

	<b>विजया बैंक</b> (भारत सरकार का उपक्रम) <b>VIJAYA BANK</b> (A Govt. of India Undertaking) प्रधान कार्यालय Head Office 41/2, एम जी रोड M G Road बेंगलूर Bangalore – 560 001	विभाग : मंडल सचिवालय Dept. : Board Secretariat (Shares Division) ई-मेल Email : boardsectt@vijayabank.co.in वेब Web : <a href="http://www.vijayabank.com">www.vijayabank.com</a> फोन Phone : 080-25584066 विस्तार Extn.-514 फैक्स Fax : 080-25594737

SDIGC/HO/KR /252/2017

22.07.2017

To

<b>The Manager</b> <b>BSE Limited</b> Phiroze Jhejhebhoj Towers Dalal Street, Mumbai – 400 001 Fax- 022-22722037/39/2041/2061/ 3121/1557/1278/3354/3577	<b>The Manager</b> Listing Department <b>National Stock Exchange of India Ltd</b> Exchange Plaza, Bandra-Kurla Complex Bandra (E), Mumbai -400 051 Fax- 022-26598237/238/26598347/348
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महोदय Dear Sir,

**Sub: Minutes of Annual General Meeting**

Kindly find the enclosed attachment of minutes of the 17<sup>th</sup> Annual General Meeting of the Bank held on 23.06.2017.

भवदीय Yours Faithfully,

  
 के. रेनु **K RENU**  
 कंपनी सचिव **COMPANY SECRETARY**

**VIJAYA BANK**  
**HEAD OFFICE : BANGALORE 560 001**

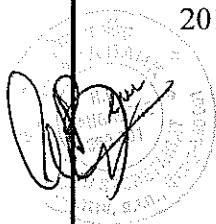
**MINUTES OF THE 17<sup>th</sup> ANNUAL GENERAL MEETING HELD AT 10.00 A.M. ON FRIDAY, THE 23<sup>rd</sup> JUNE 2017 AT MULKI SUNDER RAM SHETTY AUDITORIUM, 10<sup>th</sup> FLOOR, VIJAYA BANK HEAD OFFICE, No. 41/2, M.G. ROAD, BANGALORE.**

The 17<sup>th</sup> Annual General Meeting of the Bank commenced at 10.00 A.M. with the following Directors present on the dais:

1. Shri G Narayanan Chairman
2. Dr. Kishore Sansi, MD & CEO
3. Shri B S Rama Rao, Executive Director
4. Shri Nageswara Rao Y Executive Director
5. Shri Sanjay Kumar- Govt Nominee Director
6. Shri G P Borah- RBI Nominee Director
7. Shri M Bhagavantha Rao – Non Official Director
8. Shri V V R Sastry- Non Official Director
9. Smt. Bharathi Rao- Share holder Director & Chairman of ACB
10. Shri P Vaidyanathan – Shareholder Director

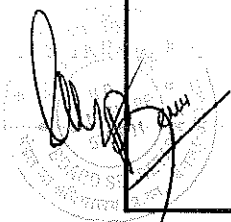
Shri Arun Kumar, Under Secretary, (welfare)Ministry of Finance, Government of India was also present at the Meeting as an Observer of the Government of India.

- The program started with the traditional lighting of lamp by the Chairman, Managing Director & CEO, Executive Directors, Directors, and Shri Sathyanaryana (Shareholder Representative). General Manager Shri Murali Ramaswamy, welcomed the gathering and delivered the welcome address. The meeting was chaired by Chairman. He then confirmed the quorum and called the meeting to order Thereafter Chairman also welcomed the shareholders and introduced the Directors present on the dais.
- The Chairman informed that the Notice dated 09.05.2017 convening the 17<sup>th</sup> Annual General Meeting was mailed to all the shareholders of the Bank and also published in the newspapers in English (Business standard), and in Kannada (Samyuktha Karnataka) on 26.05.2017. With the permission of the shareholders present, the Notice was taken as read.
- The Chairman then addressed the Shareholders. He apprised the shareholders on the Economic and Banking Environment, Overview on the Performance of the Bank during the Financial Year ended 31<sup>st</sup> March 2017, Bank's Key Strategic Initiatives and also future business plan.



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- Chairman informed that in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Bank, is pleased to extend to the shareholders of the Bank, the facility to vote on the items on the agenda to be considered at the General Meeting by electronic means.
- Chairman further informed that the Bank has appointed National Securities Depositories Ltd (NSDL) as e-voting agency and M/s. S N ANANTHASUBRAMANIAN and Co. Practicing Company Secretaries, as Scrutinizer to oversee the e-voting process. The e-voting was held from 20.06.2017 to 22.06.2017. Further Bank was also extending TAB voting at the meeting in respect of the items on the agenda to be transacted at the AGM.
- The Chairman then invited participation of the shareholders for discussing all the Agenda Items mentioned in the Notice and responded to the queries of the Shareholders thereafter.
  - 1) Shri D N Prakash (Shareholder) (IN30214810190584) thanked the MD & CEO and the Management for the kind of hospitality offered by the Bank and requested to continue the same in future. He expressed that the Bank has achieved extra ordinarily during the previous year. He raised query that why Bank did not raise the capital even after taking the approval in the Previous AGM. He also expressed that the Bank has to conduct customer meet year.
  - 2) Shri B H Venkatappa (Shareholder)– He raised queries on the high charges for Debit and Credit Card. He also expressed concerns on the raising NPA and the steps taken for the same.
  - 3) Shri S Ramamurthy (Shareholder) – He raised concerns on the Merger of smaller Banks with Larger Banks and consequences of the Mergers and impact of the same on customers. He further expressed concern on the raise in the net NPA of the Bank.
  - 4) Shri Ratnakar Bhandari (Shareholder)– thanked the Management that the Bank has declared dividend for the year 2016-17. He congratulated the Management for the Banks performance. He further raised concern that the Bank can increase the rate of dividend.
  - 5) Shri C N Gopalakrishna Rao (Shareholder) desired to know that Banks profit has increased whereas the dividend declared by the Bank is comparatively very less. He also desired to know in which way RBI is controlling the NPA. He also requested the Management to give first preference to the shareholders to give locker facility and the charges for DD and Pay order to senior citizens to be free of cost.
  - 6) Shri Santosh Kumar Saraf (Shareholder) congratulated management for awards received in Hindi and other sectors. He suggested that the DIN of the Directors to be mentioned in the Annual Report. He also desired to know the number of Bank Mitras in the Bank and average



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pay out. He further raised queries on employment of physical handicap and full details of RBI Nominee Director

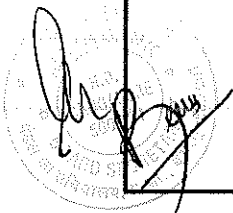
- 7) Shri Sundareshan (Shareholder) congratulated the Management that the bank is more on a positive side. He further briefed that the Deposit, CASA and Credit Portfolio has shown excellent growth. He raised queries on waiver of farm loan and the impact of the same on customers.
- 8) Shri Abhishek (IN30163741359155) congratulated the Management on declaring the dividend. He raised queries on customer complaints, ATM Cases & ATM queries and advised that the turn around time for ATM complaints to be reduced from 15 days to 48 hours.
- 9) Shri T N Ramakrishnan (Shareholder) He raised concerns on the Merger of smaller Banks with Larger Banks and consequences of the Mergers and impact of the same on customers. He desired to know the Banks view on consolidation, competition with the Larger Banks.
- 10) Shri H R Venkatesh (Shareholder) He raised queries on adoption of children, he requested the Management to adopt children from rural areas. He further requested Management to extent the CSR activities in rural areas.
- 11) Shri V K Raju (Shareholder) requested the Management to print annual report in trilingual including kannada.
- 12) Shri N Ramesh IN30023911872747 (shareholder) He raised concern that the dividend declared by the Management is very low

The Shareholders appreciated the Bank's performance/ achievements and also raised issues/ concerns regarding the following-

- Exploring the possibility of Rights Issue.
- Increasing the Business as well as the Future Growth of the Bank.
- Increasing the CASA levels.
- Curtailing the NPA Levels.
- Increasing the Dividend Amount to shareholders.

#### Written queries/ Suggestions

- Shri G A Shivashankar (255486) expressed that the meeting at 10.00 AM is too early to come from distinct places, and requested to start the meeting at 11.30 or 3.30 PM as these time may be convenient to the shareholders.
- Shri Kodada Rajashekarappa (106174052) expressed that the gift should be given to shareholders.
- Shri Raghunathan expressed to clarify the stress loan exposure to the Bank for the year 2017-18 and also the strategic plan to arrest the exposure in stress loan



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- Shri K S Bhat (0133580) wanted to know the steps taken in reducing the NPA
- Shri N Shenoy wanted know the reason of shifting of DP cell from ground floor to the seventh floor.
- Shri Agnel Pereira (IN30048423395591) wanted to know the Future Strategy on HR & Technology and Business Per Employee.
- Shri Ramakrishna M Karkal (IN 30135620113528) expressed regret regarding the non availability of food at the canteen and requested the same to be rectified.
- Shri Sundaresan (IN30023911717047) wanted to know the capital raising plan of the Bank and expressed that there is no rights issue for the shareholders of the Bank.
- Shri S Prema Kumar wanted to know the facilities extended to the senior citizens by the Bank
- Shri Mahalingappa N G (00544459) wanted to know the reasons for increasing NPA and less recovery of the same.

**Reply / clarification for the queries by the MD & CEO:**

The MD & CEO expressed his gratitude to the shareholders for their special interest and keen observation towards the betterment of the Bank. He observed that most of the suggestions were very good and Bank would endeavour to implement them, wherever possible to the best of its ability. After ensuring that all the shareholders were given adequate opportunity to make their observations in writing, the MD & CEO responded to the queries/ observations and suggestions of the shareholders, as follows:

1. On replying to a query MD & CEO explained that Bank has focused to shift from Corporate to mid corporate & Retail Banking Category, that's the reason Bank has performed extremely well. He further explained that the Housing Loan Portfolio growth of 34% is the highest among the Public Sector Banks.
2. MD & CEO also detailed that inspite of the loss of 3 months in Demonetisation Bank has grown extremely well as on March 2017. Banks advances constitute 30.25% from Retail Advances. Operating Profit of the bank has increased to 2421 crores and Net Profit has gone up to 751 Crores. The Gross and Net NPA is amongst the lowest in the industry.
3. While addressing a query on the decline in Interest Income, he explained that there is no decline in the Interest Income but there is decline in yield on Advances as the Bank has reduced the ROI to one MCLR ie. 8.65%. He further clarified that inspite of the reduction Bank has performed extremely well and has been able to maintain a NIM of 3.10% for Q4.
4. While addressing to the growth of the Bank and expansion MD & CEO explained that the Bank has added 248 branches in March 2015, 168 branches in March 2016 and planning to add 100 branches for the current Financial Year.

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5. MD & CEO clarified regarding the CSR activities also detailed out that the Bank is not covered under Companies Act. He further explained the Bank has established various Regional Health Centers in the Rural Areas and the all the cost of maintaining the same is borne by the Bank.
  6. MD & CEO further clarified regarding the query on NPA, stress that the NPA is a serious concern, he further clarified that the entire work force is working to recover the NPAs. Bank has also created a WAR Room at HO, which is manned by 20 people who are contacting the NPA customers on a daily basis.
  7. While addressing the food arrangement MD & CEO assured that Bank has arranged for the lunch and requested the shareholders to join the lunch.
  8. Regarding the query on Business Correspondence, MD & CEO briefed that Bank has 900 BCs and the average payout is from 5000 to 12000 per month. He also addressed the Bank has provided pick and drop facility to the physically handicapped staff and a separate promotion channel has been made for the promotion of the Physical Handicapped and visual impaired staff.
  9. Regarding the query on ATM problems MD & CEO clarified that the Bank has committed to strengthen our network to ensure minimum inconvenience to the customers. MD & CEO also clarified that during De monetization, Bank had made all efforts to keep the ATMs working.
- On conclusion of the discussions, the Chairman moved the first Resolution for adoption of the Audited financial statements, which was proposed by Shri. C N Gopalakrishna Rao (IN30135620004542) and seconded by Shri T N Ramakrishna (IN30307710484514).
  - The Chairman then moved the resolution for the declaration of dividend which was proposed by Shri Santosh Kumar Saraf (IN30125013269754) and seconded by Shri S Sundareshan (IN30023911717047). He also informed that the Board has recommended a Dividend of Rs. 1.50/- per equity share.
  - The Chairman then took up agenda Item No.3 relating to issue and allotment of equity shares of Rs.10/- each by way of public issue, rights issue QIP etc. aggregating up to Rs.1000 cr. The Special Resolution was proposed by Shri T Satya Murthy (IN30214810037699) and seconded by Shri Ratnakar Bhandari (IN30214810101273)
  - Chairman then announced for the TAB voting at the AGM on all the items on the Agenda of the meeting and requested Shareholders to cast their preference on each of the agenda items through TAB Voting. He informed

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that Ms. Malati A Kumar of S N ANANTHASUBRAMANIAN, Practicing Company Secretary and Mr. Sathyanarayana (Regd Folio No: IN30135620023322) a Shareholder of the Bank have been appointed as Scrutinizers

- Chairman informed that the Results of the TAB Voting aggregated with Results of e-voting will be placed on the website of the Bank and also on the websites of National Stock Exchange of India Ltd (NSE), BSE Ltd and NDSL “the Agency” appointed by the Bank for facilitating e-voting, within two working days.
- Chairman thanked all the Shareholders for their presence and support and after the casting of the Votes by all the shareholders present, declared the 17<sup>th</sup> Annual General Meeting closed.
- Based on the Results of the E - voting and the Voting Conducted in respect of all the following agenda items all the Resolutions were passed with requisite majority.

**Item No.1:** To discuss, approve and adopt the Audited Balance Sheet of the Bank as at 31<sup>st</sup> March 2017, Profit and Loss Account of the Bank for the year ended on that date, 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.

“Resolved that the Profit & Loss account for the year ending 31<sup>st</sup> March 2017 and Balance Sheet along with Directors' Report and Auditors' Report as at 31<sup>st</sup> March 2017 be discussed, approved and adopted at the Seventeenth Annual General Meeting of the Bank.”

**Item No.2:** To declare dividend on the shares of the Bank for the Financial Year 2016-17.

“Resolved that a final dividend of Rs.1.50 per share be declared to Equity Shareholders of the Bank for the Financial Year 2016-2017.”

**Item No.3:** To consider and if thought fit, pass with or without modification the following resolution as Special Resolution:

RESOLVED THAT pursuant to Banking Companies (Acquisition & Transfer of Undertakings) Act, 1980 (“the Act”), Banking Regulations Act, 1949 (“the Regulation Act”), Vijaya Bank (Shares and Meetings Amendment) Regulations 2008 (Bank's Regulations), the applicable provisions of the Foreign Exchange Management Act, 1999 (“FEMA”), the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2009 (“SEBI ICDR Regulations”), the Foreign Exchange Management (Transfer of Issue of securities by a person resident outside India) Regulations 2000, as amended from time to time and in accordance with applicable rules, regulations, guidelines, circulars and clarifications issued by Government of India (“GOI”) , Reserve Bank of

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India ("RBI"), Securities and Exchange Board of India ("SEBI") and/or any other competent authorities and subject to any other applicable laws, rules and regulations (including any amendment thereto or re-enactment thereof for the time being in force), the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, Listing Agreements entered into by the Bank with Stock Exchanges where the equity shares of the Bank are listed, any approval, consent, permission or sanction of Central Government and / or RBI and /or SEBI as, applicable and required, approvals, consents, permissions or sanctions of other concerned authorities as may be required in this regard, within or outside India, and subject to such terms, conditions and modifications thereto as may be prescribed by any of them while granting such approvals, consent, permissions or sanctions and which may be agreed to by the Board of Directors of the Bank (hereinafter referred to as "the Board", which term shall include any Committee constituted by the Board), consent of the Shareholders of the Bank be and is hereby accorded to the Board to create, offer, issue and allot by way of Qualified Institutional Placement (QIP) in terms of Chapter VIII of SEBI ICDR Regulations, such number of Equity Shares of the Bank to Qualified Institutional Buyers (QIB) as defined under Chapter VIII of SEBI ICDR Regulations, whether or not such investors are existing members of the Bank, through one or more placements; or by way of Rights Issue or Follow-on Public Offer as may be decided by the Board in their discretion and permitted under the applicable laws and regulations, to raise an amount not exceeding **Rs 1000 Crore (Rupees One Thousand Crore)** at such time or times, at such price or prices including premium in such manner and on such terms and conditions as may be deemed appropriate by the Board at its absolute discretion including the discretion to determine the categories of Investors to whom the offer, issue and allotment shall be made to the exclusion of other categories of investors at the time of such offer, issue and allotment considering the prevailing market conditions and other relevant factors and wherever necessary in consultation with lead manager(s) and / or underwriter(s) and / or other advisor(s) as the Board may in its absolute discretion deem fit or appropriate."

"RESOLVED FURTHER THAT the Equity Shares issued shall rank *pari passu* in all respect with existing equity shares of the Bank and shall be entitled to dividend, if any, declared in accordance with the statutory guidelines that are in force at the time of such declarations."

"RESOLVED FURTHER THAT in case of a Qualified Institutional Placement pursuant to Chapter VIII of the ICDR Regulations:

- a) the allotment of Securities shall only be to Qualified Institutional Buyers within the meaning of Chapter VIII of the ICDR Regulations, such Securities shall be fully paid-up and the allotment of such Securities shall be completed within 12 months from the date of this resolution."





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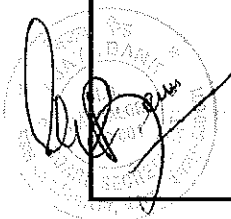
- b) the Bank is pursuant to provision to Regulation 85(1) of ICDR Regulations authorized to offer shares at a discount of not more than five percent on the floor price as determined in accordance with the Regulations.
- c) the relevant date for the determination of the floor price of the securities shall be in accordance with the ICDR Regulations.”

“RESOLVED FURTHER THAT for the purpose of giving effect to the above Resolutions, the Board be and is hereby authorized on behalf of the Bank to do all such acts, deeds, matters and things including but not limited to finalization and approval of the draft as well as final offer document (s) determining the form and manner of the Issue, including the class of investors to whom the Equity Shares are to be issued and allotted, number of Equity Shares to be allotted, issue price, premium amount on issue as it may be in its absolute discretion deem necessary or desirable and to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of shares and utilization of the Issue proceeds as it may in its absolute discretion deem necessary or desirable without being required to seek any further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this Resolution.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to engage / appoint Lead Managers, Legal Advisors, Underwriters, Bankers, Advisors as may be necessary and all such agencies as may involved or concerned in such offering of Equity Shares and to remunerate them by way of commission, brokerage, fees or the like and also to enter into and execute all such arrangements, agreements, memoranda, documents, etc., with such agencies and to seek the listing of Equity Shares issued on the stock exchanges where the Equity Shares of the Bank are listed.

“RESOLVED FURTHER THAT the Board be and is hereby authorized to form a Committee of Directors to delegate all or any of its powers to Committee of Directors / Managing Director & Chief Executive Officer and in his absence Executive Director(s) to give effect to the aforesaid Resolutions and is authorized to take such steps and to do all such acts, deeds, matters and things and accept any alteration(s) or amendment(s) as they may deem fit and proper and give such directions as may be necessary to settle any question or difficulty that may arise in regard to Issue and allotment of equity Shares including but not limited to:

- Approving the draft / final offer documents and filling the same with any other authority or persons as may be required;
- Approving the Issue price, the number of Equity Shares to be allotted, the basis of allocation and allotment(s) of Equity Shares;
- Arranging the delivery and execution of all contracts, agreements and all other documents, deeds and instruments as may be required or desirable in connection with the Issue of Equity Shares;

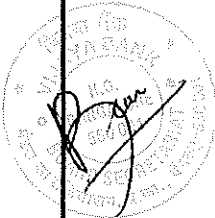


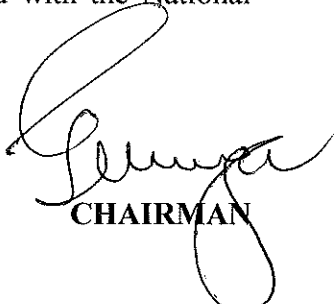
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- Opening such Bank accounts as may be required for the offering;
- To do all such acts, deeds, matters and things and execute all such other documents and pay all such fees, as it may, in its absolute discretion, deem necessary or desirable for the purpose of the transaction.
- To make all such necessary applications with the appropriate authorities and make the necessary regulatory fillings in this regard.
- Making applications for listing of the Equity Shares of the Bank on the stock exchange(s) where the equity shares of the Bank are listed.

Shri Nageswara Rao Y, Executive Director, profusely thanked the share holders for their admirable and excellent support to the Bank. Seeking continued support and patronage, he assured that Bank will strive for scaling greater heights in the days ahead, with the trust and faith reposed by all the stake holders. He also thanked the customers, other stake holders, Staff Members, Government of India, RBI, SEBI, Stock Exchanges, Bank's MD & CEO, Directors, Media, Registrar & Share Transfer Agent and all well wishers of the Bank for their continued support in Bank's endeavours. He assured that all out efforts would be made to ensure that Bank becomes one of the premier banks in the country.

On conclusion of the Vote of Thanks, the meeting ended with the National Anthem.



  
CHAIRMAN