

MINUTES OF THE PROCEEDINGS FOR DECLARATION OF THE RESULTS OF THE POSTAL BALLOTS OF CAPITAL SMALL FINANCE BANK LIMITED (FORMERLY KNOWN AS CAPITAL LOCAL AREA BANK LTD.) HELD ON WEDNESDAY, DECEMBER 27, 2017 AT 4.00 PM AT REGISTERED OFFICE OF THE COMPANY AT MIDAS CORPORATE PARK, 3RD FLOOR, 37, G.T. ROAD, JALANDHAR

ATTENDANCE

The following officials were present in the meeting.

S.No.	Name	Designation
1.	Mr. Inder Krishan Sardana	Chairman
2.	Mr. Sarvjit Singh Samra	Managing Director
3.	Mr. Anuj Makol	Scrutinizer
4.	Mr. Sahil Vijay	Company Secretary

Pursuant to Section 110 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') read with the Companies (Management and Administration) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force), Secretarial Standard on General Meetings issued by Institute of Company Secretaries of India and pursuant to other applicable laws and regulations, the Company had issued a Postal Ballot notice dated November 09, 2017 to obtain approval of the particular class of debenture holders of the Issue of Unsecured Redeemable, Non-Convertible (Basel III) Tier II Bonds 2016-17 (Series XIV) for the following resolution:-

1. To consider to approve the amendment in terms and conditions of the Issue of Unsecured Redeemable, Non-Convertible Tier II Bonds 2016-17 (Series XIV)

The Board of Directors of the Company had appointed Mr. Anuj Makol, Practicing Company Secretary, 'Raj Chambers' Hind Samachar Street, Jalandhar 144001 as the Scrutinizer for conducting the postal ballot process in a fair and transparent manner. The results were to be declared by the Chairman or Managing Director or any other director authorized by the Board.

The notice of Postal Ballots containing the resolution, explanatory statement, postal ballot forms and self-addressed reply envelopes were sent to the particular class of debenture holders holding Unsecured Redeemable Non-Convertible (Basel III) Tier II Bonds 2016-17 (Series XIV) through speed-post, courier or email on or before November 24, 2017. The notice of postal ballot was also placed on the website of the company.

The intimation about the completion of the dispatch of the postal ballot notices and forms and the last date for the receipt of reply from the particular class of debenture holders holding Unsecured Redeemable Non-Convertible (Basel III) Tier II Bonds 2016-17 (Series XIV) was also intimated to the above bondholders by way of publication of advertisement in The Financial Express (English) and Daily Nawan Zamana (Punjabi) of November 28, 2017.

The debenture holders were advised to carefully read the instructions printed in the Postal Ballot Form and return the Form duly completed and signed, in the enclosed self-addressed Prepaid Postage Business Reply Envelope to the Scrutinizer, so that it reaches the Scrutinizer not later than 5:30 P.M. on Tuesday, December 26, 2017.

As intimated to the debenture holders through the postal ballot notice:

1. Debenture holders whose names appear in the Register of debenture holders as on November 17, 2017 were considered for the purpose of voting.
2. Voting rights have been reckoned on the paid-up value of Bonds registered in the name of the bondholders as on November 17, 2017.
3. The Postal ballot forms which have been received after 5.30 PM on December 26, 2017, have been treated as '*no reply from the debenture holders.*'

After due scrutiny of all the postal Ballot forms upto December 26, 2017 (being the last date fixed for receipt of duly filled postal ballot forms), the scrutinizer submitted it's final report.

As per the Scrutinizer's report, the resolution to amend the terms and conditions of the Bonds was passed with requisite majority of 92.32%, 5 votes holding 40 Debentures constituting 2.52% of the total votes of Debentures were held as invalid.

On the basis of the report of the scrutinizer, Mr. Inder Krishan Sardana, Chairman of the Company, declared the results of the Postal Ballot today i.e. December 27, 2017.

The last date of receiving the duly completed Postal Ballot Forms i.e. December 26, 2017 has been taken as the date of the passing of the Resolution.

The result of the postal ballot along with the scrutinizer's report would also be displayed on the Company's website at www.capitalbank.co.in.

On the basis of report and poll results submitted by the scrutinizer, the resolution mentioned in the postal ballot notice dated November 9, 2017 has been approved by the requisite majority and is passed as special resolution as per the following details:

ITEM NO. 1 : TO APPROVE THE AMENDMENT IN TERMS AND CONDITIONS OF THE ISSUE OF UNSECURED REDEEMABLE, NON-CONVERTIBLE TIER II BONDS 2016-17

(SERIES XIV) FOR CONVERSION TO UNSECURED REDEEMABLE NON CONVERTIBLE LOWER TIER II BONDS 2016-17 (SERIES XIV) BASLE II COMPLIANCE

“RESOLVED THAT pursuant to Sections 71, and all other applicable provisions, if any, of the Companies Act, 2013 and Rule 18 of Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modification thereto or reenactment thereof for the time being in force) and in accordance with the provisions of any rules/regulations/guidelines issued/framed by the Central Government, Reserve Bank of India or any other law for the time being in force, Articles of Association of the Company and subject to such terms, conditions, alterations, corrections, changes, variations and/or modifications, if any, as may be prescribed by Reserve Bank of India while granting such approval, consent, permission and/or sanction, the Consent of the Debenture holders be and is hereby accorded to the amendments in terms and conditions of issue of Unsecured Redeemable, Non-Convertible Tier II Bonds 2016-17 as set forth in the Memorandum attached to the notice and explanatory statement annexed and on such terms and conditions with any modifications, additions, corrections as may be decided by the Board.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to take such actions and steps, including delegation of authority, as may be necessary and to settle all matters arising out of and incidental thereto; and to sign and to execute deeds, applications, documents and writings that may be required, on behalf of the Bank and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution.”

Place : Jalandhar
Date : December 27, 2017

(Inder Krishan Sardana)
Chairman