

POSTAL BALLOT NOTICE

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

Dear Members

Notice is hereby given pursuant to Section 110 of the Companies Act, 2013, as amended (hereinafter referred to as the "Act") read together with Rule 22 of the Companies (Management and Administration) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and pursuant to other applicable laws and regulations, that the resolutions appended herein below for sub-division of Equity Shares and consequential amendments to the existing Capital Clause of the Memorandum of Association of YES Bank Limited (hereinafter referred to as the "Bank") are proposed to be passed as Ordinary Resolutions by the Members through Postal Ballot/ remote electronic voting ("Notice").

Resolution 1:

Sub-division of 1 (one) Equity Share of face value of ₹ 10/- each fully paid up into 5 (five) Equity Shares of ₹ 2/- each fully paid up

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

"**RESOLVED THAT** pursuant to the provisions of Section 61, 64 and other applicable provisions, if any, of the Companies Act, 2013 read together with the rules made there under (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the applicable provisions of the Banking Regulations Act, 1949 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the rules, circulars and guidelines issued by the Reserve Bank of India (hereinafter referred to as "RBI") from time to time and in accordance with the provisions of the Memorandum of Association and Articles of Association of the Bank and subject to such other approval(s), consent(s), permission(s) and sanction(s) as may be necessary from the concerned statutory and regulatory authority(ies) or bodies, including the RBI, approval of the Members of the Bank be and is hereby accorded for sub-division of each Equity Share of the Bank having a face value of ₹ 10 (Rupees Ten only) each fully paid up into 5 (Five) Equity Shares of the face value of ₹ 2 (Rupees Two only) each fully paid up on such date as may be fixed by the Board of Directors of the Bank (hereinafter referred to as the "**Board**") which term shall be deemed to include any Committee thereof or any other person(s) for the time being exercising the powers conferred by the Board and as may be authorized by the Board in that behalf) for this purpose (hereinafter referred to as "**Record Date**").

RESOLVED FURTHER THAT pursuant to sub-division of Equity Shares of the Bank, the authorized, issued, subscribed and paid-up Equity Share Capital of face value of ₹ 10 (Rupees Ten only) each, shall stand sub-divided into 5 (Five) Equity Shares of face value of ₹ 2 (Rupees Two only) each from the Record Date and shall rank *pari - passu* in all respects with and carry the

same rights as to the existing fully paid-up Equity Share of ₹ 10 (Rupees Ten only) each of the Bank.

RESOLVED FURTHER THAT on sub-division of the Equity Shares as aforesaid, the existing Share Certificate(s) in relation to the existing Equity Shares of the face value of ₹ 10 (Rupees Ten only) each held in physical form shall be deemed to have been automatically stand cancelled and to be of no effect on and from the Record Date of sub-division and the Bank may without requiring the surrender of the existing Share Certificate(s), directly issue and dispatch the new Share Certificate(s) of the Bank, in lieu of such existing issued Share Certificate(s) within the prescribed time period as per the applicable provisions of Companies Act, 2013 read with Companies (Share Capital and Debentures) Rules, 2014, as amended from time to time, and in the case of the Equity Shares held in the dematerialized form, the number of sub-divided Equity Shares be credited to the respective beneficiary accounts of the Members with the Depository Participants, in lieu of the existing credits representing the Equity Shares of the Bank before sub-division.

RESOLVED FURTHER THAT the Board, be and is hereby authorized to make appropriate adjustments due to sub-division of Equity Shares as aforesaid, to stock options which have been granted to the employees of the Bank under various Employee Stock Option Schemes pursuant to the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and any amendments thereto from time to time, such that the exercise price for all employee stock options which are outstanding as on the Record Date (vested and unvested options including lapsed and forfeited options available for re-issue) shall be proportionately adjusted and the number of stock options which are available for grant and those already granted but not exercised as on Record Date shall be appropriately adjusted.

RESOLVED FURTHER THAT the Board, be and is hereby authorized, to take such steps as may be necessary including the delegation of all or any of its powers herein conferred to any Director(s), the Company Secretary or any other officer(s) of the Bank for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to execute all deeds, applications, documents, papers and writings that may be required, on behalf of the Bank and generally to do all such acts, deeds, matters and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to above resolutions."

Resolution 2:

Alteration of Capital Clause of Memorandum of Association

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

"**RESOLVED THAT** pursuant to the provisions of Sections 13, 61 and other applicable provisions, if any, of the Companies

Act, 2013 read together with the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Section 49C and all other applicable provisions of the Banking Regulations Act, 1949 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the rules, circulars and guidelines issued by the Reserve Bank of India (hereinafter referred to as "RBI") from time to time and subject to such other approval(s), consent(s), permission(s) and sanction(s) as may be necessary from the concerned Statutory and Regulatory authority(ies), including RBI, approval of the Members of the Bank be and is hereby accorded to alter the Clause V of the Memorandum of Association of the Bank relating to Capital by substituting with the following Clause V:

V. The authorized capital of the Company shall be Rs.8,00,00,00,000 (Rupees Eight Hundred Crore only) divided into:

- (a) 300,00,00,000 equity shares of Rs. 2/- each aggregating to Rs.600,00,00,000 (Rupees Six Hundred Crore only); and*
- (b) 2,00,00,00,000 preference shares of Rs. 100/- each aggregating to Rs.200,00,00,000 (Rupees Two Hundred Crore only).*

with rights, privileges and conditions, as are provided under the Articles of Association of the Company and in accordance with applicable laws, with power to increase or reduce or reclassify or alter the share capital of the Company and to divide/consolidate the shares in the capital for the time being into several classes and face values and to attach thereto respectively such preferential, cumulative, convertible, guarantee, qualified or other special rights, privileges, conditions or restrictions, as may be determined by or in accordance with the Articles of Association of the Company for the time being and to vary, modify or abrogate any such right, privilege or condition or restriction in such manner as may for the time being be permitted by the Articles of Association of the Company or the legislative provisions for the time being in force.

The minimum paid up share capital of the Company shall be Rs.5,00,000.

RESOLVED FURTHER THAT the Board of Directors of the Bank (hereinafter referred to as the "**Board**" which term shall be deemed to include any Committee thereof or any other person(s) for the time being exercising the powers conferred by the Board and as may be authorized by the Board in that behalf), be and is hereby authorized, to take such steps as may be necessary including the delegation of all or any of its powers herein conferred to any Director(s), the Company Secretary or any other officer(s) of the Bank for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to do all such acts, deeds, matters and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to this resolution."

By Order of the Board



Shivanand R. Shettigar
Company Secretary

Place: Mumbai
Date: July 26, 2017

Notes:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 read together with Rule 22 of the Companies (Management and Administration) Rules, 2014 setting out material facts is annexed hereto.
2. All documents referred to in this Postal Ballot Notice and Explanatory Statement setting out material facts are open for inspection by the Members at the Registered Office of the Bank between 10.00 A.M. and 12.00 noon on all working days of the Bank from the date hereof up to **Friday, September 8, 2017**.
3. The Board of Directors has appointed **Mr. B. Narasimhan, Proprietor of M/s. B N & Associates, Practicing Company Secretaries**, and failing him, **Mr. P. K. Pandya, Partner, M/s. BNP & Associates**, as a Scrutinizer to scrutinize the postal ballot process in a fair and transparent manner.
4. The Postal Ballot Notice is being sent to all the Members, whose names appear in the Register of Members/ List of Beneficial Owners as received from Depositories i.e. National Securities Depository Limited ("**NSDL**") / Central Depository Services (India) Limited ("**CDSL**") as on **Friday, August 4, 2017**.
5. In terms of Sections 108, 110 and other applicable provisions of the Companies Act, 2013, as amended, read together with the Companies (Management and Administration) Rules, 2014 and in compliance with Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the "**Listing Regulations**") as amended from time to time, the Bank is pleased to offer remote e-voting facility to all the Members of the Bank. The Bank has appointed Karvy Computershare Private Limited (hereinafter referred to as "**Karvy**" or "**Service Provider**") for facilitating e-voting to enable the Members to cast their votes electronically (hereinafter referred to as the "**Remote e-voting**") instead of dispatching Postal Ballot Form. Please note E-voting is optional.
6. This Postal Ballot Notice is being sent by e-mail to those Members who have registered their e-mail address with the Bank (in respect of shares held in physical form) or with their Depository Participants (in respect of shares held in dematerialized form) and made available to the Bank by the respective Depositories. Members who have not registered their e-mail address will receive this Postal Ballot Notice along with the Postal Ballot Form through post. Members who have received Postal Ballot Notice by e-mail and who wish to vote through Physical Postal Ballot Form can download Postal Ballot Form from the website of the Bank www.yesbank.in or <https://evoting.karvy.com> or seek duplicate Postal Ballot Form from M/s Karvy Computershare Private Limited (Unit: YES Bank Limited), Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032, fill in the details and send the same to the Scrutinizer.

7. Kindly note that the Members can opt for only one mode of voting i.e., either by physical Postal Ballot Form or remote e-voting. If the Members opt for e-voting, then they should not vote by physical Postal Ballot and vice versa. However, in case Members cast their vote both via physical postal ballot and e-voting, then voting done through e-voting shall prevail and vote cast through physical postal ballot will be treated as invalid.
8. If the Members are voting through Postal Ballot Form in Physical mode, Members are requested to carefully read the instructions printed on the Postal Ballot Form sent herewith and return the Form duly completed along with assent (**FOR**) or dissent (**AGAINST**), in the attached postage pre-paid self-addressed business reply envelope (hereinafter referred to as "**BRE**") so as to reach the Scrutinizer on or before **5.00 P.M. on Friday, September 8, 2017**. The postage cost will be borne by the Bank. However, envelopes containing Postal Ballot Forms, if sent by courier or registered/speed post or delivered by the Member in person at his expense at the address as mentioned in the BRE will also be accepted. **Assent/ Dissent received after 5.00 P.M. on Friday, September 8, 2017 would be strictly treated as if reply from the Member(s) has not been received. No other form or photocopy thereof is permitted.**

The instructions and other information relating to e-voting are as under:

1. A. In case a Member receiving an email from Karvy [for Members whose e-mail IDs are registered with the Bank/ Depository participant(s)]:
 - (i) Launch internet browser by typing the URL: <https://evoting.karvy.com>.
 - (ii) Enter the login credentials (i.e. User ID and Password). Your Folio No./DP ID & Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.
 - (iii) After entering these details appropriately, click on "LOGIN".
 - (iv) You will now reach password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
 - (v) You need to login again with the new credentials.
 - (vi) On successful login, the system will prompt you to select the "EVENT" i.e., **YES Bank Limited**.
 - (vii) On the voting page, enter the number of shares (*which represents the number of votes*) as on the Cut-Off date under "**FOR/AGAINST**" or alternatively, you may partially enter any number in "**FOR**" and partially in "**AGAINST**" but the total number in "**FOR/ AGAINST**" taken together should not exceed your total shareholding as on **Friday, August 4, 2017**. You may also choose the option **ABSTAIN**. If the Member does not indicate either "**FOR**" or "**AGAINST**" it will be treated as "**ABSTAIN**" and the shares held will not be counted under either head.
 - (viii) Members holding multiple folios/demat accounts shall choose the voting process separately for each folios/demat accounts.
 - (ix) Voting has to be done for each item of the Postal Ballot Notice separately. In case any Member does not desire to cast his/her vote on any specific item it will be treated as "**ABSTAIN**".
 - (x) You may then cast your vote by selecting an appropriate option and click on "**Submit**".
 - (xi) A confirmation box will be displayed. Click "**OK**" to confirm, else "**CANCEL**" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
 - (xii) Corporate/Institutional Members (*i.e. other than Individuals, HUF, NRI, etc.*) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter, etc. together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail ID: yesbankevoting@karvy.com with a copy marked to evoting@karvy.com. The scanned image of the above mentioned documents should be in the naming format "YESBANK_ EVENT NO."
- B. In case of Members receiving Postal Ballot Form by Post [for Members whose email IDs are not registered with the Bank/ Depository Participant(s)]:
 - (i) User ID and initial password as provided in the Postal Ballot Form.
 - (ii) Please follow all steps from Sr.No. (i) to (xii) as mentioned in (A) above, to cast your vote.
2. The e-voting period commences on **Thursday, August 10, 2017 at 10.00 A.M. and ends on Friday, September 8, 2017 at 5.00 P.M.** The remote e-voting module shall be disabled for voting thereafter. During this period, the Members of the Bank holding shares in physical form or in dematerialized form, as on the cut-off date, being **Friday, August 4, 2017**, may cast their vote by electronic means in the manner and process set out hereinabove. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.
 3. The voting rights of the Members shall be in proportion to their shares in the total paid-up equity share capital of the Bank subject to the provisions of the Banking Regulation Act, 1949, as amended, as on **Friday, August 4, 2017**.

4. In case of any query pertaining to e-voting, please visit Help & FAQ's section of <https://evoting.karvy.com> (*Karvy's website*) or any grievances or queries of the Members of the Bank connected with the electronic voting can be addressed to the Bank's Registrar & Share Transfer Agents, Karvy Computershare Private Limited (*Unit: YES Bank Limited*), Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032 or Contact Person: Ms. C. Shobha Anand, Asst. General Manager or Mr. Sridhar Balamurli, Dy. Manager at einward.ris@karvy.com or at telephone Nos. 040-67162222 or may write to the Company Secretary at the Registered Office of the Bank.
5. The Scrutinizer will submit the results to the Managing Director & CEO after completion of the scrutiny of the Postal Ballot Forms and e-voting, and the results of the voting by Postal Ballot will be announced on or before **Monday, September 11, 2017, 5.00 P.M.** at the Registered Office of the Bank at 9th Floor, Nehru Centre, Discovery of India, Dr. A. B. Road, Worli, Mumbai - 400 018.
6. The result of the Postal Ballot along with the Scrutinizer's Report will also be displayed on the Bank's website www.yesbank.in and also on the website of M/s Karvy Computershare Private Limited i.e. <https://evoting.karvy.com> and shall be communicated to the Stock Exchanges where the Bank's shares are listed. The result of the Postal Ballot will also be displayed at the Registered Office of the Bank.
7. The resolutions, if approved by the requisite majority of Members by means of Postal Ballot, shall be deemed to have been passed on the last date of voting, i.e. **Friday, September 8, 2017.**
8. Resolutions passed by the Members through Postal Ballot are deemed to have been passed as if the same have been passed at a General Meeting of the Members.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013
FORMING PART OF THE NOTICE**

Item No. 1 & 2:

The Equity Shares of your Bank are listed and actively traded on the National Stock Exchange of India Limited and the BSE Limited. With a view to encourage wider participation of small investors by making Equity Shares of the Bank affordable, the Board of Directors at its Meeting held on **July 26, 2017** considered and approved the sub-division of 1 (One) Equity Share of the Company having a face value of ₹10/- (Rupees Ten only) each into 5 (Five) Equity Shares of face value of ₹2/- (Rupees Two only) each subject to approval of the Members and any other statutory and regulatory approvals, as applicable. The Record Date for the aforesaid sub-division of the Equity Shares will be fixed by the Bank.

The sub-division of Equity Shares would, *inter alia*, require appropriate adjustments with respect to all the stock options of the Bank under its Employee Stock Option Scheme pursuant to the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and any amendments thereto from time to time, such that all the stock options outstanding as on Record Date (*vested and unvested options including lapsed and forfeited options available for reissue*) as well as stock options which are available for grant and those already granted but not exercised as on Record Date shall be proportionately converted into options for Equity Shares of face value of ₹ 2 (Rupees Two only) each and the grant price of all the outstanding stock options shall be proportionately adjusted by dividing the existing grant price by 5.

Presently, the authorised Share Capital of your Bank is ₹800,00,00,000 (Rupees Eight Hundred Crore only) divided into 60,00,00,000 (Sixty Crores) Equity Shares of ₹10 (Rupees Ten only) each and 2,00,00,000 (Two Crores) Preference Shares of ₹100 (Rupees One Hundred only) each and the paid-up share capital of the Bank is ₹ 457,68,50,900 divided into 45,76,85,090 (Forty Five Crore Seventy Six Lakh Eighty Five Thousand and Ninety) equity shares of ₹10 (Rupees Ten only) each fully paid-up. There will not be any change in the amount of authorized and paid-up share capital on account of sub-division of Equity Shares,

but the number of equity shares will change to 300,00,00,000 and 228,84,25,450 equity Shares in the authorised and paid-up equity share capital of the Bank, respectively. However, the paid-up equity share capital may change as on the record date due to allotment of shares pursuant to exercise of stock options hereafter and before the record date.

The sub-division as aforesaid would also require consequential amendments to the existing Clause V of the Memorandum of Association ("**MOA**") of the Bank as set out in Item No. 2 of the Postal Ballot Notice to reflect the change in face value of each Equity Share of the Bank from existing ₹10 (Rupees Ten only) each to proposed ₹ 2 (Rupees Two only) each. As per the provision of the Section 13 and 61 of the Companies Act, 2013, any alteration in the Capital clause of MOA of the Bank shall be effected only after the approval of the Members by passing an Ordinary Resolution. Similarly, the alteration to the MOA of the Bank shall be subject to the approval from Reserve Bank of India.

Your Board of Directors, therefore, recommend the resolutions at item Nos. 1 & 2 of this Notice seeking approval of shareholders by way of Ordinary Resolutions for sub-division of equity shares of the Bank and consequential amendment to the Capital Clause of the MOA of the Bank in pursuance of the provisions of the Companies Act, 2013 and other applicable rules, regulations and laws.

None of the Director(s), Key Managerial Personnel and their relatives is, in any way, concerned or interested, financially or otherwise, in the Resolutions at Item Nos. 1 and 2 of this Notice, except to the extent of their shareholding and outstanding employee stock options, if any, in the Bank.

By Order of the Board



Place: Mumbai
Date: July 26, 2017

**Shivanand R. Shettigar
Company Secretary**