



UCO BANK

HEAD OFFICE : 10, B.T.M. Sarani, Kolkata – 700 001

NOTICE

NOTICE is hereby given that an Extraordinary General Meeting of the members of UCO Bank shall be held on Tuesday, 2nd March, 2010 at 11.30 a.m. at University Institute Hall, 7, Bankim Chatterjee Street, Kolkata - 700 073 to transact the following business:

To consider and if thought fit, to pass the following resolution, with or without modifications, as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 3(2B) (c) of the Banking Companies (Acquisition and Transfer of Undertakings) Act 1970 (Act), Section 20 of the Nationalised Banks (Management and Miscellaneous Provisions) Scheme 1970 (Scheme), Guidelines and Directives of Reserve Bank of India and Securities Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (ICDR Regulations) and other regulatory authorities and subject to the Listing Agreement (including any amendment thereto or re-enactment thereof) entered into by UCO Bank (the “Bank”) with the stock exchange where the shares of the Bank are listed and in accordance with the provisions of the UCO Bank (Shares and Meetings) Regulations, 2003 (Regulations) and the other rules/ regulations / guidelines /notifications / circulars and clarifications under the Banking Regulation Act, 1949, Securities and Exchange Board of India Act, 1992 and all other applicable laws and subject to approvals, consent, permissions and sanctions as might be required and such conditions as might be prescribed while granting such approvals, consents, permissions and sanctions and which may be agreed to by the Board of Directors of the Bank (hereinafter referred to as the “Board”, which term shall be deemed to include any committee(s) constituted / to be constituted by the Board to exercise its powers including the powers conferred by this resolution) is hereby authorised on behalf of the Bank, to create, offer, issue and allot not exceeding 6 (six) crore Equity Shares (the “Equity Shares”) of face value of Rs 10/- each, in one or more tranches by way of domestic / international offerings to one or more persons as the Board may determine at its absolute discretion, whether or not they are members of the Bank, including but not limited to domestic investors / foreign investors whether having presence in India or not / institutional investors / foreign institutional investors, members, employees, non-resident Indians, companies or bodies corporate whether incorporated in India or abroad, trusts, mutual funds, financial institutions, insurance companies, pension funds, individuals or otherwise, whether shareholders of the Bank or not, through a public issue, preferential issue and / or private placement, with or without an over-allotment option, with or without reservation on firm and / or competitive basis of such part of the issue for such person or categories of persons as may be permitted and / or Qualified Institutions Placement (QIP) listed on any Stock Exchange inside India, through an offer document and / or prospectus and / or offer letter and / or placement document and / or information memorandum and / or any other offering document(s) as the Board may in its sole discretion at any time or times hereafter decide, at such price or prices in such manner and where necessary in consultation with

the lead managers and / or underwriters and / or other advisors or otherwise on such terms and conditions as the Board may, in its absolute discretion, decide in terms of the ICDR Regulations, Regulations and any and all other applicable laws, rules, regulations and guidelines whether or not such investor (s) are existing members of the Bank, at a price not less than the price as determined in accordance with relevant provisions of ICDR Regulations.

“RESOLVED FURTHER THAT the Board shall have authority and power to accept any modification in the proposal as may be required or imposed by the Government of India / Reserve Bank of India / Securities and Exchange Board of India/ Stock Exchanges where the shares of the Bank are listed or such other appropriate authorities at the time of according / granting their approvals, consents, permissions and sanctions to issue, allotment and listing thereof and as agreed to by the Board.”

“RESOLVED FURTHER THAT in case of QIP issue pursuant to Chapter VIII of the ICDR Regulations, the allotment of Equity Shares shall only be to Qualified Institutional Buyers (QIBs) within the meaning of Chapter VIII of the ICDR Regulations such Equity Shares shall be fully paid-up and the allotment of such Equity Shares shall be completed within 12 months from the date of this resolution.”

“RESOLVED FURTHER THAT in case of a QIP issue the relevant date for the determination of the floor price of the Equity Shares shall be in accordance with the ICDR Regulations.”

“RESOLVED FURTHER THAT the issue and allotment of equity shares or securities to NRIs, FIIs and/or other eligible foreign investors be subject to the approval of the Reserve Bank of India under the Foreign Exchange Management Act, 1999, as may be applicable but within the overall limits set forth under the Act.”

“RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of its powers herein conferred to any Committee of one or more executives of the Bank.”

“RESOLVED FURTHER THAT the new Equity Shares to be issued as aforesaid will be listed on the stock exchanges where the securities of the Bank are presently listed.”

“RESOLVED FURTHER THAT:-

- I. the offer, issue and allotment of the Equity Shares shall be made at such time or times as the Board may in its absolute discretion decide, subject, however, to applicable guidelines, notifications, rules and regulations;
- II. the Equity Shares to be issued by the Bank as stated aforesaid shall rank pari-passu with all existing equity shares of the Bank including dividend, if declared;
- III. the Board be and is hereby authorised to decide and approve the other terms and conditions of the issue of the Equity Shares and also shall be entitled to vary,

modify or alter any of the terms and conditions, including size of the issue, as it may deem expedient.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to appoint the Lead Managers, Registrar, Bankers, Advisors, Syndicate Members and all such agencies as may be involved or concerned in such offerings of the Equity Shares and to remunerate them by way of commission, brokerage, fees or the like and also to enter into and execute all such arrangements, agreements, memoranda, documents, etc. with such agencies.”

“RESOLVED FURTHER THAT such of these shares / securities that are not subscribed may be disposed off by the Board in its absolute discretion in such manner, as the Board may deem fit and as permissible by law.”

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution the Board be and is hereby authorized to do all such acts, matters, deeds and things and to take all such steps and do all such things and give all such directions as the Board may consider necessary, expedient or desirable and also to settle any question or difficulties that may arise in such manner as the Board in its absolute discretion may deem fit and take all steps which are incidental and ancillary in this connection.”

By order of the Board

(S.K. Goel)

Chairman & Managing Director

Place: Kolkata

Date: 02.02.2010

Notes

The explanatory statement is annexed hereto.

APPOINTMENT OF PROXY

A SHAREHOLDER ENTITLED TO ATTEND AND VOTE AT THE MEETING, IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF, AND SUCH A PROXY NEED NOT BE A SHAREHOLDER OF THE BANK. The proxy form in order to be effective must be received by the Bank at its Share Section, Finance Department, at 2, India Exchange Place, 3rd floor, Kolkata – 700 001 not later than FOUR DAYS before the date of the Meeting i.e., on or before the closing hours of the Bank on Thursday, 25th February, 2010. Please note that any employee or officer of the Bank cannot be appointed as proxy as per provision of UCO Bank (Share and Meeting) Regulation, 2003.

APPOINTMENT OF AUTHORISED REPRESENTATIVE

No person shall be entitled to attend or vote at the meeting as a duly authorised representative of any body corporate which is a shareholder of the Bank, unless a copy of the resolution appointing him/her as a duly authorized representative certified to be a true copy by the Chairman of the meeting at which it was passed shall have been deposited at the Head Office of the Bank with Share Section, Finance Department, at 2, India Exchange Place, 3rd floor, Kolkata – 700 001 not later than FOUR DAYS before the date of the meeting, i.e., on or before the closing hours of the Bank on Thursday, 25th February, 2010.

Please note that an employee or officer of the Bank cannot be appointed as authorized representative as per provisions of UCO Bank (Shares and Meetings) Regulation 2003.

ATTENDENCE SLIP CUM ENTRY PASS

For the convenience of the shareholders, Attendance slip-cum-Entry Pass is annexed to this Notice, Shareholders/Proxy holders /Authorised Representative are requested to fill in and affix their signatures at the space provided therein and surrender the same at the venue. Proxy/Authorised Representative of shareholders should state in their Attendance Slip-cum-Entry Pass as 'Proxy or Authorised Representative' as the case may be.

COMMUNICATION WITH SHARE TRANSFER AGENTS

Shareholders are requested to intimate changes, if any, in their registered address or any other particulars through their Depository Participant in case of DEMAT shares and directly in case of physical shares to the Registrar and Share Transfer Agent of the Bank at the following address :

M/S Karvy Computershare Private Limited
Unit : UCO BANK,
Plot No. 17 to 24, Vittalrao Nagar, Madhapur, Hyderabad – 500 081
Tel : (040)23420815/0824; Fax : (040)23420814

For on line queries/grievances, shareholders of the Bank may login on the website of M/s Karvy Computershare Private Limited i.e., www.karvycpmputershare.com and click on Investor Services page to register their queries/grievances, if any.

SHARE SECTION & INVESTORS GRIEVANCE CELL

In order to facilitate quick and efficient service to the shareholders, the Bank has set up Investors Grievance Cell at its Head Office, Kolkata, Shareholders and investor may contact this Cell at the under mentioned address for any assistance :

*The Assistant General Manager, Share Section & Investors Grievance Cell, UCO Bank,
Head Office, 2, India Exchange Place, Kolkata – 700 001
Telephone : 033-2231-6858*

Other Information

Shareholders may kindly note that no gift/coupon will be distributed at the meeting.

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT

1. Incorporated on 6th of January 1943, the Bank is in the business of the banking and its related activities since inception. Presently, the Authorised Capital of the Bank is Rs. 3000 crore (Rupees Three Thousand Crore Only) while Issued and Subscribed Capital is Rs.1249.36 crore comprising of 54.936 crore Equity Shares of Rs.10/- each aggregating to Rs.549.36 crore and 70,000 Perpetual Non Cumulative Preference Shares (PNCPS) of Rs. 1 lac each aggregating to Rs.700 crore. Further the share of Government of India (GOI) in the Issued and Subscribed Capital is Rs.1049.36 crore consisting of Equity Shares of Rs.349.36 crore and Preference Capital of Rs.700 crore.
2. Since beginning, the Bank's business had been growing continuously and the growth rate had been spectacular particularly during the last few years. Its total assets as on 31st December, 2009 was Rs.116814.94 crore recording growth of 19% on y-o-y basis.
3. To sustain robust growth of business with a strong Balance Sheet in the competitive environment there is increasing need to strengthen the Capital base of the Bank, particularly its Tier-I component. With a view to strengthen, the Risk Weighted Capital Adequacy Ratio (CRAR) of the Bank to a minimum of 12% (BASEL-II norms) as on 31st March, 2010 as against 11.45% obtaining as on 31.12.2009, the bank approached Govt. of India for permission to raise the additional equity capital through Follow on Public Offering (FPO) route.

In view of the above, with regard to the Bank's future business plan and consequential requirement of higher Core Capital, the Government of India, vide its letter dated 19th January, 2010, had conveyed its approval for raising further equity capital by way of Follow on Public Offering (FPO) for Rs.60 crore through Book Building Process comprising 6 (six) crore equity shares on the following terms and conditions :

- i. The Bank shall comply with all the applicable statutory/regulatory provisions contained in the Banking Regulation Act, 1949, the Banking Companies (Acquisition & Transfer of Undertakings) Act, 1970/80, etc, and other statutes for the time being in force and regulatory guidelines issued by RBI, SEBI etc.;

- ii. Government of India's shareholding shall not be below 51% at any point of time in terms of Section 3(2B) (c) of Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970.
 - iii. The timing of the public issue shall be decided by the Bank keeping in view the conditions prevailing in the market;
 - iv. The Bank shall obtain necessary approvals from its Board of Directors/Management Committee of the Board of Directors, Securities Exchange Board of India (SEBI) etc. and other regulatory/supervisory bodies;
 - v. Reservation/firm allotment, if any, to financial institutions, banks, mutual funds, Non-Resident Indians/Overseas Corporate Borrowers etc., should be advised to the Government/RBI before the issue is launched. Allotment to Non-Residents, if any, subject to prior approval of Foreign Exchange Department of RBI, and should be within the ceiling of 20% of paid-up capital or any lower ceiling that may be notified by the Government of India under sub-section (2D) of Section 3 of the Banking Companies (Acquisition & Transfer of Undertakings) Act, 1970.
 - vi. The Bank should restrict its public issue expenses to the bare minimum in compliance with the statutory provisions, and follow all applicable guidelines / instructions for appointment of Consultants / issue Managers / Advisors with regard to this IPO.
4. While the Bank would certainly avail the scope of raising hybrid capital also to strengthen CRAR, as a proactive move to leverage the available business opportunities, the Bank now proposes to enhance its equity capital in the light of aforesaid approval of GOI.
 5. As the Bank would also like to have the flexibility in raising the aforesaid equity capital depending on market situation through QIP route too, it has already approached Government of India (GOI) for modification of the aforesaid approval. The Resolution, therefore, also seeks to empower the Board of Directors to undertake Qualified Institutional Placement route with Qualified Institutional Buyers as defined by SEBI Regulations, subject approval of GOI. On receipt of such approval, the Board of Directors may, in their discretion, adopt this mechanism as prescribed under Chapter VIII of ICDR Regulations for raising further capital for the Bank, without seeking fresh approval from the shareholders.

The Resolution, therefore, further seeks to empower the Board of Directors to undertake a Qualified Institutional Placement with Qualified Institutional Buyers as defined by ICDR Regulations.

In case of a QIP issue in terms of Chapter VIII of ICDR Regulations, issue of Equity shares, on QIP basis, can be made at a price not 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".

'Relevant Date' shall mean the date of the meeting in which the Board or Committee of the Bank decides to open the QIP Issue.

In terms of the Chapter VIII of ICDR Regulations:

“Allotment pursuant to this Resolution shall be completed within 12 months from the date of passing of the Resolution”.

The resolution is proposed to be passed as a Special Resolution as required under ICDR Regulations. The Board or the Committee or any one or more executives of the Bank, as authorised by the Board, will decide the size, structure and timing of the issue(s) at an appropriate time. The number of equity shares to be issued shall not exceed 6 (six) crore equity shares.

6. The consequential changes in the shareholding pattern of the Bank will be as under:-

Sr. No.	Name of Shareholders	Pre-allotment in terms of No. of shares in crore	% of pre-allotment Paid Up Capital	Post allotment in terms of No. of Shares in crore	% of Post-allotment Paid Up Capital
1.	Govt. of India (GOI)	34.936	63.59	*34.936	*57.33
2.	Other than Govt. of India (GOI)	20.000	36.41	26.000	42.67
3.	TOTAL	54.936	100.00	60.936	100.00

* In case GOI does not subscribe to the proposed Issue.

7. Consequential to the aforesaid allotment :

Each of the Allottee will acquire voting rights in the Bank in the proportion to which the equity shares which are allotted to them and they will be entitled, subject to the provisions of Section 3(2E) of the Banking Companies (Acquisition and Transfer of Undertaking) Act 1970, where applicable, which states that -

“No shareholder of the corresponding New Bank, other than the Central Government, shall be entitled to exercise voting right in respect of any shares held by them in excess of one percent of the total voting rights of all the shareholders of the corresponding New Bank.”

8. The Listing Agreements executed by the Bank with the various stock exchanges in India where the Bank’s equity shares are listed provide inter-alia that when it is proposed to increase the issued capital of the Bank by allotment of further shares, such shares, shall be first offered to the existing shareholders of the Bank for

subscription in proportion to their shareholding in the Bank unless the shareholders decide otherwise in a general meeting by a special resolution. As it is proposed to allot fully paid up Equity Share otherwise than to the shareholders of the Bank, the above resolution is required to be passed.

9. Your Directors recommend the resolution for your approval.
10. The Directors of the Bank may be deemed to be concerned with or interested in the resolution of the notice to the extent of their shareholding in the Bank or by the Companies/Institutions of which they are Directors or Members.

By order of the Board

(S. K. Goel)
Chairman & Managing Director

Place : Kolkata
Date: 02.02.2010