

CITY UNION BANK LIMITED

CIN: L65110TN1904PLC001287

Regd. Off.: 149, T.S.R (Big) Street, Kumbakonam - 612 001

Phone: 0435 - 2432322 e-mail: shares@cityunionbank.in

website: www.cityunionbank.com

NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE is hereby given that the Annual General Meeting of the members of **CITY UNION BANK LIMITED** will be held on **Wednesday, the 23rd day of August, 2023**, at **10:00 a.m.** The Annual General Meeting shall be held by the means of Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") in accordance with the relevant circulars issued by the Ministry of Corporate Affairs, to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Bank for the Financial Year ended 31st March, 2023 and the Reports of Directors and Auditors thereon.
2. To declare dividend of 100% (i.e. ₹ 1/- per equity share on face value of Re.1/- each fully paid up) for the Financial Year 2022-23.
3. Re-appointment of **M/s. Jagannathan & Sarabeswaran**, Chartered Accountants, Chennai and **M/s. K. Gopal Rao & Co.**, Chartered Accountants, Chennai, as the Joint Statutory Central Auditors of the Bank for a third term for FY 2023-24.

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

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 as may be applicable and the Banking Regulation Act, 1949 (including any statutory modifications or re-enactments thereof for the time being in force), the Rules, Circulars and Guidelines issued by the Reserve Bank of India from time to time and the approval of RBI vide its letter No. Ref CO.DOS.RPD.No. S2229/08.13.005/2023-24 dt. June 22, 2023, approval of the members be and is hereby accorded for the re-appointment of **M/s Jagannathan & Sarabeswaran**, Chartered Accountants, Chennai (**FRN : 001204S**) and **M/s. K. Gopal Rao & Co.**, Chartered Accountants, Chennai (**FRN : 000956S**) as the Joint Statutory Central Auditors of the Bank for a third term for FY 2023-24, from the conclusion of

this Annual General Meeting till the conclusion of the next Annual General Meeting of the Bank at an overall remuneration of **₹90,00,000/- (Rupees Ninety Lakhs only)** excluding applicable taxes to be allocated by the Bank between such Joint Auditors as may be mutually agreed by the Bank and such Joint Auditors depending on their respective scope of work and reimbursement of out of pocket expenses that may be incurred by them during the course of Statutory Audit, Tax Audit & LFAR and issuing such other certifications as prescribed or as may be prescribed by the Regulators, with power to the Board, who may with the recommendations of the Audit Committee thereof, alter and vary the terms and conditions of their appointment, remuneration etc., including by reason of necessity on account of conditions as may be stipulated by RBI and / or any other authority, in such manner and to such extent as may be mutually agreed with the Joint Statutory Central Auditors."

SPECIAL BUSINESS

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT the Board of Directors of the Bank be and is hereby authorized to appoint, in consultation with the Joint Statutory Central Auditors of the Bank, the Branch Auditors who are qualified to act as Auditors, including Statutory Auditors pursuant to Section 139, 143(8) and other applicable provisions of the Companies Act, 2013 and the Rules made there under and the Banking Regulation Act, 1949 (including any statutory modifications or re-enactments thereof for the time being in force), the Rules, Circulars and Guidelines issued by the Reserve Bank of India from time to time, for the purpose of audit of the branches of the Bank for the financial year 2023-24 and to decide the Branches to be audited by such Branch Auditors and to fix their remuneration and reimbursement of out of pocket expenses incurred in connection with the Audit, based on the recommendation of the Audit Committee of the Board."



5. Re-appointment of Shri. V.N. Shivashankar, Director, (DIN:00929256), as an Independent Director on the Board for a second term

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 149, 152, Schedule IV and other applicable provisions, if any, of the Companies Act 2013 read with Rules made there under ("the Act"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 ("the SEBI Listing Regulations"), Section 10A(2A) and other relevant provisions of the Banking Regulations Act, 1949 ("Banking Act") (including any modifications or re-enactments thereof for the time being in force), Rules, Circulars, Guidelines issued by the Reserve Bank of India ("RBI") as applicable from time to time, provisions of Articles of Association of the Bank and pursuant to the recommendation of the Nomination Committee and the Board of Directors of the Bank, approval of the members be and is hereby accorded for the re-appointment of **Shri V.N. Shivashankar (DIN 00929256)**, as an Independent Director on the Board of the Bank for a second term for the remaining period upto February 6, 2026 as permitted under Banking Regulation Act 1949 and being an Independent Director, he will not be liable to retire by rotation."

6. Re-appointment of Dr. T.S. Sridhar, Director (DIN 01681108), as an Independent Director on the Board for a second term

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 149, 152, Schedule IV and other applicable provisions, if any, of the Companies Act 2013 read with Rules made there under ("the Act"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 ("the SEBI Listing Regulations"), Section 10A(2A) and other relevant provisions of the

Banking Regulations Act, 1949 ("Banking Act") (including any modifications or re-enactments thereof for the time being in force), Rules, Circulars, Guidelines issued by the Reserve Bank of India ("RBI") as applicable from time to time, provisions of Articles of Association of the Bank and pursuant to the recommendation of the Nomination Committee and the Board of Directors of the Bank, approval of the members be and is hereby accorded for the re-appointment of **Dr. T.S. Sridhar (DIN 01681108)**, as an Independent Director on the Board of the Bank for a second term for the remaining period upto February 6, 2026 as permitted under Banking Regulation Act 1949 and being an Independent Director, he will not be liable to retire by rotation."

7. Amendment of Articles of Association of the Bank

To consider and if thought fit, to pass with or without modification(s), the following resolution as **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 14 and other applicable provisions of the Companies Act, 2013 and the Rules framed there under, the applicable provisions of the Banking Regulation Act, 1949 and the Rules, Circulars and Guidelines issued by Reserve Bank of India from time to time including any statutory modification(s) or re-enactment(s) thereof for the time being in force, approval of the Members be and is hereby accorded for alteration of Articles of Association (AOA) of the Bank as explained in the explanatory statement annexed, to align the provisions of Articles with the extant regulatory provisions and business requirements."

"RESOLVED FURTHER THAT Company Secretary of the Bank be and is hereby authorized to carry out necessary alterations, modifications or amendments in the proposed altered Articles of Association as may be suggested / directed by the Registrar of Companies, Chennai and / or such other authorities under the provisions of the Companies Act, 2013, to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds, matters, including, as may be considered necessary, proper or expedient in order to give effect to the above resolution."



8. To authorize the Board to offer, issue and allot shares by way of Qualified Institutional Placement

To consider and if thought fit, to pass with or without modification(s), the following resolutions as **Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 62 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under (including any statutory modification or re-enactment thereof, for the time being in force) and enabling provisions of the Memorandum and Articles of Association of the Bank, the SEBI Listing Regulations, 2015 and subject to the provisions of Chapter VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018, the provisions of the Foreign Exchange Management Act, 1999, applicable rules, regulations, guidelines or laws and / or any approval, consent, permission or sanction of the Central Government, Reserve Bank of India, SEBI and any other appropriate authorities, institutions or bodies (hereinafter collectively referred to as the “appropriate authorities”) and subject to such conditions as may be prescribed by any one of them while granting any such approval, consent, permission and / or sanction (hereinafter referred to as the “requisite approvals”) which may be agreed to by the Board of Directors of the Bank (herein after called the “Board”) which term shall be deemed to include any Committee which the Board may constitute and Board be and is hereby authorized, to offer, issue and allot, by way of Qualified Institutional Placement (QIP), to Qualified Institutional Buyers (QIB), in terms of Chapter VI of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, whether or not such investors are existing members of the Bank, through one or more placements to raise an amount not exceeding ₹ 500 crore (Rupees Five Hundred crore only) by issue of Equity shares of ₹ 1/- each at such price or prices, (whether at prevailing market prices or at permissible discount or premium to market prices in terms of applicable regulations) as the Board or the appointed Committee thereof may determine at its discretion in accordance with the relevant guidelines and where necessary in consultation with Lead Managers and / or Co-Managers and other Advisors.”

“RESOLVED FURTHER THAT the QIP issue shall be completed within 365 days from the date of this resolution. The Bank may in accordance with applicable law, also offer a discount of such percentage as permitted under applicable law on the price calculated in accordance with the pricing formula provided under the ICDR Regulations.”

“RESOLVED FURTHER THAT pursuant to Regulation 176 (1) of SEBI ICDR Regulations, the Bank be and is hereby authorised to offer equity shares at a discount of not more than 5% on the issue price or such other percentage as may be permitted under the applicable laws from time to time.”

“RESOLVED FURTHER THAT the relevant date for the determination of applicable price for the issue of the QIP Securities shall be the date on which the Board of the Bank or the appointed Committee thereof decide to open the proposed issue as the case may be (“Relevant Date”).”

“RESOLVED FURTHER THAT minimum 10% of the equity shares to be issued and allotted under QIP pursuant to Chapter VI of SEBI ICDR Regulations shall be allotted to Mutual Fund(s) and if the Mutual Fund(s) do not subscribe to said minimum percentage or any part thereof, such minimum portion or part thereof may be allotted to other QIBs.”

“RESOLVED FURTHER THAT such of shares to be issued as are not subscribed may be disposed of by the Board to such persons and in such manner and on such terms as the Board in its absolute discretion thinks fit in accordance with the provisions of law.”

“RESOLVED FURTHER THAT the equity shares so issued shall rank paripassu with the existing Equity shares of the Bank in all respects.”

“RESOLVED FURTHER THAT the equity shares to be offered and allotted to the QIBs shall be in dematerialized form.”

“RESOLVED FURTHER THAT for the purpose of giving effect to any offer, issue or allotment of equity shares the Board or a Committee be and is hereby authorized on behalf of the Bank to do all such acts, deeds, matters and things as it may, in 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, to issue placement

document(s) 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 or 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.”

“RESOLVED FURTHER THAT the Board or the Committee be and is hereby authorized to appoint the Lead Managers / Co-Managers / Advisors in the offerings of securities and to remunerate them by way of commission, brokerage, fees or the like and also to enter into and execute all such arrangements, agreements, memoranda, documents etc., with Lead Managers / Co-Managers / Advisors and to seek the listing of such securities.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to apply for listing of the new equity shares as may be issued with the BSE Limited and National Stock Exchange of India Limited.”

“RESOLVED FURTHER THAT the Board be and is hereby authorised to make necessary application(s) to the National Securities Depository Limited and /

or Central Depository Services (India) Limited for admission of the above said Equity shares to be allotted on QIP basis.”

“RESOLVED FURTHER THAT the Board shall have all the powers to modify, reapply, redo, make necessary changes, approach and to do all requisite filings / re-submission of any document(s) and other compliances and to do all such acts and deeds that are necessary to comply with the terms and conditions subject to which approvals, sanction, permission etc., as may be provided by the Stock Exchanges, SEBI, RBI, GOI and any other appropriate authority, without being required to seek any further approval of the members and that the members shall be deemed to have given their approval thereto for all such acts, deeds, matters and / or things expressly by the authority of this resolution.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee / Sub-Committee of the Board or the Managing Director and Chief Executive Officer or any other Officer / Authorised representative of the Bank to give effect to the aforesaid resolution(s).”

By Order of the Board
For **CITY UNION BANK LIMITED**

Date : June 26, 2023
Place : Chennai

Sd/-
Venkataramanan S
Company Secretary
M.No. 28842



NOTES:

1. The Ministry of Corporate Affairs vide its circulars dated 28th December, 2022, 5th May, 2022 read with earlier circulars dated 13th January 2021, 13th April, 2020 and 8th April, 2020, ("collectively referred to as MCA circulars") directed the companies / issued clarifications / extended relaxations, to hold the Annual General Meetings through video conferencing ("VC") / Other Audio Visual Means ("OAVM") and accordingly the **Annual General Meeting of the Bank will be held through VC / OAVM only. The physical attendance of members at the AGM venue has been dispensed** and attendance slips are not issued to the shareholders. Also, since AGM will be held through VC / OAVM, the route map is not annexed to this notice.
2. In compliance with the MCA circulars dated 28th December, 2022, 5th May, 2022 and SEBI circular dated 13th May, 2022 on extended relaxations with regard to conduct of AGMs, the Notice of this AGM along with the Annual Report for FY 2022-23 is being sent through electronic mode only to those shareholders whose e-mail addresses are registered with the Bank / Depositories. Members may note that the Annual Report together with Notice shall be available in the website of the Bank and stock exchanges viz. www.cityunionbank.com www.nseindia.com www.bseindia.com The shareholders who have not registered their e-mail id may like to obtain the Annual Report and Notice in the manner mentioned in the below paras.

Attending e-AGM & Remote e-Voting: Members will be provided with a facility to attend the e-AGM through video conferencing platform provided by **National Securities Depositories Limited ("NSDL")**. In terms of Section 108 of the Companies Act, 2013 read with the Rules made there under and Regulation 44 of the SEBI Listing Regulations, the Bank is providing remote e-voting facility to its members holding shares in physical / de-mat mode, as on the cut-off date. Such remote e-voting platform is also provided by NSDL only. The user manual for the above is set out at the end of this notice.
3. The attendance of the Members attending the EGM / AGM through VC / OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
4. At the time of logging-in to the system to attend the AGM or during the course of AGM, if a member loses the connection, the same shall not be a ground for complaint.
5. **The Chairman reserves the right to limit the number of Members asking questions depending on either the availability of time or live streaming concerns or any other unforeseen situations if any, at the time of AGM.**
6. **PROXY**
Since the AGM is being conducted through VC / OAVM, the facility of Proxy form is not applicable. However, the Body Corporates are entitled to appoint authorised representatives to attend the EGM / AGM through VC / OAVM and participate thereat and cast their votes through e-voting.
7. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF / JPG format) of its Board or governing body Resolution / Authorization etc., authorizing its representative to attend the e-AGM on its behalf and to vote either through remote e-voting or during the e-AGM. The e-mail may be sent directly to the scrutinizer at scrutinizer@cityunionbank.in with a copy marked to RTA at corpserv@integratedindia.in
8. **EXPLANATORY STATEMENT**
The relative explanatory statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of the relevant Ordinary Business and for all the Special Business is annexed hereto.
9. All relevant documents referred to in this Notice requiring the approval of the members at the meeting shall be available for inspection by the members at the registered office of the Bank on all working days between 10:00 a.m. to 12:00 noon up to the date of AGM. However, members seeking to inspect are requested to drop an e-mail to shares@cityunionbank.in
10. **DIVIDEND ENTITLEMENT**
The Board of Directors at its meeting held on May 26, 2023 has recommended a dividend of Re.1/- per equity share of face value of Re.1/- each @ 100% for the financial year 2022-23, subject to approval of members at the ensuing AGM. The **Record date** to determine eligibility of members for payment of dividend is **Friday, August 11, 2023**. Dividend will be paid within the statutory time lines from the conclusion of the AGM, electronically through various online transfer modes to those members who have updated their bank account details. For members who have not updated their bank account

details, dividend warrants will be sent to their registered addresses. In terms of the provisions of the Income-tax Act, 1961, ("IT Act") and Finance Act, 2020 as amended thereof, the Bank is required to deduct tax at source from dividend paid to members, at the rates prescribed under the Finance Act, 2020 and the amendments thereof. The tax rates would vary depending on the residential status of the member and the exemptions as enumerated in the IT Act subject to fulfilling the documentary requirements, such as submission / non-submission of PAN, Form 15G/15H as applicable. Accordingly, members are requested to submit pre-requisite forms to the Bank / RTA by e-mail to shares@cityunionbank.in or corpserv@integratedindia.in on before **Thursday, August 10, 2023**.

Dividend, on declaration at the AGM, will be paid to such members whose names appear in the Register of Members of the Bank as on the record date.

11. DEMATERIALIZATION OF SHARES

The shares of the Bank have been traded compulsorily in dematerialized form with effect from 25th June 25, 2001 in the Stock Exchanges viz., "The National Stock Exchange of India Limited" & "BSE Limited". The shareholders who have not so far dematerialized their shares are requested to do so in their own interest having regard to the safety and benefits attached thereto. As per SEBI circular all share transfers shall only take place in demat mode w.e.f 01st April, 2019. Now the shares of the Bank are traded only in demat mode. Further, to enhance ease of dealing in securities markets by investors, SEBI vide its circular no. SEBI / HO / MIRSD_RTAMB/ P / CIR / 2022 / 8 dated 25.01.2022 has directed all listed entities to issue securities in demat mode only, while processing the following service request viz, Issue of duplicate securities certificate, Claim from Unclaimed Suspense Account, Renewal / Exchange of securities certificate, Endorsement, Sub-division / Splitting of securities certificate, Consolidation of securities certificates/folios, Transmission, Transposition.

The securities holder/claimant shall submit duly filled up Form ISR-4 (available in the website of the Bank / RTA) to the RTA in respect of any of above mentioned claims and the RTA shall process the same by way of issuing Letter of Confirmation. Within 120 days of the issue of the letter, the securities holder/claimant shall submit the demat

request, along with the letter or copy of e-mail to the Depository Participant. In case of non-receipt of demat request from the securities holder/claimant within 120 days of the date of Letter of Confirmation, the shares will be credited to Escrow Demat Account of the Bank by RTA.

12. UNCLAIMED DIVIDENDS / SHARE TRANSFERRED TO IEPF AUTHORITY

In terms of the relevant provisions of Section 124 and 125 of the Companies Act, 2013 and the relevant Rules of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended from time to time, the unclaimed dividend and the underlying equity shares of the Bank for FY 2014-15 and 2015-16 (Interim) has been transferred to IEPF authority.

The unclaimed dividend and also the underlying shares for FY 2015-16 (Final) will be transferred to IEPF authority pursuant to aforesaid provisions, in the current financial year. For details on year wise unclaimed dividends to be transferred / shares already transferred to IEPF, kindly refer to the Corporate Governance section of the Annual Report. The shareholders are therefore requested to contact RTA for claiming their unclaimed Dividend and / or shares transferred to IEPF Authority and also visit the website of the Bank in this regard.

Further, the dividend warrants if any, lying with the shareholders in respect of such period(s) have to be submitted for revalidation to the Company Secretary, City Union Bank Limited, "NARAYANA", Administrative Office, No. 24-B, Gandhi Nagar, Kumbakonam - 612 001.

13. The shareholders holding securities in physical form are requested to update their Bank mandate by way of submitting duly signed copy of PAN card along with cancelled cheque leaf with the Bank / RTA along with form ISR-2 for receiving the corporate benefits by way of electronic credit to their respective Bank account in time. Members holding shares in electronic form are requested to update their Bank account details with their respective Depository participant.
14. The Bank continues to support the "Green Initiative" announced by the Government of India, and in this regard the shareholders who have not registered their e-mail address so far are requested to register their e-mail address (for demat holders - with their respective DPs and for holders in physical form - with

our RTA) to enable the bank to send all future correspondence through e-mail.

15. Electronic copy of the Annual Report and Notice for FY 2022-23, indicating the process and manner of e-voting is being sent to all the members whose e-mail IDs are registered with the Bank / Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. Members may further note that the Notice and the Annual Report for FY 2022-23 is available on the Bank's website www.cityunionbank.com for download.

16. Voting through electronic means

In terms of Section 108 of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended and read with Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Bank is pleased to provide its members holding shares in physical / de-mat mode, facility to exercise their right to vote at the Annual General Meeting by electronic means through 'Remote e-Voting' services provided by National Securities Depository Limited (NSDL).

17. The **"cut-off date"** for the **"Remote e-Voting"** is **Wednesday, August 16, 2023**. The instructions for e-voting is appended to this notice. The **Remote e-voting will commence on August 19, 2023 (9:00 a.m.)**, and **close on August 22, 2023 (5:00 p.m.)**. Consequently, as per the applicable statutory provisions, voting by show of hands will not be available to the shareholders at the AGM.

18. In Compliance with the Companies (Management and Administration) Amendment Rules, 2015, the Bank is also pleased to provide the electronic voting system during the AGM. The said facility shall be in operation till all the resolutions are considered and voted upon in the meeting and may be used for voting only by the members attending the meeting and who have not exercised their right to vote through remote e-voting. The Shareholders, who are eligible to vote as on the "cut-off" date, but have not exercised their right to vote through remote e-voting shall cast their votes at the AGM through e-voting for all the resolutions set out in the Notice. Shareholders who have already exercised their right to vote through remote e-voting may attend the AGM but shall not vote at the AGM.

19. The Board of Directors of the Bank has appointed M/s B.K. Sundaram & Associates, Practising Company Secretaries, Tiruchirapalli, as Scrutinizer to scrutinize and report the voting process in a fair and transparent manner.

20. **Update your KYC :** Pursuant to SEBI Circular no. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dt.16.03.2023, the shareholders holding shares in Physical / Demat mode or required to update their KYC details with the Bank / RTA or with their respective Depository Participant (DP) by submitting –

- a) ID Proof : Self Attested copy of PAN Card
- b) Address Proof : Self Attested copy of Passport / Aadhar Card / Bank Pass Book / Voter Card / Driving License

EXPLANATORY STATEMENT

[Pursuant to Section 102 of the Companies Act, 2013 and Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Item No. 3

EXPLANATORY STATEMENT FOR THIS ORDINARY BUSINESS ITEM IS NOT REQUIRED UNDER THE PROVISIONS OF THE COMPANIES ACT, 2013. HOWEVER THE EXPLANATORY STATEMENT IS BEING GIVEN PURSUANT TO THE PROVISIONS OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) (AMENDMENT) REGULATIONS, 2018

The Shareholders at the AGM held on August 18, 2022 had appointed **M/s Jagannathan & Sarabeswaran**, Chartered Accountants, Chennai (**FRN 001204S**) and **M/s K. Gopal Rao & Co.**, Chartered Accountants, Chennai

(**FRN 000956S**) as the Joint Statutory Central Auditors of the Bank for a second term for FY 2022-23 to hold the office until the conclusion of the ensuing Annual General Meeting of the Bank ('AGM').

Further, in response to the application made by the Bank, the RBI vide its letter No.Ref CO.DOS.RPD.No. S2229/08.13.005/2023-24 dt. June 22, 2023 has accorded its approval for re-appointment of **M/s Jagannathan & Sarabeswaran**, Chartered Accountants, Chennai (**FRN 001204S**) and **M/s K. Gopal Rao & Co.**, Chartered Accountants, Chennai (**FRN 000956S**) as the Joint Statutory Central Auditors of the Bank for a **third term for FY 2023-24**.

Profile of SCAs / Credentials:

M/s Jagannathan & Sarabeswaran , Chartered Accountants, Chennai (FRN 001204S)	M/s Jagannathan & Sarabeswaran, Chartered Accountants was established in the year 1969 at Chennai. The firm consists of 5 (five) full time partners and 20 professional staffs and has over 54 years of rich experience in diverse sectors viz., Banking, Information Technology, Tourism & Hotels, Hospital, Engineering, Manufacturing etc. The head office is located at Alwarpet, Chennai. The firm also specializes in Tax Audit, Tax Representation and Tax Advisory services. With special reference to professional services in the field of Banking, Finance and Insurance, the firm offers Central Statutory Audit Services, branch audits, concurrent audits to various Public and Private sector Banks and also Statutory Central Audit to Foreign Bank. Besides providing above services, they are also specialized in performing credit audits. To mention, they have provided Concurrent Audit to the Reserve Bank of India during the period 2005 to 2008. They have also handled due diligence, project consultancy and financial advisory services.
M/s K. Gopal Rao & Co. , Chartered Accountants, Chennai (FRN 000956S)	M/s K. Gopal Rao & Co., Chartered Accountants was established in the year 1978. The firm consists of 13 (Thirteen) full time partners and 48 professional staffs. The firm is headquartered at Chennai with branch offices at Madurai, Coimbatore, Trichy, Tiruvallur, Bangalore, Hyderabad and Mumbai. The firm offers Audit and Assurance, Tax advisory and consulting services to various sectors. With special reference to professional services in the field of Banking, the firm has experience of Central Statutory Audit, Branch Statutory Audits, Concurrent audits, Risk Based Internal Audit, IS Audits, Special Audits including ASM, Integrated Treasury and Due Diligence process to various public and private sector banks. As part of Tax advisory services, the firm has experience on International Taxation, Transfer Pricing, Business Tax Advisory, Taxation for Non Profit Organizations and Indirect Taxation. The firm also has Partners specialised in IND AS, System and Security Audit and advisory, FEMA and FCRA Consultancy, Valuation and IP. The firm is also a registered Public Accounting firm with the Comptroller and Auditor General (C&AG) of India, New Delhi. It has diversified clientele with National and International operations. Firm also has experience in Internal Audit for various sectors.



M/s Jagannathan & Sarabeswaran, Chartered Accountants, Chennai (FRN 001204S) and M/s K. Gopal Rao & Co., Chartered Accountants, Chennai (FRN 000956S) were initially appointed by the Shareholders in the Annual General Meeting held on 19th August, 2021 as the Joint Statutory Central Auditors of the Bank on a first term for FY 2021-2022 and subsequently re-appointed for a second term by the Shareholders in the Annual General Meeting held on 18th August, 2022 at a total remuneration ₹ 70,00,000/- plus out of pocket expenses but excluding applicable taxes payable. As per the approval received, the Bank has paid a total remuneration of ₹ 70 Lakhs to the Joint Statutory Central Auditors as mutually agreed by the Bank and such Joint Statutory Central Auditors along with such out of pocket expenses as was incurred during the course of the audit work entrusted for FY 2022-23(excluding an amount of ₹ 14.21 Lakhs towards statutory branch audit and out of pocket expenses). Now, the Bank, as recommended / approved by the Audit Committee of the Board and the Board of Directors respectively and as per the approval received from Reserve Bank of India vide letter dated June 22, 2023, has placed before the shareholders for approval for re-appointment of the said Firms as the Joint Statutory Central Auditors of the Bank for a third term for the FY 2023-24 at a total remuneration of ₹ 90,00,000/- (Rupees Ninety Lakhs only) plus out of pocket expenses but excluding applicable taxes payable. The total remuneration will be allocated between the two Firms depending upon their respective scope of work as may be mutually accepted. Further the above remuneration may vary depending upon the number of branches taken up by them for audit for the financial year 2023-24 and also on account of any other special assignments to be handled by them as per the requirement of regulators / statutory authorities.

Further, considering their past profile, expertise, knowledge and rich experience in the audit field besides the good work carried out by the Firms during their first and second terms with the Bank, in the opinion of the Board, the proposed Auditors are eligible for re-appointment as the Joint Statutory Central Auditors of the Bank and fulfill all the conditions specified in relevant provisions of the Companies Act, 2013, the guidelines issued by the Reserve Bank of India for appointment of Statutory Auditors of Private Sector Banks and the Banking Regulation Act, 1949. The proposed Auditors are independent of the Management of the Bank. Hence, the Board recommends to shareholders the re-appointment of **M/s Jagannathan & Sarabeswaran**, Chartered Accountants, Chennai (FRN 001204S) and **M/s K. Gopal**

Rao & Co., Chartered Accountants, Chennai (FRN 000956S) for a third term for FY 2023-24 to hold the office from the conclusion of the ensuing AGM until the conclusion of the next AGM of the Bank.

None of the Directors and Key Managerial Personnel and their relatives are concerned or interested in this resolution.

The Board recommends the Resolution set out at Item No.3 of the Notice for approval of members by passing ordinary resolution.

Item No.4

In terms of the provisions of the Companies Act, 2013 and the Rules made there under, the Branches of the Bank have to be audited either by Statutory Central Auditors or by other qualified Auditors as a regular audit work on a yearly basis. Accordingly, the Bank intends to entrust the Audit of its Branch Offices either to the Statutory Central Auditors or to other qualified Auditors in consultation with Statutory Central Auditors on such remuneration and on such terms and conditions as the Board deems fit based on the recommendations of the Audit Committee of the Board.

None of the Directors and Key Managerial Personnel and their relatives are concerned or interested in this resolution.

The Board recommends the Ordinary Resolution set out at Item No.4 of the Notice for approval by members by passing ordinary resolution.

Item No. 5 & 6

In accordance with the provisions of Section 149 (10) of the Companies Act, 2013, an Independent Director can hold office for a maximum term of upto five (5) consecutive years on the Board of the company and shall be eligible for re-appointment for another term of five years subject to passing of Special Resolution by the members and disclosure of such appointment on Board's Report. Further, in respect of Banking Companies, the provisions of Section 10 A (2) of the Banking Regulation Act, 1949 ('Banking Act') specifies that the overall tenure of non-executive Directors should not exceed a period of eight (8) consecutive years.

Shri. V.N. Shivashankar (DIN 00929256) and Dr. T.S. Sridhar (DIN 01681108) are currently Independent Directors on the Board of the Bank and their appointment as Independent Directors were approved by the shareholders in their meeting held on September 01, 2018 for a term of five years.



Pursuant to the recommendations of the Nomination Committee of the Bank, the Board of Directors of the Bank at its meeting held on June 26, 2023 had considered and approved the proposal to re-appoint Shri. V.N. Shivashankar and Dr. T.S. Sridhar as Independent Directors for a second term. As per the provisions of the Companies Act, 2013 they are eligible for re-appointment for a further term of 5 years but being a Banking entity the maximum permissible tenure of a Director is 8 years from the date of initial appointment i.e from the date of appointment as an Additional Director. Accordingly in compliance with the provisions of Banking Regulation Act, 1949, the approval of members is sought for the re-appointment of **Shri. V.N. Shivashankar and Dr. T.S. Sridhar, Directors** for their remaining period on the Board of the Bank upto February 6, 2026.

The re-appointment of Shri. V.N. Shivashankar and Dr. T.S. Sridhar is in compliance with the provisions of Section 10A of the Banking Regulation Act, 1949. They are not disqualified from being appointed as Directors in terms of Section 164 of the Companies Act, 2013 and have given their consent to act as Directors for their second term. The Bank has also received a declaration from them that they meet the criteria of Independence as prescribed under Section 149(6) of the Companies Act, 2013 and SEBI Listing Regulations, 2015. In the opinion of the Board, they fulfill the conditions as specified in the Companies

Act, 2013, Banking Regulation Act, 1949 and SEBI Listing Regulations, 2015 for such re-appointment and should continue their term to complete the balance tenure under the Banking Act as Independent Directors. Shri. V.N. Shivashankar & Dr. T.S. Sridhar are Independent of the management and they possess appropriate skills, experience and knowledge to effectively represent the Board of the Bank. Further, in terms of Section 149 (13), being Independent Directors, they shall not retire by rotation.

Further, the Board of Directors at its meeting held on June 26, 2023, took into account the outcome of their performance evaluation for FY 2022-23 made earlier by it and placed on record the overall involvement and performance of the Directors to be satisfactory.

Save and except Shri V.N. Shivashankar and Dr. T.S. Sridhar and the shareholders who are their relatives, none of the Directors and Key Managerial Personnel and their relatives are concerned or interested in the agenda item.

The Board in terms of Regulation 25 (2A) of SEBI Listing Regulations, 2015, recommends the re-appointment of Shri V.N. Shivashankar and Dr. T.S. Sridhar as Independent Directors on the Board of the Bank not liable to retire by rotation as set out at Item No.5 & 6 of the Notice for approval by Members as Special Resolutions.