



**CSB BANK LIMITED**  
**(Formerly The Catholic Syrian Bank Limited)**  
**Registered Office:** “CSB Bhavan”,  
St. Mary’s College Road, Post Box No. 502,  
Thrissur - 680 020, Kerala, India.  
**Tel:** +91 487 - 2333020; **Fax:** +91 487 - 2338764;  
**Website:** www.csb.co.in; **Email:** investors@csb.co.in  
**Corporate Identity Number:** U65191KL1920PLC000175

## NOTICE OF 99<sup>TH</sup> ANNUAL GENERAL MEETING

Notice is hereby given that the 99<sup>th</sup> Annual General Meeting of CSB Bank Limited will be held on Monday, July 20, 2020 at 11:00 a.m. IST through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”) to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Bank’s Audited Financial Statements for the financial year ended 31<sup>st</sup> March, 2020 including the Audited Balance Sheet and Profit and Loss Account as at that date together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Sumit Maheshwari (DIN: 06920646), who retires by rotation, and being eligible, offers himself for re-appointment.
3. To appoint Statutory Central Auditors to hold office from the conclusion of this Annual General Meeting (“AGM”) until the conclusion of the next AGM, and to authorise the Board of Directors to fix their remuneration. The existing Statutory Auditors R. G. N. Price & Co., Chartered Accountants, G-234, Price Chambers, Panampally Nagar, Cochin – 682 036 (FRN: 002785S) retire at the AGM. The said Auditors will be completing a continuous tenure of four years as Statutory Central Auditors of the Bank in the AGM and hence due for a change according to the Reserve Bank of India’s (RBI) policy of rotation and resting of Auditors. Appointment of new Auditors has to be made at the AGM in place of the retiring Auditors. Considering the extant RBI guidelines and Bank’s Policy on appointment of Statutory Central

Auditors and their tenure of appointment, the Board has proposed to make the appointment of Auditors on a yearly basis as hitherto, and necessary approval of RBI in terms of section 30(1 A) of the Banking Regulation Act, 1949 has been sought for the appointment of the new Auditors, from one among a panel of two firms of Chartered Accountants in the order of preference given below and in the resolution, for the ensuing year.

1. B S R & CO. LLP  
5th Floor, Lodha Excelus, Apollo Mills Compound,  
N. M. Joshi Marg, Mahalaxmi,  
Mumbai-400011, Maharashtra.  
Firm Regn. Number: 101248W/W-100022
2. S R Batliboi & Associates LLP  
22, Camac Street, Block C, III Floor,  
Kolkata-700016.  
Firm Regn. Number: 101049W/E300004

In this connection, to consider and if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION:-**

“**RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable rules, if any, the applicable provisions of the Banking Regulation Act, 1949 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Rules, Circulars and Guidelines issued by the

Reserve Bank of India (“RBI”) from time to time and subject to the approval from RBI, one among a panel of two firms of Chartered Accountants in the order of preference given below, be and is hereby appointed as Statutory Central Auditors of the Bank, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Bank, and that the Board of Directors of the Bank be and is hereby authorised to fix the remuneration of the Auditors, including out of pocket expenses for carrying out the audit, based on the recommendation of the Audit Committee of the Board”.

1. B S R & CO. LLP,  
5th Floor, Lodha Excelus, Apollo Mills Compound,  
N. M. Joshi Marg, Mahalaxmi,  
Mumbai-400011, Maharashtra.  
Firm Regn. Number: 101248W/W-100022
2. S R Batliboi & Associates LLP  
22, Camac Street, Block C, III Floor, Kolkata-700016.  
Firm Regn. Number: 101049W/E300004

### 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 authorised to appoint in consultation with the Statutory Central Auditors, the Branch Auditors who are qualified to act as Auditors pursuant to Sections 139, 143(8) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder and the Banking Regulation Act, 1949, for the purpose of audit of the branches of the Bank for the financial year 2020-21, and to fix the remuneration of the Branch Auditors including out of pocket expenses for carrying out the audit, based on the recommendation of the Audit Committee of the Board.”

5. 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 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and other applicable rules, if any, (including any statutory modification(s) or re-enactment thereof for the time

being in force) and in supersession of the resolution limiting the borrowing authority of the Board of Directors of the Bank (“Board”) up to ₹1,000 Crore (Rupees One Thousand Crore only) over and above the Paid up Capital and Free Reserves of the Bank, passed by the Bank vide postal ballot resolution dated August 18, 2014, the Board be and is hereby authorized to borrow moneys from time to time such that the amount of such moneys borrowed and remaining to be repaid shall in the aggregate not exceed ₹5,000 Crore (Rupees Five Thousand Crore only) over and above the Paid up Capital, Free Reserves including Securities Premium of the Bank, notwithstanding that the moneys to be borrowed, together with the moneys already borrowed by the Bank may exceed the aggregate of the Bank’s Paid up Capital, Free Reserves including Securities Premium, that is to say, reserves not set apart for any specific purposes”.

6. 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 Sections 5, 14, Table F of Schedule I and all other applicable provisions of Companies Act, 2013 read with the 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, as amended, guidelines of the Reserve Bank of India (“RBI”), provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and subject to the necessary approvals required, if any, and further subject to such other terms, conditions, stipulations, alterations, amendments or modifications as may be required, specified or suggested by the Registrar of Companies and Stock Exchanges, the Board of Directors (hereinafter referred to as the “Board”, which term shall include any of its duly authorized committee), is hereby authorized to accept such terms, conditions, stipulations, alterations, amendments or modifications as it may deem fit but within the limits of the aforesaid approval, consent of the Members of the Bank be and is hereby accorded to the alteration of the Bank’s Articles of Association in the manner and to the extent provided as per the list enclosed

herewith as Annexure to the notice”.

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

“**RESOLVED THAT** pursuant to Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, the provisions of Regulation 12(1) of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and relevant provisions of Circular No. CIR/CFD/POLICY CELL/2/2015 dated June 16, 2015 issued by the Securities and Exchange Board of India (collectively referred to as “SEBI SBEB Regulations”), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR Regulations”), the relevant provisions of the Memorandum and Articles of Association of the Bank, and subject further to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, consent of the members be and is hereby accorded in ratification of the ‘**CSB Employee Stock Option Scheme 2019**’ (“**ESOS 2019**”/ “**Scheme**”) as aligned with the provisions of the SEBI SBEB Regulations, which was originally approved by the members of the Bank vide Special Resolution dated May 04, 2019 prior to initial public offer of shares of the Bank, which contemplates authority in the Board of Directors of the Bank ((hereinafter referred to as “the Board” which term shall be deemed to include the Nomination & Remuneration Committee, which the Board has constituted to exercise its powers, including the powers conferred by this resolution and SEBI SBEB Regulations) to create, offer and grant not more than **50,00,000 (Fifty Lakh)** employee stock options, from time to time, in one or more tranches to such person(s) who are in permanent employment of the Bank including any whole-time or executive director of the Bank, on such terms and conditions as may be determined in accordance with the provisions of the ESOS 2019 and in due compliance with the applicable laws including SEBI SBEB Regulations, exercisable into equal number of equity shares of the Bank, with each such option would be exercisable into

one equity share of a face value of ₹10/- (Rupees Ten) each fully paid-up to be transferred by the CSB ESOS Trust (“Trust”) an irrevocable employee welfare trust set-up by the Bank prior to initial public offer of shares in due compliance with the provisions of the SEBI SBEB Regulations out of its current shareholding of **50,00,000 (Fifty Lakh)** equity shares upon exercise of options from time to time.

“**RESOLVED FURTHER THAT** the equity shares so transferred as mentioned hereinbefore shall rank *pari passu* with the then existing equity shares of the Bank.”

“**RESOLVED FURTHER THAT** in case of any corporate action (s) such as rights issues, bonus issues, merger and sale of division and others, if any additional equity shares that are issued by the Bank for the purpose of making a fair and reasonable adjustment to the options granted earlier, the above ceiling of options/ equity shares shall be deemed to increase to the extent of such additional equity shares issued.”

“**RESOLVED FURTHER THAT** in case the equity shares of the Bank are split-up or consolidated, then the number of shares to be transferred and the exercise price payable by the option grantees under the ESOS 2019 shall automatically stand reduced or augmented, as the case may be in the same proportion as the present face value of ₹10/- per equity share bears to the revised face value of the equity shares of the Bank after such split-up or consolidation, without affecting any other rights or obligations of the said grantees.”

“**RESOLVED FURTHER THAT** the Bank and the Trust shall conform to the accounting policies prescribed from time to time under the SEBI SBEB Regulations and any other applicable laws and regulations to the extent relevant and applicable to the ESOS 2019.”

“**RESOLVED FURTHER THAT** the Board be and is hereby authorised on behalf of the Bank to do all such acts, deeds, matters and things and sign deeds, documents, letters and such other papers as may be necessary, desirable and expedient, as it may in its absolute discretion deem fit or necessary or desirable for such purpose including giving effect to this resolution with power on behalf of the Bank to

settle any questions, difficulties or doubts that may arise in this regard in conformity with the provisions of the Companies Act, 2013, SEBI SBEB Regulations, the Memorandum and Articles of Association of the Bank and other applicable laws.”

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

“**RESOLVED THAT** pursuant to Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, the provisions of Regulation 7 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and relevant provisions of Circular No. CIR/CFD/POLICY CELL/2/2015 dated June 16, 2015 issued by the Securities and Exchange Board of India (collectively referred to as “SEBI SBEB Regulations”), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR Regulations”), the relevant provisions of the Memorandum and Articles of Association of the Bank and subject further to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, subject to the ratification of the ‘CSB Employee Stock Option Scheme 2019’ (“ESOS 2019”/“Scheme”), consent of the members’ of the Bank be and is hereby accorded to amend the ESOS 2019 by way of increasing the number of employee stock option (“Options”) reserved thereunder from 50,00,000 (Fifty Lakh) Options to 1,66,72,791 (One Crore Sixty Six Lakh Seventy Two Thousand Seven Hundred and Ninety One) Options by creating additional 1,16,72,791 (One Crore Sixteen Lakh Seventy Two Thousand Seven Hundred and Ninety One) Options for grant to the eligible employees of the Bank, from time to time, in one or more tranches, convertible into equal number of equity shares of the Bank of face value of ₹10/- each fully paid-up upon exercise, with the additional equity shares corresponding to additional options shall be sourced from fresh issue of shares by the Bank up to 30,00,000 (Thirty Lakh) equity shares of a face value of ₹10/- (Rupees Ten) each fully paid-up and from secondary acquisition up to 86,72,791 (Eighty Six Lakh Seventy Two Thousand

Seven Hundred and Ninety One) fully paid-up equity shares of face value of ₹10/- (Rupees Ten) each, being 5% (Five percent) of the paid-up equity share capital of the Bank as on March 31, 2020, which is as per the statutory ceiling prescribed under the SEBI SBEB Regulations, by the CSB ESOS Trust through which ESOS 2019 shall be administered.

“**RESOLVED FURTHER THAT** the equity shares so issued as mentioned hereinabove shall rank *pari passu* with the then existing equity shares of the Bank.”

“**RESOLVED FURTHER THAT** in case of any corporate action (s) such as rights issues, bonus issues, merger and sale of division and others, if any additional equity shares that are issued by the Bank for the purpose of making a fair and reasonable adjustment to the options granted earlier, the above ceiling of options/ equity shares shall be deemed to increase to the extent of such additional equity shares issued.”

“**RESOLVED FURTHER THAT** in case the equity shares of the Bank are split-up or consolidated, then the number of shares to be transferred and the exercise price payable by the option grantees under the ESOS 2019 shall automatically stand reduced or augmented, as the case may be in the same proportion as the present face value of ₹10/- per equity share bears to the revised face value of the equity shares of the Bank after such split-up or consolidation, without affecting any other rights or obligations of the said grantees.”

“**RESOLVED FURTHER THAT** the Bank and the Trust shall conform to the accounting policies prescribed from time to time under the SEBI SBEB Regulations and any other applicable laws and regulations to the extent relevant and applicable to the ESOS 2019.”

“**RESOLVED FURTHER THAT** the Board be and is hereby authorised on behalf of the Bank to do all such acts, deeds, matters and things and sign deeds, documents, letters and such other papers as may be necessary, desirable and expedient, as it may in its absolute discretion deem fit or necessary or desirable for such purpose including giving effect to this resolution with power on behalf of the Bank to settle any questions, difficulties or doubts that may arise in this regard in conformity with the provisions of the Companies Act, 2013, SEBI SBEB Regulations,

the Memorandum and Articles of Association of the Bank and other applicable laws.”

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

“**RESOLVED THAT** pursuant to section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’), and the Rules thereunder, the Memorandum and Articles of Association of the Bank, the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Regulation 6(3) of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and relevant provisions of Circular No. CIR/CFD/POLICY CELL/2/2015 dated June 16, 2015 issued by the Securities and Exchange Board of India (collectively referred to as “SEBI SBEB Regulations”), including any statutory modification(s) or re-enactment(s) of the Act, for the time being in force and subject to such other approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, subject to the ratification of the ‘CSB Employee Stock Option Scheme 2019’ (“ESOS 2019”/ “Scheme”), consent of the members of the Bank be and is hereby accorded to authorise the Board of Directors of the Bank (hereinafter referred to as the “Board” which term shall be deemed to include any committee, including the Nomination and Remuneration Committee which the Board has constituted to exercise its powers, including the powers, conferred by this resolution) to acquire, hold and deal in the equity shares of the Bank from the secondary market, from time to time, in one or more tranches, through the ‘CSB ESOS Trust’ (“**Trust**”) an irrevocable employee welfare trust set-up by the Bank for the implementation of the ‘CSB Employee Stock Option Scheme 2019’ (“**ESOS 2019**”/ “**Scheme**”), not exceeding 86,72,791 (Eighty Six Lakh Seventy Two Thousand Seven Hundred and Ninety One) fully paid-up equity shares of face value of ₹10 (Rupees Ten) each, being 5% (Five percent) of the paid-up equity share capital of the Bank as on March 31, 2020, which is as per the statutory ceiling prescribed under the SEBI SBEB Regulations.”

“**RESOLVED FURTHER THAT** equity shares that can be acquired from the secondary market in any financial year by the Trust shall not exceed such ceiling as may be prescribed under SEBI SBEB Regulations from time to time.”

“**RESOLVED FURTHER THAT** in case of any corporate action(s) such as rights issues, bonus issues, change in capital structure, or other re-organisation, if any additional equity shares are required to be issued by the Bank to its shareholders, the ceiling aforesaid in terms of number of equity shares intended to be acquired from secondary market shall be deemed to increase in proportion of such additional equity shares issued to facilitate making of a fair and reasonable adjustment as per SEBI SBEB Regulations.”

“**RESOLVED FURTHER THAT** the Trust shall not deal in derivatives and shall undertake only delivery based transactions for the purposes of secondary acquisition as permitted by the SEBI SBEB Regulations.”

“**RESOLVED FURTHER THAT** the Trustees of the Trust shall not vote in respect of the shares acquired and held by such Trust.”

“**RESOLVED FURTHER THAT** for the purposes of disclosures to the stock exchange, the shareholding of the Trust shall be shown as ‘non-promoter and non-public shareholding’.”

“**RESOLVED FURTHER THAT** the Trustees of the Trust shall ensure compliance of the provisions of the SEBI SBEB Regulations, Rules made under the Companies Act, 2013 and all other applicable laws at all times in connection with acquisition, holding and dealing in the shares of the Bank including but not limited to maintenance of proper books of account, records and documents with appropriate disclosures as prescribed.”

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

“**RESOLVED THAT** pursuant to the provisions of Section 196 of the Companies Act, 2013 read with the relevant Rules made thereunder (“Act”), Article 148 of Articles of Association of the Bank and the approval accorded by Reserve Bank of India (RBI) in terms of Section 35B of the Banking Regulation

Act, 1949, approval of the members of the Bank be and is hereby accorded for payment of fixed pay for the period as specifically detailed in the explanatory statement annexed hereto, to Mr. C.VR. Rajendran (DIN- 00460061) who was re-appointed by the Board of Directors as the Managing Director & CEO of the Bank in terms of Section 35 B of the Banking Regulation Act, 1949, for a period of three (3) years with effect from December 9, 2019.”

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

“**RESOLVED THAT** pursuant to the provisions of Section 196 of the Companies Act, 2013 read with the relevant Rules made thereunder (“Act”), Article 148 of Articles of Association of the Bank and the approval accorded by Reserve Bank of India (RBI) in terms of Section 35B of the Banking Regulation Act, 1949, approval of the members of the Bank be and is hereby accorded for payment of variable pay of ₹45,00,000/- for the financial year 2018-19 to Mr. C.VR. Rajendran (DIN- 00460061), Managing Director& CEO of the Bank.

12. 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 196 of the Companies Act, 2013 read with the relevant Rules made thereunder (“Act”), Regulation 6(3)(d) of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, Article 148 of Articles of Association of the Bank, subject to the ratification of the ‘CSB Employee Stock Option Scheme 2019’ (“ESOS 2019”/ “Scheme”) and subject to the approvals/modifications of Reserve Bank of India (“RBI”) as required in terms of Section 35B of the Banking Regulation Act, 1949 and pursuant to the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Bank, approval of the members’ of the Bank be and is hereby accorded for grant of 34,70,000 (Thirty Four Lakhs Seventy Thousand) employee stock options under the ESOS 2019 at exercise price of ₹75/- (Seventy Five) as performance grant for the period December 09, 2016 to December 08, 2019 to

Mr. C.VR. Rajendran (DIN - 00460061), Managing Director& CEO of the Bank.”

“**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts, deeds and things and to execute any agreements, documents or instructions as may be required to give effect to this resolution.”

By Order of the Board,  
For CSB Bank Limited,

Sd/-

(Sijo Varghese)

Company Secretary

Place: Thrissur

Date: June 22, 2020

#### Notes:

- In view of the continuing Covid-19 pandemic, social distancing is a norm to be followed, the Ministry of Corporate Affairs (“MCA”) has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as “MCA Circulars”) and SEBI Circular dated May 12, 2020, permitted the holding of the Annual General Meeting (“AGM”) through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), SEBI Circular, and MCA Circulars, the AGM of the Bank is being held through VC / OAVM.
- Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is also entitled to appoint a proxy to attend and vote instead of himself/herself and such proxy need not be a Member of the Bank. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.**
- 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 AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to [scrutiniservoting@gmail.com](mailto:scrutiniservoting@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

4. The Members can join the AGM in the VC/OAVM mode 30 minutes before and after the scheduled time of the commencement of the Meeting by using the remote e-voting login credentials and selecting the EVEN for Bank's AGM as further detailed in the Notice-Instructions for members for remote e-voting. The facility of participation at the AGM through VC/OAVM will be made available for 1,000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
5. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
6. 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, in physical form, on all working days between 10 a.m. to 2 p.m. and on 20<sup>th</sup> July 2020, upto the conclusion of the Annual General Meeting. These documents are also available in electronic form till the conclusion of Annual General Meeting.
7. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the special business to be transacted at the meeting is annexed hereto.
8. The relevant details, pursuant to Regulations 26(4), 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM is annexed.
9. The certificate from the Statutory Auditors of the Bank certifying that the Bank's Employees Stock Option Schemes are being implemented in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and in accordance with the resolutions passed by the Members of the Bank, will be available for inspection by the members in terms of the said regulations.
10. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Bank on or **before July 18, 2020 through email to [investors@csb.co.in](mailto:investors@csb.co.in)** and the same will be replied by the Bank, suitably.
11. The Register of Members and Share Transfer Books of the Bank will remain closed from 14<sup>th</sup> July 2020 to 20<sup>th</sup> July 2020 (both days inclusive).
12. (a) All dividends remaining unclaimed/unpaid upto and including for the financial year 1993-94 have been transferred to the General Revenue Account of the Central Government. Any claim in respect of such transferred dividends may be made to Registrar of Companies, Kerala, Company Law Bhavan, Bharata Mata College P.O., Kochi - 682021.  
(b) Unpaid/unclaimed dividends for the financial years 1994-95 to 2011-12 have been transferred to Investor Education and Protection Fund (IEPF). It may be noted that no claim shall lie against the Bank u/s 124(6) of the Companies Act, 2013 for unpaid/unclaimed dividends once such dividends have been transferred to such Fund. Kindly note that the Bank hasn't declared any dividend for the Financial Year 2009-10.  
(c) Members are advised to prefer their claims for unpaid/unclaimed dividends, if any, for the years from 2012-2013 onwards, directly to the Bank/RTA. Members may please note that the balance of unclaimed dividend for financial year 2012-13 will become due for transfer to IEPF on October 24, 2020. Bank hasn't declared any dividend since the Financial Year 2014-15.
13. Members may please note that in terms of the provisions of the Section 124(6) of the Companies

Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended) and other applicable rules, notifications and circulars, if any, every company is required to transfer the shares, in respect of which dividend remains unpaid / unclaimed for a period of seven (7) consecutive years, to the demat account of the Investor Education Protection Fund (IEPF) Authority. The members/claimants whose shares, unclaimed dividend, etc., have been transferred to IEPF authority may claim the shares or apply for refund by making an online application to the IEPF Authority in web Form No. IEPF-5 available on [www.iepf.gov.in](http://www.iepf.gov.in).

14. Unclaimed Share application money in respect of Rights issue 2013 and allotment completed on March 30, 2013 was due for transfer to the Investor Education and Protection Fund on March 30, 2020, as per provisions of the Section 125(2)(h) of the Companies Act, 2013. To comply with the above requirements, the Bank on April 3, 2020 transferred ₹1,18,260/- to the Investor Education and Protection Fund, being the unclaimed share application money in respect of Rights Issue 2013. The applicants/members may claim for refund of the application money by making an application to IEPF authority as per the procedure prescribed in the IEPF Rules.
15. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The said form can be downloaded from the Bank's website [www.csb.co.in](http://www.csb.co.in) under the head 'Investor Relations'. Members are requested to submit the said details to their DP in case the shares are held by them in electronic form and to the Bank/RTA in case the shares are held in physical form.
16. Members holding more than one folio for the same set of names may please write to the Registrar & Share Transfer Agents of the Bank viz. S.K.D.C. Consultants Ltd., so that their holdings can be consolidated into one folio.
17. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can

be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Bank or the Bank's Registrars and Share Transfer Agents, S.K.D.C. Consultants Ltd for assistance in this regard.

18. S.K.D.C. Consultants Ltd., Coimbatore, is the Registrar & Share Transfer Agents for the Bank's shares. Hence, shareholders holding shares in physical form are requested to notify changes in their address along with PINCODE to S.K.D.C. Consultants Ltd., in the following address:

S.K.D.C. Consultants Ltd.,  
 Kanapathy Towers, 3rd Floor, 1391/A-1,  
 Sathy Road, Ganapathy, Coimbatore – 641 006.  
 Ph: 0422 – 2539835, 2539836, 4958995  
 Fax: 0422 2539837  
 E-mail: [info@skdc-consultants.com](mailto:info@skdc-consultants.com)

Any other communication/correspondence with regard to equity shares and dividend of earlier years may also be forwarded to S.K.D.C. Consultants Ltd. However, if the shares are held in dematerialised form, the beneficial owners have to intimate about any change in Bank account details, address for communication and nomination only to the Depository Participant concerned and not directly to the Bank or to its Registrar & Share Transfer Agents.

19. In terms of Rule 18 of the Companies (Management & Administration) Rules, 2014, a Company may give notice through electronic mode, addressing to the persons entitled to receive such e-mail as per the records of the company or as provided by the depository, provided that the company shall provide an advance opportunity atleast once in a financial year, to the member to register his e-mail address and change therein and such request may be made by only those members who have not got their email address recorded or to update a fresh email address and not from the members whose e-mail address are already registered.



In view of the above, the Bank hereby requests members who have not updated their e-mail address to update the same with their respective Depository Participant(s) or with S.K.D.C. Consultants Ltd., Registrar & Share Transfer Agents of the Bank. Further, members holding shares in electronic mode are also requested to keep their e-mail addresses updated with the Depository Participant(s) of the Bank. Members holding shares in physical mode are also requested to update their e-mail addresses by writing to the Bank quoting their folio number(s) and the e-mail address registration form can be downloaded from the Bank's website [www.csb.co.in](http://www.csb.co.in) under the head 'Investor Relations → Forms'.

20. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Bank/ Depositories. Members may note that the Notice and Annual Report 2019-20 will also be available on the Bank's website [www.csb.co.in](http://www.csb.co.in), websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively, and on the website of NSDL <https://www.evoting.nsdl.com>.
21. In support of the "Green Initiative" members who have not yet registered their email address are requested to register the same with their DPs in case the shares are held by them in electronic form and with Bank/RTA in case the shares are held by them in physical form.
22. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
23. In terms of Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 108 of the Companies Act, 2013 read with the Companies (Management & Administration) Rules, 2014 as amended, the Bank is providing the facility to its Members holding shares in physical or dematerialized form as on the cut-off date, **Monday, July 13, 2020**, to exercise their rights to vote by electronic means (the 'Remote e-voting') on any or all of the business specified in the accompanying notice. For this purpose, the Company has entered into an agreement with National Securities Depository

Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system will be provided by NSDL. Details of the process and manner of Remote e-voting are being sent to all the Members along with the Notice. **If any person who is not a member/ceased to be a member as on the cut-off date should treat this notice for information purpose only.**

24. The Members, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.
25. The Results on above resolutions shall be declared not later than 48 hours from the conclusion of the AGM of the Bank and the resolutions will be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favour of the Resolutions.
26. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice

By Order of the Board  
For CSB Bank Ltd.,

Place: Thrissur  
Date: June 22, 2020

Sd/-  
**(Sijo Varghese)**  
Company Secretary

## EXPLANATORY STATEMENT

(Pursuant to Section 102(1) of the Companies Act, 2013)

### Item No.4

#### Appointment of Branch Auditors

In terms of Section 143(8) of the Companies Act, 2013, the Branch Offices of the Bank have to be audited either by Statutory Central Auditors or by other Auditors who are qualified to act as auditors under Section 141 and other applicable provisions if any, of the Act. The Bank intends to entrust the audit of Branch Offices either to the Statutory Central Auditors or other qualified Auditors in consultation with the Statutory Central Auditors on such remuneration, terms and conditions as the Board deems fit and as recommended by the Audit Committee of the Board.

Accordingly, your Directors recommend the Item No. 4, in the notice, for your approval by way of an Ordinary Resolution in terms of Section 143(8) of the Companies Act, 2013, as amended.

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

#### To increase the limit of borrowing powers of the Board to ₹5,000 crores from the existing limit of ₹1,000 crores.

In terms of Section 180 (1)(c) of the Companies Act, 2013 the Board shall not, except with the consent of the shareholders in General Meeting, borrow moneys in excess of the Bank's Paid Up capital and Free Reserves and Securities Premium.

Shareholders of the Bank, vide special resolution passed by postal ballot on August 18, 2014, authorised the Board, in terms of Section 180 (1)(c) of the Companies Act, 2013, to borrow money from time to time and as and when required provided that the aggregate of such borrowings including the money already borrowed by the Bank and outstanding at any point of time, shall not exceed ₹1,000 Crore over and above its paid up capital and free reserves.

Anticipating the future growth plan and business of the Bank, for which funds needs to be raised through various avenues including borrowings in different forms,

it is proposed to enhance the borrowing powers of the Board from the existing approved limit of ₹1,000 Crores to ₹5,000 crores over and above the paid up capital and free reserves and Securities Premium of the Bank and for which, the approval of shareholders are required in terms of Section 180(1)(c) of the Companies Act, 2013.

Accordingly, your Directors recommend the Item No. 5, in the notice, for your approval by way of a special resolution in terms of Section 180(1)(c) of the Companies Act, 2013, as amended.

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

#### Alteration of Articles of Association of the Bank

In the present Articles of Association of the Bank, the maximum number of Board of Directors is fixed at 7 (seven). Considering the future growth plan of the Bank, the Bank may require to induct more number of Directors who are versatile and have exposure in various fields to guide the Bank. A few other clauses in the Articles of Association need to be amended/modified in tune with the prevailing requirements and as also advised by Reserve Bank of India. The details of modification proposed are enclosed herewith as Annexure to the notice.

Besides, the Bank needs to remove 'Part A' of the Articles of Association which was in force till the date of listing of shares of the Bank, entirely from the Articles of Association of the Bank, which is otherwise redundant, post listing of shares of the Bank and to remove the word 'Part B' from Articles of Association which is in force from the date of listing on December 4, 2019 so as to make a single Articles of Association without any distinction of 'Part A' and 'Part B'.

Accordingly, your Directors recommend the Item No. 6, in the notice, for your approval by way of a Special Resolution in terms of Section 14 of the Companies Act, 2013, as amended.

Reserve Bank of India, vide letter no. DoR.PSBD.No.8245/16.01.060/2019-20 dated June 01, 2020, conveyed their approval to amend Articles of Association of the Bank for such matters, where approval of RBI is required in terms of 35B (1)(a) of the Banking Regulation Act, 1949 and have taken note of the other amendments proposed in the Articles of Association.

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 it deals with the changes in regulations governing their own appointments and terms and conditions relating thereto, or to their continuing to hold the office.

### Item No.7 and 8

#### **Ratification of ‘CSB Employee Stock Option Scheme 2019’ and Approval for increasing total number of employee stock options reserved under ‘CSB Employee Stock Option Scheme 2019’:**

The Bank had introduced an employee stock option scheme namely ‘CSB Employee Stock Option Scheme 2019’ (“ESOS 2019”/ “Scheme”) to attract, retain, incentivise and motivate its eligible employees vide shareholders’ special resolution dated May 04, 2019 prior to its initial public offer (“IPO”) of shares. For administration and better implementation of the Scheme, the Bank had set-up an irrevocable employee welfare trust namely ‘CSB ESOS Trust’ (“Trust”) in compliance with applicable laws.

In the meantime, IPO was made with listing of shares done on 4<sup>th</sup> December, 2019 on the recognized stock exchanges. Your Bank has not granted any employee stock option (“Option”) under the Pre-IPO Scheme so far. In terms of Regulation 12(1) of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (“SEBI SBEB Regulations”), any fresh grant of Options can be made under ESOS 2019 in case such ESOS 2019 is in compliance with the SEBI SBEB Regulations and is ratified by the members of the Bank.

The ESOS 2019 and as well as deed of Trust as originally introduced were already in conformity with the SEBI SBEB Regulations; however, it is aligned by reflecting current name of the Bank and also with a few changes as per prevailing regulations.

Accordingly, the ESOS 2019 is placed before the members for ratification in terms of the aforesaid Regulation after which your Bank would be able to grant Options under ESOS 2019. A total of 50,00,000 (Fifty Lakh) shares corresponding to equal number of Options originally reserved under ESOS 2019, were already issued to the Trust prior to IPO. Thus, there shall not be any further equity dilution for the members upon transfer of such shares to the eligible employees upon exercise of Options.

In the meantime, it is appreciated that the Bank would need more quantum of options in view of its ever-increasing human resources particularly with a view to attract, retain, and motivate its critical resources and growth drivers, existing and joining in future, for contribution towards sustained corporate growth and profitability and reward them in line with **value created with appropriate performance vesting conditions**. It may also be noted that Reserve Bank of India (“RBI”) also mandates to disburse a prescribed part of variable pay by way of options to the personnel specified in its relevant guidelines subject to appropriate performance vesting conditions.

In this background, it is proposed to amend ESOS 2019 by increasing the Options Reserve by an additional quantum of 1,16,72,791 (One Crore Sixteen Lakh Seventy Two Thousand Seven Hundred and Ninety One). The source of corresponding number of additional shares shall be from (i) fresh issue of shares up to 30,00,000 (Thirty Lakh) shares and (ii) secondary acquisition by the Trust up to 86,72,791 (Eighty Six Lakh Seventy Two Thousand Seven Hundred and Ninety One) shares. With this, the total Options reserve under ESOS 2019 shall be 1,66,72,791 (One Crore Sixty Six Lakh Seventy Two Thousand Seven Hundred and Ninety One).

Barring the potential further issue up to 30 Lakh shares, there shall not be any equity dilution for the members of the Bank, as a part of balance shares is already issued and held by the Trust (as stated above) and rest shall be acquired by the Trust through recognised stock exchange(s). It may be noted that **the Bank shall not provide any financial assistance, directly or indirectly, by way of any loan or guarantee or security in connection with any loan to the Trust for purchase of shares through secondary acquisition**. The Trust shall on its own arrange necessary funds from other lenders on such terms in line with extant market conditions or as negotiated with the lenders.

Your Board recommends passing of respective proposals namely (i) ratification of the ESOS 2019 under Regulation 12, and (ii) amendment of ESOS 2019 seeking to increase total Options reserve under Regulation 7 of the SEBI SBEB Regulations as Special Resolutions.

Given the nature of proposed amendment, it is not detrimental to the interests of any existing option grantees as the amendments are intended to be prospective. The beneficiaries of this amendment shall be the eligible employees who may be granted options under this ESOS 2019.

The afore-stated proposals were already approved by the Nomination and Remuneration Committee of the Directors (“Committee”) and your Board at their respective meetings held on June 19, 2020.

Features of the Scheme (except number of Options) shall remain the same as originally approved and are reproduced again in terms of SEBI SBEB Regulations as under:

**a) Brief description of the scheme**

The Bank proposes to implement ESOS 2019 primarily with a view to attract, retain, motivate and reward the eligible employees of the Bank and its whole-time and executive director(s) (jointly referred to as “Employees”). The ESOS 2019 contemplates grant of Options to the eligible Employees, as determined in due compliance with SEBI SBEB Regulations, relevant RBI Guidelines and provisions of the ESOS 2019. After vesting of Options, the eligible Employees earn a right (but not obligation) to exercise the vested Options within the exercise period and obtain equity shares of the Bank from the Trust subject to payment of exercise price and satisfaction of any tax obligation arising thereon.

The Trust shall administer the ESOS 2019. The Committee of the Bank shall supervise the ESOS 2019. All questions of interpretation of the ESOS 2019 shall be determined by the Committee and such determination shall be final and binding upon all persons having an interest in ESOS 2019.

**b) Total number of Options to be granted**

Total number of Options that may be granted under the Scheme shall not exceed 1,66,72,791 (One Crore Sixty Six Lakh Seventy Two Thousand Seven Hundred and Ninety One) out of which 50,00,000 (Fifty Lakh) Options were reserved under the Scheme as originally contemplated.

Each Option upon exercise shall be convertible into one equity share of face value of ₹10/- (Rupees Ten) fully paid-up. Options lapsed or cancelled due to any reason including the reason of lapse of exercise period or due to resignation of the employees or otherwise, would be available for being re-granted at a future date. The Board is authorized to re-grant such lapsed / cancelled Options as per the terms of Scheme. However, once underlying shares are delivered upon exercise of Options, the shares reserved for Scheme purposes would reduce.

In case of any corporate action (s) such as rights issues, bonus issues, merger and sale of division and others, a fair and reasonable adjustment will be made to the Options granted. Accordingly, the ceiling of Options/ underlying equity shares shall be deemed to increase to the extent of such additional equity shares issued.

**c) Identification of classes of employees entitled to participate in the Employee Stock Option Scheme**

All permanent employees and whole-time or executive directors (referred to as “Employees”) of the Bank shall be eligible subject to determination or selection by the Committee. However, following classes of employee/ director shall not be eligible who is:

- a) An Independent director;
- b) A Promoter or person belonging to promoter group; and
- c) A director who either himself or through his relative or through any body corporate, directly or indirectly, holds more than ten percent of the outstanding equity shares of the Bank.

**d) Requirements of vesting and period of vesting**

The Options granted shall vest so long as the Employee continues to be in the employment/ service of the Bank as per SEBI SBEB Regulations. The Options shall vest subject to performance based vesting, the criteria being a mix of annual corporate and individual performance with a predefined threshold, achievement below which will result in no vesting for that year. These criteria will include achievement in terms of operational and/ or financial performance parameters of the Bank as specified by the Committee. Vesting in case of personnel whose remuneration and Options entitlement are regulated under relevant RBI Guidelines, shall be subject to additional conditions as to reduction/ clawback of vesting in line with deterioration in financial performance of the Bank.

Vesting period for any Options granted under this Scheme shall be subject to statutory minimum period of 1 (One) year from the date of grant during which no vesting shall be allowed. Subject to this statutory minimum period, any staggered vesting prescribed for any grant shall be over a vesting schedule of minimum of 3 (Three) years and maximum of 10 (Ten) years from the date of grant.

**e) The maximum period within which the options shall be vested**

The options granted shall vest not later than 10 (Ten) years from the date of grant of such options.

**f) Exercise price or pricing formula**

The exercise price per option shall be determined by the Committee in accordance with applicable laws and shall not be less than the face value of underlying shares as on date of grant.

**g) Exercise period and the process of exercise**

The exercise period in respect of a vested Option shall be a period commencing from the relevant vesting date of such Option and shall end with the expiry of 10 (Ten) years or such other shorter period as approved by the Committee from the date of grant of such option. Thus, expiry of exercise period in respect of Options granted in a tranche of grant shall be same for all Options in such tranche of grant.

The options will be exercisable by the grantees by a written application to the Trust along with payment of exercise price and applicable taxes in such manner and on execution of such documents, as may be prescribed from time to time. The options will lapse if not exercised within the specified exercise period.

**h) Appraisal Process for determining the eligibility of the Employees**

The options shall be granted to the eligible Employees as per performance appraisal system of the Bank and the Committee at its discretion may adopt any eligibility criteria for determining eligibility of any Employee or a class thereof on the basis of designation, role, and future potential of Employees.

**i) Maximum number of options to be issued per employee and in aggregate**

The maximum number of options that may be granted to an eligible Employee per such Employee and in aggregate under ESOS 2019 shall vary depending upon the designation, role, criticality and the appraisal process however shall not exceed the ceiling as specified or determined, from time to time as per the Compensation Policy of the Bank implemented as per guidelines of the Reserve Bank of India.

**j) Maximum quantum of benefits to be provided per Employee under the ESOS 2019**

There is no other benefit except grant of Options which shall be subject to such limitations as mentioned in point above.

**k) Route of implementation or administration of the ESOS 2019**

ESOS 2019 shall be implemented and administered through an irrevocable employee welfare trust known as CSB ESOS Trust ("Trust") already set-up by the Bank.

**l) Source of acquisition of shares under the ESOS 2019**

The ESOS 2019 contemplates use/ acquisition of shares from two sources:

- (i) Up to 80,00,000 (Eighty Lakh) shares from the fresh issue by the Bank. However, from the said quantum of shares, the Bank had already issued 50,00,000 (Fifty Lakh) shares to the Trust prior to its IPO under the Pre-IPO ESOS 2019 Scheme. Thus, only 30,00,000 (Thirty Lakh) shares are envisaged to be issued through fresh issue to the Trust; and
- (ii) Balance up to 86,72,791 (Eighty Six Lakh Seventy Two Thousand Seven Hundred and Ninety One) shares by way of secondary acquisition through the Trust.

**m) Amount of loan to be provided for implementation of the Scheme by the Bank to the Trust, its tenure, utilization, repayment terms, etc.**

The Bank shall not provide any financial assistance by way of any loan, or guarantee or security in connection with any loan to the Trust. The Trust shall on its own arrange to meet its funding requirement from the sources other than the Bank and on such terms and conditions that are in line with extant market conditions or as negotiated with the lenders.

**n) Maximum percentage of secondary acquisition**

The ESOS 2019 envisages secondary acquisition of shares up to 5% (Five percent) of the paid-up equity share capital of the Bank as on March 31, 2020, which is as per the statutory ceiling prescribed under the SEBI SBEB Regulations.

**o) Disclosure and Accounting Policies**

The Bank and the Trust shall comply with the accounting policies and disclosure requirements

prescribed as per prevailing accounting guidelines and the Bank shall adhere to the accounting policies specified in Regulation 15 of the SEBI SBEB Regulation.

**p) Method of option valuation**

To calculate the employee compensation cost, the Bank shall use intrinsic value method as applicable for the time being. In case the accounting standard IND AS 102 as would be applicable, the Bank shall use the fair value method for valuation of the Options granted and the reporting in the manner as may be prescribed.

**q) Declaration:**

In case, the Bank opts for expensing of share based employee benefits using the intrinsic value method, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options and the impact of this difference on profits and on Earning Per Share (EPS) of the Bank shall also be disclosed in the Directors' Report.

As the Scheme provides for issue of shares to be offered to persons other than existing shareholders of the Bank, consent of the members is being sought pursuant to Section 62(1)(b) of the Companies Act, 2013, read with Regulations 3, 7 and 12(1) of the SEBI SBEB Regulations.

None of the Directors, Key Managerial Personnel of the Bank and their relatives are in any way, concerned or interested in the aforesaid resolutions, except to the extent of the options that may be granted to them under the ESOS 2019.

**Item No.9**

**Approval for secondary acquisition of shares through Trust route for the implementation of CSB Employee Stock Option Scheme 2019 as amended:**

The Bank had introduced an employee stock option scheme namely 'CSB Employee Stock Option Scheme 2019' ("ESOS 2019"/ "Scheme") vide shareholders' special resolution dated May 04, 2019 prior to its initial public offer ("IPO") of shares. It is proposed to amend ESOS 2019 by increasing the Options/ shares reserve by an additional quantum, out of which 86,72,791 (Eighty Six Lakh Seventy Two Thousand Seven Hundred and Ninety

One) shares are proposed to be sourced from secondary acquisition through 'CSB ESOS Trust' ("Trust") set up by the Bank. This quantum of secondary acquisition is 5 % (Five percent) of the paid-up equity share capital of the Bank as on March 31, 2020 and is also the statutory ceiling prescribed under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("SEBI SBEB Regulations").

It shall be further ensured that acquisition of shares by the Trust in any financial year shall not exceed the ceilings prescribed in SEBI SBEB Regulations as amended from time to time. Trust shall not deal in derivatives, and shall undertake only delivery based transactions for the purposes of secondary acquisition and for the purpose of the Plan.

The Trustees of the Trust shall ensure compliance of all the relevant provisions of the SEBI SBEB Regulations and Rules made under the Companies Act, 2013 at all times in connection with acquisition and dealing in the shares of the Bank including but not limited to maintenance of proper books of account, records and documents along with appropriate disclosures as prescribed.

The said proposal for secondary acquisition of shares of the Bank through the Trust under the ESOS 2019 was already approved by the Nomination and Remuneration Committee of the Board ("Committee") and your Board at their respective meetings held on June 19, 2020.

Accordingly, your Directors recommends passing of the Item No.9 for secondary acquisition of shares through Trust route for the implementation of CSB Employee Stock Option Scheme 2019, for your approval by way of a Special Resolution in terms Regulation 6(3) of the SEBI SBEB Regulations.

None of the Directors, Key Managerial Personnel of the Bank including their relatives are interested or concerned in the resolutions, except to the extent they may be lawfully granted Options under the Plan.

**Item No.10**

**Approval to the terms of reappointment of Mr. C.VR. Rajendran (DIN: 00460061) as Managing Director & CEO of the Bank with effect from December 9, 2019.**

Mr. C.VR. Rajendran was reappointed as the Managing Director & CEO of the Bank with the approval of the Reserve Bank of India required as per Section 35 B of the Banking Regulation Act, 1949, for a period of three years with effect from 9<sup>th</sup> of December 2019, on the terms and conditions as detailed below:

Particulars		December 9, 2019 Upto January 09, 2020	w.e.f. January 10, 2020
<b>FIXED PAY (INCLUDING PERQUISITES)</b>			
1.	Salary (Per Annum)	Rs. 36,00,000/- p.a.	Rs. 1,07,14,285/- p.a.
2.	Dearness Allowance	Nil	Nil
3.	Retiral/Superannuation benefits:		
3(a)	Provident Fund	12 % of basic salary	Rs. 12,85,715/- p.a (12 % of the basic pay)
3(b)	Gratuity	Eligible for gratuity under and in accordance with the Payment of Gratuity Act, 1972 as applicable	Unaltered.
3(c)	Pension	Nil	Nil
4.	Leave Fare Concession/ Allowance	Rs. 3,00,000/- p.a	Rs. 5,00,000/- p.a
5.	Other fixed allowances, if any (please specify- including car & driver expenses, health insurance, hospitalization, medical reimbursement)* *Consolidated allowance, if any, to be given with details of heads it subsumes.	Rs. 13,68,000/- p.a.	Rs. 45,00,000/- p.a
<b>6.</b>	<b>PERQUISITES</b>		
6(i)	Free Furnished House and its maintenance/House Rent Allowance	Rs.18,00,000/- p.a. or company leased accommodation within the above budget. Bank will pay refundable rent advance.	Rs. 30,00,000 p.a. or company leased accommodation within the said budget. The bank will pay refundable rent advance.
6(ii)	a) Official purposes	Conveyance Allowance/Free use of bank's car for	
	b) Private purposes	Free use of Bank's Car for official purposes and consumption of Petrol - unlimited.	Unaltered.
		If car is used for private purposes, recovery @ ₹250/- per month up to 500 Kms. and beyond 500 Kms., in a month, recovery @ ₹1/- per Km.	Unaltered.
6(iii)	Driver(s)' salary	As per the bank's policy	Unaltered.
6(iv)	Club Membership(s)	Covered in entertainment expenses	Unaltered.
6 (v)	Reimbursement of medical expenses	Covered in entertainment expenses	Unaltered.
6(vi)	Any other perquisites (please specify)		
a)	Telephone	Free use of Bank's Telephone both at office and residence for official purposes.	Unaltered.
b)	Official Travel	Travel by highest Class while on duty by Road or Rail and by Business Class by Air or Sea, or in such other manner as may be prescribed by the Board from time to time.	Unaltered.
c)	Lodging Expenses	Actual expenses for stay in Hotels upto and including Five Star Category for Single Room Occupancy, supported by Bills/Vouchers and such other variations as may be approved by the Board.	Unaltered.
d)	Boarding Charges	Actual expenses for Boarding.	Unaltered.

Particulars		December 9, 2019 Upto January 09, 2020	w.e.f. January 10, 2020
e)	Halting Allowance	When the official is on outstation duty for the Bank's affairs, he shall be entitled to avail Halting Allowance:  1. @ ₹2,000/- (Rupees Two Thousand only) per day if lodging expenses are not claimed.  2. @ ₹4,000/- (Rupees Four Thousand only) per day if both boarding and lodging expenses are not claimed.	Unaltered.
f)	Entertainment Expenses	Upto ₹60,000/- per annum including club membership (Maximum 2 clubs), 25% of which is reimbursable on self-declaration and the balance against the evidence of expenses incurred.	Unaltered.
g)	Medical Benefits	Upon laying down his office after serving at least eight years as Managing Director & CEO, the Bank will take the policy or policies issued under a medical insurance plan covering hospitalisation and other medical expenses incurred on him upto ₹5 lakh per annum for life.	Unaltered.
h)	Group Accident Insurance	Maximum sum assured - ₹10,00,000/-. Premium will be paid by the Bank.	Unaltered.
i)	Encashment of Privilege Leave	Encashment of privilege leave subject to a maximum of 21 days' basic salary.	Unaltered.
<b>Total Fixed pay (including perquisites)</b>		<b>75,00,000.00</b>	<b>2,00,00,000.00</b>

Since Mr. C.VR. Rajendran assumed charge as Managing Director & CEO of the Bank, the Bank achieved remarkable improvement in performance in all fronts. Looking at overall performance, whether basic performance parameters, or targeting strategic growth plan and achieving them and concomitant improvement in productivity, robust and secure technology upgrades and business model, Mr. C.VR. Rajendran has led from the front and taken along the entire team of staff without compromising on corporate governance structure, regulatory compliance and customer centric efforts. Mr. C.VR. Rajendran's rich and all round experience as a banker with strategic commercial and leadership skills built over a period of time, has paid off very well for CSB.

The Bank feels that continuance of the service of Mr. C.VR. Rajendran as Managing Director & CEO of the Bank at this juncture is essential to maintain and improve the tempo of the Bank's growth and progress further and recommended and obtained approval of Reserve Bank of India vide letters dated November 13, 2019 and May 4, 2020 for reappointment and payment of remuneration respectively, in the manner as stated above. Mr. C.VR. Rajendran's initial term of appointment as MD&CEO of the Bank was up to December 08, 2019.

Pursuant to Article 148 of the Bank's Articles of Association, read with Sec 196(4) of the Companies Act, 2013, payment of fixed pay to the Managing Director & CEO requires approval of the members in General Meeting and hence the resolution is proposed, which is recommended for approval by the shareholders.

No Directors or any of the Key Managerial Personnel of the Bank or their relatives other than the Managing Director & CEO Mr. C. VR. Rajendran himself is, directly or indirectly, concerned or interested in the Resolution set out at Item No. 10.



**Item No.11****Payment of Variable Pay to Mr. C.VR. Rajendran, Managing Director & CEO of the Bank for the financial year 2018-19.**

Mr. C.VR. Rajendran was appointed as the Managing Director & CEO of the Bank with the approval of Reserve Bank of India (RBI) with effect from December 9, 2016 and re-appointed for a period of three years from December 9, 2019 on receipt of approval of RBI in terms of Section 35B of the Banking Regulation Act, 1949. Mr. Rajendran is a seasoned banker with solid grassroots level Indian banking experience spanning more than three and a half decades. Mr. Rajendran was holding the position of Chief Executive Officer of the Association of Mutual Funds in India prior to joining in the Bank.

At CSB, Mr. Rajendran has acted as a formidable force which was struggling on all fronts when he took the reins. He could enforce performance culture and bring about long term cost savings strategies. He has been always placing revenue over costs and this approach has worked and reflected in the financials of the Bank. Under the leadership of Mr. C.VR. Rajendran, the Bank could attain remarkable improvement in performance in many fronts/parameters. Mr. C.VR. Rajendran's rich and all round experience as a Banker with highly developed strategic, commercial and leadership skills built over a period of times in various Banks have highly paid off as for CSB Bank's overall progress, since he assumed the office.

Considering the achievements and strong capital base built over the years, Nomination & Remuneration Committee of the Board, and the Board have recommended a variable pay of ₹45.00 Lakh for the financial year 2018-19, which being 60 % of the gross annual salary for the said period, subject to malus arrangements as per RBI guidelines dated January 13, 2012 on Compensation of Whole Time Directors/ Chief Executive Officers/ Risk Takers and Control Function staff, etc., to Mr. C.VR. Rajendran, for whom, approval from Reserve Bank of India was obtained vide their letter dated May 04, 2020. The variable pay of ₹45.00 Lakh of which ₹27 lakhs shall be paid upfront and the balance of ₹18 lakhs shall be paid in a staggered manner over a period of three years with effect from May 13, 2020, subject to Malus arrangements as per the above referred RBI policy and Compensation policy of the Bank.

Pursuant to Article 148 of the Bank's Articles of Association, read with Sec 196(4) of the Companies Act, 2013, payment of variable pay to the Managing Director &

CEO requires approval of the Bank in General Meeting and hence the resolution is proposed, which is recommended for approval by the shareholders.

No Directors or any of the Key Managerial Personnel of the Bank or their relatives other than the Managing Director & CEO Mr. C. VR. Rajendran himself is, directly or indirectly, concerned or interested in the Resolution set out at Item No. 11.

**Item No.12****Grant of stock options to Mr. C. VR. Rajendran, Managing Director and CEO of the Bank**

The Bank had introduced an employee stock option scheme namely 'CSB Employee Stock Option Scheme 2019' ("ESOS 2019"/ "Scheme") to attract, retain, incentivise and motivate its eligible employees vide shareholders' special resolution dated May 04, 2019. The Bank consistently believes in the philosophy of creating entrepreneurial teams to operate its businesses and create superior shareholder return.

It is imperative that the current teams led by Mr. C. VR. Rajendran, Managing Director and Chief Executive Officer ("MD & CEO") of the Bank has substantial interest in the business. Consequently, to retain and incentivize Mr. C. VR. Rajendran for his successful transformation of task that had been undertaken by him for the past 3 (Three) years in the Bank including the impressive and remarkably successful initial public offering of shares and building up of strong capital base in the Bank.

As per the above background, the Bank intends to grant 34,70,000 (Thirty Four Lakhs and Seventy Thousand) employee stock options under the ESOS 2019 exercisable into equivalent number of shares of ₹10 (Ten) each fully paid up to the MD & CEO at exercise price of ₹75 (Seventy Five) per Option, which are to be vested over 3 (Three) years from the date of actual grant by the Nomination and Remuneration Committee subject to the approvals/modifications of the Reserve Bank of India ("RBI") as required in terms of Section 35B of the Banking Regulation Act, 1949.

As the Options are treated as part of the remuneration of the MD & CEO as per the provisions of Section 196 of the Companies Act, 2013 read with the Article 148 of the Bank's Articles of Association, consent of the members is being sought. Consent is also required under Regulation 6(3)(d) of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014. Hence, this resolution is proposed.

The said proposal for grant of options to MD & CEO of the Bank under the ESOS 2019 was already approved by the Nomination and Remuneration Committee of the Directors (“Committee”) and the Board of Directors of the Bank (“Board”) at their respective meetings held on March 16, 2020.

None of the Directors, Key Managerial Personnel of the Bank including their relatives are interested or concerned in the resolutions, other than the MD & CEO himself is, directly or indirectly, concerned or interested in the resolution. Mr. C. VR. Rajendran is concerned or interested only to the extent of the Options that he may be entitled as per the Scheme.

In light of above, you are requested to accord your approval to this proposal as a Special Resolution as set out at Agenda item no. 12 of the accompanying notice.

By Order of the Board,  
For CSB Bank Limited,

Sd/-

Place: Thrissur  
Date: June 22, 2020

**(Sijo Varghese)**  
Company Secretary

**Additional information on Directors seeking re-appointment in the Annual General Meeting scheduled on July 20, 2020, as required under Regulations 26(4) and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Secretarial Standard 2 (SS-2) on General Meeting issued by the Institute of Company Secretaries of India.**

**1. Mr. C. VR. Rajendran (DIN: 00460061)**

Name	C. VR. Rajendran	
Date of Birth / Age	08.04.1955	65
Educational Qualification	M.Com, CAIIB, ICWA Inter	
Expertise in functional area	Banking	
Date of first appointment on Board	November 24, 2016	
Brief Resume including Experience	<p><b>Mr C.VR. Rajendran</b> (DIN 00460061) was appointed as the Managing Director &amp; CEO of the Bank with effect from December 9, 2016 and re-appointed for a period of three years with effect December 9, 2019 after completion of his initial term on December 8, 2019. Mr. Rajendran is a seasoned banker with solid grassroots level Indian banking experience spanning more than three and a half decades. He has hands-on cross functional experience in every aspects of banking spread across Branch Operations, NPA / Asset Quality Management, Business Process Re-engineering, Productivity Enhancement, Corporate Industrial Finance, Merchant Banking, Treasury Operations, International Banking, Primary Dealership, Collection and Payment Services, and Information Technology.</p> <p>Mr. Rajendran was holding the position of Chief Executive Officer of the Association of Mutual Funds in India prior to joining in the Bank. Prior to this, he has held other key positions like Chairman &amp; Managing Director of Andhra Bank (December 2013–April 2015) and as Executive Director at Bank of Maharashtra (March 2012 – December 2013). He has also held various positions including that of General Manager in the Corporation Bank (1978– 2012).</p>	
Directorship held in other Companies	NSE Clearing Limited.	
No. of shares held in the Bank or on a beneficial basis	Nil	
Details of remuneration last drawn	₹72,00,000/- for the financial year 2019-20.	
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	No relationship per se	
No. of Board meetings attended during his current tenure in office as director and till the date of this Notice	61	
Details of membership in the Committee of the Board of the Bank	Risk Management Committee	Member
	Committee for monitoring large value frauds (CMF)	Member
	Stakeholders Relationship Committee	Member
	Corporate Social Responsibility Committee	Member
	Management Committee	Member
	Customer Service Committee	Member
	IT Strategy Committee	Member
Details of membership in the Committee of the Board of the other companies	<b>1. NSE Clearing Limited.</b>	
	Audit Committee	Member
	Nomination and Remuneration Committee	Member
	Risk Management Committee	Member
Terms and conditions of appointment / re-appointment including remuneration	As detailed in Explanatory Statement to item no. 8 above.	

**2. Mr. Sumit Maheshwari (DIN: 06920646)**

Name	Mr. Sumit Maheshwari	
Date of Birth / Age	27.11.1982	37
Educational Qualification	M.Com, MBA, CA.	
Expertise in functional area	Accountancy and Finance	
Date of first appointment on Board	03.09.2018	
Brief Resume including Experience	<p>Mr. Sumit Maheshwari (DIN 06920646) is a non-executive Director of the Bank and has been associated with the Bank since September 3, 2018. He is a qualified Chartered Accountant, holds a Master of Business Administration degree from the Indian School of Business, Hyderabad, and Master of Commerce degree from the University of Mumbai. Mr. Maheshwari specializes in Indian GAAP, U.S. GAAP and IFRS accounting standards. Mr. Maheshwari joined Fairbridge Capital, Mumbai, Fairfax Financial Holdings Limited's and Fairfax India Holdings Limited's India investment arm in 2011, from its inception. Prior to being named the Managing Director &amp; Chief Executive Officer of Fairbridge Capital in 2018, Mr. Maheshwari has been involved in and been a critical part of building the Fairbridge Capital organisation. During his tenure at Fairbridge Capital, Mr. Maheshwari has sourced, evaluated and recommended most of the transactions completed by Fairfax Financial Holdings Limited and Fairfax India Holdings Limited. He also played a key role in the completion of these transactions and is involved in the monitoring of the portfolio companies. Mr. Maheshwari was a key member of the team that completed, among others, Thomas Cook (India) Limited, Quess Corp Limited, Sterling Holiday Resorts (India) Limited, IIFL Holdings Limited, Bangalore International Airport Limited, National Collateral Management Services Limited and Fairchem Specialty Limited. Mr. Maheshwari serves on the board of directors of many of the Company's and Fairfax's portfolio companies in India.</p>	
Directorship held in other Companies	<ol style="list-style-type: none"> <li>1. National Collateral Management Services Limited</li> <li>2. Fairchem Speciality Limited*</li> <li>3. Sterling Holiday Resorts Limited</li> <li>4. Bangalore International Airport Limited</li> <li>5. Privi Organics India Limited</li> <li>6. Thomas Cook (India) Limited*</li> <li>7. Seven Island Shipping Limited</li> <li>8. Akalya Services Private Limited (Formerly known as Happy Life Foods Private Limited)</li> <li>9. NCML Finance Private Limited</li> <li>10. Fairbridge Capital Private Limited</li> <li>11. Saurashtra Freight Private Limited</li> <li>12. Fairfreight Lines Private Limited</li> <li>13. Anchorage Infrastructure Investment Holdings Limited</li> </ol>	
No. of shares held in the Bank or on a beneficial basis	Nil	
Details of remuneration last drawn	Being an Investor Director, Bank is not paying sitting fee for attending the Board and Committee meetings.	
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	No relationship per se	
No. of Board meetings attended during his current tenure in office as director and till the date of this Notice	19	

\* Listed entity

Details of membership in the Committee of the Board of the Bank	Risk Management Committee	Chairman
	Committee for monitoring large value frauds (CMF)	Member
	Nomination and Remuneration Committee	Member
	Stakeholders Relationship Committee	Member
	Corporate Social Responsibility Committee	Member
	Management Committee	Member
	Customer Service Committee	Member
	IT Strategy Committee	Member
Details of membership in the Committee of the Board of the other companies	<b>1. National Collateral Management Limited</b>	
	Corporate Social Responsibility Committee	Member
	Audit Committee	Member
	Nomination and Remuneration Committee	Member
	<b>2. Fairchem Speciality Limited*</b>	
	Audit Committee	Member
	<b>3. Saurashtra Freight Limited</b>	
	Corporate Social Responsibility Committee	Member
	Audit Committee	Member
	Remuneration Committee	Member
	<b>4. Thomas Cook India Limited*</b>	
	Audit Committee	Member
	Corporate Social Responsibility Committee	Member
	<b>5. Sterling Holiday Resorts Limited</b>	
	Audit Committee	Member
	<b>6. Bangalore International Airport Limited</b>	
	Corporate Social Responsibility Committee	Member
	<b>7. Privi Organics India Limited</b>	
	Corporate Social Responsibility Committee	Member
	Audit Committee	Member
	Nomination and Remuneration Committee	Member
Stakeholder's Relationship / Share Transfer Committee	Member	
Terms and conditions of appointment / re-appointment including remuneration	<p>Mr. Sumit Maheshwari is a Director proposed to be reappointed as per section 152(6) of the Companies Act, 2013 and hence, liable to retire by rotation.</p> <p>Being a Non-Executive Director, he is entitled for sitting fee for attending the Board and Committee meetings as per the article 136(a) of the Article of Association of the Bank and section 197 (5) of the Companies Act, 2013 read with the rule 4 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.</p> <p>Being an Investor Director, Bank is not paying sitting fee for attending the Board and Committee meetings.</p>	

\* Listed entity

**THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-**

The remote e-voting period begins on Thursday, July 16, 2020 at 09:00 A.M. and ends on Sunday, July 19, 2020 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter.

**How do I vote electronically using NSDL e-Voting system?**

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

**Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>**

**Step 2: Cast your vote electronically on NSDL e-Voting system.**

**Details on Step 1 is mentioned below:**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.  
*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
  - c) How to retrieve your ‘initial password’?
    - (i) If your email address is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email address. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
    - (ii) If your email address is not registered, please follow steps mentioned below in **process for those shareholders whose email address are not registered**

6. If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:
  - a) Click on “Forgot User Details/Password?”(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) Physical User Reset Password?” (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

**Details on Step 2 is given below:**

**How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [scrutiniservoting@gmail.com](mailto:scrutiniservoting@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request to contact Mr. Amit Vishal, Senior Manager – NSDL at [amitv@nsdl.co.in](mailto:amitv@nsdl.co.in)/ 022-24994360/ or Mrs. Pallavi Mhatre, Manager- NSDL at [pallavid@nsdl.co.in](mailto:pallavid@nsdl.co.in) 022-24994545.

**Process for those shareholders whose email address are not registered with the depositories for procuring user id and password and registration of e mail address for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode, please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), and AADHAR (self-attested scanned copy of Aadhar Card) by email to info@skdc-consultants.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to info@skdc-consultants.com.
3. Alternatively, member may send an e-mail request to evoting@nsdl.co.in for obtaining User ID and Password by proving the details mentioned in Point (1) or (2) as the case may be.

**THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at

https://www.evoting.nsdl.com under shareholders/ members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ ask questions during the meeting may register themselves as a speaker may send their request mentioning their name, demat account number/ folio number, email address, mobile number at **csbagmspeakers@csb.co.in** from July 13, 2020 (09:00 a.m. IST) to July 15, 2020 (05:00 p.m. IST).
6. Shareholders who would like to express their views/ have questions may send their questions in advance mentioning their name demat account number/ folio number, email address, mobile number at **investors@csb.co.in** and the same will be replied by the Bank suitably.
7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

By Order of the Board  
For CSB Bank Limited,

Sd/-  
Place: Thrissur  
Date: June 22, 2020

(Sijo Varghese)  
Company Secretary



## Annexure

### AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Article No. (as per current AoA)	Existing clause	Modification Proposed
	Part A of the Articles of Association shall automatically terminate and cease to have any force and effect from the date of listing of Equity Shares of the Company on a recognized stock exchange in India pursuant to an initial public offering of the Equity Shares of the Bank, without any further action, including any corporate action, by the Bank or by the shareholders. Accordingly, the Part B is effective from the date of listing i.e. from December 4, 2019.	To remove the word 'Part B' from Articles of Association which is in force from the date of listing on December 4, 2019 so as to make a single Articles of Association without any distinction of 'Part A' and 'Part B'.
3(af)	"Majority Shareholder" means any person holding such number of Equity Securities representing 15% (fifteen per cent) of the Equity Share Capital on a Fully Diluted Basis. It is hereby clarified that the aforesaid criteria of 15% of the Equity Share Capital on a Fully Diluted Basis shall be calculated on the basis of number of Equity Securities held by such person and not on the basis of voting rights that such person may be entitled to on account of the Equity Securities held by such person.	"Majority Shareholder" means any person holding such number of Equity Securities representing 12% (twelve per cent) of the Equity Share Capital on a Fully Diluted Basis. It is hereby clarified that the aforesaid criteria of 12% (twelve per cent) of the Equity Share Capital on a Fully Diluted Basis shall be calculated on the basis of number of Equity Securities held by such person and not on the basis of voting rights that such person may be entitled to on account of the Equity Securities held by such person.
3(ag)	"Managing Director" means the Managing Director of the Bank appointed under Section 10B of the Banking Regulation Act, 1949.	"Managing Director" means the Managing Director of the Bank appointed under Section 35B of the Banking Regulation Act, 1949.
77	Notwithstanding anything contained under these Articles and unless otherwise agreed to in writing by the Company and the Majority Shareholder, the Company shall not, at any time after the Completion Date and until the Fall Away Date, issue any Equity Securities of any type or class to any Person (" <b>Proposed Issuance</b> ") unless the Company has offered the Majority Shareholder the right to subscribe for up to such number of Equity Securities as would result in the percentage of the Majority Shareholder's shareholding in the Company immediately following the completion of the Proposed Issuance, on a Fully Diluted Basis, being maintained at the same percentage as the percentage of the Majority Shareholder's shareholding in the Company immediately prior to the completion of the Proposed Issuance, on a Fully Diluted Basis (" <b>Majority Shareholder's Pro Rata Share</b> ") in accordance with Article 77 to Article 78. The Majority Shareholder may, subject to applicable Law, choose to exercise such right itself or through renunciation in favour of an Affiliate.	Notwithstanding anything contained under these Articles and unless otherwise agreed to in writing by the Company and the Majority Shareholder, the Company shall not, at any time after the Completion Date and until the Fall Away Date, issue any Equity Securities of any type or class to any Person (" <b>Proposed Issuance</b> ") unless the Company has offered the Majority Shareholder the right to subscribe for up to such number of Equity Securities as would result in the percentage of the Majority Shareholder's shareholding in the Company immediately following the completion of the Proposed Issuance, on a Fully Diluted Basis, being maintained at the same percentage as the percentage of the Majority Shareholder's shareholding in the Company immediately prior to the completion of the Proposed Issuance, on a Fully Diluted Basis (" <b>Majority Shareholder's Pro Rata Share</b> ") in accordance with Article 77 to Article 78, Section 12B of Banking Act, and Master Direction/circular issued by Reserve Bank of India, from time to time, on shareholding and voting rights in private sector Banks. The Majority Shareholder may, subject to applicable Law/rules and regulations, choose to exercise such right itself or through renunciation in favour of an Affiliate.
128	Unless otherwise agreed to in writing by the Company and the Majority Shareholder, and other than the Directors appointed by the Reserve Bank of India pursuant to section 36AB of the Banking Act, if any, the Board of Directors shall consist of a maximum of 7 (seven) directors, including the Majority Shareholder Directors, 4 (four) of which Directors shall be independent directors. Not less than fifty one percent of the total number of directors shall be persons who satisfy the conditions laid down in Section 10A of the Banking Act.	Unless otherwise agreed to in writing by the Company and the Majority Shareholder, the Board of Directors shall consist of a maximum of 11 (eleven) directors, including the Majority Shareholder Directors. The Majority Shareholders shall have the right to appoint directors not exceeding 4 (four) at a time, in proportion to their inter-se shareholding in the Company. However the majority of the Board of Directors shall be independent directors. The maximum number of 11 (eleven) directors does not include the directors appointed by the Reserve Bank of India, if any pursuant to Section 36AB of the Banking Act. Not less than fifty one percent of the total number of directors shall be persons who satisfy the conditions laid down in Section 10A (2) of the Banking Regulation Act, 1949.

Article No. (as per current AoA)	Existing clause	Modification Proposed
131(a)	<p>Unless otherwise agreed to in writing by the Company and Majority Shareholder, for as long as the Majority Shareholder holds such number of Equity Securities as represents at least 15% (fifteen per cent) of the Equity Share Capital on a Fully Diluted Basis, the Majority Shareholder shall have the right to nominate to the Board of Directors, 2 (two) Directors (collectively, the “<b>Majority Shareholder Directors</b>”). The Majority Shareholder Directors nominated to the Board will be required to comply with such provisions as may be applicable to non-executive Directors of a banking company in India under applicable Law. The Majority Shareholder Directors, if required to retire by rotation under the Act, shall retire by rotation and shall be eligible for re-appointment to the Board in accordance with the provisions of the Act.</p>	<p>Unless otherwise agreed to in writing by the Company and Majority Shareholder, for as long as the Majority Shareholder holds such number of Equity Securities as represents at least 12% (twelve per cent) of the Equity Share Capital on a Fully Diluted Basis, the Majority Shareholder shall have the right to nominate to the Board of Directors, 4 (four) Directors (collectively, the “<b>Majority Shareholder Directors</b>”). The Majority Shareholder Directors nominated to the Board will be required to comply with such provisions as may be applicable to non-executive Directors of a banking company in India under applicable Law. The Majority Shareholder Directors, if required to retire by rotation under the Act, shall retire by rotation and shall be eligible for re-appointment to the Board in accordance with the provisions of the Act.</p>
148(b)	<p>The remuneration of the Part-time Chairman, Managing Director or Whole-time Director shall subject to the applicable provisions of the said Acts and these Articles and of any contract between him and the Company be fixed by the Board, from time to time and may be by way of fixed salary and/or perquisites or commission on profits of the Company or by participation in such profits or by any or all these modes or any other mode not expressly prohibited by the Act.</p>	<p>The remuneration of the Managing Director or Whole-time Director shall subject to the applicable provisions of the said Acts and these Articles and of any contract between him and the Company be fixed by the Board, from time to time and may be by way of fixed salary and perquisites, variable pay and/or any other benefits in applicable case including stock options or any other mode / any other pay/ commission not expressly prohibited by the Act and the same is subject to the prior approval of the Reserve Bank of India in terms Sections 10B and 35B of the Banking Act.</p>
148(e)	<p>The Part time chairman of the Board may be paid remuneration for the performance of duties attached to his office, and allowed payment of incidental expenses as may reasonably be incurred by him in the execution of his duties, subject to and in accordance with the provisions of the Act, the Banking Act and other applicable Regulations. The tenure, terms and conditions of appointment of part time chairman may be decided by the Board of Directors subject to the approval of Reserve Bank of India.</p>	<p>The Part time chairman of the Board may be paid remuneration for the performance of duties attached to his office including sitting fee, and allowed payment of incidental expenses as may reasonably be incurred by him in the execution of his duties, subject to prior approval of Reserve Bank of India in terms of Section 10 B of the Banking Act and in accordance with the provisions of the Act, the Banking Act and other applicable Regulations. The tenure, terms and conditions of appointment of Part Time Chairman may be decided by the Board of Directors subject to the approval of Reserve Bank of India.</p>
153(b)	<p>Unless otherwise agreed to in writing by the Company and the Majority Shareholder, and save where the presence of both the Majority Shareholder Directors would be prohibited under applicable Law as a result of both the Majority Shareholder Directors being interested directors, the quorum for each Board Meeting shall be in accordance with applicable Law, provided that the presence of at least 1 (one) Majority Shareholder Director will be required in order to constitute a quorum for any Board Meeting, unless waived by the Majority Shareholder, in writing. In the event that a Board Meeting cannot be held for want of quorum, the Board Meeting will be adjourned in accordance with the adjournment process prescribed under the Act. If no Majority Shareholder Director is present at the adjourned Board Meeting but the Directors present at the adjourned Board Meeting are otherwise sufficient to constitute quorum under the Act, then such adjourned Board Meeting shall be deemed to be quorate, notwithstanding the absence of the Majority Shareholder Directors.</p>	<p>The quorum for each Board Meeting shall be in accordance with applicable Laws. In the event that a Board Meeting cannot be held for want of quorum, the Board Meeting will be adjourned in accordance with the adjournment process prescribed under the Act.</p>

Article No. (as per current AoA)	Existing clause	Modification Proposed
155	<p>The Board may subject to the provisions of the Act, delegate any of their powers to committees consisting of Directors and/or such other person or persons as they think fit (“Committees”), and they may from time to time revoke and substitute such delegation. Any Committee so formed shall in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee in conformity with such regulations and in fulfilment of the purposes of its appointment but not otherwise, shall have the force and the effect as if done by the Board. Unless otherwise agreed to in writing by the Company and the Majority Shareholder, for as long as the Majority Shareholder holds such number of Equity Securities as represents at least 15% (fifteen per cent) of the Equity Share Capital on a Fully Diluted Basis, the Majority Shareholder shall have the right to nominate a Majority Shareholder Director as a member to each Committee constituted by the Board. The provisions of Article 153 (quorum and audio-visual facilities) and Article 172 (signing of minutes) shall apply mutatis mutandis to all Committees constituted by the Board, and all meetings of such Committees.</p>	<p>The Board may subject to the provisions of the Act, delegate any of their powers to committees consisting of Directors and/or such other person or persons as they think fit (“Committees”), and they may from time to time revoke and substitute such delegation. Any Committee so formed shall in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee in conformity with such regulations and in fulfilment of the purposes of its appointment but not otherwise, shall have the force and the effect as if done by the Board. Unless otherwise agreed to in writing by the Company and the Majority Shareholder, for as long as the Majority Shareholder holds such number of Equity Securities as represents at least 12% (twelve per cent) of the Equity Share Capital on a Fully Diluted Basis, the Majority Shareholder shall have the right to nominate a Majority Shareholder Director as a member to each Committee constituted by the Board. The provisions of Article 153 (quorum and audio-visual facilities) and Article 172 (signing of minutes) shall apply mutatis mutandis to all Committees constituted by the Board, and all meetings of such Committees.</p>
157(a)	<p>Unless otherwise agreed to in writing by the Company and the Majority Shareholder, as long as the Majority Shareholder holds such number of Equity Securities as represents at least 15% (fifteen per cent) of the Equity Share Capital on a Fully Diluted Basis, at least one of the members of the Nomination and Remuneration Committee constituted by the Board (“NRC”) shall be a Majority Shareholder Director.</p>	<p>Unless otherwise agreed to in writing by the Company and the Majority Shareholder, as long as the Majority Shareholder holds such number of Equity Securities as represents at least 12% (twelve per cent) of the Equity Share Capital on a Fully Diluted Basis, at least one of the members of the Nomination and Remuneration Committee constituted by the Board (“NRC”) shall be a Majority Shareholder Director.</p> <p>The constitution of the NRC shall be in line with the provisions of the Act and other applicable rules and regulation and majority of members of the committee shall be independent Directors.</p>
157(b)	<p>Notwithstanding anything contained in these presents and unless otherwise agreed to in writing by the Company and the Majority Shareholder, for as long as the Majority Shareholder holds such number of Equity Securities as represents at least 15% (fifteen per cent) of the Equity Share Capital on a Fully Diluted Basis (i) all decisions in relation to the appointment, termination or replacement of any Directors, key managerial personnel (as defined under the Act), officers or senior executives of the Company, or any alteration in the terms of their appointment or engagement (“NRC Matters”), shall, require an approval from a majority of the members of the NRC including an approval from the Majority Shareholder Director; and (ii) any matter which constitutes an NRC Matter may only be tabled for the Board for consideration if such matter has first been tabled before the NRC, approved by the NRC and thereafter referred to the Board for approval by the NRC.</p>	<p>Notwithstanding anything contained in these presents and unless otherwise agreed to in writing by the Company and the Majority Shareholder, for as long as the Majority Shareholder holds such number of Equity Securities as represents at least 12% (twelve per cent) of the Equity Share Capital on a Fully Diluted Basis (i) all decisions in relation to the appointment, termination or replacement of any Directors, key managerial personnel (as defined under the Act), officers or senior executives of the Company, or any alteration in the terms of their appointment or engagement (“NRC Matters”), shall, require an approval from a majority of the members of the NRC and (ii) any matter which constitutes an NRC Matter may only be tabled for the Board for consideration if such matter has first been tabled before the NRC, approved by the NRC and thereafter referred to the Board for approval by the NRC.</p>