

Shares:F48: 46 :505 :2012

24.08.2012

The Manager
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor, Plot No.C/1
G Block, Bandra-Kurla Complex,
Bandra (E), Mumbai 400051.

Fax : 022 - 26598237/8238

Dear Sir,

**Reg: Minutes of the 93rd Annual General Meeting of the Bank -
Clause 31(d) of the Listing Agreement**

We enclose a copy of the minutes of the 93rd Annual General Meeting of the Bank held on 30th July 2012 at the Registered and Central Office of the Bank at Karur.

Please acknowledge.

Yours faithfully,



R.Kannan
Company Secretary

Encl: a.a.

THE KARUR VYSYA BANK LIMITED
INVESTOR RELATIONS CELL
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**MINUTES OF THE 93rd ANNUAL GENERAL MEETING OF THE BANK
HELD AT THE REGISTERED OFFICE OF THE BANK ON MONDAY,
THE 30th JULY 2012 AT 10.15 A.M.**

The 93rd Annual General Meeting of the bank presided over by the Chairman Shri K P Kumar, was attended by 221 shareholders in person and 5 shareholders by proxy.

As directed by the Chairman, Company Secretary informed the shareholders that proxies accounting for 2,73,22,645 shares were lodged and on scrutiny proxies to the extent of 20,431 shares were rejected as being invalid. Thus the number of valid proxies accounted for 2,73,02,214 shares.

The Chairman and the MD & CEO were garlanded by Shri. K C Palanisamy, a shareholder and a long standing customer of the bank.

Shri K P Kumar, Chairman of the bank welcomed the shareholders. In his brief speech he mentioned that the last fiscal 2011-12 was challenging fiscal for the Bank to sustain its business growth and profitability, as the economy, unlike the previous years, was not able to sustain its growth momentum. Despite the slowdown of the economy, the bank had successfully countered the vortex of adverse economic situations to a large extent and could achieve the top line growth as also the profitability parameters during FY 2011-12. He added that the business mix of the Bank crossed from Rs.42774 Crs to a new height of Rs.56317 Crs and recorded 31.66% growth rate over the earlier fiscal. Deposits and advances recorded growth rates of 29.39% and 34.08% respectively in FY 2011-12. He was pleased to announce that the bank had crossed Rs.500 cr mark in net profits by reaching Rs.502 Crs. The Board of the Bank recommended a dividend of Rs.14/- per share for the fiscal gone by which was the highest in the history of the bank so far. This was the 9th year in succession the Bank announcing a reward of 100% and above dividend. He further added that the FY 2012 could be called a year of awards and accolades for the bank as it could bag eight awards in the said year and received two more in the current fiscal so far. The road ahead will be another challenging year with the present economic conditions being influenced by the global economic environments and host of other issues such as inflation, rising oil prices, rupee depreciation etc. He assured that the Bank would continue its strategy and remain focused on expanding its net work by opening more business outlets such as opening of new branches, ATMs, increasing CASA deposits, concentrating on quality of assets besides giving thrust on recovery of stressed assets. He concluded his speech by expressing thanks and gratitude to the shareholders of the bank for reposing their

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faith and confidence in the management and sought continued co-operation in faster business development and progress of the bank.

After the welcome address, the Chairman took the permission of the members for taking as read the Notice convening the 92nd Annual General Meeting.

The Chairman then called upon the Company Secretary to read the Auditors Report. After completion of reading of the Auditors Report by the Company Secretary, the Managing Director & Chief Executive Officer Shri K Venkataraman addressed the shareholders.

The Managing Director in his address to the shareholders, dwelt at length Economic scenario, performance highlights of the Bank during the fiscal year 2011-12, new initiatives taken up, outlook and future plans of the Bank for the fiscal 2012-13, Golden Vision Initiatives of the Bank, Corporate Social Responsibility, Awards and accolades received from various organizations of repute for the FY 2012 as also the new awards received during the current fiscal. He further stated that the Bank has set its current target for the business mix at Rs.72000 Cr and hoped that the same would be achieved given the past track record, ongoing business initiatives, continued customer support and confidence enjoyed by the bank among its various stake holders.

In his speech he had expressed sincere gratitude and thanks to the Reserve Bank of India, Government of India, other Regulatory authorities and to the various stakeholders of the bank. He has also appreciated the employees at all levels for their involvement and contribution to the growth of the Bank.

After the address by MD & CEO, the Chairman took up the agenda items in seriatim.

ORDINARY BUSINESS:

Item No.1. ADOPTION OF ACCOUNTS AND REPORTS OF DIRECTORS AND AUDITORS:

Chairman informed the members that the first item of business was the adoption of Accounts, Reports of the Directors and Auditors thereon. He called upon the members to seek clarification if any, on the financial accounts.

The following members spoke at the meeting.





Mr Saiprasad:

Mr Saiprasad, a shareholder, while proposing the resolution for adoption of accounts and the reports of the Directors and Auditors thereon, congratulated the Bank for its overall performance in all the parameters such as Deposits, Credit growth, profitability etc. He went on to appreciate the bank for the various awards and accolades received and further added that the same is the testimony of the bank's strength, safety and returns. He suggested to the management to concentrate on a few areas for lending where it has big presence especially in South India where there is a scope for auto loans. He wished that the bank should be number 1 in the southern part of the country. He expressed concern for the decline in the business ratios (stated in Page 45 of the Annual Report for FY 2012) the operating profit as a percentage to working funds and Return on Assets. Though the said ratios show only a marginal decline, he requested the management to take care of these areas also in the current fiscal. He also expressed the long standing desire of the shareholders of the bank that the bank should have a branch abroad or have a representative office in South East Asia where the Indian population is sizeable.

Shri Athi S Janarthanan, another shareholder of the Bank, who seconded the resolution said that the bank had made remarkable achievement in its history. It took 86 years to open 230 branches, the bank added 230 branches in the last one decade alone and today it has 460 branches. About a decade back in 2002 the Bank's net worth was less than Rs.500 Cr and today the same is Rs.2708 Cr. Similarly the total business of the bank in 2002 was Rs.8545 Cr and now the same is Rs.56000 crs. On account of these remarkable feats the Management deserves all congratulations from the shareholders of the bank.

3) Mr Ravindra Kumar:

He greeted the bank for the excellent growth. He had stated that the bank's business growth is 82 to 90% above the industry average and the NIM is 3.03%. He congratulated the bank for the profits made and the dividend recommended which was 140%.

Chairman informed the members that the Managing Director would be replying to the members after completion of the agenda items.

Sri N Sai Prasad (DP/Client ID No.IN30021413673801) proposed the following resolution.

"RESOLVED THAT the Balance Sheet as at 31st March 2012 and the Profit and Loss Account for the year ended 31st March 2012





together with the Schedules attached thereto, Directors' Report and Auditors' Report thereon be and the same are hereby received, approved and adopted."

Shri Athi S Janarthanan (DP/Client ID No. IN 30338210069114), seconded the resolution.

As there was no dissent/opposition for the resolution, the Chairman, after a while, declared that the resolution was carried unanimously.

Item No.2. DECLARATION OF DIVIDEND:

Chairman informed the members that he was glad that the Board of Directors of the Bank in the meeting held on 25th May 2012 recommended dividend at the rate of Rs.14/- per share of face value of Rs.10/- each. He further informed that this is the ninth year in succession in declaring dividend at 100% and above.

Sri K Ravindrakumar (DP/Client ID No. IN 30017510019904) proposed the following resolution:

"Resolved that dividend at the rate of Rs. 14/- per share (tax free) on the paid up share capital of the bank be and is hereby declared to be paid for the financial year 2011-2012 to those members whose names appear on the Register of Members as at 30th July 2012 and to the beneficial owners as at the closure of the business hours on 21st July 2012 as per the details furnished by the Depositories".

Shri M K Venkatesan (DP/Client ID No.IN30108022281259), a shareholder, seconded the resolution.

As there was no dissent/opposition for the resolution, the Chairman, after a while, declared that the resolution was carried unanimously.

RE-APPOINTMENT OF DIRECTORS:

Item No.3. RE-APPOINTMENT OF Shri G RAJASEKARAN AS DIRECTOR:

Chairman informed that Shri G Rajasekaran was retiring by rotation at the Annual General Meeting and being eligible offered himself for re-appointment. He called upon the Company Secretary to present the recommendations of the Nomination Committee on the candidature of Shri G Rajasekaran.





Company Secretary apprised the members that the Nomination Committee of the Board in the meeting held on 29th June 2012 carried out scrutiny of the Declaration and Undertaking furnished by Shri G Rajasekaran and based on the other 'fit and proper' criteria confirmed the suitability of Shri G Rajasekaran for re-appointment as a director of the Bank.

Shri. N. Malayalaramamirtham (DP/Client ID No. IN30108022302378), a shareholder, proposed the following resolution as an Ordinary Resolution.

"RESOLVED THAT Shri G Rajasekaran, be and is hereby appointed as a Director of the Bank, liable to retire by rotation."

Shri P.S. Rangamannar (DP/Client ID No. IN30037810122946), a shareholder, seconded the resolution.

As there was no dissent/opposition for the resolution, the Chairman, after a while, declared that the resolution was carried unanimously.

Chairman congratulated Shri G Rajasekaran on his re-election.

Item No.4. APPOINTMENT OF STATUTORY AUDITORS:

The retiring Statutory Auditors M/s R.K.KUMAR & CO., Chartered Accountants, Chennai have vide their letter dated 21.05.2012 expressed their willingness to get appointed as Statutory Auditors of the Bank to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting. RBI has vide its letter Ref DBS.ARS.No.305/08.12.005/2012-13 Dated July 6, 2012 accorded its approval for their re-appointment.

Shri J Arun Prasanna (DP/Client ID No. IN 30021410574558), a shareholder, proposed the following resolution as an Ordinary Resolution.

"RESOLVED THAT M/s R.K.KUMAR & CO., Chartered Accountants, Chennai be and are hereby re-appointed as Statutory Auditors of the Bank to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Bank on such remuneration and reimbursement of out of pocket expenses as may be fixed by the Board of Directors on the recommendation of the Audit committee of the Board."

Shri R Vedha Vyas (DP/Client ID No: IN 300394 11515860), a shareholder, seconded the resolution.





As there was no dissent/opposition for the resolution, the Chairman, after a while, declared that the resolution was carried unanimously.

SPECIAL BUSINESS:

Item No.5. APPOINTMENT OF BRANCH AUDITORS:

The members were informed that the Branch /offices of the Bank had to be audited by qualified Auditors and the bank intended to entrust the Audit of the Branch Offices either to the Statutory Auditors or other qualified Auditors in consultation with Statutory Auditors on such remuneration and on such terms and reimbursement of out of pocket expenses incurred by them in connection with the Audit, based on the recommendation of the Audit Committee of the Board.

Shri M Balasubramanian (DP /Client ID No IN300214 10758047), a shareholder, proposed the following resolution as an Ordinary Resolution.

"RESOLVED THAT the Board of Directors of the Bank be and is hereby authorised to appoint, in consultation with Statutory Auditors, the Branch Auditors who are qualified to act as Auditors, including Statutory Auditors pursuant to the provisions of Section 228 of the Companies Act, 1956 for the purpose of audit of the Branches of the Bank and to decide the Branch /Offices to be audited by such Branch Auditors and to fix their remuneration and reimbursement of out of pocket expenses incurred in connection with the Audit based on the recommendation of the Audit Committee of the Board."

Shri A K Praburaj (DP /Client ID No.IN30108022135035), a shareholder, seconded the resolution.

As there was no dissent/opposition for the resolution, the Chairman, after a while, declared that the resolution was carried unanimously.

Item No.6: APPOINTMENT OF SHRI CA K RAMADURAI AS A DIRECTOR OF THE BANK

Chairman requested the Company Secretary to present the recommendations of the Nomination Committee on the candidature of Shri CA K Ramadurai.

Company Secretary apprised the members that the Nomination Committee of the Board in the meeting held on 29.06.2012 carried out scrutiny of the Declaration and Undertaking furnished by him and based

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on 'fit and proper' criteria confirmed the suitability of Shri K Ramdurai for appointment as a Director of the Bank.

Shri. R Ramkumar (DP/Client ID No. IN30338210016927) a shareholder, proposed the following resolution as an Ordinary Resolution.

“RESOLVED THAT SHRI K Ramadurai be and is hereby appointed as a Director of the Bank liable to retire by rotation.”

Shri. A.V.Kandaswamy (DP/Client ID No.IN30108022135027), a shareholder, seconded the resolution.

As there was no dissent/opposition for the resolution, the Chairman, after a while, declared that the resolution was carried unanimously.

Chairman congratulated Shri K Ramadurai on his election.

**Item No.7: APPOINTMENT OF SHRI K K BALU AS A
DIRECTOR OF THE BANK**

Chairman requested the Company Secretary to present the recommendations of the Nomination Committee on the candidature of Shri K K Balu.

Company Secretary apprised the members that the Nomination Committee of the Board in the meeting held on 29.06.2012 carried out scrutiny of the Declaration and Undertaking furnished by him and based on 'fit and proper' criteria confirmed the suitability of Shri K K Balu for appointment as a Director of the Bank.

Dr V G Mohan Prasad (DP/Client ID No. IN30338210014425) a shareholder, proposed the following resolution as an Ordinary Resolution.

“RESOLVED THAT SHRI K K Balu be and is hereby appointed as a Director of the Bank liable to retire by rotation.”

Shri. C Neelakanda Pasupathy (DP/Client ID No.IN30017510029640), a shareholder, seconded the resolution.

As there was no dissent/opposition for the resolution, the Chairman, after a while, declared that the resolution was carried unanimously.

Chairman congratulated Shri K K Balu on his election.

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**Item No.8: APPOINTMENT OF SHRI HEMANT KAUL AS A
DIRECTOR OF THE BANK**

Chairman requested the Company Secretary to present the recommendations of the Nomination Committee on the candidature of Sri Hemant Kaul.

Company Secretary apprised the members that the Nomination Committee of the Board in the meeting held on 29.06.2012 carried out scrutiny of the Declaration and Undertaking furnished by him and based on 'fit and proper' criteria confirmed the suitability of Shri Hemant Kaul for appointment as a Director of the Bank.

Shri. R Kandasamy (DP/Client ID No. IN30338210065025) a shareholder, proposed the following resolution as an Ordinary Resolution.

“RESOLVED THAT SHRI Hemant Kaul be and is hereby appointed as a Director of the Bank liable to retire by rotation.”

Shri. R Vidhya Sagar (DP/Client ID No.IN30039411515837), a shareholder, seconded the resolution.

As there was no dissent/opposition for the resolution, the Chairman, after a while, declared that the resolution was carried unanimously.

Chairman congratulated Shri Hemant Kaul on his election.

**Item No.9: APPOINTMENT OF SHRI N S SRINATH AS A
DIRECTOR OF THE BANK**

Chairman requested the Company Secretary to present the recommendations of the Nomination Committee on the candidature of Sri N S Srinath.

Company Secretary apprised the members that the Nomination Committee of the Board in the meeting held on 29.06.2012 carried out scrutiny of the Declaration and Undertaking furnished by him and based on 'fit and proper' criteria confirmed the suitability of Shri N S Srinath for appointment as a Director of the Bank.

Shri. V Yogesh (Folio No. Y 00046) a shareholder, proposed the following resolution as an Ordinary Resolution.



“RESOLVED THAT SHRI N S Srinath be and is hereby appointed as a Director of the Bank liable to retire by rotation.”

Shri. K Narendra (Folio No.N04589), a shareholder, seconded the resolution.

As there was no dissent/opposition for the resolution, the Chairman, after a while, declared that the resolution was carried unanimously.

Chairman congratulated Shri N S Srinath on his election.

The Chairman after having completed the agenda items as proposed in the notice of the meeting, requested MD & CEO to reply to the various points raised by the shareholders.

MD and CEO of the Bank thanked the members for the various encomiums given. Regarding the slight decline in operating profits and Return on Assets, MD said the management would definitely take a call on these aspects. The Bank had a choice of going for high value assets or high return advances. Board took a decision to better go in for high quality assets and still keep the bottom line and it worked despite the economic slide. Regarding the opening of the branches abroad, the Bank will take step at the appropriate time.

Director Shri M G S Ramesh Babu proposed the vote of thanks.

After National Anthem, Chairman declared that the meeting was concluded.



K P Kumar
Chairman

