



ING Vysya Bank Limited
Registered Office: 'ING Vysya House',
No. 22, MG Road, Bangalore – 560 001.

Venue	: The Auditorium, 'ING Vysya House', No. 22, MG Road, Bangalore - 560 001.
Date	: November 06, 2007
Time	: 11:00 a.m.

NOTICE

Notice is hereby given that an Extraordinary 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, 06-Nov-2007, at 11.00 a.m. to transact the following business :

1. Amendment to Articles of Association

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

“RESOLVED THAT pursuant to Section 31 and other applicable provisions, if any, of the Companies Act, 1956, the Articles of Association of the Company be and is hereby amended by way of insertion of new Articles numbered 84A, Clause h) & i) to Article 91, Clause l) to Article 96 and substitution of Article 83 and Article 99A in the following manner:

NEW ARTICLE 84A

(i) By inserting the following new Article 84A after the existing Article 84

84A. Not less than fifty one per cent of the total number of members of the Board of Directors shall consist of persons, who shall have special knowledge or practical experience in respect of one or more of the matters, viz., accountancy, agriculture & rural economy, banking, co-operation, economics, finance, law, small-scale industry, marketing, technology & systems, risk management, strategic planning, treasury operations, credit recovery, human resources development and any other matter the special knowledge of, and practical experience in, which would, in the opinion of the Reserve Bank of India, be useful to the banking company.

Provided that out of the aforesaid number of Directors, not less than two shall be persons having special knowledge or practical experience in respect of agriculture and rural economy, co-operation or small-scale industry.

ALTERATION OF ARTICLE 91 BY WAY OF ADDITION

(ii) By inserting the following new clauses after the existing clause g) under existing Article 91

91 h) he has attained such age as may be prescribed by the concerned Regulators from time to time

91 i) he is already a director of a public company which -

A. has not filed the annual accounts and annual returns for any continuous three financial years commencing on and after the first day of April, 1999; or

B. has failed to repay its deposit or interest thereon on due date or redeem its debentures on due date or pay dividend and such failure continues for one year or more

Provided that such person shall not be eligible to be appointed as a director of any other Public Company for a period of five years from the date on which such public company, in which he is a director, failed to file annual accounts and annual returns under sub-clause (A) or has failed to repay its deposit or interest or redeem its debentures on due date or pay dividend referred to in clause (B).

ALTERATION OF ARTICLE 96 BY WAY OF ADDITION

(iii) By inserting the following new clause l) after the existing clause k) of Article 96

96 l) he (other than the Chairman or Whole-time Director) has held office continuously for a period exceeding eight years in terms of Section 10A(2-A)(i) of the Banking Regulation Act, 1949 or as amended from time to time.

ALTERATION OF ARTICLE 83 BY WAY OF SUBSTITUTION

- (iv) By substituting the following Article in place of the existing Article 83
83. No Director shall be required to hold any qualification shares of the Bank but shall be required to meet the eligibility criteria and comply with 'fit and proper norms' as may be prescribed by the Board from time to time based on the directives of the Regulators

ALTERATION OF ARTICLE 99A BY WAY OF SUBSTITUTION

- (v) By substituting the following Article in place of the existing Clauses (1) to (4) under the existing Article 99A
- 1) The Directors may, from time to time, appoint or reappoint any one of their members to be a Part-time Chairman and another of their members as Whole-time Managing Director & CEO with the requisite approvals under the Banking Regulation Act, 1949 for such period not exceeding five years at any time and may remove or dismiss him / them from Office and appoint another /others in his / their place.
 - 2) The Part-time Chairman or the Managing Director & Chief Executive Officer shall not while he / they continue to hold that Office be subject to retirement by rotation, but he shall be subject to the same provisions as to resignation and removal as the other Directors, subject, however, to the approval of the Reserve Bank of India where required and he shall ipso-facto and immediately cease to be the Part-time Chairman or the Managing Director & Chief Executive Officer, if he vacates the Office of Director for any reason whatsoever.
 - 3) (i) The Managing Director & Chief Executive Officer shall be entrusted with the Management of the whole of the affairs of the Banking Company.
(ii) Without prejudice to the generality of Sub-clause (i) above, the Directors may, from time to time, entrust to and confer upon the Managing Director & Chief Executive Officer for the time being such of the powers exercisable by law or under these presents by the Directors, as they think fit except such as or by any law required to be exercised by the Board of Directors and may confer such powers for such objects and purposes and upon such terms and conditions and with such restrictions as they think expedient and they may confer such powers either collaterally with or to the exclusion of or in substitution of all or any of the powers of the Directors in that behalf and may from time to time revoke, withdraw, alter or vary all or any such powers.
 - 4) The remuneration of the Managing Director & Chief Executive Officer shall be fixed in accordance with provisions of Section 309 and other relevant provisions of the Companies Act, 1956 and the Banking Regulation Act, 1949 and such remuneration may be by way of salary, allowance etc., provided, however, that such Managing Director & Chief Executive Officer shall not be entitled to receive any fees for attending meetings of the Board or of any Committee of the Directors.

2. Private Placement of Equity Shares to Qualified Institutional Buyers:

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 amendments thereto or re-enactment thereof for the time being in force), Reserve Bank of India, Securities and Exchange Board of India and other regulatory authorities and subject to the enabling provisions of the Memorandum and Articles of Association of the Company, the Listing Agreements entered into by the Company with the stock exchanges where the shares of the Company are listed, and in accordance with the applicable guidelines/rules/regulations/notifications/circulars and clarifications thereon issued under the Banking Regulation Act, 1949, Foreign Exchange Management Act, 1999, Securities Contract Regulation Act, 1956, Securities and Exchange Board of India Act, 1992, and all other applicable laws, issued from time to time, if any, and subject to all such statutory, regulatory and governmental approval, permission or sanctions and, including without limitation, the approval from the RBI, as may be necessary 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 Company (hereinafter referred to as the **"Board"**, which term shall include any committee thereof) consent, authority and approval of the Company be and is hereby accorded to the Board to offer, issue



and allot, upto 7,475,276 Equity shares in one or more tranches, by way of Qualified Institutional Placement (“QIP”) to Qualified Institutional Buyers (“QIB”) in terms of Chapter XIII-A of the Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines 2000 (“SEBI DIP Guidelines”), whether or not such investors are existing members of the Company, at a price not less than the price as determined in accordance with relevant provisions of SEBI DIP Guidelines 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 QIP shall be completed within 12 months from the date of this resolution.

RESOLVED FURTHER THAT the relevant date for the purposes of determining the floor price of the Equity Shares in accordance with the SEBI DIP Guidelines, is October 7, 2007 being the 30 days prior to November 6, 2007 (i.e., the date on which the meeting of the general body of shareholders in relation to the proposed issue under Section 81(1A) of the Companies Act, 1956 is being held).

RESOLVED FURTHER THAT the Equity Shares so issued shall rank *pari passu* with the existing equity shares of the Company in all respects.

RESOLVED FURTHER THAT the Board be and is hereby authorized to appoint the lead managers, registrar, bankers, advisors and all such agencies as may be involved or concerned in such offerings of the Equity Shares and to remunerate them by way of commission, brokerage, fees or the like and also to enter into and execute all such arrangements, agreements, memoranda, documents etc., with such agencies.

RESOLVED FURTHER THAT the Board be and is hereby authorized to form a committee or delegate all or any of its power to any committee of Directors or Executives to take such steps and so all such acts, deeds and things as is considered necessary, expedient, usual, proper or incidental in relation to the said matter and take such actions and give such directions as they may consider necessary or desirable and to obtain any approvals, permissions, sanctions which may be necessary or desirable to give effect to this resolution.”

3. Preferential Allotment of Equity Shares to ING Group, Foreign Promoters:

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 amendments thereto or re-enactment thereof for the time being in force), Reserve Bank of India, Securities and Exchange Board of India and other regulatory authorities and subject to the enabling provisions of the Memorandum and Articles of Association of the Company, the Listing Agreements entered into by the Company with the stock exchanges where the shares of the Company are listed, and in accordance with the applicable guidelines/rules/regulations/notifications/circulars and clarifications thereon issued under the Banking Regulation Act, 1949, Foreign Exchange Management Act, 1999, Securities Contract Regulation Act, 1956, Securities and Exchange Board of India Act, 1992, and all other applicable laws, issued from time to time, if any, and subject to all such statutory, regulatory and governmental approval, permission or sanctions and including without limitation, the approval from the RBI, as may be necessary 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 Company (hereinafter referred to as the “Board”, which term shall include any committee thereof) consent, authority and approval of the Company be and is hereby accorded to the Board to offer, issue and allot, in one or more tranches, by way of preferential issue, up to 6,072,762 equity shares of Rs. 10/- each (“Equity Shares”) for cash at a premium to the floor price of Rs 258.34 per Equity Share as determined by the Board of Directors in accordance with the Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000 (“SEBI DIP Guidelines”), to ING Mauritius Holdings and ING Mauritius Investment I (“Preferential Issue”), in accordance with the applicable laws, rules, regulations and guidelines prevailing in this regard.

RESOLVED FURTHER THAT

- a. the relevant date for the purposes of determining the floor price of the Equity Shares in accordance with the SEBI DIP Guidelines, is October 7, 2007 being the 30 days prior to November 6, 2007 (i.e., the date on which the meeting of the general body of shareholders in relation to the proposed Preferential Issue under Section 81(1A) of the Companies Act, 1956, is being held);
- b. all the Equity Shares shall rank *pari passu* in all respects including entitlement for dividend with the existing equity shares of the Company;
- c. the Board be and is hereby authorized to decide and approve the other terms and conditions of the issue subject to agreement with the proposed allottee and also shall be entitled to vary, modify or alter any of the terms and conditions, as it may deem expedient, subject however to the compliance with the applicable guidelines, notifications, rules and regulations;
- d. the Board be and is hereby authorized to accept any amendments, modifications, variations and alterations as the Government of India / Reserve Bank of India / Securities and Exchange Board of India or any other regulatory authority may stipulate in that behalf;
- e. the Board be and is hereby authorized to delegate all or any of its powers to the Committee of Directors or Executives (as it may consider appropriate) to give effect to the aforesaid resolutions including to execute any documents on behalf of the Company before any governmental authority(ies) and to appoint any professional advisers/consultants/lawyers in that regard."

By Order of the Board

Place : Bangalore
Date : 06-Oct-2007

M V S Appa Rao
Corporate 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 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.
2. 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.
3. Members are requested to avoid being accompanied by non-members and / or children.
4. Members are requested to be seated at the meeting hall before the scheduled time of commencement of the meeting.
5. An Explanatory Statement as required under Section 173 (2) of the Companies Act, 1956 is annexed to this notice.

Annexure to Notice

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

The proposed amendments are intended to bring into the Articles of Association of the Bank finality of certain issues as brought out in the proposed resolution, which are already binding on the Bank on account of the specific provisions in the Banking Regulation Act, 1949 as well as the guidelines given by the Reserve Bank of India in respect of Corporate Governance etc.

This is also in compliance with the advice of Reserve Bank of India vide its letter DBOD.No.11690/29.39.001/2006-07, dated 24-May-2007, whereby the Bank is required to confirm that the Articles of Association are in conformity with Banking Regulation Act, 1949 and recommendations of the Consultative Group of Directors of Banks / Financial Institutions (Dr. Ganguly Group) on Corporate Governance.

Item No 1

This item proposes to alter the Articles of Association in respect of the following Articles viz.,

(a) INSERTION OF NEW ARTICLE 84A

Reference to Article Number in Articles of Association	Action i.e. deletion, substitution or insertion, if any	Altered Article to read as
New Article 84A	Insertion of a new Article	<p>Not less than fifty one per cent of the total number of members of the Board of Directors shall consist of persons, who shall have special knowledge or practical experience in respect of one or more of the matters, viz., accountancy, agriculture & rural economy, banking, co-operation, economics, finance, law, small-scale industry, marketing, technology & systems, risk management, strategic planning, treasury operations, credit recovery, human resources development and any other matter the special knowledge of, and practical experience in, which would, in the opinion of the Reserve Bank, be useful to the banking company.</p> <p>Provided that out of the aforesaid number of Directors, not less than two shall be persons having special knowledge or practical experience in respect of agriculture & rural economy, co-operation or small-scale industry.</p>

Presently, the Articles of Association do not contain any provision for the Directors to have special knowledge or practical experience in the areas prescribed by the Banking Regulation Act, 1949. Insertion of Article 84A would provide for not less than fifty one per cent of the total number of members of the Board of Directors to consist of persons, who shall have special knowledge or practical experience in respect of one or more of the matters as specified in Section 10A(2) of the Banking Regulation Act, 1949. In addition to the provisions of Banking Regulation Act, 1949, the Dr. Ganguly Group recommends for inclusion of matters like marketing, technology and systems, risk management, strategic planning, treasury operations, credit recovery, human resource development and which were accepted by Reserve Bank of India.

(b) **ALTERATION OF ARTICLE 91 BY WAY OF ADDITION**

Reference to Article Number in Articles of Association	Action i.e. deletion, substitution or insertion, if any	Altered Article to read as
Article 91 g)	Insertion of new clauses	<p>h) he has attained such age as may be prescribed by the concerned Regulators from time to time.</p> <p>i) he is already a director of a public company which -</p> <p>A.has not filed the annual accounts and annual returns for any continuous three financial years commencing on and after the first day of April, 1999; or</p> <p>B.has failed to repay its deposit or interest thereon on due date or redeem its debentures on due date or pay dividend and such failure continues for one year or more.</p> <p>Provided that such person shall not be eligible to be appointed as a director of any other Public Company for a period of five years from the date on which such public company, in which he is a director, failed to file annual accounts and annual returns under sub-clause (A) or has failed to repay its deposit or interest or redeem its debentures on due date or pay dividend referred to in clause (B).</p>

Presently, the Articles of Association do not provide for an age-limit for directors and disqualification in the event of failure to file annual accounts, pay interest on debentures etc., by the Companies in which he is Director. Insertion of clause h) in Article 91 proposes age limit for directors, pursuant to the recommendations of Dr. Ganguly Group and clause i) proposes to provide for disqualification of those directors of public companies failing to comply with the provisions of Section 274(1)(g) of the Companies Act, 1956.

(c) **ALTERATION OF ARTICLE 96 BY WAY OF ADDITION**

Reference to Article Number in Articles of Association	Action i.e. deletion, substitution or insertion, if any	Altered Article to read as
Article 96 k)	Insertion of	<p>96 l) he (other than the Chairman or Whole-time Director) has held office new clauses continuously for a period exceeding eight years in terms of Section 10A(2-A)(i) of the Banking Regulation Act, 1949 or as amended from time to time.</p>

Presently, the Articles of Association do not provide for a cap on the term of office of director. Insertion of a new Clause l) to Article 96 provides that the Directors other than the Chairman and Whole-time Director, the other directors shall not hold the directorship continuously for a period exceeding eight years as required under clause (i) of Section 10A (2-A) of the Banking Regulation Act, 1949.

(d) ALTERATION OF ARTICLE 83 BY WAY OF SUBSTITUTION

Reference to Article Number in Articles of Association	Action i.e. deletion, substitution or insertion, if any	Altered Article to read as
Article 83	Substitution of existing Article	83.No Director shall be required to hold any qualification shares of the Bank but shall be required to meet the eligibility criteria and required comply with fit and proper norms' as may be prescribed by the Board from time to time based on the directives of the Regulators.

As per the recommendations of Dr. Ganguly Group, Directors of all the Private Sector Banks are mandatorily required to meet the eligibility criteria and comply with 'fit and proper' norms at the time of their appointment / reappointment as part of due diligence and also meet specific eligibility criteria if they are from Non-Banking Finance Companies (NBFC) etc., The Bank has already been undertaking the due diligence both at the time of appointment/reappointment and on annual basis since the receipt of the directive from Reserve Bank of India, the regulator. The amendment is required to incorporate the recommendation.

(e) ALTERATION OF ARTICLE 99A BY WAY OF SUBSTITUTION

Reference to Article Number in Articles of Association	Action i.e. deletion, substitution or insertion, if any	Existing Article	Altered Article to read as
Article 99A (1)-(4)	Substitution of existing Article	<p>1) The Directors may, from time to time, appoint or reappoint (a) any one of their members to be the Whole-time Chairman and Chief Executive Officer or (b) any one of their members to be a Part-time Chairman and another of their members as Whole-time Managing Director & CEO with the requisite approvals under the Banking Regulation Act, 1949 for such period not exceeding five years at any time and may remove or dismiss him/ them from Office and appoint another /others in his / their place.</p> <p>2) The Whole-time Chairman & Chief Executive Officer or Part-time Chairman or the Managing Director and Chief Executive Officer shall not while he / they continue to hold that Office be subject to retirement by rotation, but he shall be subject to the same provisions as to resignation and removal as the other directors, subject however, to the approval of the Reserve Bank of India where required and he shall ipso-facto and immediately cease to be the Whole-time Chairman & Chief Executive Officer or Part-time Chairman or the Managing Director & Chief Executive Officer if, he vacates the</p>	<p>1) The Directors may, from time to time, appoint or reappoint any one of their members to be a Part-time Chairman and another of their members as Whole-time Managing Director & CEO with the requisite approvals under the Banking Regulation Act, 1949 for such period not exceeding five years at any time and may remove or dismiss him / them from Office and appoint another /others in his / their place.</p> <p>2) The Part-time Chairman or the Managing Director & Chief Executive Officer shall not while he / they continue to hold that Office be subject to retirement by rotation, but he shall be subject to the same provisions as to resignation and removal as the other Directors, subject, however, to the approval of the Reserve Bank of India where required and he shall ipso-facto and immediately cease to be the Part-time Chairman or the Managing Director & Chief Executive Officer if, he vacates the Office of Director for any reason whatsoever.</p>

Reference to Article Number in Articles of Association	Action i.e. deletion, substitution or insertion, if any	Existing Article	Altered Article to read as
		<p>Office of Director for any reason whatsoever.</p> <p>3) (i) The Whole-time Chairman & Chief Executive Officer or Managing Director & Chief Executive Officer shall be entrusted with the Management of the whole of the affairs of the Banking Company.</p> <p>(ii) Without prejudice to the generality of Sub-clause (i) above, the Directors may, from time to time, entrust to and confer upon the Whole-time Chairman & Chief Executive Officer or the Managing Director & Chief Executive Officer for the time being such of the powers exercisable by law or under these presents by the Directors, as they think fit except such as or by any law required to be exercised by the Board of Directors and may confer such powers for such objects and purposes and upon such terms and conditions and with such restrictions as they think expedient and they may confer such powers either collaterally with or to the exclusion of or in substitution of all or any of the powers of the Directors in that behalf and may from time to time revoke, withdraw, alter or vary all or any such powers.</p> <p>4) The remuneration of the Whole-time Chairman & Chief Executive Officer or the Managing Director & Chief Executive Officer shall be fixed in accordance with provisions of Section 309 and other relevant provisions of the Companies Act, 1956 and the Banking Regulation Act, 1949 and such remuneration may be by way of salary, allowance etc., provided, however, that such Whole-time Chairman & Chief Executive Officer or Managing Director & Chief Executive Officer shall not be entitled to receive any fees for attending meetings of the Board or of any Committee of the Directors.</p>	<p>3) (i) The Managing Director & Chief Executive Officer shall be entrusted with the Management of the whole of the affairs of the Banking Company</p> <p>(ii) Without prejudice to the generality of Sub-clause (i) above, the Directors may, from time to time, entrust to and confer upon the Managing Director & Chief Executive Officer for the time being such of the powers exercisable by law or under these presents by the Directors, as they think fit except such as or by any law required to be exercised by the Board of Directors and may confer such powers for such objects and purposes and upon such terms and conditions and with such restrictions as they think expedient and they may confer such powers either collaterally with or to the exclusion of or in substitution of all or any of the powers of the Directors in that behalf and may from time to time revoke, withdraw, alter or vary all or any such powers.</p> <p>4) The remuneration of the Managing Director & Chief Executive Officer shall be fixed in accordance with provisions of Section 309 and other relevant provisions of the Companies Act, 1956 and the Banking Regulation Act, 1949 and such remuneration may be by way of salary, allowance etc., provided, however, that such Managing Director & Chief Executive Officer shall not be entitled to receive fees for attending meetings of the Board or of any Committee of the Directors.</p>



The words “Whole-time Chairman & Chief Executive Officer” wherever it appears in the existing Article 99A are deleted in the substituted Article 99A.

Presently Article 99A provides choice to the directors to appoint one among themselves as a Whole-time Chairman & Chief Executive Officer or two among themselves as Part-time Chairman and a separate Whole-time Managing Director & CEO respectively. As per the recommendations of the Dr. Ganguly Group, all Private Sector Banks will no longer have the choice but are required to have two separate positions viz., a Part-time Chairman and a Chief Executive Officer / Managing Director who would be responsible for day-to-day management of the Bank. Your Bank has already segregated the positions by appointing Part-time Chairman and a separate Chief Executive Officer on the Board since 12-Feb-2001. Since the choice is no more available in future due to the above recommendations, the clause relating to appointment of Whole-time Chairman & Chief Executive Officer becomes redundant. Hence, the amendment is proposed for deletion of redundant portion.

The Directors recommend the adoption of the Resolution at Item No. 1 of the Notice for amending the Articles of Association of the Bank.

None of the Directors is in any way concerned or interested in the Resolution at Item No. 1 of the Notice.

Item No. 2 – Private Placement of Equity to Qualified Institutional Buyers

The Company is proposing to issue Equity Shares to the Qualified Institutional Buyers to augment the resources of the Bank and for this purpose seek your approval to the resolutions proposed.

Accordingly, your Company proposes to make a further issue of shares by way of Qualified Institutional Placement (“QIP”) in terms of Chapter XIII-A of the Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000 (“SEBI DIP Guidelines”). The number of Equity shares to be issued shall not exceed 7,475,276 Equity Shares of Rs. 10/- each (“Equity Shares”). These Equity Shares will be allotted only to Qualified Institutional Buyers in accordance with the SEBI Guidelines.

As per Chapter XIII-A of the said SEBI DIP Guidelines, issue of Equity shares, on QIP basis, can be made at a price not less than the higher of the following :

- (i) The average of the weekly high and low of the closing prices of the Equity Shares quoted on the stock exchange during the six months preceding the “Relevant Date”; or
- (ii) The average of the weekly high and low of the closing prices of the Equity Shares quoted on a stock exchange during the two weeks preceding the “Relevant Date”.

The “Relevant Date” means the date thirty days prior to the date on which this Extraordinary General Meeting (“EGM”) of the Company is held to consider amongst others, the proposed QIP under Section 81(1A) of the Act. Accordingly the “Relevant Date” for the QIP is October 7, 2007.

The average price as computed on the above basis during the six months preceding the Relevant Date is Rs. 238.05 per Equity Share whereas during the two weeks preceding the Relevant Date is Rs. 258.34 per Equity Share. Hence the floor price is Rs. 258.34 per Equity Share.

The exact price, proportion, timing and terms of the issue of Equity Shares under the QIP will be decided by the Board based on the analysis of specific requirements in consultation with the merchant bankers to the QIP in accordance with the SEBI Guidelines and other applicable guidelines issued by any statutory authority(ies).

In accordance with the SEBI Guidelines, special resolution of the shareholders in accordance with Section 81(1A) of the Companies Act, 1956 is required for a QIP issue. The allotment of equity shares will be made within a period of one year from the date of passing of the aforesaid Special Resolution in the present EGM excluding the time taken in obtaining the necessary approvals, if any, or within such further period as may be prescribed or allowed by the SEBI, stock exchange(s) or other concerned authorities.

Accordingly, the consent of the shareholders is being sought, pursuant to the provisions of Section 81(1A) and other applicable provisions of the Companies Act, 1956, and SEBI Guidelines and in terms of the provisions of the Listing Agreements, to issue and allot equity shares as stated in the Special Resolution.

The proposed QIP issue is in the interest of the Company and the shareholders and the Directors recommend the passing of the resolution under this item as a special resolution.



None of the Directors of the Company is interested or concerned in any manner in the proposal contained in this resolution under this item.

Item No. 3 : Preferential Allotment to ING Group, Foreign Promoters

Objects and purpose of the Preferential Issue: Your Company proposes to raise funds by way of issue of up to 6,072,762 Equity Shares of Rs.10/- each through preferential allotment for cash at a premium to the floor price of Rs 258.34 per Equity Share as determined in accordance with the Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000 ("SEBI DIP Guidelines"), to ING Mauritius Holdings and ING Mauritius Investment I ("**Investors**") (such issue of shares being hereinafter referred to as "**Preferential Issue**"). The objectives of the Preferential Issue is to enhance long term resources for the Company.

The proposed Preferential Issue is subject to the approval of the members of the Company and other statutory approvals, if any. Since your Company is a listed company, the proposed issue is in terms of the provisions of the SEBI DIP Guidelines, the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, and other applicable provisions, if any. In terms of the provisions of the Companies Act, 1956, and the aforesaid SEBI guidelines and regulations, the relevant disclosures/details are given below:

Instrument and Numbers : The Company is proposing to issue up to 6,072,762 Equity shares in the following manner:

- a. Issue of up to 4,721,260 Equity Shares to ING Mauritius Holdings,
- b. Issue of up to 1,351,502 Equity Shares to ING Mauritius Investment I.

Relevant Date & Issue Price : As per Chapter XIII of the said SEBI DIP Guidelines, issue of Equity shares, on a preferential basis, can be made at a price not less than the higher of the following:

- (i) The average of the weekly high and low of the closing prices of the Equity Shares quoted on the stock exchange during the six months preceding the "Relevant Date"; or
- (ii) The average of the weekly high and low of the closing prices of the Equity Shares quoted on a stock exchange during the two weeks preceding the "Relevant Date".

The "Relevant Date" means the date thirty days prior to the date on which this Extraordinary General Meeting ("EGM") of the Company is held to consider amongst others, the proposed preferential issue under Section 81(1A) of the Companies Act, 1956. Accordingly the "Relevant Date" for the preferential allotment is October 7, 2007.

The average price as computed on the above basis during the six months preceding the Relevant Date is Rs. 238.05 per Equity Share where as during the two weeks preceding the Relevant Date is Rs. 258.34 per Equity Share. Hence the floor price is Rs. 258.34 per Equity Share.

The Equity Shares are proposed to be issued at such premium as may be determined by the Board of Directors to the floor price of Rs. 258.34 per Equity Share.

The Board believes that the proposed offer, issue and allotment will be in the interest of the Company and its shareholders.

Particulars of the Investors: The proposed Investors form part of the Promoter Group of the Bank. Sets forth below are their brief details:

ING Mauritius Holdings (INGMH) : INGMH is a company incorporated under the laws of Mauritius on September 26, 1996 with its Registered Office at 355, Barkly Wharf, Le Caudan Waterfront, Port Louis, Mauritius. The main objects of INGMH are (i) to carry out business activities, which are not prohibited under the laws of Mauritius and the laws of the countries where the company is transacting business. These objects will apply exclusively to offshore business activities and (ii) to do all such other things as are incidental to, or the company may think conducive, to the conduct, promotion or attainment of the objects of the company. INGMH is a wholly owned subsidiary of ING Bank N.V.



ING Mauritius Investments I (INGMI) : INGMI is a company incorporated under the laws of Mauritius on October 8, 1999 with its Registered Office at 355, Barkly Wharf, Le Caudan Waterfront, Port Louis, Mauritius. The main objects of INGMI are (i) to carry out business activities, which are not prohibited under the laws of Mauritius and the laws of the countries where the company is transacting business. These objects will apply exclusively to offshore business activities and (ii) to do all such other things as are incidental to, or the company may think conducive, to the conduct, promotion or attainment of the objects of the company. INGMI is a wholly owned subsidiary of INGMH.

Pre-issue & Post-issue holding of the proposed Investors : The shareholding of the Investors as on the date of this notice and post Preferential Issue is as mentioned below:

Particulars	Pre-issue as on September 30, 2007		Post-issue*	
	No. of Shares held	% of share holding**	No. of Shares held	% of share holding **
1. ING Mauritius Holdings	30,998,804	34.05	35,720,064	34.15
2. ING Mauritius Investments I	8,873,676	9.75	10,225,178	9.78
Total		43.80		43.93

* The Post issue shareholding also takes into account the shares to be issued to the Qualified Institutional Buyers under the Qualified Institutional Placement.

** The aforesaid percentages are based on capital as on September 30, 2007 without taking into consideration any potential dilutions by way of issuance of shares under the ESOP schemes.

Intention of promoters/directors/key management persons to subscribe: As mentioned above, the Preferential Issue is being made to ING Mauritius Holdings and ING Mauritius Investment I who form a part of the Promoter Group of the Company.

Pre-issue & Post-issue Shareholding Pattern of the Company : The shareholding pattern of Company Pre and Post Preferential Issue is as mentioned below:

Category of shareholder	Pre-Issue as on September 30, 2007		Post- Issue*	
	Total number of shares	Percentage of total number of shares**	Total number of shares	Percentage of total number of shares**
Shareholding of Promoter and Promoter Group				
Indian Promoters	287,173	0.32%	287,173	0.27%
Foreign Promoters	39,872,480	43.80%	45,945,242	43.93%
Total Indian Promoter and Foreign Promoter	40,159,653	44.12%	46,232,415	44.20%
Public Shareholding				
Institutions	33,461,064	36.75%	40,936,340	39.14%
Non-institutions	17,418,638	19.13%	17,418,638	16.66%
Total Public Shareholding	50,879,702	55.88%	58,354,978	55.80%
GRAND TOTAL	91,039,355	100.00%	104,587,392	100.00%

* The Post issue shareholding also takes into account the shares to be issued to the Qualified Institutional Buyers under the Qualified Institutional Placement.

** The aforesaid percentages are based on capital as on September 30, 2007 without taking into consideration any potential dilutions by way of issuance of shares under the ESOP schemes.



Proposed time of Allotment: The allotment of Equity Shares in Preferential Issue will be made within a period of 15 days from the date of passing of the aforesaid Special Resolution in the present EGM excluding the time taken in obtaining the necessary approvals, if any, or within such further period as may be prescribed or allowed by the SEBI, stock exchange(s) or other concerned authorities.

Non transferability of proposed financial instruments: The Equity Shares proposed to be offered and allotted in the Preferential Issue shall be locked in for a period of three years from the date of allotment in accordance with Clause 13.3 of Chapter XIII of SEBI DIP Guidelines.

Lock In : Also the entire Pre Preferential Issue shareholding of the Investors shall be under lock-in from the Relevant Date up to a period of six months from the date of Preferential Issue.

Auditors' Certificate : The certificate issued by M/s S. R. Batliboi and Co., Chartered Accountants, Statutory Auditors of the Company as to the pricing of the Equity Shares in this Preferential Issue and certifying that the Preferential Issue, is being made in accordance with the requirements contained in Chapter XIII of the SEBI DIP Guidelines, will be placed before the shareholders at the meeting and is also available for inspection at the Registered Office of the Company during the business hours on working days.

The proposed allotment on Preferential Basis, if made, will not result in change in management or control of the Company as per the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and amendments thereof. However, there will be a consequential change in the shareholding of the Company, but the voting rights remain same due to applicability of provisions of Section 12(2) of the Banking Regulation Act, 1949.

As per Section 81(1A) of the Companies Act, 1956, approval of the members in the General Meeting is required for allotment of Equity Shares on preferential basis.

Accordingly, the consent of the shareholders is being sought, pursuant to the provisions of Section 81(1A) and other applicable provisions of the Companies Act, 1956, and SEBI DIP Guidelines, and in terms of the provisions of the Listing Agreements, to issue and allot Equity Shares under the Preferential Issue as stated in the Special Resolution.

None of the Directors except the seven directors nominated by ING Group is, in any way, concerned or interested in the resolutions. The Board recommends the Resolution for your approval.

By Order of the Board

Place : Bangalore
Date : 06-Oct-2007

M V S Appa Rao
Corporate Secretary



ING Vysya Bank Limited

Registered Office, ING Vysya House, No. 22, M G Road, Bangalore – 560 001