:

In light of the above, and on a consideration of all the relevant factors and circumstances as discussed and outlined herein above, we recommend the following Fair Equity Share Exchange Ratio for the Proposed Merger:

568 [Five hundred and Sixty Eight] equity shares of Bandhan Bank Limited of INR 10/- each fully paid up for every 1,000 [Thousand] equity shares of GRUH Finance Limited of INR 2/- each fully paid up.

Respectfully Submitted,

Desai Haribhakti & Co. Chartered Accountants ICAI Firm Registration Number: 323806E **Arvind Godhawala** *Partner* Membership No: 106621 Date: 7th January 2019 Place: Mumbai, India	SRB & Associates. Chartered Accountants ICAI Firm Registration Number: 310009E **Biswanath Paul** *Partner* Membership No: 068186 Date: 7th January 2019 Place: Mumbai, India

JM FINANCIAL

STRICTLY CONFIDENTIAL

January 7, 2019

The Board of Directors,
Gruh Finance Limited,
Netaji Marg, Nr. Mithakhali Six Roads,
Ellisbridge, Ahmedabad 380 006

Ladies / Gentlemen:

We refer to the engagement letter dated January 3, 2019 (**"Engagement Letter"**) whereby Gruh Finance Limited (**"Gruh"** or **"Company"**) has engaged JM Financial Limited (**"JM Financial"**), *inter alia,* to provide a fairness opinion to the Company on the share exchange ratio report dated January 7, 2019 (**"Share Exchange Ratio Report"**) issued jointly by Desai Haribhakti & Co., Chartered Accountants (**"DHC"** or **"Valuer"**) and SRB & Associates, Chartered Accountants (**"SRB"** or **"Valuer"**) (DHC and SRB are collectively referred as **"Valuers"**) for the proposed merger of Company into Bandhan Bank Limited (**"Bandhan Bank"**) on a going concern basis pursuant to a scheme of Amalgamation (the **"Proposed Scheme"**) under the provisions of Sections 230-232 of the Companies Act, 2013 and other applicable securities and capital market laws and rules issued thereunder to the extent applicable (the **"Proposed Merger"**).

Company Background and Purpose

Gruh, incorporated on 21st July 1986, is engaged in the business of providing home loans and is registered with the National Housing Bank as a housing finance institution. The equity shares of the Gruh are listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE" and together with the BSE, the "Stock Exchanges").

Bandhan Bank, incorporated on 23rd December 2014, is in the business of providing banking services and is licensed as banking company under the provisions of Banking Regulation Act, 1949. The equity shares of Bandhan Bank are listed on BSE and NSE.

The proposal envisages, inter alia, the amalgamation of Gruh into Bandhan Bank, whereby equity shares of Bandhan Bank will be issued to the shareholders of Gruh. The Company appointed Valuer has arrived at a swap ratio of 568 (Five Hundred and Sixty Eight) equity shares of Bandhan Bank of INR 10/- each fully paid up for every 1,000 (One Thousand) equity shares of Gruh of INR 2/- each fully paid up (**"Share Exchange Ratio"**). The Company in terms of the Engagement Letter requested us to issue our independent opinion as to the fairness of the Share Exchange Ratio recommended by the Valuers (**"Fairness Opinion"**).

Source of Information

For the said examination and for arriving at the opinion set forth below, we have received:

1. Share Exchange Ratio Report issued by the Valuers;
2. Draft of the Proposed Scheme; and
3. Certain explanations and information from the representatives of the Company.

JM Financial Limited
Corporate Identity Number : L67120MH1986PLC038784
Regd. Office: 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025.
T: +91 22 6630 3030 F: +91 22 6630 3330 www.jmfl.com

Scope Limitations

We have assumed and relied upon, without independent verification, the accuracy and completeness of all information that was publicly available or provided or otherwise made available to us by the Company for the purposes of this Fairness Opinion. We express no opinion, and accordingly, accept no responsibility with respect to or for such information, or the assumptions on which it is based, and, we have simply accepted this information on an "as is" basis, and, have not verified the accuracy and/or the completeness of the same from our end. We have not assumed any obligation to conduct, nor have we conducted any physical inspection or title verification of the properties or facilities of the Company or Bandhan Bank and neither express any opinion with respect thereto nor accept any responsibility therefore. We have not made any independent valuation or appraisal of the assets or liabilities of the Company or Bandhan Bank, nor have we been furnished with any such appraisals. We have not reviewed any internal management information statements or any non-public reports, and instead, with your consent, have relied upon information that was publicly available or provided or otherwise made available to us by the Company or Bandhan Bank on an "as is" basis for the purposes of this Fairness Opinion. We are not experts in the evaluation of litigation or other actual or threatened claims, and accordingly, we have not evaluated any litigation or other actual or threatened claims. In addition, we have assumed that the Proposed Scheme will be approved by regulatory authorities and that the Proposed Scheme will be consummated substantially in accordance with the terms set forth in the Proposed Scheme. We have assumed that there are no other contingent liabilities or circumstances that could materially affect the business or financial prospects of the Company or Bandhan Bank.

We understand that the management of the Company, during our discussion with them, would have drawn our attention to all such information and matters which may have an impact on our analysis and opinion. We have assumed that in the course of obtaining necessary regulatory or other consents or approvals for the Proposed Scheme, no restrictions will be imposed or there will be no delays that will have a material adverse effect on the benefits of the Proposed Scheme that may have been contemplated. Our opinion is necessarily based on financial, economic, market and other conditions as they currently exist and on the information made available to us as of the date hereof. It should be understood that although subsequent developments may affect this opinion, we do not have an obligation to update, revise or reaffirm this opinion. In arriving at our opinion, we were not authorized to solicit, and did not solicit, interest from any party with respect to the acquisition, business combination or other extraordinary transaction involving the Company or any of its assets, nor did we negotiate with any other party in this regard.

In the ordinary course of business, the JM Financial group is engaged in securities trading, securities brokerage and investment activities, as well as, providing investment banking and investment advisory services. In the ordinary course of its trading, brokerage and financing activities, any member of the JM Financial group may at any time hold long or short positions, and may trade or otherwise effect transactions, for its own account or the accounts of customers, in debt or equity securities or senior loans of any company that may be involved in the Proposed Scheme.

We express no opinion whatsoever and make no recommendation at all as to the Company's underlying decision to effect the Proposed Scheme or as to how the holders of equity shares or secured or unsecured creditors of Company should vote at their respective meetings held in

connection with the Proposed Scheme. We do not express and should not be deemed to have expressed any views on any other terms of the Proposed Scheme. We also express no opinion, and accordingly, accept no responsibility for or as to the price at which the equity shares of the Company or Bandhan Bank will trade following the announcement of the Proposed Scheme or as to the financial performance of the Company or Bandhan Bank following the consummation of the Proposed Scheme. We express no opinion whatsoever and make no recommendations at all (and accordingly take no responsibility) as to whether shareholders / investors should buy, sell or hold any stake in the Company or any of its related parties (holding company / subsidiary /associates etc) or Bandhan Bank.

Conclusion

Based on our examination of the Share Exchange Ratio Report, such other information / undertakings / representations provided to us by the Company and our independent analysis and evaluation of such information and subject to the scope limitations as mentioned hereinabove and to the best of our knowledge and belief, we are of the opinion that the Share Exchange Ratio is fair for the shareholders of the Company.

Distribution of the Fairness Opinion

The Fairness Opinion is addressed only to the Board of Directors of the Company. The Fairness Opinion shall not otherwise be disclosed or referred to publicly or to any other third party without JM Financial's prior written consent.

However, Company may provide a copy of the Fairness Opinion if requested / called upon by any regulatory authorities of India subject to Company promptly intimating JM Financial in writing about receipt of such request from the regulatory authority. The Fairness Opinion should be read in totality and not in parts. Further, this Fairness Opinion should not be used or quoted for any purpose other than the purpose mentioned hereinabove. If this Fairness Opinion is used by any person other than to whom it is addressed or for any purpose other than the purpose stated hereinabove, then, we will not be liable for any consequences thereof and shall not take any responsibility for the same. Neither this Fairness Opinion nor its contents may be referred to or quoted to / by any third party, in any registration statement, prospectus, offering memorandum, annual report, loan agreement or any other agreement or documents given to third parties. In no circumstances however, will JM Financial or its management, directors, officers, employees, agents, advisors, representatives and controlling persons of JM Financial accept any responsibility or liability including any pecuniary or financial liability to any third party.

Yours truly,

For **JM Financial Limited**

Authorized Signatory

BSE - PUBLIC

BSE
EXPERIENCE THE NEW

DCS/AMAL/SV/R37/1423/2019-20 **April 03, 2019**

The Company Secretary,
Gruh Finance Ltd.
Gruh, Netaji Marg, Near Mithakhali Six Roads,
Ellisbridge, Ahmedabad, Gujarat, 380006

Sir,

Sub: Observation letter regarding the Draft Scheme of amalgamation of Gruh Finance Limited with Bandhan Bank Ltd and its shareholders.

We are in receipt of Draft Scheme of amalgamation of Gruh Finance Limited with Bandhan Bank Ltd and its shareholders filed as required under SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017; SEBI vide its letter dated April 03,2019 has inter alia given the following comment(s) on the draft scheme of arrangement:

- **"Company shall ensure that additional information, if any, submitted by the Company, after filing the scheme with the Stock Exchange, and from the date of receipt of this letter is displayed on the websites of the listed company and the stock exchanges."**
- **"Company shall duly comply with various provisions of the Circulars."**
- **"Company is advised to comply with all the relevant RBI norms and the observations issued by RBI vide letter dated March 14, 2019."**
- **"Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the company is obliged to bring the observations to the notice of NCLT."**
- **"It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations."**

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble NCLT.

Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose information about unlisted companies involved in the format prescribed for abridged prospectus as specified in the circular dated March 10, 2017.

(2)

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the validity of this Observation Letter shall be six months from the date of this Letter, within which the scheme shall be submitted to the NCLT.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Yours faithfully,

Tushar Kamath
Deputy Gen Manager

Sabah Vaze
Associate Manager

National Stock Exchange Of India Limited

Ref: NSE/LIST/19749 April 03, 2019

The Company Secretary
Gruh Finance Limited
"GRUH", Netaji Marg,
Near Mithakali Six Road,
Ellisbridge, Ahmedabad – 380006
Gujarat

Kind Attn.: Mr. Marcus Lobo

Dear Sir,

Sub: Observation Letter for Scheme of Amalgamation between Gruh Finance Limited and Bandhan Bank Limited.

We are in receipt of the Scheme of Amalgamation between Gruh Finance Limited (Transferor Company) and Bandhan Bank Limited (Transferee Company) vide application dated January 12, 2019.

Based on our letter reference no Ref: NSE/LIST/72526 submitted to SEBI and pursuant to SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 ('Circular'), SEBI vide letter dated April 03, 2019, has given following comments:

a. *The Company shall ensure that additional information, if any, submitted by the Company, after filing the Scheme with the Stock Exchange and from the date of the receipt of this letter is displayed on the website of the listed company.*

b. *Bandhan Bank shall comply with all the relevant RBI Norms and the observations issued by RBI vide letter dated March 14, 2019.*

c. *The Company shall duly comply with various provisions of the Circular.*

d. *The Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the company is obliged to bring the observations to the notice of NCLT.*

e. *It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments/observations/ representations.*

It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to National Stock Exchange of India Limited again for its comments/observations/ representations.

This Document is Digitally Signed

Signer: Rajendra P Bhosale
Date: Wed, Apr 3, 2019 18:49:19 IST
Location: NSE

Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of Regulation 11 of SEBI (LODR) Regulations, 2015, we hereby convey our "No-objection" in terms of Regulation 94 of SEBI (LODR) Regulations, 2015, so as to enable the Company to file the draft scheme with NCLT.

However, the Exchange reserves its rights to raise objections at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Regulations, Guidelines / Regulations issued by statutory authorities.

The validity of this "Observation Letter" shall be six months from April 03, 2019, within which the scheme shall be submitted to NCLT.

Yours faithfully,
For **National Stock Exchange of India Limited**

Rajendra Bhosale
Manager

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL http://www.nseindia.com/corporates/content/further_issues.htm

This Document is Digitally Signed

Signer: Rajendra P Bhosale
Date: Wed, Apr 3, 2019 18:49:19 IST
Location: NSE

GRUH FINANCE LIMITED
We help you build homes

SEC: 2019
February 19, 2019

BSE Limited
PJ Towers, Dalal Street,
Mumbai 400001.

Scrip Code: 511288

Dear Sir/Ma'am,

Sub: Complaints Report in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") for the scheme of amalgamation between GRUH Finance Limited ("Transferor Company") into and with Bandhan Bank Limited ("Transferee Company") under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions ("Scheme of Amalgamation" or "Scheme").

This is with reference to the captioned application submitted by us on January 12, 2019.

In terms of paragraph 6(b) of Annexure I of the SEBI Circular bearing reference number CFD/DIL3/CIR/2017/21 dated March 10, 2017 ("SEBI Circular"), a listed entity is required to submit a "Report on Complaints" to the stock exchanges within 7 days of expiry of 21 days from the date of filing of the draft Scheme with the stock exchanges and hosting of the draft Scheme along with documents specified under paragraph 2 of Annexure I of the SEBI Circular on the websites of stock exchanges and such listed entity. It may be noted that the stock exchange, i.e. BSE Limited ("BSE") had hosted the draft Scheme of Amalgamation along with the required documents on its website on January 24, 2019 and was hosted on January 23, 2019 by NSE. The SEBI Circular requires the Reports on Complaints to be in the format prescribed in Annexure III of the SEBI Circular.

In view of the above, we enclose the "Report on Complaints" as per the format prescribed under the said SEBI Circular.

It may be noted that the Transferor Company (i.e., GRUH Finance Limited) has received six complaints/comments from its shareholders with respect to the said Scheme from January 23, 2019 (being the first date of uploading of the Scheme on NSE) till the close of business hours on February 14,2019 either directly or through the stock exchanges, i.e. NSE or BSE Limited or through SEBI.

GRUH FINANCE LTD. AHMEDABAD

GRUH FINANCE LIMITED

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As required under paragraph 8 of Annexure I of the SEBI Circular, the Transferor Company will upload the "Report on Complaints" on its website, www.gruh.com.

Thanking you,

Yours faithfully,

For GRUH Finance Limited

Marcus Lobo
Company Secretary
Membership No. F4256

Encl. a/a

GRUH FINANCE LTD. AHMEDABAD

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Complaints Report

Part A

S.N.	Particulars	Number
1.	Number of complaints/comments received directly	6
2.	Number of complaints forwarded by Stock Exchange	Nil
3.	Total Number of complaints/comments received (1+2)	6
4.	Number of complaints resolved	6
5.	Number of complaints pending	Nil

Part B

S.N.	Name of complainant	Date of complaint/ comment	Status (Resolved/Pending)
1.	Mr. Atul Vyas	09/01/2019, 18/01/2019 & 30/01/2019	Resolved
2.	Mr. Bharat (Barry) Sahgal	09/01/2019 & 23/01/2019	Resolved
3.	Mr. Sanjay Arora	25/01/2019	Resolved
4.	Mr. Chetan Jayantilal Shah	23/01/2019 & 24/01/2019	Resolved
5.	Mr. Hemant Amin	23/01/2019	Resolved
6.	Mr. Megh Manseta	24/01/2019	Resolved

For, GRUH FINANCE LTD.

MARCUS LOBO
COMPANY SECRETARY

GRUH FINANCE LTD. AHMEDABAD

GRUH FINANCE LIMITED
We help you build homes

SEC: 2019
February 19, 2019

National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1, G Block,
Bandra Kurla Complex,
Bandra (East),
Mumbai - 400 051

Scrip Code: GRUH

Dear Sir/Ma'am,

Sub: Complaints Report in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") for the scheme of amalgamation between GRUH Finance Limited ("Transferor Company") into and with Bandhan Bank Limited ("Transferee Company") under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions ("Scheme of Amalgamation" or "Scheme").

This is with reference to the captioned application submitted by us on January 12, 2019.

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In view of the above, we enclose the "Report on Complaints" as per the format prescribed under the said SEBI Circular.

It may be noted that the Transferor Company (i.e., GRUH Finance Limited) has received six complaints/ comments from its shareholders with respect to the said Scheme from January 23, 2019 (being the date of uploading of the scheme by NSE) till the close of business hours on February 13, 2019 either directly or through the stock exchanges, i.e. NSE or BSE Limited or through SEBI.

GRUH FINANCE LTD. AHMEDABAD

GRUH FINANCE LIMITED

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As required under paragraph 8 of Annexure I of the SEBI Circular, the Transferor Company will upload the "Report on Complaints" on its website, www.gruh.com.

Thanking you,

Yours faithfully,

For GRUH Finance Limited

Marcus Lobo
Company Secretary
Membership No. F4256

Encl. a/a

GRUH FINANCE LIMITED
We help you build homes

Complaints Report

Part A

S.N.	Particulars	Number
1.	Number of complaints/comments received directly	6
2.	Number of complaints forwarded by Stock Exchange	Nil
3.	Total Number of complaints/comments received (1+2)	6
4.	Number of complaints resolved	6
5.	Number of complaints pending	Nil

Part B

S.N.	Name of complainant	Date of complaint/ comment	Status (Resolved/Pending)
1.	Mr. Atul Vyas	09/01/2019, 18/01/2019 & 30/01/2019	Resolved
2.	Mr. Bharat (Barry) Sahgal	09/01/2019 & 23/01/2019	Resolved
3.	Mr. Sanjay Arora	25/01/2019	Resolved
4.	Mr. Chetan Jayantilal Shah	23/01/2019 & 24/01/2019	Resolved
5.	Mr. Hemant Amin	23/01/2019	Resolved
6.	Mr. Megh Manseta	24/01/2019	Resolved

For, GRUH FINANCE LTD.

MARCUS LOBO
COMPANY SECRETARY

GRUH FINANCE LTD. AHMEDABAD

GRUH FINANCE LIMITED
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Summary of Joint Valuation Report

1. GRUH Finance Limited ("**GRUH**") appointed Desai Haribhakti & Co., Chartered Accountants ("DHC") and Bandhan Bank Limited ("**Bandhan**") appointed SRB & Associates, Chartered Accountants ("**SRB**") for recommendation of the fair equity share exchange ratio ("**Fair Equity Share Exchange Ratio**") for the proposed merger of GRUH with Bandhan (hereinafter jointly referred to as "**Companies**") on a going concern basis with effect from the proposed Appointed Date (as defined in the Scheme). Accordingly, DHC and SRB (hereinafter jointly referred to as "**Valuers**") had issued a joint valuation report dated January 7, 2019 ("**Valuation Report**"). The Fair Equity Share Exchange Ratio for the Valuation Report referred to the number of equity shares of Bandhan of face value Rs. 10 (Rupees ten) each which would be issued to equity shareholders of GRUH in lieu of their equity shareholding in GRUH pursuant to the proposed merger.

2. The Valuers performed the valuation analysis, to the extent applicable, in accordance with the Indian Valuation Standards, 2018 issued by the Institute of Chartered Accountants of India ("**IVS**"). The recommendation of the Fair Equity Share Exchange Ratio was arrived on the basis of a relative valuation (not absolute valuation) of equity shares of the Companies, which was based on the following valuation approaches, namely (i) Asset Approach; (ii) Income Approach; (iii) Market Approach - Market Price Method; and (iv) Market Approach - Comparable Companies Multiple method and various qualitative factors relevant to each company and business dynamics and growth potential of the businesses of the Transferor and Transferee Company, having regard to the information base, management representations, key underlying assumptions and limitations as specified in the Valuation Report.

3. The relevant approaches adopted and weightages provided to such approaches are summarized herein below for ease of reference:

Approach	SRB & Associates		Desai Haribhakti & Co.	
	GRUH	Bandhan	GRUH	Bandhan
Asset	Rs. 23.60 Weightage (Nil)*	Rs. 85.75 Weightage (Nil) *	Rs. 23.60 Weightage (Nil) *	Rs. 85.75 Weightage (Nil) *
Income**	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Market Approach - Market Price Method	Rs. 308.51 Weightage: 50%	Rs. 554.30 Weightage: 50%	Rs. 308.51 Weightage: 50%	Rs. 554.30 Weightage: 50%
Market Approach - Comparable Companies Multiple Method	Rs. 335.40 Weightage: 50%	Rs. 578.61 Weightage: 50%	Rs. 334.38 Weightage: 50%	Rs. 577.54 Weightage: 50%

** As the valuation were proceeded on the basis of going concern basis, underlying asset value was of limited relevance, as evidenced by the Nil Weightage.*
***in absence of projections, discounted cash flow method under income approach could not be considered.*

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4. Basis the aforesaid valuation, SRB arrived at the Relative value per share of GRUH at Rs. 321.95 and for Bandhan at Rs. 566.46. On the other hand, the relative values derived by DHC for GRUH and Bandhan were Rs. 321.45 and Rs. 565.92 respectively. Accordingly, an exchange ratio of 0.568 was arrived at and the following Fair Equity Share Exchange Ratio was suggested:

> *For every 1,000 fully paid up equity shares of face value of Rs. 2 (Rupees two) each held in the Transferor Company as on the Record Date (as defined in the Scheme), the equity shareholders of the Transferor Company shall receive 568 fully paid-up equity shares of Transferee Company of face value of Rs. 10 (Rupees ten) each credited as fully paid up in Transferee Company.*

5. GRUH appointed JM Financial Limited to provide an independent opinion to the board of directors of GRUH on the fairness of the Fair Equity Share Exchange Ratio recommended by the Valuers. JM Financial Limited has carried out their independent analysis and *vide* their report dated January 7, 2019 opined to the board of directors of GRUH that the Fair Equity Share Exchange Ratio is fair.

6. Bandhan appointed Kotak Mahindra Capital Company Limited to provide an independent opinion to the board of directors of Bandhan on the fairness of the Fair Equity Share Exchange Ratio recommended by the Valuers. Kotak Mahindra Capital Company Limited has carried out their independent analysis and *vide* their report dated January 7, 2019 opined to the board of directors of Bandhan that the Fair Equity Share Exchange Ratio is fair.

For GRUH Finance Limited

Marcus Lobo
Company Secretary

GRUH FINANCE LTD. AHMEDABAD

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REPORT ADOPTED BY THE BOARD OF DIRECTORS OF GRUH FINANCE LIMITED AT ITS MEETING HELD ON JANUARY 7, 2019 EXPLAINING THE EFFECT OF THE SCHEME ON EQUITY SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS:

1. Background

1.1. The board of directors ("**Board**") of GRUH Finance Limited ("**Transferor Company**") at its meeting held on January 7, 2019 approved a scheme of amalgamation between the Transferor Company and Bandhan Bank Limited ("**Transferee Company**") under sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("**Companies Act**"), Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and other rules and regulations framed thereunder ("**Scheme**"). The Transferor Company and the Transferee Company are together referred to as the "Amalgamating Companies".

1.2. As per the provisions of section 232(2)(c) of the Companies Act, the directors of the Transferor Company are required to adopt a report explaining the effect of the Scheme on equity shareholders, key managerial personnel, promoters and non-promoter shareholders of the company, laying out, in particular, the share exchange ratio, and the same is required to be circulated to the equity shareholders and creditors along with the notice convening their meetings. This report has, accordingly been made for adoption by the Board, in pursuance of the requirements under section 232(2)(c) of the Companies Act.

1.3. The following documents were placed before the Board:

(i) draft Scheme;
(ii) joint valuation report dated January 7, 2019 issued by M/s. Desai Haribhakti & Co. and M/s. SRB & Associates, chartered accountants ("**Valuation Report**");
(iii) fairness opinion dated January 7, 2019 issued by JM Financial Limited, a SEBI registered merchant banker opining on the fairness of the share exchange ratio as recommended in the Valuation Report ("**Fairness Opinion**"); and
(iv) report of the audit committee of the Board dated January 7, 2019, recommending the draft Scheme to the Board for approval.

2. Effect of the Scheme

2.1. The Scheme contemplates amalgamation of the Transferor Company into the Transferee Company pursuant to the provisions of sections 230 to 232 of the Companies Act and other applicable provisions, and the dissolution without winding up of the Transferor Company pursuant thereto. It does not contemplate any compromise or arrangement with any other class of persons, apart from the shareholders of the respective companies.

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2.2. Upon the Scheme becoming effective, the existing equity share capital of the Transferor Company shall stand cancelled, and in consideration of the amalgamation of the Transferor Company in the Transferee Company, the Transferee Company shall, without any further application, act or deed, issue and allot to the shareholders of the Transferor Company, 568 (five hundred sixty eight) equity shares, credited as fully paid-up, for every 1000 (one thousand) equity shares of the face value of Rs. 2 (Rupees two) each fully paid-up held by such member in the Transferor Company, as stipulated in Clause 5.1 of Part III of the Scheme. The share exchange ratio for issue and allotment of equity shares to the shareholders of the Transferor Company has been fixed on a fair and reasonable basis and on the basis of the joint Valuation Report. JM Financial Limited, a SEBI registered merchant banker, by its Fairness Opinion, has also confirmed that the share exchange ratio is fair and proper.

2.3. The effect of the proposed Scheme on the stakeholders of the Company would be as follows:

a. *Shareholders (promoter and non-promoter)*

Under the Scheme, an arrangement is sought to be entered into between the Transferor Company and its equity shareholders. Upon the Scheme becoming effective, the equity shareholders of the Transferor Company, shall become the equity shareholders of the Transferee Company in the manner as stipulated in Clause 5.1 of Part III of the Scheme. Further, the authorised share capital of the Transferor Company shall stand transferred to and be amalgamated/ combined with the authorised share capital of the Transferee Company in the manner as stipulated in Clause 4.1 of Part III of the Scheme.

The Transferor Company has 1 (one) promoter entity, namely Housing Development Finance Corporation Limited. The promoter of the Transferor Company shall not be part of the promoter or promoter group of the merged Transferee Company, and shall be issued such number of shares in the Transferee Company as it may be entitled to pursuant to the Scheme and subject to the approval of the Reserve Bank of India.

b. *Directors, key managerial personnel and employees*

As stated in Clause 1.2 (n) of Part III of the Scheme, with effect from the Effective Date (*as defined in the Scheme*), the Transferee Company has undertaken to engage all the staff and employees of the Transferor Company without any break or interruption in their services and on the same terms and conditions (and which are not less favourable than those) on which they are engaged by the Transferor Company as on the Effective Date. In the circumstances, the rights of the staff and employees of the Transferor Company would in no way be affected by the Scheme.

Upon the Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up. In the circumstances, the directors and key managerial personnel of the Transferor Company shall cease to be the directors and key managerial personnel of the Transferor Company.

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The directors, key managerial personnel of the Transferor Company and their relatives may be deemed to have an interest in the Scheme to the extent of the equity shares held by them in the Amalgamating Companies and/or to the extent that the said director(s), key managerial personnel and their respective relatives are the director(s), members, of the companies that hold shares in the Amalgamating Companies. Save as aforesaid, none of the said director(s) or key managerial personnel have any interest in the Scheme. None of the directors of the Transferor Company or key managerial personnel of the Transferor Company hold shares exceeding two per cent. of the paid-up share capital of the Transferee Company.

c. *Creditors (including debenture holders and deposit holders)*

Under the Scheme, there is no arrangement with the creditors, either secured (including secured debenture holders) or unsecured (including unsecured debenture holders and deposit holders) of the Transferor Company. No compromise is offered under the Scheme to any of the creditors of the Transferor Company. The liabilities of the creditors of the Transferor Company, under the Scheme, is neither being reduced nor being extinguished. The creditors of the Transferor Company would in no way be affected by the Scheme.

Under the Scheme, no arrangement is sought to be entered into between the Transferor Company and its debenture holders (either secured or unsecured). No rights of the debenture holders of the Transferor Company are being affected pursuant to the Scheme. The debenture trustee(s) appointed for the different series of the debentures shall continue to remain the debenture trustee(s). Thus, the debenture holders of the Transferor Company would in no way be affected by the Scheme.

Under the Scheme, no arrangement is sought to be entered into between the Transferor Company and its deposit holders. No rights of the deposit holders of the Transferor Company are being affected pursuant to the Scheme. There are no deposit trustee(s) in respect of the deposits invited by the Transferor Company. Thus, the deposit holders of the Transferor Company would in no way be affected by the Scheme.

3. **Valuation**

No special valuation difficulties were reported by the valuers.

For and on behalf of the board of directors of GRUH Finance Limited:

Marcus Lobo
Company Secretary
Place : Mumbai
Date : January 7, 2019

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STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2018

(Rs. in crore)

Particulars	Quarter ended Dec 31, 2018	Quarter ended Sept 30, 2018	Quarter ended Dec 31, 2017	Nine Months ended Dec 31, 2018	Nine Months ended Dec 31, 2017
	Reviewed				
Income from Operations :					
a) Revenue from Operations	540.06	480.54	432.75	1,472.79	1,253.38
b) Other Income	0.00	0.00	0.00	0.00	0.00
Total Income from Operations	**540.06**	**480.54**	**432.75**	**1,472.79**	**1,253.38**
Expenditure :					
a) Finance Cost	373.40	289.78	252.13	926.61	731.56
b) Employee Benefit Expenses	16.13	20.85	12.90	51.97	46.49
c) Other Expenses	13.12	14.61	11.34	41.19	33.74
d) Depreciation and Amortisation	0.88	0.87	0.77	2.58	2.19
e) Provisions for Expected Credit Loss and Write offs	1.52	8.47	26.02	13.76	60.16
Total Expenditure	**405.05**	**334.58**	**303.16**	**1,036.11**	**874.14**
Profit Before Tax	**135.01**	**145.96**	**129.59**	**436.68**	**379.24**
Tax Expense					
- Current Tax	38.13	43.29	44.36	121.82	121.38
- Deferred Tax	(0.07)	(2.82)	(5.61)	(2.69)	(16.79)
Total Tax Expense	**38.06**	**40.47**	**38.75**	**119.13**	**104.59**
Net Profit After Tax	**96.95**	**105.49**	**90.84**	**317.55**	**274.65**
Other Comprehensive Income (net of tax)	(0.15)	(0.10)	(0.22)	(0.32)	(0.53)
Total Comprehensive Income	**96.80**	**105.39**	**90.62**	**317.23**	**274.12**
Earnings per Share (of Rs. 2 each) # (Not Annualised) - Basic (Rs.)	1.32	1.44	1.24	4.33	3.76
- Diluted (Rs.)	1.32	1.44	1.24	4.33	3.76
Paid-up Equity Share Capital (Face Value of Rs. 2 each)	146.55	146.48	73.13	146.55	73.13

Earnings per Share for corresponding period in previous year have been adjusted to give impact of bonus shares issued during June'2018.

NOTES :

1. The Company has adopted Indian Accounting Standards (Ind AS) with effect from April 1, 2018 with comparative figures being restated to make them comparable. The above financial results have been prepared in accordance with the recognition and measurement principles laid down in Ind AS 34 - Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 read with relevant Rules issued thereunder and other accounting principles generally accepted in India.

   Further transition adjustments may be required to these financial results including those arising from new or revised standards or interpretations issued by the Ministry of Corporate Affairs and National Housing Bank, as applicable.

2. Loan Assets have increased from Rs. 14,775 crore as on December 31, 2017 to Rs. 16,852 crore as on December 31, 2018 registering a growth of 14%.

3. The Company's main business is to provide loans for purchase or construction of residential houses. All other activities of the Company revolve around the main business. As such, there are no separate reportable segments, as per the Ind AS 108 "Operating Segments" specified under section 133 of the Companies Act, 2013.

4. As required by paragraph 32 of Ind AS 101, net profit reconciliation between the figures reported, net of tax, under erstwhile Indian GAAP and Ind AS is given below:

(Rs. in crore)

Particulars	Quarter ended Dec 31, 2017	Nine Months ended Dec 31, 2017
Net Profit reported as per previous Indian GAAP	**82.16**	**232.17**
Add / (Less) : Adjustments for GAAP Differences		
Increase in Employee Benefit Expenses due to Fair Valuation of Employee Stock options	(0.88)	(3.01)
Increase in Interest Income pursuant to application of Effective Interest Rate (EIR) Method	4.28	12.69
Increase in Borrowing cost pursuant to application of Effective Interest Rate (EIR) Method	(0.38)	(1.85)
Reclassification of net Actuarial loss on Employee defined Benefit obligation to Other Comprehensive Income (OCI)	0.22	0.53
Provision for Expected Credit Loss	(1.83)	14.84
Deferred Tax	7.27	19.28
Net Profit Before Other Comprehensive Income as per Ind AS	**90.84**	**274.65**
Other Comprehensive Income after Tax	(0.22)	(0.53)
Total Comprehensive Income as per Ind AS	**90.62**	**274.12**

5. During the nine months, the Company has allotted 12,90,020 (previous nine months 10,69,887) Equity Shares pursuant to exercise of stock options by employees.

BSR & Co. LLP * CHARTERED ACCOUNTANTS * DELOITTE HASKINS & SELLS LLP

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6. The Board of Directors of the Company, at its meeting held on January 7, 2019, approved a Scheme of Amalgamation, for the merger of GRUH Finance Limited with Bandhan Bank Limited with effect from proposed Appointed Date of January 1, 2019, subject to regulatory and other approvals as applicable.

7. The financial results have been prepared in accordance with the circular no. LIST/COMP/27/2018-19 and NSE/CML/2018/32 issued by BSE and NSE respectively on November 22, 2018.

The above results for the quarter and nine-months ended December 31, 2018, which have been subjected to a 'Limited Review' by the Auditors of the Company, were reviewed and recommended by the Audit Committee of Directors and subsequently approved by the Board of Directors at its meeting held on January 25, 2019 in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm Registration No. 117366W/W-100018

Gaurav J Shah
Partner
Membership No. 35701

Mumbai
January 25, 2019

For GRUH Finance Limited

Sudhin Choksey
Managing Director
DIN : 00036085

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UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2018

(Rs. in crore)

Particulars	Quarter ended Dec 31, 2018	Nine Months ended Dec 31, 2018	Quarter ended Dec 31, 2017
	Reviewed		
Total Income from Operations (net)	540.06	1,472.79	432.75
Net Profit for the period (before tax and Extraordinary items)	135.01	436.68	129.59
Net Profit for the period before tax (after Extraordinary items)	135.01	436.68	129.59
Net Profit for the period after tax (after Extraordinary items)	96.95	317.55	90.84
Total Comprehensive income for the period	96.80	317.23	90.62
Equity Share Capital (Face value of Rs.2)	146.55	146.55	73.13
Earnings Per Share (before extraordinary items) (of Rs.2/- each)#			
Basic :	1.32	4.33	1.24
Diluted :	1.32	4.33	1.24
Earnings Per Share (after extraordinary items) (of Rs.2/- each)#			
Basic :	1.32	4.33	1.24
Diluted :	1.32	4.33	1.24

Not annualised and Earnings Per Share for the quarter ended December 31, 2017 have been adjusted to give impact of bonus shares issued during June'2018

Note :

1. The above results of the Company have been reviewed and recommended by the Audit Committee and approved by the Board of Directors of the Company at its meeting held on January 25, 2019.

2. The financial results of the Company for the quarter and nine-months ended December 31, 2018 is prepared in compliance with Ind AS and have been subjected to limited review by the Statutory Auditors of the Company. The comparative figures for the corresponding period in previous year have been restated to confirm to current period in accordance with Ind AS norms.

3. The Board of Directors of the Company, at its meeting held on January 7, 2019, approved a Scheme of Amalgamation, for the merger of GRUH Finance Limited with Bandhan Bank Limited with effect from proposed Appointed Date of January 1, 2019, subject to regulatory and other approvals as applicable.

4. The above is an extract of the detailed Quarterly and nine-months Financial Results filed with the BSE Limited and National Stock Exchange of India Limited under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The full Financial Results are available on www.bseindia.com, www.nseindia.com and on the Company's website www.gruh.com.

For GRUH Finance Limited

Sudhin Choksey
Managing Director
DIN : 00036085

Mumbai
January 25, 2019

Deloitte
Haskins & Sells LLP

Chartered Accountants
19th Floor, Shapath - V
S G Highway
Ahmedabad - 380 015
Gujarat, India

Tel: +91 79 6682 7300
Fax: +91 79 6682 7400

INDEPENDENT AUDITORS' REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF
GRUH FINANCE LIMITED

1. We have reviewed the accompanying Interim Statement of Unaudited Financial Results of **GRUH FINANCE LIMITED** (the "Company") for the quarter and nine months ended December 31, 2018 (the "Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

4. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Gaurav J. Shah
Partner
(Membership No. 35701)

MUMBAI, January 25, 2019

Bandhan Bank Limited
DN-32, Sector V, Salt Lake, Kolkata - 700091
CIN: U67190WB2014PLC204622
Tel: 033-66090909; www.bandhanbank.com; Email: info@bandhanbank.com

FINANCIAL RESULT FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2018

(₹ in lacs)

	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31.12.2018	30.09.2018	31.12.2017	31.12.2018	31.12.2017	31.03.2018
		Unaudited	Unaudited	Unaudited	Unaudited	Audited	Audited
1	**Interest Earned (a+b+c+d)**	**164,955.28**	**160,564.07**	**117,822.50**	**481,136.60**	**345,170.17**	**480,229.63**
	a) Interest/discount on advances/bills	143,555.39	139,984.13	95,488.59	413,344.81	264,508.39	382,360.24
	b) Income on Investments	15,125.34	15,944.01	12,975.30	46,158.25	35,355.42	49,002.21
	c) Interest on balance with Reserve Bank of India and other inter bank funds	1,260.31	1,254.45	2,109.17	5,975.77	13,204.17	14,161.07
	d) Others	5,014.24	3,381.48	7,249.44	15,657.77	32,102.19	34,706.11
2	Other Income	23,409.85	23,043.51	15,820.19	67,522.22	50,280.53	70,618.46
3	**Total Income (1+2)**	**188,365.13**	**183,607.58**	**133,642.69**	**548,658.82**	**395,450.70**	**550,848.09**
4	Interest Expended	52,555.14	52,818.70	44,644.45	157,274.04	128,286.99	177,006.04
5	Operating Expenses	45,762.33	43,389.55	31,551.55	131,886.40	94,533.52	130,831.04
	i) Employees Cost	25,575.48	23,415.74	16,295.59	73,876.32	49,937.89	68,798.01
	ii) Other Operating Expenses	20,186.85	19,973.81	15,255.96	58,010.08	44,595.63	62,033.03
6	**Total Expenditure (4+5) (Excluding provisions & Contingencies)**	**98,317.47**	**96,208.25**	**76,196.00**	**289,160.44**	**222,820.51**	**307,837.08**
7	**Operating Profit before Provisions & Contingencies (3-6)**	**90,047.66**	**87,399.33**	**57,446.69**	**259,498.38**	**172,630.19**	**243,011.01**
8	Provisions (other than tax) & Contingencies	37,764.69	12,417.86	12,254.63	58,185.34	26,512.70	37,421.27
9	Exceptional Items	-	-	-	-	-	-
10	Profit/(Loss) from ordinary activities before tax (7-8-9)	52,282.97	74,981.47	45,192.06	201,313.04	146,117.49	205,589.74
11	Tax Expenses	19,156.29	26,216.30	15,187.55	71,249.97	50,347.49	71,034.06
12	Net Profit/(Loss) from ordinary activities after tax (10-11)	33,126.68	48,765.17	30,004.51	130,063.07	95,770.00	134,555.68
13	Extraordinary items (net of tax expenses)	-	-	-	-	-	-
14	**Net Profit/(Loss) for the period (12-13)**	**33,126.68**	**48,765.17**	**30,004.51**	**130,063.07**	**95,770.00**	**134,555.68**
15	Paid up equity share capital (Face value of ₹10/- each)	119,280.49	119,280.49	109,514.10	119,280.49	109,514.10	119,280.49
16	Reserve excluding revaluation reserves						818,914.22
17	Analytical Ratios						
	(i) Percentage of shares held by Government of India	NIL	NIL	NIL	NIL	NIL	NIL
	(ii) Capital Adequacy Ratio	32.81	32.59	24.85	32.81	24.85	31.48
	(iii) Earning per share	-					
	(a) Basic EPS before & after extraordinary items*	2.78	4.09	2.74	10.90	8.74	12.26
	(b) Diluted EPS before & after extraordinary items*	2.77	4.08	2.74	10.89	8.74	12.26
	(iv) NPA Ratios						
	(a) Gross NPAs	83,102.21	41,334.78	38,629.44	83,102.21	38,629.44	37,314.06
	(b) Net NPAs	23,671.11	22,036.32	18,412.15	23,671.11	18,412.15	17,290.38
	(c) % of Gross NPAs to Gross Advances	2.41%	1.29%	1.67%	2.41%	1.67%	1.25%
	(d) % of Net NPAs to Net Advances	0.70%	0.69%	0.80%	0.70%	0.80%	0.58%
	(v) Return on Assets (average)*	0.73%	1.08%	0.92%	2.92%	3.07%	4.06%

* Figures for the quarter and nine months are not annualised

S.R. BATLIBOI & ASSOCIATES LLP ★ MUMBAI ★ CHARTERED ACCOUNTANTS

Bandhan Bank Limited ★ Kolkata ★

Bandhan Bank Limited
DN-32, Sector V, Salt Lake, Kolkata - 700091
CIN: U67190WB2014PLC204622
Tel: 033-66090909; www.bandhanbank.com; Email: info@bandhanbank.com

Segment information in accordance with the Accounting standard on Segment Reporting (AS 17) of the operating segment of the bank is as under:

(₹ in lacs)

	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31.12.2018	30.09.2018	31.12.2017	31.12.2018	31.12.2017	31.03.2018
		Unaudited	Unaudited	Unaudited	Unaudited	Audited	Audited
1	**Segment Revenue**						
a)	Treasury	17,421.23	18,758.19	16,513.95	56,107.88	55,604.57	70,673.14
b)	Retail Banking	168,804.39	162,081.09	123,261.18	484,360.57	357,843.67	492,813.47
c)	Wholesale Banking	4,468.49	4,374.38	2,516.28	13,526.46	6,172.75	10,053.86
d)	Other Banking Operations	699.46	662.30	-	1,659.68	-	853.73
e)	Unallocated	-	-	-	-	-	-
	Total	191,393.57	185,875.96	142,291.41	555,654.59	419,620.99	574,394.20
	Less: Inter segment revenue	3,028.44	2,268.38	8,648.72	6,995.77	24,170.29	23,546.11
	Income from operations	**188,365.13**	**183,607.58**	**133,642.69**	**548,658.82**	**395,450.70**	**550,848.09**
2	**Segment Results**						
a)	Treasury	21,777.05	9,108.68	344.91	40,439.24	15,301.38	22,139.08
b)	Retail Banking	68,055.98	64,576.88	44,922.15	196,170.00	130,147.16	179,696.01
c)	Wholesale Banking	(38,215.05)	671.71	(75.00)	(36,838.51)	668.95	2,906.44
d)	Other Banking Operations	664.99	624.20	-	1,542.31	-	848.21
e)	Unallocated	-	-	-	-	-	-
	Total Profit Before Tax	**52,282.97**	**74,981.47**	**45,192.06**	**201,313.04**	**146,117.49**	**205,589.74**
3	**Segment Assets**						
a)	Treasury	994,358.59	1,123,726.54	826,371.84	994,358.59	826,371.84	1,180,924.15
b)	Retail Banking	3,462,920.20	3,257,604.19	2,405,588.78	3,462,920.20	2,405,588.78	3,033,844.98
c)	Wholesale Banking	203,361.09	161,083.48	77,028.35	203,361.09	77,028.35	200,028.48
d)	Other Banking Operations	196.92	161.92	-	196.92	-	337.92
e)	Unallocated	18,631.53	17,861.87	12,936.57	18,631.53	12,936.57	15,870.08
	Total	**4,679,468.33**	**4,560,438.00**	**3,321,925.54**	**4,679,468.33**	**3,321,925.54**	**4,431,005.61**
4	**Segment Liabilities**						
a)	Treasury	30,814.99	208,038.71	136,263.68	30,814.99	136,263.68	180,409.30
b)	Retail Banking	3,500,158.25	3,258,760.58	2,588,332.74	3,500,158.25	2,588,332.74	3,140,510.27
c)	Wholesale Banking	91,837.98	61,564.62	51,011.48	91,837.98	51,011.48	169,473.35
d)	Other Banking Operations	-	-	-	-	-	-
e)	Unallocated	2,779.22	11,322.88	5,902.11	2,779.22	5,902.11	2,417.98
	Total	**3,625,590.44**	**3,539,686.79**	**2,781,510.01**	**3,625,590.44**	**2,781,510.01**	**3,492,810.90**
5	**Capital Employed**						
a)	Treasury	963,543.60	915,687.83	690,108.16	963,543.60	690,108.16	1,000,514.85
b)	Retail Banking	(37,238.05)	(1,156.39)	(182,743.96)	(37,238.05)	(182,743.96)	(106,665.29)
c)	Wholesale Banking	111,523.11	99,518.86	26,016.87	111,523.11	26,016.87	30,555.13
d)	Other Banking Operations	196.92	161.92	-	196.92	-	337.92
e)	Unallocated	15,852.31	6,538.99	7,034.46	15,852.31	7,034.46	13,452.10
	Total	**1,053,877.89**	**1,020,751.21**	**540,415.53**	**1,053,877.89**	**540,415.53**	**938,194.71**

S.R. BATLIBOI & ASSOCIATES LLP * MUMBAI * CHARTERED ACCOUNTANTS

Bandhan Bank Limited Kolkata

Notes:

1 The above results were reviewed by the Audit Committee and approved by the Board of Directors of the Bank at its meeting held on January 10, 2019. The results for the quarter and nine months ended December 31, 2018 are subjected to 'Limited Review' by the Statutory Auditors of the Bank and there are no qualifications in the limited review report.

2 On January 7, 2019, the Board of Directors of the Bank approved a merger of Gruh Finance Limited with the Bank in an all stock transaction through a Composite Scheme of Arrangement. The Scheme is subject to the approval of the Reserve Bank of India (RBI), the Competition Commission of India (CCI), the Securities and Exchange Board of India (SEBI)/Stock Exchange, the National Housing Board (NHB), the respective Shareholders and Creditors of each entities and the National Company Law Tribunal (NCLT). The appointed date for the transaction is proposed to be January 1, 2019 and the effective date is based on the receipt of the aforesaid approvals. Pending the same, the proposed transaction does not have any impact on the current financial result or the financial position of the Bank as at December 31, 2018.

3 Other income relates to processing fee, sale of Priority Sector Lending Certificates, card charges recovered from customers and profit from sale of investments.

4 As at December 31, 2018, the total number of branches, DSCs and ATM network stood at 978 Branches, 3014 DSCs and 480 ATMs respectively.

5 RBI Master Circular DBR.No.BP.BC.1/21.06.201/2015-16 dated July 1, 2015 as amended on 'Basel III Capital Regulations' contain guidelines on certain Pillar 3 and leverage ratio disclosure requirements that are to be made along with the publication of financial results. Accordingly, such applicable disclosures have been placed on the website of the Bank which can be accessed at the following link: http://www.bandhanbank.com. These disclosures are not subjected to limited review by the statutory auditors.

6 In accordance with RBI circular no. DBR.No.BP.BC.113 /21.04.048/2017-18 dated June 15, 2018, the Bank was amortising the mark-to-mark losess incured in the quarter ended June 30, 2018 on its AFS/HFT category. However, during the quarter ended December 31, 2018, the brought forward unamortised depreciation balance of Rs. 43.38 Crores has been fully offset against the appreciation recorded in the AFS/HFT investments.

7 The Bank has received Rs.276.85 crores during the nine months ended December 31, 2018 from sale of Priority Sector Lending Certificates. Out of the aforesaid amount, Rs.203.57 crores has been recognised in the profit and loss account during the nine months ended December 31, 2018. The remaining amount of Rs 73.28 crores will be recognised in the profit and loss account over the remaining quarter. In the previous year, income from sale of Priority Sector Lending Certificates were recognised upfront.

8 Provision and contingencies for the quarter ended December 31,2018 includes a provision of Rs. 384.95 crore made on a prudent basis, in respect of an exposure to a borrower from infrastructure development and finance sector, which was classified as non performing asset and fully provided for during the quarter. The profit before tax for the quarter is lower to that extent.

9 Figures of the previous year/period have been regrouped / reclassified wherever necessary to conform to current year/period's classification.

For Bandhan Bank Limited

Bandhan Bank Limited Kolkata

Chandra Shekhar Ghosh
Managing Director & CEO

Place : Mumbai
Date : 10th January 2019

S.R. BATLIBOI & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants

12th Floor, The Ruby
29 Senapati Bapat Marg
Dadar (West)
Mumbai - 400 028, India
Tel : +91 22 6819 8000

Limited Review Report

Review Report to
The Board of Directors
Bandhan Bank Limited

1. We have reviewed the accompanying statement of unaudited financial results of Bandhan Bank Limited ('the Bank') for the quarter and nine months ended December 31, 2018 (the "Statement") being submitted by the Bank pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The disclosures relating to "Pillar 3 under Basel III Capital Regulations", "Leverage Ratio" and "Liquidity Coverage Ratio" as have been disclosed on the Bank's website and in respect of which a link have been provided in aforesaid Statement have not been reviewed by us. This Statement is the responsibility of the Bank's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.

2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of bank personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

3. Based on our review conducted as mentioned in paragraph 2 above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.

For S.R. BATLIBOI & ASSOCIATES LLP
ICAI Firm registration number: 101049W/E300004
Chartered Accountants



per Amit Kabra
Partner
Membership No.: 094533

Place: Mumbai
Date: January 10, 2019

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GRUH FINANCE LIMITED

Regd. Office: "GRUH", Netaji Marg, Nr. Mithakhali Six Roads,
Ellisbridge, Ahmedabad 380 006 • Phone : 079 2642 1671-75.
E-mail : investorcare@gruh.com • www.gruh.com
CIN : L65923GJ1986PLC008809

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,

BENCH, AT AHMEDABAD

CA (CAA) NO. 54/NCLT/AHM/2019

In the matter of the Companies Act, 2013; And In the matter of Sections 230 - 232 read with other relevant provisions of the Companies Act, 2013; And In the matter of GRUH Finance Limited; And In the matter of the Scheme of Amalgamation of GRUH Finance Limited with Bandhan Bank Limited;

GRUH Finance Limited,

a company incorporated under the provisions of the Companies Act, 1956 and having its registered office at "GRUH", Netaji Marg, Nr. Mithakhali Six Roads, Ellisbridge, Ahmedabad – 380 006, Gujarat, India. } } }

. . . .Applicant Company

UNSECURED CREDITORS

(INCLUDING UNSECURED DEBENTURE HOLDERS AND DEPOSIT HOLDERS)

FORM OF PROXY

[As per Form MGT -11 and pursuant to Section 105(7) of the Companies Act, 2013 and Rule 19 (3) of the Companies (Management and Administration) Rules, 2014]

I/We, _____, the undersigned unsecured creditor/s (including unsecured debenture holder/s and deposit holder/s) of GRUH Finance Limited, being the Applicant Company abovenamed, do hereby appoint Mr./Ms._____ of _____ and failing him/her _____ of _____ as my/our proxy, to act for me/us at the meeting of the unsecured creditors (including unsecured debenture holders and deposit holders) of the Applicant Company to be held at H. T. Parekh Convention Centre, Ahmedabad Management Association (AMA), Atira Campus, Dr. Vikram Sarabhai Marg, Ahmedabad – 380 015, Gujarat, India, on Tuesday, the 4th June 2019 at 12.30 p.m. (1230 hours) for the purpose of considering and, if thought fit, approving, with or without modification(s), the arrangement embodied Scheme of Amalgamation of GRUH Finance Limited with Bandhan Bank Limited (the "Scheme") and at such meeting, and at any adjournment or adjournments thereof, to vote, for me/us and in my/our name(s) _____ (here, if 'for', insert **'FOR'**, if 'against', insert **'AGAINST'**, and in the latter case, strike out the words below after 'the Scheme') the said arrangement embodied in the Scheme, either with or without modification(s)*, as my/our proxy may approve. (*Strike out whatever is not applicable)

Dated this ____ day of _____ 2019.

Signature ---------- Affix Revenue Stamp of Re.1/- ----------

Name: _____

Address: _____

Signature of unsecured creditor
(including unsecured debenture holder): _____

Signature of Proxy: _____

Notes:

1. The form of proxy must be deposited at the registered office of GRUH Finance Limited at "GRUH", Netaji Marg, Nr. Mithakhali Six Roads, Ellisbridge, Ahmedabad – 380 006, Gujarat, India, at least 48 (forty-eight) hours before the scheduled time of the commencement of the said meeting.
2. All alterations made in the form of proxy should be initialled.
3. Please affix appropriate revenue stamp before putting signature.
4. In case of multiple proxies, the proxy later in time shall be accepted.
5. Proxy need not be an unsecured creditor (including unsecured debenture holder and deposit holder) of GRUH Finance Limited.
6. No person shall be appointed as a proxy who is a minor.
7. The proxy of a unsecured creditor (including unsecured debenture holders and deposit holder), blind or incapable of writing, would be accepted if such unsecured creditor (including unsecured debenture holder and deposit holder) has attached his signature or mark thereto in the presence of a witness who shall add to his signature his description and address: provided that all insertions in the proxy are in the handwriting of the witness and such witness shall have certified at the foot of the proxy that all such insertions have been made by him at the request and in the presence of the unsecured creditor (including unsecured debenture holder and deposit holder) before he attached his signature or mark.
8. The proxy of a unsecured creditor (including unsecured debenture holder and deposit holder) who does not know English would be accepted if it is executed in the manner prescribed in point no. 7 above and the witness certifies that it was explained to the unsecured creditor (including unsecured debenture holder and deposit holder) in the language known to him, and gives the unsecured creditor (including unsecured debenture holder and deposit holder) name in English below the signature.

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GRUH FINANCE LIMITED

Regd. Office: "GRUH", Netaji Marg, Nr. Mithakhali Six Roads,
Ellisbridge, Ahmedabad 380 006 • Phone : 079 2642 1671-75.
E-mail : investorcare@gruh.com • www.gruh.com
CIN : L65923GJ1986PLC008809

UNSECURED CREDITORS
(INCLUDING UNSECURED DEBENTURE HOLDERS AND DEPOSIT HOLDERS)

ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND OVER AT THE ENTRANCE OF THE MEETING HALL

MEETING OF THE UNSECURED CREDITORS
(INCLUDING UNSECURED DEBENTURE HOLDERS AND DEPOSIT HOLDERS)
ON TUESDAY THE 4TH JUNE 2019 AT 11.30 A.M

I/We hereby record my/our presence at the meeting of the unsecured creditors (including unsecured debenture holders and deposit holders) of GRUH Finance Limited, the Applicant Company, convened pursuant to the order dated 10th April 2019 of the NCLT at H. T. Parekh Convention Centre, Ahmedabad Management Association (AMA), Atira Campus, Dr. Vikram Sarabhai Marg, Ahmedabad – 380 015, Gujarat, India, on Tuesday, the 4th June 2019 at 12.30 p.m. (1230 hours).

Name and address of unsecured Creditor (including unsecured debenture holder and deposit holder)

(IN BLOCK LETTERS) : _____

_____

_____

Signature : _____

Name of the Proxy* : _____

(IN BLOCK LETTERS) : _____

Signature : _____

*[To be filled in by the Proxy in case he/she attends instead of the unsecured creditor (including unsecured debenture holder and deposit holder)]

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Notes:

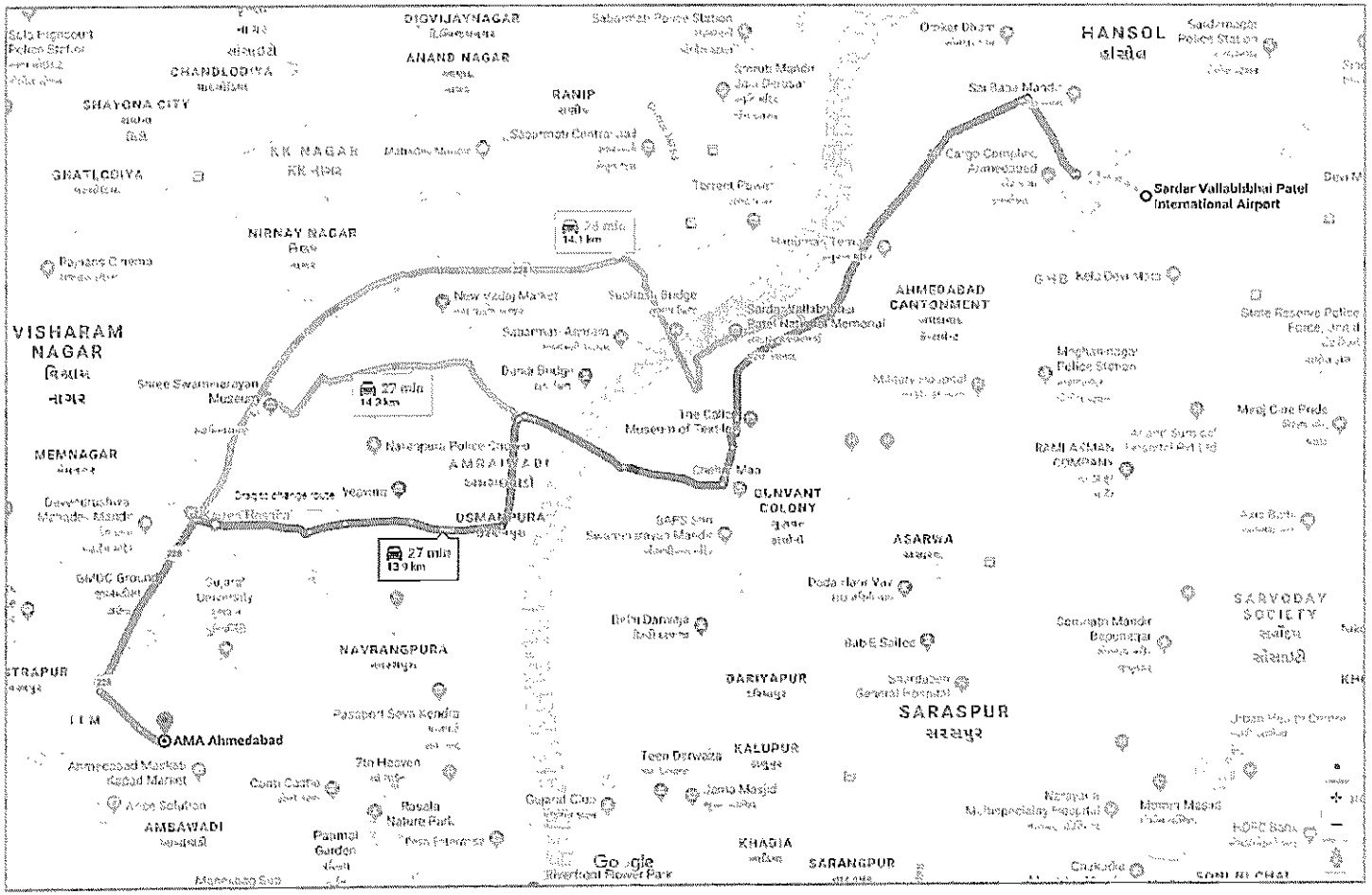
1. Unsecured creditor (including unsecured debenture holder and deposit holder) attending the meeting in person or by proxy or through authorised representative are requested to complete and bring the Attendance slip with them and hand it over at the entrance of the meeting hall.
2. Unsecured creditor (including unsecured debenture holder and deposit holder) who come to attend the meeting are requested to bring their copy of the Scheme with them.

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Route Map for the Venue of the Meeting





We help you build homes

(A subsidiary of HDFC Ltd.)

Regd. Office: "GRUH", Netaji Marg, Near Mithakhali Six Roads, Ellisbridge, Ahmedabad-380 006.
Toll-Free : (Loans) 1800 233 5300, (Deposits) 1800 233 7923
www.gruh.com • CIN : L65923GJ1986PLC008809