

III. TERMS OF THE PRESENT ISSUE

We are offering for subscription Unsecured Redeemable Subordinated Bonds in the nature of Debentures aggregating Rs.300 crore with a right to retain oversubscription upto Rs.225 crore.

The Bonds being offered are subject to the provisions of the Act, the Memorandum and Articles of Association, the terms of this information Memorandum, Application Form and other terms and conditions as may be incorporated in the Trustee Agreement, letter(s) of allotment, allotment advice and /or bond certificate(s). Over and above such terms and conditions, the Bonds shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the issue of capital and listing of securities issued from time to time by SEBI/the Government of India/RBI and/or other authorities and other documents that may be executed in respect of the Bonds.

NATURE OF BONDS

The Bonds are to be issued in the form of Unsecured Redeemable Subordinated Bonds in the nature of Debentures. The Bonds will constitute direct, unsecured and subordinated obligations of ours, ranking *pari passu* with our existing/ future subordinated debt and subordinated to the claims of all our other creditors and depositors as regards repayment of principal and interest by us. 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).

ISSUE DETAILS

Issue Size:	Rs. 300 crore with an option to retain oversubscription of Rs.225 crore
Instrument:	Unsecured Redeemable Subordinated Bonds in the Nature of Debentures
Instrument Form:	Only in Demat Mode
Face Value:	Rs. 10,00,000/- per bond
Issue Price:	Rs. 10,00,000/- per bond
Interest on Application Money :	At the applicable interest rate from the date of realisation of cheque(s)/ demand draft(s) upto one day prior to deemed date of allotment for the option applied for, in case of refunds @ 4.0% from the date of realisation of cheque(s)/ demand draft(s) upto one day prior to date of refund on the refunded portion
Interest Payment :	For Options 2, 3 and 4, one year from deemed date of allotment and every year thereafter. In case of Option 1, every six months from the deemed date of allotment. However, the last interest payment would be made along with the redemption amount on a <i>pro rata</i> basis.
Interest Reset:	For Option 1, at semi-annual intervals from the deemed date of allotment
Interest Calculation:	The interest on the outstanding principal for each semi-annual period would be calculated on an actual /365 day count basis.
Record Date:	Record date would be 30 days prior to interest and redemption date.
Listing :	Wholesale Debt Segment of NSE
Credit Rating :	Care "CARE AAA" & ICRA "LAAA"
Trustee :	The Western India Trustee and Executor Company Limited

	Option 1	Option 2	Option 3	Option 4
Tenure	5 yrs 10 mths	5 yrs 10 mths	7 yrs 10 mths	10 yrs
Type (Fixed / Book building)	Book building	Fixed	Fixed	Fixed
Interest Rate (p.a.)*	Floating rate 1 year INBMK + 0.40% to 0.50% (reset semi-annually)	Fixed Rate 7.25%	Fixed Rate 7.35%	Fixed Rate 7.45%
Minimum Application	50 bonds and in multiple of 10 bonds thereafter	50 bonds and in multiple of 10 bonds thereafter	50 bonds and in multiple of 10 bonds thereafter	50 bonds and in multiple of 10 bonds thereafter
Interest Payment	Semi - Annual	Annual	Annual	Annual

* Subject to TDS at applicable rates

Benchmark

1 year benchmark INBMK will be a simple average of Mid of Bid and Offer yields of the 1 year GOI benchmark (as set on <INBMK = F3> page of Reuters at 12.00 noon, Indian Standard Time) for immediately preceding three business days prior to the interest payment period. For the first interest payment the average of 3 days prior to deemed date of allotment will be applicable.

Basis of Allotment :

- We reserve the right at our sole and absolute discretion to accept subscription amount(s) aggregating not more than Rs.150 crore under option 1.
- In case of under-subscription in option 1, the balance amount would get allotted to the Fixed rate option in the following order of priority: First Option 4, then Option 3, and then Option 2.
- The cut-off price under option 1 would be the price at which the base issue size for option 1 of Rs.150 crore is received.
- In case of under-subscription in option 1, the cut-off price would be the highest rate bid.
- For all fixed rate options, the allotment would be made in the following order of priority: First Option 4, then Option 3, and then Option 2.
- Allotment under retention of over-subscription option of Rs.225 crores would be made in the following order of priority: First Option 4, then Option 3, then Option 2 and then Option 1. Retention of oversubscription for Option 1 within the over-subscription limit of Rs.225 crores would be at the sole discretion of ICICI Bank. In case ICICI Bank exercises the right to retain over-subscription under option 1, the cut-off price would be the price at which the total amount being retained under option 1 is received.
- Within each option preference would be given to investors who invest / commit on earlier dates.
- In case of over subscription under option 4 or 3 or 2 after allotment as specified above, allotment would be made on a *pro rata* basis.

Further : In case there is over-subscription in Option 1 (Floating Rate Bond), priority will be given to investors in the following order:

- First priority will be given to investors bidding at the lowest end of the Book Building range.