

INVESTOR RELATIONS CENTRE

10.04.2012

Name of the Company: SyndicateBank

Quarter ending on: 31.03.2012

QUARTERLY COMPLIANCE REPORT ON CORPORATE GOVERNANCE

Particulars	Clause of Listing Agreement	Compliance status (Yes/No)	Remarks
I. Board of Directors	49 I		
<p>(A) Composition of Board</p> <p>a. The board of directors of the company shall have an optimum combination of executive and non-executive directors with not less than 50% of the board of directors comprising of non-executive directors.</p> <p>Provided that where the non-executive Chairman is a promoter of the company or is related to any promoter or person occupying management positions at the Board level or at one level below the Board, at least one-half of the Board of the company shall consist of independent directors.</p>	49 (IA)	Yes	<p>Complied with.</p> <p>The Board of the Bank is constituted in terms of Section 9(3) of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970/1980. Government of India is the promoter of the Bank.</p> <p>The same comprises of directors:</p> <p>a) appointed by Government of India</p> <p>b) appointed by Government of India on the recommendations of Reserve Bank of India (RBI)</p> <p>c) nominated by Government of India and</p> <p>d) elected by Shareholders of the Bank other than the Central Government.</p> <p>As on 31.03.2012, the Board of Directors of the Bank comprises of -</p> <p>- Chairman and Managing Director,</p> <p>- Two executive directors,</p>

INVESTOR RELATIONS CENTRE

10.04.2012

Name of the Company: SyndicateBank

Quarter ending on: 31.03.2012

Particulars	Clause of Listing Agreement	Compliance status (Yes/No)	Remarks
<p>b. Where the Chairman of the Board is a non-executive director at least one third of the Board should comprise of independent director and in case he is an executive director, at least half of the Board should comprise of Independent Directors.</p>			<ul style="list-style-type: none"> - One director who is an official of Central Government nominated under Section 9(3)(b) of the Banking Companies (Acquisition and Transfer of undertakings) Act, 1970/1980. - One director nominated by Government of India on the recommendations of RBI under Section 9(3)(c) of the Banking Companies (Acquisition and Transfer of undertakings) Act, 1970/1980. -One director nominated by Government of India among workmen employees under Sec 9(3)(e) of the Banking Companies (Acquisition and Transfer of undertakings) Act, 1970/1980. -One Director nominated by Government of India among non-workmen under Sec. 9(3)(f) of the Banking Companies (Acquisition and Transfer of undertakings) Act, 1970/1980. - One Director, who is Chartered Accountant, nominated by Government of India under Sec. 9(3)(g) of the Banking Companies (Acquisition and Transfer of undertakings) Act, 1970/1980. - Two directors nominated under Sub-section 3 (h) and (3-A) of Section 9 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970/1980. - Two shareholder directors elected in the Annual General Meeting held on 26.06.2009 for a period of 3 years in terms of sub-section (3) (i) of section 9 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970/1980,

INVESTOR RELATIONS CENTRE

10.04.2012

Name of the Company: SyndicateBank

Quarter ending on: 31.03.2012

Particulars	Clause of Listing Agreement	Compliance status (Yes/No)	Remarks
<p>(B) Non-executive Directors' compensation & disclosures</p> <p>(All fees/compensation, if any paid to non-executive directors, including independent directors, shall be fixed by Board of Directors and shall require previous approval of shareholders in general meeting. However, prior approval of shareholders in general meeting shall not apply to payment of sitting fees to non-executive directors, if made within the limits prescribed under the companies Act, 1956 for payment of sitting fees without the approval of the Central Government)</p>	<p align="center">49 (IB)</p>	<p align="center">Yes</p>	<p>Complied with. No payment except sitting fees as prescribed by Government of India is made to the non-executive directors.</p>
<p>(C) Other provisions as to Board and committees</p> <p>(Regarding board meetings and membership of directors in committees)</p> <p>An Independent Director who resigns or is removed from the Board of the Company shall be replaced by a new independent director within a period of not more than 180 days from the day of such resignation or removal, as the case may be.</p>	<p align="center">49 (IC)</p>	<p align="center">Yes</p>	<p>Complied with.</p> <p>As already stated, the Board of the Bank is constituted in terms of Section 9(3) of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970/1980.</p>

INVESTOR RELATIONS CENTRE

10.04.2012

Name of the Company: SyndicateBank

Quarter ending on: 31.03.2012

Particulars	Clause of Listing Agreement	Compliance status (Yes/No)	Remarks
(D) Code of Conduct (for all board members and senior management – to be posted on the website of the company)	49 (ID)	Yes	A detailed code of conduct under clause 49, duly signed by all members of the Board and senior management, has been placed on the website of the Bank. All the Board members and senior management personnel have affirmed compliance with the Code of Conduct for the year ended 31.03.2011. A declaration by the Chairman and Managing Director is included in the Annual Report 2010-11 of the Bank and is also placed on the website of the Bank. We are in the process of obtaining the declaration for the financial year ended 31.03.2012.
II. Audit Committee	49(II)		
(A) Qualified & Independent Audit Committee (Audit committee shall have minimum three directors as members. Two thirds of the members of the audit committee shall be independent directors All members of audit committee shall be financially literate and at least one member shall have accounting or related financial management expertise.)	49 (IIA)	Yes	Complied with. The Audit Committee is duly constituted in terms of RBI Guidelines on Audit Committee in PSBs.
(B) Meeting of Audit Committee (The Audit Committee shall meet atleast 4 times in a year and not more than 4 months shall elapse between two meetings. The	49 (IIB)	Yes	Complied with.

INVESTOR RELATIONS CENTRE

10.04.2012

Name of the Company: SyndicateBank

Quarter ending on: 31.03.2012

Particulars	Clause of Listing Agreement	Compliance status (Yes/No)	Remarks
Quorum shall be either 2 members or one third of the members of the audit committee, whichever is greater, but there should be a minimum of two independent members present.)			
<p>(C) Powers of Audit Committee</p> <p>The audit committee shall have powers, which should include the following:</p> <ol style="list-style-type: none"> 1. To investigate any activity within its terms of reference. 2. To seek information from any employee 3. To obtain outside legal or other professional advice 4. To secure attendance of outsiders with relevant expertise, if it considers necessary. 	49 (IIC)	Yes	Complied with
<p>(D) Role of Audit Committee</p> <p>(Overseeing the financial reporting of the Bank, Appointment of Statutory Auditors, Reviewing with the management the quarterly financial statements before submission to the board for approval, pre and post audit discussion with the statutory auditors, etc.,</p>	49 (IID)	Yes	The Audit Committee oversees quality control of internal audit and inspection within the Bank and follow up on the statutory / external audit of the Bank and Inspection of RBI. The committee reviews a) the internal inspection/audit function in the Bank b) the inspection reports of specialized and exceptionally large branches and all branches with unsatisfactory ratings c) the quarterly financial statements before they are submitted to board

INVESTOR RELATIONS CENTRE

10.04.2012

Name of the Company: SyndicateBank

Quarter ending on: 31.03.2012

Particulars	Clause of Listing Agreement	Compliance status (Yes/No)	Remarks
			for approval. Hence, complied with.
<p>(E) Review of information by Audit Committee</p> <p>The Audit Committee shall mandatorily review the following information:</p> <ol style="list-style-type: none"> 1. Management discussion and analysis of financial condition and results of operations. 2. Statement of significant related party transactions submitted by the management. 3. Management letters/letters of internal control weaknesses issued by statutory auditors; 4. Internal audit reports relating to internal control weaknesses and 5. The appointment, removal and terms of remuneration of the Chief Internal auditor subject to review by the Audit Committee. 	49 (IIE)	Yes	Periodical meetings were held by the Audit Committee and the information/reports placed before it are reviewed and analyzed.
<p>III. Subsidiary Companies</p> <ol style="list-style-type: none"> i. At least one independent director on the Board of Directors of the 	49 (III)	NA	Material non- listed Indian Subsidiary is defined in the Clause as the subsidiary whose turnover or networth exceeds 20% of the

INVESTOR RELATIONS CENTRE

10.04.2012

Name of the Company: SyndicateBank

Quarter ending on: 31.03.2012

Particulars	Clause of Listing Agreement	Compliance status (Yes/No)	Remarks
<p>holding company shall be a director on the Board of directors of a material non-listed Indian Subsidiary company.</p> <p>ii. The Audit committee of the listed holding company shall also review the financial statements, in particular, the investments made by the unlisted subsidiary company.</p> <p>iii. The Minutes of the Board meetings of the unlisted subsidiary company shall be placed at the Board meeting of the listed holding company. The management should periodically bring to the attention of the Board of Directors of the listed holding company, a statement of all significant transactions and arrangements entered into by the unlisted subsidiary company.</p>		<p>Yes</p> <p>Yes</p>	<p>consolidated turnover or networth of the listed holding company and its subsidiaries in the immediately preceding accounting year. Bank's BPO viz SyndBank Services Ltd was incorporated on 25.01.2006 and the paid up capital is only Rs.25.00 Lakh. The turnover the company for the year ended 31.03.2011 was Rs. 253.81 Lakh. Hence, not applicable.</p> <p>Financial statements of the subsidiary company for the year ended 31.03.2011 was placed before the Audit Committee of the Bank. .Financial statements of the subsidiary company, as on 31.03.2012 will be placed before the Audit Committee of the Board of the Bank, after it is approved by the Board of the Company.</p> <p>The minutes of the subsidiary company is being placed before the Board of the Bank at periodical intervals. Hence, Complied with.</p>

INVESTOR RELATIONS CENTRE

10.04.2012

Name of the Company: SyndicateBank

Quarter ending on: 31.03.2012

Particulars	Clause of Listing Agreement	Compliance status (Yes/No)	Remarks
IV. Disclosures	49 (IV)		
(A) Basis of related party transactions (A statement in summary form of transactions with related parties in the ordinary course of business shall be placed before the Audit committee of the Board)	49 (IVA)	Yes	Bank has a system of reporting such transactions by exception, as per which notes relating to such transactions are placed before the Audit committee. Hence, complied with.
(B) Board Disclosures (Disclosure of Accounting Treatment)	49 (IV B)	Yes	Complied with.
(C) Board Disclosures – Risk Management (Disclosure of Risk Management)	49 (IV C)	Yes	Complied with.
(D) Proceeds from Public Issues, rights issues, Preferential issues, etc., (Application of funds raised out of capital issues shall be disclosed to Audit committee)	49 (IV D)	Yes	Complied with.
(E) Remuneration of Directors (All pecuniary relationship or transactions of the non-executive directors vis – a- vis, the bank and remuneration of directors shall be disclosed in the Annual Report)	49 (IV E)	Yes	Complied with. .
(F) Management (Management Discussion and Analysis report should form part of annual report)	49 (IVF)	Yes	Complied with.

INVESTOR RELATIONS CENTRE

10.04.2012

Name of the Company: SyndicateBank

Quarter ending on: 31.03.2012

Particulars	Clause of Listing Agreement	Compliance status (Yes/No)	Remarks
<p>(G) Share holders (Brief resume of the director in case of the appointment of a new director or reappointment of a directors to be provided to the shareholders in the annual report)</p> <p>Quarterly results shall be put on the website</p> <p>Disclosure of relationships between directors inter-se shall be made in the Annual Report, notice of appointment of a director, prospectus and letter of offer for issuances and any related filings made to the stock exchanges where the company is listed).</p>	<p align="center">49 (IV F)</p>	<p align="center">Yes</p>	<p>Complied with.</p> <p>Quarterly results of the Bank are placed on the website of the Bank.</p> <p>Complied with.</p>
<p>V. CEO/CFO Certification (CEO and CFO to certify to the Board about review of financial statements), etc.</p> <p>Approval of appointment of CFO (i.e. the whole time finance Director or any other heading the finance function or discharging that function) after assessing the qualifications, experience & background,</p>	<p align="center">49 (V)</p>	<p align="center">Yes</p>	<p>Complied with. A Certificate from CEO/CFO as on 31.03.2011 is included in the Annual Report 2010-11 of the Bank and is also placed on the website of the Bank.</p> <p>Appointment of CFO has been approved by Audit Committee of the Board.</p> <p>The Bank is taking steps to obtain CEO/CFO certificate for the year ended 31.03.2012.</p>

INVESTOR RELATIONS CENTRE

10.04.2012

Name of the Company: SyndicateBank

Quarter ending on: 31.03.2012

Particulars	Clause of Listing Agreement	Compliance status (Yes/No)	Remarks
etc., of the Candidate”.			
VI. Report on Corporate Governance (Separate section on corporate governance to be provided in the Annual report)	49 (VI)	Yes	Detailed section on Corporate Governance is included in the Annual Report as on 31.03.2011. A separate section on Corporate Governance will be included in the Annual Report 2011-2012. Hence, Complied with.
VII. Compliance (Certificate either from the auditors or practicing company secretaries regarding compliance of conditions of Corporate governance as stipulated in this clause and annex the certificate with the directors' report)	49 (VII)	Yes	Complied with. A copy of certificate obtained from the Auditors is included in the Annual Report 2010-11 of the Bank and is also placed on the website of the Bank. The Bank is in the process of obtaining Statutory Certificate as on 31.03.2012.

COMPANY SECRETARY