



SERIES DDB 3/98

CONFIDENTIAL
CIRCULATION

TERMS AND CONDITIONS OF THE BONDS

contained in the Articles of Association and the Companies Act, 1956 shall apply *mutatis mutandis* to the Bonds as well

one Consolidated Bond
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ertificates

Status
Where the tenor of the Bond(s) issued is greater than 5 years, the Bond(s) will be of subordinated nature. Where the tenor of the Bond(s) issued is less than or equal to 5 years, the Bond(s) will be of unsubordinated nature.

Where the Bond(s) issued are of unsubordinated nature, the Bond(s) will constitute direct, unsubordinated and unsecured obligations of the Company and shall rank *pari passu inter se* and (subject to any obligations preferred by mandatory provisions of the law prevailing from time to time) shall also, as regards amount invested and any benefits payable thereon by the Company out of its own funds, rank *pari passu* with all other existing direct, unsubordinated and unsecured borrowings of the Company.

Where the Bond(s) issued are of subordinated nature, the Bond(s) will constitute direct, unsecured and subordinated obligations of the Company and will be subordinated and postponed to the payments in respect of all prior obligations of the Company whether for principal, interest, return or otherwise, except that they will rank *pari passu* amongst themselves and with all other present and future subordinated obligations of the Company.

Issue Date
All benefits relating to the Bond(s) will be available to the holders of the Bond ("Bondholder(s)") from the date of realisation of cheque(s)/Draft(s) ("the Issue Date").

Procedure for Redemption by Bondholder(s)
The Bond(s)/Certificate(s), duly discharged by the Sole/all joint-holders (signed on the reverse of the Bond(s)/Certificate(s)) to be surrendered for redemption on maturity should be sent by the Bondholder(s) by Registered Post with Acknowledgment Due or by hand delivery to the Company/Registrar or to such persons at such addresses as may be notified by the Company from time to time.

Payment on Redemption
Payment on redemption of the Bond(s) will be made by way of cheque/pay order etc., only on the surrender of the Bond(s)/Certificate(s), duly discharged by the Sole/all joint holders (signed on the reverse of the Bond(s)/Certificate(s)). The Company's liability to such Bondholder(s) towards all their rights including for payment or otherwise shall stand extinguished from the due date of redemption in all events and on the Company despatching the redemption amount to the Bondholder(s). Further, the Company will not be liable to pay any interest, income or compensation of any kind from the date of such redemption of the Bonds.

Tax Treatment of Bonds
As regards the difference between the discounted price at which the Bonds are issued ("Issue price") and price on redemption of the Bonds, the Central Board of Direct Taxes (CBDT) vide its clarifications dated March 12, 1996 and May 23, 1996 has expressed the view that this will be treated as interest income assessable under the Income-tax Act, 1961. On transfer of Bonds before maturity, the difference between the sale consideration and the Issue price will be treated as capital gains/loss if the assessee has purchased them by way of investment. However, in the case of an assessee who deals in purchase and sale of Bonds, securities, etc., the profit or loss shall be treated as trading profit or loss. The difference between the Issue price and the price of the Bonds on redemption will be treated as interest income assessable under the Income-tax Act, 1961, and, therefore, tax will have to be deducted at source under the relevant provision of the Income-tax Act, 1961.

Notices
All notices to the Bondholder(s) required to be given by the Company or the Trustees (if any), shall be sent by ordinary post to the registered holders of the Bond(s) from time to time.

Transfer/Transmission of Bond(s)
The Bond(s) shall be transferable and transmittable in the same manner and to the same extent and be subject to the same restrictions and limitations as applicable to the existing Equity Shares of the Company. The provisions relating to transfer and transmission and other related matters in respect of Shares of the Company

Nomination

The Sole/first Bondholder along with other joint-holders may nominate any one person, to whom, in the event of death of the sole or all the joint-holders as the case may be, the amount of the Bond(s) may be paid. A nomination shall stand rescinded upon sale of a Bond(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. When the Bond(s) is held by two or more persons, the nominee shall become entitled to receive the amount only on the demise of all the holders of the Bond(s). Fresh nominations can be made only in the prescribed form available on request at the registered office of the Company.

Succession

Where a nomination has not been made or the nominee predeceases the Bondholder(s) the provisions of this paragraph will apply. In the event of the demise of the sole holder of the Bond(s) or the last survivor, in case of joint holders the company will recognize the executor or administrator of the deceased Bondholder, or holder of the Succession Certificate or other legal representative as having title to the Bond(s). The Company shall not be bound to recognize such executor, administrator or holder of the Succession Certificate or legal representative unless such executor or administrator obtains Probate or Letter of Administration or is a holder of the Succession Certificate or other legal representation, as the case may be, from an appropriate Court in India. The Directors, in their absolute discretion, may, in any case, dispense with production of Probate or Letter of Administration or Succession Certificate or other legal representation.

Where on the demise of a sole or last of the survivor of the joint-holders, who is a resident, an NRI becomes entitled to the Bond, the following steps will have to be complied with:

- i) Documentary evidence should be submitted to the legacy call of the RBI to the effect that the Bond(s) was acquired by the NRI as part of the legacy left by the deceased holder.
- ii) Proof that the NRI is an Indian national or is of Indian origin. Such holding by the NRI will be on a non-repatriable basis.

Joint-holders

Where two or more persons are holders of any Bond(s), they shall be deemed to hold the same as joint tenants with benefits of survivorship subject to other provisions contained in the Articles of Association of the Company.

Listing

The Bond(s) may be listed on any of the recognised stock exchanges at the sole discretion of the Company.

Issue of Duplicate Bond Certificate(s)

If any Bond Certificate(s) is/are mutilated or defaced or the cages for recording transfers of Bond(s) are fully utilized, the same may be replaced by the Company against the surrender of such Certificate(s). Provided, where the Bond Certificate(s) are mutilated or defaced, the same will be replaced as aforesaid only if the Certificate numbers and the distinctive numbers are legible.

If any Bond Certificate(s) is/are destroyed, stolen or lost, then upon production of proof thereof to the satisfaction of the Company and upon furnishing such indemnity/security and/or documents as the Company may deem adequate, duplicate Bond Certificate(s) shall be issued, subject to charges for the same being borne by the Bondholder.

Splitting of Bond Certificate(s)

In the event of the Bond(s) being listed as mentioned hereinabove, the market lot will be one Bond ("Market Lot"). The Company would, upon request for splitting by a Bondholder, accompanied by the original Bond certificate(s), split Bond Certificate(s) into other than Market Lot, subject to charges for the same being borne by the Bondholder and subject to the maximum amount agreed upon by the Company with the Stock Exchanges where the Bonds may be listed. Upon splitting

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1961, obtained by the applica
t under Section 10 of Income
annual year by the applicant.

Applicant should be treated
copies of the Power of Attorney

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SERIES DDB 3/98



PRIVATE AND CONFIDENTIAL
NOT FOR CIRCULATION

as aforesaid, the original Bond Certificate(s) would be treated as cancelled by the Company.

Future Borrowings

The Company will be entitled to borrow/raise loans or avail of financial assistance in whatever form as also issue debentures/bonds/other securities in any manner having such ranking, pari passu or otherwise and change the capital structure including the issue of shares of any class, on such terms and conditions as the Company may think appropriate, without the consent of, or intimation to, the Bondholder(s) in this connection.

Bondholder not a Shareholder

The Bondholder(s) will not be entitled to any of the rights and privileges available to the Shareholders.

Purchase

The Company may, at any time and from time to time purchase Bond(s) at discount, at par or at a premium in the open market or otherwise. Such Bond(s) may, at the option of the Company, be cancelled, held or resold at such a price and such terms and conditions as the Company may deem fit and as permitted by law.

Modification of rights

The rights, privileges, terms and conditions attached to the Bonds may be varied, modified, or abrogated with the consent in writing of those holders of the Bonds who hold at least three-fourth of the outstanding amount of the Bonds or with the sanction accorded pursuant to a Special Resolution passed at a Meeting of the Bondholders. Provided that nothing in such consent or resolution shall be operative against the Company where such consent or resolution modifies or varies the terms and condition of the Bonds, if the same are not acceptable to the Company.

Applications under Power of Attorney

A certified copy of the Power of Attorney or the relevant authority as the case may be, along with the names and specimen signatures of all the authorised signatories and the tax exemption certificate/document, if any, must be lodged separately at the office of the Registrar simultaneously with the submission of the completed application form. Similarly any modifications/additions in the Power of Attorney or authority should also be notified to the office of the Registrar.

Issue of Bond Certificates

The Bond Certificates will be issued within three months from the Issue Date and will be dispatched at the Applicant's risk, either by hand delivery or by Registered Post with Acknowledgement Due by the Registrar.

We hereby agree to abide by the above mentioned terms and conditions governing the issue of the Bonds.

Name(s) of Authorised Signatories	Signature(s)
i) Mrs. Nita Singh	
ii) Mr. Hemant Arora	
iii) Mrs. ML Arora	

**APPLICATION FORMS MAY BE SUBMITTED AT :
ICICI INVESTOR SERVICE CENTRES**

- Bangalore** - ICICI Investor Service Centre, Raheja Towers, East Wing II Floor, 26 & 27 M.G. Road, Bangalore 560 001.
Contact Person : Ms. Vrinda Bhat
TEL : (080) 558 8536 / 558 8558
FAX : (080) 558 8556
- Baroda** - ICICI Investor Service Centre, Meghdhanush Building, Race Course Circle, Baroda 390 015.
Contact Person : Smt. Vidya Iyer
TEL : (0265) 333 944 / 333 766.
FAX : (0265) 333 804
- Calcutta** - ICICI Investor Service Centre, 2B Gorky Terrace, Calcutta 700 017.
Contact Person : Shri Soumendu Ghosh
TEL : (033) 247 9213 / 240 0713
FAX : (033) 247 9054.
- Chennai** - ICICI Investor Service Centre, 1 Cenotaph Road, Chennai 600 018.
Contact Person : Shri S.R. Ramesh
TEL : (044) 434 6335 / 434 4137.
FAX : (044) 434 2588

- Hyderabad** - ICICI Investor Service Centre L.B.Bhavan, 4th Floor, Opp. Medinova, Somajiguda, Hyderabad- 500 082.
Contact Person : Ms. Padmaja
TEL : (040) 332 8071 - 75.
FAX : (040) 332 8070
- Mumbai** - ICICI Investor Service Centre, Maratha Mandir(Annexe), Dr. A. Nair Road, Mumbai Central, Mumbai - 400 008
Contact Person : Shri F.D. Kasad
TEL : (022) 305 1988 (Extn. 7237)
FAX : (022) 300 6738
- New Delhi** - ICICI Investor Service Centre, Jeevan Bharti, Level 6, Tower II, 124 Connaught Circus, New Delhi 110 001
Contact Person : Smt. Uma Murail
TEL : (011) 331 9611 / 332 2683.
FAX : (011) 332 2637
- Pune** - ICICI Investor Service Centre, C/o Maharashtra Industrial & Technical Consultancy Organisation Ltd., P.B.No. 923, Kubera Chambers, Shivajinagar, Pune - 411 005.
Contact Person : Smt. Sandhya Sabne
TEL : (0212) 326 351 / 436 620
FAX : (0212) 323 206

ICICI LIMITED

Mumbai - The Industrial Credit and Investment Corporation Of India Limited, 163, Backbay Reclamation, 5th Floor, Mumbai - 400 020.
Contact Person : Mr. Vimadala Naazar / Ms. Jean Crasto. TEL : (022) 282 6974. FAX : (022) 204 6582

BACKGROUND

ICICI is a diversified 1955 through the in Bank and represent of which is the provis leasing and other ty throughout India. Ir seeks to operate in financial policies of of India. Within th profitability of its ope all financing propos on the underlying c

ACTIVITIES

ICICI's primary acti industrial enterprises loans, underwriting debentures, and gro lenders. ICICI prov industrial sectors, Inc food processing, tra textiles and transpor assistance to the ag of the Indian econo of exploration and generation, teleco

With the liberalizat emerging business activities into advcs commission based subsidiaries and gro activities such as in management, Inves group companies in Securities and Finan Company Limited, Limited, ICICI Broker Limited and ICICI C

DEVELOPMENTAL AC
ICICI has sought to t all sectors of the ec instruments and, in perceived needs. IC such diverse areas rural development, h It has also been a) certain key sectors, Housing Developm first and currently Ic The Credit Rating In first credit rating ag The OTC Exchange trading system, spe

BOARD OF DIRECTO

Shri. N. Vaghul is the K.V.Kamath is Man responsibility for the members on ICICI's

- N. Vaghul
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- Ashok Ganguly
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- S. K. Kaura
- Rakesh Khurana
- T. R. Prasad
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- Lalita D. Gupta
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