



**MEMORANDUM & ARTICLES OF
ASSOCIATION**



THE KARUR VYSYA BANK LTD
Regd. Office : No.20, Erode Road, Vadivel Nagar, L.N.S.,
Karur - 639 002.
www.kvb.bank.in



SHRI GAYATHRI DEVI

MEMORANDUM & ARTICLES OF ASSOCIATION

As amended upto 21.08.2025

CERTIFICATE OF INCORPORATION
No. 1 of 1916-17

I hereby certify, pursuant to Act VII of 1913 of the Governor General of India in Council entitled "The Indian Companies Act, 1913", that "THE KARUR VYSYA BANK LIMITED", KARUR, is incorporated as a Company under the aforesaid Act and that the said company is limited.

(Sd.) A.RAGHAVACHARIAR
Assistant Registrar of
Joint Stock Companies

Station : Trichinopoly
Date : 22nd June, 1916.

MEMORANDUM OF ASSOCIATION

LIMITED BY SHARES

1. The name of the Bank is “THE KARUR VYSYA BANK LIMITED”.
2. The Registered Office of the Bank will be situated in the State of Tamil Nadu.

The objects for which the Bank has been established are

1. To carry on the business of Banking in all its aspects, whether in India or elsewhere in the world.
2. To carry on all or any of the following business:
 - (a) The borrowing, raising or taking up of money; the lending or advancing of money either upon or without security; the drawing, making, accepting, discounting, buying, selling, collecting and dealing in bills of exchange, hundis, promissory notes, coupons, drafts, bills of lading, railway receipts, warrants, debentures, certificates, scrips and other instruments, and securities whether transferable or negotiable or not; the granting and issuing of letters of credit, traveller's cheques and circular notes; the buying, selling and dealing in bullion and specie; the buying and selling of foreign exchange including foreign bank notes; the acquiring, holding, issuing on commission, underwriting and dealing in stock, funds, shares, debentures, debenture stock bonds, obligations, securities and investments of all kinds; the purchasing and selling of bonds, scrips or other forms of securities on behalf of constituents or other; the negotiating of loans

and advances; the receiving of all kinds of bonds, scrips or valuables on deposit or for safe custody or otherwise; the providing of safe deposit vaults; the collecting and transmitting of money and securities;

- (b) Acting as agents for any Government or local authority or any other person or persons; the carrying on of agency business of any description including the clearing and forwarding of goods, giving of receipts and discharges and otherwise acting as an attorney on behalf of customers;
- (c) Contracting for public and private loans and negotiating and issuing the same;
- (d) the effecting, insuring, guaranteeing, underwriting, participating in managing and carrying out of any issue, public or Private, of State, Municipal or other loans or of shares, stock, debentures, or debenture stock of any company, Corporation or Association and the lending of money for the purpose of any such issue;
- (e) carrying on and transacting every kind of guarantee and indemnity business;
- (f) managing, selling and realizing any property which may come into the possession of the company in satisfaction or part satisfaction of any of its claims;
- (g) acquiring and holding and generally dealing with any property or any right, title or interest in any such property which may form the security or part of the security for any loans or advances or which may be connected with any such security;

- (h) undertaking and executing trusts;
- (i) undertaking the administration of estates as executor, trustee or otherwise;
- (j) establishing and supporting or aiding in the establishment and support of associations, institutions, funds, trusts and conveniences calculated to benefit employees or ex-employees of the company or the dependants or connections of such persons; granting pensions and allowances and making payments towards insurance; subscribing to or guaranteeing moneys for charitable or benevolent object for any exhibition or for any public, general or useful object;
- (k) the acquisition, construction, maintenance and alteration of any building or works necessary or convenient for the purpose of the company;
- (l) selling, improving, managing, developing, exchanging, leasing, mortgaging, disposing of or turning into account or otherwise dealing with all or any part of the property and rights of the company;
- (m) acquiring and undertaking the whole or any part of the business of any person, or company, when such business is of a nature enumerated or described in the sub-section;
- (n) doing all such other things as are incidental or conducive to the promotion or advancement of the business of the company;
- (o) to open, establish, maintain and operate currency chests

and small coin depots on such terms and conditions as may be required by the Reserve Bank of India (established under the Reserve Bank of India Act, 1934) and enter into all administrative or other arrangements for undertaking such functions with the Reserve Bank of India.

(p) any other form of business which the Central Government may, by notification in the official Gazette specify as a form of business in which it is lawful for a banking company to engage.

3. And generally to do and perform all such other acts and things as may be incidental or conducive to the attainment of the above objects or any of them.

(i) To do all or any of the above things as principals, agents, insurers, or otherwise and either alone or in conjunction with others.

4. The liability of the members is limited.

5. The Authorised Share Capital of the Bank is Rs. 250,00,00,000/- (Rupees Two hundred and Fifty Crore only) divided into 125,00,00,000 (One Hundred and Twenty-Five Crore only) equity shares of Rs. 2/- each with power to increase, reduce or modify the said capital from time to time*.

6. We, who have subscribed hereunder furnishing individually our names, addresses etc., desire to establish a Bank in pursuance of this Memorandum of Association. Hence, we individually consent to take the shares noted against each of our name.

* Amended vide AGM Resolution dated August 21, 2025

Sl. No.	Name of the Signatories	Occupation	Place	Fully Paid Share	Monthly shares	Signatures
01.	M.A.Venkatarama Chettiar	Business	Karur	400		
02.	Athi Krishna Chettiar	."	."	200		
03.	T.N.Anandha Padmanabha Chettiar	."	."	100		
04.	M.R.Lakshmi Narayana Chettiar	."	."	60		
05.	M.K.Sriramulu Chettiar	."	."	200		
06.	T.V.Sundararajulu Chettiar	."	."	100		
07.	M.R.Venugopal Chettiar	."	."	50		
08.	V.K.Venugopal Chettiar	."	."	50		
09.	Kesava Venkatarama Chettiar	."	."	200		
10.	G.Chakrapani Chettiar	Valuer	."		2	
11.	S.Anantha Chettiar	Business	."	40		

ARTICLES OF ASSOCIATION

Application of Table “F”

1. (a) The Regulations contained in Table “F” of Schedule I to the Companies Act, 2013 shall apply to the Bank except where and to the extent they are expressly or by implication excluded or modified by the following Articles.
- (b) The Articles contained herein are subject to the provisions of the Banking Regulation Act, 1949, the Companies Act, 2013, and the rules framed thereunder, and the Regulations issued by the Securities and Exchange Board of India, and appropriate guidelines/ directions issued by the Reserve Bank of India.

To the extent of any inconsistency contained in any other provisions of law, the Banking Regulation Act, 1949 shall have overriding effect against all such provisions.

Interpretation

2. (i) Unless the context otherwise requires, all words and expressions contained in these Articles shall have the same meaning as in the Companies Act or any statutory modification or re-enactment thereof for the time being in force.
- (ii) The expressions, “the Company” and “the Bank” shall mean “THE KARUR VYSYA BANK LIMITED”.
- (iii) “Beneficial Owner” shall mean beneficial owner as defined in Clause (a) of sub section (1) of Section 2 of the Depositories Act, 1996.
- (iv) “Depositories Act” means the Depositories Act, 1996 including any statutory modification or re-enactment thereof for the time being in force.
- (v) “Depository” shall mean a Depository as defined

under Clause (e) of sub section (1) of section 2 of the Depositories Act, 1996.

- (vi) "Member" means the duly registered holder from time to time of the shares of the Bank and includes the subscribers of the Memorandum of Association of the Bank and the Beneficial Owner(s) as defined in Clause (a) of sub section (1) of section 2 of the Depositories Act, 1996.
- (vii) "Year" shall mean the financial year of the Bank, namely the period of 12 months commencing from the 1st April of a year and ending with 31st March of the succeeding year.
- (viii) "Chairman" means the Chairman of the Board of Directors appointed on a part-time basis under Section 10B of the Banking Regulation Act, 1949 and includes a person occupying any such position.
- (ix) "Managing Director" means the Managing Director of the Bank appointed under Section 10B of the Banking Regulation Act, 1949.

Where the context so requires in the AOA, the use of the masculine gender shall include the feminine and/or neuter genders and the singular shall include the plural, and vice versa. The word "person" shall include the Central or State Governments, any corporation, firm, individuals, trusts, societies, partnership, or any other form of association, whether incorporated or not.

In these Articles, any reference to specific provisions of Statutes, By-laws, Rules or Regulations shall be deemed to be reference to their modifications, substitutions, replacements or amendments as well, carried out from time to time.

Share Capital

3. The Authorised Capital of the Bank shall be as stated in Clause 5 of the Memorandum of Association of the Bank.
4. The Board may issue and allot shares at par or at a premium subject to and in accordance with the provisions of the Companies Act.
5. The transfer of shares in the Company shall be in the form prescribed by the Companies Act, 2013 and the Depositories Act, 1996.

Transfer and Transmission of Shares

6. The Board of Directors may decline to register any transfer of a share, if it is not approved by Reserve Bank, wherever such approval is required.
6. (a) Acquisition of shares by a person/group which would take his/its holding to a level of 5% or more of the total paid up capital of the bank or such other percentage as may be prescribed by the Reserve Bank of India from time to time should be with the prior approval of Reserve Bank of India.

The exercise of voting rights of any person/group shall be subject to such ceiling on voting rights as may be prescribed by the Reserve Bank of India from time to time.

7. The Board of Directors may decline to recognize any instrument of transfer unless the instrument of transfer is accompanied by the certificate of shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer.

8. The registration of transfer may be suspended at such times and for such periods as the Board may from time to time determine. Provided that, such registration shall not be suspended for more than 45 days in a year, but not exceeding thirty days at any one time.

Share Certificate

9. Where a member seeks the issue of a duplicate certificate in the place of a certificate which is lost, a fee of ₹ 1/- shall be payable.

Dividends and Reserves

10. The Bank in General Meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
11. The Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the Bank.
12. The Board shall comply with the requirements of the Banking Regulation Act, 1949 in regard to creation and maintenance of statutory reserves.
13. The Board may, before recommending any dividend set apart out of the profits of the Bank such sums as it thinks prudent as a reserve or reserves which shall at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied including provision for meeting contingencies or for equalizing dividends and pending such application, at the discretion of the Board either be employed in the business of the Bank or be invested in such investments including securities issued by companies or banks (other than the shares of the Bank) as the Board may, from time to time, think fit.

14. Subject to the terms on which any shares may have been issued and to the conditions of allotment, the Board may, from time to time by a resolution, (and not by circular resolution) make such call as it thinks fit upon the Members in respect of all moneys unpaid on the shares held by them respectively and each Member shall pay the amount of every call so made on him to person or persons and at the times and places appointed by the Board. A call may be made payable by instalment.

Atleast 15 days' notice of any call shall be given by the Bank specifying the time and place of payment, and the person or persons to whom such call shall be paid.

A call shall be deemed to have been made at the time when resolution authorizing such call was passed at a meeting of the Board.

A call may be revoked or postponed at the discretion of the Board.

The Board may, from time to time at its discretion, extend the time fixed for the payment of any call.

If any Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the day of actual payment at such rate as shall from time to time be fixed by the Board, but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such Member. Any sums, which by the terms of issue of a share becomes payable on allotment or on any fixed date, whether on account of the nominal value of the share or by way of premium shall for the purpose of these Articles be deemed to be a call duly made and payable on the date on which by the terms of issue the

same becomes payable, and in case of non-payment, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise, shall apply mutatis mutandis as if such sum had become payable by virtue of a call duly made and notified.

Calls in Advance

15. The Company may pay interest on any amount paid as calls in advance but the member shall not be entitled to dividend or participate in the profits in respect of such amount paid as calls in advance.

Capitalisation of Reserves

16. The Board may at a Meeting of the Board resolve that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of any of the profit and loss account or otherwise available for distribution and accordingly that such sum be set free for distribution amongst the members who would have been entitled thereto if distributed by way of dividend in the same proportions on condition that the same be not paid in cash but be applied either in or towards paying up any amounts for the time being unpaid on any shares held by such members respectively or paying up in full unissued shares of the company to be allotted and distributed, credited as fully paid up to and amongst such members in the proportions aforesaid or partly in the one way and partly in the other and the Directors shall give effect to such resolution.

Provided that a share premium account may, for the purpose of this Article only, be applied in the paying up on unissued shares to be issued to members of the company as fully paid bonus shares.

17. Whenever such a resolution as aforesaid shall have been passed, the Directors shall make all appropriations and applications, of the undivided profits resolved to be capitalized thereby, and all allotments and issues of fully-paid shares and generally shall do all acts and things required to give effect thereto, with full power to the Directors to make such provision by the issue of fractional certificates or by payment in cash or otherwise as they think fit for the case of shares becoming distributable in fractions, and also to authorize any person to enter on behalf of all the members entitled thereto into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such capitalization, or (as the case may require) for the payment by the company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalized, of the amounts or any part of the amounts remaining unpaid on their existing shares, and any agreement made under such authority shall be effective and binding on all such members.

18. (i) 30 members personally present shall be a quorum for any General Meeting.

(ii) Where within 30 minutes of the time fixed for the commencement of any General Meeting, the above quorum is not present the meeting shall stand adjourned to the same day during the next week at the same place and time or to such other day and at such other time and place as the Board may determine.

(iii) If at the adjourned meeting also, a quorum is not present within 30 minutes from the time appointed for holding the meeting, the members present shall be a quorum and business transacted during such adjourned meeting shall be binding on the Company and on all the members.

19. No suit or other proceeding by or at the instance of any Member of the Bank relating to any General Meeting of the Bank, whether Annual General Meeting or Extraordinary General Meeting or meetings of Board or Committee of Directors, seeking any direction with reference to such Meeting or to restrain any proceedings there at or the passing of any Resolution or the transaction of any business shall be instituted in any Court other than the Courts in Karur which is the place of residence of the Bank for this purpose by reason of location of its Registered Office.

Voting Rights of Members

20. (a) Subject to any rights or restrictions for the time being attached to any class or classes of shares, on a show of hands every member present in person shall have one vote and on a poll or voting carried out electronically or by postal ballot, the voting rights of members shall be in proportion to his/her share in the paid up equity share capital of the Bank. However, the voting rights shall be subject to ceiling on voting rights as prescribed by the Reserve Bank of India from time to time under Section 12(2) of the Banking Regulation Act, 1949, which may be from 10% to 26%.
- (b) In the case of joint holders, the vote of the senior who tenders vote whether in person or by proxy shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names stand in the register of members.
- (c) No member shall be entitled to vote at any General Meeting unless all calls or other sums presently payable by him in respect of shares in the Bank have been paid.

- (d) i. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.
- ii. Any such objection made in due time shall be referred to the Chairman of the meeting whose decision shall be final and conclusive.

Directors

21. Directors who are holding office on the date of adoption of these articles are:

- 1. Sri G.S.Annaswami, B.A.,G.D.A.,C.A.I.I.B.,
- 2. Sri M.V.Lakshminarayana Guptha
- 3. Sri M.S.Govindarajulu Chettiar
- 4. Sri Athi.K.Venktasubbaraya Chettiar
- 5. Sri P.N.Balagurumurthy Chettiar
- 6. Sri K.N.V.Malayalam Chettiar
- 7. Sri M.Lakshminarayana Chettiar B.A.B.L.,
- 8. Sri Athi S.Janarthanan M.A.,
- 9. Sri S.A.Viswanathan, I.A.S.,(Retd)
- 10. Sri V.R.B.Gopalratnam Guptha
- 11. Sri C.Ramanatha Chetty
- 12. Sri A.I.Rasquinha B.Com., C.A.I.I.B.,

22. The number of directors of the Bank shall not be less than seven and more than twelve. The number of Directors for the purpose of this article shall include executive and non-executive directors and excludes the Debenture Directors, Government Directors or RBI nominee Directors.

23. Not less than fifty one per cent of the total number of Directors shall be persons who satisfy the conditions laid down in Section 10-A, of the Banking Regulation Act, 1949 or any statutory modifications thereof.

24.(a) **Part-time Chairman:** Subject to the provisions of these Articles and subject to such approval of the Reserve Bank of India as may be necessary under the Banking Regulation Act, 1949, the Board of Directors of the Bank shall elect or appoint an Independent Director as Part Time Chairman. The tenure, terms and conditions of appointment of Part Time Chairman may be decided by the Board.

The Part time chairman of the Board may be paid remuneration for the performance of duties attached to his office, and allowed payment of incidental expenses as may reasonably be incurred by him in the execution of his duties, subject to and in accordance with the provisions of the Act, the Banking Regulation Act, 1949, approval of shareholders and other applicable Regulations.

(b) **Managing Director:** The Board of Directors may, subject to such approval of the Reserve Bank of India as may be necessary under the Banking Regulation Act, 1949, appoint or re-appoint one of its members to be Managing Director who shall be entrusted with the management of the whole of the affairs of the Company and shall exercise his powers subject to the superintendence, control and direction of the Board. The Managing Director shall be the Chief Executive Officer of the company in its whole time employment. The Managing Director as the case may be shall have the knowledge and experience as required under section 10B(4) of the Banking Regulation Act, 1949.

(c) Executive Directors/ Whole Time Directors: Subject to the provisions of these Articles, the Companies Act, 2013, the Banking Regulation Act, 1949 and subject to the approvals as may be necessitated, the Board of Directors is empowered to appoint/reappoint one or more directors in the designation of Executive Director/ Whole time Director or such other designation, apart from the Managing Director. Such Director shall be in the whole-time employment of the company to assist the Managing Director in the management of the company's affairs on such terms and conditions as may be decided by the Board.

(d) Managing Director/ Executive Director of the Bank, shall hold office for such period not exceeding five years as the Board of Directors may fix and subject to the provisions of the Act or the Banking Regulation Act, 1949, on such remuneration as may be determined by the General Meeting and be eligible for re-election or re-appointment, subject to the approval of Shareholders' and RBI but shall not be liable to retirement by rotation.

(e) The Managing Director and Executive Director may, with the sanction of the Board, delegate all or any of his powers to such Managers, Secretaries and other delegates as the Board may think fit and shall have power to grant such Managers, secretaries and other delegates such power of attorney as the Board may think expedient and such powers at pleasure to revoke.

(f) Any trust documents covering the issue of debentures or bonds of the Bank may provide for the appointment of a Director (in these presents referred to as the "Debenture Director/ Bond Director") for and on behalf of the holders of the debentures or bonds for such period as is therein provided not exceeding the period

for which the debentures/bonds or any of them shall remain outstanding and for the removal from office of such Debenture Director and on a vacancy being caused whether by resignation, death, removal or otherwise for appointment of a Debenture Director in the vacant place. The Debenture Director shall not be liable to retire by rotation or be removed from office except provided as aforesaid.

25. The qualification of every director shall be, his /her holding in his / her own name, not less than 2,500 Equity Shares of ₹ 2 /- each in the share capital of the Bank.

Provided that nothing in this article shall apply to the Directors appointed by the Reserve Bank of India.

Provided further that the Executive Chairman or Managing Director / Chief Executive Officer shall not be required to hold any qualification shares.

26. Nomination Committee or such other Committee of the Board or the Board shall undertake a process of due diligence to determine the suitability of the person for appointment/ re-appointment as a director based upon qualification, expertise, track record, integrity and other fit & proper criteria as may be laid down/ to be laid down by the Nomination Committee taking into consideration the relevant provisions of the applicable statutes, regulatory guidelines and the rules framed there under.

In determining the suitability of the candidate, Nomination Committee or such other Committee of the Board or the Board shall have power to accept or reject any nomination based on 'fit and proper criteria' and such decision shall be final and a rejected nomination shall not be required to be placed before the General Meeting.

27. (i) The Board may co-opt any person as a Director to fill up any casual vacancy.
- (ii) The Board shall have power at any time and from time to time, to appoint a person as an additional Director, provided that the number of directors and additional Directors together shall not at any time exceed the maximum strength fixed in this regard by these Articles.
- (iii) A person co-opted or appointed under the above clauses shall hold office only upto the date of the next Annual General Meeting of the Bank, but shall be eligible for appointment by the Bank as a Director at that meeting subject to the provisions of the Companies Act and the Banking Regulation Act.
28. (a) Subject to the provisions of Section 152 of Companies Act, 2013, at every Annual General Meeting of the Bank, one third of such of the Directors for the time being as are liable to retire by rotation, or if their number is neither three nor a multiple of three, then, the number nearest to one third, shall retire from office.
- (b) The Directors to retire by rotation at every Annual General Meeting shall be those who have been longest in office since their last appointment, but as between persons who become directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lot.
- (c) A Director retiring by rotation shall be eligible for re-appointment, if he is qualified for appointment and satisfies the 'fit and proper' criteria.

Proceedings of the Board

29. The Board of Directors may meet as often as may be necessary.

30. The quorum for the board meetings shall be one third of the total strength of the board or three directors, whichever is higher and at least half of the directors attending the meetings of the board shall be independent directors or such other quorum as may be specified from time to time.
31. Save as otherwise expressly provided in the Companies Act and Banking Regulation Act, a resolution in writing circulated to all the members of the Board, or of a Committee thereof for the time being entitled to receive notice of a meeting of the Board or Committee and approved by a majority thereof shall be as valid and effectual as if it had been passed at a meeting of the Board or such Committee, duly convened and held.

Provided that no such resolution shall be effective where it is desired to be discussed in a meeting by any member of the Board or Committee as the case may be until it is so placed and carried duly in a meeting.

32. (1) The sitting fee payable to a Director for attending a meeting of the Board or Committee thereof shall be determined by the Board of Directors from time to time within the limits as may be permissible under the provisions of the Companies Act, 2013 and the rules framed thereunder and also subject to such limits or restrictions as may be prescribed by the Reserve Bank of India/Concerned authorities from time to time.
- (2) The Board may, at its discretion, pay compensation in the form of profit related commission to the non-executive directors (other than the Part-time Chairman), subject to the bank making profits. Such compensation, however, shall not exceed Rs.20 Lakhs per annum for each director or such other amount as may be prescribed under applicable laws for the time being in force. The payment

of profit related commission is subject to shareholders' approval and RBI approval, if any, in compliance with relevant provisions of the Companies Act, 2013 and related rules.

33. The Directors shall be entitled to travelling, halting and other allowances and expenses as may be fixed by the Reserve Bank of India from time to time for attending the meeting of the Board of Directors or any Committee thereof or the General Meeting of the bank or in connection with any other business of the Bank.

Powers of the Board

34. (a) The Board of Directors shall be entitled to exercise all such powers and to do all such acts and things as the Bank is authorized to exercise and do. Provided that the Board shall not exercise any power or do any act or thing, which is directed or required by the Companies Act or any other provisions of law or by these Articles to be exercised or done by the Bank in General Meeting.

Provided further that in exercising any such power or doing any such act or thing the Board shall be subject to the provisions contained in that behalf in the Companies Act or any other provisions of law or the Memorandum of Association of the Bank or these Articles or in any regulation not inconsistent there with and duly made hereunder including regulation made by the Bank in General Meeting.

- (b) No regulation made by the Bank in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.
35. Without prejudice to generality of the forgoing powers, the Board shall have, among others, the following specific powers:

- (a) To carry out the objects and exercise the powers contained in the Memorandum of Association of the Bank.
- (b) To have the superintendence, control and direction over the Chairman, Managing Director and Chief Executive Officer, Executive Directors, Managers, Officers and all other employees of the Bank..
- (c) To delegate subject to the provisions of Section 179 (3) of the Companies Act, 2013, the powers specified in Clause (d) to (f) of Section 179 (3) and on such conditions as it may specify to any Committee of Directors, the Managing Director, Director or any other principal officer of the Bank.
- (d) To appoint at any time and from time to time by a resolution of the Board or by a power of attorney under seal, signed by any two Directors, any person to be attorney of the bank for such purposes and with such powers, authorities and directions and for such period and subject to such conditions as the Board from time to time thinks fit with powers for such attorneys to sub-delegate all or any of the powers, authorities and discretions vested in the attorney for the time being.
- (e) To buy, sell and deal in drafts, hundies and Bill of Exchange, Bills of Lading, Railway Receipts, Government Bonds, Cash credit or Overdrafts on pledge of Government and other trustee securities or otherwise.
- (f) To make, sign, draw, accept, endorse otherwise execute all cheques, promissory notes, drafts, hundies, orders, bills of exchange, bills of lading and other Negotiable Instrument to make and give receipts, releases and other discharges for moneys payable to the Bank, to make contracts and to execute deeds, provided however

the provisions of Sections 21 & 22 of the Companies Act, 2013 or any statutory modifications thereof shall be complied with.

- (g) To undertake on behalf of the Bank of all rent and the performance of all covenant, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Bank.
- (h) To appoint officers, clerks and servants for permanent, temporary or special service as the Board may from time to time think fit and to determine their powers and duties and to fix their salaries and emoluments and to require security in such instances and to such amount as the Board may thinks fit, and to remove or suspend any such officers, clerks and servants.
- (i) To invest and deal with any of the moneys of the Bank, to vary or release such investments, subject to the provisions of the Companies Act, 2013 or any statutory modifications thereof.
- (j) To refer claims or demands by or against the Bank to arbitration and observe and perform any awards made thereon.
- (k) To institute, conduct, defend, compound or abandon any legal proceedings by or against the Bank or its Officers or otherwise concerning the affairs of the bank and also to compound and allow time for payment or satisfaction of any debts due and of claims or demand by or against the bank and to appoint solicitors, advocates, counsel and other legal advisers for such purposes or for any other purposes and settle and pay their remuneration.
- (l) To pay and give gratuity and bonus to the employees of the Bank, that may appear to the directors just and proper and to make necessary provisions for the same.

- (m) To establish, maintain, support and subscribe to any charitable or public object or any institution, society, club which may be for the benefit of the Bank or its employees or to the general public.
- (n) To make, vary, repeal, bye-laws or the regulations of the business of the Bank, its officers and servants from time to time not inconsistent with the provisions of the Act or Memorandum and Articles of the Bank.
- (o) To exercise all other powers not specifically mentioned in this regulation but referred to in other regulations in these Articles.
- (p) To determine by resolution from time to time the name of person or persons who shall be entitled to do all or any of the acts mentioned in these Articles on behalf of the Bank.
- (q) To exercise the powers conferred on the Bank by Section 88 (4) of the Companies Act, 2013 with regard to the keeping of foreign registers.

Dematerialisation of shares

36. (i) The Bank shall be entitled to dematerialise its existing shares, rematerialize its shares held in the Depositories and/or to offer its fresh shares and/or other securities in a dematerialised form pursuant to the Depositories Act, 1996 and the rules framed thereunder if any.
- (ii) Every person subscribing to securities offered by the Bank shall have the option to receive security certificates or to hold the securities with a Depository.

Such a person who is the beneficial owner of the securities can at any time opt out of a Depository, if permitted by the law, in respect of any security in the manner provided by

the Depositories Act, and the Bank shall, in the manner and within the time prescribed, issue to the Beneficial Owner the required certificate of securities.

- (iii) If a person opts to hold his security with a Depository, the Bank shall intimate such Depository the details of allotment of the Security, and on receipt of the information, the Depository shall enter in its record the name of the allottee as the Beneficial Owner of the security.
- (iv) The Shares in the Capital shall be numbered progressively to their denomination provided however, that the provisions relating to progressive numbering shall not apply to the shares of the Bank which are dematerialised or may be dematerialised in future or issued in future in dematerialized form.
- (v) All securities held by a Depository shall be dematerialised and be in fungible form. Nothing contained in Section 89 of the Act shall apply to a Depository in respect of the securities held by it on behalf of the Beneficial owner.
- (vi) Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the Beneficial Owner.
- (vii) Save as otherwise provided herein above, the Depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of securities held by it.
- (viii) Every person holding securities of the Bank and whose name is entered as the Beneficial Owner in the records of the Depository shall be deemed to be a member of the Bank. The Beneficial Owner of securities shall be

entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a Depository.

- (ix) Notwithstanding anything contained in the Act or these Articles to the contrary, where securities are held in a Depository, the records of the Beneficial Ownership may be served by such Depository on the Bank by means of electronic mode or by delivery of floppies or discs.
- (x) Notwithstanding anything contained in the Act or these Articles, where securities are dealt with by a Depository, the Bank shall intimate the details thereof to the Depository, immediately on allotment of such securities.
- (xi) A Depository as a registered owner shall not have any voting rights in respect of shares and securities held by it in dematerialised form. However, the Beneficial Owner as per the Register of Beneficial Owners maintained by a Depository shall be entitled to such rights in respect of shares or securities held by him in the Depository.
- (xii) Nothing contained in Articles 7 & 9 shall apply to shares held in dematerialised form.

Register and Index of Members

37. The Bank shall cause to be kept Register of Members including Index of the names included therein in accordance with the Companies Act, 2013 and the Depositories Act, 1996 with details of shares held in material and dematerialised forms either with the Bank or with Depository(ies) in any media as may be permitted by law.

Secrecy

38. Every Manager, Auditor, Trustee, Member of a Committee, Officer, servant, Agent, Accountant or other person employed in business of the Bank shall if so required by the Board of

Directors before entering upon his duties, sign a declaration pledging himself to observe strict secrecy respecting all transactions of the bank with its customers and the state of account with individuals and in matters relating thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the Directors, by any meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions contained in these Articles.

39. No member or other person (unless he is a Director or an official authorized by the Reserve Bank) shall be entitled to inspect the books and records of the Bank or require discovery of or any information respecting any details of the Bank's business or any matter which is or may be secret or confidential or which relate to conduct of the business of the Bank and which in the opinion of the Board can be inexpedient in the interest of the Bank to communicate with the public, without prior permission of competent court or other regulatory authority.

The Directors shall from time to time determine by a resolution in the Board Meeting, whether and to what extent and at what places and under what conditions or regulations the Books of Account and books and papers of the Bank or any of them shall be open to the inspection of Members not being Directors.

LICENCE TO CARRY ON BANKING BUSINESS IN INDIA

LICENCE NO. MAD/18

In exercise of the powers conferred on the Reserve Bank of India by Section 22(1) of the Banking Companies Act, 1949, **THE KARUR VYSYA BANK LTD., KARUR**, is hereby granted a licence to carry on banking business in India.

RESERVE BANK OF INDIA,
Department of Banking Operations,
Madras - 2.

(Sd). Vaswani
Deputy Chief Officer
Dated the 20th December 1958.

RESERVE BANK OF INDIA,
Department of Banking Operations,
Central Office, Bombay,
Dated the 8th May 1952.

Notification

No.DBO.19/Incl.C.302/52 In pursuance of clause (a) of Sub-Section (6) of Section 42 of the Reserve Bank of India Act, 1934 (II of 1934) the Reserve Bank of India is pleased to direct the inclusion in the Second Schedule to the said Act of the following bank, namely:

“THE KARUR VYSYA BANK LTD., KARUR”

(Sd.) Ram Nath
Deputy Governor

