



**RECORD NOTE OF PROCEEDINGS OF THE 62nd. ANNUAL
GENERAL MEETING, HELD ON 27 JULY 2016, OF THE
SHAREHOLDERS OF WEST BENGAL FINANCIAL
CORPORATION FOR THE FINANCIAL YEAR 2015-16**

SHAREHOLDERS PRESENT

Serial number	Shareholder	Class	Represented by
1	The Governor of West Bengal	a	Shri Shomit Ghosh, WBFS (Exec)
2	Small Industries Development Bank of India	b	Srimati Sanchita Majumdar
3	Life Insurance Corporation of India	c	Sri Suvasis Sengupta
4	Calcutta Central Telegraph Office Cooperative Credit Society Limited	d	Sri Prakash Das
5	Sri Madan Nandi	d	Self
6	Sri Pradip Adhikary	d	For Sri Mihir Kumar Basu
7	Sri Subhas Chandra Roy	d	Self
8	Sri Tarak Dutta	d	Self
9	The Official Receiver, High Court	d	Sri Prabir Kumar Ganguly

DIRECTORS PRESENT

1. Sri Samarendranath Koley
Managing Director, WBFC
2. Sri Asok Kumar Das
Director of Institutional Finance & Ex-officio
Special Secretary, Finance Department,
GOWB
3. Sri S. K. Ram
Joint Secretary, GOWB

WBFC OFFICIALS IN ATTENDANCE

1. Sri P. Mukhopadhyay
OSD & Ex-Officio GM (HQ)
2. Sri K. Mukhoti
Officiating General Manager [Operation]
3. Sri M. Mondal
Deputy General Manager [AMD]
4. Sri S. Roy
Officiating DGM (Operation)
5. Sri P. Basu
Officiating DGM (Operation)
6. Sri G. Datta
Officiating DGM (Monitoring)
7. Sri A. Pal
Chief Manager (Operation)



8. Sri S. Pyne
9. Sri A, Basu
10. Sri S. Bandopadhyay
11. Sri C. Mukherjee

Manager [Accounts]
Dy. Mnager (Accounts)
FA & CAO
Secretary

In the beginning, the Shareholders were apprised that due to technical reasons, Sri Amlan Basu, Chairman of the Corporation was unable to be present. In his absence, the Managing Director, Sri S. N. Koley was elected as the Chairman of the Annual General Meeting as per section 52 of the WBFC General Regulations, 2003.

1 QUORUM

On assuming the Chair, the Chairman enquired about the required quorum to proceed.

In terms of Regulation 51 of the WBFC General Regulations, 2003 a quorum of at least five shareholders is required in a General Meeting and, in consideration of the presence of nine shareholders, the Secretary reported about the compliance to the Chairman and the meeting commenced.

2 WELCOME ADDRESS BY THE CHAIRMAN

Welcoming the Honourable Shareholders present, the Chairman initiated the deliberations by informing the Shareholders about the new Head Office premises of the Corporation at DD22, Salt Lake City, Kolkata. The Shareholders were informed that owing to space constraint at the Corporation's Head office, the AGM was being held at Hotel De Sovrani, situated adjacent to the Head Office.

The Chairman introduced Sri S. Bandopadhyay, FA & CAO, who had joined recently, to the Shareholders and requested the former to give a brief overview of the performance of the Corporation in the recently concluded financial year.

The FA & CAO, in course of his submission, informed that, in the last FY, emphasis had been given on cost reduction particularly with respect to reducing interest expenses, administrative expenses as well as other expenses. These measures, coupled with increased Interest and Other Income, resulted in higher Operating Profit. The scenario, however, changed with the impact of NPA which brought down profit substantially. Strict adherence to RBI policy directives on provisioning for restructured accounts also had a major impact on the Corporation's profit for the year. Effective Treasury actions have helped in reduction of high-cost borrowings during the year. It was observed that NPAs continued to be a major concern and, hence, in the current fiscal, the emphasis would be on NPA



management (through better monitoring and control) simultaneously striving for further reduction of Interest and other expenses.

The Chairman informed that the massive task of shifting the Head Office, including the Kolkata Branch, had an impact on the overall performance despite which, performance with regard to sanction, disbursement and recovery was better as compared to the previous year. It was pointed out that resource mobilization was a key area in the current fiscal and the management, being aware of this challenge, has already initiated a few measures in this respect. The Chairman expressed optimism that, despite the challenges of NPA management and resource mobilization, performance in the current year is expected to be better.

With the permission of the Chairman, Sri Asok Kr. Das, Director and Chairman, Audit Committee of the Board, informed that the Audit Committee has issued guidelines to the Management regarding development of an integrated software to enable Asset Quality Review (AQR) and a systematized Internal Financial Control (IFC) mechanism as also on preparation and adoption of Operating Manuals pertaining to various Policies evolved and adopted pursuant to suggestions of the ACB. It was also pointed out that, in the present scenario, there was no room for complacency.

The Chairman then invited the Shareholders present to exchange their views on the performance of the Corporation during FY 2015-16.

3 VIEWS OF THE SHAREHOLDERS

The following Shareholders spoke on various items of the Notice and Annual Accounts for the year and sought clarifications: Sri Tarak Datta, Sri Madan Nandi and Sri Subhas Chandra Roy.

The following were some of the major comments from the Shareholders:

- The rationale for using the term 'Sundry Deposit at Branch' needs to be clarified
- The reason for treatment of 'Letter of Comfort' as a current liability
- Nature of Stale Cheque Liability as appearing in the Balance Sheet.
- Status of State Subsidy under different heads received in earlier years
- Details of the Dividend Account with UBI
- Basis of Interest Capitalisation as appearing in the Accounts
- Despite achieving higher sanctions and disbursements, realization of Processing fees and Legal-cum-service charges has declined - this aspect needs to be examined
- Some of the previous year figures pertaining to Recovery furnished in the Annual Report do not tally with those appearing in the previous year's Annual Report



- Resource generation for meeting requirements of statutory payments as well as meeting business targets appears to be a major area of concern
- Amortisation of the value of leased land may be examined.

With the permission of the Chairman, the FA & CAO, furnished required clarifications in respect of the issues raised by the Shareholders.

4 ADOPTION OF ANNUAL REPORT AND ACCOUNTS: FY 15-16

As there were no more observations by the shareholders the Chairman moved the following resolution:

“Considered and adopted the accounts of West Bengal Financial Corporation for the financial year ended 31 March 2016, the balance sheet as on that date and the report of the Board of Directors and the auditors thereon, in this 62nd Annual General Meeting of the shareholders of the Corporation.”

The resolution was passed unanimously.

5 APPOINTMENT OF STATUTORY AUDITORS OF THE CORPORATION FOR THE FY 2016-17

The following resolution was passed unanimously:

“Resolved that Messer Dutta Ghosh & Associates, Chartered Accountants, of 4, Ripon Street, Kolkata 700 016, be appointed as the statutory auditors of West Bengal Financial Corporation for the financial year 2016-17, for the fourth term, on the terms, conditions and remunerations specified by RBI in its letter of 13 May 2016.”

6 PAYMENT OF DIVIDEND FOR THE FY 2015-16

The following resolution was passed unanimously:

“Resolved that no Dividend be paid for the FY 2015-16 to the ordinary shareholders of the Corporation including GOWB, SIDBI, LIC, public sector banks and cooperative bank.”



7 VOTE OF THANKS

There being no other agendum to discuss, the FA & CAO delivered the vote of thanks to the honourable shareholders, to the directors of the Corporation present, to the Chairman and Managing Director of WBFC, to all the officials of the Corporation present in the meeting and to each and every member of the staff of the Corporation without the active participation of whom the 62nd AGM would not have been a successful and constructive event.

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke extending to the right.

MD & Chairman of the AGM

Friday, 05 August 2016