

Brief Note on Scheme :

(a)	Description of the entities forming part of the Scheme	(1) IndusInd Bank Limited (Bank) is a public company, limited by shares, incorporated under the 1956 Act, under corporate identification number L65191PN1994PLC076333 and having its registered office at 2401, General Thimmayya Road, East Street, Pune – 411 001 and is licensed as a banking company under the provisions of the Banking Regulation Act, 1949. The equity shares of the Bank are listed on National Stock Exchange of India Ltd. (NSE) and BSE Ltd. (BSE) and its global depository receipts are listed on the Luxembourg Stock Exchange. (2) Bharat Financial Inclusion Limited (formerly known as SKS Microfinance Limited) (BFIL) is public company, limited by shares, incorporated under the 1956 Act, under corporate identification number L65999MH2003PLC250504 and having its registered office at Unit No. 410, Madhava, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051. BFIL is registered with the Reserve Bank of India as a non-deposit taking non-banking financial company – micro finance institution. The equity shares of BFIL are listed on NSE and BSE. (3) IndusInd Financial Inclusion Limited (IFIL) is a company incorporated under the Companies Act, 2013, under corporate identification number U65999MH2018PLC312539 and having its registered office at One Indiabulls Centre, Tower 1, 8th Floor, 841 Senapati Bapat Marg, Elphinstone, Mumbai, Maharashtra – 400013. IFIL is an unlisted wholly owned subsidiary of Bank.
(b)	Details of the Composite Scheme of Arrangement	The Composite Scheme <i>inter alia</i> contemplates the following: (1) the amalgamation of BFIL with the Bank and the dissolution without winding up of BFIL pursuant thereto; (2) the allotment of warrants by the Bank to its Promoters, on a preferential basis, as an integral part of the Composite Scheme; and (3) the transfer, pursuant to the amalgamation, of the undertaking of the business correspondent business, as a going concern, from the Bank to IFIL by way of slump exchange, in consideration for which, IFIL would issue shares to the Bank (“Slump Exchange”). The Appointed Date for the Composite Scheme shall be January 1, 2018.
(c)	Area of business of the entities	(1) The Bank is <i>inter alia</i> engaged primarily in the banking business. (2) BFIL is engaged primarily in the business of providing small value loans and certain other basic financial services to women in rural areas in India, for use in small businesses or for other income-generating activities, and certain non-financial, non-lending activities which comprise origination, servicing and collection of loans as a business correspondent for the Bank as well as provision of other products and services. (3) IFIL has been incorporated pursuant to the Scheme and the main objects of IFIL include, inter alia, to carry on the



		business of business correspondent/ business facilitator or authorized agent/sub-agent to customers, for various clients from time to time including banks, financial institutions, central government, state governments, quasi-government agencies or any person (whether incorporated or not) in India or elsewhere and to provide various services in connection with the same.
(d)	Rationale for amalgamation/ merger	(1) Combined business to create meaningful value for stakeholders through increased scale, wider product diversification, lower funding cost, stronger balance sheet and ability to drive synergies across revenue opportunities, operating efficiencies and underwriting efficiencies. (2) Material realizable synergies for the benefit of a large common shareholder base and stable market perception. (3) Access to a growing customer base and outlets to increase opportunities of various main-stream banking products to financially underserved customers in rural India. (4) Deeper reach in low income segment and increased access for the combined customer base to the Bank's wide array of products and services. (5) Alignment of the mission objectives of both entities on increased financial inclusion. (6) Bolstering capital base and balance sheet and providing future growth capital through the Preferential Allotment. (7) Access to business correspondent services to deepen the reach and widen the delivery mechanism of banking services while simultaneously ensuring compliance with RBI's regulatory framework.
(e)	Share exchange ratio for amalgamation	The share exchange ratio for the amalgamation of BFIL with the Bank shall be 639 (six hundred thirty-nine) equity shares of the Bank for every 1,000 (one thousand) equity shares of BFIL.
(f)	Financial Results	A copy of the financial results submitted by Bank and BFIL to Stock Exchanges for the quarter and year ended March 31, 2019 under Regulation 33 of the SEBI(LODR) Regulations 2015, is attached herewith.

