

IRC:F48:134:284:2024

15.06.2024

The Manager,
National Stock Exchange of India Ltd,
Exchange Plaza, 5th Floor,
Plot No. C-1, 'G' Block,
Bandra- Kurla Complex,
Bandra (East), Mumbai – 400051.

The Manager,
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400001.

Scrip Code: KARURVYSYA

Scrip Code: 590003

Dear Sir/Madam,

Sub: Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Postal Ballot Notice

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we attach herewith a copy of the Postal Ballot Notice dated June 13, 2024 together with the Explanatory Statement thereto, seeking the approval of Members of The Karur Vysya Bank Limited on the following items of Special Businesses, by means of Postal Ballot (only through remote e-voting process), in compliance with Sections 108 and 110 of the Companies Act, 2013 read with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and relevant circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India in this regard:

Sl. No	Description	Resolution
1.	To approve the Appointment of Shri R Vidhya Shankar (DIN: 00002498) as Non-Executive Independent Director of the Bank for a period of three (3) years	Special
2.	To approve the Appointment of Shri J Natarajan (DIN: 02710776) as a Director of the Bank	Ordinary
3.	To approve the Appointment of Shri J Natarajan (DIN: 02710776), as a Whole-time Director, designated as Executive Director of the Bank for a period of one (1) year and payment of remuneration	Ordinary
4.	To approve the revision in fixed remuneration payable to the Non-Executive Directors (except the Non-Executive (part-time) Chairperson)	Ordinary
5.	To approve the Revision in remuneration payable to Dr Meena Hemchandra (DIN: 05337181), Non-Executive Independent (part-time) Chairperson	Ordinary

6.	To approve the variable pay remuneration of Managing Director & CEO of the Bank Shri B Ramesh Babu (DIN: 06900325) for the FY 2022-23	Ordinary
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In compliance with the applicable circulars, Postal Ballot Notice is being sent only through email, to those members whose names appear on the Register of Members / List of Beneficial Owners as on **Friday, June 14, 2024** (“cut-off date”) received from the Depositories and whose e-mail addresses are registered with the Bank’s RTA / Depositories. Members holding shares in physical mode and who have not updated their email address with the Bank’s RTA / Depository Participants are requested to update their email addresses as per the instructions given in the enclosed Notice. The Postal Ballot Notice is also available on the website of the Bank at www.kvb.co.in.

The Bank has engaged the services of National Securities Depository Limited (“NSDL”) for providing remote e-voting facility to all its Members. Members holding Equity Shares of the Bank as on the Cut-off Date only shall be entitled to vote through remote e-voting process.

Date and time of commencement of remote e-Voting	Monday, June 17, 2024 (10.00 A.M. IST)
Date and time of conclusion of remote e-Voting	Tuesday, July 16, 2024 (05.00 P.M. IST)

The Bank has appointed Shri. R K Bapulal (FCS No. 5893, CP No. 3842), M/s Bapulal Yasar & Associates, Practicing Company Secretaries as Scrutinizer for conducting the Postal Ballot through remote e-Voting process in a fair and transparent manner. The results of the Postal Ballot (remote e-Voting process) will be announced by the Chairperson of the Bank, or in her absence, the Managing Director of the Bank, within Two (2) working days from the date of conclusion of the remote e-Voting period at the Registered office of the Bank. The remote e-Voting results along with Scrutinizer’s report will be displayed on the website of the Bank at www.kvb.co.in, the e-voting website of NSDL at www.evoting.nsdl.com and the same also shall be simultaneously communicated to National Stock Exchange of India Limited, the stock exchange where the Equity Shares of the Bank are listed and be made available on its website www.nseindia.com.

Kindly take the same on record.

Yours faithfully,

Srinivasarao M
 Company Secretary &
 Deputy General Manager

Encl: As Above

POSTAL BALLOT NOTICE

Dear Members,

Notice is hereby given that pursuant to the provisions of Sections 108 and 110 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) read with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014 (“the Rules”), General Circular No .09/2023 dated 25.09.2023 read with General Circular No. 14/2020 dated 08.04.2020, No. 17/2020 dated 13.04.2020, No. 22/2020 dated 15.06.2020, No. 33/2020 dated 28.09.2020, No. 39/2020 dated 31.12.2020, No. 10/2021 dated 23.06.2021, No. 20/2021 dated 08.12.2021, No. 3/2022 dated 05.05.2022 and No. 11/2022 dated 28.12.2022 (“MCA Circulars”), Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR”), Secretarial Standard on General Meetings (“SS-2”) issued by the Institute of Company Secretaries of India and other applicable provisions of the Act, rules, regulations, circulars and notifications thereunder, as amended from time to time (including any statutory modifications or re-enactment thereof for the time being in force), the resolutions appended below are proposed for approval of the members of The Karur Vysya Bank Limited (“the Bank”), through postal ballot by way of voting through electronic means (“remote e-Voting”):

SPECIAL BUSINESSES:

Item No. 1:

To approve the Appointment of Shri R Vidhya Shankar (DIN: 00002498) as Non-Executive Independent Director of the Bank for a period of three (3) years

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 152, Schedule IV and other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014, Regulations 16(1)(b), 17(1C) and 25(2A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Section 10A and other applicable provisions of the Banking Regulation Act, 1949 and guidelines, circulars issued by the Reserve Bank of India from time to time and any other applicable laws (including any statutory amendment(s), modification(s), variation(s) or re-enactment(s) thereto, for the time being in force) and provisions of the Articles of Association of the Bank, Shri R Vidhya Shankar (DIN: 00002498), be and is hereby appointed as ‘Non-Executive Independent Director’ of the Bank, for a period of three (3) years, with effect from April 22, 2024 to April 21, 2027, not liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Bank be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be considered necessary, desirable or expedient to give effect to this resolution and to authorise company secretary to take necessary actions on behalf of the Bank in this regard.”

Item No. 2:

To approve the Appointment of Shri J Natarajan (DIN: 02710776) as a Director of the Bank

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

“RESOLVED THAT pursuant to the provision of Section 152 and other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014, Section 10A and other applicable provisions of the Banking Regulation Act, 1949 and provisions of the Articles of Association of the Bank, Shri J Natarajan (DIN: 02710776), be and is hereby appointed as a Director of the Bank, for a period of one (1) year from the date of taking charge i.e., May 22, 2024, not liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Bank be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be considered necessary, desirable or expedient to give effect to this resolution and to authorise company secretary to take necessary actions on behalf of the Bank in this regard.”

Item No. 3:

To approve the Appointment of Shri J Natarajan (DIN: 02710776), as a Whole-time Director, designated as Executive Director of the Bank for a period of one (1) year and payment of remuneration

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

“RESOLVED THAT pursuant to the approval accorded by the Reserve Bank of India under Section 35B of the Banking Regulation Act, 1949 and guidelines, circulars issued by the Reserve Bank of India from time to time, the provision of Section 196 and other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014, applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, any other applicable laws (including any statutory amendment(s), modification(s), variation(s) or re-enactment(s) thereto, for the time being in force) and Article 24(c) of Articles of Association of the Bank, Shri J Natarajan (DIN: 02710776), be and is hereby appointed as a Whole-time Director, designated as Executive Director of the Bank, for a period of one (1) year from the date of taking charge i.e., May 22, 2024, not liable to retire by rotation, on the following terms and conditions including remuneration:

Sr. No.	Particulars	Amount (per annum) (In Rs.)
	Part-A: Fixed Pay (including perquisites)	
1.	Salary	84,60,000
2.	Leave Fare Concession/ Allowance	1,00,000
3.	Perquisites:	
	i) Free Furnished House and its maintenance/House Rent Allowance	3,00,000
	ii) Conveyance Allowance/Bank has to provide Car for self and spouse, Official & private purposes	50,000
	iii) Reimbursement of medical expenses –Medical aid allowance	60,000
	iv) Telephone charges	20,000
	v) Subscription to newspaper and business Magazines.	10,000
	Total Fixed pay (including perquisites)	90,00,000

Further he is eligible for the following perquisites which are reimbursable nature without any monetary ceilings:

1.	Traveling and halting allowance: Two and fro fare by business/executive class for air travel for official purpose and halting allowances, Boarding and lodging charges as applicable to other directors of the Bank.
2.	Reimbursement of medical hospitalization charges to the extent of 100% of self and dependent family members.
3.	Entertainment allowance will be reimbursed on actual basis with production of bills.
4.	Leave: Casual leave: 12 days. Privilege leave: 1 day for every 11 days of service. Sick leave: 30 days. Encashment of accumulated Casual and privilege leave at the end of tenure.

Part-B:

Variable Pay: For the Performance Period 100% of Fixed pay

Notes:

- The variable pay at 100% of the fixed pay shall be subject to performance review by the NRC based on the criteria fixed from time to time, subject to the approval of Board of Directors and Reserve Bank of India. In term of extant guidelines, quantum and form of variable pay shall be fixed by the NRC/Board from time to time.
- The variable pay arrangements shall be subject to malus and clawback provisions as per Bank’s Compensation Policy and RBI’s Compensation Guidelines.

RESOLVED FURTHER THAT the Board of Directors of the Bank be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be considered necessary, desirable or expedient to give effect to this resolution and to authorise company secretary to take necessary actions on behalf of the Bank in this regard.”

Item No. 4:**To approve the revision in fixed remuneration payable to the Non-Executive Directors (except the Non-Executive (part-time) Chairperson)**

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

“RESOLVED THAT pursuant to the provisions of Sections 197 and 198 and other applicable provisions of the Companies Act, 2013 and the rules notified thereunder, Regulation 17(6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the applicable provisions, if any, of the Banking Regulation Act, 1949, and the circulars, guidelines issued by the Reserve Bank of India (“RBI”), in this regard, from time to time, including RBI circular dated February 9, 2024 on ‘Review of Fixed Remuneration granted to Non-Executive Directors (“NEDs”)’ and other applicable laws (including any statutory amendment(s), modification(s), variation(s) or re-enactment(s) thereto, for the time being in force) and provisions of the Articles of Association of the Bank, consent of the members of the Bank be and is hereby accorded for payment of fixed remuneration to all NEDs (excluding the Non-Executive (Part-Time) Chairperson) of the Bank, to the tune of 0.2% of the profit available for distribution subject to maximum of Rs.20 lakh per annum to each NED (excluding the Non-Executive (Part-time) Chairperson) of the Bank, with effect from the Financial Year 2024-25, for a period of three(3) years, in addition to the sitting fees payable to them for attending the meeting of the Board or Committees(s) thereof, as may be determined by the Board, from time to time.

RESOLVED FURTHER THAT the Board of Directors of the Bank be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be considered necessary, desirable or expedient to give effect to this resolution and to authorise company secretary to take necessary actions on behalf of the Bank in this regard.”

Item No. 5:**To approve the Revision in remuneration payable to Dr Meena Hemchandra (DIN: 05337181), Non-Executive Independent (part-time) Chairperson**

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

“RESOLVED THAT pursuant to the approval accorded by the Reserve Bank of India vide letter dated April 18, 2024 under Section 35B of the Banking Regulation Act, 1949 and guidelines, circulars issued by the Reserve Bank of India from time to time, applicable provisions of the Companies Act, 2013, read with the relevant rules made thereunder, Regulation 17(6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, any other applicable laws (including any statutory amendment(s), modification(s), variation(s) or re-enactment(s) thereto, for the time being in force) and provisions of the Articles of Association of the Bank, the consent of the Members of the Bank, be and is hereby accorded for the revision in remuneration of Dr Meena Hemchandra (DIN: 05337181), Non-Executive Independent (Part-time) Chairperson from Rs 18 Lakh per annum to Rs. 27 Lakh per annum (with existing perquisites), for her tenure as chairperson, with effect from April 1, 2024.

RESOLVED FURTHER THAT the Board of Directors of the Bank be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be considered necessary, desirable or expedient to give effect to this resolution and to authorise company secretary to take necessary actions on behalf of the Bank in this regard.”

Item No. 6 :**To approve the variable pay remuneration of Managing Director & CEO of the Bank Shri B Ramesh Babu (DIN: 06900325) for the FY 2022-23**

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

“RESOLVED THAT pursuant to the approval accorded by Reserve Bank of India under Section 35B of the Banking Regulation Act, 1949, and guidelines, circulars issued by the Reserve Bank of India from time to time, the provision of Section 196 and other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, compensation Policy of the Bank and any other applicable laws (including any statutory amendment(s), modification(s), variation(s) or re-enactment(s) thereto, for the time being in

force) the consent of the Members of the Bank, be and is hereby accorded for the variable pay of Rs. 1,28,90,822 /- (Rupees One Crore Twenty Eight Lakhs Ninety Thousand Eight Hundred and Twenty Two only) with the mix of 50% in Cash and remaining 50% in Non-Cash component to Shri B Ramesh Babu, Managing Director & CEO of the Bank for FY 2022-23.”

By order of the Board
For **The Karur Vysya Bank Limited**

Srinivasa Rao M
Company Secretary
(Membership No. ACS 19189)

Date: 13.06.2024
Place: Karur

Notes:

1. The Explanatory Statement setting out the material facts pursuant to Section 102 of the Act and disclosure as required pursuant to Regulation 36(3) of the SEBI LODR and SS-2 issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment / re-appointment also forms part of this Notice.
2. In accordance with the MCA Circulars, this Postal Ballot Notice is being sent only by e-mail to those members whose names appear on the Register of Members / List of Beneficial Owners as on **Friday, June 14, 2024** (“cut-off date”) received from the Depositories and whose e-mail addresses are registered with the Bank’s RTA / Depositories.
3. Pursuant to Sections 108, 110 and other applicable provisions of the Act and the Rules made thereunder, MCA Circulars and Regulation 44 of the SEBI LODR read with SEBI circular on e-voting, dated December 9, 2020, SS-2 and any amendments thereto, the Bank is providing remote e-Voting facility to the members to exercise their right to vote on the proposed resolutions. The Bank has engaged the services of National Securities Depository Limited (“NSDL”) for the purpose of providing remote e-Voting facility to all its members.
4. This Postal Ballot Notice shall be available on the Bank’s website at www.kvb.co.in and also on the website of National Stock Exchange of India Limited at www.nseindia.com, the stock exchange where the Equity Shares of the Bank are listed and on website of e-voting service provider i.e., the e-voting website of National Securities Depository Limited (“NSDL”) at www.evoting.nsd.com. Physical copies of the Postal Ballot Notice, Postal Ballot Forms and pre-paid business reply envelopes are not being sent to members.
5. Members would be able to cast their votes and convey their assent or dissent to the proposed resolutions only through the remote e-Voting process. Members whose names appear on the Register of Members/List of Beneficial Owners as on cut-off date i.e., **Friday, June 14, 2024** will be considered for the purpose of remote e-Voting. Any person who is not a member as on the cut-off date should treat this notice for information purpose only. The voting rights for Equity Shares are one vote per Equity Share, registered in the name of the members.
6. Voting rights of the Members/Beneficial owners shall be reckoned on the basis of the paid-up value of equity shares held by them as on the cut-off date.
7. The remote e-Voting facility will be available during the following period:

Commencement of e-Voting:	Monday, June 17, 2024 (10.00 a.m. IST)
Conclusion of e-Voting:	Tuesday, July 16, 2024 (5.00 p.m. IST)

During this period, members of the Bank holding equity shares either in physical form or in dematerialized form, as on the cut-off date i.e., **Friday, June 14, 2024** may cast their vote electronically. The remote e-Voting facility will be blocked by NSDL immediately after **05.00 p.m. IST on Tuesday, July 16, 2024**. Thereafter the members will not be allowed to cast their votes. Once the vote on a resolution is cast by a member, he or she will not be allowed to change it subsequently.

8. The Bank has appointed Shri R K Bapulal (FCS No. 5893 CP No. 3842), M/s Bapulal Yasar & Associates, Practising Company Secretaries as Scrutinizer for conducting the postal ballot through remote e-Voting process in a fair and transparent manner.
9. Corporate Members are entitled to appoint authorized representatives to vote on their behalf on the resolution proposed in this Postal Ballot Notice. Institutional/Corporate 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 byascrutiniser@gmail.com with a copy marked to evoting@nsdl.com.

10. After completion of scrutiny of the votes cast, the Scrutinizer will submit his Report to the Chairperson of the Bank, or in her absence, to the Managing Director of the Bank. The Results of remote e-Voting along with Scrutinizer's Report will be announced at the Registered office of the Bank and published on the website of the Bank at www.kvb.co.in and on the website of e-Voting Agency at www.evoting.nsdl.com within two (2) working days from the last day of e-Voting and the same shall also be simultaneously communicated to the Stock Exchange i.e., NSE, where the Bank's Equity Shares are listed.
11. The resolutions, if approved, shall be deemed to have been passed on Tuesday, July 16, 2024 i.e., the last date specified for receipt of votes through the remote e-Voting process. Resolutions passed by the shareholders through postal ballot are deemed to have been passed as if they have been passed at a General Meeting of the shareholders.
12. Documents referred in the Notice shall be made available for electronic inspection without any fee to the members from the date of circulation of this Notice up to the date of closure of remote e-Voting i.e., **Tuesday, July 16, 2024 (5.00 p.m. IST)**. Members who wish to inspect such documents are requested to send an email to kvb_sig@kvbmail.com mentioning their name, Folio no./ DP ID and Client ID and the documents they wish to inspect, with a self-attested copy of their PAN card attached to the email.
13. The Members of the Bank whose names appear in the Register of Members/List of Beneficial Owners as received from Depositories as on Friday, June 14, 2024 (including those Members who may not have received this Postal Ballot Notice due to non-registration of the email address with the Bank's RTA/Depositories), shall be entitled to vote in relation to the resolutions specified in this Postal Ballot Notice.

14. PROCEDURE TO UPDATE KYC DETAILS i.e., PAN, NOMINATION, CONTACT DETAILS, MOBILE NUMBER, BANK ACCOUNT DETAILS AND SPECIMEN SIGNATURE IN FOLIO NO./DP&Client ID:

SEBI vide its master circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2024/3 dated 07.05.2024 mandated that the shareholders (holding securities in physical form), shall update/furnish the PAN, Nomination, Contact Details, Mobile Number, Bank Account Details and Specimen Signature in their folio(s). Further, SEBI vide its circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2024/81 dated 10.06.2024 has made an exemption for submitting 'choice of nomination'. However, Bank encourage the shareholders who are holding shares in physical form for registering the nomination in their Folios.

All shareholders who are holding shares in physical form are requested to note the following:

- a) In case of non-updation of PAN or Contact Details or Mobile Number or Bank Account Details or Specimen Signature in respect of physical folios, dividend shall be paid only through electronic mode with effect from April 01, 2024 upon furnishing all the aforesaid details in entirety.
- b) If a shareholder updates the PAN, Contact Details including Mobile Number, Bank Account Details and Specimen Signature after April 01, 2024, then the shareholder would receive all the dividends declared during that period (from April 01, 2024 till date of updation) pertaining to the shares held after the said updation automatically.

Hence, we request the members of the Bank, who have not registered their PAN, Nomination, Contact details, Bank Account details and Specimen Signature, to update the same in the following manner.

a) For the shares held in physical form	<p>Submit duly filled Forms viz., ISR-1 (Request for Registering/updating the e-Mail ID, PAN, KYC details, Bank mandate etc.), ISR-2 (confirmation of signature of shareholder by their banker), SH-13 (request for nomination), etc., as the case may be, along with required supporting documents to the Bank's RTA i.e. M/s Link Intime India Pvt. Ltd, addressed at (Unit: The Karur Vysya Bank Ltd) "Surya" 35, Mayflower Avenue, Behind Senthil Nagar, Sowripalayam Road, Coimbatore - 641028.</p> <p>The format of said Forms are available at www.linkintime.co.in → Resources → Downloads → KYC and also available at www.kvb.co.in → Investor Corner → Share Holder FAQ.</p>
b) For the shares held in electronic form (i.e., Demat)	The details shall be updated with the concerned Depository Participant (DP) where the Demat account is maintained.

Further, shareholders holding shares in physical form are also requested to convert shares from physical form to demat form at the earliest possible as it will be beneficial for market liquidity.

15. Investor Website Launched by SEBI

We are pleased to inform that SEBI has recently launched its new Investor website - <https://investor.sebi.gov.in/>. The new SEBI Investor website provides useful information for existing and new investors in securities market on personal finance and investment avenues for financial wellbeing. The website also contains awareness messages, video based learning, details of awareness programs, financial calculators, educational resources, etc.,

The details of the process and manner for remote e-voting are given below:

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: Access to NSDL e-Voting system

A) Login method for e-Voting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing IDEAS user can visit the e-Services website of NSDL Viz. https://eservices.nsd.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “ Beneficial Owner ” icon under “ Login ” which is available under ‘ IDEAS ’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “ Access to e-Voting ” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period.
	2. If you are not registered for IDEAS e-Services, option to register is available at https://eservices.nsd.com . Select “ Register Online for IDEAS Portal ” or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp
	3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.
	4. Shareholders/Members can also download NSDL Mobile App “ NSDL Speede ” facility by scanning the QR code mentioned below for seamless voting experience.



Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> 1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

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 ‘Shareholder/Member’ section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP 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 A001** and EVEN is 101456 then user ID is 101456A001**

5. Password details for shareholders other than Individual shareholders are given below:
- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - 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.
 - How to retrieve your 'initial password'?
 - If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. 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'.
 - If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
- 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.
 - Physical User Reset Password?** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - 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.

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

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

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period.
3. Now you are ready for e-Voting as the Voting page opens.
4. 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.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. 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 byascrutiniser@gmail.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on “**Upload Board Resolution / Authority Letter**” displayed under “**e-Voting**” tab in their login.
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 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 or call on : 022 - 4886 7000 and 022 - 2499 7000 or send a request to Ms. Prajakta Pawle at evoting@nsdl.com

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids 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), AADHAR (self attested scanned copy of Aadhar Card) by email to coimbatore@linkintime.co.in.
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 kvb_sig@kvbmail.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

EXPLANATORY STATEMENT

(As required under Section 102(1) of the Companies Act, 2013)

In conformity with section 102(1) of the Companies Act, 2013 (“the Act”) the following explanatory statement sets out the material facts relating to the subject matter of the Notice.

Item No. 1:

Your Bank always recognises and embraces the importance of diverse knowledge, skill-set, experience and expertise in the Board for its effective functioning. Section 10A 2(a) of Banking Regulation Act, 1949 prescribes the requirement of special knowledge or practical experience composition in the Board of the Banks, with a need to make Boards of Banks contemporarily professional by inducting technical and specially qualified personnel. Accordingly with a view to augment the composition of the Board of Directors of the Bank in the Legal skillset, the Board in its Meeting held on April 22, 2024, based on the recommendations of the Nomination and Remuneration Committee (“NRC”), considered and appointed Shri R Vidhya Shankar (DIN: 00002498) as an Additional Director of the Bank under Independent category not liable to retire by rotation, for a term of three years, with effect from April 22, 2024 to April 21, 2027.

Shri R Vidhya Shankar, Advocate & Senior Partner of M/s Ramani & Shankar has more than three decades of standing experience in Corporate/ General Civil Laws and is much sought-after lawyer in western Tamil Nadu for corporate litigations, transactions and Opinions. The Brief Profile of Shri R Vidhya Shankar is set out in the Additional Information forming part of this Explanatory Statement.

NRC at its meeting held on April 22, 2024 has carried out the due diligence and scrutinised the Profile and Declaration and Undertaking submitted by Shri R Vidhya Shankar and found him to be ‘fit and proper’ in terms of criteria prescribed by the Reserve Bank of India for Directors of Banks and recommended his appointment to the Board of Directors.

In terms of section 152(5) of the Act read with rule 8 of Companies (Appointment and Qualification of Directors) Rules, 2014, Shri R Vidhya Shankar has furnished consent for his appointment and confirmed that he fulfils the criteria of independence as prescribed under Section 149(6) of the Act and under Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘SEBI LODR’). Shri R Vidhya Shankar is not disqualified from being appointed as Director in terms of Section 164 of the Act, and he is not debarred from holding the office of Director by virtue of any Securities Exchange Board of India’s order or any other such authority. While considering the appointment of Shri R Vidhya Shankar as Independent Director, NRC and Board opined that, he is fit and proper to be appointed as Director of the Bank, as per the fit and proper norms prescribed by the RBI. He fulfils the conditions relating to his appointment as an Independent Director, as prescribed under the relevant provisions of the Act, the relevant rules notified thereunder, the SEBI LODR and is independent of the Management of the Bank. He is a person of integrity and has relevant skills, experience and expertise, representing Majority Sector in the areas of Law, Credit Recovery, Co-operation & Rural Economy, MSME, as required under Section 10A 2(a) of the Banking Regulation Act, 1949 and guidelines issued from time to time by the Reserve Bank of India.

Pursuant to Regulation 17 (1C) of the SEBI LODR, the bank shall ensure that approval of shareholders for appointment or re-appointment of a person on the Board of Directors is taken at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier.

Pursuant to Regulation 25 (2A) of the SEBI LODR, the appointment, re-appointment or removal of an independent director of a listed entity, shall be subject to the approval of shareholders by way of a special resolution. In terms of amended Regulation 25(2A) of the SEBI LODR, where a special resolution for the appointment of an independent director fails to get the requisite majority of votes but the votes cast in favour of the resolution exceed the votes cast against the resolution and the votes cast by the public shareholders in favour of the resolution exceed the votes cast against the resolution, then the appointment of such an Independent Director shall be deemed to have been made.

Yours Directors considering qualifications, skills, experience, and expertise in specific functional areas “law”, have recommended the appointment of Shri R Vidhya Shankar as Non - Executive Independent Director of the Bank for a period of three (3) years with effect from April 22, 2024 to April 21, 2027, not liable to retire by rotation, as set out in Item No. 1 of this Notice.

Except Shri R Vidhya Shankar and his relatives, none of the other Directors or Key Managerial Personnel or their relatives are, in any way, concerned or interested in this resolution.

Item No. 2 & 3 :

In the context of growing complexities of the banking sector and to establish an effective senior management complementing Managing Director and CEO's position, Reserve Bank of India vide its circular RBI/2023-24/70 DOR.HGG. GOV.REC.46/29.67.001/2023-24 Appointment of Whole-Time Director(s) dated October 25, 2023 has advised to ensure the presence of at least two Whole Time Directors (WTDs), including the Managing Director and CEO, on the Bank's Boards.

Based on the requirements of RBI circular, NRC has scrutinised the candidature of Shri J Natarajan, president of the Bank for the position of Whole Time Director – designating as Executive Director in addition to Managing Director and CEO. Shri J Natarajan is a senior leader having 4 decades of experience both at various operational and administrative levels in the Bank. He has extensive work experience in Credit, Treasury, Finance, Human resources, Information technology and Merchant Banking. He was instrumental in Bank's digital lending journey and various other key initiatives in the Bank. In his immediate previous assignment as President he was overseeing Business of the Bank. NRC and Board at their respective meetings held on January 22, 2024, have recommended the candidature of Shri J Natarajan, for the position of Whole Time Director (Executive Director) to the Reserve Bank of India ("RBI") for its approval along with the terms and conditions of appointment.

While considering the appointment of Shri J Natarajan for the position of Whole Time Director (Executive Director), NRC and Board opined that : He is fit and proper to be appointed as a Whole Time Director of the Bank, as per the fit and proper norms prescribed by the RBI; He is not disqualified from being appointed as a Director of the Bank, in terms of Section 164 of the Act and has given his consent to act as a Director of the Bank. In the opinion of the Board, he fulfils the conditions relating to his appointment as prescribed under the relevant provisions of the Act, the relevant rules notified thereunder, the SEBI LODR, the Banking Regulation Act, 1949 and the guidelines issued by the RBI, in this regard, from time to time; He is not debarred from holding the office of director by virtue of any order by SEBI or any other authority; and He is a person of integrity and has relevant skills, experience and expertise, representing Majority Sector in the areas of Economics, Banking, Accountancy, Finance, Treasury Operations, Business Management, Strategic Planning, Marketing, Human Resources, Information Technology, Payments & Settlements, Business Analytics, Fintech, Credit Recovery, Risk Management, as required under Section 10A 2(a) of the Banking Regulation Act, 1949 and guidelines issued from time to time by the Reserve Bank of India.

RBI vide its letter No. DoR.GOV. No. S1076 /08.41.001 /2024-25 dated May 16, 2024, had accorded its approval for the appointment of Shri J Natarajan (DIN: 02710776) as Whole-time Director (Executive Director) of the Bank, for a period of One (1) year with effect from the date of his taking charge, along with the terms and conditions.

Board in its meeting held on May 22, 2024, co-opted Shri J Natarajan as an Additional Director in the Category of Whole Time Director and designated him as Executive Director and Key Managerial Personnel of the Bank for a period of One (1) year with effect from the date of his taking charge. Accordingly, Shri J Natarajan has taken charge as Executive Director on May 22, 2024. Pursuant to the provisions of Section 152 of the Act and relevant provisions of the Articles of Association (the "Articles") of the Bank, he shall not be liable to retire by rotation, during his tenure as Whole-time Director (Executive Director) of the Bank.

In terms of RBI Circular on Compensation dated November 4, 2019 and Compensation policy of the Bank, the compensation structure of Whole Time Director (Executive Director) shall comprise of Fixed pay & Variable pay. The RBI Guidelines explicitly lay down that the Variable Pay component is a part of the overall compensation package and such variable pay shall be at least 100% with a maximum ceiling limit of 300% of fixed pay. As per the extant guidelines of RBI, the Board of Directors recommended minimum ceiling limit of Variable Pay i.e., 100% of fixed pay.

In tune with regulatory guidelines, NRC would evaluate the performance of the Whole Time Director (Executive Director) on the performance based metrics (both Quantitative and Qualitative factors) having financial parameter based on the business growth of the Bank and non-financial parameters related to overall governance & internal control aspects. Based on the assessment of performance the amount/ form of variable pay payable shall be determined by NRC within the maximum limit of 100% of fixed pay subject to the approval of Board of Directors and Reserve Bank of India. The variable pay arrangements shall be subject to deferral, malus and clawback provisions as per Bank's Compensation Policy and RBI's Compensation Guidelines.

The Brief Profile of Shri J Natarajan is set out in the Additional Information forming part of this Explanatory Statement.

Your Directors, therefore, recommend the Resolution at Item No. 2 & 3 of this Notice

Except Shri J Natarajan and his relatives, none of the other Directors or Key Managerial Personnel or their relatives are, in any way, concerned or interested in this resolution.

Item No. 4 :

The Reserve Bank of India (“RBI”) issued guidelines, on the need of Banks to attract qualified competent individuals and retain professional expertise in their Boards, keeping in view of individual director’s responsibilities, contribution of their time, vide their Circular No. DBR.No.BC.97/29.67. 001/2014-15 dated June 1, 2015, on payment of Compensation to Non-Executive Directors (NEDs) (other than the Part-time Chairman of the board) in the form of profit related commission which shall not exceed Rs 10 lakhs per annum for each director subject to the Bank making profits. Further RBI vide its Governance Circular No. RBI/2021-22/24 DOR. GOV. REC.8 /29.67.001 /2021-22 dated April 26, 2021, has revised the fixed remuneration for Non-Executive Directors, other than the Part-time Chairman of the board, not exceeding Rs 20 lakhs per annum.

In line with the guidelines of Reserve Bank of India on fixed remuneration to Non-Executive Directors [excluding Chairperson], shareholders of the Bank in the 103rd Annual General Meeting held on August 03, 2022 approved the payment of profit related compensation to all Non-Executive Directors [excluding the Non-Executive (Part-time) Chairperson] of the Bank, in the form of Fixed remuneration for an amount of 0.1% of the profit available for distribution subject to a maximum of Rs 10,00,000/- (Rupees ten lakhs only) to each director per annum with effect from the Financial Year 2022-2023, for a period of three (3) years, in addition to the Sitting Fees payable to them.

RBI vide its circular no. RBI/2023-24/121 DoR.HGG.GOV.REC. 75/29.67.001/2023-24 dated February 9, 2024, has revised the ceiling of fixed remuneration of Non-Executive Directors excluding Non-Executive (Part-time) Chairman, from Rs 20 lakhs to Rs 30 lakhs per annum.

Non-executive directors, including independent directors devote their significant time and experience to give critical advice to the growing needs of the Bank and considering the crucial role of NEDs in efficient functioning of Bank’s Board and its various committees and in order to enable the Bank to sufficiently attract qualified competent individuals, with the recommendations of NRC, Board in its meeting held on March 26, 2024 has increased the limit of fixed remuneration payable to Non-Executive Directors (NEDs) [excluding the Non-Executive (Part-time) Chairperson].

The fixed remuneration has been revised from, an amount of 0.1% of the profit available for distribution to all NEDs subject to a maximum of 10,00,000/- per annum per Director to 0.2% of the profit available for distribution to all NEDs subject to a maximum of 20,00,000/- per annum per Director with effect from the FY 2024-25, for a period of Three (3) years. The Board shall determine the amount payable to each Non-Executive Director (excluding the Non-Executive (Part-time) Chairperson) of the Bank within the aforesaid limit. The Fixed remuneration payable shall be in proportion to the tenure of the Directors on the Board during the year. The fixed remuneration is in addition to the sitting fees payable to them for attending the meeting of the Board or Committees(s) thereof, as may be determined by the Board, from time to time.

Further, pursuant to regulation 17(6)(a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Board of Directors shall recommend all fees or compensation, if any, paid to non-executive directors, including independent directors shall require approval of shareholders.

Your Directors, therefore, recommend the Resolution at Item No. 4 of this Notice

Except Non-Executive Directors (excluding the Non-Executive (Part-time) Chairperson) and their relatives, none of the other Directors or Key Managerial Personnel or their relatives are, in any way, concerned or interested in this resolution.

Item No. 5 :

The Reserve Bank of India vide its letter dated July 11, 2022, accorded its approval for appointment of Dr Meena Hemchandra (DIN: 05337181) as Non-Executive Independent (Part-time) Chairperson for period of Three (3) years along with terms and conditions. Accordingly, Dr Meena Hemchandra took charge as Non-Executive Independent (Part-time) Chairperson of the Bank on July 25, 2022. Shareholders of the Bank in the 103rd Annual General Meeting held on August 03, 2022 have taken on record the recommendations of the Board with respect to candidature of Dr Meena Hemchandra (DIN: 05337181) as a Non-Executive Independent (Part-time) Chairperson of the Bank and approved the fixed remuneration of Rs 18 Lakh per annum and perquisites.

The requirements of Corporate governance and regulators emphasis with respect to transparency & accountability has laid higher responsibility on the Chairperson and Board of Directors. Role of Chairperson is vital for efficient functioning of Board and its various Committees. Striking the right balance between governance and supporting the business needs is always a formidable task which requires professional experience or expertise in specific fields at the helm.

Incidentally, RBI vide its circular dated February 9, 2024, has revised the fixed remuneration ceiling of Rs 20 lakhs per annum to Rs 30 lakhs per annum, considering the crucial role of Non-Executive Directors in efficient functioning of bank Boards and its various Committees and in order to further enable the banks to sufficiently attract qualified competent individuals on Boards. In tune with the said circular Bank has also proposed revision in the fixed remuneration vide Item no. 4 in this notice for the approval of the shareholders.

Considering significant raise in responsibility of Chairperson to guide on governance & compliance related issues it is essential that compensation is appropriately fixed. Accordingly Board in its Meeting held on March 26, 2024, has increased the limit of fixed remuneration payable to Dr Meena Hemchandra, Chairperson from Rs 18 Lakh per annum to Rs 27 Lakh per annum (with existing perquisites), for her tenure, with effect from April 01, 2024. The same was approved by the Reserve Bank of India vide its letter DoR.GOV.No. S431/08.41.001/2023-24 dated April 18, 2024. The fixed remuneration is in addition to the sitting fees payable to her for attending the meeting of the Board or Committees(s) thereof, as may be determined by the Board, from time to time.

Further, pursuant to regulation 17(6)(a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the board of directors shall recommend all fees or compensation, if any, paid to non-executive directors, including independent directors and shall require approval of shareholders.

Your Directors, therefore, recommend the Resolution at Item No. 5 of this notice

Except Dr Meena Hemchandra and her relatives, none of the other Directors or Key Managerial Personnel or their relatives are, in any way, concerned or interested in this resolution.

Item No. 6 :

RBI vide its e-mail dated 20th July 2020 has accorded their approval for the appointment of Shri B Ramesh Babu, as Managing Director and CEO of the Bank for a period of three years (First Term) from the date of taking charge. Accordingly, Board has co-opted Shri B Ramesh Babu as additional director and appointed him as Managing Director & CEO of the Bank as per the terms and conditions approved by the Reserve Bank of India in their meeting held on 20th July 2020 subject to the approval of shareholders of the Bank. Shri B Ramesh Babu had taken charge on 29th July 2020 as also shareholders of the Bank approved the appointment and terms and conditions of remuneration including variable pay of Shri B Ramesh babu in the 101st Annual general meeting of the Bank held on 23rd September 2020.

Further RBI vide its letter DoR. GOV. S2127/08. 41. 001/2023-24 dated 14th July 2023 has accorded their approval for Re-appointment of Shri B Ramesh Babu as Managing Director & CEO of the Bank for the Second term of three (3) years with effect from 29th July 2023. Shareholder of the Bank vide postal ballot resolution dated 30th June 2023 have approved the re-appointment and the terms & conditions proposed.

The Compensation structure of Managing Director & CEO shall be in line with Compensation policy of the Bank as per RBI guidelines comprising of Fixed pay & Variable Pay.

RBI vide its letter dated February 09, 2022 and December 13, 2022 has accorded its approval for payment of variable pay to Managing Director & CEO for the FY 2020-21 and FY 2021-22 respectively and the same was approved by the Shareholders of the Bank in the Annual General Meeting held on August 03, 2022 and Postal Ballot dated June 30, 2023.

For the FY 2022-23, NRC in its meeting held on June 09, 2023 has carried out the extensive assessment of performance of the Managing Director & CEO, on the basis of the Key Performance Indicators under qualitative and quantitative parameters fixed by NRC and recommended 95.75 % of the annual fixed pay as variable pay compensation with a mix of cash and non-cash components of 50% each, to the Board for its consent and to seek the approval of Reserve Bank of India. Board in its meeting held on June 13, 2023 approved the same subject to the approval of Reserve Bank of India, pursuant to section 35B of the Banking Regulations Act, 1949.

RBI vide its letter DoR.GOV.No.4742/08.41.001/2023-24 dated November 21, 2023 has approved the variable pay compensation of Shri B Ramesh Babu, Managing Director & CEO of the Bank for FY 2022-23 amounting to Rs. 1,28,90,822/- with the mix of 50% (Rs. 64,45,411/-) in cash component and remaining 50% (Rs. 64,45,411/-) in non-cash component as recommended by the NRC. Further, 50% of the cash component is paid upfront while the remaining 50% would be deferred over next three years in equal tranches. The non-cash component shall be by way of grant of share-linked instruments. The non-cash component is to be deferred over next three years in tranches of 33.33% each. Accordingly, NRC in its meeting held on December 05, 2023 has granted 41,650 employee stock options at market price with deferral vesting over a period of three years. In terms of RBI guidelines, the Fair Value arrived at as on the date of grant under Black Scholes Model is recognized as an expense in the Books of Accounts.

Your Directors, therefore, recommends the Payment of variable compensation to Managing Director & CEO for FY 2022-23 as set out in Item No. 6 of this Notice.

Except Shri B Ramesh Babu and his relatives, none of the other Directors or Key Managerial Personnel or their relatives are, in any way, concerned or interested in this resolution.

Additional information pursuant to regulation 36 (3) of the SEBI (Listing Obligations and disclosure Requirements) Regulations, 2015 (“SEBI LODR”) and Secretarial Standard-2 (“SS-2”) with respect to the Directors seeking appointment / re-appointment:

Item No.1

Name	Shri R Vidhya Shankar
DIN	00002498
Educational Qualification	B.Com., B.L.,
Date of Birth	March 25, 1970
(Age in years)	(Age – 54 years)
Brief Profile	<p>Shri R Vidhya Shankar holds a Bachelor of Commerce and Bachelor of Law degree from Bharathiyar University, Coimbatore. He is a Gold Medalist and holds the record for a very rare first class in Law at Bharathiyar University. He is the senior partner of M/s Ramani & Shankar, one of the oldest Law Firms in Western Tamil Nadu and much sought after lawyer in western Tamil Nadu for corporate litigations, transactions and opinions.</p> <p>He specialises in Corporate Law, including in corporate transactions, corporate restructuring, schemes and arrangements, corporate litigations, domestic and international arbitrations, capital market, FEMA compliances, cross-border transactions and general corporate advisory services.</p> <p>He has more than 100 reported decisions in the field of corporate law to his credit.</p> <p>Currently he serves as Independent Director on the Board of Pricol Limited, and Board of L.G.Balakrishnan & Bros Limited. He is also a Governing Council member of the Chamber of Commerce, Coimbatore, and Executive Committee Member of the Planters Association of Tamil Nadu.</p> <p>He is regular speaker at the seminars and workshops of Bar Association, Chambers of Commerce and professional Institutes.</p>
Date of appointment on the Board	April 22, 2024
Nature of his/her experience in specific functional areas	Practising Advocate having more than 30 years of experience in the area of law.
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	He is not related to any of the Directors, Manager, Key Managerial Personnel of the Bank.
Shareholding	2,500
No. of Board Meetings attended during the year (FY 2024-25 till date) (Conducted/Attended)	2/2
Terms and conditions of appointment or reappointment including remuneration	Appointment as Non-executive Independent Director for first term of Three (3) years with effect from April 22, 2024 to April 21, 2027, not liable to retire by rotation, eligible for sitting fees & fixed remuneration.
Last drawn remuneration	NA

<p>Names of the entities (other than The Karur Vysya Bank Limited) in which the person also holds the directorship and the membership of Committees of the Board along with listed entities from which the person has resigned in the past three years</p>	<p>Directorships: Pricol Ltd. L.G.Balakrishnan & Bros Ltd. Anugraha Valve Castings Ltd.</p> <p>Memberships of Committees: Name of the Company: L.G.Balakrishnan & Bros Ltd. Chairman of Nomination and Remuneration Committee and Member of Corporate Social Responsibility Committee, Stakeholders Relationship Committee and Risk Management Committee. Name of the Company: Anugraha Valve Castings Ltd. Chairman of Nomination and Remuneration Committee and Audit Committee. Listed entities from which the person has resigned in the past three years: Nil</p>
<p>Skills and capabilities required for the role in terms of Section 10A(2) of Banking Regulation Act, 1949.</p> <p>The manner in which the proposed Director meets such requirements.</p>	<p>Majority Sector –</p> <ul style="list-style-type: none"> • Law • Credit Recovery • Co-operation • Rural Economy • MSME <p>Shri R Vidhya Shankar is having more than three decades of standing experience in Corporate/ General Civil Laws, encompassing Indian Companies Act and allied laws including Securities Exchange Board of India (SEBI) Act and Rules, securities Market, Banking Laws including Securitization, NCLT, etc.</p> <p>He singularly represented the entire textile industry in multiple block arbitrations before the aforesaid International Arbitration forums.</p> <p>He has formulated the revised tea trade auction rules and framework for Coonoor and Coimbatore auction centers, and has formulated a cooperative framework for purchases by Foundries of Western Tamilnadu</p> <p>He is Governing Council member of the Chamber of Commerce, Coimbatore and Executive Committee Member of the Planters Association of Tamil Nadu.</p>

Additional information pursuant to regulation 36 (3) of the SEBI (Listing Obligations and disclosure Requirements) Regulations, 2015 (“SEBI LODR”) and Secretarial Standard-2 (“SS-2”) with respect to the Directors seeking appointment / re-appointment:

Item No.2 & 3

Name	Shri J Natarajan
DIN	02710776
Educational Qualification	M.A.(Economics), C.A.I.I.B.,
Date of Birth	July 05, 1960
(Age in years)	(Age – 63 years)
Brief Profile	<p>Shri J Natarajan joined in Karur Vysya Bank as a Trainee in the year 1982. Through his dedicated result oriented hard work, he moved up different levels and became General Manager of the Bank in the year 2010, Chief General Manager of the Bank in the year 2017 and President of the Bank in the year 2019 reporting to MD&CEO of the Bank.</p> <p>Besides Branch Banking experience of 18 years, where he headed two very large branches and a very large division covering Western and Northern States, he has extensive work experience in Treasury, Finance and Merchant Banking. During his tenure as head of Data Centre in the year 2004, Bank has implemented core banking solution across the Bank in a record time. Using the core banking platform, Bank has implemented various channels viz., ATM, Net Banking and Mobile Banking. He was head of Operations and IT for four years, HR for four years and Treasury for a brief period. During his stay as Head of HR, bank has implemented People Soft solution for HR operations and instrumental in establishing Integrated Treasury in Mumbai in 2018.</p> <p>He headed Digital Transformation team and instrumental in creating Digital Lending System in the year 2018, wherein, Bank has migrated to end to end digital Loan origination using algorithm based underwriting engine and by connecting fin-tech partners in real time using API technology. The new system is helping the bank in scaling up the business and ease of on boarding customers with better risk profile.</p> <p>During his tenure as President, to mitigate Operation Risk, Bank has created Centralised Operation Centre at Coimbatore by moving back office works from branches and Centralised Expenses Management Centre at Chennai to have effective cost control. Further, Bank has received license to handle bullion business in 2019 and Precious Metal division was set up to handle bullion business.</p> <p>He is currently overseeing Corporate, SME, Agriculture banking, Treasury, Credit Monitoring and Recovery and Precious Metal Division.</p>
Date of appointment on the Board	May 22, 2024
Nature of his/her experience in specific functional areas	Seasoned banker having four decades of experience in the Karur Vysya Bank held many key leadership positions in operational and administrative roles.
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	He is not related to any of the Directors, Manager, Key Managerial Personnel of the Bank.
Shareholding	1,05,701

No. of Board Meetings attended during the year (FY 2024-25 till date) (Conducted/Attended)	1/1
Terms and conditions of appointment or reappointment including remuneration	Appointment as Whole-Time Director and designed as Executive Director, for a period of one (1) year with effect from May 22, 2024 to May 21, 2025, not liable to retire by rotation.
Last drawn remuneration (For FY 2023-24)	Rs. 1,41,02,700
Names of the entities (other than The Karur Vysya Bank Limited) in which the person also holds the directorship and the membership of Committees of the Board along with listed entities from which the person has resigned in the past three years	Nil
Skills and capabilities required for the role in terms of Section 10A(2) of Banking Regulation Act, 1949. The manner in which the proposed Director meets such requirements.	Majority Sector – Economics, Banking, Accountancy, Finance, Treasury Operations, Business Management, Strategic Planning, Marketing, Human Resources, Information Technology, Payments & Settlements, Business Analytics, Fintech, Credit Recovery and Risk Management. Seasoned banker having four decades of experience in the Karur Vysya Bank held many key leadership positions in operational and administrative roles with above said expertise.