

October 3, 2019

National Stock Exchange of India Limited
Exchange Plaza, Plot no. C/1, G Block
Bandra - Kurla Complex, Bandra (E)
Mumbai - 400 051
NSE Symbol: YESBANK

BSE Limited
Corporate Relations Department
P.J. Towers, Dalal Street
Mumbai - 400 001
BSE Scrip Code: 532648

Dear Sir(s),

Sub.: Press Release from Promoter Entities

Please find enclosed herewith a press release received from Promoter entities viz. Yes Capital (India) Private Limited and Morgan Credits Private Limited.

Submitted for your information.

Thanking you,
For **YES BANK LIMITED**

A handwritten signature in blue ink, appearing to read "Shivanand R. Shettigar".

For **Shivanand R. Shettigar**
Group Company Secretary

Encl: As above

YES Capital (India) Private Limited (YCPL)
15th Floor, Tower 2, Wing A,
One Indiabulls Centre, Lower Parel,
Senapati Bapat Marg, Elphinstone Road,
Mumbai- 400013

Morgan Credits Private Limited (MCPL)
15th Floor, Tower 2, Wing A,
One Indiabulls Centre, Lower Parel,
Senapati Bapat Marg, Elphinstone Road,
Mumbai- 400013

Press Release : October 2, 2019

Over the past few days, our Yes Bank Promoter Group Companies – Morgan Credits Pvt Ltd (“MCPL”) and Yes Capital (I) Pvt Ltd (“YCPL”) had to sell their highly precious Promoter shareholdings in YES Bank at deeply discounted prices. The decision to divest our shares at undervalued share price levels, considerably below even the book value (<0.5x multiple) was taken under compelling circumstances with the sole purpose of deleveraging MCPL and YCPL. As long-term shareholders and firm believers in the bank’s future value creation potential, we do not consider these valuations to be reflective of an otherwise fundamentally solid bank with significant franchise value.

The proceeds from the sale of Yes Bank shares held by MCPL and YCPL had allowed us to fully repay the outstanding NCDs of YCPL, and a very substantial proportion of over 61% of the outstanding NCDs of MCPL till September 30, 2019. In spite of deeply stressed market circumstances and decline in YES Bank share price, we stood by our commitments to debt holders and had significantly reduced our leverage position.

To our extreme disappointment, we were informed late yesterday, 1st October, that Reliance Nippon Life Asset Management Ltd (“RNAM”) vide the appointed trustee Milestone had invoked and sold all our balance pledged Promoter shares for MCPL in the open market. These were shares pledged by our father, Mr. Rana Kapoor to support the borrowings of MCPL, a company owned by his three daughters for investing in start-up ventures in our capacity as Women Entrepreneurs. The proceeds from the sale are being appropriated towards prepaying the balance outstanding NCDs of MCPL subscribed by RNAM thus bringing the leverage down to negligible levels. The total prepayments (including accrued interest) to RNAM by MCPL amount to approximately Rs 1145 crs well before the due date of April 2021.

We are highly dejected that our family shareholding in YES Bank was sold at such dismal price levels, despite the Bank having created long-term shareholder value and over 20,000 jobs during the last 15 years. We will continue to focus our energies on growing the start-up ventures incubated by us where we see potential for meaningful value creation in the long-term.

It is important to clarify that the sale of shares by us or by RNAM in no way reflects our views on YES Bank – the fundamentally extraordinary financial institution built so assiduously and painstakingly by our father, Mr. Rana Kapoor, a first generation professional entrepreneur, along with his team over the last 15+ years upto his tenure till January 2019. We firmly believe that the Bank led by its highly capable management team and Board, is firmly positioned to continue on its growth path and deliver value for all stakeholders as it did consistently over the last several years since its commencement in 2004.

Directors: YCPL | MCPL

For further information, please write to compliance@yescap.in or compliance@morgancredits.in