

*Building a great future*



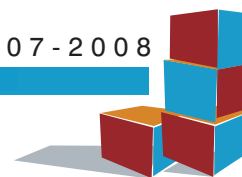
*we care... Dil se*

**IndusInd**  
**Bank** 



## BUSINESS ACHIEVEMENTS 2007-2008

- Business turnover crossed Rs. 31,800 crores.
- Network of branches at 180 along with 183 off-site ATMs, in 147 geographical locations spread over 28 States and Union Territories - besides 2 overseas representative offices (London and Dubai).
- Highest A1+ rating for Certificates of Deposits from ICRA and the highest P1+ rating for FDs from CRISIL.
- A strategic tie-up with Religare Securities for offering a value-added "3-in-1 savings accounts" service providing the benefits of savings account, depository services and internet trading facility.
- Clearing Bank arrangement with National Multi Commodity Exchange Ltd. (NMCE), while continuing with successful arrangements with MCX and NCDEX.
- Strategic partnership with Cholamandalam MS for Bancassurance.
- Bestowed with the prestigious "Corporate Excellence" award by Amity International Business School during its 10th International Business Summit (INBUSH) 2008. The award was presented by H.E. Mr. Salohoddin Nasriddinov, Ambassador, Embassy of Tajikistan.
- Received recognition by BSE and NASSCOM Foundation for the Best Corporate Social Responsibility Practice category.
- Featured in the Standard & Poor ESG India index which provided the investors with exposure to liquid and tradable index of 50 of the best performing stocks in the Indian market as measured by environmental, social, and governance (ESG) parameters.



### Board of Directors

Mr. R. Seshasayee, Chairman

Mr. R. Sundararaman

Mr. T. Anantha Narayanan

Dr. T. T. Ram Mohan

Mrs. Pallavi Shroff

Mr. Premchand Godha

Mr. Ajay Hinduja

Mr. S. C. Tripathi

Mr. Ashok Kini

Mr. Romesh Sobti, Managing Director & CEO

### Company Secretary

Mr. Haresh Gajwani

### Auditors

M/s. M. P. Chitale & Co.

Hamam House, 1st Floor

Ambalal Doshi Marg, Fort

Mumbai – 400 001

### Solicitors

M/s. Crawford Bayley & Co.

Solicitors & Advocates

State Bank Building

NGN Vaidya Marg

Mumbai – 400023

### Registrar & Share Transfer Agent

Intime Spectrum Registry Ltd.

C-13, Pannalal Silk Mills Compound

L.B.S. Marg, Bhandup (West)

Mumbai – 400078

Tel: 022 25946980 / 25963838

Fax: 022 25946969

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### Registered Office

2401, Gen. Thimmayya Road  
(Cantonment)  
Pune - 411001

### Corporate Office

701, Solitaire Corporate Park  
167, Guru Hargovindji Marg  
Chakala, Andheri (East)  
Mumbai - 400093

### Consumer Finance Division (Chennai)

115 - 116, G. N. Chetty Road  
T. Nagar  
Chennai – 600 017

## Core Executive Team



**Romesh Sobti**  
MD & CEO

Mr. Romesh Sobti took charge of the Bank as Managing Director & CEO during the year. Prior to this assignment, Mr. Sobti was the Executive Vice President – Country Executive, India and Head, UAE and Sub-Continent, at ABN AMRO Bank N.V. He joined ABN AMRO Bank N.V. in November 1990 and graduated from the position of a Chief Manager to the Country Executive over a period of 18 years. In his banking career spanning 33 years, Mr. Sobti has been associated with ANZ Grindlays Bank plc (now Standard Chartered Bank) and State Bank of India in the past. He holds a Bachelors Degree (Honours) in Electrical Engineering and has also done his Diploma in Corporate Laws and Secretarial Practice.

**Paul Abraham**  
Chief Operating Officer



Mr. Paul Abraham joined as Chief Operating Officer (COO) during the year. A Post Graduate Degree holder in Business Management (Finance) from IIM Ahmedabad, Mr. Abraham started his career with ANZ Grindlays Bank (now Standard Chartered Bank), way back in 1982. He joined ABN AMRO Bank N.V. in January 1993 and since then has been associated with the Bank in various capacities, both in India and abroad. Before joining IndusInd Bank, Mr. Abraham held the position of Managing Director, ABN AMRO Central Enterprise Services (ACES), for about 3 years.



**K. Sridhar**  
Chief Risk Officer

Mr. K. S. Sridhar joined as Chief Risk Officer during the year. With over 17 years of specialised experience of handling bank-wide Risk Management at ABN AMRO Bank N.V., Mr. Sridhar brings with him tremendous insight into all aspects of risk management, spanning across all client segments. With a B. Sc. (Distinction) Degree from Kolkata University, Mr. Sridhar went on to complete his Masters in Financial Management from Jamnalal Bajaj Institute of Management Studies, University of Mumbai.

**Sumant Kathpalia**  
Head - Consumer Banking



Mr. Sumant Kathpalia joined as Head – Consumer Banking during the year. A qualified Chartered Accountant, Mr. Kathpalia has 20 years of rich experience in banking, having worked with prestigious foreign banks like Citibank N.A. and Bank of America. Prior to joining IndusInd Bank, he was the Head – Consumer Banking at ABN AMRO Bank N.V. He has been associated with ABN AMRO Bank for 8 years. He has had a vast variety of experience in consumer banking, project management, credit cards, bancassurance, wealth management and consumer finance.



**Suhail Chander**  
Head - Corporate & Commercial Banking

Mr. Suhail Chander joined as Head – Corporate & Commercial Banking during the year. With 25 years of rich exposure in the banking sector, which includes 17 years in ABN AMRO Bank N.V., Mr. Chander joins the Bank with the wide experience of working in various geographical locations in India and South-East Asia. His strengths are important functions of banking like SME Financing, Wealth Management, Corporate Banking and Corporate Risk Management. He held the position of Head, Consumer & Commercial Banking, Singapore & Malaysia at ABN AMRO N.V. , prior to joining IndusInd Bank.



**Ramesh Ganesan**  
Head - Transaction Banking

Mr. Ramesh Ganesan, Head – Transaction Banking, brings with him two decades of rich experience in Transaction Banking which broadly includes Cash Management, Supply Chain Financing, Payments/Remittances, Trade Services and Trade Finance Business in India for Global Clients, Large Corporates, Financial Institutions, Mid-market, SME and Retail Business banking clients. He was the Executive Director and Head Transaction Banking at ABN AMRO Bank N.V. before joining IndusInd Bank. He is an alumnus of Jamnalal Bajaj Institute of Management Studies, Mumbai.

**Moses Harding**  
Head - Global Markets Group



Mr. Moses Harding, Head – Global Markets Group, is a Post Graduate from Madras University and a CAIIB with 27 years of banking experience. He started his career with State Bank of India in 1981 and held various supervisory roles in Madras Circle, Foreign Department and Central Office with specialization in Treasury, International Business and Risk Management products. He had a stint with IndusInd Bank during 1994-99, as a core member of the start-up team as Head of Forex Treasury and International Business before moving to Centurion Bank as Executive Director to set up the Wholesale Banking during 1999-2002. He had an overseas stint during 2002-03 based out of London/Dubai focusing on Wealth Management business covering all asset classes of global markets. He rejoined the Bank in April 2003 as Executive Vice President, in charge of Treasury, International Division and Capital & Commodity Markets.



**Suresh Pai**  
Head - Corporate Services & Communication

Mr. Suresh N. Pai, Head – Corporate Services & Communication, is a MBA from Delhi University. He joined IndusInd Bank in 1996 as Vice President and now as Executive Vice President looks after branding, corporate communication, procurement, premises management and administration. Prior to joining IndusInd Bank, he worked with Corporation Bank for 25 years and had the privilege of heading the major zones like Delhi, Mumbai and Bangalore.

**S. V. Zaregaonkar**  
CFO & Investor Relations



Mr. S. V. Zaregaonkar, CFO and Investor Relations, is a qualified Chartered Accountant and a Post Graduate in Commerce and a Law Graduate with CAIIB. He started his career as Lecturer in Commerce in 1978. He joined Dena Bank in 1980 and had various stints in Branch Management and Credit before moving into the Accounts and Finance Department of the Bank. He joined IndusInd Bank in 1995 as Assistant Vice President in the Banking Operations & Administration Department. At present, he is Executive Vice President & CFO of the Bank.



**S. V. Parthasarathy**  
Head - Consumer Finance

Mr. S. V. Parthasarathy, Head – Consumer Finance, is a qualified Chartered Accountant. He has 28 years of experience in the banking and finance industry. He started his career in Ashok Leyland Ltd. (ALFL) in 1980 and held varied responsibilities such as Sales, Finance, Treasury and Budget & Consolidation before moving over to Ashok Leyland Finance as Zonal Manager – South in 1991. He grew to the position of Executive Director, in charge of the Vehicle Finance business in erstwhile ALFL. He was the managing committee member of Equipment Leasing Association and Finance Industry Development Council. Currently heads Consumer Finance division of the Bank.

**Zubin Mody**  
Head - Human Resources



Mr. Zubin Mody has completed his graduation from Mumbai University with Honours in Physics and has a Management Degree in Personnel Management & Human Resources from XLRI, Jamshedpur (1993). He joined IndusInd Bank in December 2005 and currently heads the HR Function for the Bank. Prior to this, he was heading the HR function at ICICI Lombard. He joined ICICI Ltd. in 1999 as Assistant Vice President in Mumbai and was promoted to Senior Vice President in 2000. At ICICI Bank, he was responsible for Performance Management and Compensation. In 2001, he went on to head the HR function at ICICI Lombard General Insurance Co. Ltd. Before joining ICICI, he worked with well-known FMCG organizations, such as Marico Industries Ltd. and Heinz India Pvt. Ltd., handling Organization Development, Performance Management, Compensation, Recruitment and Training.



**NOTICE is hereby given that the Fourteenth Annual General Meeting of the Members of IndusInd Bank Limited will be held at Hotel Sun-n-Sand, 262, Bund Garden Road, Pune – 411001, India, on Monday, September 22, 2008, at 2.00 p.m. to transact the following business:**

**Ordinary Business:**

1. To consider and adopt the Profit and Loss Account for the year ended March 31, 2008 and the Balance Sheet as at March 31, 2008 together with the Reports of the Directors and Auditors thereon.
2. To declare Dividend for the year.
3. To appoint a Director in place of Mr. R. Sundararaman, who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Dr. T. T. Ram Mohan, who retires by rotation and, being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Mrs. Pallavi Shroff, who retires by rotation and, being eligible, offers herself for re-appointment.
6. To appoint M/s. M. P. Chitale & Co., Chartered Accountants, as Statutory Central Auditors for the Bank to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting, and to authorise the Board of Directors to fix the remuneration of the Statutory Auditors, and to appoint branch auditors in consultation with the Statutory Auditors and to fix their remuneration.

**Special Business:**

**7. Appointment of Mr. Ashok Kini as Director**

To consider and, if thought fit, to pass with or without modification(s) the following resolution as an ordinary resolution:

**"RESOLVED THAT** Mr. Ashok Kini who was appointed Additional Director of the Bank on January 30, 2008 under Section 260 of the Companies Act, 1956 and who holds office till the date of the 14th Annual General Meeting, and in respect of whom the Bank has received a notice in writing proposing his candidature for the office of Director, in accordance with the provisions of Section 257 and all other applicable provisions, if any, of the Companies Act, 1956, be and is hereby appointed as Director of the Bank liable to retire by rotation;

**RESOLVED FURTHER THAT** the Company Secretary be and is hereby authorised to file the required forms with the Registrar of Companies and to take all necessary steps for giving effect to this resolution."

**8. Appointment of Mr. Romesh Sobti as Managing Director & CEO**

To consider and, if thought fit, to pass with or without modification(s) the following resolution as an ordinary resolution:

**"RESOLVED THAT** pursuant to the approval of Reserve Bank of India under Section 35B of the Banking Regulation Act, 1949 as amended from time to time and the applicable provisions of the Companies Act, 1956, consent of members of the Bank be and is hereby accorded for the appointment of Mr. Romesh Sobti as Managing Director & CEO of the Bank, not subject to retirement by rotation, for a period of three years with effect from February 1, 2008 on the terms and conditions of service approved by the Board of Directors and by the Reserve Bank of India;

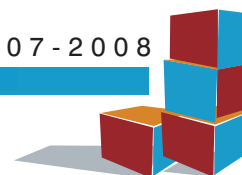
**RESOLVED FURTHER THAT** the Company Secretary be and is hereby authorised to file required forms with the Registrar of Companies and to take all necessary steps for giving effect to this resolution."

**9. Authority for further issue/placement of securities including ADRs, GDRs, and Qualified Institutions Placement**

To consider and, if thought fit, to pass with or without modification(s) the following resolution as a special resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 81 and other applicable provisions, if any, of the Companies Act, 1956 (including any amendment thereto or modification(s) or re-enactment(s) thereof) and in accordance with the provisions of the Memorandum and Articles of Association of the Bank, the Listing Agreements entered into by the Bank with the respective Stock Exchanges where the equity shares of the Bank are listed, and subject to the Regulations/Guidelines, if any, prescribed by Reserve Bank of India (RBI), Securities and Exchange Board of India (SEBI), financial institutions and all other concerned and relevant authorities from time to time, to the extent applicable and subject to such approvals, consents, permissions and sanctions of the Government of India, SEBI, RBI and all other appropriate authorities, institutions or bodies and subject to such conditions and modifications as may be prescribed by any of them while granting such approvals, consents, permissions and sanctions, and agreed to by the Board of Directors of the Bank (hereinafter referred to as 'the Board', which term shall be deemed to include any Committee(s) constituted/to be constituted by the Board to exercise its powers including the powers conferred by this Resolution) which the Board be and is hereby authorised to accept, if it thinks fit in the interest of the Bank, the Board be and is hereby authorised, on behalf of the Bank, to create, issue, offer and/or allot, in the course of one or more public or private offerings by way of public issue, rights issue, preferential allotment including Qualified Institutional Placement pursuant to Chapter XIII-A of the SEBI (Disclosure and Investor Protection) Guidelines, 2000 as amended from time to time, or otherwise, in the domestic or one or more international markets, equity shares and/or equity shares through depository receipts and/or





convertible bonds and/or securities convertible into equity shares at the option of the Bank and/or the holder(s) of such securities, American Depositary Receipts (ADRs)/Global Depositary Receipts (GDRs) representing equity shares or convertible securities and/or securities with or without detachable/non-detachable warrants with a right exercisable by the warrant-holder to subscribe for the equity shares and/or warrants with an option exercisable by the warrant-holder to subscribe for equity shares, and/or any instrument or securities representing either equity shares and/or convertible securities linked to equity shares (all of which are hereinafter collectively referred to as 'securities') subscribed in Indian/foreign currency(ies) to investors (whether resident and/or non-resident and/or strategic investors and/or institutions or banks and/or incorporated bodies and/or trustees or otherwise, and whether or not such investors are Members of the Bank)/Foreign Institutional Investors (FIIs)/Mutual Funds/Pension Funds/Venture Capital Funds/Banks and such other persons or entities excluding promoters in case of preferential allotment, whether or not such investors are members of the Bank, to all or any of them jointly or severally, through prospectus(es) and/or placement document(s) or offer letter(s) or circular(s) and/or on private placement basis for, (or which upon conversion of all securities so created, issued, offered and/or allotted could give rise to the issue of) an aggregate face value of equity shares not exceeding 25 per cent of the Authorised Equity Share Capital of the Bank at such time or times with or without voting rights in general meetings/class meetings, at such price or prices, at such interest or additional interest, at a discount or at the premium to market price or prices and in such form and manner and on such terms and conditions or such modifications thereto, including the number of Securities to be issued, face value, rate of interest, redemption period, manner of redemption, amount of premium on redemption/prepayment, number of equity shares, to be allotted on conversion/redemption/extinguishments of debt(s), exercise of rights attached to the warrants and/or any other financial instrument, period of conversion, fixing of record date or book closure and all other related or incidental matters as the Board may in its absolute discretion think fit and decide in accordance to the directives/guidelines issued by the appropriate authority(ies) and in consultation with the Merchant Banker(s) and/or Lead Manager(s) and/or Underwriter(s) and/or Advisor(s) and/or such other person(s), but without requiring any further approval or consent from the shareholders and also subject to the applicable guidelines for the time being in force;

**RESOLVED FURTHER THAT**, without prejudice to the generality of the above, the aforesaid issue of the securities may have all or any terms or combinations of terms in accordance with prevalent market practice including but not limited to terms and conditions relating to payment of interest, dividend, premium on redemption at the option of the Bank and/or holders of any securities, including terms for issue of additional equity shares or variations of the price or period of conversion of securities into equity shares or issue of equity shares during the period of the securities or terms pertaining to voting rights or option(s) for early redemption of securities;

**RESOLVED FURTHER THAT**, without prejudice to the generality of the above, the preferential allotment of such securities, the relevant date on the basis of which the price of the resultant shares shall be determined, shall be thirty days prior to the date of the General Meeting in which this resolution is passed, and that the allotment of such securities shall be made in the form of Qualified Institutional Placement to Qualified Institutional Buyers, in accordance with the provisions of Chapter XIII-A of the SEBI (Disclosure and Investor Protection) Guidelines, 2000 as amended from time to time;

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to enter into and execute all such agreements and arrangements with any Lead Manager(s), Co-Lead Manager(s), Manager(s), Advisor(s), Underwriter(s), Guarantor(s), Depository(ies), Custodian(s) and all such agencies as may be involved or concerned in such offerings of Securities and to remunerate all such agencies by way of commission, brokerage, fees or the like, and also to seek the listing of such Securities in one or more Indian/International Stock Exchanges;

**RESOLVED FURTHER THAT** the Bank and/or any agencies or bodies authorised by the Board may issue depository receipts or certificates representing the underlying equity shares in the capital of the Bank or such other securities in bearer, negotiable, or registered form with such features and attributes as may be required and are prevalent in the Indian and/or International Capital Markets for the instruments of this nature and to provide for the tradability and free transferability thereof as per market practices and regulations (including listing on one or more stock exchange(s) in or outside India);

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to create, issue, offer and allot such number of equity shares as may be required to be issued and allotted upon conversion of any securities referred to above or as may be necessary in accordance with the terms of the offer, all such shares ranking in all respects pari passu inter se and with the then existing equity shares of the Bank in all respects, save and except that such equity shares or securities or instruments representing the same may be without voting rights, if permitted by law and/or, shall carry the right to receive pro rata dividend from the date of allotment, as may be decided by the Board, declared for the financial year in which the allotment of shares shall become effective;

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to create such mortgage and/or charge on the immovable and movable assets of the Company or on the whole or any part of the undertaking/s of the Company under Section 293(1)(a) of the Companies Act, 1956, in respect of any Security(ies) issued by the Bank pursuant to this Resolution and in the event such Security(ies) is/are required to be secured and for that purpose to accept such terms and conditions and to execute such documents and writings as the Board may consider necessary or proper;



**RESOLVED FURTHER THAT**, for the purpose of giving effect to any creation, issue, offer or allotment of equity shares or securities or instruments representing the same, as described above, the Board be and is hereby authorised, on behalf of the Bank, to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose, including without limitation, entering into arrangements for managing, underwriting, marketing, listing, trading, acting as depository, custodian, registrar, paying and conversion agent, trustee and to issue any offer document(s) and sign all applications, filings, deeds, documents and writings and to pay any fees, commissions, remuneration, expenses relating thereto and with power on behalf of the Bank to settle all questions, difficulties or doubts, that may arise in regard to such issue(s) or allotment(s) as it may, in its absolute discretion deem fit;

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to delegate all or any of the powers herein conferred to any Committee or any one or more whole-time directors of the Bank;

**RESOLVED FURTHER THAT** this resolution shall be in vogue for a period of 12 months from the date passing by the members or till the next Annual General Meeting whichever is less."

#### 10. Variation in terms of options granted to employees

To consider and, if thought fit, to pass with or without modification(s) the following resolution as a special resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 81 and other applicable provisions, if any, of the Companies Act, 1956 (including any amendment thereto or modification(s) or re-enactment(s) thereof), the Listing Agreements entered into by the Bank with the respective Stock Exchanges where the equity shares of the Bank are listed, and subject to the provisions of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (the SEBI Guidelines) and all applicable laws, rules, regulations, notifications, clarifications and guidelines and subject to other statutory approvals, permissions, consents and sanctions as may be required from any relevant authority, the approval of members of the Company be and is hereby accorded to the Board of Directors (which term shall include any Committee constituted by the Board of Directors) and the action of the Board of Directors in granting fresh options under the Employee Stock Options Scheme 2007, to such of those employees who have surrendered the options granted to them in March 2008, at a price of Rs. 48 per share as determined by the Compensation Committee be and is hereby approved."

#### 11. Enhancement of Authorised Capital

To consider and, if thought fit, to pass with or without modification(s) the following resolution as a special resolution:

**"RESOLVED THAT** the authorized share capital of the Bank be and is hereby increased from the existing Rs.400,00,00,000 to Rs.500,00,00,000;

**RESOLVED FURTHER THAT** the existing Clause V of the Memorandum of Association of the Bank be and is hereby substituted by the following:

##### Quote

The Authorised Share Capital of the Company is Rs.500,00,00,000 (Rupees Five hundred crore only) divided into 50,00,00,000 equity shares of Rs.10/- each with power to increase or decrease the share capital in accordance with the provisions of the Companies Act, 1956.

##### Unquote

**RESOLVED FURTHER THAT** the existing Article 4 of the Articles of Association of the Bank be and is hereby substituted by the following:

##### Quote

**Authorised Share Capital** 4. The Authorised Share Capital of the Bank is Rs. 500,00,00,000 (Rupees Five Hundred crore only) divided into 50,00,00,000 equity shares of Rs. 10/- each.

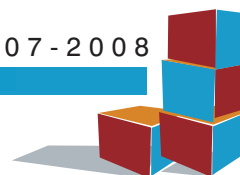
##### Unquote

**RESOLVED FURTHER THAT** Mr. Haresh Gajwani, Company Secretary, be and is hereby authorized to represent the Bank before, and to file the necessary forms with, the Registrar of Companies, Maharashtra, Pune and to seek approvals from any authority wherever necessary for giving effect to this resolution."

#### Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE BANK. The proxy form should be lodged with the Bank at its Registered Office at least 48 hours before the time of the meeting.
2. The relative Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of the Special Businesses is annexed hereto.
3. All documents referred to in the Notice and Explanatory Statement are open for inspection at the Registered Office of the Bank during office hours on all working days except public holidays between 11.00 a.m. and 1.00 p.m. upto the date of the Annual General Meeting (AGM).





4. The Register of Members and Share Transfer Books of the Bank will remain closed from Monday, September 8, 2008 to Monday, September 22, 2008 (both days inclusive) in terms of the provisions of Section 154 of the Companies Act, 1956.
5. Members/proxies should bring the attendance slip duly filled in for attending the AGM.
6. A brief profile of the Directors retiring by rotation and eligible for re-appointment is furnished in the Report on Corporate Governance.
7. Members are requested to kindly bring their copies of the Annual Report to the AGM.

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

##### **Item No. 7**

Mr. Ashok Kini, a career banker, retired as Managing Director of State Bank of India on December 31, 2005, after 37 years' service in the Bank. During his tenure with State Bank of India, Mr. Kini had extensive exposure to the Bank's lending activities in the Retail, SSI, Agricultural and Industrial Finance segments and to Information Technology.

Mr. Ashok Kini was appointed Additional Director of the Bank under Section 260 of the Companies Act, 1956 on January 30, 2008 and he holds office upto the date of the Annual General Meeting. He is eligible for appointment as Director of the Bank and the Bank has received a notice in writing along with a deposit of Rs.500/-, under Section 257 of the Companies Act, 1956 from a member proposing his candidature for the office of Director.

Members are requested to pass the resolution under Item No. 7 as an ordinary resolution.

None of the Directors of the Bank, other than Mr. Ashok Kini, is in any way concerned or interested in the passing of the Resolution.

##### **Item No. 8**

Consequent upon the resignation from the office of Managing Director by Mr. Bhaskar Ghose, the Board of Directors approved on December 7, 2007, the proposal for appointment of Mr. Romesh Sobti as Managing Director & CEO of the Bank, subject to approval of Reserve Bank of India (RBI). On January 14, 2008, RBI has, vide letter No. DBOD.Appts.No.8989/08.87.001/2007-08, approved Mr. Sobti's appointment as Managing Director & CEO of the Bank for a period of three years. Mr. Romesh Sobti assumed charge on February 1, 2008.

Mr. Romesh Sobti was inducted as Additional Director (to be designated as "Managing Director & CEO") of the Bank pursuant to Section 10A, 16 and 20 of the Banking Regulation Act, 1949 and the Articles of Association of the Bank in the Board Meeting held on December 7, 2007. Accordingly, he shall hold office upto the date of the ensuing Annual General Meeting of the Bank under Section 260 of the Companies Act, 1956. The Bank has received a notice in writing along with a deposit of Rs. 500/-, pursuant to Section 257 of the Companies Act, 1956 from a member proposing him as candidate for the office of Director. Mr. Romesh Sobti has filed with the Bank his consent to act as a Director of the Bank.

Mr. Romesh Sobti was the Executive Vice President – Country Executive, India and Head, UAE and Sub-Continent, at ABN AMRO Bank N.V. He joined ABN AMRO in November 1990 and graduated from the position of a Chief Manager to the Country Executive over a period of 18 years. In his banking career spanning 33 years, Mr. Sobti has been associated with ANZ Grindlays Bank plc (now Standard Chartered Bank) and State Bank of India in the past. He holds a Bachelor's Degree (Honours) in Electrical Engineering and has also done his Diploma in Corporate Laws and Secretarial Practice.

The details of the terms of appointment as approved by the Reserve Bank of India in respect of Mr. Romesh Sobti, Managing Director & CEO of the Bank w.e.f. February 1, 2008, comprise the following: Salary of Rs. 100.80 lakhs p.a., Other Allowances of Rs. 122.95 lakhs p.a., facility of company-leased and furnished accommodation, Provident Fund at 12% of Salary, Gratuity at one month's Salary, Pension at two months' Salary, Medical Expenses of upto Rs. 1 lakh p.a., Personal Accident Insurance, Performance-based Bonus, membership of two clubs and two official cars with drivers. The appointment is for a period of 3 years commencing from February 1, 2008. Stock Options amounting to 20,00,000 shares at Rs. 50/- per share have been offered as part of the remuneration package.

The aforesaid information is also being furnished as required under Clause 49 of the Listing Agreement.

Members are requested to pass the resolution under Item No. 8 as an ordinary resolution.

None of the Directors of the Bank, other than Mr. Romesh Sobti, is in any way concerned or interested in the passing of the Resolution.

##### **Item No. 9**

Resolution set out in Item No. 9 is an enabling Resolution conferring authority on the Board to cover all corporate requirements and contingencies to issue securities of appropriate nature at opportune time, including the size, structure, price and timing of the issue(s) at the appropriate time(s). The Board will fix the detailed terms of the final size of the offering, exact timing, and other related aspects after careful analysis and discussions with lead managers, prevailing market conditions and in line with the extant guidelines issued by SEBI, RBI or any other statutory and/or other regulatory authorities either in India or overseas, in this regard. The Resolution also enables the Bank to place equity capital with Qualified Institutional Buyers in accordance

with 'Guidelines for Qualified Institutions Placement' forming part of SEBI (Disclosure and Investor Protection) Guidelines 2000 as amended from time to time.

Section 81 of the Companies Act, 1956 provides, inter alia, that whenever it is proposed to increase the subscribed capital of a company by a further issue and allotment of shares, such shares shall be offered to the existing shareholders of the company in the manner laid down in the said Section, unless the shareholders decide otherwise in a general meeting. The listing agreement/s with the stock exchanges provide, inter alia, that a listed company in the first instance should offer all the shares and debentures to be further issued for subscription pro rata to the equity shareholders unless the shareholders decide otherwise in a general meeting.

Members are requested to pass the resolution under Item No. 9 as a special resolution.

None of the Directors of the Bank is in any way concerned or interested in the passing of the Resolution.

**Item No. 10**

Pursuant to the Resolution No.15 (Special Resolution) passed in the Thirteenth Annual General Meeting of the Bank held on September 18, 2007, the Compensation Committee had in its discretion and pursuant to the Employee Stock Options Scheme, granted options to employees listed hereunder at a price of Rs.50/- per share. The market price of your Bank's shares was Rs.71.55 as on the date of grant. The market price of the shares registered a fall in July 2008.

Names of the employees referred to above:

- i) Mr. Romesh Sobti, Managing Director & CEO
- ii) Mr. Paul Abraham, Chief Operating Officer
- iii) Mr. Sumant Kathpalia, Head - Consumer Banking
- iv) Mr. Suhail Chander, Head - Corporate & Commercial Banking
- v) Mr. K. S. Sridhar, Chief Risk Officer

In accordance with Regulation 7 (5) read with Regulation 7(3) of the SEBI (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999, the Compensation Committee has, in its discretion and to minimize the loss of benefit to these employees in view of the fall in the price of the shares, in its meeting held on July 18, 2008, granted fresh options to the Optionholders at a price of Rs.48/- per share to such Optionholders who surrendered the options already granted to them.

In pursuance of the above referred Special Resolution passed by the members, the Board/Compensation Committee is within its power to vary or modify the terms of the Scheme, pursuant to and in accordance with any rules, regulations, guidelines or directives that may be issued from time to time by any appropriate authority; and hence no approval of the members is required for such variation/modification. However, from the point of view of good corporate governance, the matter is placed before the members for their approval.

Members are requested to pass the resolution under Item No. 10 as a special resolution.

None of the Directors of the Bank other than the Mr. Romesh Sobti are in any way concerned or interested in the passing of the Resolution.

**Item No. 11**

The present authorized capital of the Bank is Rs. 400 crore, out of which Rs.3551921000 is paid up. In view of the expanding asset portfolio of the Bank, and in view of the capital adequacy requirements of the Basel II norms, the Bank may have to augment its capital base in the near future. In order to facilitate further issue of equity capital, it is proposed to increase the authorized share capital of the Bank from the existing Rs. 400 crore to Rs. 500 crore.

Members are requested to pass the resolution under Item No. 11 as a special resolution.

None of the Directors of the Bank are in any way concerned or interested in the passing of the Resolution.

By Order of the Board

Company Secretary

Mumbai, July 25, 2008