

PROCEEDINGS OF THE THIRTEENTH ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF SYNDICATEBANK HELD ON TUESDAY, THE 17TH JULY 2012 AT SYNDICATE BANK GOLDEN JUBILEE AUDITORIUM, MANIPAL – 576 104

1. The Thirteenth Annual General Meeting (AGM) of shareholders of SyndicateBank commenced at 11.00 A.M. on July 17, 2012 at SyndicateBank Golden Jubilee Auditorium, Manipal – 576 104.
2. In terms of Regulation 59(i) of the SyndicateBank (Shares and Meetings) Regulations, 1998, Sri M G Sanghvi, Chairman and Managing Director of Syndicate Bank chaired the meeting.
3. The meeting was attended by the following Directors on the Board:
 - Sri Ravi Chatterjee - Executive Director
 - Sri M Anjaneya Prasad – Executive Director
 - Sri A S Rao
 - Sri Dinkar S Punja
 - Sri Dilip Kumar Saxena – Chairman of the Audit Committee
 - Sri Jagish Raj Shrimali
 - Sri Ramesh L Adige
4. Government of India, holding 66.17% shares in the Bank, was represented by Sri Mrityunjay Jha, Under Secretary, Department of Financial Services, Ministry of Finance.
5. Necessary Quorum being present in terms of Regulation 58 (1) of SyndicateBank (Shares and Meetings) Regulations, 1998, the Chairman and Managing Director commenced the proceedings.
6. 933 (622 in person and 311 by proxies) shareholders were present at the meeting.
7. Initiating the proceedings of the Thirteenth Annual General Meeting, the Chairman and Managing Director welcomed the shareholders and introduced the Directors on the Dias.
8. The Chairman and Managing Director requested Sri Ravi Chatterjee, Executive Director, to read the notice of AGM. At the request of the Chairman and Managing Director, the notice was read out by the Executive Director.
9. The Chairman and Managing Director highlighted the achievements of the Bank in different areas during the year 2011-12 as detailed hereunder. He also informed the shareholders that the Bank has proposed a Dividend of ₹ 3.80 per share (38%) for the year 2011-12.
 - a. Global Business registered a staggering figure of ₹ 283558 crore in 2011-12, rising from ₹ 243946 crore in 2010-11 registering a growth of 16.24 per cent. Global Deposits grew by 16.48 per cent to ₹ 157941 crore and Global Advances grew by 15.94 per cent to ₹ 125617 crore.

Domestic Business of the Bank increased from ₹ 224331 crore in 2010-11 to ₹ 258660 crore in 2011-12 registering a growth of 15.30 per cent.

- b. CASA Deposit (domestic) stood at ₹46424 crore as at 31.03.2012 constituting 31.43 per cent of Total Domestic Deposits.
 - c. Operating Profit of the Bank jumped by 21.71 per cent from ₹ 2749.78 crore in 2010-11 to ₹ 3346.80 crore in 2011-12.
 - d. Net Profit, zoomed by 25.33 per cent from ₹1047.95 crore in 2010-11 to ₹ 1313.39 crore in 2011-12.
 - e. Priority Sector Advances grew by 12.19 per cent to ₹ 41383 crore during 2011-12 and constituted 45.21 per cent of the ANBC (Adjusted Net Bank Credit) against the mandatory requirement of 40 per cent.
 - f. Agriculture Credit increased from ₹ 14798 crore in 2010-11 to ₹ 17409 crore in 2011-12 registering a growth of 17.64 per cent.
 - g. Total Income grew by 32.17 per cent to ₹ 16344.23 crore, whereas non-interest income grew by 17.57 per cent to ₹ 1075.88 crore in 2011-12.
 - h. Interest Income of the Bank registered a healthy growth of 33.34 per cent from ₹11450.86 crore in 2010-11 to ₹15268.35 crore in 2011-12.
 - i. Net Interest Income grew by 16.02 per cent from ₹ 4383 crore in 2010-11 to ₹ 5085 crore in 2011-12.
 - j. The Net NPA increased from ₹ 1030.84 crore in 2010-11 to ₹ 1185.43 crore in 2011-12 constituting 0.96 per cent of the Net Advances.
 - k. Net Interest Margin (NIM) improved from 3.40 per cent in 2010-11 to 3.43 per cent in 2011-12.
 - l. Yield on Advances of the Bank soared to 10.98% as on 31.3.2012 from 9.52% as on 31.3.2011.
 - m. Provision Coverage Ratio improved from 77.18 per cent as at 31.03.2011 to 80.06 per cent as at 31.03.2012.
 - n. Book Value per Share improved from ₹122.99 in 2010-11 to ₹150.13 in 2011-12.
 - o. The Capital to Risk-Weighted Assets Ratio (CRAR) stood at 12.24 per cent as at 31.03.2012, compared to 13.04 per cent as at 31.03.2011. During the year the Bank received a capital infusion to the tune of ₹ 327 crore from LIC of India.
10. The Chairman and Managing Director then moved a resolution to discuss, approve and adopt the Balance Sheet of the Bank as at 31.03.2012, Profit and Loss Account of the Bank for the year ended 31.03.2012, the Report of the Board of Directors on the working and activities of the Bank for the period covered by the Accounts and the Auditors Report on the Balance Sheet and Accounts. The resolution was proposed by Sri S Ganesh Prabhu Shareholder (CLID - 1201090000653905) and seconded by Sri Krishna Murthy (DPID IN 301926 CLID 30606402) and the same was taken up for discussion.
11. The Chairman and Managing Director also invited the shareholders to seek clarifications/ ask questions if any, on the agenda. The shareholders responded by complimenting the Bank for its achievements during the year 2011-12.

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12. The following shareholders spoke on the occasion:

a. Shri Premanand Bhat (DPID IN 301135 CLID 26016319)

- The Shareholder congratulated the Bank for impressive performance. He wanted to know whether the Net NPA shown in the financial statements is not because of restructuring of accounts.
- He requested for opening of separate counters for senior citizens
- He also requested the Bank to set up a public library with international standards in Manipal in memory of the Founders of the Bank

b. Shri P K Bhandary (DPID – IN 301926 CLID 30824629)

- The shareholder requested the Bank to pass on 10% of the increased profit to shareholders as dividend as against ₹ 6 crore being recommended presently.
- He said though the book value per share has improved during the year ended 31.03.2012, share of the Bank was not performing well in the stock market
- He wanted to know the steps taken by the Bank to improve the image of the Bank and also system in place for recovery of loans.

c. Dr S Ravindrakath Bhandary (DPID IN 300095 CLID 11085949)

- He complimented the Bank for bringing in the best balance sheet and declaring a good dividend;
- He wanted to know whether Goiporia/Damodaram Committee report has been implemented by the Bank
- He wanted to know the details of other income as indicated in the Balance Sheet. Observing that the interest spread was narrow and that the current economic scenario was not conducive for business, he enquired as to whether it was possible for the Bank to increase the fee based income and give good returns to its shareholders in the current year?
- FDRs eligible for any Income Tax benefits are likely to become ineligible on introduction of Direct Tax Code. Please take action
- Some Private Banks have increased Rate of interest on Savings Bank. Whether the Bank has any plan to increase Rate of Interest on Savings Deposit?
- He requested for issuance of bonus shares

d. Shri M Subaray Maiya (Folio SYN 290085)

- The shareholder wanted to know as to whether there was any need to add share capital by Government of India every year, when the Bank was earning profit continuously

e. Shri A M Nayak (SYN 094965)

- Referring to the suggestions made by him in the previous annual general meetings to do away with regard to redundant statements, he wanted to know whether the Bank had implemented his suggestion.

f. Shri Ammunje Vasudeva Nayak (Folio SYN 109068)

- The shareholder wanted the bank to reduce the cost by keeping a copy of Annual Report of the Bank at the branches instead of sending to them and requesting the shareholders to visit the nearest branch for referring the Annual Report.

g. Shri Altaf Ahmed (IN 301135 CLID 26282479)

- The shareholder complimented the Bank for the excellent performance and suggested that the Bank should make better arrangements for registration of shareholders and avoid the hardship faced by the shareholders due to paucity of space at the time of registration.

13. The Chairman and Managing Director, in his reply, thanked the shareholders for complimenting the Bank for its performance during the year ended 31.03.2012. He then responded to the observations made / queries raised by the shareholders:-

- a. As regards, NPA, figures, CMD informed that the Net NPA figures represent the correct figures as per IRAC norms followed meticulously and confirmed by the statutory auditors of the Bank. Wherever restructuring / rephasing of loans have been effected, it is done looking into the viability and following the policies of the Bank / guidelines of RBI.
- b. As regards separate counter for senior citizens, CMD informed that the Bank has already in place a provision for separate counter in a few branches. This facility will be gradually made available in more number of branches
- c. As regards setting up of a memorial in the memory of the Founders, CMD informed that the Bank has always respected Founders in all forms and In HO building, their statutes are also kept and garlanded. As regards suggestion of setting up a library, the same would be examined
- d. As regards the dividend declared by the Bank, CMD informed that dividend had gradually increased over the years. It has increased from 30% in 2009-10 to 38% in 2011-12. The Bank proposes to utilize the surplus fund for the future growth plans and hence the increase proposed is justified. Bank's capital need is enhancing substantially, in view of Basel III guidelines.
- e. As regards market value of the shares of the Bank being less than the Book value, CMD observed that share price of the Bank is determined by various factors, beyond the control of the Bank and had nothing to do with share market sentiments or price movement. He assured that the fundamentals of the Bank are strong. He also informed that the Bank had taken steps to improve its visibility and has projected an ambitious growth plan for the current financial year, which may improve the shareholders' value.
- f. As regards system in place for recovery of loans, CMD informed that the Bank has very sound system and procedure for credit appraisal and monitoring. The Bank has a robust off site monitoring mechanism, one of

the best in Banking Industry. The Bank has highly skilled manpower to manage its day to day affairs to maintain asset quality.

- g. As regards implementation of Goiporia/Damodaram Committee Recommendations, CMD informed that the Bank has implemented the same.
- h. The Bank has started a separate vertical for fee based income. The Bank is also planning for a tie up for Corporate Insurance arrangements with a reputed insurance company apart from selling mutual fund products of reputed company. Keeping this in view, the Bank is sure to improve fee based income.
- i. While answering query regarding Direct Tax Code, Chairman and Managing Director informed that DTC is Government of India's decision.
- j. While answering query with regard to increase in Rate of Interest on SB, Chairman and Managing Director narrated that Savings Deposits are not price sensitive. They are directly related to customer service and relationship. Very few private banks have increased the Rate of Interest on Savings Bank. With the large customer base, particularly in rural & semi urban areas, we are concentrating on better customer service to attract deposits under SB. We have no plans at present to increase SB interest rate.
- k. As regards Bonus Issue by Bank, there is no provision in present schemes/rules.
- l. As regards additional Capital, CMD informed that the BASEL III norms are being implemented from 2013 onwards. The Business of the Bank is projected to grow at 20 to 25% each year for the next 5years and retained profits alone will not be sufficient to take care of the prescribed CRAR for projected business growth as capital requirement is expected to increase substantially.
- m. As regards doing away with redundant statements, CMD informed that the Bank had already implemented the suggestion made by the shareholders and we are presently generating statements through the Core Banking System. He detailed the various statements being generated online through the CBS by the Bank and that Bank is endeavouring for its improvement.
- n. As regards mailing of Annual Report to the shareholders of the Bank, CMD informed that as per the extant regulations in place, the Bank was duty bound to mail the Annual Reports to the shareholders of the Bank. He further informed that as part of the Green Initiative, launched by Ministry of Corporate Affairs and endorsed by the Stock Exchanges where the shares of the Bank are listed, the Bank has emailed soft copy of the Annual Report to around 63000 shareholders, who had registered their email ids with the Bank, . He appealed to the shareholders to come forward and register their email IDs with the Bank for receiving the Annual Reports and other communication of the Bank through Email and reduce the cost.
- o. The Chairman assured the shareholders that the Bank will take steps for smooth registration of the shareholders for attending AGM.

14. After discussion, the House passed the following resolution unanimously by show of hands:

“Resolved that the Balance Sheet of the Bank as at 31.03.2012, Profit and Loss Account of the Bank for the year ended 31.03.2012, the Report of the Board of Directors on the working and activities of the Bank for the period covered by the accounts and Auditors Report on the Balance Sheet and accounts be and is hereby adopted.”

15. The Chairman and Managing Director then took up second item on the Agenda with regard to declaration of Dividend for discussion. The Chairman and Managing Director explained that the Board has recommended a dividend of ₹ 3.80 per share (38%) for the financial year 2011-12. The resolution was proposed and seconded by Ms. Usha Chetan Narvekar (DPID IN 301926 CLID 30694394) and Sri K Madhusudhan Mallya (DPID IN 300183 CLID 10396024), respectively

The House passed the following resolution unanimously by show of hands:

“Resolved that pursuant to the recommendations of the Board of Directors, Dividend of ₹3.80 per share (38%) for the year 2011-12 be and is hereby declared out of the current profits of the Bank, for the year ended 31.03.2012. The Dividend is payable to those shareholders holding shares in physical form, whose names appear on the Register of Members/ Shareholders of the Bank as on Tuesday, the 17th July 2012 and in respect of shares held in dematerialised form, the dividend will be paid on the basis of beneficial ownership as per details furnished by the depositories, as at the end of business hours on Thursday, the 12th July 2012”.

“Resolved further that the dividend warrants shall be mailed / credited within 30 days from the date of Annual General Meeting”

16. The Chairman and Managing Director then took up the third item in the Agenda with regard to election of shareholder directors from amongst shareholders of the Bank, other than Central Government.

17. The Chairman and Managing Director informed the meeting that Mr. M Bhaskara Rao, Mr. AR Nagappan and Mr. Bhupinder Singh Suri were elected as Directors from amongst the Shareholders of the Bank, other than the Central Government at the Annual General Meeting held on 26th June 2009 and assumed office on 27th June 2009 in terms of Regulation 66 (iii) of SyndicateBank (Shares and Meetings) Regulations, 1998. Consequent upon the increase in Government shareholding in March 2011 to 69.47 due to infusion of additional capital for augmenting Capital of the Bank, the public shareholding fell below 32%. Accordingly, Sri M Bhaskara Rao, ceased to be a director of the Bank in terms of Section 9(3)(i) of the Act and clause 4A of the scheme. Pursuant to the recent issue of 2,86,64,284 equity shares to various schemes of LIC of India, the public shareholding in the Bank has increased to 33.83%, thereby entitling the Bank to elect three shareholder directors. However, there is a likelihood of Government of India infusing additional capital, during the current financial year, the public shareholding may reduce below 32% thereby the Bank would be entitled to elect only two shareholder directors. In view of the aforesaid and with a view to filling in the vacancies that had arisen on 26th June, 2012, the Bank has decided to

conduct, to elect two Directors from amongst Shareholders other than the Central Government.

18. The Chairman and Managing Director informed the shareholders that Bank had received 8 nominations until 02nd July 2012, being the last date for receipt of nominations. After scrutiny & ascertainment of "fit & proper" status all the nominations were found valid and notified. In terms of Regulation 63 of the SyndicateBank (Shares & Meetings) Regulations, 1998, polling became necessary as the number of valid nominations received was more than the number of the vacancies. The Chairman and Managing Director read brief profile of the following candidates contesting the election:

1. Shri Anand. K. Pandit
2. Shri Anup Prakash Garg
3. Shri Deepak Kumar Gupta
4. Shri Dushyant Kumar Tyagi
5. Ms. Jasleenn Suri
6. Shri Kamlesh Kumar Goel
7. Shri Pawan Kumar Goel
8. Shri Rohit Khanna

19. The Chairman and Managing Director also informed the members that Shri T Muralidharan, General Manager of the Bank has been appointed as the Chief Returning Officer for the election and the Central Government has appointed Shri Mrityunjay Jha, Under Secretary, Department of Financial Services, Ministry of Finance as their Authorized Representative to oversee the process of election.

20. The Chairman and Managing Director further informed that M/s. S N ANANTHASUBRAMANIAN & Co, practicing Company Secretaries, having considerable experience in conducting the elections of shareholder Directors in Banks were appointed to conduct the election. The Chairman and Managing Director requested Shri. Ananthasubramanian to explain the voting procedure in detail for the benefit of all present in the meeting.

21. Shri S N Ananthasubramanian explained the procedure of the polling in detail, including the manner of casting the votes. He informed the meeting that every shareholder of the Bank whose name appears on the Register of Shareholders as on Friday, the 15th June 2012, is entitled to one vote for each share held by him subject to a maximum of 60,19,499 votes per shareholder being 1% of the total share capital of the Bank in terms of provisions of Section 3(2)(E) of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970. The representatives of M/s. S N ANANTHASUBRAMANIAN & Co then demonstrated to the shareholders, the Ballot Boxes used for the elections and thereafter, they locked and sealed the Ballot Boxes, by placing on Dias, in presence of all. The only candidate, Ms. Jasleenn Suri, present in the auditorium affixed her signature on a paper, besides the Chief Returning Officer, which was pasted to the locks of 4 ballot boxes. He informed the shareholders that the election would commence after the Ballot Boxes were carried and placed at the polling arena and that it would continue till 3. 00 P M.

22. Thereafter, the Chairman and Managing Director announced the commencement of the election from amongst the shareholders, other than the Central Government. He further announced that the polling would conclude at 3.00 P.M after which the counting would commence.
23. The election process commenced at 12.50 P. M and concluded at 3.00 P.M. There were four Ballot Boxes used in the process of election. At 3.00 P M, Shri T Muralidharan, Chief Returning Officer of the Bank announced the conclusion of the process of polling.
24. The Counting of votes began thereafter. The four Ballot Boxes used for the election contained 264 Ballot Papers, out of which one was found invalid after the scrutiny thereof. On completion of scrutiny of the balance 263 Ballot Papers and counting of votes cast, the number of votes polled by each candidate in terms of shares held by the shareholders who participated in the meeting were tabulated by the Consultants and the Registrars under the supervision of the Chief Returning Officer and under the observation of the Government Nominee.
25. After the Counting of votes, the Meeting reassembled.
26. The Chairman informed that Sri Rohit Khanna had made a written representation that one of the instrument of proxy issued in favour of his representative was rejected by the Bank and wanted to know the reasons thereof. The Chairman clarified that the Bank had received an instrument of proxy from the shareholder on 11th July 2012 and having found to be valid, it was registered. Another instrument of proxy was received from the same shareholder on 12th July 2012, which in terms of Regulation 70 (iii) of the SyndicateBank (Shares and Meetings) Regulations, 1998 was rejected as duplicate. The Chairman assured the shareholders that the Bank had been strictly complying with all the applicable provisions of the law in the conduct of the election of shareholder directors. He also informed that the Bank was issuing a written clarification to the candidate as aforesaid in this regard.
27. Thereafter the details of votes polled by each candidate during the election was announced by Shri T Muralidharan, Chief Returning Officer:

Sl. No.	Name of the Candidate	No. of Votes Polled
1	Shri Anand K Pandit	2,84,98,339
2	Shri Anup Prakash Garg	1,66,36,848
3	Shri Deepak Kumar Gupta	77,73,358
4	Shri Dushyant Kumar Tyagi	6,139
5	Ms. Jasleenn Suri	1,96,67,460
6	Shri Kamlesh Kumar Goel	6,000
7	Shri Pawan Kumar Goel	4,607
8	Shri Rohit Khanna	9,588

28. On the basis of the total votes polled by the candidates, the Chairman and Managing Director of the Bank declared the following candidates elected as Shareholder Directors of the Bank:

Sl. No.	Name of the Candidate	No. of Votes Polled
1	Shri Anand K Pandit	2,84,98,339
2	Ms. Jasleenn Suri	1,96,67,460

29. Thereafter, the Chairman and Managing Director declared the following Resolution as passed.

"RESOLVED THAT two Directors elected from amongst the shareholders, other than the Central Government, pursuant to Section 9(3)(i) of the Act read with relevant Scheme and Regulations made thereunder and RBI Notification be and are hereby appointed as the Directors of the Bank to assume office from 18th July 2012 and shall hold office until the completion of a period of three years from the date of their assumption of office as Directors."

30. The Chairman also informed that the elected directors would assume office on 18th July 2012 and would hold office for a period of three years till 17th July 2015

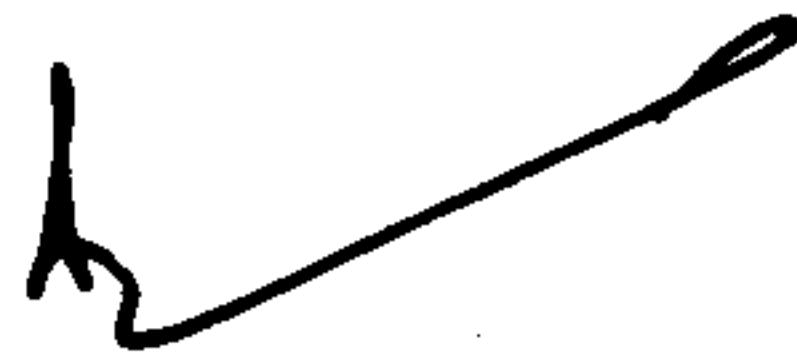
31. At the request of the Chairman and Managing Director, Shri M Anjaneya Prasad, Executive Director of the Bank proposed a formal vote of thanks.

32. As there was no other business to be transacted, the Chairman and Managing Director declared the Meeting as closed.

Place: Manipal
Date: 17.07.2012


(M G SANGHVI)
CHAIRMAN AND MANAGING DIRECTOR





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