



Karnataka Bank Ltd.

Estd : 1924

CIN : L85110KA1924PLC001128

Regd. & Head Office
P.B. No. 599, Mahaveera Circle
Kankanady, Mangalore – 575 002

Phone : 0824 - 2228222 Fax : 0824-2225588
Website : www.karnatakabank.com
email : info@ktkbank.com

01.08.2017

SECRETARIAL DEPARTMENT

HO:SEC: 288 :2017-18

The Manager
Listing Department
National Stock Exchange of India
Limited.,
Exchange Plaza,C-1, Block G
Bandra-Kurla Complex,
Bandra (E),
MUMBAI 400 051

The General Manager,
BSE Limited
Corporate Relationship Dept
Phiroze Jeejeebhoy Towers,
Dalal Street,
MUMBAI 400 001

Dear Sir,

Pursuant to Regulation 30(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule III-Part A of the regulations, we enclose copy of the proceedings of the 93rd Annual General Meeting of the Bank held on 17th July, 2017, for your kind information.

Thank You,

Yours faithfully,


COMPANY SECRETARY

The Karnataka Bank Ltd.

PROCEEDINGS OF THE 93rd ANNUAL GENERAL MEETING OF THE MEMBERS OF THE KARNATAKA BANK LTD (THE BANK/THE COMPANY) HELD ON MONDAY, 17th JULY 2017 AT 11.30 AM AT THE REGISTERED & HEAD OFFICE OF THE BANK, MAHAVEERA CIRCLE, KANKANADY, MANGALURU-575002.

525 members including corporate representatives and 12 proxies (representing 7182 shares) were present in the meeting.

Details of attendance of Directors:

Sl No.	Messrs	Designation
1.	P Jayarama Bhat	Chairman
2.	Mahabaleshwara M S	Managing Director & CEO
3.	B A Prabhakar	Independent Director and Chairman of the Audit Committee of the Board
4.	Rammohan Rao Belle	Independent Director
5.	Usha Ganesh	Independent Director and Chairperson of the Nomination & Remuneration Committee of Directors
6.	Ashok Haranahalli	Independent Director and Chairman of Stakeholders Relationship Committee
7.	U R Bhat	Independent Director
8.	Keshav K Desai	Independent Director
9.	D Surendra Kumar	Additional Director

In attendance: Mr. Raghavendra Bhat M, Chief General Manager, Mr. Chandrashekar Rao B, General Manager, Mr. Subhaschandra Puranik, General Manager, Mr. Y V Balachandra, General Manager and CFO, Mr. Muralidhar K. Rao, General Manager, Mr. Nagaraja Rao B, General Manager and Mr. Prasanna Patil, Company Secretary.

Messrs. S S Kamath, Srinivasa Kamath and Parineeth Rau, Partners M/s. Kamath & Rau, Chartered Accountants, Mangaluru, Mr. Gopalakrishna CS and Mrs. Abarna Bhaskar, Partners, M/s. Abarna & Ananthan, the Statutory Central Auditors of the Bank and Mr. Ullas Kumar Melinamogaru, Prop. M/s Ullas Kumar Melinamogaru & Associates, Secretarial Auditor of the Bank were also present.

In terms of Article 32(a) of the Articles of Association of the Bank, Mr. P Jayarama Bhat, Chairman, presided over the meeting. After ascertaining that necessary quorum was present, he called the meeting to order.

The Chairman welcomed the members and proxy holders/representatives of companies/institutions to the meeting. Thereafter, with the consent of the members present, the notice convening the meeting was taken as read. Documents referred to in the notice and statutory registers were kept open for inspection by the members till the conclusion of the meeting in terms of the Companies Act, 2013.

Before proceeding further, the Chairman thanked the members for their overwhelming response to the Rights Issue of the Bank and also briefed about the changes in the Board and the Management of the Bank.

Upon advise of the Chairman, Mr. Mahabaleshwara M S, new Managing Director & CEO informed briefly covering the global economic conditions, macro-economic situation in India, issues faced by the banks in India, new initiatives planned etc. He also briefed about the performance of the Bank during the financial year ended March 31, 2017 and informed that amidst the challenging business environment, the Bank was able to report an all-time high annual net profit of ₹452.26 crore and that the corporate goal has been set for the financial year 2017-18 wherein the Bank is projecting a business turnover of ₹1,10,000 crore.

Thereafter, the Chairman informed that pursuant to Rule 20 of the Companies (Management and Administration) Rules, 2014 and in terms of Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, remote e-voting facility was provided to the shareholders which opened for voting at 10.00 AM on July 13, 2017 and closed at 5.00 PM on July 16, 2017 in respect of all resolutions placed at the meeting. With a view to enable the members present at this meeting who did not cast vote under remote e-voting facility, he declared that Poll has been ordered and informed that arrangements were made to vote physically by ballot. Further he declared that he has appointed Mr. M V Shanker Bhat, Sr. Advocate, Rambhavan Complex, Kodialbail, Mangaluru-575003, present at the meeting to scrutinize the poll process in a fair and transparent manner and that arrangements have been made to vote using the Ballot papers. Thereafter four empty Ballot boxes were sealed in the presence of the members and the Scrutinizer explained the procedure for Poll. Members and proxy holders were requested to collect their Ballot Forms and to drop the duly completed Ballot papers into these Ballot boxes placed outside the meeting hall at the end of the meeting.

Chairman further informed that the results of voting in respect of resolutions placed before this meeting would be declared and published in the Bank's website after the polling process was over and after receipt of consolidated report on the voting from the scrutinizer.

Item No.1 set out in the notice convening the meeting was taken up for consideration. Since the Auditors' Report was already circulated to the members in the Annual Report and as there were no qualifications in the report, with the consent of the members present, the same was taken as read. Thereafter, the following queries in relation to Annual Accounts for the FY 2016-17 raised by the members were replied/clarified by Mr. Mahabaleshwara M S, Managing Director & CEO as permitted by the Chairman and Mr. P Jayarama Bhat, Chairman.

Queries and replies:

- a) **Deployment of funds and Cost of Deposits** : it was explained that, considering the market conditions and the opportunities/avenues available, appropriate decisions are taken by the Bank from time to time to deploy the funds in the form of credit or investment in order to maximize the earnings. As regards the cost of deposits, it was informed that the same has been on the decreasing trend i.e. from 7.51 per cent as on March 31, 2016 to 6.73 per cent as on March 31, 2017.
- b) **Gross NPAs**: in view of the continuing slowdown in the economy and delinquencies in select sectors, GNPA is showing increasing trend across the banking industry. However, Bank has been reasonably successful in containing the non-performing assets through effective credit monitoring as well as intensified efforts to recover the impaired assets and the said efforts will be further intensified during the current financial year.

c) **Impact of Demonetization on the Bank:** It was informed that there was a surge in the low-cost deposits and the CASA Ratio increased from 26.26 per cent as on March 31, 2016 to 29.04 per cent as on March 31, 2017. However, demonetization had adverse impact on operational expenditure. It was also informed that the efforts put by the employees of the Bank in making this Government initiative successful was noteworthy.

Mr. Jayananda Devadiga (Client ID:IN30021413274284) a shareholder proposed the following motion which was seconded by Mr. Radhakrishna, a shareholder (Client ID:1304050000037480) another shareholder.

“Resolved that the Directors report dated June 17, 2017 and the audited financial statements comprising of the Balance Sheet as at March 31st, 2017 and the Profit and Loss account and the Cash Flow Statement for the year ended on that date, along with the auditors report thereon dated May 13, 2017 be and are hereby received, considered and adopted”.

In view of the Remote e-voting facility having been provided to the shareholders, for those members who had not voted under Remote e-voting, the motion was put to vote by Poll.

Item No.2 set out in the notice convening the meeting was taken up for consideration. The Chairman informed that the Board of Directors had recommended a dividend @ ₹4 per share on the paid up capital of the Bank for the year ended March 31, 2017 for declaration at this meeting.

Mr. Radhakrishna, a shareholder (Client ID:1304050000037480) proposed the following motion which was seconded by Mr. Vasudeva Kedilaya (Client ID: IN30023910364407), another shareholder.

“Resolved that dividend at the rate of 40% on the paid up equity share capital (viz. 282607327 equity shares of ₹10 each) i.e., ₹4/- per share for the financial year ended March 31, 2017 be and is hereby approved and same be paid to those members whose name appear on the register of members/register of beneficial holders as on July 10, 2017 in respect of shares held in electronic form and as on July 17, 2017 in respect of shares held in physical form”.

In view of the Remote e-voting facility having been provided to the shareholders, for those members who had not voted under Remote e-voting, the motion was put to vote by Poll.

Item No.3 set out in the notice convening the meeting was taken up for consideration. The Chairman explained that the Board of Directors has proposed the appointment of two audit firms namely M/s. Abarna & Ananthan, Chartered Accountants, Bengaluru retiring statutory central auditors jointly with M/s. R K Kumar & Co., Chartered Accountants, Chennai as Statutory Central Auditors of the Bank to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting as approved by Reserve Bank of India pursuant to Section 30(1A) of the Banking Regulation Act, 1949.

The following motion was proposed by Mr. K. Seetharama (Client ID:IN30009510713255) a shareholder which was seconded by Mr. Ramachandra Achar (Ledger Folio No. 427) another shareholder.

“Resolved that M/s. Abarna & Ananthan, Chartered Accountants, (Firm Reg. No.000003S), #521, 3rd Main, 6th Block, 2nd Phase, BSK 3rd Stage, Bengaluru-560 085 and M/s. R K Kumar &

Co., (Firm Registration No.001595S) Chartered Accountants, II Floor, Congress Building, 573, Mount Road, Chennai-600006 be and are hereby appointed jointly as the Statutory Central Auditors of the Bank to hold office from the conclusion of this meeting till the conclusion of the next Annual General Meeting and the Board of Directors of the Bank be and is hereby authorised to fix their remuneration."

In view of the Remote e-voting facility having been provided to the shareholders, for those members who had not voted under Remote e-voting, the motion was put to vote by Poll.

Item No.4 set out in the notice convening the meeting was then taken up for consideration. The Chairman informed that that the Board of Directors propose to appoint branch statutory auditors for the audit of such of the branches/offices as are not proposed to be appointed by the Statutory Central Auditors of the Bank for the year ending March 31, 2018 in consultation with Statutory Central Auditors and to fix their remuneration.

Mr. M Subraya Maiya (Ledger Folio No. 3644), a shareholder proposed the following motion, which was seconded by Mr. Sathish Rao Iddya (Client Id: IN30113526861424), another shareholder.

"RESOLVED THAT in terms of Section 143(8) of the Companies Act, 2013, the Board of Directors be and is hereby authorised to appoint from time to time and in consultation with the Bank's Statutory Central Auditors, one or more persons qualified for appointment as branch auditor/s to audit the accounts for the year ending 31st March, 2018 of such of the branches/offices of the Bank as are not proposed to be audited by the Bank's Statutory Central Auditors on such remuneration and subject to such terms and conditions as may be fixed by the Board of Directors."

In view of the Remote e-voting facility having been provided to the shareholders, for those members who had not voted under Remote e-voting, the motion was put to vote by Poll.

Item No. 5 set out in the notice convening the meeting was then taken up for consideration. The Chairman informed that the Board of Directors had appointed Mr. D Surendra Kumar, as an Additional Director under Section 161 of the Companies Act, 2013 and he holds office upto the date of this Annual General Meeting. A notice has been received from a member of the Bank under Section 160 of the Companies Act, 2013 proposing the candidature of Mr. D Surendra Kumar for the office of Director. Further pursuant to Section 149 read with Schedule IV of the Companies Act, 2013, the Board of Directors having taken into consideration the declaration received from Mr. D Surendra Kumar, is of the view that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013. The Board is of the opinion that he fulfills the conditions specified in the Companies Act, 2013 and the Rules made thereunder and he is independent of the management. He further added that the resolution seeks members' approval for appointment of Mr. D Surendra Kumar as an Independent Director of the Bank to hold the office upto May 31, 2021.

Mr. S V Manjunath (Client ID:1304050000094781), a shareholder proposed the following motion, which was seconded by Dr. H Ramamohan (Client ID:1206290000023990), another shareholder.

"RESOLVED THAT in accordance with applicable provisions of the Companies Act, 2013 and the Rules made thereunder and the Articles of Association of the Bank, Mr. D Surendra

Kumar, who was appointed as an Additional Director by the Board of Directors on December 29, 2016, pursuant to Article 38(d) of the Articles of Association of the Bank and 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 a written Notice pursuant to Section 160 of the Companies Act, 2013, has been received from a member signifying his intention to propose Mr. D Surendra Kumar as a candidate for the office of Director of the Bank pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Schedule IV to the Companies Act, 2013, Section 10A and other applicable provisions of the Banking Regulation Act, 1949 and the Circulars and Guidelines issued by the Reserve Bank of India, Mr. D Surendra Kumar be and is hereby appointed as an Independent Director of the Bank who shall hold office upto May 31, 2021 and that he shall not be liable to retire by rotation”

In view of the Remote e-voting facility having been provided to the shareholders, for those members who had not voted under Remote e-voting, the motion was put to vote by Poll.

Since Mr. P Jayarama Bhat was interested in the next two resolutions he requested Mr. Ashok Haranahalli, Director to preside over the meeting in respect of item no. 6 & 7 of the notice. Accordingly, Mr. Ashok Haranahalli presided over as Chairman for the said resolutions.

Item No.6 set out in the notice convening the meeting was then taken up for consideration. Mr. Ashok Haranahalli informed that the Board of Directors had appointed Mr. P Jayarama Bhat, as an Additional Director pursuant to Article 38(d) of the Articles of Association of the Bank and Section 161(1) of the Companies Act, 2013 and he holds office upto the date of this Annual General Meeting. A notice was received from a member of the Bank under Section 160 of the Companies Act, 2013 proposing the candidature of Mr. P Jayarama Bhat for the office of Director pursuant to the provisions of Section 152 and any other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Section 10A and other applicable provisions of the Banking Regulation Act, 1949 and the Circulars and Guidelines issued by the Reserve Bank of India. He further added that the resolution seeks members’ approval for appointment of Mr. P Jayarama Bhat, as a Director of the Bank liable to retire by rotation.

Mr. Ramachandra Achar (Ledger Folio No. 427), a shareholder proposed the following motion, which was seconded by Mr. Jayananda Devadiga (Client ID:IN30021413274284), another shareholder.

“RESOLVED THAT in accordance with applicable provisions of the Companies Act, 2013 and the Rules made thereunder and the Articles of Association of the Bank, Mr. P Jayarama Bhat, who was appointed as an Additional Director by the Board of Directors, pursuant to Article 38(d) of the Articles of Association of the Bank and 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 a written Notice pursuant to Section 160 of the Companies Act, 2013 has been received from a member signifying his intention to propose Mr. P Jayarama Bhat as a candidate for the office of Director of the Bank pursuant to the provisions of Section 152 and any other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Section 10A and other applicable provisions of the Banking Regulation Act, 1949 and the Circulars and Guidelines

issued by the Reserve Bank of India, Mr. P Jayarama Bhat be and is hereby appointed as a Director of the Bank, liable to retire by rotation.”

In view of the Remote e-voting facility having been provided to the shareholders, for those members who have not voted under Remote e-voting, the motion was put to vote by Poll.

Item No.7 set out in the notice convening the meeting was then taken up for consideration. The Chairman informed that the approval has been received from the Reserve Bank of India (RBI) under Section 10B (1A) of the Banking Regulation Act, 1949, for payment of remuneration etc. to Mr. P Jayarama Bhat, Non-Executive Chairman of the Board of Directors of the Bank for a period of 3 years from the date of taking charge.

Mr. M Krishna Bhat (Client ID: 1304050000083180), a shareholder proposed the following motion, which was seconded by Mr. S V Manjunath (Client ID:1304050000094781), another shareholder.

“RESOLVED that pursuant to the approval received from the Reserve Bank of India (RBI) under Section 10B(1A) of the Banking Regulation Act, 1949, approval of the members of the Bank be and is hereby accorded for the payment of remuneration etc. as stated below to Mr. P Jayarama Bhat, Part Time Chairman of the Board of Directors of the Bank (hereinafter referred to as Chairman) for a period of 3 years from the date of taking charge.

Sr.No.	Particulars	Description
1	Remuneration	Consolidated salary of ₹12 lakh per annum (Rupees one lakh per month)
2	Entertainment allowance	Re-imbusement of entertainment expenses including Club Membership Fees up to ₹25000 p.a.
3	Free use of Bank's car	Free use of Bank's car for official purpose.
4	Travelling and Halting allowance	Governed by the rules as applicable to the Whole Time Directors of the Bank with regard to reimbursement of the travel, halting allowance and other expenses incurred for attending the meetings of the Board/Committees of the Board and other official visits.
5	Insurance cover	Reimbursement of medical insurance premium upto a cover of ₹10.00 lakh p.a. for self and spouse.
6	Telephone	Reimbursement of telephone expense.
7	Sitting fees	Payment of sitting fees of such amount as applicable to other Non-executive Directors of the Bank for attending meetings of the Board & Committees of the Board.

RESOLVED FURTHER THAT the Board/any Officer of the Bank duly authorized by the Board be and is hereby authorized to do all such acts, deeds and things as may be required to give effect to the aforesaid resolution.”

In view of the Remote e-voting facility having been provided to the shareholders, for those members who have not voted under Remote e-voting, the motion was put to vote by Poll.

Thereafter Mr. P Jayarama Bhat thanked Mr. Ashok Haranahalli and presided over as Chairman of the meeting for taking up next items of the notice.

Item No.8 set out in the notice convening the meeting was then taken up for consideration.

The Chairman informed that the Board of Directors had appointed Mr. Mahabaleshwara M S, as an Additional Director pursuant to the Companies Act, 2013 and he holds office upto the date of this Annual General Meeting. A notice was received from a member of the Bank under Section 160 of the Companies Act, 2013 proposing the candidature of Mr. Mahabaleshwara M S for the office of Director pursuant to the provisions of Section 152 and any other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Section 10A and other applicable provisions of the Banking Regulation Act, 1949 and the Circulars and Guidelines issued by the Reserve Bank of India,. He further added that the resolution seeks members' approval for appointment of Mr. Mahabaleshwara M S, as Director of the Bank.

Mr. Jayananda Devadiga (Client ID:IN30021413274284), a shareholder proposed the following motion, which was seconded by Mr. S S Nayak (Client ID IN30113526397737), another shareholder.

"RESOLVED THAT in accordance with applicable provisions of the Companies Act, 2013 and the Rules made thereunder and the Articles of Association of the Bank, Mr. Mahabaleshwara M S, who was appointed as an Additional Director by the Board of Directors, pursuant to Article 38(d) of the Articles of Association of the Bank and 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 a written Notice pursuant to Section 160 of the Companies Act, 2013 has been received from a member signifying his intention to propose Mr. Mahabaleshwara M S as a candidate for the office of Director of the Bank pursuant to the provisions of Section 152 and any other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Section 10A and other applicable provisions of the Banking Regulation Act, 1949 and the Circulars and Guidelines issued by the Reserve Bank of India, Mr. Mahabaleshwara M S be and is hereby appointed as a Director of the Bank, not liable to retire by rotation."

In view of the Remote e-voting facility having been provided to the shareholders, for those members who had not voted under Remote e-voting, the motion was put to vote by Poll.

Item No.9 set out in the notice convening the meeting was then taken up for consideration.

The Chairman informed that the Board of Directors had appointed Mr Mahabaleshwara M S as Managing Director & CEO of the Bank for a period of three years and pursuant to the approval received from the Reserve Bank of India (RBI) under Section 35B of the Banking Regulation Act, 1949 and subject to the applicable provisions of the Companies Act, 2013 and approval of the members of the Bank for a period of three (3) years from the date of taking charge and on the remuneration and other perquisites.

Mr. Jayananda Devadiga (Client ID:IN30021413274284), a shareholder proposed the following motion, which was seconded by Mr. Ramachandra Achar (Ledger Folio No. 427), another shareholder.

"RESOLVED THAT pursuant to the approval received from the Reserve Bank of India (RBI) under Section 35B of the Banking Regulation Act, 1949 and subject to the applicable provisions of the Companies Act, 2013 and subject to such other approvals as may be necessary, approval of members of the Bank be and is hereby accorded for the appointment of Mr. Mahabaleshwara M S as Managing Director & CEO of the Bank for a period of three (3) years from the date of taking charge and on the remuneration and other perquisites mentioned hereunder:

Sr. No.	Particulars	Description
1	Basic salary	₹42,00,000/- p.a. (₹3.50 lakh p.m.).
2	Variable Pay	Such amount of variable pay as may be decided by Board/N&RC subject to approval from Reserve Bank of India.
3	Dearness allowance	₹8,40,000/- (20% of the basic salary).
4	House rent allowance	Free furnished residential accommodation. Proper up keep and security arrangement to the residential accommodation to be provided by the Bank. Till the bank arranges to buy and provide an independent house to the MD, allowance @15% of the basic salary be given, which works out ₹6,30,000/- per annum.
5	Conveyance allowance	Nil
6	Entertainment allowance	₹50,000/- p.a.
7	Other allowance, if any	Nil
	Total	₹57,20,000/- p.a.
	Employee Stock Options(ESOPs)	Such number of stock options at such price and other conditions as may be decided by Board/N&RC subject to approval from Reserve Bank of India.
	Perquisites	
	Free furnished house	At present HRA as per Sl. No.4
	Use of Bank's car	i) free use for official purpose. ii) for private purpose on compensating the Bank with suitable amount; for personal use ₹250/- per month to be recovered.
	Provident Fund Gratuity	12% of basic pay. As applicable to the Officers of the Bank without the restriction of minimum service required. The Bank should seek RBI approval as and when gratuity is proposed to be paid.
	Travelling and Halting allowance	As may be decided by the Board of the Bank from time to time
	Medical Benefit	Reimbursement upto ₹25,000/- p.a. for self & family on declaration basis. Reimbursement of actual expenses incurred including hospitalisation in full for self and spouse and to the extent of 50% for his dependent children or in lieu thereof suitable medical insurance policy with a cover up to ₹10.00 lakh may be taken by the Bank
	1. Other benefits, Insurance cover 2. Telephone 3. Bonus & sitting fees	1. Personal accident insurance cover up to ₹20,00,000/- 2. Telephone facility at residence at bank's cost. 3. No bonus & sitting fees.
	Leave fare concession	Highest class by whatever mode of travel within the country once in a year for self and family members including dependent children.

RESOLVED FURTHER THAT the Board/any Officer of the Bank duly authorized by the Board be and is hereby authorized to do all such acts, deeds and things as may be required to give effect to the aforesaid resolution".

In view of the Remote e-voting facility having been provided to the shareholders, for those members who had not voted under Remote e-voting, the motion was put to vote by Poll.

Item No.10 set out in the notice convening the meeting was then taken up for consideration. The Chairman informed that the Board of Directors and Nomination & Remuneration Committee (N&RC) of the Board had approved to issue, grant/allot upto 50,00,000 (fifty lakh) equity stock options to employees of the Bank in terms of SEBI (Share Based Employee Benefits) Regulations, 2014 and the details thereon were provided in the explanatory statement provided as part of the notice of the Annual General Meeting. He further added that the resolution seeks members approval by way of special resolution for issue, grant/allot upto 50,00,000 (fifty lakh) equity stock options to employees of the Bank.

Mr. N S Hegde (Ledger Folio No. 28000052), a shareholder proposed the following motion, which was seconded by Mr. Narayan Rao (Client ID:IN30113526031694), another shareholder.

“RESOLVED THAT pursuant to provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 including any statutory modifications or re-enactment thereof for the time being in force, subject to the provisions of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 as amended from time to time and other Rules, Regulations, Guidelines, provisions of Memorandum and Articles of Association of the Bank and further subject to such approval, permissions and sanctions as may be necessary from Securities and Exchange Board of India, the Stock Exchanges, Reserve Bank of India, Govt. of India and other appropriate authorities as may be required and subject to such terms and conditions that may be prescribed or imposed by such authorities while granting such approval which may be agreed to or accepted by the Board of Directors (hereinafter referred to as “the Board” which expression shall include Committee/s of the Board including Nomination & Remuneration Committee (N&RC) of the Board, the consent of the members of the Bank be and is hereby accorded to create, issue, grant/allot upto 50,00,000 (fifty lakh) equity stock options to employees of the Bank as defined under aforesaid SEBI regulations in one or more tranches through KBL-Stock Option Scheme (ESOS 2017) of the Bank which entitles the option holders to subscribe to 1 (ONE) equity share of the Bank of ₹10 each aggregating face value of ₹5,00,00,000/- at such price, in such manner, during such period and on such terms and conditions and in the manner as may be determined by the “Board”.

RESOLVED FURTHER that without prejudice to the generality of the above but subject to terms as approved by the members, the Board be and is hereby authorised to implement the scheme (with or without modification/s and variation/s) in one or more tranches in such manner as it may determine.

RESOLVED FURTHER that the Board be and is hereby authorised to issue and allot such number of equity shares as may be required upon exercise of options from time to time in pursuance of scheme and that equity shares so issued and allotted subject to the provisions of Memorandum and Articles of Association of the Bank shall rank *pari-passu* in all respects with the existing fully paid up equity shares of the Bank including dividend, if any, during year of allotment of shares pursuant to exercise of options vested in the employees.

RESOLVED FURTHER that in case Bank`s equity share capital or its valuation is affected due to any corporate actions like issue of bonus/rights shares, any split or consolidation of face value of equity shares or any event of merger/ consolidation, capitalization or other reorganization of the Bank, tender offer of equity shares the Board be and is hereby authorised to make such adjustment with respect to outstanding Stock Options and such other action as it deems necessary or appropriate in this regard.

RESOLVED FURTHER that for the purpose of giving effect to the above resolution the Board be and is hereby authorised to do all such deeds, matters and things as it may in its absolute discretion deem fit or necessary or desirable for such purpose on behalf of the Bank to settle any issues, questions difficulties, doubts that may arise in this regard”

In view of the Remote e-voting facility having been provided to the shareholders, for those members who had not voted under Remote e-voting, the motion was put to vote by Poll.

Thereafter, the Chairman informed that as all the items of the notice have been transacted and the consolidated results of both e-voting and the poll will be published within the statutory timeline. He thanked all the members and proxy holders for their active participation in the meeting and the meeting ended at 1.30 PM.

The consolidated report on voting results on the resolutions set out in the notice of the 93rd Annual General Meeting was obtained from the Scrutinizer Mr. M V Shanker Bhat and intimated to the Stock Exchanges on 18.07.2017 and also published on Bank's website with the permission of the Chairman. The voting results were as under:

CONSOLIDATED VOTING RESULTS

Item No.	Description of the Resolution	Total Votes cast	E-Voting		Poll		Invalid votes	Total (E-voting & Poll)	
			FOR	Against	FOR	Against		FOR	Against
1.	Adoption of the audited financial statements (Balance Sheet and Profit & Loss Account for the year ended March 31, 2017) and the reports of the Auditors and the Directors thereon.	84131451	83225658	313469	587212	4872	240	83812870	318341
Votes cast in favour of the resolution were more than the votes cast against the resolution, the Chairman declared that the resolution was approved by majority and was passed as an ORDINARY RESOLUTION									
2.	Declaration of Dividend on equity shares.	84799788	83939000	273411	582287	4850	240	84521287	278261
Votes cast in favour of the resolution were more than the votes cast against the resolution, the Chairman declared that the resolution was approved by majority and was passed as an ORDINARY RESOLUTION									
3.	Appointment of M/s. Abarna & Ananthan, Chartered Accountants, Bengaluru and M/s. R K Kumar & Co, Chartered Accountants, Chennai jointly as Statutory Central Auditors of the Bank for the year 2017-18 and fixing their remuneration.	84297505	73651207	10053974	587234	4850	240	74238441	10058824
Votes cast in favour of the resolution were more than the votes cast against the resolution, the Chairman declared that the resolution was approved by majority and was passed as an ORDINARY RESOLUTION.									
4.	Appointment of Branch Auditors to audit the accounts	84293180	83421089	284092	582269	5490	240	84003358	289582

Item No.	Description of the Resolution	Total Votes cast	E-Voting		Poll		Invalid votes	Total (E-voting & Poll)	
			FOR	Against	FOR	Against		FOR	Against
	of Branches/ Offices for the year 2017-18 and fixing their remuneration.								
		Votes cast in favour of the resolution were more than the votes cast against the resolution, the Chairman declared that the resolution was approved by majority and was passed as an ORDINARY RESOLUTION.							
5	Appointment of Mr. D Surendra Kumar as an Independent Director of the Bank.	84799832	84212216	17	574718	12641	240	84786934	12658
		Votes cast in favour of the resolution were more than the votes cast against the resolution, the Chairman declared that the resolution was approved by majority and was passed as an ORDINARY RESOLUTION.							
6	Appointment of Mr. P Jayarama Bhat as Director of the Bank.	84794433	84058818	147416	583109	4850	240	84641927	152266
		Votes cast in favour of the resolution was more than the votes cast against the resolution, the Chairman declared that the resolution was approved by majority and was passed as an ORDINARY RESOLUTION.							
7	Payment of remuneration to Mr. P Jayarama Bhat, Part-time Non-executive Chairman of the Bank.	84794233	84206002	232	578370	9389	240	84784372	9621
		Votes cast in favour of the resolution were more than the votes cast against the resolution, the Chairman declared that the resolution was approved by majority and was passed as an ORDINARY RESOLUTION.							
8	Appointment of Mr. Mahabaleshwara M S as Director of the Bank.	84784815	75198198	8998418	583109	4850	240	75781307	9003268
		Votes cast in favour of the resolution were more than the votes cast against the resolution, the Chairman declared that the resolution was approved by majority and was passed as an ORDINARY RESOLUTION.							
9	Appointment of Mr. Mahabaleshwara M S as Managing Director & CEO of the Bank and payment of remuneration and other perquisites to -him.	84789540	73227076	10969540	587834	4850	240	73814910	10974390
		Votes cast in favour of the resolution were more than the votes cast against the resolution, the Chairman declared that the resolution was approved by majority and was passed as an ORDINARY RESOLUTION							
10.	Introduction of Employees Stock Option Scheme 2017 (ESOS 2017).	84786910	53684469	30527942	561213	13046	240	54245682	30540988
		This item of the notice required passing of special resolution and the votes cast in favour of the resolution were less than the required majority, the Chairman declared that the said item was considered as not passed at the General Meeting.							


 CHAIRMAN