

**Minutes of the 80<sup>th</sup> Annual General Meeting of the Members of ING Vysya Bank Limited held at 11.00 A.M. on Wednesday, the 7<sup>th</sup> of Sep, 2011 at the Auditorium, 'ING Vysya House', No.22, M. G. Road, Bangalore-560 001.**

**Present**

Directors

1. Mr. Arun Thiagarajan - Chairman
2. Mr. Shailendra Bhandari - Managing Director and CEO
3. Mr. Aditya Krishna
4. Mr. Lars Kramer
5. Mr. Philippe Damas
6. Mr. Santosh Ramesh Desai
7. Mr. Vaughn Richter
8. Mr. Meleveetil Damodaran
9. Mr. Richard Cox
10. Mr. Peter Staal
11. Mr. Mark Edwin Newman

Statutory Auditors

Mr. Viren Mehta, Partner, M/s. S R Batliboi & Co., Chartered Accountants

Secretary

Mr. M V S Appa Rao

Shareholders

1. 4346 Members
2. 76 Proxy holders
3. 12 Authorized representatives of Body Corporates

Poll Scrutinizers in attendance

Mr. C G Raghavendra  
Mr. S P Nagarajan

Notary Public

Mr. B Gopala Krishna

Mr. Arun Thiagarajan, Chairman of the Bank assumed the Chair in terms of Article 65 of the Articles of Association.

After confirmation from the Corporate Secretary that the requisite quorum of five members was present, the Chairman called the meeting to order.

Ms. Savitri Gangadhar invoked the blessings of the Almighty, before commencing the formal proceedings.

The Chairman extended a warm welcome to the shareholders to the meeting and introduced the Directors on the dais – Mr. Shailendra Bhandari, Mr. Vaughn Richter, Mr. Phillippe Damas, Mr. Lars Kramer, Mr. Aditya Krishna, Mr. Meleveetil Damodaran, Mr. Peter Henri Maria Staal, Mr. Richard Cox, Mr. Mark Edwin Newman and Mr. Santosh Ramesh Desai.

The Chairman informed that the Register of Members, Register of Directors' Shareholdings and other Registers / documents as required under the provisions of the Companies Act, 1956, and Auditors' Certificate on Employee Stock Options as required under Securities and Exchange Board of India (Employee Stock Option Scheme And Employee Stock Purchase Scheme) Guidelines, 1999 were kept open for inspection by the members.

With the consent of the members present, the Notice convening the Annual General Meeting, already circulated, was taken as read.

Upon the advice of the Chairman, Mr. M V S Appa Rao, Corporate Secretary, read out the Auditors' Report.

In his welcome address to the shareholders, the Chairman thanked the shareholders for making it convenient to attend the meeting and expressed pleasure in chairing the Annual General Meeting of the Bank for the first time. He briefly apprised the Shareholders on yet another year of impressive performance by the Bank in the year 2010-11. He added that the Bank's consistent focus on protecting asset quality, growing the share of CASA, reducing operational costs and improving the operational efficiency contributed to this achievement. He complimented the staff for their contribution. He also complimented the management team and Mr. Shailendra Bhandari, Managing Director & CEO in particular, for the exemplary leadership provided. He expressed his satisfaction on the expanding national footprint which currently has 527 branches and 418 ATMs.

Further, the Chairman dealt briefly on the Bank's performance in terms of each financial parameter and stated that the Bank has been able to substantially improve the quality of the Balance Sheet. He apprised the Shareholders on the recent macro economic trends and indicated that inflationary situation, RBI's monetary tightening impacting interest rates, ~~drawbacks~~ in global economic developments and expected moderation in the domestic growth rate are the major challenges ahead, and that the Management team is fully geared to proactively respond to the emerging market challenges.

The Chairman expressed his optimism about the future of ING Vysya Bank and stated that the improved financial performance of the Bank year on year in the last few years bears eloquent testimony to his optimism.

He thanked the shareholders for supporting the Green Initiative wherein 9000 shareholders of the Bank received the Notice and Annual Report in electronic mode. He requested the physical shareholders to join the initiative by providing their e-mail IDs to the Bank/Registrar and the demat shareholders by providing/ updating their e-mail IDs with the Depository participants.

Thereafter, the Chairman invited Mr. Shailendra Bhandari, MD & CEO to present the highlights of financial performance of the Bank for 2010-11.



At the outset, Mr. Bhandari apprised the members of the Senior Management team and the Staff for the excellent performance presented to the Shareholders the following highlights on the Bank's performance during the year 2010-11:

- The Bank recorded a 'Net Profit after Tax' of Rs.319 Crores resulting in 32% increase over the previous year
- Because of the challenging environment, the Bank's operating cost moved up by 27% compared to financial year 2009-10. As a result, the Bank's Operating profit (before provisions) reduced by 1% compared to last year.
- Total Deposits increased by 17%, and stood at Rs.30,194 Crores.
- Advances saw an increase of 28% to Rs.23,602 Crores.
- Net Interest Income grew by 21% and other income registered a growth of 6% compared to financial year 2009-10.
- CASA grew to 35% in 2010-11 from 32% in 2009-10
- The Bank has registered consistent growth in Profits over the past few years.
- Provision cover for 2010-11 moved up sharply from 60% to 83%, against RBI guidelines requirement of 70%.
- Consistent growth in total income from Rs.1450 Crores to Rs.1661 Crores in 2010-11.
- Cost of Deposits has declined from 5.3% in 2009-10 to 5.2% in 2010-11.
- CASA as a percentage of total deposits has increased from 32% to 34%.
- Cost Income Ratio has increased marginally from 56% in financial year 2009-10 to 62% in financial year 2010-11.
- The Bank's closing share price on 31-Aug-2011 was Rs. 292.70 per share. The Bank's share price movement has sharply outperformed both Sensex and Bankex.
- The Bank's Capital Adequacy is sound and stood at 12.9% for financial year 2010-11.
- Earnings Per Share has also recorded consistent growth from Rs.21.60 in 2009-10 to Rs.26.50 in 2010-11.
- Return on Assets was 0.89% for 2010-11 and the Bank is well set to reach 1% in the near future.
- Return on Equity has also been good even after adjustment due to the QIP issue.

It was clarified that a typo error has regretfully crept in page 78 of the Annual Report wherein the table showing fees/remuneration from Bancassurance business it has been omitted to state that the figures are in thousands while the same table of figures in the notes to consolidated accounts(Pg 131) is properly sub-titled as Rs. in thousands

Mr. Bhandari also apprised the members on some of the significant events / achievements for the year 2010-11, covering the following:

- New Products and services launched:
  - ING ZING a unique savings account for minors, which teaches basics of savings in an interactive way
  - ING ZWIPE a savings account for upwardly mobile metro and urban customers with offers on restaurants, travel, spas, salons, online and offline merchant outlets
  - New Internet Banking Platform for Business customers offering superior transactional capabilities and features



- "ING Active Deposit" account that provides customers the interest rate of a term deposit with benefits of a savings account
- Launch of the 'ING Forex Travel Card', a prepaid forex card denominated in four currencies (USD, EURO, GBP, AUD) on the Corporate and Platinum platform.

Capital raised:

- Tier I Capital of Rs. 970 crores raised through qualified institutional placement and preferential issue to ING Group in June 2011, increasing the CAR to 15.89% as on 30 June 2011.

Mr. Bhandari highlighted the branding of the Bank at prominent locations in the country and the Bangalore International Airport in particular.

Further, Mr. Bhandari highlighted the various Corporate Social Responsibility initiatives undertaken by the Bank through ING Vysya Foundation (IVF). ING entities in India like ING Vysya Life Insurance also contribute and extend support to IVF. He informed that the Foundation's vision is to promote education of underprivileged children in India.

**Programs undertaken by the foundation:**

- **Learning centre** for children living in slums and studying in Government schools, Makkala Jagriti, Bangalore; children living in red-light area, Hamari Muskaan, Kolkata; children living in rural areas, IIMPACT, Lucknow.
- **Day-Boarding School** - Christel House, Bangalore for under-served children, and children living in slums.
- **Residential shelter for promoting education** of former child labourers, street children, orphan children - Pratham, Mumbai, Sukrupa, Bangalore and Support, Mumbai.
- **Residential shelter for visually impaired youth** to continue higher education - Samarthanam Trust, Bangalore
- **Learning on wheels program** aims to raise awareness on environment friendly behavior and to provide door-to-door elementary education classes for girls children in rural UP.
- **Balwadi (Pre-school) and Community Library programme** for children living in semi-slum settlements, Akshara Foundation, Bangalore and Great Indian Dream Foundation, Delhi.
- **Family strengthening programme** for children affected by Tsunami, SOS Children's Village, Nagapattinam
- **Chances for children program** in partnership with UNICEF in West Bengal and Rajasthan
- **Hope Brigade** - Several employee volunteer programs were undertaken during the year. Employees of ING Vysya Bank have contributed an amount of Rs. 42 lakhs towards the cause of education of under-privileged children through Payroll contribution and Raffle ticket sales.

Thereafter, Mr. Bhandari apprised the members on the significant progress recorded by the Bank in the area of customer service and stated that:

- 98 % of Customer Complaint Management System (CCMS) complaints were resolved within 3 days
- Enhancements were carried out in CCMS to make it more user friendly



- Separate set of predefined complaints were added in CCMS in respect of product categories to track product specific trend, for better analysis & mitigation
- Service Excellence Program rolled out across frontline staff for soft skill enhancement
- Customer meets were held at various places to get first hand feed back

Mr. Bhandari concluded by saying that the Bank is doing well not only in terms of business with good credit quality, but also in terms of contribution to the Community at large. He expressed satisfaction that all these positives have started to reflect in the Bank's share price.

Thereafter, the Chairman proceeded to take up business as per the agenda and as specified in the Notice.

#### **ORDINARY BUSINESS:**

##### **Item No: 1**

**Adoption of Annual Accounts for the year ended 31st March, 2011 and the reports of the Directors and Auditors thereon.**

Mr. D R Prakash, a member (Folio No. D 005452) moved the following motion to be passed as an Ordinary Resolution:

**“RESOLVED THAT the Audited Balance Sheet as on 31st March, 2011, Profit & Loss Account for the year ended on that date together with the other documents attached therewith and forming part thereof, along with the Auditors' Report and the Directors' Report attached thereto for the said year be and are hereby received, considered and adopted.”**

Mr. C N Gopalakrishna Rao, a member (Client ID. 20004542 / DP ID. IN301356) seconded the motion.

The Chairman threw open the motion for discussion and invited members to participate in the deliberations on the audited financial statements and the reports thereon.

Some of the shareholders desired to express their views/comments and seek clarifications on the audited financials circulated to the members, while some had sought clarifications in the query slips circulated.

The shareholders who spoke at the meeting commended the impressive financial performance posted by the Bank during 2010-11 and complimented the Managing Director, Senior Management and the Staff for their excellent performance. A few shareholders however, expressed their concern on certain specific areas of Bank's performance and sought clarifications on certain points. A member expressed the view that while it was commendable that the Bank was giving much thrust to Children's Education, there are many other CSR activities which the Bank could look at, like Global warming, pollution control, maintenance of parks etc. He added in any case, State and Central Governments are expected to take care of education of underprivileged children.



Thereafter, the Chairman thanked the members for their active participation and provided brief clarifications and answers to various queries and concerns raised/expressed by the Shareholders to their satisfaction. Many shareholders requested for enhancement of dividend for which the Chairman explained about consistent increase in dividend over the years and the need to maintain Capital Adequacy. He assured the shareholders that necessary action will be initiated by the management on implementing the suggestions found appropriate and considered feasible by the Bank.

Having clarified the relevant issues raised by the members on the financials of the Bank placed before the shareholders, the Chairman put the motion to vote on a show of hands. All the members present at the meeting, voted in favour of the resolution. The Chairman, thereupon, declared the resolution passed unanimously as an Ordinary Resolution.

**Item No: 2**

**Declaration of Dividend**

The Chairman took up the next item of business regarding declaration of dividend and informed that the Board of Directors have recommended a dividend of 30% (i.e. Rs.3.00 per equity share of Rs.10/-) for the financial year ended 31-Mar-2011.

Mr. C N Gopalakrishna Rao, a member (Client ID. 20004542 / DP ID. IN301356) moved the following motion to be passed as an Ordinary Resolution:

**"RESOLVED that pursuant to the recommendations made by the Board of Directors of the Bank and subject to other regulatory approvals as may be required, a dividend at the rate of Rs. 3 per equity share be and is hereby declared out of the current profits of the Bank for the year ended 31-Mar-2011 to be paid to the equity shareholders of the Bank whose names appear in the Register of Members at the close of business hours on Friday, 12-Aug-2011 in case of persons holding the shares in physical form and in the list of beneficial owners provided by the Depositories as on the said date in case of persons holding the shares in demat form, in view of the book closure from 13-Aug-2011 to 07-Sep-2011 (both days inclusive)."**

Mr. T K Thimmaraja Setty, a member (Client ID. 10043163 / DP ID. IN300610) seconded the motion.

Thereafter, the Chairman put the motion to vote on a show of hands. All the members present at the meeting, voted in favour of the resolution. The Chairman, thereupon, declared the resolution passed unanimously as an Ordinary Resolution.

**Item No: 3**

**Re-appointment of Mr. Meleveetil Damodaran as a Director liable to retire by rotation.**

The Chairman informed that Mr. Meleveetil Damodaran is retiring by rotation at this Annual General Meeting and being eligible, has offered himself for re-appointment. The Chairman briefly apprised the Members on Mr. Meleveetil Damodaran's profile, background and experience.



Mr. M Prasad, a member (Client ID. 20050312 / DP ID. IN302437) moved the following motion to be passed as an Ordinary Resolution:

**“RESOLVED THAT Mr. Meleveetil Damodaran be and is hereby re-appointed as Director of the Bank, liable to retire by rotation.”**

Mr. S Ashok Chakravarthy, a member (Client ID. 10488029 / DP ID. IN300610) seconded the motion.

Thereafter, the Chairman put the motion to vote on a show of hands. All the members present at the meeting, voted in favour of the resolution. The Chairman, thereupon, declared the resolution passed unanimously as an Ordinary Resolution

Item No: 4

**Appointment of statutory Auditors and to fix their remuneration.**

The Chairman informed that M/s. S R Batliboi & Co., Chartered Accountants have completed four years as Statutory Auditors of the Bank and thus are not eligible for re-appointment as per guidelines of RBI. M/s. BSR & Co., Chartered Accountants, with the approval of RBI, are being appointed in place of the retiring auditors.

Mr. C N Gopalakrishna Rao, a member (Client ID. 20004542 / DP ID. IN301356) moved the following motion to be passed as an Ordinary Resolution:

**“RESOLVED THAT pursuant to the provisions of Sections 224, 225, and other applicable provisions, if any of the Companies Act, 1956 and the Banking Regulation Act, 1949, M/s. BSR & Co., Chartered Accountants, (Firm Registration No. 101248W) be and are hereby appointed as statutory auditors of the Bank for the year 2011-12 as approved by Reserve Bank of India vide its letter No. DBS.ARS.No. 16054/08:27:005/2010-11 dated 18-May-2011 under Section 30(1A) of the Banking Regulation Act, 1949, in place of the retiring auditors, M/s S R Batliboi & Co., Chartered Accountants, Kolkata (Firm Registration No. 301003E) to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting of the Bank on a remuneration (including terms of payment) to be fixed by the Board of Directors of the Bank, plus service tax and such other tax(es), as may be applicable, and re-imbursment of out-of-pocket expenses in connection with the audit of the accounts of the Bank for the year ending March 31, 2012.**

**RESOLVED FURTHER THAT pursuant to the provisions of Section 228 and other applicable provisions, if any, of the Companies Act, 1956 and the Banking Regulation Act, 1949, the Board of Directors of the Bank be and is hereby authorized to appoint branch auditors, as and when required, in consultation with the statutory auditors, to audit the accounts in respect of the Bank's branches/offices and to fix their remuneration (including terms of payment), based on the recommendation of the Audit Committee, plus service tax and such other tax(es), as may be applicable,**



and reimbursement of out-of-pocket expenses in connection with the audit.”

Mr. C A S Gupta, a member (Client ID. 10052682 / DP ID. IN300610) seconded the motion.

Thereafter, the Chairman put the motion to vote on a show of hands. All the members present at the meeting, voted in favour of the resolution. The Chairman, thereupon, declared the resolution passed unanimously as an Ordinary Resolution.

#### **SPECIAL BUSINESS:**

##### **Item No: 5**

#### **Appointment of Mr. Vikram Talwar as Director liable to retire by rotation.**

The Chairman took up the item on appointment of Mr. Vikram Talwar as Director.

He informed the members that Mr. Vikram Talwar was appointed as an Additional Director on the Board to hold office upto the date of this AGM. Further, the Bank has received a notice from Mr. G Ravindranath Gupta, a member (Client Id – 10039669/DP Id – IN300610), in writing along with the requisite amount of deposit proposing name of Mr. Vikram Talwar as a candidate for the office of Director under Section 257 of the Companies Act, 1956.

The Chairman briefed the shareholders that Mr. Vikram Talwar is an MBA from IIM Ahmedabad, started his career with Bank of America in San Francisco and during his 26 years career at the Bank, he held several senior management positions in over 9 countries in Asia. Mr. Talwar left Bank of America in 1996 and for the next 2 years he worked with Ernst & Young Consulting in New York. He was assigned as the CEO and Managing Director at Ernst & Young Consulting, India and was also Ernst & Young's Asia Director for its Global Operate Business (Outsourcing). In 1999, Mr. Talwar founded EXL Service Holdings Inc, a leading global Business Process Outsourcing Company, in the US. He was the CEO of the Company till May 2008 when he was elevated to the position of Executive Chairman of the Board. The Chairman also informed that Mr. Vikram Talwar has conveyed his apologies for his absence as he could not be present due to prior engagements.

The Chairman also informed that none of the Directors except Mr. Vikram Talwar, is either directly or indirectly, concerned or interested in this resolution.

Mr. G Ravindranath Gupta, a member (Client ID. 10039669 / DP ID. IN300610) moved the following motion to be passed as an Ordinary Resolution:

**“RESOLVED that Mr. Vikram Talwar, in respect of whom the Bank has received a notice in writing along with the requisite amount of deposit from a member proposing the name of Mr. Vikram Talwar, as a candidate for the office of Director under Section 257 of the Companies Act, 1956 and who is eligible for appointment to the said office, be and is hereby appointed as a Director of the Bank liable to retire by rotation.”**

Mr. C A S Gupta, a member (Client ID. 10052682 / DP ID. IN300610) seconded the motion.



Thereafter, the Chairman put the motion to vote on a show of hands. All the members present at the meeting, voted in favour of the resolution. The Chairman, thereupon, declared the resolution passed unanimously as an Ordinary Resolution.

**Item No: 6**

**Annual Compensation to the Part-time Chairman of the Bank**

Being interested in the said proposal the Chairman requested Mr. Vaughn Richtor to chair the meeting for this proposal.

Mr. Vaughn Richtor briefed the shareholders that Mr. Arun Thiagarajan was appointed as part-time Chairman of the Bank for three years effective 09-Aug-2010 in terms of the approval of Reserve bank of India vide its letter DBOD.APPTS.2137/08.57.001/2010-11 dated 04-Aug-2010. RBI has also approved the compensation to Mr. Arun Thiagarajan on the terms and conditions set out in the resolution.

Shareholders approval is sought for Annual Compensation of Rs. 15,00,000/- p.a. (Rs. Fifteen Lacs per annum) to Mr. Arun Thiagarajan, part-time Chairman of the Bank for a period of three years effective from 09-Aug-2010 apart from allowances not exceeding Rs.25000 (Rs. Twenty Five Thousand) per month towards maintenance of Chairman's Office and also in addition to actual travel, lodging and boarding expenses incurred in connection with any official visits / duties subject to applicable limits as may be fixed by the Board from time to time.

Mr. S Ashok Chakravarthy, a member (Client ID. 10488029 / DP ID. IN300610) moved the following motion to be passed as an Ordinary Resolution:

**"RESOLVED THAT, pursuant to the approval accorded by Reserve Bank of India under Section 10B (1A) of the Banking Regulation Act, 1949 vide its letter No. DBOD.APPTS. No.21371/08.57.001/2010-11 dated 04-Aug-2010 and the applicable provisions of the Companies Act, 1956 and subject to the approval, as may be necessary, from other concerned authorities or bodies, the approval of the members of the Bank be and is hereby accorded for payment of annual compensation of Rs.15,00,000/- (Rs.1,25,000/- per month) to Mr. Arun Thiagarajan, Part-time Chairman of the Bank for a period of three years from the date of his appointment as Part-time Chairman effective 09-Aug-2010.**

**RESOLVED FURTHER THAT Mr. Arun Thiagarajan shall also be eligible for other allowances for an amount not exceeding Rs.25,000/- per month towards maintenance of Chairman's office and actual travel, lodging and boarding expenses incurred in connection with any official visits / duties subject to applicable limits as may be fixed by the Board from time to time**

**RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things and to execute any agreements, documents or instructions as may be required to give effect to this resolution."**

Mr. Kothanda Rao M, a member (Client ID. 11016835 / DP ID. IN300183) seconded the motion.



The motion was put to vote by a show of hands, there being none against the resolution, the resolution as passed unanimously.

Mr. Vaughn Richtor handed over the meeting to Mr. Arun Thiagarajan to chair for the rest of the items.

**Item No: 7**

**Retirement / Non-Reappointment of Mr. Philippe Damas as Director and approve that vacancy not be filled up at this meeting.**

The Chairman briefed the shareholders that Mr. Philippe Damas was the CEO Retail and Private Banking for the Asia Region till recently and is the Chairman of our Corporate Governance Committee and also a member of Audit Committee and Special Committee for Monitoring Frauds. He had expressed his unwillingness to be re-appointed as a director.

The Chairman then placed the draft resolution to approve not to fill up the Vacancy as an Ordinary Resolution.

Mr. T K Thimmaraja Setty, a member (Client ID. 10043163 / DP ID. IN300610) moved the following motion to be passed as an Ordinary Resolution

**“RESOLVED THAT Mr. Philippe Damas, a Director, who retires by rotation at this Annual General Meeting and who has expressed his desire not to be re-appointed as a Director, be retired and be not re-appointed.**

**RESOLVED FURTHER that the resulting vacancy be not filled up at this Meeting or any adjourned Meeting thereof.”**

Mr. D R Prakash, a member (Folio No. D 005452) seconded the motion.

The motion was put to vote by a show of hands, there being none against the resolution, the resolution as passed unanimously.

**Item No: 8**

**To appoint Mr. Mark Edwin Newman as Director liable to retire by rotation.**

The Chairman informed the members that Mr. Mark Edwin Newman was appointed as an Additional Director on the Board to hold office up to the date of this AGM. Further, the Bank has received a notice from Mr. K V Krishnaiah Chetty, Client Id – 10098888/DP Id – IN300610) a member, in writing along with the requisite amount of deposit proposing name of Mr. Mark Edwin Newman as a candidate for the office of Director under Section 257 of the Companies Act, 1956.

The Chairman further briefed the members about the candidature of Mr. Mark Newman that he is Managing Director and Regional Head of Financial Markets, Asia. He started his career at Deloitte Haskins and Sells where he qualified as a Chartered Accountant before joining ING in 1992, in London. Mark has headed a number of internal audit and risk management roles in London before moving to Asia in 1996.



Since then he has held a number of positions within Financial Markets including Head of Structured Products, Asia and Head of Financial Markets Hong Kong, before being appointed as the Regional Head of Financial Markets, Asia in 2005. He is also Executive Management Board Member of ASIFMA (Asia Securities Industry and Financial Markets Association). He has spent over fourteen years in Asia and is currently responsible for all trading and sales activities in the region.

The Chairman also informed that none of the Directors except Mr. Mark Edwin Newman, is either directly or indirectly, concerned or interested in this resolution. However, Mr. Richard Cox, Mr. Lars Kramer, Mr. Philippe Damas, Mr. Peter Staal and Mr. Vaughn Nigel Richter being in employment of ING and Mr. Meleveetil Damodaran acting as advisor to ING for its operations in India may be considered as interested in the proposal to the extent they represent ING on the Board.

The Chairman then placed the draft resolution for his appointment as Director to be passed as an Ordinary Resolution.

Mr. Krishnaiah Chetty, a member (Client ID. 10098888 / DP ID. IN300610) moved the following motion to be passed as an Ordinary Resolution.

**“RESOLVED THAT Mr. Mark Edwin Newman, in respect of whom the Bank has received a notice in writing along with the requisite amount of deposit from a member proposing Mr. Mark Edwin Newman, as a candidate for the office of Director under Section 257 of the Companies Act, 1956 and who is eligible for appointment to the said office, be and is hereby appointed as a Director of the Bank liable to retire by rotation.”**

Mr. C A S Gupta, a member (Client ID. 10052682 / DP ID. IN300610) seconded the motion.

The motion was put to vote by a show of hands, there being none against the resolution, the resolution as passed unanimously.

#### **Item No: 9**

**To approve borrowing powers beyond the aggregate of paid up capital and its free reserves.**

The Chairman briefed the members that in terms of Section 293(1) (d) of Companies Act 1956, the borrowing powers can be exercised by the Board of Directors, beyond the aggregate of the paid up capital and the free reserves of the Company, only with the approval of the Company at the general meeting. The members at the 75th Annual General Meeting have authorized the Board of Directors to borrow up to a limit of “Rupees Seven thousand five hundred crores”. Considering the future business plans, it has been proposed that the said borrowing powers be increased at four times of the aggregate of the paid up capital and free reserves of the Bank as of the end of the previous year as indicated in the proposed resolution which is on par with universal practice among the Corporates in general and Banks in particular.

The Chairman further mentioned that none of the Directors of the Bank were concerned or interested in the Resolution.

The Chairman then placed the draft resolution for increasing the Borrowing power of Board of Directors to be passed as an Ordinary Resolution.



Mr. C N Gopalakrishna Rao, a member (Client ID. 20004542 / DP ID. IN301356) moved the following motion to be passed as an Ordinary Resolution.

**“RESOLVED that, in supersession of all the previous resolutions passed by the company hitherto on the subject, the Board of Directors of the Company be and is hereby authorized, pursuant to the provisions of Section 293(1)(d) of the Companies Act, 1956, to borrow money, from time to time, at its discretion on such terms and conditions as may be considered suitable by the Board of Directors up to a limit not exceeding an amount of four times of the aggregate of the paid up capital and free reserves of the Bank as of the end of the previous year not withstanding that the money to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company’s bankers in the ordinary course of business), will exceed the aggregate of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose.”**

Mr. C A S Gupta, a member (Client ID. 10052682 / DP ID. IN300610) seconded the motion.

The motion was put to vote by a show of hands, there being none against the resolution, the resolution as passed unanimously.

#### CONCLUSION

Thereafter, the Chairman thanked the members for their co-operation for the orderly conduct of the deliberations and proceedings of the meeting, and declared the meeting as concluded.

Place: Bangalore  
Date: 09/09/2011  
*C N Gopalakrishna Rao*

  
(ARUN THAGARAN)  
CHAIRMAN

