

THE CATHOLIC SYRIAN BANK LIMITED

Registered Office: CSB Bhavan, St. Mary's College Road, Post Box No. 502, Thrissur, Kerala-680 020

Corporate Identity Number: U65191KL1920PLC000175

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NOTICE OF THE EXTRAORDINARY GENERAL MEETING

NOTICE is hereby given that an **EXTRAORDINARY GENERAL MEETING** of the shareholders of The Catholic Syrian Bank Limited will be held at Kousthubham Auditorium , Shoranur Road, Thrissur-680 001 on Thursday, the 19th of February, 2015 at 10.00 a.m. to transact the following special business:

1. Adoption of new set of Articles of Association

To consider and if thought fit, to pass with or without modification(s), the following resolution as a SPECIAL RESOLUTION:

“RESOLVED THAT pursuant to provisions of Sections 5, 14, Table F of Schedule I and all other applicable provisions of Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force), provisions of the Banking Regulation Act, 1949, and the requirements in relation to listing of the Equity Shares of the Bank on the stock exchanges, the draft regulations contained in the Articles of Association of the Bank submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Bank with immediate effect.

RESOLVED FURTHER THAT the Company Secretary of the Bank be and is hereby authorised to take all necessary steps for giving effect to the resolution”.

2. Re-classification of the Authorized Capital

To consider and if thought fit, to pass with or without modification(s), the following resolution as a SPECIAL RESOLUTION:

“RESOLVED THAT pursuant to Sections 13 and 61 and other relevant provisions of the Companies Act, 2013 read with the Articles of Association of the Bank , 20,00,000 (Twenty lacs) unissued Preference Shares of ₹100/- (Rupees Hundred only) each, aggregating ₹ 20,00,00,000/- (Rupees Twenty Crore only) forming part of the Authorised Share Capital of the Bank, be and are hereby cancelled and reclassified concurrently by creating 2,00,00,000 (Two crore) Equity Shares of ₹ 10/- (Rupees Ten only) each aggregating to ₹ 20,00,00,000/- (Rupees Twenty Crore only), without altering the overall Authorised Capital of ₹ 120,00,00,000/- (Rupees One hundred and twenty Crores only).

RESOLVED FURTHER THAT, Clause 5 of Memorandum of Association of the Bank be substituted as under :-

“5. The Authorized share capital of the Company is ₹120,00,00,000(Rupees one hundred and Twenty crores only) divided into 12,00,00,000(twelve crores) Equity shares of ₹10/- (Rupees ten only) each, with the power to increase or decrease the capital consistent with the rules and regulations of the Company and in accordance with the provisions of the Companies Act, 2013.”

RESOLVED FURTHER THAT the Board of Directors shall have the liberty to make such changes, if any, in the proposed amendment, as may be stipulated by the Reserve Bank of India while according its ‘no objection’ under Section 49C of the Banking Regulation Act, 1949, for carrying out the amendment.

RESOLVED FURTHER THAT the Company Secretary of the Bank be and is hereby authorised to take all necessary steps for giving effect to the resolution”.

3. Increase in the limits of investment by FIIs/ registered FPIs/ QFIs to 49 % of the paid up equity share capital of the Bank

To consider and if thought fit, to pass with or without modification(s), the following resolution as a SPECIAL RESOLUTION:

“**RESOLVED THAT** pursuant to the applicable provisions of the Foreign Exchange Management Act, 1999, the Companies Act, 2013, to the extent applicable, the Consolidated Foreign Direct Investment Policy Circular of 2014 (“**Consolidated FDI Policy**”), as amended, the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended and all other applicable laws, rules, regulations, guidelines and subject to the approvals, consents and permissions of the Government of India, the Foreign Investment Promotion Board, the Reserve Bank of India (“**RBI**”) and any other appropriate authorities, institutions or bodies as may be necessary and subject to such conditions and modifications as may be prescribed, stipulated or imposed by any of the concerned authorities while granting such approvals, permissions and sanctions and the like, which may be agreed to by the Board of Directors of the Bank, consent of the members of the Bank be and is hereby accorded for acquiring the shares of the Bank by permitted foreign investors in the nature of Foreign Institutional Investors (FIIs), Registered Foreign Portfolio Investors (RPFIs) and Qualified Foreign Investors(QFIs) by purchase or acquisition on the recognized stock exchange or in any other manner including investment under the Portfolio Investment Scheme(PIS), subject to the conditions that the aggregate holding of the FIIs/RPFIs/QFIs shall not exceed 49% of the paid up equity share capital of the Bank or such other limit as may be stipulated by the Government of India, Foreign Investment Promotion Board and the Reserve Bank of India, from time to time.

RESOLVED FURTHER THAT Managing Director & CEO, the Chief Financial Officer and the Company Secretary be and are hereby severally authorised to do all such acts, deeds and things as may be necessary or expedient to give effect to this resolution including but not limited to incorporation of amendment/suggestion/observations made by the Ministry of Corporate Affairs and the Reserve Bank of India, to the extent applicable.”

4. Increase in the limits of investment by NRIs to 24% of the paid up equity share capital of the Bank

To consider and if thought fit, to pass with or without modification(s), the following resolution as a SPECIAL RESOLUTION:

“**RESOLVED THAT** pursuant to the applicable provisions of the Foreign Exchange Management Act, 1999, the Companies Act, 2013, to the extent applicable, the Consolidated Foreign Direct Investment Policy Circular of 2014 (“**Consolidated FDI Policy**”), as amended, the Foreign Exchange Management (Transfer or Issue of Security by a

Person Resident Outside India) Regulations, 2000, as amended and all other applicable laws, rules, regulations, guidelines and subject to the approvals, consents and permissions of the Government of India, the Foreign Investment Promotion Board, the Reserve Bank of India (“**RBI**”) and any other appropriate authorities, institutions or bodies as may be necessary and subject to such conditions and modifications as may be prescribed, stipulated or imposed by any of the concerned authorities while granting such approvals, permissions and sanctions and the like, which may be agreed to by the Board of Directors of the Bank, consent of the members of the Bank be and is hereby accorded for acquiring the shares of the Bank by Non Resident Indians (NRIs) by purchase or acquisition on the recognized stock exchange or in any other manner including investment under the Portfolio Investment Scheme(PIS), subject to the conditions that the aggregate holding of the NRIs shall not exceed 24% of the paid up equity share capital of the Bank or such other limit as may be stipulated by the Government of India, Foreign Investment Promotion Board and the Reserve Bank of India, from time to time.

RESOLVED FURTHER THAT Managing Director &CEO , the Chief Financial Officer and the Company Secretary be and are hereby severally authorised to do all such acts, deeds and things as may be necessary or expedient to give effect to this resolution including but not limited to incorporation of amendment/suggestion/observations made by the Ministry of Corporate Affairs and the Reserve Bank of India, to the extent applicable”.

5. Increase in Foreign Direct Investment Limits

To consider and if thought fit, to pass with or without modification(s), the following resolution as an ORDINARY RESOLUTION

“RESOLVED THAT subject to the approval of the shareholders of the Bank and pursuant to the applicable provisions of the Foreign Exchange Management Act, 1999, the Companies Act, 1956, the Companies Act, 2013, to the extent applicable, the Consolidated Foreign Direct Investment Policy Circular of 2014 (“**Consolidated FDI Policy**”), as amended, the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended and all other applicable laws, rules, regulations, guidelines and subject to the approvals, consents and permissions of the Government of India, the Foreign Investment Promotion Board, the Reserve Bank of India (“**RBI**”) and any other appropriate authorities, institutions or bodies as may be necessary and subject to such conditions and modifications as may be prescribed, stipulated or imposed by any of the concerned authorities while granting such approvals, permissions and sanctions and the like, which may be agreed to by the Board of Directors of the Bank, consent of the members of the Bank be and is hereby accorded for eligible non-resident investors to hold up to an aggregate limit of 74% of the paid-up equity share capital of the Bank as foreign direct investment in terms of the Consolidated FDI Policy.”

“RESOLVED FURTHER THAT notwithstanding the effect of the resolution above, pursuant to the applicable provisions of the Foreign Exchange Management Act, 1999, the Companies Act, 1956, the Companies Act, 2013, to the extent applicable, the Consolidated FDI Policy, the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended and all other applicable laws, rules, regulations, guidelines, Foreign Institutional Investors, Registered Foreign Portfolio Investors and Qualified Foreign Investors would continue to be able to invest in the share capital of the Bank up to an aggregate limit of 49% of the Bank’s paid up share capital, and Non Resident Indians would continue to be able to invest in the share capital of the Bank up to an aggregate limit of 24% of the Bank’s paid up share capital.”

“RESOLVED FURTHER THAT, Managing Director &CEO , the Chief Financial Officer and the Company Secretary be and are hereby severally authorized to take all steps for giving effect to the aforesaid Resolution.”

6 Increase of Subscribed Capital by issue of further shares on Rights Basis

To consider and if thought fit, to pass with or without modification(s), the following resolution as a SPECIAL RESOLUTION:

“RESOLVED THAT pursuant to the provisions of Section 62(1)(a) of the Companies Act, 2013 (hereinafter referred to as “the Act”) read together with relevant Rules thereunder and other applicable provisions if any, of the said Act, (including any statutory modification thereof for the time being in force and as may be enacted from time to time), read with the relevant clauses in the Articles of Association of the Bank, the Board of Directors of the Bank (hereinafter referred to as “ the Board”, which term shall include any Committee thereof which the Board may have constituted or hereafter constitute to exercise its powers including the powers conferred by this resolution) be and is hereby authorized and empowered to offer, issue and allot, if necessary, all or any of the remaining un-issued 74746781 Equity shares of ₹10 each(which includes the newly created 2,00,00,000 equity shares) in the capital of the Bank, at par or at such premium, at such time and on such terms and conditions in accordance with the requirements of Section 62(1)(a) of the Act and the Articles of Association, to the existing shareholders of the Bank on Rights basis and the Board of Directors shall exercise its powers under Section 62(1)(a)(iii) in such manner which is not dis-advantageous to the shareholders and the Bank.

RESOLVED FURTHER THAT for the purpose of giving effect to the resolution, the Board of Directors or any Committee or Authority authorized by it, be and is hereby authorized to do, perform, execute and carry out all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper or desirable and to settle any questions, difficulties or doubts that may arise in regard to the offer, issue and allotment of the shares.

RESOLVED FURTHER THAT the Board of Directors shall have the sole and absolute discretion in the matter of exercise or otherwise of the authorization/authority conferred upon it by this resolution to make further issue of shares on rights basis in any manner, and shall not be under any obligation whatsoever to exercise the discretion conferred by this resolution, if not considered necessary or expedient by the Board of Directors in the interest of the bank.”

7. Issue of Bonds/ Non-Convertible Debentures (NCD) on a Private Placement basis

To consider and if thought fit, to pass with or without modification(s), the following resolution as a SPECIAL RESOLUTION:

“RESOLVED THAT pursuant to the provisions of Section 42 and such other provisions of the Companies Act, 2013(hereinafter referred to as “the Act”) as may be applicable and the underlying rules, i.e., Companies (Prospectus and Allotment of Securities) Rules, 2014 as may be amended from time to time and other applicable provisions, if any, and the provisions of Memorandum and Articles of Association of the Bank and subject to the approval of Reserve Bank of India and other statutory, regulatory and government approvals, permissions and sanction as may be necessary, the consent of the Members of the Bank be and is hereby accorded to the Board of Directors of the Bank (hereinafter referred to as “ the Board”, which term shall include any Committee thereof which the Board may have constituted or hereafter constitute to exercise its powers including the powers conferred by this resolution) for borrowing/raising funds from time to time, by way of issue of securities including bonds and non-convertible debentures upto ₹ 150 crore (Rupees one hundred and fifty crore only) on Private Placement basis, in one or more tranches and/or series during a period of one year from the date of passing of this Resolution within the overall borrowing limits of the Bank, as approved by the Members, from time to time, on such terms and conditions for each series /tranches including the price, coupon rate etc. as decided by the Board.

RESOLVED FURTHER THAT the Board or any Committee or Authority authorized by it be and is hereby authorised to do all such acts, deeds and things, finalise and execute all documents and writings and give such directions as may be deemed necessary or expedient, to give effect to this resolution”

8 Further issue of shares

To consider and if thought fit, to pass with or without modification/s, the following resolution as a SPECIAL RESOLUTION:

“RESOLVED THAT, in accordance with the provisions of Section 62(1)(c) and any other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force, the **“Companies Act, 2013”**), including the rules framed thereunder, relevant provisions of the Companies Act, 1956, to the extent that such provisions have not been superseded by the Companies Act, 2013 or de-notified, as the case may be, the Securities Contracts Regulation Act, 1956, as amended (**“SCRA”**), and the rules framed thereunder, the Securities Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (**“SEBIICDR Regulations”**), and other applicable Securities and Exchange Board of India (**“SEBI”**) regulations and guidelines, other applicable laws, regulations, policies or guidelines including any foreign investment law, policy or guideline in India, and the provisions of the Memorandum of Association of the Bank and Articles of Association of the Bank and the equity listing agreements with Indian stock exchange(s), and subject to the approval of relevant government, statutory and/or regulatory authorities, including the Department of Industrial Policy and Promotion, Government of India (**“DIPP”**), the SEBI, the Reserve Bank of India (**“RBI”**), the Foreign Investment Promotion Board (**“FIPB”**), the Registrar of Companies, Kerala & Lakshadweep (**“RoC”**), the relevant stock exchanges and such other approvals, permissions and sanctions, as may be necessary, and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions and sanctions which may be agreed to by the Board of Directors of the Bank (which shall include a duly authorized Committee or Sub-Committee for the time being exercising the powers conferred upon it by the Board of Directors) (the **“Board”**), the consent, approval and sanction of the members of the Bank be and is hereby granted to create, offer, issue and allot fresh equity shares of the Bank of face value ₹10 (the **“Equity Shares”**) each up to the remaining un-issued 74746781 equity shares of the Bank of face value ₹ 10 each, in the course of an Initial Public Offering (**“IPO”**) provided that such number of additional equity shares to the extent upto 10% of the offer to the public, may be issued and allotted as may be required for the purposes of rounding off, including the issue and allotment of equity shares of the stabilizing agent pursuant to the Green Shoe Option, if any, in terms of the SEBI ICDR Regulations which shall include, without limitation, reservation of a certain number of equity shares to persons or entities as permissible under applicable laws (including the SEBI ICDR Regulations), and any Green Shoe Option of up to a certain number of equity shares (**“Green Shoe Option”**) to be offered to such person or persons, who may or may not be the members of the Bank and as the Board may at its discretion decide in consultation with the Book Running Lead Managers so appointed (**“BRLMs”**) and as may be permissible, including one or more of the members of the Bank, Directors, Foreign/ Resident Investors, Hindu Undivided Families, Foreign Portfolio Investors, Foreign Venture Capital Investors, State Industrial Development Corporations, Insurance Companies, Provident Funds, Pension Funds, National Investment Fund, Insurance Funds, Trusts/Societies registered under the Societies Registration Act, 1860, Indian and/or multilateral and bilateral Financial Institutions, Mutual Funds, Non-Resident Indians, employees and/or workers of the Bank, in or out of India, or the members of group companies, Indian public, bodies corporate, any other company/ companies, private or public or other body corporate(s) or entities whether incorporated or not, high networth individuals, retail individual bidders and such other persons in one or more combinations thereof and/or any other categories of investors, including anchor investors as defined under the SEBI ICDR Regulations, whether they be

holders of Equity Shares of the Bank or not, and/or through issue of offer documents, through the book building process as defined under SEBI ICDR Regulations, in one or more tranches and in the manner, and on the terms and conditions as the Board may in its discretion, in consultation with the BRLMs, decide including the price at which the Equity Shares are to be issued, at par or at premium and for cash or other consideration and the decision to determine the category or categories of investors to whom the offer, issue and allotment shall be made to the exclusion of all other categories of investors and that the Board may finalize all matters incidental thereto as it may in its discretion think fit.”

“**RESOLVED FURTHER THAT** in accordance with the provisions of Sections 62(1)(c), 42 and any other applicable provisions, if any, of the Companies Act, 2013, including the rules framed thereunder, relevant provisions of the Companies Act, 1956, to the extent that such provisions have not been superseded by the Companies Act, 2013 or de-notified (“**Companies Act, 1956**”) and subject to such further corporate and other approvals as may be required, the Board or the IPO & Capital Raising Committee be and is hereby in-principally authorized, on behalf of the Bank, to allot such number of equity shares as may be decided by it, to certain investors prior to the filing of the Red Herring Prospectus with SEBI (“**Pre-IPO Placement**”), at such price as the Board may, in consultation with the BRLMs, determine in light of the then prevailing market conditions in accordance with the Companies Act 2013, the Companies Act, 1956, the SEBI ICDR Regulations and other applicable laws, regulations, policies or guidelines, and do all such other acts, deeds, matters and things as the Board may, from time to time, in its absolute discretion deem fit and including without limitation, negotiate, finalize and execute any document or agreement, including without limitation any Private Placement offer letters, placement agreement, term sheet and such other documents or any amendments or supplements thereto and to open any bank account for the purpose if required, and to open any shares or securities account or escrow or custodian accounts as may be required in connection therewith and generally to do all such acts, deeds, matters and things in relation to all matters incidental to the Pre-IPO Placement or in relation to the foregoing and to settle any question, difficulty, or doubt that may arise with regard thereto or in relation to the foregoing. In the event of the consummation of the Pre-IPO Placement, the size of the IPO would be reduced to the extent of equity shares issued under the Pre-IPO Placement.”

“**RESOLVED FURTHER THAT** the Board be and is hereby authorized to invite the existing shareholders of the Bank to participate in the IPO by making an offer for sale in relation to such number of Equity Shares held by them, and which are eligible for offer for sale in accordance with the SEBI ICDR Regulations, as the Board may determine.”

“**RESOLVED FURTHER THAT** the Board be and is hereby authorized to make any alteration, addition or variation in relation to the IPO, in consultation with the BRLMs or SEBI or such other authorities as may be required and without prejudice to the generality of the aforesaid, decide the exact issue structure and the exact component of the issue structure.”

“**RESOLVED FURTHER THAT** for the purpose of giving effect to any offer, issue or allotment of Equity Shares pursuant to the IPO, the Board be and is hereby authorized on behalf of the Bank to do all such acts, deeds, matters and things, as it may, in its absolute discretion, deem necessary or desirable for such purpose, including without limitation, the determination of terms and conditions for issuance of the Equity Shares including the number of equity shares that may be offered and proportion thereof, timing for issuance of such equity shares and shall be entitled to vary, modify or alter any of the terms and conditions as it may deem expedient, entering into and executing arrangements for managing, underwriting, marketing, listing, trading and providing legal advice as well as acting as depository, custodian, registrar, stabilizing agent, paying and conversion agent, trustee, escrow agent and executing other agreements, including any amendments or supplements thereto, as

necessary or appropriate and to finalize, approve and issue any document(s), including but not limited to draft Red Herring Prospectus, prospectus and/or offer documents and agreements including filing of registration statements, prospectus and other documents (in draft or final form) with any Indian or foreign regulatory authority or stock exchanges and 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 or doubts that may arise in regard to the issue, offer or allotment of Equity Shares pursuant to the IPO and take all steps which are incidental and ancillary in this connection, including in relation to utilization of the issue proceeds, appointment of intermediaries, as it may in its absolute discretion deem fit without being required to seek further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution;

RESOLVED FURTHER THAT for the purpose of giving effect to any offer, issue or allotment of equity shares pursuant to the IPO, the Board be and is hereby authorized on behalf of the Bank to seek listing of any or all of such Equity Shares on one or more stock exchanges in India;

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of its powers herein conferred to any Committee, including the IPO &Capital Raising Committee of the Bank, or any one or more executives of the Bank;

RESOLVED FURTHER THAT the equity shares to be issued by the Bank as stated aforesaid shall rank pari-passu in all respects with all existing equity shares of the Bank;

RESOLVED FURTHER THAT any of the Directors, the Chief Financial Officer and the Company Secretary &Compliance Officer be and are hereby severally authorised to issue certified true copies of these resolutions to various authorities.”

By Order of the Board

For The Catholic Syrian Bank Ltd.,

Sd/-

Sijo Varghese

Company Secretary

Place :Thrissur

Date :January 19, 2015

NOTES:

- 1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company. The proxy, in order to be effective, must be deposited in writing at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.** A person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Bank carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Bank carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
- 2.** The explanatory statements pursuant to Section 102 of the Companies Act, 2013 relating to the aforesaid Special business in the accompanying Notice are annexed hereto.
- 3.** The Notice is being sent to all the shareholders, whose names appeared in the Register of Members as on Friday, January 16, 2015.
- 4.** All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Bank on all working days between 11:00 a.m. and 3:00 p.m. up to the date of the Extraordinary General Meeting.
- 5.** Members / proxies should bring the attendance slip duly filled in for attending the meeting.
- 6.** Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Bank a certified copy of the Board resolution authorizing their representative to attend on their behalf at the Meeting.
- 7.** In support of the “Green Initiative” announced by the Government of India and in terms of Section 101 of the Companies Act, 2013 and Rule 18 of the Companies (Management & Administration) Rule, 2014, electronic copy of the Notice, Draft Articles of Association of the Bank interaila, indicating the process and manner of e-voting along with attendance slip and proxy form are being sent to all members whose e-mail ID’s are registered with the Bank/ Depository Participant(s) for communication purposes. For members who have not registered their e-mail addresses, physical copies of the Notice of the Company interaila, indicating the process and manner of e-voting with attendance slip and proxy form is being sent in the permitted mode.
- 8.** In accordance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 the business may be transacted through electronic voting system and the Bank is providing facility for voting by electronic means (“e-voting”) to its members. The Bank has engaged the services of Central Depository Services (India) Limited (CDSL) to facilitate e-voting and for security and enabling the members to cast their vote in a secure manner. Please note that the voting through electronic means is optional. Details of the process and manner of e-voting are being sent to all the Members along with the notice.
- 9.** A copy of this notice has been placed on the website of the Bank and the website of CDSL.

EXPLANATORY STATEMENT UNDER SECTION 102 (1) OF THE COMPANIES ACT, 2013

Item No.1

Our Bank is planning to enter into primary market through Initial Public Offering. In this connection, it is necessary to make some alterations in the existing Articles of the Bank in terms of the provisions of the Companies Act, 2013 and Securities Contract Regulation Act, 1956. Further, pursuant to Section 5 of the Companies Act 2013, to carry on the aforesaid amendments, it is mandatory to align the Articles of Association of the Bank with the Companies Act 2013. The draft of the revised set of regulation is separately annexed to this notice and form part hereof.

Section 14 of the Companies Act, 2013, requires special resolution for altering the Articles of Association. Hence, the resolution is proposed which is commended for approval by the shareholders.

The Board of Directors recommends the resolution for approval of the members of the Bank.

No Directors or any of the Key Managerial Personnel of the Bank are, directly or indirectly, concerned or interested in the Resolution set out at Item No. 1 except to the extent it deals with the new set of regulations governing their own appointments and terms and conditions relating thereto, or to their continuing to hold appointment.

No relatives of Directors or Key Managerial Personnel of the Bank are, directly or indirectly, concerned or interested in the Resolution set out at Item No.1

Item No.2

The present authorized capital of the bank is ₹120 crore comprising ₹100 crores equity share capital and ₹ 20 crores preference share capital. Out of this, equity share capital to the tune of ₹ 45.25 crores has so far been issued and the whole of the preference share capital remains un-issued.

In view of the forthcoming fund raising plan of the Bank to support its assets growth and to comply with the regulatory requirements on capital adequacy, we have to issue shares to the shareholders/prospective investors. In such situation, it is proposed to alter the capital clause in the Memorandum of Association to the extent by cancelling the unissued 2000000 preference shares of ₹100 each and reclassify concurrently it as 2,00,00,000 (Two crore) Equity Shares of ₹ 10/- (Rupees Ten only) each, so that the same shares can be issued at the time of allotment of shares in future. The alteration in the capital clause in the Memorandum of Association on the lines as proposed in the draft resolution. The alteration of the capital clause as proposed is subject to obtaining of no objection from Reserve Bank of India under section 49C of the Banking Regulation Act, 1949.

As per Sections 13 and 61 and other applicable sections of the Companies Act, 2013 read with Articles of Association of the Bank, the approval of the shareholders is required for re-classification of the Authorised Share Capital and for the alteration of capital clause of the Memorandum of Association of the Company. Hence, the special resolution is proposed which is commended for approval by the members.

No Directors or any of the Key Managerial Personnel of the Bank or their relatives are, directly or indirectly, concerned or interested in the Resolution set out at Item No. 2.

Item No.3

As per the Consolidated Foreign Direct Investment Policy Circular of 2014 (“**Consolidated FDI Policy**”), the permissible limit under portfolio investment schemes through exchanges/any other manner for FII/RPFIs/OFIs is restricted to 24 percent of the paid up capital of the Bank and the same can be raised to 49 percent of the

total paid up capital of the Bank through a resolution by the Board of the Bank followed by a special resolution to that effect by the General Meeting provided the aggregate holding of non-resident investors shall not exceed 74 % of the paid up capital of the Bank or such other limit as may be stipulated by Reserve Bank of India, from time to time.

The existing aggregate FII's (under FDI route) holding in the Bank's paid up capital is 13.83% and their holdings are subject to compliance with conditions (point 7.2 of the guideline) as stated in the RBI guidelines dated February 28, 2005 on Ownership and Governance in Private Sector Banks.

As part of the Bank's capital augmentation plans, the Board of Directors of the Bank may consider the option of going for Initial Public Offering (IPO) of shares with listing on the Stock Exchange. In this context , the Board of Directors considers it appropriate that necessary approval of the shareholders by way of special resolution be obtained in the general meeting for acquiring the shares of the Bank by permitted foreign investors including FIIs/RPFIs/QFIs by way of purchase or acquisition on the recognized stock exchange or in any other manner including investment under the Portfolio Investment Scheme(PIS), subject to the conditions that the aggregate holding of the FIIs/RPFIs/QFIs shall not exceed 49% of the paid up equity share capital of the Bank or such other limit prescribed by Reserve Bank of India, from time to time. Hence, the special resolution is proposed which is commended for approval by the members.

No Directors or any of the Key Managerial Personnel of the Bank or their relatives are, directly or indirectly, concerned or interested in the Resolution set out at Item No. 3.

Item No.4

As per the Consolidated Foreign Direct Investment Policy Circular of 2014 ("**Consolidated FDI Policy**"), the permissible limit under portfolio investment schemes through exchanges/any other manner for NRIs is restricted to 10 percent of the paid up capital of the Bank and the same can be raised to 24 percent of the total paid up capital of the Bank through a resolution by the Board of the Bank followed by a special resolution to that effect by the General Meeting provided the aggregate holding of non-resident investors shall not exceed 74 % of the paid up capital of the Bank or such other limit as may be stipulated by Reserve Bank of India, from time to time.

The existing aggregate NRIs holding in the Bank's paid up capital is 20.47% and their holdings are subject to compliance with conditions (point 7.3 of the guideline) as stated in the RBI guidelines dated February 28, 2005 on Ownership and Governance in Private Sector Banks.

As part of the Bank's capital augmentation plans, the Board of Directors of the Bank may consider the option of going for Initial Public Offering (IPO) of shares with listing on the Stock Exchange. In this context , the Board of Directors considers it appropriate that necessary approval of the shareholders by way of special resolution be obtained in the general meeting for acquiring the shares of the Bank by Non Resident Indians (NRIs) by way of purchase or acquisition on the recognized stock exchange or in any other manner including investment under the Portfolio Investment Scheme(PIS), subject to the conditions that the aggregate holding of the NRIs shall not exceed 24% of the paid up equity share capital of the Bank or such other limit prescribed by Reserve Bank of India,, from time to time.Hence, the special resolution is proposed which is commended for approval by the members.

No Directors or any of the Key Managerial Personnel of the Bank or their relatives are, directly or indirectly, concerned or interested in the Resolution set out at Item No. 4.

Item No.5

In terms of the Consolidated Foreign Direct Investment Policy Circular of 2014 (“**Consolidated FDI Policy**”), foreign direct investment of 49% of the paid up equity share capital of a private sector bank can be made by permissible non-resident investors without approval of the Government of India. Furthermore, foreign direct investment of upto 74% of the paid up equity share capital of a private sector bank can be made with the permission of the Government of India.

The existing aggregate holding of the Non Resident Investors in the Bank’s paid up capital is 34.30% and their holdings are subject to compliance with conditions (point 7.2 and 7.3 of the guideline) as stated in the RBI guidelines dated February 28, 2005 on Ownership and Governance in Private Sector Banks.

In light of the proposed IPO and consequent listing of the Equity Shares, the foreign shareholding of the Bank may increase beyond 49% of the Bank’s paid up Equity Share capital. Furthermore, in the event that such increase does not happen pursuant to the IPO, post listing of the Equity Shares, in order to enhance the liquidity of the Equity Shares, and to permit eligible foreign investors to purchase the Equity Shares on the stock exchanges without breaching the existing foreign direct investment limits, it would be beneficial to increase the limits of foreign direct investment of the Bank to the regulatory cap of 74%. The Bank will make appropriate applications to the regulatory authorities of the Government of India for increase in the foreign direct investment limits after the passing of this resolution. Hence, an ordinary resolution is proposed which is commended for approval by the members.

No Directors or any of the Key Managerial Personnel of the Bank or their relatives are, directly or indirectly, concerned or interested in the Resolution set out at Item No. 5.

Item No.6

The Bank needs to augment its capital base substantially in the near future in order to support its business plans and to comply with the regulatory requirements on capital adequacy. As part of augmenting capital, the Bank may have to explore various avenues for raising of capital including issue of shares to existing shareholders on rights basis. The present proposal is to authorize the Board of Directors to make further issue of shares on rights basis, if necessary and as and when required, in accordance with the provisions of Sec.62 of the Companies Act, 2013 or in such manner which is not dis-advantageous to the shareholders and the Bank.

Articles of Association of the Bank enables to make Rights Issue of shares. For making Rights Issue of shares on such terms and conditions which is not dis-advantageous to the shareholders and the Bank including restricting/modifying the right of renunciation only to the existing shareholders, special resolution of the shareholders is required, and hence the resolution is proposed which is commended for approval by the members.

The resolution is only enabling in nature. The authority conferred by this resolution for issue of shares on rights basis may be exercised by the Board of Directors in its sole and absolute discretion, and the Board shall be under no obligation whatsoever to exercise the said authority if not considered necessary or expedient in the interest of the Bank according to circumstances.

No Directors or any of the Key Managerial Personnel of the Bank or their relatives are, directly or indirectly, concerned or interested in the Resolution set out at Item No. 6 except to the extent shares may be subscribed for and allotted in their names.

Item No.7

As part of the capital augmentation plan of the Bank, the Bank is also exploring the possibility of raising the Capital base by issue of securities including bonds and non-convertible debentures upto ₹ 150 crore (Rupees one hundred and fifty crore only) by way of Private Placement. This would form part of the overall borrowing limits under Section 180(1)(c) of the Companies Act, 2013.

Section 42 of the Companies Act, 2013 and its underlying rules i.e., Companies (Prospectus and Allotment of Securities) Rules, 2014 provide that a Company shall make a Private Placement of its securities only if the proposed offer of securities or invitation to subscribe securities has been previously approved by the members of the company, by a Special Resolution, for each of the Offers or Invitations. It further provides that in the explanatory statement annexed to the notice for the general meeting the basis or justification for the price (including premium, if any) at which the offer or invitation is being made shall be disclosed. It also provides that in case of offer or invitation for non-convertible debentures, it shall be sufficient if the company passes a previous special resolution only once in a year for all the offers or invitation for such bonds/debentures during the year. Hence, the special resolution is proposed which is recommended for approval by the members.

The resolution under Section 42 will be valid for a period of one year from the date of passing this resolution. The pricing of the securities including but not limited to bonds and Non-Convertible Debentures (NCDs) depends primarily upon the rates prevailing for risk free instruments, rates on other competing instruments of similar rating and tenor in the domestic markets, investor appetite for such instruments and investor regulations which enable investments in such instruments. Accordingly, during the validity of this resolution, the Bank proposes to issue securities including but not limited to bonds and Non-Convertible Debentures (NCDs) by way of Private Placement upto 300 basis point (bps) above the benchmark interest rates. The pricing for each of the issuance/program would be approved by the Board or Committee of Board.

No Directors or any of the Key Managerial Personnel of the Bank or their relatives are, directly or indirectly, concerned or interested in the Resolution set out at Item No. 7 except to the extent bonds may be subscribed for and allotted in their names.

Item No.8

The Bank proposes to create, offer, issue fresh equity shares of the Bank having face value of ₹ 10 (the “**Equity Shares**”) each up to the remaining un-issued - 74746781 equity shares of the Bank of face value ₹ 10 each, on such terms, in such manner, at such time and at such price or prices and as may be discovered in accordance with applicable laws, including without limitation the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (“**SEBIICDR Regulations**”), to various categories of investors including Qualified Institutional Investors, Retail Individual Investors, Non-Institutional Investors, Non-Resident Indians, Foreign Portfolio Investors and/ or eligible employees, as permitted under the SEBI ICDR Regulations and other applicable laws (the “**Issue/ IPO**”). Further, the Board may also invite the existing members of the Bank to participate in such an offering by making an offer for sale in relation to such number of Equity Shares held by them, and which are eligible for offer for sale in accordance with the SEBI ICDR Regulations, as the Board may determine.

The Equity Shares allotted shall rank in all respects *pari passu* with the existing equity shares of the Bank.

Material information pertaining to the IPO is as follows:

Sl.no.	Particulars	Details
1.	Objects of the issue	The proceeds of the IPO are to be utilized for the purposes that shall be disclosed in the Draft Red Herring Prospectus to be filed with SEBI in connection with the IPO. The Board of Directors of the Bank has the authority to modify the above objects on the basis of the requirements of the Bank.
2.	Issue price	The price at which the Equity Shares will be allotted through the IPO, as well as the price band within which bidders in the IPO will be able to put in bids for Equity Shares offered in the IPO shall be determined and finalized by the Bank (and the selling shareholders, if relevant) in consultation with the Book Running Lead Managers to the IPO in accordance with the SEBI ICDR Regulations, on the basis of the book building process.
3.	Intention of Promoters/Directors/ Key Managerial Personnel to subscribe to the offer	The Bank does not have identifiable promoters, and consequently, there are no persons or entities forming the 'promoter group' and 'group companies' of the Bank in terms of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended. However, the directors or the Key Managerial Personnel may apply for the equity shares in the various categories under an IPO in accordance with the SEBI ICDR Regulations.
4.	The change in control, if any, in the Bank that would occur consequent to the IPO.	No change in control of the Bank or its management is intended or expected pursuant to the IPO.

The proposed public issue of capital is subject to regulatory and other approvals, including from the Reserve Bank of India and under the applicable SEBI ICDR Regulations and any other governmental / regulatory approvals as may be required in this regard. The proposed public issue of additional capital will strengthen the Bank's Capital Adequacy Ratio.

Pursuant to Section 62(1)(c) of the Companies Act, 2013, the consent of the shareholders is required for issue of shares to persons other than the shareholders of the Bank. Accordingly, the Board of Directors of the Bank recommends the resolution for the approval of the shareholders under Section 62(1)(c) of the Companies Act, 2013 for issue of securities to the persons or entities other than its shareholders.

Furthermore, in the event that Equity Shares are allotted to investors pursuant to a pre-IPO placement of equity shares prior to registration of the red herring prospectus relating to the IPO with the Registrar of Companies, the price at which such pre-IPO placement shall be made shall be subject to prevailing market conditions, and shall be decided by the Bank in consultation with the Book Running Lead Managers to the IPO, underwriters, placement agents and/or other advisors.

The Board of Directors of the Bank recommends the special resolution for your approval. Additionally, to the extent the above requires amendments to be made in terms of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force, the “**Companies Act, 2013**”), the SEBI ICDR Regulations, any other law or if recommended by various advisors to the Bank in connection with the IPO, the board of directors will make necessary amendments.

All the directors, Key Managerial Personnel and relatives of directors and/or Key Managerial Personnel (as defined in the Companies Act, 2013) may be deemed to be concerned or interested in the proposed resolution to the extent shares may be subscribed for and allotted in their names.

By Order of the Board
For The Catholic Syrian Bank Ltd.
Sd/-
Sijo Varghese
Company Secretary

Place : Thrissur
Date : January 19, 2015.

VOTING THROUGH ELECTRONIC MEANS

In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules 2014, the Bank is pleased to provide members facility to exercise their votes for all the shareholder resolutions detailed in the Notice of the Extra-ordinary General Meeting scheduled to be held on Thursday, February 19, 2015 at 10.00 a.m. by electronic means and the business may be transacted through e-voting. The Bank has engaged the services of CDSL as the authorized agency to provide the e-voting facilities as per instructions below.

Please read the instructions for members for e-voting before exercising the vote. This communication forms an integral part of the Notice dated 19.01.2015 for the General Meeting of the Bank scheduled to be held on 19.02.2015, which is being mailed to you along with the said notice. The notice of the Extra-ordinary General Meeting and this communication are also available on the website of the Bank www.csb.co.in.

Instructions to Members for e-voting are as under:

1. Date and time of commencement of voting through electronic means : February 12, 2015 at 9.30 a. m.
2. Date and time of end of voting through electronic means beyond which voting will not be allowed: February 14, 2015 at 5.30 p. m.

Details of Website: www.evotingindia.com.

Details of persons to be contacted for issues relating to e-voting : M/s. SKDC Consultants Limited, Kanapathy Towers, 3rd Floor, 1391/A-1, Sathy Road, Ganapathy, Coimbatore – 641 006 Phone: +91 422 6549995, 2539835-836 Fax: +91 422 2539837 Email : info@skdc-consultants.com Website : www.skdc-consultants.com.

The e-voting module shall be disabled for voting on February 14, 2015 at 5.30 p. m. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently. **The voting right of shareholders shall be in proportion to their shareholding in the paid up equity share capital of the Bank as on January 16, 2015 (cut-off date).**

The Board of Directors has appointed **CS Sivakumar P., Managing Partner, SVJS & Associates, Company Secretaries, 39/3519 B, First Floor, Padmam Apartments, Ravipuram, Kochi-682016, Kerala** as the Scrutinizer, to scrutinize the e-voting process in a fair and transparent manner.

The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Bank and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Bank. The results shall be declared on or after the EGM of the Bank. The results declared along with the Scrutinizer's Report shall be available on the Bank's website within two (2) days of passing of the resolution at the EGM of the Bank.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on February 12, 2015 at 9.30 a.m. and ends on February 14, 2015 at 5.30 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of January 16, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on 'Shareholders' tab.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Bank/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the bank records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the bank records for the said demat account or folio. <ul style="list-style-type: none"> • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or bank please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.

- (ix)** Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x)** For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi)** Click on the EVSN relevant to The Catholic Syrian Bank Ltd on which you choose to vote.
- (xii)** On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii)** Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv)** After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv)** Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi)** You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii)** If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii)** Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.

A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix)** In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.