



Karnataka Bank Ltd.

Your Family Bank, Across India.

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

Phone : 0824-2228222 Fax: 0824-2225587
E-Mail : comsec@ktkbank.com
Website : www.karnatakabank.com
CIN : L85110KA1924PLC001128

SECRETARIAL DEPARTMENT

February 5, 2020

HO/SEC/ 131/2019-2020

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

The General Manager
BSE Limited
Corporate Relationship Dept
Phiroze Jeejeebhoy Towers
Dalal Street
MUMBAI-400 001
Scrip Code: 532652

Dear Sir,

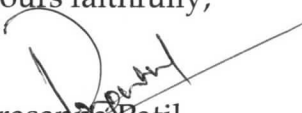
Reg: Notice of Postal Ballot

The Board of Directors at their meeting held on January 27, 2020 had, inter-alia, approved the Postal Ballot Notice ("Notice") for seeking approval of members of the Company on Resolutions as set out in the said Notice.

Pursuant to Regulation 30 of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Regulations"), please find enclosed copy of the Notice of Postal Ballot together with the Explanatory Statement and Postal Ballot Form sent to the members of the Company whose names appear on the Register of Members/ List of Beneficial Owners as on the cut-off date i.e., Monday, January 27, 2020.

We request you to take the above on record.

Thank you,
Yours faithfully,


Prasanna Patil
COMPANY SECRETARY

The Karnataka Bank Ltd.

Regd. & Head Office: Mahaveera Circle, Kankanady, Mangaluru-575002

CIN: L85110KA1924PLC001128, email: investor.grievance@ktnbank.com

[Website: www.karnatakabank.com, Tel. no. 0824-2228222, Fax no. 0824-2225588]

NOTICE OF POSTAL BALLOT

(Pursuant to Section 110 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014

To

The Members of the Bank

NOTICE is hereby given pursuant to the provisions of Section 108, 110 and other applicable provisions, if any, of the Companies Act, 2013, as amended, read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014 (the "Act") and pursuant to the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, ("SEBI LODR") and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, ("SEBI ICDR") and other applicable laws and regulations (including any statutory modification(s) or re-enactment thereof for the time being in force), that it is proposed to transact the following Special Business by the Members of the Bank by passing following Ordinary/Special resolutions through Postal Ballot (Electronic voting (e-voting)):

SPECIAL BUSINESS

1. To consider and pass, the following resolution, as an ORDINARY RESOLUTION, with or without modifications:

"RESOLVED THAT in accordance with Article 68(f) of the Articles of Association of the Bank and pursuant to Section 63 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 14 of the Companies (Share Capital and Debentures) Rules, 2014, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and other applicable Regulations and Guidelines issued by the Securities and Exchange Board of India (the "SEBI") and Reserve Bank of India (the "RBI") (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to such approvals, consents, permissions, conditions and sanctions as may be considered necessary from appropriate authorities and the terms and conditions, if any, as may be specified while according such approvals and subject to acceptance of such terms and conditions by the Board of Directors of the Bank (hereinafter referred to as the "Board", which term shall be deemed to include any committee constituted by the Board or any person(s) authorized by the Board in this regard) and pursuant to the recommendation of the Board, the consent of the members of the Bank be and is hereby accorded for capitalization and transfer to the Share Capital Account of such sums, standing to the credit of the Share Premium Account/Securities Premium Account of the Bank as at March 31, 2019, for the purpose of allotment of new equity shares of the Bank of Rs.10 (Rupees Ten only) each as fully paid-up Bonus Shares, to be allotted as fully paid-up equity shares to the existing equity shareholders of the Bank, **in the proportion of 1 (one) equity share for every 10 (ten) existing equity shares** held by the Members of the Bank, whose names appear in the Register of Members maintained by the Bank/List of Beneficial Owners as received from the Depositories, as on the record date to be fixed by the Board/Committee in this regard."

"RESOLVED FURTHER THAT the new equity shares of Rs. 10 (Rupees Ten only) each to be allotted as Bonus Shares shall be subject to the terms and conditions contained in the Memorandum and Articles of Association of the Bank and shall rank pari-passu with the existing fully paid-up equity shares of the Bank in all respects and shall be entitled to participate in full in any dividends and any other corporate action declared after the new equity shares are allotted."

"RESOLVED FURTHER THAT no allotment letters shall be issued to the allottees of the Bonus Shares."

"RESOLVED FURTHER THAT the bonus equity shares shall be issued to the allottees in the same mode as existing shares are held by them on the record date and the bonus equity shares in physical form shall thereafter be dispatched to the allottees, except in respect of those allottees who hold existing equity shares in dematerialized form, the bonus equity shares shall be credited to the respective beneficiary accounts of the members with their respective Depository Participant(s), within the period prescribed or that may be prescribed in this behalf, from time to time."

"RESOLVED FURTHER THAT the issue and allotment of the said bonus shares to the extent they relate to Non-Resident Indians, Foreign Portfolio Investors, Foreign Nationals, Foreign Corporate Bodies (including Overseas Corporate Bodies), Persons of Indian Origin and other Foreign Investors of the Bank, shall be subject to the applicable regulations under the Foreign Exchange Management Act, 1999 or any other applicable laws for the time being in force."

"RESOLVED FURTHER THAT no fractions, if any, arising out of the issue and allotment of bonus equity shares shall be allotted

by the Bank and the Bank shall not issue any certificate or coupon in respect thereof but all such fractional entitlements, if any, shall be consolidated and the Bonus Shares, in lieu thereof, shall be allotted by the Board to nominee(s) to be appointed by the Board, who shall hold the same as trustee(s) for the members entitled thereto, and sell the said shares so arising at the prevailing market rate and pay to the Bank the net sale proceeds thereof, after adjusting therefrom the cost and expenses in respect of such sale, for distribution to Members in proportion to their fractional entitlements."

"RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things and execute all such deeds, documents, instruments and writings as it may in its sole and absolute discretion deem necessary, expedient or incidental in this regard including but without limitation to file any documents with the Securities and Exchange Board of India, Stock Exchange(s) where the shares of the Bank are listed, Depositories, Ministry of Corporate Affairs and/ or Concerned Authorities, applying and seeking necessary listing approvals from the Stock Exchange(s), and to settle any question, difficulty or doubt that may arise in regard thereto."

"RESOLVED FURTHER THAT all actions taken by the Board or Committee(s) or officers authorized pursuant to the above resolution, duly constituted for this purpose in connection with any matter(s) referred to or contemplated in the foregoing resolution be and are hereby approved, ratified and confirmed in all respects".

"RESOLVED FURTHER THAT pursuant to the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and any amendments thereto from time to time, with respect to the employee stock options outstanding on the record date, the Board and / or the Nomination and Remuneration Committee of the Board be and is hereby authorized to make appropriate adjustments with respect to exercise price and the number of stock options and adjust or decide on the grant of such number of additional stock options as bonus options to the employees who have been granted stock options in the same proportion as the bonus equity shares being issued.

2. To consider and pass, the following resolution, as a SPECIAL RESOLUTION, with or without modifications:

"RESOLVED THAT pursuant to the provisions of Sections 23, 42 and 62(1)(c) and other relevant provisions, if any, of the Companies Act, 2013 and the relevant rules made thereunder, including the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 (including any statutory amendment(s), modification(s), variation(s) or re-enactment(s) thereto, for the time being in force) (the "**Act**"), the relevant provisions of the Banking Regulation Act, 1949, and the directions, rules, guidelines and circulars issued by the Reserve Bank of India (the "**RBI**") in this regard, from time to time, the provisions of the Foreign Exchange Management Act, 1999 and the rules and regulations framed thereunder, as amended, from time to time (the "**FEMA**"), the Foreign Exchange Management (Non-Debt Instrument) Rules, 2019, as amended, the current Consolidated FDI Policy issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (the "**GOI**"), as amended, from time to time, the RBI's "Master Directions – Issue and Pricing of Shares by Private Sector Banks, Directions, 2016", and "Master Directions – Ownership in Private Sector Banks, Directions, 2016", the rules, the regulations, guidelines, notifications and circulars, if any, issued by the GOI, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "**SEBI ICDR Regulations**"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (the "**SEBI Listing Regulations**"), as amended, from time to time and subject to such other applicable rules, regulations, circulars, notifications, clarifications and guidelines issued thereon, from time to time, by the Securities and Exchange Board of India (the "**SEBI**") and the stock exchanges where the equity shares of the Bank are listed and the enabling provisions of the Memorandum of Association and Articles of Association of **The Karnataka Bank Limited** (the "**Bank**") and subject to receipt of requisite approvals, consents, permissions and/or sanctions, if any, from any other appropriate statutory/regulatory authorities and subject to such other conditions and modifications as may be prescribed, stipulated or imposed by any of the said statutory/regulatory authorities, while granting such approvals, consents, permissions, and/or sanctions, which may be agreed to by the Board of Directors of the Bank (the "**Board**", which term shall be deemed to include any Committee(s) of Directors which the Board of Directors may have constituted or may hereinafter constitute to exercise its powers, including the powers conferred by this resolution) (the "**Committee**"), consent, authority and approval of the Members of the Bank be and is hereby accorded to the Board to create, offer, issue and allot (including with provisions for reservation on firm and/ or on competitive basis, of such part of issue and for such categories of persons as may be permitted), with or without green shoe option, such number of Equity Shares of face value of Rs. 10 each of the Bank ("Equity Shares") to **Qualified Institutional Buyers ("QIBs")**, as defined in SEBI ICDR Regulations, through a **Qualified Institutions Placement ("QIP")**, pursuant to and in accordance with the provisions of Chapter VI of the SEBI ICDR Regulations, to all or any of them, jointly or severally through a placement document and/or other letter or circular, at such time or times in one or more tranche or tranches, for cash, at such price or prices as the Board may deem fit such that the total number of fully paid equity shares to be issued shall not exceed 15,00,00,000 (fifteen crore or 150 million) equity shares, to be subscribed by QIBs on such terms and conditions at the Board's absolute discretion in consultation with the Book Running Lead Manager(s) ("Book Running Lead Managers") considering the prevailing market conditions and other relevant factors as may be necessary, to whom the offer, issue and allotment of Equity

Shares shall be made to the exclusion of others, in such manner and where necessary in consultation with the Book Running Lead Managers and/or other advisors or otherwise on such terms and conditions and deciding of other terms and conditions like number of Equity Shares to be issued and allotted, as the Board may in its absolute discretion decide, in each case, subject to the applicable laws.

RESOLVED FURTHER THAT in case of issue and allotment of Equity Shares by way of QIP in terms of Chapter VI of the SEBI ICDR Regulations:

- i. the allotment of the equity shares shall be completed within 365 days from the date of the special resolution of the Members of the Bank;
- ii. the equity shares issued shall rank pari-passu with the existing Equity Shares of the Bank in all respects as may be provided under the terms of issue and in accordance with the placement document(s);
- iii. the equity shares to be created, offered and issued shall be subject to the provisions of Memorandum and Articles of Association of the Bank;
- iv. it shall be at such price which is not less than the price determined in accordance with Regulation 176 provided under Chapter VI of the SEBI ICDR Regulations. The Board may, however, at its absolute discretion in consultation with the Book Running Lead Managers, issue equity shares at a higher price or may offer a discount of not more than 5 % (five percent) on the price calculated for the QIP or such other discount as may be permitted under SEBI ICDR Regulations as amended from time to time;
- v. the allotment of equity shares to each QIB in the proposed QIP issue shall not exceed five per cent (5%) of the post issue and paid up capital of the Bank or such other limit(s) as may be prescribed under applicable laws/rules/regulations/directions etc.

“RESOLVED FURTHER THAT for the purpose of giving effect to the resolution described above, the Board or a duly authorised Committee thereof, be and is hereby authorised for and on behalf of the Bank to do all such acts, deeds, matters and things including but not limited to finalisation and approval of the relevant offer documents, determining the form and manner of the issue, the nature and number of securities to be allotted, timing of the issuance/Offering, determination of person(s) to whom the securities will be offered and allotted, in accordance with applicable laws, the issue price, face value, discounts permitted under applicable laws (now or hereafter), premium amount on issue, if any, rate of interest, execution of various agreements, deeds, instruments and other documents, as it may at its sole and absolute discretion deem fit, necessary, proper or appropriate, and to give instructions or directions and to settle all questions, difficulties or doubts that may arise with regard to the issue, offer or allotment of securities (including in relation to issue of such securities in one or more tranches from time to time) and utilisation of the issue proceeds and to accept and to give effect to such modifications, changes, variations, alterations, deletions, additions as regards the terms and conditions as may be required by the SEBI, or other authorities or agencies involved in or concerned with the issue of securities and as the Board or a duly authorised Committee thereof may at its sole and absolute discretion deem fit and appropriate in the best interest of the Bank, without being required to seek any further consent or approval of the Members or otherwise AND THAT all or any of the powers conferred herein on the Bank and the Board pursuant to this Special Resolution may be exercised by the Board or a duly authorised Committee thereof to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this Special Resolution, and all actions taken by the Board or any duly authorised Committee thereof, to exercise its powers, in connection with any matter(s) referred to or contemplated in the foregoing resolution be and is hereby approved, ratified and confirmed, in all respects.”

“RESOLVED FURTHER THAT the Board or a duly authorised Committee thereof, be and is hereby authorised to engage / appoint Book Running Lead Managers, Legal Advisors, Underwriters, Depositories, Custodians, Registrars, Trustees, Bankers, Advisors and all such agencies as may be involved or concerned in such offerings of securities and to remunerate them by way of commission, brokerage, fees or the like and also to reimburse them out of pocket expenses and also to enter into and execute all such arrangements, agreements, documents etc., with such agencies.”

“RESOLVED FURTHER THAT for the purpose of giving effect to these resolutions, the Board be and is hereby authorized to delegate any or all of the powers conferred upon it by these resolutions to any committee of directors, any other director(s), and/or officer(s) of the Bank.”

By order of the Board of Directors

Registered Office:
Mahaveera Circle
Kankanady, Mangaluru-575002
Date: January 27, 2020

Prasanna Patil
Company Secretary

EXPLANATORY STATEMENT PURSUANT TO SECTIONS 110 AND 102 OF THE COMPANIES ACT, 2013 AND SECRETARIAL STANDARD 2 ON GENERAL MEETINGS ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA

1. Bonus Shares:

With a view to reward the existing shareholders, the Board of Directors of the Bank at their meeting held on January 27, 2020 considered it desirable to recommend issue of fully paid-up Bonus Shares in the ratio of 1 (one) share for every 10 (ten) shares held on the record date to be fixed in due course and the Board of Directors intend to capitalize from Share Premium Account/ Securities Premium Account of the Bank to the extent required, subject to the approval of the shareholders and such other authorities as may be necessary. Such issue will benefit all the shareholders. As on March 31, 2019, the amount standing to the credit of Share Premium Account/Securities Premium Account was Rs.1283.96 crore and the total number of the equity shares to be issued and allotted would be around 2,82,60,880 shares of Rs. 10 each.

The proposed issue of bonus shares will be made under the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended and subject to such other approvals, if required, from the statutory or regulatory authorities. The Bonus Shares would, inter-alia, require appropriate adjustments with respect to all the granted options as on the record date under the existing employee stock option plan.

Pursuant to the provisions of Section 63 and other applicable provisions if any of the Companies Act 2013, issue of bonus shares of the Company requires the approval of the members of the Bank. Hence, the Board of Directors of the Bank recommend passing of this resolution as mentioned under Item No.1 of this postal ballot notice for approval of the Members of the Bank as an Ordinary Resolution.

The Directors, Key Managerial Personnel of the Bank or their relatives are interested in this Resolution to the extent of Bonus Shares that they may be entitled to receive as shareholders of the Bank.

2. Raising of funds by issue of equity shares through Qualified Institutions Placement(QIP)

The present Paid-up Capital of the Bank is Rs.282.62 Crore and the Capital Adequacy Ratio of the Bank as on 31.12.2019 is 12.40% which is above the regulatory minimum of 10.875% as stipulated by the Reserve Bank of India. However, in view of the growth plans of the Bank and to ensure a healthy Capital Adequacy Ratio and Net Stable Funding Ratio, your Bank has thought fit to raise capital at an appropriate time through QIP process as defined under SEBI ICDR Regulations. For this capital augmentation and also for Issue of Bonus shares as referred above, the Bank is not required to increase its Authorised Capital as the authorised capital was increased from Rs.500 crore to Rs.800 crore upon obtaining shareholders' approval at the 94th Annual General Meeting and post completion of these two issues (Bonus issue and QIP), the Bank will also ensure compliance with the Section 12(1)(i) of the Banking Regulation Act, 1949.

It is proposed to issue and allot, in one or more tranches, such number of equity shares at such price as the Board of the Bank or the Committee of the Board, may determine from time to time subject to SEBI ICDR Regulations, in such a way that the aggregate number of shares to be issued under the QIP shall not exceed 15,00,00,000 (Fifteen Crore or 150 million) equity shares. These shares will be issued only to Qualified Institutional Buyers (QIBs) and there will not be any issue to retail individual investors.

The Bank may, in accordance with applicable law, offer a discount of not more than 5% or such percentage as permitted under applicable law on the floor price determined pursuant to the SEBI ICDR Regulations (not be less than the average of the weekly high and low of the closing prices of the equity shares quoted on a stock exchange during the two weeks preceding the 'Relevant Date', less a discount of not more than 5%). The 'Relevant Date' for this purpose will be the date when the Board or the Committee thereof decides to open the qualified institutions placement for subscription.

The proposed issue of capital is subject to applicable regulations issued by the Securities and Exchange Board of India and any other government / regulatory approvals as may be required in this regard.

The shares to be allotted through the above issue shall not be sold by QIB for a period of one year from the date of allotment except on any recognized stock exchange.

Section 62 of the Companies Act, 2013 and Sub-Clause (4) of Regulation 41 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, provide that whenever any further issue or offer is being made by the Bank, the existing shareholders should be offered the same on pro-rata basis unless the shareholders in the General Meeting decide otherwise by a special resolution. Since, the Resolution proposed in the business of the Notice may result in the issue of Equity Shares of the Bank to persons other than existing Members of the Bank, consent of the Members is by way of special resolution is being sought pursuant to the provisions of Section 62(1)(c) and other applicable provisions of the Companies Act, 2013 as well as applicable rules notified by the Ministry of Corporate Affairs and in terms of the provisions of the SEBI LODR Regulations. The said resolution, if passed, shall have the effect of allowing the Board on behalf of the Bank to create, offer, issue and allot the securities otherwise than on pro-rata basis to QIBs.

Accordingly, the consent of the shareholders is being sought pursuant to the provisions of Section 62 and all other applicable provisions of the Companies Act, 2013, SEBI ICDR Regulations and in terms of the provisions of the SEBI LODR for authorizing the Board to issue, offer and allot equity shares as stated in the resolution through QIP in such manner and upon such terms and conditions as the Board may in its absolute discretion deems fit.

Hence, the Board of Directors of the Bank recommend passing of this resolution as mentioned under Item No.2 of this postal ballot notice for approval of the Members of the Bank as a Special Resolution.

The detailed terms and conditions for the issue(s)/offering(s) will be determined by the Board or the Committee thereof in its sole discretion in consultation with the advisors, Book Running Lead Managers, and such other authority or authorities as may be necessary considering the prevailing market conditions and in accordance with the applicable provisions of law and other relevant factors.

None of the Directors, Key Management Personnel and their relatives are interested in this item of business except to the extent of subscription by a financial institution / company / body corporate in which the KMPs, Director or his / her relative may be directly or indirectly interested.

Registered Office:
Mahaveera Circle
Kankanady, Mangaluru-575002.
Date: January 27, 2020

By order of the Board of Directors
Prasanna Patil
Company Secretary

Notes:

1. The Explanatory Statement provided with the Notice of Postal Ballot pursuant to Sections 102 and 110 of the Act and Secretarial Standard 2 on General Meetings issued by the Institute of Company Secretaries of India, setting out material facts and the reasons for the proposed Ordinary/Special Resolutions, in respect of the Special Businesses under Resolution No. 1 and 2 as set out above, forms part of the Notice.
2. Pursuant to the provisions of Sections 108 and 110 of the Act read with the Rules, Bank has an option for the above-mentioned resolutions, to seek the approval of the Members through Postal Ballot/e-voting, instead of getting these passed at a General Meeting. Accordingly, your approval is sought for the resolutions contained in this Notice through Postal Ballot/e-voting.
3. Mr. Pramod S.M. of M/s. BMP Co. LLP, Practicing Company Secretaries, Bengaluru, has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
4. Voting rights shall be reckoned on the paid-up value of equity shares registered in the name of the Member / Beneficial Owner (in case of electronic shareholding) as at close of business hours on the cut-off date i.e., **Monday, January 27, 2020 ("cut off Date")**. Members whose names appear on the Register of Members/ list of Beneficial Owners as on cut-off date will be considered for the purpose of voting including Remote e-voting. **A person who is not a Member on the cut-off date should treat this notice for information purpose only.**
5. The Postal Ballot Notice, the Postal Ballot Form along with postage-prepaid self-addressed Business Reply Envelope is being sent to all the Members, in electronic form at the e-mail addresses registered with their Depository Participants (in case of electronic shareholding) or the Bank's Registrar and Share Transfer Agent (in case of physical shareholding) unless the Member has requested for a physical copy of documents, whose names appear on the Register of Members/ list of Beneficial Owners, as received from National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as at close of business hours i.e., **Monday, January 27, 2020** (the "cut-off date").
6. For Members whose e-mail address is not registered or in case of a Member having requested for physical copy of documents, physical copies of the Postal Ballot Notice along with the Postal Ballot Form are being sent by permitted mode along with postage prepaid self-addressed Business Reply Envelope. Members may note that the Postal Ballot Notice and Form will be available on the website of the Bank – www.karnatakabank.com and on the website of Central Depository Services (India) Limited ("CDSL").
7. Members who have received the Postal Ballot Notice by e-mail and who wish to vote through Postal Ballot Form may download the same from the website of the Bank/CDSL, where the Postal Ballot Notice along with Postal Ballot Form is displayed. Duly completed and signed Postal Ballot Form should reach the Scrutinizer before 05:00 P.M. (IST) on **Tuesday, March 05, 2020**.
8. A Postal Ballot Form and a postage-prepaid self-addressed Business Reply Envelope are attached to this Notice. The postage prepaid self-addressed Business Reply Envelope bears the address to which duly completed and signed Postal Ballot Form is to be sent. Members desiring to exercise their vote by Postal Ballot are requested to carefully read the instructions printed in the Postal Ballot Form.

9. In compliance with Sections 108 and 110 of the Companies Act, 2013 and the Rules made thereunder and Regulation 44 of SEBI LODR Regulations, the Bank has provided the facility to all the Members to exercise their votes electronically as an option and has engaged the services of CDSL as authorized agency to provide Remote e-voting facility.
10. The Members can opt for only one mode of voting, i.e. either by Physical Postal Ballot or Remote e-voting. In case Members cast their votes through both the modes, votes cast through Remote e-voting shall be treated as valid and votes cast through Physical Postal Ballot will be treated as invalid.
11. A Member cannot exercise his vote by proxy on Postal Ballot.
12. All the material documents referred to in the notice and explanatory statement will be available for inspection at the Registered Office of the Bank during office hours on all working days from the date of dispatch of the Notice till **March 5, 2020**.
13. The Members who do not receive the Postal Ballot Form may apply to the Registrar & Share Transfer Agent (R&TA) of the Bank i.e. Integrated Registry Management Services Pvt. Ltd., No. 30, Ramana Residency, 4th Cross, Sampige Road, Malleshwaram, Bengaluru-560003 (Tel no. 080-23460815/6/7) email id: irg@integratedindia.in for receiving the duplicate thereof.
14. The Members desiring to exercise their vote by Physical Postal Ballot Form shall record their assent (FOR) or dissent (AGAINST) to the resolutions so listed, by returning the same duly completed and signed along with necessary documents, if any, in the attached postage-prepaid self-addressed Business Reply Envelope to the Scrutinizer, so that it reaches the Scrutinizer not later than closing of working hours i.e. 05:00 P.M. (IST) of **March 5, 2020** to be eligible for being considered. Postal Ballot Form, if sent by courier or registered/speed post at the expense of the Member will also be accepted. If any Postal Ballot Form is received after 05:00 P.M. (IST) of **March 5, 2020**, it will be considered that no reply from the Member has been received. Unsigned Postal Ballot Form will be rejected. The Postal Ballot Form may also be deposited personally at the address given on the postage-prepaid self addressed Business Reply Envelope.
15. Corporate / Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) opting for physical Postal Ballot Form are also required to send certified true copy of the Board Resolution / Power of Attorney/ Authority Letter etc. together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer along with the Postal Ballot Form.
16. Facility to exercise vote by **Postal Ballot including voting through electronic means** will be available during the following period:

Commencement of voting	From 09:00 a.m. (IST) on Wednesday, February 5, 2020
End of voting	At 05:00 p.m. (IST) on Thursday, March 5, 2020 (both days inclusive)
(The facility for voting through electronic means will be disabled for voting by CDSL upon expiry of the aforesaid voting period.)	

17. The Scrutinizer will submit his final report after completion of the scrutiny of the Postal Ballot Forms (including Remote e-voting) to the Chairman (or to any Director of the Bank or such other person authorized by the Chairman), as soon as possible after the last date of receipt of Postal Ballot Forms but not later than **05.00 P.M. (IST) of March 7, 2020**.
18. The results of the voting by Postal Ballot will be declared by the Bank at the Registered & Head Office of the Bank at latest by **05:00 P.M. (IST) on March 7, 2020**. The results will also be posted on the websites of the Bank www.karnatakabank.com and CDSL and also intimated to the Stock Exchange(s) on which the shares of the Bank are listed, on the same day.
19. The resolution(s), if approved by the requisite majority, shall be deemed to have been passed on the last date of voting i.e. **March 5, 2020**.

E-Voting process:

- (i) The shareholders should log on to the e-voting website **www.evotingindia.com**.
- (ii) Click on Shareholders/members.
- (iii) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Bank.
- (iv) Next enter the Image Verification as displayed and Click on Login.

- (v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vi) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Bank/ Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</p> <p>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</p>
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Bank records in order to login.</p> <p>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction.</p>

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for The Karnataka Bank Ltd on which you choose to vote.
- (xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvi) If a demat account holder has forgotten the changed login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xviii) **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details, the relevant user using admin login would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be emailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

By order of the Board of Directors

Registered Office:
Mahaveera Circle
Kankanady, Mangaluru-575002
Date: January 27, 2020.

Prasanna Patil
Company Secretary



The Karnataka Bank Ltd.

Regd. & Head Office: Mahaveera Circle, Kankanady, Mangaluru-575002

CIN: L85110KA1924PLC001128, email: investor.grievance@ktkbank.com

[Website: www.karnatakabank.com, Tel. No. 0824-2228222, Fax No. 0824-2225588]

POSTAL BALLOT FORM

(Please read the instructions printed overleaf before completing this form)

- Name (s) of Member (s) & Registered Address of the sole / first named Member (including joint holders, if any) :
- Registered Folio No./ DP ID No.*/ Client ID*
(*Applicable to investors holding shares in Dematerialized form) :
- Number of Shares held :
- Class of Share :
- I/We hereby exercise my/our vote in respect of the following resolutions in the Notice of Postal Ballot dated January 27, 2020, to be passed through postal ballot/e-voting by conveying my/our assent or dissent to the said resolutions in the following manner:

Sr. No.	Item No.	Type of Resolution	No. of Shares held	I assent to the resolution	I dissent to the resolution
1	Issue of Bonus equity shares in the proportion of 1 (one) equity share for every 10 (ten) existing equity shares.	Ordinary			
2	Raising of Capital funds through Qualified Institutions Placement (QIP) in such a way that the aggregate number of shares to be issued under QIP shall not exceed 15,00,00,000 (Fifteen Crore Shares or 150 million) equity shares.	Special			

Date:

Place:

(Signature of the Shareholder/Authorized Representative)

ELECTRONIC VOTING PARTICULARS

The voting facility is available at the link: <https://www.evotingindia.com>. The electronic voting particulars are as follows:

EVS N (Electronic Voting Sequence Number)	PAN NO. / SEQ NO.	USER ID	PASSWORD / PIN
200130002			Please refer to the Notice of Postal Ballot for Instructions.

Remote E-voting facility is available during the following voting period:

Commencement of E-Voting	End of E-Voting
Wednesday, February 5, 2020 09:00 a.m. (IST)	Thursday, March 5, 2020 05:00 p.m. (IST)

- Note:**
- Please refer to the instructions for "Instructions and Other Information Relating to E-Voting" provided in the Postal Ballot notice sent herewith.
 - The last date for receipt of Postal Ballot forms by the scrutinizer is March 5, 2020.

INSTRUCTIONS:

1. A member desiring to exercise vote by postal ballot may complete this Postal Ballot Form and send it to the Scrutinizer in the postage prepaid self-addressed Business Reply Envelope sent along with this form. However, envelopes containing postal ballots, if deposited in person or sent by courier / speed post at the expense of the member will also be accepted.
2. Alternatively, a member may vote through electronic mode as per the instructions for voting through electronic means provided in the Postal Ballot Notice sent herewith.
3. This form should be completed and signed by the member. In case of joint holding, this form should be completed and signed as per the specimen signature registered with the first named member and in his / her absence, by the next named member.
4. Consent must be accorded by placing a tick mark [✓] in the column, 'I assent to the resolution', or dissent must be accorded by placing a tick mark [✓] in the column, 'I dissent to the resolution'.
5. The votes of a member will be considered invalid on any of the following grounds:
 - a) if the Postal Ballot Form has not been signed by or on behalf of the member;
 - b) if the member's signature does not tally;
 - c) if the member has marked his / her / its vote both for 'Assent' and also for 'Dissent' to the 'Resolution' in such a manner that the aggregate shares voted for 'Assent' and 'Dissent' exceeds total number of shares held;
 - d) if the member has made any amendment to the resolution or imposed any condition while exercising his vote.
 - e) if the Postal Ballot Form is incomplete or incorrectly filled;
 - f) if the Postal Ballot Form is received torn or defaced or mutilated such that it is difficult for the Scrutinizer to identify either the member or the number of votes, or whether the votes are for 'Assent' or 'Dissent', or if the signature could not be verified, or one or more of the above grounds;
 - g) if the form other than the one issued by the Bank is used;
6. Duly completed Postal Ballot Forms should reach the Scrutinizer on or before Thursday, March 5, 2020 05:00 p.m. (IST). If any Postal Ballot Form is received after this date and time, it will be considered that no reply from such member has been received.
7. A member may request for a duplicate Postal Ballot Form, if so required. However, the duly filled in duplicate Postal Ballot Forms should reach the Scrutinizer no later than the date specified in Point No.6 above.
8. In case of shares held by companies, trusts, societies, etc., the duly completed Postal Ballot Form should be accompanied by a certified true copy of Board Resolution / Power of Attorney/ attested specimen signatures etc.
9. Members are requested NOT to send any other paper along with the Postal Ballot Form in the enclosed self-addressed postage prepaid envelopes in as much as all such envelopes will be sent to the Scrutinizer and any extraneous paper found in such envelopes would be destroyed by the Scrutinizer and the Bank would not be able to act on the same.
10. A member need not use all his / her votes nor does he / she need to cast his / her votes in the same way.
11. Voting rights shall be reckoned on the paid-up value of the shares registered in the name of the member on the relevant date, i.e., January 27, 2020.
12. The Scrutinizer's decision on the validity of the postal ballot shall be final.
13. Only a member entitled to vote is entitled to fill in the Postal Ballot Form and send it to the Scrutinizer, and any recipient of the Notice who has no voting right should treat the Notice as an intimation only.
