

MINUTES OF THE 86TH ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF THE SOUTH INDIAN BANK LIMITED, THRISSUR, HELD ON FRIDAY, THE 16TH DAY OF JULY 2014, AT 10.00 A.M. AT CASINO CULTURAL AUDITORIUM, THRISSUR.

ATTENDANCE

MEMBERS PRESENT

In Person	305 Members
By Proxy	27 Members

DIRECTORS PRESENT

SRI. AMITABHA GUHA	CHAIRMAN
SRI. V.A. JOSEPH	MANAGING DIRECTOR & CEO
SRI. PAUL CHALISSERY	DIRECTOR
SRI. MATHEW L. CHAKOLA	DIRECTOR
SRI. MOHAN E. ALAPATT	DIRECTOR
SRI. K. THOMAS JACOB	DIRECTOR (CHAIRMAN OF AUDIT COMMITTEE)
SRI. JOHN JOSEPH	DIRECTOR
SRI. FRANCIS ALAPATT	DIRECTOR
SRI. SALIM GANGADHARAN	DIRECTOR
SRI. CHERYAN VARKEY	DIRECTOR

COMPANY SECRETARY

Sri. Jimmy Mathew ACS, ACMA.

LEGAL ADVISOR

Sri. P.D. Jose

STATUTORY AUDITORS

Sri. Subrahmanian Suresh
Partner,
S.R.Batliboi & Associates LLP

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- 1) Pursuant to sec. 104 of the Companies Act, 2013 and Regulation 75 of the Bank's Articles of Association, Sri. Amitabha Guha, Chairman of the Board, presided over the meeting.
 - 2) In terms of sec. 103 of the Companies Act, 2013 and regulation 73 of the Bank's Articles of Association, the Company Secretary confirmed that the requisite quorum was present and the Chairman called the meeting to order. The proceedings of the meeting commenced with a silent prayer and paying homage to the departed employees, shareholders and clientele.
 - 3) The Register of Directors and their shareholding was placed at the commencement of the Annual General Meeting and was also kept open and accessible during the continuance of the meeting for inspection of members. As per SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, a certificate from the Statutory Auditors of the Bank was obtained and placed before the Annual General Meeting stating that the ESOS of the Bank was implemented in accordance with the said SEBI Guidelines and in accordance with the approval taken by the Bank earlier in the general meetings.
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- 4) The Chairman, at the outset, extended a warm welcome to the shareholders. He thanked the members for their esteemed presence, continued trust and unwavering support extended to the Bank.

Commencing with the economic scenario, the Chairman pointed out our economic growth remained below 5% for the second consecutive year along with subdued investment activity and consumer demand. Going through the Gross Domestic Product (GDP), growth in service sector and industrial and agriculture sector, he emphasized the need to have a robust policy framework that balances the priorities of investments and the return there from. Briefing the performance of the economy as well as banking industry in the challenging macro-economic environment, the chairman moved to the performance of the Bank during the year under review.

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During the year, the Bank opened 54 new branches and 200 ATMs across the country. The branch network now covers 29 states/union territories and has a network of 794 branches, 9 service branches and 1000 ATMs. We plan to open plans to open 25 new branches, 25 Extension Counters, 250 ATMs, 3 USBs and increasing the network of branches to establish foot prints in the states not covered hither to, Arunachal Pradesh and Sikkim during the current financial year.

The Chairman reiterated the Bank's Human Resources policies and practices on attracting, motivating and retaining qualified and skilled manpower. The Bank's Staff Training College identifies the gaps in resource capability of the personnel and train them for qualitative improvement.

The bank effectively leveraged technology and introduced several variants of traditional products and new e-based services, tailor made to the diversified needs of customers. The Bank acts as a Point of Presence to provide services to subscribers of New Pension System introduced by Pension Fund Regulatory and Development Authority (PFRDA). Also the Bank has been appointed as an Aggregator for NPS Lite.

The Chairman affirmed Bank's Corporate Social Responsibility Policy strictly conforms to the guidelines of RBI and Ministry of Corporate Affairs. As part of CSR, the bank has provided an overall financial assistance of Rs.63.42 lakhs in the financial year 2013-14. He expressed his pleasure in bagging various awards for achievements from different institutions and organizations.

He stressed the existence of robust risk management structure of the Bank, which proactively identifies the risk faced by the Bank and helps in mitigating it, while maintaining proper tradeoff between risk and return.

The Chairman sought support and goodwill of the shareholder, while expressing his deep sense of gratitude to the Reserve Bank of India, Securities and Exchange Board of India, Government of India, Government of Kerala and all other state Governments where the Bank operates, other Government and Regulatory Authorities, including stock exchanges, where the Bank's shares are listed and correspondent Banks for their strong support and guidance, during the year. He also placed the Board's appreciation for the valuable services rendered by M/s. S. R. Batliboi & Associates LLP, Statutory Auditors, during their tenure.

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He expressed the Board's gratitude and appreciation to Dr. V.A. Joseph, MD & CEO of the Bank, whose tenure expires on 30th September, 2014 and as part of a seamless succession plan, Mr. V.G. Mathew, the present executive vice-president of the Bank will take charge of the MD & CEO w.e.f 1st October, 2014, subject to the approval of Reserve Bank of India. Further, the Board has accorded approval to promote Mr. Joseph George Kavalam and Mr. A.G. Varughese as Senior Vice Presidents of the bank w.e.f. 01.10.2014.

He thanked the shareholders for their time and attention.

The Company Secretary then read the Auditor's Report and summary of valid proxies received as entered in the Proxy Register. As directed by Chairman, he laid the Register of Directors' shareholdings and the Proxy Register on the Table. The Chairman referred to the Notice dated 28th May, 2014, convening the AGM, and with the consent of the Members present, the notice was taken as read. The meeting then proceeded to item-wise disposal of the agenda.

ITEM No.1: ADOPTION OF ACCOUNTS:

“RESOLVED that the Balance Sheet of the Bank as at 31st March 2014 together with the Profit & Loss account for the financial year ended 31st March, 2014 annexed thereto as certified by the Auditors *vide* their report dated 24th April 2014 attached thereto and read at the meeting and the Directors' Report thereon dated 28th May 2014 be and are hereby received, approved, adopted and appropriation of Net Profits approved.”

Before moving the resolution, the Chairman requested the members to take part in the deliberations and express views on the performance of the Bank during the period under review. Adv. Mathew Paul, shareholder, appreciated the management for the sustained growth of the Bank. Sri. Viswanath Chandran, shareholder, urged for allocation of proposed issue of shares as right issue at lower premium. Sri. P.C. Paulose, shareholder, suggested for rationalization of charges imposed by the Bank for various services, including abolition of ATM annual maintenance charges to accountholders maintaining minimum balance of Rs.5000/- Sri. C. Vishwanathan, a shareholder of the Bank, opined that the Bank should extend some financial literacy programme in the district of Palakkad as part of Corporate Social Responsibility and he is ready to extend his support for the same. The Chairman took note of the suggestions for consideration of Board.

On the basis of e-voting & postal ballot voting and the consolidated Final Report submitted by the scrutinizer, 24,96,04,169 votes cast in favour and 2,875 votes against the Resolution. The above resolution was passed as an Ordinary Resolution.

ITEM No. 2: DECLARATION OF DIVIDEND:

“RESOLVED THAT a dividend of Re 0.80 per Equity share of face value Re. 1/-, tax free in hands of shareholders, be and is hereby declared on the shares of the Bank for the financial year 2013-14, the same to be paid to shareholders whose names appear in the Register of Members on 16th July, 2014 in physical mode and to those whose names were in the Register of Beneficial Owners as on 9th day of July 2014, in the demat segment.”

On the basis of e-voting/postal ballot voting and the consolidated Final Report submitted by the scrutinizer, 24,95,67,261 votes cast in favour and 3,273 votes against the Resolution. The above resolution was passed as an Ordinary Resolution.

ITEM No. 3: APPOINTMENT OF STATUTORY CENTRAL AUDITORS:

Chairman informed that M/s. S.R Batliboi & Associates LLP (Previously M/s. S.R Batliboi & Associates) , Chartered Accountants, Chennai were the Statutory Auditors of the Bank for the year 2013-14. He further informed that the Reserve Bank of India vide its letter No.DBS.ARS.No.16309/08.21:005/2013-14 dated June 24, 2014 has given the required approval for their appointment as Statutory Central Auditors of the Bank for the year 2014-15. The Chairman, therefore, suggested appointment of M/s. S.R. Batliboi & Associates LLP, Chartered Accountants as Statutory Central Auditors of the Bank for the Financial Year 2013-14.

As directed by the Chairman, Company Secretary read the text of the resolution proposing the appointment of M/s. S.R. Batliboi & Associates LLP, as Statutory Central Auditors and authorising the Board to fix their remuneration.

“RESOLVED THAT M/s. S.R. Batliboi & Associates LLP, Chartered Accountants, be and are hereby appointed as the Statutory Central Auditors of the Bank for the period commencing from the conclusion of this Annual General Meeting until the conclusion of the eighty seventh Annual General Meeting herefrom, subject to the ratification by members at every annual general meeting and that the Board of Directors of the Bank be and is hereby authorised to fix the remuneration of the said Auditors in terms of Section 142 of the Companies Act, 2013, at such rates as it deems fit.”

On the basis of e-voting/postal ballot voting and the consolidated Final Report submitted by the scrutinizer, 24,9037,907 votes cast in favour and 5,31,992 votes against the Resolution. The above resolution was passed as an Ordinary Resolution.

ITEM No. 4 to 11: APPOINTMENT OF DIRECTORS

ORDINARY RESOLUTION NO.4:

“RESOLVED that pursuant to the provisions of Sections 149, 152 and other applicable provisions, if ~~any, of the Companies Act, 2013 read with the Companies (Appointment and Qualification of~~ Directors) Rules, 2014 and other applicable rules, if any, Section 10A and other applicable provisions of the Banking Regulation Act, 1949 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Rules, Circulars and Guidelines issued by the Reserve Bank of India, Mr. Mathew L Chakola (DIN-00633502), be and is hereby appointed as an Independent Director of the Bank in the Minority Sector for the purpose of Section 149(2) of the Companies Act, 2013 with effect from April 1, 2014 and that he shall hold office upto September 30, 2014, and further that he shall not be liable to retire by rotation.”

On the basis of e-voting/postal ballot voting and the consolidated Final Report submitted by the scrutinizer, 24,94,72,188 votes cast in favour and 65,191 votes against the Resolution. The above resolution was passed as an Ordinary Resolution.

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ORDINARY RESOLUTION NO.5:

“RESOLVED that pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable rules, if any, Section 10A and other applicable provisions of the Banking Regulation Act, 1949 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Rules, Circulars and Guidelines issued by the Reserve Bank of India, Mr. Paul Chalissery (DIN-00836980), be and is hereby appointed as an Independent Director of the Bank in the Majority Sector for the purpose of Section 149(2) of the Companies Act, 2013 with effect from April 1, 2014 and that he shall hold office upto September 30, 2014, and further that he shall not be liable to retire by rotation.”

On the basis of e-voting/postal ballot voting and the consolidated Final Report submitted by the scrutinizer, 24,94,47,610 votes cast in favour and 57,704 votes against the Resolution. The above resolution was passed as an Ordinary Resolution.

ORDINARY RESOLUTION NO.6:

“RESOLVED that pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable rules, if any, Section 10A and other applicable provisions of the Banking Regulation Act, 1949 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Rules, Circulars and Guidelines issued by the Reserve Bank of India, Mr. Mohan E Alapatt (DIN-00025594), be and is hereby appointed as an Independent Director of the Bank in the Minority Sector for the purpose of Section 149(2) of the Companies Act, 2013 with effect from April 1, 2014 and that he shall hold office upto 28th February, 2018, and further that he shall not be liable to retire by rotation.”

On the basis of e-voting and postal ballot voting, and the consolidated Final Report submitted by the scrutinizer, 24,94,36,343 votes cast in favour and 53,416 votes against the Resolution. The above resolution was passed as an Ordinary Resolution.

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ORDINARY RESOLUTION NO.7:

“RESOLVED that pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable rules, if any, Section 10A and other applicable provisions of the Banking Regulation Act, 1949 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Rules, Circulars and Guidelines issued by the Reserve Bank of India, Mr. K Thomas Jacob (DIN-00812892), be and is hereby appointed as an Independent Director of the Bank in the Majority Sector for the purpose of Section 149(2) of the Companies Act, 2013 with effect from April 1, 2014 and that he shall hold office upto 30th August, 2018, and further that he shall not be liable to retire by rotation.”

On the basis of e-voting/postal ballot voting and the consolidated Final Report submitted by the scrutinizer, 24,89,37,151 votes cast in favour and 5,53,588 votes against the Resolution. The above resolution was passed as an Ordinary Resolution.

ORDINARY RESOLUTION NO.8:

“RESOLVED that pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable rules, if any, Section 10A and other applicable provisions of the Banking Regulation Act, 1949 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Rules, Circulars and Guidelines issued by the Reserve Bank of India, Dr. John Joseph Alapatt (DIN-00021735), be and is hereby appointed as an Independent Director of the Bank in the Majority Sector for the purpose of Section 149(2) of the Companies Act, 2013 with effect from April 1, 2014 for a period of five (5) years, and further that he shall not be liable to retire by rotation.”

On the basis of e-voting/postal ballot voting, and the consolidated Final Report submitted by the scrutinizer, 24,94,26,853 votes cast in favour and 62,986 votes against the Resolution. The above resolution was passed as an Ordinary Resolution.

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ORDINARY RESOLUTION NO.9:

“RESOLVED that in accordance with the provisions of Sections 149, 152, 160 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable rules, if any, Section 10A and other applicable provisions of the Banking Regulation Act, 1949 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Rules, Circulars and Guidelines issued by the Reserve Bank of India, Mr. Francis Alapatt (DIN 01419486), who was appointed as an Additional Director pursuant to Section 161(1) of the Companies Act, 2013 and who holds office up to the date of this Annual General Meeting and in respect of whom the Bank has received a notice in writing, proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Bank in the Minority Sector, for the purpose of Section 149(2) of the Companies Act, 2013 with effect from April 1, 2014 for a period of five (5) years, and further that he shall not be liable to retire by rotation.”

On the basis of e-voting/postal ballot voting and the consolidated Final Report submitted by the scrutinizer, 24,94,31,948 votes cast in favour and 52,921 votes against the Resolution. The above resolution was passed as an Ordinary Resolution.

ORDINARY RESOLUTION NO.10:

“RESOLVED that in accordance with the provisions of Sections 149, 152, 160 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable rules, if any, Section 10A and other applicable provisions of the Banking Regulation Act, 1949 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Rules, Circulars and Guidelines issued by the Reserve Bank of India, Mr. Salim Gangadharan (DIN-06796232), who was appointed as a Director pursuant to Section 161 of the Companies Act, 2013 and who holds office up to the date of this Annual General Meeting and in respect of whom the Bank has received a notice in writing, proposing his candidature for the office of director, be and is hereby appointed as an Independent Director of the Bank in the Majority Sector, for the purpose of Section 149(2) of the Companies Act, 2013 with effect from April 1, 2014 for a period of five (5) years, and further that he shall not be liable to retire by rotation.”

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On the basis of e-voting/postal ballot voting and the consolidated Final Report submitted by the scrutinizer, 24,94,70,387 votes cast in favour and 13,962 votes against the Resolution. The above resolution was passed as an Ordinary Resolution.

ORDINARY RESOLUTION NO.11:

“RESOLVED that in accordance with the provisions of Sections 149, 152, 160 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable rules, if any, Section 10A and other applicable provisions of the Banking Regulation Act, 1949 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Rules, Circulars and Guidelines issued by the Reserve Bank of India, Mr. Cheryan Varkey (DIN-06884551), who was appointed as an Additional Director pursuant to Section 161 of the Companies Act, 2013 and who holds office up to the date of this Annual General Meeting and in respect of whom the Bank has received a notice in writing, proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Bank in the Majority Sector, whose period of office is liable for determination by retirement of directors by rotation.”

On the basis of e-voting/postal ballot voting and the consolidated Final Report submitted by the scrutinizer, 24,94,74,233 votes cast in favour and 75,556 votes against the Resolution. The above resolution was passed as an Ordinary Resolution.

ITEM NO. 12: APPOINTMENT OF BRANCH AUDITORS

“RESOLVED THAT in terms of Section 143 of the Companies Act, 2013, the Board of Directors be and is hereby authorized to appoint from time to time in consultation with the Bank’s Statutory Central auditors, one or more persons qualified for appointment as branch auditors to audit the accounts for the financial year 2014-15, of such of the branch offices of the Bank as are not proposed to be audited by the Bank’s Statutory Central Auditors on such remuneration and subject to such terms and conditions as may be fixed by the Board of Directors.”

On the basis of e-voting/postal ballot voting, and the consolidated Final Report submitted by the scrutinizer, 24,89,70,529 votes cast in favour and 5,18,210 votes against the Resolution. The above resolution was passed as an Ordinary Resolution.

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ITEM NO.13- ORDINARY RESOLUTION FOR APPOINTMENT OF MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER

“RESOLVED that subject to the approval by Reserve Bank of India and pursuant to the applicable provisions of the Companies Act, 2013, the Banking Regulation Act, 1949, and the provisions of the Articles of Association of the Bank, consent of the Bank be and is hereby accorded for appointment of Mr. V. G. Mathew (DIN05332797), as Managing Director and Chief Executive Officer and that he shall also be a Whole-time Key Managerial Person of the Bank for a period of three years from 1st October, 2014 till 30th September, 2017 on the terms and conditions, brief particulars whereof have been set out in the annexed Explanatory Statement, being the remuneration recommended by the Board of Directors vide Resolution No.SEC/S-54 /14-15 dated May 28, 2014 and as may be approved by the Reserve Bank of India.”

“FURTHER RESOLVED that Mr. V. G. Mathew, shall not be subject to retirement by rotation during his tenure as Managing Director & CEO of the Bank.”

On the basis of e-voting/postal ballot voting, and the consolidated Final Report submitted by the scrutinizer, 24,94,81,202 votes cast in favour and 36,675 votes against the Resolution. The above resolution was passed as an Ordinary Resolution.

ITEM NO.14- SPECIAL RESOLUTION TO AMEND THE ARTICLES OF ASSOCIATION OF THE BANK IN COMPLIANCE WITH THE COMPANIES ACT, 2013 AND AMENDMENTS IN THE BANKING REGULATION ACT, 1949

“RESOLVED THAT pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013, and Rules made thereunder and any statutory modifications or re-enactment thereof for the time being in force, and subject to the necessary approvals required, if any, in this regard from Reserve Bank of India (“RBI”) and subject further to such other terms, conditions, stipulations, alterations, amendments or modifications as may be required, specified or suggested by RBI which terms, conditions, stipulations, alterations, amendments or modifications, the Board of Directors (herein after referred to as “the Board”, which term shall include any of its duly authorized Committee or individual Director) is hereby authorized to accept as it may deem fit; consent of the Members of the Bank be and is hereby accorded to the alteration of the Bank’s Articles of Association in the manner and to the extent hereinafter provided:

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- a) Article 1 be and is hereby deleted and in its place the following Clause shall be substituted:

“The regulations contained in Table F of the Schedule-I to the Companies Act, 2013, shall apply to this Company except so far as the clauses herein contained modify the same or provide otherwise. Whenever any of these clauses come into conflict with the provisions of the Companies Act, 2013 or any subsequent modifications thereof, the provisions and modifications, as the case may be of the said Act, shall prevail.”

- b) The marginal note appearing against Article 1 is hereby deleted and substituted as :

“Applicability of Table F of the Companies Act, 2013”.

- c) Clause (a) of Article 2 be and is hereby deleted and in its place the following Clause shall be substituted:

“Any reference to “Act” or “the Companies Act”, or “the Companies Act, 1913”, or “the Companies Act, 1956”, unless the context otherwise requires, shall mean the Companies Act, 2013 and its modifications or re-enactments from time to time and any reference to a specific provision of an Act shall, without repugnant to the context thereof, be construed to be referring to a corresponding provision of an Act that came into existence repealing the former Act. Further, the Sections or provisions bearing reference to the Companies Act, 1913 or the Companies Act, 1956, shall have reference to the corresponding Sections or provisions in the Companies Act, 2013, as applicable.”

- d) Clause (i) of Article 2 be and is hereby deleted and in its place the following Clause shall be substituted:

“Director means a director appointed to the Board of the Company.”

- e) Article 74 be and is hereby deleted and in its place the following Article shall be substituted:

“Thirty members personally present or such other higher number as may be prescribed by the Companies Act, 2013 shall be a quorum to be for a general meeting and no business shall be transacted at any general meeting unless the quorum requisite is present at the commencement of the business.”

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- f) The existing Article 81, be and is hereby deleted and in its place the following shall be substituted:

“On a show of hands every member present in person shall have one vote and upon a poll (whether by electronic voting or postal ballot or otherwise), every member voting so or voting in person or by proxy at a general meeting, as the case may be, shall exercise voting rights proportionate to the number of fully-paid shares held by the share holder in proportion to the paid up capital of the Company, provided however, that no share holder shall exercise voting rights in excess of ten percent of the total voting rights of all the share holders of the Company or such other percentage of the total voting rights of all members of the Company as may be directed by the Reserve Bank of India from time to time.”

- g) The following sentence shall be inserted in Article 98 in the end as last sentence:

“Notwithstanding the above and subject to the provisions of Section 149(13) of the Companies Act, 2013, Directors who are appointed as Independent Directors of the Company are not subject to retirement by rotation.”

- ~~h) The following sentence shall be inserted in Article 103 in the end as last sentence:~~

“However, the aforesaid requirement will not apply to Independent Directors.”

“RESOLVED FURTHER THAT the Articles of Association of the Bank, duly modified as aforesaid, be and is hereby adopted as the Articles of Association of the Bank.”

On the basis of e-voting/postal ballot voting and the consolidated Final Report submitted by the scrutinizer, 24,95,22,113 votes cast in favour and 27,850 votes against the Resolution. The above resolution was passed as Special Resolution.

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ITEM NO. 15: SPECIAL RESOLUTION TO INCREASE THE AUTHORIZED CAPITAL OF THE BANK AND AMEND THE CAPITAL CLAUSE (Clause 5) OF MEMORANDUM OF ASSOCIATION OF THE BANK ACCORDINGLY.

“RESOLVED THAT pursuant to Section 61 and other applicable provisions, if any, of the Companies Act, 2013, Banking Regulation Act, 1949, the Authorized Capital of the Bank be and is hereby increased from Rs.160,00,00,000 (Rupees One Hundred and Sixty crore only) to Rs.250,00,00,000 (Rupees Two Hundred and Fifty crore only) by creation of additional 90,00,00,000 (Ninety crore) shares of Re.1/- each, ranking for dividend and in all other respects pari passu with the existing equity shares of the Bank when issued and accordingly the existing Clause 5 of the Memorandum of Association of the Bank be and is hereby amended by substituting the words and figures Rs.250,00,00,000 divided into 250,00,00,000 shares of Re.1/- each ‘for the words and figures, Rs.160,00,00,000 divided into 160,00,00,000 shares of Re.1/- each, appearing in Clause 5 thereof.”

On the basis of e-voting/postal ballot voting and the consolidated Final Report submitted by the scrutinizer, 24,95,22,887 votes cast in favour and 19,107 votes against the Resolution. The above resolution was passed as Special Resolution.

ITEM NO. 16 - SPECIAL RESOLUTION TO AUGMENT THE PAID-UP CAPITAL OF THE BANK BY FURTHER ISSUE OF SHARES.

“RESOLVED THAT pursuant to the provisions of Section 62 (1) and all other applicable provisions, if any, of the Companies Act, 2013 and rules made there under, to the extent notified and in effect (the “Companies Act”), and applicable provisions, if any, of the Companies Act, 1956, as amended (without reference to the provisions thereof that have ceased to have effect upon notification of sections of the Companies Act, 2013), the Banking Regulation Act, 1949 as amended, Foreign Exchange Management Act, 1999 (“FEMA”), as amended, the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Receipt Mechanism) Scheme, 1993, as amended, Rules, Regulations, Guidelines, Notifications and circulars, if any, prescribed by the Government of India, Reserve Bank of India, Securities and Exchange Board of India (“SEBI”) including the SEBI (Issue of Capital and Disclosure Requirements) Regulations 2009, as amended (the “ICDR Regulations”) or any other competent authority, whether in India or abroad, from time to

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time, and such other applicable laws and regulations, to the extent applicable including the applicable provisions of listing agreements entered into with the Stock Exchanges (the "Listing Agreement") and in accordance with the relevant provisions of the Memorandum and Articles of Association of the South Indian Bank Ltd. (the "Bank") and subject to all necessary approvals, consents, permissions and / or sanctions of the Ministry of Finance (Department of Economic Affairs) and of Ministry of Industry (Foreign Investment Promotion Board/Secretariat for Industrial Assistance) Government of India (GOI), Reserve Bank of India (RBI), Securities and Exchange Board of India (SEBI), Stock Exchanges (SEs), financial institutions, lenders and all other appropriate and/or relevant / concerned authorities/third parties in India and other applicable countries (herein after referred to as the "Requisite Approvals") and subject to such conditions and modifications as may be prescribed by any of them while granting any such approvals and sanctions and which may be agreed to by the Board of Directors of the Bank (the "Board") (which term shall be deemed to include any Committee(s) constituted/to be constituted by the Board to exercise its power including the powers conferred on the Board under this resolution), the consent, authority and approval of the shareholders of the Bank, be and is hereby accorded to the Board to create, offer, issue and allot (including with provision for reservation on firm allotment and/or competitive basis of such part of issue and for such categories of persons as may be permitted by law then applicable) from time to time in one or more tranches with or without a green shoe option, by way of a rights issue to the existing members of the Bank whether resident or non-resident, rights-cum-public-issue, public issue, private placement, preferential issue, Qualified Institutional Placement (QIP) in Indian and/or International markets or combination thereof of Equity Shares or through an issuance of Global Depository Shares (GDSs)/ Global Depository Receipts (GDRs) / American Depository Receipts (ADRs) / Foreign Currency Convertible Bonds (FCCBs) representing Equity Shares and/ or Debentures or Bonds convertible into equity shares whether fully or partly and whether compulsorily or at the option of the Bank or the holders thereof and/or any security linked to equity shares and/or all or any of the aforesaid securities with or without detachable or non-detachable warrants, (hereinafter collectively referred to as the "Securities") to all eligible investor, including resident Indian individuals, bodies corporate, societies, trusts, non-residents, Qualified Institutional Buyers (QIBs), stabilisation agents, foreign investors (whether institutions and/or incorporated bodies and/or individuals and/or trusts and/or otherwise), Foreign Institutional Investors (FIIs), Foreign Corporate Bodies (FCBs)/Companies/Mutual funds/ Pension Funds/ Venture Capital Funds/Foreign Portfolio Investors

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(FPIs)/Banks, whether Indian or foreign and such other persons or entities whether or not such investors are members of the Bank, to all or any other category of investors who are authorized to invest in equity shares of the Bank as per extant regulations/guidelines or any combination of the above as may be deemed appropriate by the Bank through one or more offer prospectus and /or letter of offer or circular or such other document and/or on private placement basis, at such time or times, at such price or prices and on such terms and conditions considering the prevailing market conditions and other relevant factors wherever necessary, for amount in nominal value not exceeding in the aggregate Rs.70,00,00,000 (Rupees Seventy crore only) or its equivalent amount in such foreign currencies as may be necessary with any premium and Green Shoe Option in one or more tranches, as may be deemed appropriate by the Board or Committee of Directors in such form and manner and on such terms and conditions like price or prices, premium, interest or additional interest, number of securities to be issued, face value, number of equity shares to be allotted on conversion/redemption/extinguishment of debt(s), rights attached to the warrants, period of conversion, fixing of record date or book closure terms of green shoe options, if any, exercised by the Bank and where in and all other connected matters”.

“RESOLVED FURTHER THAT the securities issued in foreign markets shall be deemed to have been made abroad and/or in the market and/ or at the place of issue of the Securities in the ~~international market and may be governed by applicable foreign laws”.~~

RESOLVED FURTHER THAT in case of issue and allotment of Securities by way of Qualified Institutions Placement (“QIP”) to Qualified Institutional Buyers (“QIBs”) in terms of Chapter VIII of the SEBI ICDR Regulations:

- i. The relevant date for the purpose of pricing of the Equity Shares to be issued, if issued pursuant to Chapter VIII of the SEBI ICDR Regulations and/or other applicable regulations, shall be the date of the meeting in which the Board or Committee of Directors duly authorized by the Board decides to open the proposed issue of Equity Shares, subsequent to the receipt of members’ approval in terms of provisions of Companies Act, 2013 and other applicable laws, rules, regulations and guidelines in relation to the proposed issue of the Equity Shares;

- ii. The Board may, at its absolute discretion, issue Equity Shares at a discount of not more than five percent or such other discount as may be permitted under applicable regulations to the floor price as determined in terms of the SEBI (ICDR) Regulations, 2009, subject to the provisions of Section 53 of the Companies Act, 2013.
- iii. The issue and allotment of Equity Shares shall be made only to QIBs within the meaning of SEBI Regulations, such Equity Shares shall be fully paid-up on its allotment, which shall be completed within 12 months from the date of this resolution approving the proposed issue or such other time as may allowed by the SEBI Regulations, from time to time;
- iv. The Equity Shares shall not be eligible to be sold for a period of 1 year from the date of allotment, except on a recognized stock exchange, except as may be permitted from time to time by the SEBI Regulations;
- v. The total amount raised in such manner should not, together with the over allotment option exceed five times the net worth of the Bank as per the audited Balance Sheet of the previous financial year.

“RESOLVED FURTHER THAT without prejudice to the generality of the above and subject to applicable laws and subject to Requisite Approvals including any conditions as may be prescribed while granting such approval or permissions by such governmental authority or regulatory institution, the aforesaid Securities may have such features and attributes or any terms or combination of terms that provide for the tradability and free transferability thereof in accordance with the prevailing practices in the capital markets including but not limited to the terms and conditions for issue of additional Securities.”

“RESOLVED FURTHER THAT for the purpose of giving effect to the foregoing and without being required to seek any further consent or approval of the members of the Bank, the members shall be deemed to have given their approval thereto expressly by the authority of this resolution to the Board or Committee of Directors and the Board or Committee of Directors be and is hereby authorized for and on behalf of the members of the Bank:

8.

a) To appoint, enter into and execute all such arrangements, as the case may be, with any lead managers, merchant bankers, managers, underwriters, bankers, financial institutions, solicitors, advisors, guarantors, depositories, registrars, transfer agents, custodians, trustees, lawyers, chartered accountants, company secretaries, experts in banking industry, consultants, book runners and such other intermediaries ("the Agencies") as may be necessary and to remunerate any of the agencies in any manner including payment of commission, brokerage or fee for their services or otherwise and reimburse expenses that may be incurred by them in relation to their services to the Bank.

b) To issue, directly or through any agency duly authorised depository receipt(s) / certificates of shares or other securities to afford a proper title to the holder thereof and to enable such holder to trade in the securities or underlying securities as such person may require to the extent lawfully permitted in India or in any other country where the securities have been issued subject to statutory regulations in India or in any other country and in accordance with the norms and practices prevailing in India or any other country.

c) To issue and allot such number of equity shares as may be required to be issued and allotted upon conversion of any Securities or as may be necessary in accordance with the terms of the offering, all ~~such further equity shares ranking pari passu with the existing equity shares of the Bank in all respects except provided otherwise under the terms of issue of such securities and in the offer document.~~

d) To approve offer document, circulars, notice and such other documents (including amending, varying or modifying the same, as may be considered desirable or expedient) as finalized in consultation with the lead managers, underwriters, and/or advisors in accordance with applicable laws, rules, regulations and guidelines and to take decisions to open the issue, decide bid opening and closing date, the issue price, the number of Equity Shares to be allotted and the basis of allotment of Shares;

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e) To dispose of the unsubscribed portion of the shares or securities to such person(s) and in such manner and on such terms as the Board may in its absolute discretion think most beneficial to the Bank, including offering or placing them with resident or non resident/foreign investor(s) (whether institutions and/or incorporated bodies and/or individuals and/ or trusts and/or otherwise) /Foreign Institutional Investors (FIIs) / Mutual Funds / Pension Funds / Venture Capital Funds / Foreign Portfolio Investors (FPIs) / banks and/or Employees and business associates of the Bank or such other person(s) or entity(ies) or otherwise, whether or not such investors are members of the Bank.

f) To retain over subscription upto such percentage as may be permitted by the applicable regulations and by relevant authorities.

g) To obtain listing of all or any of its new shares / existing shares or other securities in any stock exchange in India or elsewhere in the world including the New York Stock Exchange, London Stock Exchange, Dubai International Financial Exchange, Singapore Stock Exchange, Luxembourg Stock Exchange, NASDAQ or any other Stock Exchanges subject to such statutory compliances as may be necessary in India or in such other country and further subject to such conditions as the stock exchanges may require.

~~h) To do such acts, deeds, matters and things as it/they may at its/their discretion deem necessary or desirable for such purpose, including without limitation, if required, filing a Registration Statement and other relevant documents with United States Securities and Exchange Commission, or such other regulatory authority as may be necessary for listing the Securities on the Luxembourg Stock Exchange or New York Stock Exchange ("NYSE") and/or NASDAQ or such other international stock exchanges and the entering into of depository arrangements in regard to any such issue or allotment.~~

i) To agree to and make and accept such conditions, modifications and alterations stipulated by any of the relevant authorities while according approvals, consents or permissions to the issue as may be considered necessary, proper and expedient.

8.

j) To do all such acts, deeds, matters and things as the Board may, in its absolute discretion, deem necessary or desirable for such purpose, including without limitation, the determination of the terms thereof, for entering into arrangements for managing, underwriting, marketing, listing and trading, banking and custodian arrangements and to sign all deeds, documents and writings and to pay any fees, commissions, remuneration, expenses relating thereto and with power on behalf of the Bank to settle all questions, difficulties, doubts that may arise in regard to such offer(s) or issue(s) or allotment(s), or otherwise.

k) To delegate from time to time, all or any of the powers conferred herein upon the Board or Committee of Directors or the Director/s or any other Officer/s of the Bank”

On the basis of e-voting/postal ballot voting and the consolidated Final Report dated 15.07.2014, submitted by the scrutinizer, 24,95,48,035 votes cast in favour of the Resolution and 21,694 votes against the Resolution. The above resolution was passed as Special Resolution.

ITEM No.17- SPECIAL RESOLUTION FOR INCREASING BORROWING POWER OF THE BOARD.


“RESOLVED that in supersession of the resolution passed under Section 293(1)(d) of the Companies Act, 1956 at the Annual General Meeting of the Bank held on June 28, 2013 and pursuant to Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and rules made there under and as may be amended from time to time, the consent of the Bank be and is hereby accorded to the Board of Directors of the Bank (hereinafter referred to as the “Board” which term shall include any committee thereof for the time being exercising the powers conferred on the Board by this Resolution) for borrowing from time to time, any sum or sums of monies, which together with the monies already borrowed by the Bank, may 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, provided that the total outstanding amount so borrowed shall not at any time exceed the limit of Rs.5,000 crore (Rupees Five Thousand crores).”

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On the basis of e-voting/postal ballot voting and the consolidated Final Report dated 15.07.2014, submitted by the scrutinizer, 24,95,39,234 votes cast in favour of the Resolution and 22,845 votes against the Resolution. The above resolution was passed as Special Resolution.

The Chairman then announced that all the items of business in the agenda had been transacted. He thanked the members for their valuable participation and declared the meeting as terminated.

The meeting came to an end at 11.45 A.M.


AMITABHA GUHA
CHAIRMAN
21.07.2014