

## NOTICE TO SHAREHOLDERS

Notice is hereby given that the Eleventh Annual General Meeting of the shareholders of INDIAN OVERSEAS BANK will be held on Tuesday, the 12<sup>th</sup> July 2011 at 10.00 A.M. at Narada Gana Sabha, (Sathguru Gnananda Hall) 314 TTK Road, Chennai 600 018, to transact the following business :

1. To discuss, approve and adopt the audited Balance Sheet of the Bank as at 31st March 2011, Profit and Loss account of the Bank for the year ended 31<sup>st</sup> March 2011, the report of the Board of Directors on the working and activities of the Bank for the period covered by the accounts and the Auditors' report on the Balance Sheet and Accounts.
2. To declare dividend for the financial year 2009-10.
3. To Further issue of shares:

**"RESOLVED THAT** pursuant to the provisions of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 (Act), The Nationalised Banks (Management and Miscellaneous Provisions) Scheme, 1970 (Scheme) and the Indian Overseas Bank (Shares and Meetings) Regulations, 2003 and subject to the approvals, consents, sanctions, if any, of the Reserve Bank of India ("**RBI**"), the Government of India ("**GOI**"), the Securities and Exchange Board of India ("**SEBI**"), and / or any other authority as may be required in this regard and subject to such terms, conditions and modifications thereto as may be prescribed by them in granting such approvals and which may be agreed to by the Board of Directors of the Bank and subject to the regulations viz., SEBI(Issue of Capital and Disclosure Requirements) Regulations, 2009 (ICDR Regulations) / guidelines, if any, prescribed by the RBI, SEBI, notifications/circulars and clarifications under the Banking Regulation Act, 1949, Securities and Exchange Board of India Act, 1992 and all other applicable laws \*and all other relevant authorities from time to time and subject to the Listing Agreements entered into with the Stock Exchanges where the equity shares of the Bank are listed, consent of the shareholders of the Bank be and is hereby accorded to the Board of Directors of the Bank (hereinafter called "**the Board**" which shall be deemed to include any Committee which the Board may have constituted or hereafter constitute to exercise its powers including the powers conferred by this

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Resolution) to offer, issue and allot (including with provision for reservation on firm allotment and/or competitive basis of such part of issue and for such categories of persons as may be permitted by the law then applicable) by way of an offer document/prospectus or such other document, in India or abroad, such number of equity/preference shares (cumulative / non-cumulative) / securities (in accordance with the guidelines framed by RBI , specifying the class of preference shares , the extent of issue of each class of such preference shares ,whether perpetual or redeemable or irredeemable and the terms & conditions subject to which each class of preference shares may be issued) of the face value of Rs.10 each and in any case not exceeding 18,03,67,015 (Eighteen Crore Three Lac Sixty Seven Thousand and Fifteen) and aggregating to not more than Rs.180,36,70,150/- ( Rupees One Eighty Crore Thirty Six Lac Seventy Thousand One Hundred Fifty Only ) which together with the existing Paid-up Equity share capital of Rs 618.75 crore amounts to Rs. 799.12 crore with in the total authorized capital of the bank Rs.3000 crore, being the ceiling in the Authorised Capital of the Bank as per section 3 (2A) of the Banking Companies ( Acquisition and Transfer of Undertakings ) Act ,1970 or to the extent of enhanced Authorised Capital as per the Amendment (if any ), that may be made to the Act in future, in such a way that the Central Govt. shall at all times hold not less than 51% of the paid-up Equity capital of the Bank , whether at a discount or premium to the market price, in one or more tranches, including to one or more of the members, employees of the Bank, Indian nationals, Non-Resident Indians ("NRIs"), Companies, private or public, investment institutions, Societies, Trusts, Research organisations, Qualified Institutional Buyers ("QIBs") like Foreign Institutional Investors ("FIIs"), Banks, Financial Institutions, Indian Mutual Funds, Venture Capital Funds, Foreign Venture Capital Investors, State Industrial Development Corporations, Insurance Companies, Provident Funds, Pension Funds, Development Financial Institutions or other entities, authorities or any other category of investors which are authorized to invest in equity/preference shares/securities of the Bank as per extant regulations/guidelines or any combination of the above as may be deemed appropriate by the Bank".

**"RESOLVED FURTHER THAT** such issue, offer or allotment shall be by way of public issue, rights issue, preferential issue and/or on a private placement basis, with or without over-allotment option and that such offer, issue,

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placement and allotment be made as per the provisions of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970, the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("**ICDR Regulations**") and all other guidelines issued by the RBI, SEBI and any other authority as applicable, and at such time or times in such manner and on such terms and conditions as the Board may, in its absolute discretion, think fit".

**"RESOLVED FURTHER THAT** the Board shall have the authority to decide, at such price or prices in such manner and where necessary in consultation with the lead managers and /or underwriters and /or other advisors or otherwise on such terms and conditions as the Board may, in its absolute discretion, decide in terms of ICDR Regulations, other regulations and any and all other applicable laws, rules, regulations and guidelines whether or not such investor(s) are existing members of the Bank, at a price not less than the price as determined in accordance with relevant provisions of ICDR Regulations".

**"RESOLVED FURTHER THAT** in accordance with the provisions of the Listing Agreements entered into with relevant stock exchanges, the provisions of Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970, the provisions of the Indian Overseas Bank (Shares and Meetings) Regulations, 2003, the provisions of ICDR Regulations, the provisions of the Foreign Exchange Management Act, 1999 and the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, and subject to requisite approvals, consents, permissions and/or sanctions of Securities and Exchange Board of India (SEBI), Stock Exchanges, Reserve Bank of India (RBI), Foreign Investment Promotion Board (FIPB), Department of Industrial Policy and Promotion, Ministry of Commerce (DIPP) and all other authorities as may be required (hereinafter collectively referred to as "the Appropriate Authorities") and subject to such conditions as may be prescribed by any of them while granting any such approval, consent, permission, and/or sanction (hereinafter referred to as "the requisite approvals") the Board, may at its absolute discretion, issue, offer and allot, from time to time in one or more tranches, equity shares or any securities other than warrants, which are convertible into or exchangeable with equity shares at a later date, in such a way that the Central Government at any time holds not less than 51% of the Equity Capital of the Bank, to QIBs (as defined in Chapter VIII of

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