

III. TERMS OF THE PRESENT ISSUE

The Bonds are to be issued in the form of Unsecured Redeemable Non-convertible Subordinated debts in the nature of Debenture. The Bonds will constitute direct, unsecured and subordinated obligations of the Bank, ranking Pari-passu with the existing subordinated debt of the Bank and subordinated to the claims of all other creditors and depositors of the Bank as regards repayment of principal and interest by Bank. The Bonds shall be free of any restrictive clauses and **shall not be redeemable** at the initiative of the holder or **without the consent of the Reserve Bank of India (RBI)**.

INSTRUMENT AND ISSUE DETAILS AT A GLANCE

Issue Size	Rs. 225 crore (including an option to retain oversubscription up to Rs 75 crore)
Instrument	Subordinated, Unsecured, Non-convertible, redeemable Tier II bond (lower Tier II)
Credit Rating	"AA / Stable" by CRISIL & "CARE AA" by CARE
Face Value	Rs.10,00,000/- per Bond
Issue Price	Rs 10,00,000/- per Bond
Minimum Application	1 (One) Bond (Rs 10,00,000/-) and in multiples of 1Bond (Rs 10,00,000/-) thereafter
Redemption / Maturity	At par at the end of 120 months from the Deemed Date of Allotment
Coupon Rate	9.45% p.a.
Interest payment	Annually
Put/ Call	None
Listing	Proposed on Bombay Stock Exchange Ltd, Mumbai (BSE) & The National Stock Exchange of India Ltd (NSE)
Trustee	M/s. GDA Trustee & Consultancy Pvt. Ltd, Pune
Interest on Application Money	At the Coupon Rate (subject to deduction of tax at source, as applicable) from the date of realisation of cheque(s) / demand draft (s) up to one day prior to the Deemed date of allotment.

Note: The Bank reserves right to change the issue time table in consultation with the Arrangers and such change, if any, will be communicated to the investors by the Bank. Consequently, the Deemed Date of Allotment may also change.

ISSUE OPENS ON	JULY 21ST, 2006
ISSUE CLOSES ON	JULY 25TH, 2006
DEEMED DATE OF ALLOTMENT	JULY 25TH, 2006