



ING Vysya Bank Limited  
Regd. & Corp. Office : 'ING Vysya House',  
No. 22, M.G. Road,  
Bangalore – 560 001.

Venue	: The Auditorium, 'ING Vysya House', No. 22, M.G. Road, Bangalore - 560 001.
Date	: Tuesday, June 25, 2013
Time	: 11.00 A.M.

## NOTICE

Notice is hereby given that the 82<sup>nd</sup> Annual General Meeting of ING Vysya Bank Limited will be held at The Auditorium, 'ING Vysya House', No. 22, M. G. Road, Bangalore – 560 001 on Tuesday, June 25, 2013, at 11.00 A.M. to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Balance Sheet as at March 31, 2013, Profit and Loss Account for the year ended on that date together with the Auditors' Report thereon and the Directors' Report attached thereto for that year.
2. To declare a dividend on equity shares for the year ended March 31, 2013.
3. To appoint a Director in place of Mr. Richard Cox who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Meleveetil Damodaran who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Mr. Vikram Talwar who retires by rotation and being eligible, offers himself for re-appointment.
6. To re-appoint M/s BSR & Co., Chartered Accountants, as the Auditors of the Bank and authorize the Board of Directors to fix their remuneration.

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

**"RESOLVED THAT** pursuant to the applicable provisions of the Companies Act, 1956 and of the Banking Regulation Act, 1949, M/s. BSR & Co., Chartered Accountants, (Firm Registration No. 101248W), be and are hereby re-appointed as Statutory Auditors of the Bank for the financial year 2013-14, subject to the approval of the Reserve Bank of India, under Section 30(1A) of the Banking Regulation Act, 1949, to hold office from the conclusion of the 82<sup>nd</sup> Annual General Meeting till the conclusion of the next Annual General Meeting of the Bank under Section 224(1) of the Companies Act, 1956, on a remuneration (including the terms of payment) to be fixed by the Board of Directors of the Bank, based on the recommendation of the Audit Committee, plus service tax and such other tax(es), as may be applicable, and re-imbursalment of out- of- pocket expenses as may be agreed to by the said Board in connection with the audit of the accounts of the Bank for the year ending March 31, 2014;

**RESOLVED FURTHER THAT** pursuant to the provisions of Section 228 and other applicable provisions, if any, of the Companies Act, 1956 and the Banking Regulation Act, 1949, the Board of Directors of the Bank be and are hereby authorized to appoint Branch Auditors, as and when required, in consultation with the Statutory Auditors, to audit the accounts of the Bank's branches/ offices for the year ending March 31, 2014 and to fix their remuneration (including the terms of payment) based on the recommendation of the Audit Committee, plus service tax and such other tax(es), as may be applicable, and reimbursement of out-of-pocket expenses as may be agreed to by the said Board in connection with the said audit."

### SPECIAL BUSINESS

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

**"RESOLVED THAT** Mr. Sanjeev Aga, in respect of whom the Bank has received a notice in writing along with the requisite amount of deposit from a member proposing Mr. Sanjeev Aga, as a candidate for the office of Director under Section 257 of the Companies Act, 1956 and who is eligible for appointment to the said office, be and is hereby appointed as a Director of the Bank liable to retire by rotation."

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

**“RESOLVED THAT** pursuant to the provisions of Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment(s) thereof) and in accordance with the provisions of the Memorandum and Articles of Association of the Bank and the regulations/guidelines prescribed by Securities and Exchange Board of India, or any other relevant authority from time to time, to the extent applicable and subject to such approvals, consents, permissions and sanctions and subject to such conditions as may be prescribed by any of them while granting such approvals, consents, permissions and sanctions, the Board of Directors of the Bank (hereinafter referred to as the “Board”, which term shall be deemed to include any Committee constituted/to be constituted by the Board to exercise its powers, including the powers conferred by this resolution) be and is hereby authorised to create, issue, offer or allot such number of stock options, to or for the benefit of such person or persons as are in the permanent employment of the Bank, including any Directors of the Bank, whether whole-time or otherwise, as may be decided by the Board of Directors, at any time, as are convertible into not more than 7,500,000 equity shares of the Bank under an Employee Stock Option Scheme titled “ESOS 2013”, in one or more tranches and on such terms and conditions as the Board of Directors may decide; each stock option shall be convertible into one equity share (of a face value of Rs. 10/- per share) of the Bank;

**RESOLVED FURTHER THAT** subject to the terms stated herein, the equity shares allotted pursuant to the aforesaid resolution shall in all respects rank pari passu inter se with the then existing equity shares of the Bank;

**RESOLVED FURTHER THAT** for the purpose of giving effect to any creation, issue, offer or allotment of equity shares as described above, the Board be and is hereby authorised on behalf of the Bank, subject to all applicable laws, rules and regulations, to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose and with power on behalf of the Bank to settle all questions, difficulties or doubts that may arise in regard to such creation, issue, offer or allotment (including to amend or modify any of the terms of such creation, issue, offer or allotment) without being required to seek any further consent or approval of the Members, as it may, in its absolute discretion deem fit, and that the Members shall be and are hereby deemed to have given their approval thereto expressly by authority of this Resolution;

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to delegate all or any of the powers herein conferred to any Committee constituted for this purpose in terms of any applicable laws, rules and regulations.”

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

**RESOLVED THAT** pursuant to the provisions of Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment(s) thereof) and in accordance with the provisions of the Memorandum and Articles of Association of the Bank and the regulations/guidelines prescribed by the Securities and Exchange Board of India, or any other relevant authority from time to time, to the extent applicable and subject to such approvals, consents, permissions and sanctions and subject to such conditions as may be prescribed by any of them while granting such approvals, consents, permissions and sanctions, the Board of Directors of the Bank (hereinafter referred to as the Board, which term shall be deemed to include any Committee constituted/to be constituted by the Board to exercise its powers, including the powers conferred by this resolution) be and is hereby authorised to create, issue, offer or allot such number of stock options, to or for the benefit of such person or persons as are in the permanent employment of any subsidiary companies of the Bank including any Directors of the Companies, whether whole-time or otherwise, as may be decided by the Board of Directors, at any time, as are convertible into not more than 7,500,000 equity shares of the Bank under an Employee Stock Option Scheme titled “ESOS 2013”, in one or more tranches and on such terms and conditions as the Board of Directors may decide; each stock option shall be convertible into one equity share (of a face value of Rs. 10/- per share) of the Bank;

**RESOLVED FURTHER THAT** subject to the terms stated herein, the equity shares allotted pursuant to the aforesaid resolution shall in all respects rank pari passu inter se with the then existing equity shares of the Bank;

**RESOLVED FURTHER THAT** for the purpose of giving effect to any creation, issue, offer or allotment of equity shares, as described above, the Board be and is hereby authorised on behalf of the Bank, subject to all applicable laws, rules and regulations, to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose and with power on behalf of the Bank to settle all questions, difficulties or doubts that may arise in regard to such creation, issue, offer or allotment (including to amend or modify any of the



terms of such creation, issue, offer or allotment) without being required to seek any further consent or approval of the Members, as it may, in its absolute discretion deem fit, and that the Members shall be and are hereby deemed to have given their approval thereto expressly by authority of this Resolution;

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to delegate all or any of the powers herein conferred to any Committee constituted for this purpose in terms of any applicable laws, rules and regulations."

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

- (a) **"RESOLVED THAT** subject to the provisions of Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 (including any amendments thereto or re-enactment thereof) ("**Act**"), the provisions of the Banking Regulation Act, 1949, the provisions of the Foreign Exchange Management Act, 2000 ("**FEMA**"), as amended, including the Foreign Exchange Management (Transfer or issue of Security by a Person Resident Outside India) Regulations, 2000, the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993 as amended and subject to any required approval, consent, permission and/or sanction of the Ministry of Finance (Department of Economic Affairs) and of Ministry of Industry (Foreign Investment Promotion Board/Secretariat for Industrial Assistance), the Securities and Exchange Board of India ("**SEBI**") and in accordance with the rules, regulations, guidelines, notifications, circulars and clarifications issued thereon from time to time by Government of India ("**GOI**"), the Reserve Bank of India ("**RBI**"), SEBI and/or any other competent authorities including the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the "**SEBI ICDR Regulations**") and the enabling provisions of the Memorandum of Association and Articles of Association of the Bank, the Listing Agreements entered into by the Bank with the stock exchanges on which the Bank's shares are listed and subject to necessary approvals, permissions, consents and sanctions of concerned statutory and other authorities (hereinafter the "**Requisite Approvals**") and subject to such conditions and modifications as may be prescribed by any of them while granting such approvals, permissions, consents and 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 thereof), the consent, authority and approval of the Bank be and is hereby accorded to the Board to create, offer, issue and allot (including with provisions for reservation on firm and/or competitive basis of such part of issue and for such categories of persons including employees of the Bank as may be permitted), with or without a green shoe option, either in India or in the course of international offering(s) in one or more foreign markets such number of equity shares of the Bank ("**Equity Shares**"), Global Depository Receipts ("**GDRs**"), Foreign Currency Convertible Bonds ("**FCCBs**"), and/or any other financial instruments, convertible into Equity Shares (including warrants or otherwise in registered or bearer form) and/ or any security convertible into Equity Shares and /or securities linked to Equity Shares and /or securities with or without detachable warrants with right exercisable by the warrant holders to convert or subscribe to Equity Shares including the issue and allotment of Equity Shares pursuant to a green shoe option, if any (all of which are hereinafter collectively referred to as "**Securities**") or any combination of Securities, in one or more tranches, whether Rupee denominated or denominated in foreign currency, of public and/or private offerings and/or on preferential allotment basis or any combination thereof through issue of prospectus and /or placement document/ or other permissible/requisite offer document, to any eligible person, including but not limited to Qualified Institutional Buyers (as defined by the SEBI ICDR Regulations), domestic / foreign investors/ foreign institutional investors, non resident Indians, companies, body corporates, trusts, Indian or multilateral financial institutions, stabilizing agents, employees of the Bank, any other categories of investors, whether they be shareholders of Equity Shares of the Bank or otherwise (collectively called the "**Investors**"), as may be decided by the Board in its discretion and permitted under applicable laws and regulations by offering the Securities in one or more countries at such time or times, at such price or prices, at a discount (as may be permitted under Chapter VIII of the SEBI ICDR Regulations or other applicable law or as may be permitted by the SEBI or any other authority) or premium to market price or prices in such manner and on such terms and conditions including security, rate of interest, etc. 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/sub-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 managers, underwriters, and/or other advisors, appointed for such offer, up to 30,000,000 Equity Shares or Securities equivalent thereto, as may be determined by the Board, subject to a maximum of INR 20,000 million, raised from the issue of such Equity Shares or Securities;

- (b) **RESOLVED FURTHER THAT** subject to provisions of Section 81(1A) and other applicable provisions, if any, of the Act and subject to obtaining the Requisite Approvals and subject to such conditions and modifications as may be prescribed by any of them while granting such approvals, permissions, consents and sanctions and which may be agreed to by the Board, the Board may at its absolute discretion offer, issue and allot up to 14,394,475 Equity Shares or Securities equivalent thereto, as specified above, in one or more tranches, by way of Qualified Institutions Placement ("QIP") to Qualified Institutional Buyers ("QIBs") in terms of Chapter VIII of the SEBI ICDR Regulations, whether or not such investors are existing members of the Bank and such Equity Shares or Securities equivalent thereto shall be fully paid up and the allotment of such Equity Shares or Securities equivalent thereto shall be completed within 12 (twelve) months from the date of the members approving the proposed issue or such other time as may be allowed by the SEBI ICDR Regulations from time to time at a price/prices at a discount (as may be permitted under Chapter VIII of the SEBI ICDR Regulations or other applicable law or as may be permitted by the SEBI or any other authority) not less than the price as determined in accordance with relevant provisions of the SEBI ICDR Regulations and on such terms and conditions as may be deemed appropriate by the Board at its absolute discretion and wherever necessary in consultation with lead managers in accordance with the applicable laws, rules, regulations and guidelines prevailing in this regard;

**RESOLVED FURTHER THAT** the Equity Shares or Securities equivalent thereto, proposed to be issued shall rank *pari passu* in all respects including entitlement to dividend with the existing Equity Shares of the Bank;

**RESOLVED FURTHER THAT** in pursuance of the aforesaid resolutions:

- (a) The Equity Shares or Securities equivalent thereto to be so offered, issued and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Bank; and
- (b) the relevant date for the purposes of determining the floor price of the Equity Shares or Securities equivalent thereto in accordance with the SEBI ICDR Regulations would be the date of the meeting of the Board or a duly authorized Committee thereof, wherein it is decided to open the proposed issue.

**RESOLVED FURTHER THAT** the pricing of any Equity Shares issued upon the conversion of the Securities shall be made subject to, and in compliance with the applicable rules and regulations and such price shall be subject to appropriate adjustments, if any, in accordance with the applicable rules/guidelines/statutory provisions;

**RESOLVED FURTHER THAT** the issue to the holders of underlying Securities, which are convertible into or exchangeable with Equity Shares at a later date shall be, *inter alia*, subject to the following terms and conditions:

- (a) in the event of the Bank making a bonus issue by way of capitalization of its profits or reserves prior to the allotment of the Securities, the number of Equity Shares to be allotted shall stand augmented in the same proportion in which the Equity Share capital increases as a consequence of such bonus issue and the premium, if any, shall stand reduced pro rata;
- (b) in the event of the Bank making a rights offer by issue of Equity Shares prior to the allotment of the Securities, the entitlement to the Equity Shares will stand increased in the same proportion as that of the rights offer and such additional Equity Shares shall be offered to the holders of the Securities at the same price at which the same are offered to the existing members;
- (c) in the event of merger, amalgamation, takeover or any other re-organization or restructuring or any such corporate action, the number of Equity Shares, the price and the time period as aforesaid shall be suitably adjusted;
- (d) in the event of consolidation and/or division of outstanding shares into smaller number of shares (including by the way of stock split) or re-classification of the Securities into other securities and/or involvement in such other event or circumstances which in the opinion of concerned stock exchange requires such adjustments, necessary adjustments will be made.

**RESOLVED FURTHER THAT** without prejudice to the generality of the above and subject to applicable laws and subject to Requisite Approvals including any conditions as may be prescribed while granting such approval or permissions by such governmental authority or regulatory institution, the aforesaid Securities may have such features and attributes or any terms or combination of terms that provide for the tradability and free transferability thereof in accordance with the prevailing practices in the capital markets including but not limited to the terms and conditions for issue of additional Securities;

**RESOLVED FURTHER THAT** the Board or any of the Director(s)/ Committee of Directors / Company Secretary/ other persons authorized by the Board be and is hereby authorized to issue and allot such number of Equity Shares or Securities equivalent thereto, as may be required to be issued and allotted upon conversion of any Securities or as may be necessary in accordance with the terms of the offering all such Equity Shares ranking *pari passu* with the existing Equity Shares of the Bank in all respects, except the right as to dividend which shall be as provided under the terms of the issue and in the offering documents;

- (c) **RESOLVED FURTHER THAT** subject to the provisions of Section 81(1A) and other applicable provisions, if any, of the Act, and subject to obtaining the Requisite Approvals and subject to such conditions and modifications as may be prescribed by any of them while granting such approvals, permissions, consents and sanctions and which may be agreed to by the Board, the consent, authority and approval of the Bank be and is hereby accorded to create, offer, issue and allot, in one or more tranches, by way of preferential issue, up to 15,605,525 Equity Shares or Securities equivalent thereto, in accordance with the Chapter VII of the SEBI ICDR Regulations, to ING Mauritius Holdings and ING Mauritius Investments I on such terms and conditions as may be deemed appropriate by the Board at its absolute discretion and wherever necessary in consultation with Lead Managers in accordance with the applicable laws, rules, regulations and guidelines prevailing in this regard;

**RESOLVED FURTHER THAT** the Equity Shares or Securities equivalent thereto, proposed to be issued shall rank *pari-passu* in all respects including entitlement to dividend with the existing Equity Shares;

**RESOLVED FURTHER THAT** the relevant date for the purposes of determining the floor price of the Equity Shares in accordance with the SEBI ICDR Regulations is May 24, 2013, being 30 days prior to June 25, 2013 i.e., the date of this AGM (May 26, 2013 being a Sunday, May 24, 2013 is taken as the relevant date as per Regulation 71 of the SEBI ICDR Regulations);

**RESOLVED FURTHER THAT** the Board or any of the Director(s)/ Committee of Directors / Company Secretary/ other persons authorized by the Board be and is hereby authorized to take all such steps and do such acts, deeds, and things as is considered necessary, expedient, usual, proper or incidental in relation to the said matter and to take such actions and give such directions as they may consider as necessary or desirable and to obtain any approvals, permissions, sanctions which may be necessary or desirable to give effect to this resolution including but not limited to:

- (a) Appointing the lead managers, underwriters, legal advisors, guarantors, depositories, custodians, registrars, stabilizing agent, trustees, bankers, advisors, auditors and all such agencies as may be necessary, involved or concerned in such offerings of Equity Shares or Securities equivalent thereto and remunerating them by way of commission, brokerage, fees or the like;
- (b) Executing all such arrangements, agreements, memoranda, documents, etc. with such agencies;
- (c) Making all such necessary applications with the appropriate authorities and make the necessary regulatory filings in this regard;
- (d) Approving the preliminary placement document and the placement document for the QIP and filing the same with any other authority or persons as may be required;
- (e) Approving the term sheet for the preferential allotment;
- (f) Determining and approving the form and manner of the QIP and the preferential issue, including where applicable, the class of investors to whom the Equity Shares or Securities equivalent thereto are to be issued and allotted, basis of allotment, number of Equity Shares or Securities equivalent thereto to be allotted, issue price, face value, premium amount on issue/conversion of the Securities, if any, in respect of any Securities as may be required either on *pari-passu* basis or otherwise and the allotment of Equity Shares or Securities equivalent thereto;
- (g) 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 or Securities equivalent thereto, by the Bank;
- (h) Affixing the common seal of the Bank on any agreement(s)/ document(s) as may be required to be executed in connection with the above as per the procedure prescribed in the Articles of Association of the Bank;
- (i) Settling all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of Equity Shares or Securities equivalent thereto and utilization of the issue proceeds;



- (j) Opening a separate special account with a scheduled bank to receive monies in respect of the issue of Equity Shares or Securities equivalent thereto of the Bank and opening and operating such other bank accounts and demat accounts as may be required for the transaction;
- (k) Making applications for listing of the Equity Shares or Securities equivalent thereto of the Bank on one or more stock exchange(s) and to execute and to deliver or arrange the delivery of the listing agreement(s) or equivalent documentation to the concerned stock exchange(s); and
- (l) Authorizing the maintenance of a register of holders of the Equity Shares or Securities equivalent thereto;
- (m) Doing all such other acts, deeds, matters and things and execute all such other documents and pay all such fees, as they may in their absolute discretion, deem necessary or desirable for the purpose of effecting the resolution;
- (n) Authorizing or delegating all or any of the powers herein above conferred to one or more persons, if need be, as they may in their absolute discretion, deem necessary or desirable for the purpose of effecting the resolution."

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

**"RESOLVED THAT** the re-appointment of Mr. Shailendra Bhandari as Managing Director and Chief Executive Officer of ING Vysya Bank Limited, for a period of three years with effect from August 5, 2012 as approved by the Reserve Bank of India under Section 35B of the Banking Regulation Act, 1949, vide its letter No. DBOD No.1710/08.57.001/2012-13 dated July 31, 2012, at the remuneration to be advised by RBI in due course, be and is hereby approved under the applicable provisions of the Companies Act, 1956."

By Order of the Board

Place : Bangalore  
Date : May 17, 2013

**M V S APPA RAO**  
Company Secretary

**NOTES:**

1. 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 such proxy need not be a member. The instrument of 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 ING Vysya House, No. 22, M. G. Road, Bangalore – 560 001 at least 48 hours before the commencement of the meeting i.e. before 11:00 A.M. on Sunday, June 23, 2013.
2. Register of Members and Share Transfer Books of the Bank shall remain closed from Friday, June 14, 2013 to Tuesday, June 25, 2013 (both days inclusive).

Dividend for the year ended March 31, 2013, if declared at the Meeting, will be paid on and from Tuesday, June 25, 2013 but not beyond Wednesday, July 24, 2013 :

- (i) to those Members, holding shares in physical form, whose names appear in the Register of Members at the close of business hours on Thursday, June 13, 2013 after giving effect to all valid transfers in physical form lodged with the Bank and / or its Registrars and Share Transfer (R & T ) Agents on or before Thursday, June 13, 2013; and
- (ii) in respect of shares held in electronic (demat) form, on the basis of beneficial ownership as per the details furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) at the close of business hours on Thursday, June 13, 2013.

In terms of the directive of Securities and Exchange Board of India (SEBI), shares issued by companies should rank *pari passu* in all respects, including dividend entitlement, equity shares allotted by the Bank during the period from April 01, 2013 to June 13, 2013 including equity shares allotted under the ING Vysya Bank Employees Stock Option Schemes (ESOS) and members whose name is appearing in the Register of Members as on the date of commencement of Book Closure i.e. on June 14, 2013, apart from Rights Shares kept in abeyance in respect of Rights Issue made in 1996 and 2005, will be entitled for full dividend for the financial year ended March 31, 2013, if declared at the Meeting subject to applicable regulations.



3. Pursuant to the provisions of Section 205C of the Companies Act, 1956, the amount of dividend remaining unclaimed for a period of seven years from the date of its transfer to the Unpaid Dividend Account is required to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government and, thereafter, no payments shall be made by the Bank or by the IEPF in respect of such amounts. Therefore, the amount of unclaimed dividend for the financial years ended up to March 31, 2005 has been transferred, and for the financial year ended March 31, 2006, no amount of dividend stands due for transfer to IEPF.

Members who have not yet encashed their dividend warrant(s) for any subsequent financial year(s) are requested to submit their claims to the R & T Agents of the Bank without any delay.

4. Members holding shares in electronic form may please note that, in terms of the mandate of the Securities and Exchange Board of India (SEBI), dividend will be credited through Electronic mode of remittance to the Bank Account of the Shareholder mentioned in the details furnished by the respective Depositories to the Bank on the date of book closure, provided the MICR / IFS Code has also been furnished and the Bank account pertains to a city where ECS / NEFT facility is available. Members holding shares in dematerialised mode are requested to intimate all updates pertaining to their bank details, nominations, power of attorney, change of address / name etc., to their Depository Participant (DP) only and not to the Bank or its R & T Agents. Such changes will automatically reflect in the Bank's records.
5. Members holding shares in physical form are requested to notify the changes, if any, in their address immediately to the R & T Agents / Bank giving full address in capital letters invariably with the relevant Postal Index Number (PIN) code.
6. Members holding shares in physical form are requested to avail Nomination facility for hassle free transmission of shares to their beloved ones. They may request for the prescribed format or alternatively they may download by visiting the Bank's website, under the section 'Information to Shareholders' ([http://www.ingvysyabank.com/scripts/About\\_shareholdersinfo.aspx](http://www.ingvysyabank.com/scripts/About_shareholdersinfo.aspx)).
7. Members holding shares in physical form are requested to opt for dematerialisation of shares and to know more about dematerialisation benefits, they may visit the Bank's website, under the section 'Information to Shareholders' ([http://www.ingvysyabank.com/scripts/About\\_shareholdersinfo.aspx](http://www.ingvysyabank.com/scripts/About_shareholdersinfo.aspx)).
8. Legal heirs of deceased Shareholders (who were members as on record date of February 28, 2005), are requested to expeditiously complete the transmission procedure and claim the rights shares issued by the Bank in the year 2005 which are kept in abeyance, by contacting our R & T Agents at an early date.
9. Members holding shares in physical form are requested to quote their Registered Folio number in their correspondence with the R & T Agents / Bank. Those Shareholders who have dematerialised their shares are requested to quote both their Client Id No. and DP Id No. in their correspondence with the R & T Agents / Bank.
10. The Bank had sent an e-mail communication on May 18, 2012 to the all shareholders who have registered their email address to support a "Green Initiative in Corporate Governance" initiated by the Ministry of Corporate Affairs ("Ministry") to receive all communications from the Bank including Annual Report in electronic mode. We request all the shareholders to register their email address with our R & T Agents and with your DP if not already done, at an early date, to be part of this Green Initiative.
11. Pursuant to the requirements relating to Corporate Governance under Clause 49 of the Listing Agreement entered into with the Stock Exchanges, the information about the Directors proposed to be appointed / re-appointed is given in the Annexure to this Notice.
12. Only registered members / beneficial owners carrying their attendance slips and holders of valid proxy forms registered with the Bank are permitted to attend the meeting.
13. Members are requested to avoid being accompanied by non-members and / or children.
14. Members are requested to be seated at the meeting hall before the scheduled time of commencement of the Annual General Meeting.

By Order of the Board

Place : Bangalore  
Date : May 17, 2013

M V S APPA RAO  
Company Secretary



## **EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956**

### **ITEM NO. 7**

Mr. Sanjeev Aga was appointed by the Board under Section 260 of the Companies Act, 1956, as an Additional Director effective December 17, 2012 to hold office up to the date of the 82<sup>nd</sup> Annual General Meeting of the Bank. The Bank has received a notice from a member under Section 257 of the Companies Act, 1956 in respect of Mr. Sanjeev Aga proposing his appointment as a Director of the Bank, along with the requisite deposit.

The Nomination (Corporate Governance) Committee has undertaken the due diligence of Mr. Sanjeev Aga as per the guidelines of Reserve Bank of India and has declared that he is 'fit and proper' for appointment as a Director.

It is now proposed to appoint Mr. Sanjeev Aga as Director of the Bank, liable to retire by rotation.

None of the Directors, except Mr. Sanjeev Aga, is, either directly or indirectly, concerned or interested in this resolution.

### **ITEM NO. 8 & 9**

Human Resource is the key resource for the continuing growth and development of a company. To motivate the employees and to enable them to participate in the long-term growth and financial success of the organization, with a common objective of maximizing the shareholder value, the Bank introduced Employee Stock Option Scheme(s) (ESOSs). The ESOSs would not only enable the Bank to attract and motivate employees by rewarding performance as also to retain best talents but also enable the employees to develop a sense of ownership with the organization. In view of this, it is imperative to continue to grant stock options to the employees of the Bank. It is also important to note that in the banking industry, all the major players have been granting stock options to their employees to enable them to share the value created by them.

The members are aware that the Bank has obtained your approval for 500,000 and 893,264 options at the 70<sup>th</sup> and 74<sup>th</sup> Annual General Meeting, respectively. Further, the Bank obtained approval for 7,800,000 options through postal ballot on May 11, 2007 and for 11,500,000 options at the 79<sup>th</sup> Annual General Meeting.

On the basis of above approvals, various ESOSs were implemented and options granted to the employees. Under the existing ESOS 2007, the Bank granted from time to time an aggregate of 7,845,476 options (including lapsed options which are added back) as of March 31, 2013 leaving a balance of 757,974 options and under ESOS 2010, the Bank granted from time to time an aggregate of 11,378,475 options (including lapsed options which are added back) as of March 31, 2013 leaving a balance of 1,230,365 options for grants in future. Considering such inadequate balance available in the existing ESOS 2007 and 2010 for future grants, it is proposed that a new Employee Stock Options Scheme 2013 ("ESOS 2013") be introduced with 7,500,000 stock options, so that the new employees including eligible existing employees of the Bank are also granted stock options.

The salient features of the ESOS 2013 are presented below:

- i. Total number of Options proposed to be covered under the Scheme  
To grant options convertible into 7,500,000 equity shares to existing employees and to new hires for key positions forming upto 4.84% of the paid up capital as of March 31, 2013.
- ii. Pricing formula  
The exercise price shall be the closing price of the shares of the Bank on the last trading day, prior to the Grant date on the recognized stock exchange which had the highest trading volume of the shares of the Bank on that day.
- iii. Eligibility  
All employees as may be deemed eligible by the Management based on criticality and performance. It is expected that initially the scheme would be restricted to select employees.
- iv. Vesting Schedule  
Options granted under ESOS 2013 would vest not earlier than one year and not more than three years from the date of grant of such options. The vesting schedule would be 33% on completion of 1st year, 33 % on completion of 2nd year and 34% on completion of 3rd year.





In case of a retired employee, the retired employee shall exercise the vested options within a period of one year from the date of retirement and in the case of options granted but yet to be vested, the retired employee can exercise the options within a period of one year from the date of vesting of such options.

In the case of the death of the employee, the legal heir shall follow the same schedule of exercise as in the case of the retired employee as stated above.

v. Exercise Period and Process

Options once granted could be exercised within five (5) years from the date of vesting. Process of the exercise of options shall be as determined from time to time by the HR Department.

vi. Appraisal Process

The Board/ Committee shall determine the eligibility criteria for the eligible employees under the ESOS 2013 based on their evaluation on various parameters, such as performance, criticality, grade, leadership qualities, merit and such other factors as may be deemed appropriate by it.

vii. Maximum number of options to be issued

The maximum number of options granted to any employee in a year shall not exceed 1% of the issued equity share capital of the Bank. The aggregate of all such grants under the scheme shall not result into equity shares exceeding 7,500,000 at any point in time.

viii. Disclosure and Accounting policies

The Bank shall comply with the disclosure and accounting policies, as prescribed by Securities and Exchange Board of India and any other appropriate authority from time to time. The Bank shall use intrinsic value method of valuation of options, As the Bank calculates the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options, shall be disclosed in the Directors' (Annual) Report and also the impact of this difference on profits and on EPS of the company shall also be disclosed in the Directors' (Annual) Report.

ix. Transfer/Secondment

Employees will continue to carry the rights on their unvested options during their tenure with ING Vysya Bank or upon transfer to any other entity of ING Group or on long leave / sabbatical leave as per the applicable rules of the Bank.

x. Lapse of granted options

Options granted but not vested will lapse on the employee's resignation or on termination due to non-performance or as a consequence of any penal action.

xi. Lapsed options

Options granted and lapsed will be automatically added to the pool of options and made available for new grants under the option scheme.

xii. Corporate Action

Any corporate action in the form of bonus/rights/split/buyback that the Bank may undertake and which has an impact on the value of the granted options will automatically result in an appropriate adjustment in the grant price/amount of grant, so as to ensure that there is no change in the intrinsic value of the granted options.

The issue and allotment of shares under ESOS is under the purview of the provisions of Section 81(1A) of the Companies Act, 1956. As per this Section, whenever it is proposed to increase the subscribed capital of a company by a further issue and allotment of shares, such shares may be offered to the persons other than the existing shareholders of the company, if the shareholders accord their consent for such issue by passing a Special Resolution in a General Meeting.

Further, the Listing Agreement with Stock Exchanges also provides, inter alia, that the Bank in the first instance should offer all the shares and debentures to be further issued for subscription pro-rata to the existing equity shareholders, unless the shareholders decide otherwise in a General Meeting.



As per Clause 6.3 (a) of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, a separate resolution for stock options for employees of subsidiary Company is required to be placed for shareholders' approval.

Hence, the Board of Directors recommend to the shareholders to accord their consent pursuant to the provisions of Companies Act, 1956 and in terms of the Listing Agreement entered into with the Stock Exchanges in India where the Bank's securities are listed, for issuing further shares in the manner set out at item no. 8 and 9 of the Notice.

None of the Directors are concerned or interested in the Resolution set out at item no. 8 and 9 except to the extent of stock options that may be granted to them under the ESOS 2013.

#### ITEM NO. 10:

##### (a) Further Issue of Capital

The Bank needs to augment its capital to ensure that its growth is not impeded on account of capital constraints. To supplement the funding needs of the Bank and to meet its capital adequacy the Bank plans to issue up to 30,000,000 Equity Shares or Securities equivalent thereto, subject to a maximum of INR 20,000 million raised from the issue of such Equity shares or securities and therefore proposes issue of Securities. The actual composition of various instruments will be decided by the Board in consultation with the Merchant Bankers / Investment Bankers and as per the requirements of the funds from time to time and such offer shall be made to any person including Domestic / Foreign Investors / Foreign Institutional Investors, Qualified Institutional Buyers, Trusts, Mutual Funds, Banks, Insurance Companies, Pension Funds, etc whether they be holders of the Equity Shares of the Bank or not.

Accordingly, the consent of the members of the Bank is being sought, pursuant to the provisions of Section 81 (1A) and other applicable provisions of the Companies Act, 1956, (including any amendments thereto or re-enactment thereof) ("Act") and Chapters VIII and VII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the "SEBI ICDR Regulations") and in terms of the provisions of the Listing Agreements, to issue and allot Equity Shares or Securities equivalent thereto as stated in the special resolution. The issue will take place in accordance with the circular on Issue and Pricing of Shares by Private Sector Banks issued by the Reserve Bank of India on April 20, 2010.

None of the Directors of the Bank is, in any way, concerned or interested in the Resolution, except the Directors representing ING Mauritius Holdings and ING Mauritius Investment I, wholly owned subsidiaries of ING Bank N. V., to the extent of their holdings in the Bank. Further, the Directors of the Bank may be deemed to be concerned with or interested in the Resolution, to the extent of securities that may be subscribed to by the companies / institutions of which they are directors or members.

The Board recommends the Resolution for your approval.

##### (b) Private Placement of Equity Shares or Securities equivalent thereto to Qualified Institutional Buyers

The Bank is proposing to issue Equity Shares or Securities equivalent thereto to the Qualified Institutional Buyers to augment the resources of the Bank and for this purpose seeks your approval to the resolutions proposed.

Accordingly, the Bank proposes to make a further issue of Equity Shares or Securities equivalent thereto by way of Qualified Institutional placement ("QIP") in terms of Chapter VIII of the SEBI ICDR Regulations. The number of Equity Shares or Securities equivalent thereto to be issued shall not exceed 14,394,475 Equity Shares of Rs. 10/- each or Securities equivalent thereto. These Equity Shares or Securities equivalent thereto will be allotted only to Qualified Institutional Buyers in accordance with the SEBI ICDR Regulations.

As per Chapter VIII of the said SEBI ICDR Regulations, issue of Equity Shares or Securities equivalent thereto, on QIP basis, can be made at a price not less than the average of the weekly high and low of the closing prices of the Equity Shares or Securities equivalent thereto quoted on a stock exchange during the two weeks preceding the Relevant Date.

The Equity Shares or the Securities equivalent thereto may be issued at a discount (as may be permitted under Chapter VIII of the SEBI ICDR Regulations or other applicable law or as may be permitted by the SEBI or any other authority) or at such premium as may be determined by the Board of Directors to the floor price.