

Report  Junction



71st ANNUAL GENERAL MEETING
NOTICE AND EXPLANATORY STATEMENT

Venue : Chowdiah Memorial Hall
Gayatri Devi Park Extension
Vyalikaval, Bangalore - 560 003

Day/Date : Saturday, the 21st September, 2002

Time : 10.30 A.M.



THE VYSYA BANK LIMITED

Regd. & Corporate Office

NO.72, ST. MARK'S ROAD
BANGALORE - 560 001.

◆ *The practice of distribution of gifts at the Annual General Meeting stands discontinued.*


The Vysya Bank Limited

NOTICE

Notice is hereby given that the 71st Annual General Meeting of The Vysya Bank Limited will be held at Chowdiah Memorial Hall, Gayatri Devi Park Extension, Vyalikaval, Bangalore - 560 003, on Saturday, the 21st September, 2002 at 10.30 a.m. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Balance Sheet as at 31st March 2002, Profit and Loss Account for the year ended as on that date and the reports of Directors and Auditors thereon.
2. To declare dividend on equity shares for the year ended 31st March, 2002.
3. To appoint a Director in place of Sri G Mallikarjuna Rao, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint auditors and fix their remuneration.

Note: M/s Lovelock and Lewes, Chartered Accountants, Kolkata, the retiring Statutory Auditors, who have been associated with the Bank for three years since their initial appointment at the 68th Annual General Meeting, are eligible for re-appointment and have expressed their willingness for being re-appointed as Statutory Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting. Reserve Bank of India, vide letter dated 6th August, 2002, conveyed its approval for this reappointment.

The shareholders may also authorise the Board of Directors to appoint Branch Auditors and fix the remuneration of both Central Statutory Auditors and Branch Auditors of the Bank.

SPECIAL BUSINESS

5. To consider, and if thought fit, to pass, with or without modifications, the following Resolution as a Special Resolution:

"RESOLVED THAT, pursuant to Section 31 and other applicable provisions, if any, of the Companies Act, 1956, Article 99B(b) of the Articles of Association of the Bank be and is hereby altered by way of insertion of the words "Subject to Sub-Article (a) and Sub-Article (d) of this Article" before the words "the Board of Directors may from time to time"."

6. To consider, and if thought fit, to pass, with or without modifications, the following Resolution as an Ordinary Resolution:

"RESOLVED THAT the re-appointment of Sri Bart Hellemans as a whole time Director, designated as Deputy Managing Director of the Bank for a period of one year from the date of assuming office, i.e., 29th October, 2001 under Article 99B(b) of the Articles of Association of the Bank and approved by Reserve Bank of India under Section 35B(1)(b) of the Banking Regulation Act, 1949 on the following terms and conditions be and is hereby approved:

Tenure	: One year from the date of assuming office, i.e., 29th October, 2001.
Salary	: Rs.60,000/- per month.
House Maintenance Cost	: Reimbursement of House Maintenance cost to the extent of Rs.20,000/- per month.
Entertainment Expenses	: Reimbursement of entertainment expenses as per the procedure laid down by the Bank within a limit of Rs.12,000/- per annum or such sum as may be prescribed by the Board of Directors from time to time. Reimbursement of subscription to two Clubs shall also be within the said limit of entertainment expenses.
Conveyance	: Free use of Bank's car for official purposes. In case driver is employed, the Director will be entitled for reimbursement of Rs. 4,500/- per month towards driver's salary.



Travelling Expenses : Single return fare by the highest available class by Train [AC-First Class] or by Air [Business Class] or by Road for travel for official purposes.

Halting Allowance : Reimbursement of the actual lodging expenses [including taxes] or halting allowance of Rs.300/- per day or such sum as may be decided by the Board of Directors from time to time in the case of arrangements for own stay.

Boarding Charges : Reimbursement of actuals incurred.

Leave & Encashment of Leave : Leave at the rate of thirty days for every eleven months of service completed with full pay for encashment thereof at the end of the tenure. Casual Leave and Sick Leave as applicable to Senior Executives of the Bank.

Leave Travel Concession : Reimbursement of travelling expenses for self and dependent family for his home Country by eligible class of journey once in a year.

Reimbursement of Hospitalisation and Medical Expenses : Reimbursement of actual medical expenses incurred for self and dependent members of the family.

Telephone/Fax/E-mail : No restrictions on use of Bank's Telephone/Fax/E-mail for official purpose.

Repatriability : The remuneration will be paid in Indian Rupees on non-repatriable basis."

provisions of the Companies Act, 1956, if any, remuneration to Sri K R Ramamoorthy, Chairman, effective from 12th February, 2001 for a period of two years as hereinafter appearing be and is hereby approved.

(i) Monthly Honorarium
Rs.50,000/- .

(ii) Conveyance
Free use of Bank's car for official purposes.

(iii) Accommodation
Cash assistance of Rs.20,000/- p.m. for residential accommodation.

(iv) Reimbursement of expenses for official purposes

a) Entertainment
Reimbursement of entertainment expenses to the extent of actuals.

b) Travel
Single return fare by the highest available class by Train (AC-I) or by Air (Business Class) or by Road for travel for official purposes.

c) Boarding
Reimbursement of actuals incurred.

d) Halting
Reimbursement of the actual lodging expenses (including taxes) or halting allowance of Rs.500/- per day or such sum as may be decided by the Board of Directors from time to time in case of arrangements for his own stay.

7. To consider, and if thought fit, to pass, with or without modifications, the following Resolutions as Ordinary Resolutions:

"RESOLVED THAT, pursuant to the approval of Reserve Bank of India under Section 35B of the Banking Regulation Act, 1949 and the applicable

RESOLVED FURTHER THAT pursuant to the approval of Reserve Bank of India, Sri K R Ramamoorthy shall render extra services of non-executive nature in areas like corporate governance, risk management, credit management, general management, treasury management, etc."



The Vysya Bank Limited

8. To consider, and if thought fit, to pass, with or without modifications, the following Resolutions as Special Resolutions:

"RESOLVED THAT upon acquisition of further equity stake of 23.99% in the issued capital of the Bank by Bank Brussels Lambert of ING Group (by itself or through its wholly owned subsidiaries), thus raising its stake to 43.99%, and subject to the approval of the Central Government (Registrar of Companies) pursuant to Section 21 and other applicable provisions, if any, of the Companies Act, 1956, and 'No-Objection' from Reserve Bank of India under Section 49B of the Banking Regulation Act, 1949, the name of the Bank be and is hereby changed from 'The Vysya Bank Limited' to 'ING Vysya Bank Limited'.

RESOLVED FURTHER THAT upon the resolution becoming effective, the name 'The Vysya Bank Limited' wherever it occurs in the Memorandum and Articles of Association of the Bank be substituted by the new name 'ING Vysya Bank Limited', subject to 'No-Objection' of Reserve Bank of India under Section 49C of the Banking Regulation Act, 1949.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to do all such acts and deeds as may be deemed expedient and necessary to give effect to this resolution."

By Order of the Board

Place : Bangalore
Date : 22nd August, 2002

M V S APPA RAO
Company Secretary

NOTES

1. Explanatory Statement as required under Section 173(2) of the Companies Act, 1956, in respect of Item Nos. 5 to 8 is annexed.
2. **Register of Members and the Share Transfer Books of the Bank will remain closed from 23rd August, 2002 (Friday) to 21st September, 2002 (Saturday) (both days inclusive). A notice in this regard dated 14th August 2002 has been published in Business Standard (all editions), Economic Times (Bangalore edition) and Kannada Prabha (Regional Newspaper).**
3. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and proxy need not be a member. The proxy, in order to be effective, should be duly stamped, completed and signed and must be deposited at the Registered Office of the Bank at least 48 hours before the commencement of the meeting.

For the convenience of the Shareholders, a special counter will be kept open to receive the Proxy Forms from 8 a.m. to 5 p.m. on 16th to 18th September 2002 and from 8 a.m. to 10.30 a.m. on 19th September, 2002 at Secretarial Department, Registered & Corporate Office, No. 72, St. Mark's Road, Bangalore - 560 001.
4. Only registered members/beneficial owners carrying their attendance slips and holders of valid proxy forms registered with the Bank will be permitted to attend the meeting.
5. Members are requested to avoid being accompanied by non-members and/or children.
6. Members are requested to be seated at the meeting hall before the scheduled time of commencement of the Annual General Meeting.
7. **Subject to the provisions of Section 206A of the Companies Act, 1956, the dividend, if declared at the AGM, will be paid to those members entitled thereto and whose names appear in the Register of Members of the Bank at**



the closing hours of 22nd August, 2002 [Register of Members and Share Transfer Books are being closed from 23rd August, 2002 (Friday) to 21st September, 2002 (Saturday) (both days inclusive)].

8. In respect of shares held in electronic form, the dividend will be payable on the basis of beneficial ownership as at the end of day on 22nd August 2002, as per the details furnished by National Securities Depository Limited (NSDL)/Central Depository Services (India) Limited (CDSL) for the purpose as on that date.
9. The dividend, if declared, will be paid subject to deduction of tax at applicable rates. However, no tax will be deducted at source from the dividend payable to an individual shareholder, if the dividend amount does not exceed such limit as prescribed under the provisions of the Income Tax Act / Rules in force at the time of payment. As per the notification dated 2nd August, 2002, the limit prescribed in this regard is Rs.2,500/-. The shareholders (eligible as per the Income Tax Act, 1961) who desire to receive payment of dividend without deduction of tax at source may file declaration in Form 15G, in duplicate on or before 30th August, 2002 with the Secretarial Department, The Vysya Bank Limited, No.72, St. Mark's Road, Bangalore-560 001.
10. Members holding shares in electronic form may please note that their Bank Account details, as furnished by the respective Depositories to the Company, will be printed on their dividend warrants as per the applicable regulations of the Depositories and the Company will not entertain any direct request from such members for deletion of/change in such Bank Account details.
11. Arrangements have been made to remit the dividend through ECS to the shareholders who have opted for such mode of payment and furnished all the relevant/valid information.
12. Requests for transfer of physical shares received during the period of book closure shall be considered only after reopening of the books and accordingly request for share transfers received during book closure period shall not be considered for dividend declared, if any.
13. Members holding shares in physical form are advised to furnish details of their Bank Account, if not already furnished, to enable the Bank to mention such account number in the dividend warrants, which will avoid fraudulent encashment.
14. In terms of the amended provisions of Section 205A of the Companies Act, 1956, the amount of unclaimed/unpaid dividend will be transferred to the fund created by the Central Government for this purpose under Section 205C of the Companies Act, 1956, if the dividend remains unpaid for a period of seven years from the date of its transfer to unpaid dividend account. The amended provisions are effective from 31st October, 1998. Hence, the members who have not presented their dividend warrants for payment for the years 1995-96, 1996-97, 1997-98, 1998-99, 1999-2000 and 2000-2001 are requested to send them to the Registered Office of the Bank for revalidation to enable encashment at any of our Branches. No claim will be entertained by the Bank or the Fund after the expiry of seven years.

Meanwhile, as an investor friendly measure, the Bank has sent reminder letters to all those shareholders who have not encashed their dividend warrants for these years requesting them to apply to the Bank for issue of duplicate dividend warrants/revalidation of their dividend warrants.
15. **The members are requested to notify the changes, if any, in their address immediately to the Bank giving full address in block letters with Pin Code of the respective Post Office.**
16. The members are requested to quote their Registered Folio number in their correspondence. Those Shareholders who have dematerialised their shares are requested to quote their Client ID No. and DP ID No. in their correspondence.
17. The practice of distributing copies of the Annual Report at the Annual General Meeting has been discontinued in view of the high cost of paper and printing. The members, therefore, are requested to bring their copy of the Annual Report to the meeting.



ANNEXURE TO NOTICE

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956.
ITEM NO. 5

Reserve Bank of India (RBI), vide letters dated 22nd October, 2001 and 15th February, 2002 advised the Bank to modify Sub Article (b) of Article 99B by incorporating in the beginning of the present provision the words "Subject to Sub-Article (a) and Sub-Article (d) of this Article". In terms of RBI's advice, it is proposed to amend Sub-Article (b) of Article 99B by way of insertion of the words "Subject to Sub-Article (a) and Sub-Article (d) of this Article" before the words "the Board of Directors may from time to time".

Article 99B (b), after this amendment, will read as follows:

99B (b) Subject to Sub-Article (a) and Sub-Article (d) of this Article, the Board of Directors may from time to time appoint a Managing Director and/or one or more whole time directors either for a fixed term or without any limitations as to the period for which he is or they are to hold each office and may from time to time (subject to the provisions of any contract between him or them and the company) remove or dismiss him or them from office and appoint another person or other persons in his or their place or places.

Interest of Directors

Sri K Balasubramanian, Managing Director and Sri Bart Hellemans, Deputy Managing Director are deemed to be interested in the amendment to the extent the Article pertains to appointment of Managing Director and Deputy Managing Director. None of other Directors is, directly or indirectly, interested in this resolution.

ITEM NO. 6

In terms of Article 99B of the Articles of Association of the Bank, the Board of Directors at its meeting held on 29th October, 2001 re-appointed Sri Bart Hellemans, as Deputy Managing Director of the Bank for a period of one year with effect from the date of assuming office, i.e., 29th October, 2001, based on the approval from Reserve Bank of India vide its letter DBOD No.243/08.57.001/2001 dated 27th October, 2001, in terms of Section 35B of the Banking Regulation Act, 1949. The Bank has intimated the abstract of terms and conditions of the re-appointment to all the shareholders vide letter dated 29th October, 2001, in terms of Section 302(2) of the Companies Act, 1956 and now the approval of the shareholders is sought for the re-appointment and the terms and conditions of re-appointment as set out in the Resolution.

Interest of Directors

None of the Directors except Sri Bart Hellemans and Sri Joseph J Kestemont, nominees of Bank Brussels Lambert, are deemed to be interested or concerned in the re-appointment and remuneration payable to Sri Bart Hellemans.

ITEM NO. 7

Sri K R Ramamoorthy is a senior banker, with over four decades of commercial and banking experience in India. He provided transformational leadership to two of the leading commercial banks in the country, Corporation Bank in Public Sector and The Vysya Bank Limited in the Private Sector. He has more than three decades of experience in various areas of Banking.

Sri K R Ramamoorthy, who was the Chairman and Chief Executive Officer of the Bank from February 1997 was appointed as Chairman effective from 12th February, 2001 by the Board of Directors. He has been devoting substantial time to the affairs of the Bank ever since he assumed office as Chairman. He is rendering expert advice and extra professional service of non-executive nature in areas like corporate governance, risk management, credit management, general management, treasury management, etc.



The Reserve Bank of India (RBI) granted its approval under Section 10B(1A) of the Banking Regulation Act, 1949 for the appointment vide its letter dated 3rd February, 2001 on the terms and conditions set out in this resolution. Monthly honorarium and cash assistance for residential accommodation are due in terms of this approval. The facility of free use of Bank's car for official purpose has not been made available till now. The Board of Directors at its meeting held on 13th August, 2002, having regard to all the relevant factors, decided that it is necessary and proper to remunerate the Chairman in accordance with the terms approved by RBI and recommend the same to the shareholders for their approval.

Interest of Directors

None of the Directors, except Sri K R Ramamoorthy, is, either directly or indirectly, concerned or interested in this resolution.

ITEM NO. 8

ING Group, through its subsidiary, Bank Brussels Lambert (BBL), holds shares forming 20% stake in the issued capital of the Bank. The shares have been allotted on preferential basis in four stages to the wholly owned subsidiaries of BBL viz. BBL Mauritius Holdings and BBL Mauritius Investments. As a part of the efforts to strengthen its collaborative relationship with the Bank, ING, through its subsidiary, BBL, proposes to increase its stake to 43.99% in the Bank by acquiring additional shares of the Bank from the Indian Promoter (Management) Group. The Board has expressed its support for the transaction as it is in the best interests of the Bank and all its stakeholders.

Upon ING Group raising its equity stake to 43.99% in the Bank through BBL, it is proposed to change the name of the Bank from 'The Vysya Bank Limited' to 'ING Vysya Bank Limited'. This is in line with the global policy of ING Group regarding 'Rebranding' and 'Repositioning' of the Group under the global brand name of 'ING' which is aimed at achieving recognition of the ING brand name on a worldwide scale.

The 'Rebranding' strategy of ING, envisages that in many countries, **the name of ING is or will be tied to the local brands that often have a long-standing relationship in the communities in which they operate.** The added value that ING can create to the well-known local company names will not only help in maintaining the confidence and trust of the Group's clients, it will also help to achieve stability, reliability and familiarity as the brand 'ING' will continue to offer a promise to clients in terms of quality of products and services, value for money, corporate style and culture.

The 'Repositioning' strategy aims at loading the ING brand in such a way that it conveys the same associations to stakeholders all over the world. A global ING brand will help build the reputation that ING is an innovator and offers different solutions to financial needs of individuals, families, corporations and institutions.

Today, ING Group is a global financial institution offering banking, insurance and asset management services to over 50 million private, corporate and institutional clients in 65 countries. ING comprises a broad spectrum of prominent companies that increasingly serve their clients under the ING brand. With the backing of operational excellence, synergies and a strong emphasis on cost control within one ING culture, the Group aims to be a top-10 global financial institution.

In India, ING's Insurance Joint Venture with Vysya Bank and GMR Technologies and Industries Limited, in terms of ING's Global Branding Policy, has been named 'ING Vysya Life Insurance Company Private Limited'.

The approval of the shareholders is now sought to change the name of the Bank from 'The Vysya Bank Limited' to 'ING Vysya Bank Limited', which, while adhering to ING Group's overall corporate perspective on Branding, will also maximise collaborative brand building efforts to be synergistic across the country for all group companies. The new name, with easy recall capacity, will not only take advantage of the goodwill of both ING Group and Vysya Bank, it will also be a permanent reflection of ING's commitment to the development of the Bank in the following ways:



The Vysya Bank Limited

- Strengthening the Bank's ties with a global financial player, thereby allowing it to compete on terms of parity with other large players in the Indian financial market and aggressively pursue opportunities for growth.
- Generating new business opportunities for the Bank through enhanced access to existing global corporate and other clients of the ING Group.
- Giving the Bank entry into promising new business areas like private banking and distribution of financial asset products, areas in which the ING Group has already established a presence in the country.
- Enhancing the cross border banking capabilities of the Bank through integration with the ING Group's global banking network, thereby enhancing the range of services offered by the Bank to its existing clients.

Shareholders may note that the Registrar of Companies, Karnataka, has made available the name 'ING Vysya Bank Limited' vide letter No.JTA-III/CN/39215/2002-2003 dated 20th August, 2002, permitting to change the name of the Bank from 'The Vysya Bank Limited' to 'ING Vysya Bank Limited'.

The Board of Directors recommend this Special Resolution for the approval of the shareholders, as required under the provisions of the Companies Act, 1956.

Interest of Directors

Sri Bart Helleman and Sri Joseph J Kestemont are nominee directors of BBL and are considered as being interested in the resolution. None of the other Directors is, directly or indirectly, interested in this resolution.

By Order of the Board

Place : Bangalore
Date : 22nd August, 2002

M V S APPA RAO
Company Secretary

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THE VYSYA BANK LIMITED

Board of Directors

CHAIRMAN	Sri K.R. Ramamoorthy
MANAGING DIRECTOR	Sri K. Balasubramanian
DEPUTY MANAGING DIRECTOR	Sri Bart Hellemans
DIRECTORS	Sri G. Mallikarjuna Rao Sri M.K. Ramachandra Sri Kiran K. Grandhi (upto 20th May, 2002) Sri K.R.V. Subrahmanian Sri H.N. Tarachandani Sri Joseph J. Kestemont Sri Yadalam A. Subramanyam Sri S.K. Newlay (RBI Nominee) Sri A.P. Rao Sri K.V.K. Seshavataram Sri G.B.S. Raju (w.e.f. 20th May, 2002)
CORPORATE SECRETARY	Sri M.V.S. Appa Rao
STATUTORY AUDITORS	M/s. Lovelock & Lewes Chartered Accountants, Kolkata
REGISTERED & CORPORATE OFFICE	No. 72, St. Mark's Road, Bangalore - 560 001.

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