

SH: 136 /2016-17

October 17, 2016

The General Manager Department of Corporate Services BSE Limited I Floor, New Trading Ring Rotunda Building, P J Towers Dalal Street Fort, Mumbai – 400 001	The Manager Listing Department National Stock Exchange of India Limited 'Exchange Plaza', Bandra – Kurla Complex Bandra (E), Mumbai – 400 051
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Dear Sir,

Sub: Annual General Meeting Updates

Please find enclosed the proceedings of the 89th Annual General Meeting of the Bank held on Thursday, September 29, 2016 at 10.00 A.M at Vadakke Samooha Madom, Shornur Road, Thrissur - 680001.

Thanking you,

Yours faithfully,


Santosh Kumar Barik
Company Secretary

PROCEEDINGS OF THE 89TH ANNUAL GENERAL MEETING OF DHANLAXMI BANK LIMITED HELD ON SEPTEMBER 29, 2016 AT 10.00 A.M AT VADAKKE SAMOOHA MADOM, SHORNUR ROAD, THRISSUR - 680001

Attendance at the 89th Annual General Meeting (AGM)

Members Present	In Person - 176 By Proxy - 46
Directors Present	<ul style="list-style-type: none"> • Dr. Jayaram Nayar, Part-time Chairman & Chairman of Stakeholders' Relationship Committee of Board • Sri. G. Sreeram, Managing Director & CEO • Sri. P. Mohanan, Director & Chairman of Nomination & Remuneration Committee of Board • Sri. Chella K Srinivasan, Director & Chairman of Audit Committee of Board • Dr. Lakshmy Devi K.R, Director • Sri. Arun Rao M.G, Director • Sri. P.S Sreekumar, Director • Sri. C.K Gopinathan, Director
Company Secretary	Sri. Santosh Kumar Barik
Statutory Central Auditors	Sri. P.S Harikrishnan, Partner, M/s. K. Venkatachalam Aiyer & Co., Chartered Accountants, Kochi
Secretarial Auditors	Mr. M. Vasudevan, Practising Company Secretary, Thrissur
Scrutinizer	Mr. M. Vasudevan, Practising Company Secretary, Thrissur

Dr. Jayaram Nayar, Part-time Chairman of the Bank, presided over the meeting. Chairman ascertained whether there was proper quorum and on confirmation thereof by the Company Secretary, Chairman called the meeting to order.

The meeting began with a prayer by Sri. Manoj Kumar S.

Chairman requested the members to observe silence for a minute as a mark of respect to the souls of the departed shareholders, directors, employees and other well-wishers of the Bank.

The Register of Directors' Shareholdings and Proxy Register was placed at the meeting and kept open for inspection by Members.

Thereafter, Chairman introduced the Directors on the dais.

Delivering his speech, Chairman said that the global economy passed through a sluggish face in FY 2015-16. Recovery in major global economies is yet to take place. The IMF has marked down the global growth forecasts for 2016 and 2017 to 3.1 percent and 3.4 percent, respectively. The IMF view on India is heartening as economic activity remains buoyant, but the growth forecast for 2016-17 is trimmed slightly, reflecting a more sluggish investment recovery. India's growth rate is forecast for 2016 and 2017 at 7.4% lower than 7.6% in 2015.

Chairman further observed that while the ageing of population and reduced employment rates are the critical factors crippling growth potential of advanced economies, decline in oil prices since September 2015, and oil glut have afflicted the Middle East. Employment prospects in the Gulf face threats. Prices of other commodities including metals have fallen and these have affected segments of the Indian economy rather adversely. Falling interest rates and the threat of competitive devaluation reflect a lack of effective demand.

Chairman stated that against this background, the major challenge faced by banking sector in FY 2015-16 was enhanced credit risk and a deterioration trend evident in overall asset quality. Multiple factors were responsible for these aggravated risks. As the Reserve Bank itself stated in its Annual Report, the banking sector continued to grapple with the challenge of rising non-performing assets (NPAs) during 2015- 16. To address the concerns of asset quality, the Reserve Bank initiated supervisory action in the form of an asset quality review (AQR) during the year. Based on the observations made during the AQR, banks proactively recognized stressed assets, which resulted in a predictable increase in provisioning and a decline in profitability. Gross non-performing advances (GNPAs) of SCBs as percentage of gross advances increased to 5.1 per cent from 4.6 per cent between March and September 2015. The stressed advances ratio increased to 11.3 per cent during the same period.

Chairman further stated that to maintain or increase market shares and profitability, banks in India thus have to seize opportunities provided by the new initiatives launched by government of India such as "Digital India" and "Startup India". The global move towards the 'Internet of Things' has to be adapted by banks. As in the economy, in the banks too, there is a gradual shift in the demographic profile towards a younger,

technologically savvy employee and customer base. This offers a great hope and opportunity for the Bank. The Bank has recognized that it needs to move eventually, towards digital solutions for meeting increasing technology based needs of customers. There has to be a transformational effort at all levels. To capture this change sentiment, the Bank has launched the “Parivartan Scheme” to usher in new service orientation and ring out old practices. The Bank hopes to actively implement a Key Performance Indicator driven merit based, transparent system.

Chairman highlighted the following salient features of the Bank’s performance for the financial year ended March 31, 2016:

- CASA share to Total Deposits reached 25.06% as on 31st March 2016
- Achieved an operating profit of Rs.3.28 Cr.
- Interest expended reduced by Rs. 85.15 Cr. during the financial year 2015-16 as compared to previous FY 2014-15
- Net NPA is reduced to 2.78% on 31.03.2016 as against 3.29% as on 31.03.2015 and gross NPA is reduced to 6.36% as against 7.00% as on 31.03.2015
- Provision for NPA is reduced to Rs. 93.74 Cr. in the FY 2015-16 as against Rs.294.77 Cr. in 2014-15
- The share of retail deposits to term deposit recorded an increase of 7.86% from 52.84% as on 31st March 2015 to 60.70% as on 31st March 2016
- Retail segment advance to total advance increased from 39% as on 31.03.2015 to 47% as on 31.03.2016
- The Bank has revived the insurance business which has yielded an income of Rs.3.52 Cr. in FY 2015-16 as against Rs.1.42 Cr. in 2014-15
- Provision coverage ratio stood at 75.67% as on 31st March 2016 as against 67.82% for the year ended on 31st March 2015

Chairman informed the shareholders that the human resource policies and practices of the Bank focuses on parametric performance aimed at motivating and retaining skilled manpower.

Chairman further informed that the Bank strives to leverage technology through introduction of several variants of traditional products and new e-based services, tailor made to the emerging needs of the customers. The Bank introduced special Savings Bank products for youth and children viz; DhanamYuvak and Dhanam Genius in FY 2015-16.

Chairman noted that the Bank participated actively in the Social Suraksha schemes launched by the Honorable Prime Minister in May 2015 viz; Pradhan Mantri Jeevanjyothi Bima Yojana (PMJBY) and Pradhan Mantri Suraksha Bima Yojana (PMSBY). The Bank is also enrolling customers to the pension scheme Atal Pension Yojana (APY) administered by Pension Fund Regulatory Development Authority (PFRDA). The Bank’s participation in distributing Sovereign Gold Bonds (SGB) issued by Reserve Bank of India was also noteworthy.

Chairman stated that while the Bank has a pan-India presence, it has always identified itself as an institution with a 90-year history in Kerala within the geographical sub-

sector of South India. The Bank has attempted to put in place robust risk management architecture and practices. The risk hierarchy tries to proactively identify the risks faced by the Bank and helps in mitigating it while maintaining proper tradeoff between risk and return thereby maximizing the shareholder value. The Board is fully committed to maintaining the highest standards of Corporate Governance with a view to ensuring that the Bank is well placed to address all risks, both operational and external.

On the Bank's CSR policy, Chairman informed that it strictly conforms to the guidelines of RBI and Ministry of Corporate Affairs. The Bank strengthened its endeavors in this area during the year. It continued its association with "Walkers Park" in Thrissur. In alliance with Thrissur Management Association, it had initiated in the year 2010 scholarship programs for deserving MBA students seeking financial assistance. During the year 2015-16, the Bank gave scholarship to two MBA students.

In customer service, Chairman observed that the Bank has taken several initiatives to enhance quality of customer service by introducing various customer friendly products and services. The customer service standards are reviewed periodically and efforts are taken to follow best practices. A robust complaint redressal mechanism is put in place to handle customers' enquiries and complaints. The Bank is a member of Banking Codes and Standards Board of India (BCSBI) and the code of commitment to customers issued by the BCSBI is strictly followed by the Bank. Customers have been provided with the facility to e-mail their complaints/suggestions.

The Bank continued to engage in financial inclusion activities in FY 2015-16 and extended financial assistance to large number of Self Help Groups (SHG) and Micro Finance Institutions (MFI) operating in various parts of the country.

Chairman stated that the Bank was committed to sound governance practices, proactive management and long term customer relationships. Going forward, the Bank hopes to focus on efficiency of operations without compromising on growth and quality. Chairman further stated that the Bank would try to bring down the level of non-performing assets by intensifying recovery steps and generate profits through various measures including rationalization of expenses. The Bank would try to protect and further improve the current levels of its key financials like net interest margin, return on assets, earnings per share, etc., through focus on low-cost deposit mobilization, improvement in non-interest income, appropriate pricing of deposits/loans and effective credit monitoring.

Chairman placed on record the gratitude of the Board of Directors of the Bank to the Government of India, Reserve Bank of India, State Governments, Securities and Exchange Board of India, other regulatory bodies including stock exchanges where the Bank's shares are listed, statutory auditors, customers, shareholders, employees, other stakeholders and well wishers for their valued patronage, support and guidance and sought their continued support and patronage to take the Bank into the league of excellent banks in the comity of Indian banks.

When called upon by Chairman, the Company Secretary announced that 54 proxies from shareholders holding 7,12,14,674 shares have been lodged, of which 50 proxies from shareholders holding 7,12,14,674 shares were valid and 4 proxies from shareholders holding no shares were invalid.

The Company Secretary also informed the Members on the procedure for voting on the resolutions set out in the Notice of the meeting.

With the consent of the Members present, the Notice of the 89th Annual General Meeting dated August 11, 2016 and Directors' Report dated August 11, 2016, circulated to the Members, was taken as read.

Chairman proceeded to take up the items of business in the order set out in the Notice of the Meeting.

1. Item No.1 of Notice - To receive, consider and adopt the Bank's Audited Balance Sheet as at 31st March, 2016 and the Profit & Loss Account for the year ended on that date together with the reports of the Board of Directors and Auditors thereon

When called upon by Chairman, the Company Secretary read out the Independent Auditor's Report for the year ended March 31, 2016, in compliance with Section 145 of the Companies Act, 2013.

Thereafter, Mr. Harinarayanan M.B proposed the following resolution as an Ordinary Resolution, which was seconded by Mr. N. Sankarankutty:-

“RESOLVED THAT the Audited Balance Sheet of the Bank as at March 31, 2016 and Profit & Loss Account for the financial year ended on that date as certified by the Independent Auditors vide their Report dated May 30, 2016 together with the Directors' Report dated August 11, 2016 be and are hereby received, adopted and approved.”

On the basis of consolidated final report submitted by the scrutinizer for e-voting and voting at the venue, 76200907 votes were cast in favour and 4000 votes were cast against the resolution.

The resolution was passed as an Ordinary Resolution.

2. Item No. 2 of Notice - To appoint Statutory Central Auditors and to authorize the Board to fix their remuneration

Mr. Unnikrishnan. P proposed the following resolution as an Ordinary Resolution, which was seconded by Mr. M.V Krishnan:-

“RESOLVED THAT subject to approval of Reserve Bank of India and pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, SEBI (LODR) Regulations, 2015, the applicable provisions of the Banking Regulation Act, 1949, including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and the rules, circulars and guidelines issued by the Reserve Bank of India from time to time, any one of the following firms of Chartered Accountants be and is hereby appointed as Statutory Central Auditors of the Bank for the period commencing from the conclusion of this Annual General Meeting to the conclusion of the next Annual General Meeting of the Bank, on such remuneration as shall be decided by the Board of Directors, plus service tax as applicable, in addition to reimbursement of all travelling and out-of-pocket expenses as may be incurred by the Auditors in connection with the audit of the accounts of the Bank.”

(i) M/s. Sridhar & Co., Chartered Accountants, Thiruvananthapuram (Firm Regn. No. 003978S)

(ii) M/s. Balan & Co., Chartered Accountants, Kochi (Firm Regn. No. 340S)

(iii) M/s. Sankar & Moorthy, Chartered Accountants, Kozhikode (Firm Regn. No. 003575S)

On the basis of consolidated final report submitted by the scrutinizer for e-voting and voting at the venue, 76198509 votes were cast in favour and 6498 votes were cast against the resolution.

The resolution was passed as an Ordinary Resolution.

3. Item No.3 of Notice - To appoint Sri. Arun Rao M.G, Additional Director as Director of the Bank

Mr. N. Sankarankutty proposed the following resolution as an Ordinary Resolution, which was seconded by Mr. Unnikrishnan. P:-

“RESOLVED THAT pursuant to the provisions of Sections 149, 152, 160 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014, SEBI (LODR) Regulations, 2015, the provisions of Banking Regulation Act, 1949 and the rules, circulars and guidelines issued by Reserve Bank of India, including any statutory modification(s) or re-enactment (s) thereof, Sri. Arun Rao M.G (DIN-07547651), who was appointed as Additional Director under Section 161(1) of the Companies Act, 2013 and who holds office upto the date of this Annual General Meeting and in respect of whom the Bank has received a notice in writing, proposing his candidature for the office of director, be and is hereby appointed as an Independent Director of the Bank in the Majority Sector for a period of one year with effect from September 29, 2016 and that he shall not be liable to retire by rotation.”

On the basis of consolidated final report submitted by the scrutinizer for e-voting and voting at the venue, 76154509 votes were cast in favour and 50298 votes were cast against the resolution.

The resolution was passed as an Ordinary Resolution.

4. Item No.4 of Notice - To appoint Sri. P.S Sreekumar, Additional Director as Director of the Bank

Mr. Prasad Narayanan proposed the following resolution as an Ordinary Resolution, which was seconded by Mr. Harinarayanan M.B: -

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152, 160 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014, SEBI (LODR) Regulations, 2015, the provisions of Banking Regulation Act, 1949 and the rules, circulars and guidelines issued by Reserve Bank of India, including any statutory modification(s) or re-enactment (s) thereof, Sri. P.S Sreekumar (DIN-07555178), who was appointed as Additional Director under Section 161(1) of the Companies Act, 2013 and who holds office upto the date of this Annual General Meeting and in respect of whom the Bank has received a notice in writing, proposing his candidature for the office of director, be and is hereby appointed as an Independent Director of the Bank in the Majority Sector for a period of one year with effect from September 29, 2016 and that he shall not be liable to retire by rotation.”

On the basis of consolidated final report submitted by the scrutinizer for e-voting and voting at the venue, 76156509 votes were cast in favour and 48298 votes were cast against the resolution.

The resolution was passed as an Ordinary Resolution.

5. Item No.5 of Notice - To appoint Sri. C.K Gopinathan, Additional Director as Director of the Bank

Mr. Vincent B.J proposed the following resolution as a Special Resolution, which was seconded by Mr. Vijayakumar P.K: -

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152, 160 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014, SEBI (LODR) Regulations, 2015, the provisions of Banking Regulation Act, 1949 and the rules, circulars and guidelines issued by Reserve Bank of India, including any statutory modification(s) or re-enactment (s) thereof, Sri. C.K Gopinathan (DIN-01236752), who was appointed as Additional Director under Section 161(1) of the Companies Act, 2013 and who holds office upto the date of this Annual General Meeting and in respect of whom the Bank has received a notice in writing, proposing his candidature for the office of director, be and is hereby appointed as a non-Independent Director of the Bank in the Minority Sector with effect from September 29, 2016 and that he shall be liable to retire by rotation.”

On the basis of consolidated final report submitted by the scrutinizer for e-voting and voting at the venue, 76156559 votes were cast in favour and 48348 votes were cast against the resolution.

The resolution was passed as an Ordinary Resolution.

6. Item No.6 of Notice - Appointment of Branch Auditors

Mr. Prasad Narayanan proposed the following resolution as an Ordinary Resolution, which was seconded by Mr. P.S Suresh:-

“RESOLVED THAT pursuant to the provisions of Sections 139 and Section 143(8) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable rules, if any, the applicable provisions of the Banking Regulation Act, 1949 and the rules, circulars and guidelines issued by Reserve Bank of India, including any statutory modification(s) or re-enactment(s) thereof, the Board of Directors be and is hereby authorized to arrange for the audit of the Bank’s branches for the financial year 2016-17 and to appoint branch auditors in consultation with the Statutory Central Auditors and to fix their remuneration.”

On the basis of consolidated final report submitted by the scrutinizer for e-voting and voting at the venue, 76174709 votes were cast in favour and 5998 votes were cast against the resolution.

The resolution was passed as an Ordinary Resolution.

7. Item No.7 of Notice - Issue of redeemable secured/unsecured Non-convertible debentures (NCDs)

Mr. Harinarayanan M.B proposed the following resolution as a Special Resolution, which was seconded by Mr. Unnikrishnan. P:-

“RESOLVED THAT pursuant to Sections 42, 71 and other applicable provisions, if any, of the Companies Act 2013 read with Rule 18 of the Companies (Share Capital and Debenture) Rules, 2014 and Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 as is in force or amended from time to time, SEBI (Issue and Listing of Debt Securities) Regulations, 2008 as amended and other applicable SEBI Regulations and applicable RBI circulars, approval of the Bank be and is hereby accorded for making offer(s) or invitation(s) to issue redeemable secured/unsecured Non-convertible debentures (NCDs) including but not limited to subordinated debentures, bonds, Tier-II Bonds and/or other debt securities, in one or more tranches, having face value of such amount as may be decided by the Board, subject to an aggregate limit of Rs.100 crores (one hundred crores only) within a period of one year from the date of passing the special resolution by the members of the Bank.”

“RESOLVED FURTHER THAT the Board of Directors of the Bank be and is hereby authorized to do all such deeds and things to give effect to the above resolution including appointment of trustees, fixing the terms and conditions for the issue of redeemable secured/unsecured Non-convertible debentures (NCDs) including but not limited to subordinated debentures, bonds, Tier-II Bonds and/or other debt securities, preparation and authentication of offer letters, issue and allotment of bonds, discount or premium on the bonds, creation of charge, payment of applicable stamp duties,

authorizing officers or intermediaries in connection with the issue, delegating all or any of the matters or functions related to the issue to any Committee of the Board or any one or more Directors or Key Managerial Personnel as it may think fit, or any other matter incidental or ancillary thereto.”

On the basis of consolidated final report submitted by the scrutinizer for e-voting and voting at the venue, 76200507 votes were cast in favour and 3800 votes were cast against the resolution.

The resolution was passed as a Special Resolution.

8. Item No.8 of Notice - Further Issue of Equity Shares

Mr. P.K Mohandas proposed the following resolution as a Special Resolution, which was seconded by Mr. Prasad Narayanan:-

“RESOLVED THAT pursuant to the provisions of Section 62(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder including any statutory modification or re-enactment thereof for the time being in force (“the Act”), the Banking Regulation Act, 1949 as amended, Foreign Exchange Management Act, 1999 (“FEMA”), as amended, Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended, the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Receipt Mechanism) Scheme, 1993, as amended, the Depository Receipts Scheme, 2014, as amended, Rules, Regulations, Guidelines, Notifications and circulars, if any, prescribed by the Government of India, Reserve Bank of India, Securities and Exchange Board of India (“SEBI”) including the SEBI (Issue of Capital and Disclosure Requirements) Regulations 2009, as amended (the “SEBI ICDR Regulations”) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “SEBI LODR Regulations”), or any other competent authority, whether in India or abroad, from time to time, to the extent applicable and in accordance with the relevant provisions of the Memorandum and Articles of Association of Dhanlaxmi Bank Ltd (the “Bank”) and subject to all necessary approvals, consents, permissions and / or sanctions of the Ministry of Finance (Department of Economic Affairs) and of Ministry of Industry (Foreign Investment Promotion Board/Secretariat for Industrial Assistance) Government of India (GOI), Reserve Bank of India (RBI), Securities and Exchange Board of India (SEBI), Stock Exchanges (the “Stock Exchanges”) where the shares of the Bank are listed, financial institutions, lenders and all other appropriate and/or relevant / concerned authorities in India and other applicable countries (herein after referred to as the “Requisite Approvals”) and subject to such conditions and modifications as may be prescribed by any of them while granting any such approvals and sanctions and which may be agreed to by the Board of Directors of the Bank (the “Board”) (which term shall be deemed to include any Committee(s) constituted / to be constituted by the Board to exercise its power including the powers conferred on the Board under this resolution), the consent, authority and approval of the shareholders of the Bank, be and is hereby accorded to the Board to create, offer, issue and allot (including with provision for reservation on firm allotment and/or competitive basis of such part of issue and for such categories of persons as may be permitted by law then applicable) from time to time in one or more

tranches with or without a green shoe option, by way of a rights issue to the existing members of the Bank whether resident or non-resident, rights -cum-public issue, public issue, Qualified Institutional Placement (QIP), in Indian and/or International markets or combination thereof of Equity Shares or through an issuance of Global Depository Shares (GDSs)/ Global Depository Receipts (GDRs) / American Depository Receipts (ADRs) / Foreign Currency Convertible Bonds (FCCBs) representing Equity Shares and/ or Debentures or Bonds convertible into equity shares whether fully or partly and whether compulsorily or at the option of the Bank or the holders thereof and/or any security linked to equity shares and/or all or any of the aforesaid securities with or without detachable or non-detachable warrants, (hereinafter collectively referred to as the “Securities”) to all eligible investors, including resident Indian individuals, bodies corporate, societies, trusts, non-residents, Qualified Institutional Buyers (QIBs), stabilization agents, foreign investors (whether institutions and/or incorporated bodies and/or individuals and/or trusts and/ or otherwise), Foreign Institutional Investors (FIIs), Foreign Corporate Bodies (FCBs)/Companies/Mutual funds/ Pension Funds/ Venture Capital Funds/ Banks, whether Indian or foreign and such other persons or entities whether or not such investors are members of the Bank, to all or any other category of investors who are authorized to invest in equity shares of the Bank as per extant regulations/guidelines or any combination of the above as may be deemed appropriate by the Bank through one or more offer prospectus and /or letter of offer or circular or such other document, at such time or times, at such price or prices and on such terms and conditions considering the prevailing market conditions and other relevant factors wherever necessary, for amount in nominal value not exceeding in the aggregate Rs.50 crore (Rupees Fifty crore only) or its equivalent amount in such Indian or foreign currencies as may be necessary with any premium and Green Shoe Option attached thereto, in one or more tranches, as may be deemed appropriate by the Board in such form and manner and on such terms and conditions like price or prices, premium, interest or additional interest, number of securities to be issued, face value, number of equity shares to be allotted on conversion/redemption/extinguishment of debt(s), rights attached to the warrants, period of conversion, fixing of record date or book closure terms of green shoe options, if any, exercised by the Bank and all other connected matters.”

“RESOLVED FURTHER THAT the Securities issued in foreign markets shall be deemed to have been made abroad and/or in the market and/ or at the place of issue of the Securities in the international market and may be governed by applicable foreign laws”.

“RESOLVED FURTHER THAT in case of issue and allotment of Securities by way of Qualified Institutions Placement (“QIP”) to Qualified Institutional Buyers (“QIBs”) in terms of Chapter VIII of the SEBI ICDR Regulations:

- (I) the allotment of the Equity Shares, or any combination of the Equity Shares as may be decided by the Board shall be completed within 12 months from the date of this resolution or such other time as may be allowed under the SEBI ICDR Regulations from time to time;
- (II) the Equity Shares issued shall rank pari passu in all respects including entitlement to dividend with the existing Equity Shares of the Bank in all

respects as may be provided under the terms of issue and in accordance with the placement document(s);

- (III) the relevant date for the purpose of pricing of the Equity Shares to be issued, if issued pursuant to Chapter VIII of the SEBI ICDR Regulations and/or other applicable regulations, shall be the date of the meeting in which the Board or Committee of Directors duly authorized by the Board decides to open the proposed issue of Equity Shares, subsequent to the receipt of members' approval in terms of provisions of Companies Act, 2013 and other applicable laws, rules, regulations and guidelines in relation to the proposed issue of the Equity Shares;
- (IV) the Board may, at its absolute discretion, issue Equity Shares at a discount of not more than five percent or such other discount as may be permitted under applicable regulations to the floor price as determined in terms of the SEBI (ICDR) Regulations, 2009, subject to the provisions of Section 53 of the Companies Act, 2013.
- (V) the issue and allotment of Equity Shares shall be made only to QIBs within the meaning of SEBI Regulations;
- (VI) the Equity Shares shall be fully paid-up on its allotment;
- (VII) the allotment to each Qualified Institutional Buyer (QIB) in the proposed QIP issue will not exceed 5% of the post issue paid-up capital of the Bank;
- (VIII) the Equity Shares shall not be eligible to be sold for a period of 1 year from the date of allotment, except on a recognized stock exchange;
- (IX) the total amount raised in such manner shall not, together with the over-allotment option, exceed five times the net worth of the Bank as per the audited balance sheet of the previous financial year.”

“RESOLVED FURTHER THAT without prejudice to the generality of the above and subject to applicable laws and subject to Requisite Approvals including any conditions as may be prescribed while granting such approval or permissions by such government authority or regulatory institution, the aforesaid Securities may have such features and attributes or any terms or combination of terms that provide for the tradability and free transferability thereof in accordance with the prevailing practices in the capital markets including but not limited to the terms and conditions for issue of additional Securities.”

“RESOLVED FURTHER THAT the Managing Director & CEO, Chief Financial Officer and Company Secretary are jointly and severally authorised on behalf of the Bank to make necessary applications, letters, filings to any Regulatory Authority, including the Reserve Bank of India as may be required for the purpose of giving effect to the above resolutions.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to do the following deeds for and on behalf of the members of the Bank to give effect to the above mentioned resolutions:-

- a) To appoint, enter into and execute all such arrangements, as the case may be, with any lead managers, merchant bankers, managers, underwriters, bankers, financial institutions, solicitors, advisors, guarantors, depositories,

registrars, transfer agents, custodians, trustees, lawyers, chartered accountants, company secretaries, experts in banking industry, consultants, book runners and such other intermediaries (“the Agencies”) as may be necessary and to remunerate any of the agencies in any manner including payment of commission, brokerage or fee for their services or otherwise and reimburse expenses that may be incurred by them in relation to their services to the Bank;

- b) To issue, directly or through any agency duly authorised depository receipt(s) / certificates of Securities to afford a proper title to the holder thereof and to enable such holder to trade in the securities or underlying Securities as such person may require to the extent lawfully permitted in India or in any other country where the securities have been issued subject to statutory regulations in India or in any other country and in accordance with the norms and practices prevailing in India or any other country;
- c) To issue and allot such number of Equity Shares as may be required to be issued and allotted upon conversion of any Securities or as may be necessary in accordance with the terms of the offering, all such further Equity Shares ranking pari-passu with the existing Equity Shares of the Bank in all respects except provided otherwise under the terms of issue of such Securities and in the offer document;
- d) To approve offer document, circulars, notice and such other documents (including amending, varying or modifying the same, as may be considered desirable or expedient) as finalized in consultation with the lead managers, underwriters, and/ or advisors in accordance with applicable laws, rules, regulations and guidelines and to take decisions to open the issue, decide bid opening and closing date, the issue price, the number of Equity Shares to be allotted and the basis of allotment of Shares;
- e) To dispose of the unsubscribed portion of the Securities to such person(s) and in such manner and on such terms as the Board may in its absolute discretion think most beneficial to the Bank, including offering or placing them with resident or non-resident / foreign investor(s) (whether institutions and / or incorporated bodies and / or individuals and / or trusts and / or otherwise) / Foreign Institutional Investors (FIIs) / Mutual Funds / Pension Funds / Venture Capital Funds / banks and /or Employees and business associates of the Bank or such other person(s) or entity(ies) or otherwise, whether or not such persons are members of the Bank;
- f) To retain over-subscription upto such percentage as may be permitted by the applicable regulations and by relevant authorities;
- g) To do such acts, deeds, matters and things as may be necessary for obtaining listing of all or any of its new Securities in any Stock Exchange in India or in any other country, subject to such statutory compliances as may be necessary in India or in such other country and further subject to such conditions as the Stock Exchanges may require, and for entering into of depository arrangements in regard to any such issue or allotment;
- h) To agree to and make and accept such conditions, modifications and alterations stipulated by any of the relevant authorities while according approvals, consents or permissions to the issue as may be considered necessary, proper and expedient;

- i) To do all such acts, deeds, matters and things as the Board may, in its absolute discretion, deem necessary or desirable for such purpose, including without limitation, the determination of the terms thereof, for entering into arrangements for managing, underwriting, marketing, listing and trading, banking and custodian arrangements and to sign all deeds, documents and writings and to pay any fees, commissions, remuneration, expenses relating thereto and with power on behalf of the Bank to settle all questions, difficulties, doubts that may arise in regard to such offer(s) or issue(s) or allotment(s), as it may, in its, absolute discretion, deem fit and with power on behalf of the Bank to settle any questions, difficulties or doubts that may arise in regard to any such issue(s) /offer(s) or allotment(s) or otherwise;
- j) To delegate from time to time, all or any of the powers conferred herein upon the Board to any Committee of the Board or to any Director (s) or any Officer (s) of the Bank.”

On the basis of consolidated final report submitted by the scrutinizer for e-voting and voting at the venue, 76178709 votes were cast in favour and 26098 votes were cast against the resolution.

The resolution was passed as a Special Resolution.

After all the business set out in the Notice was transacted, Chairman requested the Members to put up their suggestions and questions, if any.

Mr. Vijayakumar P.K shared his experiences while acting as Insurance Ombudsman and his opinion on distribution of insurance products by banks.

Mr. P.K Mohandas enquired on the status of progress in the construction of new corporate office building of the Bank at Punkunnam.

Mr. Harinarayanan M.B wanted to know the steps taken by the Bank to achieve the capital adequacy as per the regulatory norms.

Mr. Prasad Narayanan opined that all the shareholders were with the Bank and that the Bank may work towards a bright future.

Mr. Varghese K.D enquired about the industrial and HR relations in the Bank.

Mr. Radhakrishnan K.P wanted to know on the disbursement of arrears of benefits due to retired employees and on the change in the composition of the Board of the Bank.

Chairman then replied to the queries raised by the Members. Chairman informed that the Bank is taking all necessary precautions to ensure that there is no mis-selling of policies at the branches. Insurance business was one avenue to increase non-interest income of the bank. Chairman also informed that the Bank had raised a further capital of Rs.84.18 Cr. through preferential issue of equity shares and is planning to further raise another Rs. 90 Cr. by March 31, 2017. On the construction of new corporate office, Chairman informed that the same will be completed as soon as possible.

Chairman also clarified that the management was taking all steps to maintain cordial employee relations.

Later, Sri. C.K Gopinathan, Director rendered the vote of thanks. Sri. C.K Gopinathan said that the Bank will continue to strive to function effectively. The Bank has shown profits in the previous quarter and was hopeful of achieving stated goals. Sri. C.K Gopinathan also thanked all the Members, Chairman, MD & CEO, Directors, regulators and employees for their whole-hearted support in the growth of the Bank.

Thereafter, Chairman thanked the Members for their dignified conduct at the Meeting and declared the Meeting as concluded at 11.30 A.M.

SEPTEMBER 29, 2016

**Sd/-
DR. JAYARAM NAYAR
CHAIRMAN**