



ICICI Securities Primary Dealership Limited

Registered Office: ICICI Centre, H.T. Parekh Marg, Churchgate, Mumbai - 400020

Website: <http://www.icicisecuritiespd.com/>

Tel: (022) 22882460 /70 **Fax :** (022) 22882312 /13

Issue of 50 Unsecured, Subordinated, Listed, Redeemable, Non-Convertible Debentures of the face value of Rs 10,000,000/- each, at par, in one or more tranches, aggregating to Rs. 50 crores on private placement basis constituting as Tier III capital ("the Debentures").

GENERAL RISKS: Investors are advised to read the Risk Factors carefully before taking an investment decision in this offering. For taking an investment decision, the investors must rely on their own examination of the Issuer and the Issue including the risks involved. The Debentures have not been recommended or approved by Securities and Exchange Board of India ("SEBI") nor does SEBI guarantee the accuracy or adequacy of this document. Specific attention of the investors is invited to the Risk Factors on page 5 of the Offer Document.

ISSUER'S ABSOLUTE RESPONSIBILITY: The Issuer, having made all reasonable inquiries, accepts responsibility for, and confirms that this Offer Document contains all information with regard to the Issuer and the Issue, which is material in the context of the Issue, that the information contained in this Offer Document is true and correct in all material respects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

CREDIT RATING OF THE DEBENTURES:

"AAA/negative" by Crisil" for Rs.50 crores indicating "highest degree of safety with regard to timely payment of interest and principal on the instrument".

The rating is not a recommendation to buy, sell or hold securities and investors should take their own decision. The rating may be subject to revision or withdrawal at any time by the assigning rating agency and each rating should be evaluated independently of any other rating. The ratings obtained are subject to revision at any point of time in the future. The Rating Agencies have a right to suspend or withdraw the rating at any time on the basis of new information, etc.

Listing: Listing of the Debentures is proposed to be carried out on the Wholesale Debt Segment (WDM) of the Bombay Stock Exchange Limited (BSE).

This Offer Document for Private Placement is neither a prospectus nor a statement in lieu of prospectus and does not constitute an offer to the public generally to subscribe for or otherwise acquire the Debentures to be issued by ICICI Securities Primary Dealership Limited.

Registrars:

SHAREPRO SERVICES (INDIA) PVT LTD.

Regd Office – Satam Estate, 3rd Floor, Above Bank Of Baroda , Cardinal Gracious Road, Chakala, Andheri (East) , Mumbai- 400099

Tel:(022) 28215168/28215991 Fax:(022) 28375646

Email: sharepro@vsnl.com

Website: www.shareproservices.com

Trustee:

IDBI Trusteeship Services Limited

Regd office - Asian Building, Ground Floor

17, R. Kamani Marg, Ballard Estate,

Mumbai – 400 001

Definitions

"ICICI Securities Primary Dealership Limited " / "I-Sec PD" / "Company" / "Issuer"	ICICI Securities Primary Dealership Limited a Company Registered under the Companies Act, 1956
Articles	Articles of Association of the Company
Board	Board of Directors of the Company or a Committee thereof
Debentureholder	The holder of the Debentures
Debentures	Unsecured, Subordinated, listed, Redeemable , Non-Convertible Debentures
NSDL	National Securities Depository Limited
CDSL	Central Depository Services Limited
Depository/ ies	NSDL and/or CDSL
DP	Depository Participant
FY	Financial Year
I.T. Act	The Income-tax Act, 1961 as amended from time to time
Issue	Issue of 50 Unsecured, Subordinated, Listed, Redeemable, Non-Convertible Debentures of the face value of Rs 10,000,000/- each, at par, aggregating Rs. 50 crores on private placement basis constituting as Tier III capital
Memorandum	Memorandum of Association of the Company
RBI	The Reserve Bank of India
SEBI	Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992
SEBI Regulations	SEBI (Issue and Listing of Debt Securities) Regulations, 2008
The Act	The Companies Act, 1956 (as amended from time to time)
Trustees	Trustees for the Debentureholders

DISCLAIMER CLAUSE

This Memorandum of Information for Private Placement (“Offer Document”) is neither a prospectus nor a statement in lieu of prospectus and does not constitute an offer to the public generally to subscribe for or otherwise acquire the Debentures to be issued by the Company. This Offer Document is not intended to be circulated to more than 49 persons. The Offer Document is for the exclusive use of the institutions to whom it is delivered and it should not be circulated or distributed to third parties or should not be reproduced. Potential investors are required to make their independent evaluation and judgment before making the investment.

This Offer Document for issue of Debentures on private placement basis has been prepared in conformity with **RBI Master circular RBI/2009-2010/55** dated July 1st 2009 read with **SEBI (ISSUE AND LISTING OF DEBT SECURITIES) REGULATIONS 2008**. Therefore as per the applicable provisions, copy of this Offer Document has not been filed or submitted to SEBI and Stock Exchanges. It is to be distinctly understood that the Offer Document should not, in any way, be deemed or construed that the same has been cleared or vetted by SEBI. SEBI does not take any responsibility either for the financial soundness of any scheme or the project for which the Issue is proposed to be made, or for the correctness of the statements made or opinions expressed in the Offer Document. We certify that the disclosures made in this Offer Document are generally adequate and are in conformity with the captioned SEBI REGULATIONS. This requirement is to facilitate investors to take an informed decision for making investment in the proposed Issue. It should also be clearly understood that the Issuer is primarily responsible for the correctness, adequacy and disclosure of all relevant information in the Offer Document. We also certify that we have disclosed various material information including those relating to litigations, etc. in the Offer Document for the said Issue.

We further confirm that:

- a. This Offer Document is in conformity with the documents, materials and papers relevant to the Issue;
- b. All the legal requirements connected with the said Issue as also the guidelines, instructions, etc., issued by SEBI, the government and any other competent authority in this behalf have been duly complied with;
- c. The disclosures made in this Offer Document are true, fair and adequate to enable the investors to make a well informed decision as to the investment in the proposed Issue; and

ICICI Securities Primary Dealership Limited accepts no responsibility for statements made otherwise than in the document or any other material issued by or at the instance of I-Sec PD and anyone placing reliance on any other source of information would be doing so at his own risk.

RISK FACTORS

The investors should consider the following risk factors carefully for evaluating the Company and its business before making any investment decision. Unless the context requires otherwise, the risk factors described below apply to ICICI Securities Primary Dealership Limited only.

Internal Risks

1. Contingent Liabilities as on December 31, 2009: Rs. 217.46 mn

Management Perception

These contingent liabilities are in the normal course of business.

2. These Debentures are unsecured and subordinated in nature and constitute Tier III capital of the Company.
3. **Operational and Systemic Risk** - The Company is faced with operational and systemic risk as a result of a range of factors viz., improper authorisations, inappropriate documentation and failure in maintenance of proper security policies, frauds, inadequate training and employee errors. Further, the security risk in terms of handling IT related products involves certain risk like data loss, confidentiality, business continuity and network security.

Management Perception

Efforts are made on an ongoing basis to minimise and eliminate operational risk by way of effective internal control systems, establishment of systems and procedures to monitor transactions, adequate back-up procedures and meticulous contingency planning.

The internal audit department undertakes a comprehensive audit of all business groups and functional areas. Further, it also conceptualises and implements effective systems of internal controls. The Company conducts regular Audits of the Systems and Procedures and reports the same to the Audit Committee of the Company and monitors security policies and effective functioning of all major systems on a regular basis.

4. The resignations of key managerial personnel may have an impact on operations.

Management Perception

The Human Resources department takes steps to ensure management continuity. I-Sec PD has been able to identify and attract talent internally and externally to ensure smooth business operations.

5. We are involved in litigation and regulatory proceedings.

Management Perception

The litigation has come up in the normal course of business of the Company and the details of the same are as under:

Court	Reference Number	Date Instituted	Client name	Nature of complaint	Amount claimed Rs.	Status
Consumer Disputes Redressal Forum, Mumbai	456/2004	January 5, 2005	Mr. S. R. Kulkarni	The complainant's bank has informed the complainant that there was a mistake on its part because of which it had wrongly dishonoured the cheque and therefore has requested the Complainant to withdraw the said suit.	The client claimed Rs.12,750/-	The case is pending in the court.

External Risks

1. **Market Risk** - Being a primary dealer, underwriting and trading in government securities (G-Sec) is a key activity. I-Sec PD's business volumes & earnings are subject to interest rate movements.

Management Perception

The Company has put in place risk management systems to address market risks. The Company also uses interest rate swaps (IRS) as a product to manage interest rate risk.

2. **Legal & Statutory Risks** - Being a primary dealer registered with Reserve Bank of India ("RBI"), the Company's operations are regulated by RBI. The Company is also required to comply with statutory enactments including the Companies Act, 1956 ("the Act"), Reserve Bank of India Act, Regulations issued by RBI as applicable to Primary Dealer's, SEBI Regulations, etc.

Management Perception

The Company has taken adequate steps for complying with the prudential norms and other directions issued by the Reserve Bank of India in respect of primary dealers. Additionally, measures have also been taken to ensure proper compliance under the provisions of the Act, regulations and guidelines issued by SEBI and various other related laws.

(i) Name and Address of Registered Office of the Issuer

Name of the Issuer: ICICI Securities Primary Dealership Limited

Registered office: ICICI Centre,
H.T. Parekh Marg,
Churchgate,
Mumbai – 400 020

(ii) Names and Addresses of the Directors of the Issuer as on March 31, 2010

Sr. No.	Name of the Director	Address
1	Mr. N. S. Kannan	Flat B 204, Kalpataru Horizon, S.K. Ahire Marg, Worli, Mumbai 400 018.
2	Mr. B. Prasanna	1105, Tower B, Ashok Towers, Dr. S. S. Rao Road, Parel, Mumbai 400 012
3	Mr. Uday Chitale	167 – C, Poonawadi, Dr. Ambedkar Road, Dadar (East), Mumbai 400014
4	Mr. A. Murugappan	Southlands, 177, Colaba Road, Mumbai 400005
5	Ms. Vishakha Mulye	A – 303, Atria, Akruti Niharika Complex, Prof. N.S. Phadake Marg, Andheri, Mumbai 400069
6	Mr. Subir Saha	Flat No. C-401, Anmol, Opp. Patel Auto, S. V. Road, Goregoan, Mumbai 400062
7	Mr. Sundaram G. H.	Flat No.202, Royal Crest, Plot No.31, Shridhar Palace – A C.H.S, Lokmanya Tilak Vasahat, Road No.3, Dadar (East), Mumbai 400 014

(iii) Business of the Company

ICICI Securities Primary Dealership Limited is a fully owned subsidiary of ICICI Bank Limited.

I-Sec PD is one of the first and largest primary dealers in India with one of the best profitability ratios among peers. I-Sec PD is the only bond house with a leading presence across all fixed income products, syndication & placement and trading & research.

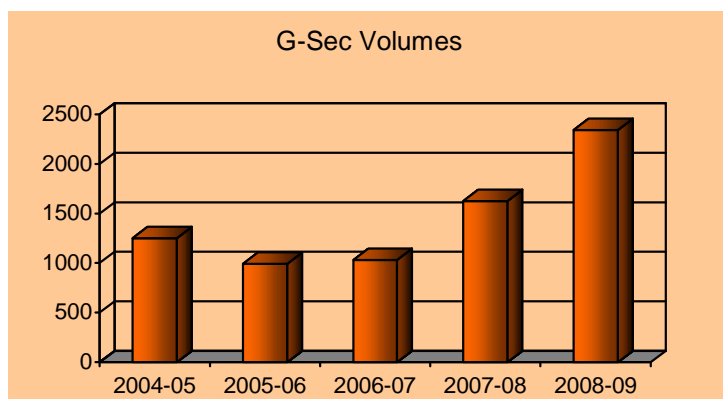
I-Sec PD has a strong presence in G-Sec trading, IRS, Corporate bonds trading and equity trading. In addition, it has a strong Debt Capital Market team which has been ranked among the Top 2 in Debt Origination and Placements for the past several years.

Trading

Government Securities Trading

For the past three years, I-Sec PD has been among the Top 3 participants in India (in terms of trading volumes and primary subscriptions) in G-Sec auctions. The firm has demonstrated the ability to significantly outperform markets irrespective of business conditions. Due to its leadership position, a large number of market participants tend to track the Company's views on trading strategies and price discovery. The desk achieved volumes in excess of Rs 2343bn in FY09.

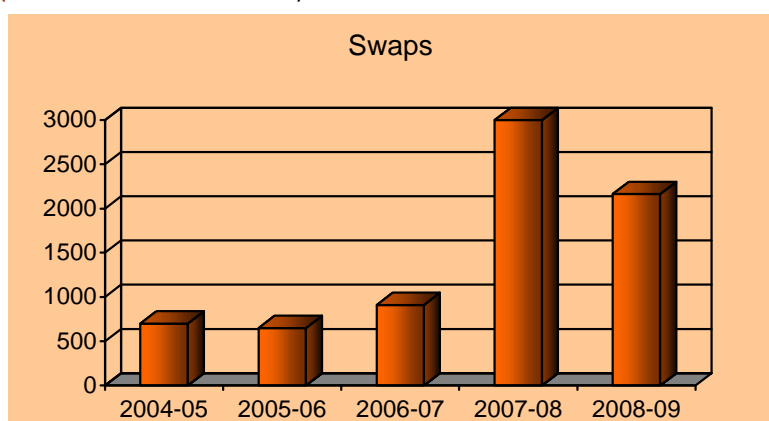
(All numbers in Rs. bn)



IRS Trading

I-Sec PD is one of the largest players with annual swap volume in excess of Rs 2160bn in FY09. I-Sec-PD was the first to transact in IRS since its introduction in July 1999. With specialized capabilities of being market makers, it offers two-way quotes in the IRS market, especially in Overnight Indexed Swaps (OIS). I-Sec PD provides active assistance to clients in designing and marketing interest rate structures to suit their objectives.

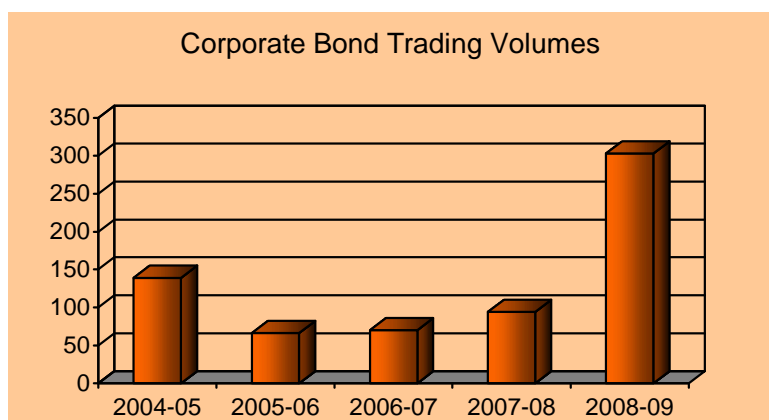
(All numbers in Rs. bn)



Corporate Bond Trading

I-Sec PD has a significant presence in the corporate bond market by way of trading and market making. The turnover of I-Sec PD in corporate bonds and debentures is estimated at around 25% of overall market. I-Sec PD is estimated to be among the top 2 participants by trading volumes. The desk achieved volumes close to Rs 302bn in FY09.

(All numbers in Rs. bn)



Equity Trading

I-Sec PD's proprietary equity trading includes dealing in both Cash and Derivatives. The Company's directional as well as arbitrage trades take advantage of market opportunity. The Company's directional trade is supported by research from various brokers and primary information by meeting the companies.

Research

I-Sec PD's high quality research capabilities are widely accepted as the industry standard. It is one of the first bond houses to publish fixed income research. I-Sec PD has developed innovative and pioneering initiatives that have been considered as landmarks in the Bond market.

I-Bex, a comprehensive government security index, is published daily and is widely accepted by market participants. I-Sec PD also maintains a corporate credit maturity bucket valuation matrix called **VALUCORP**. Today, VALUCORP is considered as one of the benchmarks for valuation by market participants.

Sales

I-Sec PD has a strong and wide distribution network of relationships covering institutional investors such as banks, mutual funds, insurance companies, provident funds etc. With over a decade of market presence, I-Sec PD has not only built a large client base, but also been able to garner profound understanding of resource and deployment requirement. The Company's clients regard it as a Trusted Financial Advisor.

Portfolio Management Services

I-Sec PD is highly regarded in market for its integrity and has an enviable reputation for guarding its clients' interests. I-Sec PD provides active fund management and advisory services to a number of Provident and Pension Funds.

I-Sec PD is the discretionary fund manager for Coal Mines Provident Fund Organisation (CMPFO) which is the second largest such fund (Rs.390 bn) in India. I-Sec PD is the first private sector provident fund manager for CMPFO chosen by Government of India.

I-Sec PD also provides advisory services to other retirement funds with a total corpus of close to Rs. 70 bn.

Debt Capital Markets (DCM)

I-Sec PD has a very strong team having extensive knowledge of Fixed Income universe across products and markets. The range of activities undertaken by the DCM desk include private placement, Structured Finance and Securitisation. I-Sec PD has been consistently ranked among Top 2 in debt league tables.

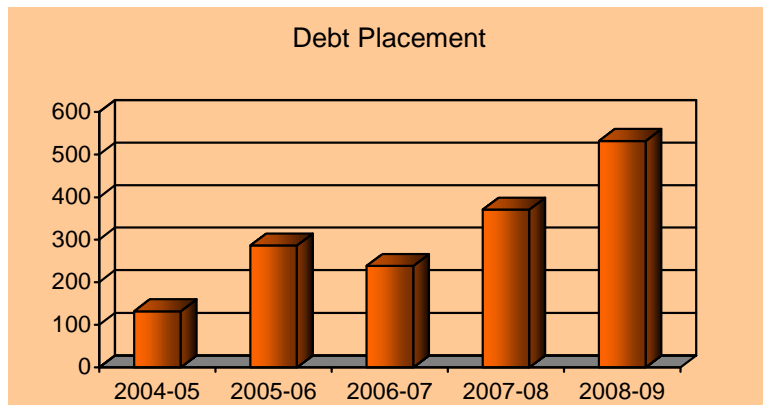
Market Leadership

- Consistent leader in Debt league tables
- Associated with almost all AAA rated debt issues
- Extensive knowledge of Fixed Income products and markets
- Powerful distribution capability
- Sound structuring expertise
- Balance sheet strength for executing underwritten and bought out deals
- Highest reputation and regular interaction with regulatory agencies
- Arranger to issues across various industries – Steel, Cement, Media, Infrastructure, Real Estate and Financial Institutions

Highlights of Select Deals

- Arranger to only Supranational Bond issue in India - ADB's 2004 INR Bond Issue
- Syndication of Security Receipts for India's first Distressed Assets fund in FY08
- Arranger to the Rs 73 bn bond issue of India Infrastructure Finance Company Limited, largest issue till date in India
- Arranged Rs 138 bn in FY09 over various short term tenors for Indian Oil Corporation Limited
- Arranger to only Municipal bond in FY09 – Visakhapatnam Municipal Corporation
- Active across Rating Spectrum from A to AAA

(All numbers in Rs. bn)



The various prestigious awards won by the Company, over the years are a strong testimony of its capabilities and continuing dominant position in the market.

ASIAMONEY

Best Domestic Bond House in India
- 2002, 2004, 2005, 2007

FinanceAsia.com

Best Bond House
- 2001, 2004, 2005, 2006, 2007, 2009



**Best Domestic Bond
House - 2009**

Corporate Risk Management Group (CRMG)

CRMG frames effective and contemporary risk management policies addressing market and credit risk. The group has developed comprehensive risk management policies which seek to minimize risks generated by the activities of the organization. The group develops and maintains models to assess market risks which are constantly updated to capture the dynamic nature of the markets and in this capacity, participates in the evaluation and introduction of new products and business activities.

(iv) History and major events

ICICI Securities Primary Dealership Limited was incorporated as ICICI Securities and Finance Company Limited on February 22, 1993 as a joint venture with Morgan Guaranty International Finance Corporation, an indirect subsidiary of J.P. Morgan Co. Incorporated (JP Morgan) to provide investment banking services to investors. The name ICICI Securities and Finance Company Limited was changed to ICICI Securities Limited on April 7, 2003 which was further changed to ICICI Securities Primary Dealership Limited on March 1, 2007.

RBI had vide its circular No. IDMD. PDRS./26/03.64.00/2006-07 dated July 4, 2006 in respect of diversification of activities by stand-alone Primary Dealers (PDs) - Operational Guidelines prohibited PDs from having a subsidiary in India or abroad and PDs that already have step-down subsidiaries (in India and abroad) were required to restructure the ownership pattern of these subsidiaries. The circular also provided for the activities that PD's can undertake.

ICICI Securities Primary Dealership Limited being a primary dealer was required to comply with this circular. Accordingly, the Company transferred all the shares held by it in ICICI Securities Limited (formerly known as ICICI Brokerage Services Limited, which was a subsidiary of the Company) to ICICI Bank Limited on May 9, 2007 and May 18, 2007. ICICI Securities Limited is now a 100% subsidiary of ICICI Bank Limited. Also, the shares held by ICICI Securities Primary Dealership Limited in ICICI Securities Holdings, Inc. (which was a foreign subsidiary of the Company) were transferred to ICICI Securities Limited on May 9, 2007. With this, the Company no longer has any subsidiary in India or abroad.

Changes in capital structure (including authorized, issued, subscribed and borrowings) of the Issuer

Rs.Mn

Date	Authorised Capital	Share Capital	Share Application Money	Reserves and Surplus	Less : Debt Balance in P&L	Net Worth	Borrowings
31-Mar-94	2,000.00	1,000.01	22.51	225.58	-	1,248.10	5,225.05
31-Mar-95	2,000.00	1,015.01	-	382.79	-	1,397.80	9,004.32
31-Mar-96	2,000.00	1,015.01	-	404.77	-	1,419.78	6,108.86
31-Mar-97	5,000.00	2,030.03	-	-	254.25	1,775.78	8,934.82
31-Mar-98	5,000.00	2,030.03	-	146.36		2,176.39	5,953.61
31-Mar-99	5,000.00	2,030.03	-	300.38		2,330.41	11,961.56
31-Mar-00	5,000.00	2,030.03	-	525.04		2,555.07	18,908.15
31-Mar-01	5,000.00	2,030.03	-	701.51		2,731.54	12,917.84
31-Mar-02	5,000.00	2,030.03	-	1,161.85		3,191.88	17,335.52
31-Mar-03	5,000.00	2,030.03	-	1,480.78		3,510.81	18,398.62
31-Mar-04	5,000.00	2,030.03	-	1,894.95		3,924.98	18,671.34
31-Mar-05	5,000.00	2,030.03	-	2,160.54		4,190.57	8,911.50
31-Mar-06	5,000.00	1,658.84	-	2,448.80		4,107.64	10,145.89
31-Mar-07	5,000.00	1,621.00	-	2,491.10		4,112.10	11,118.52
31-Mar-08	5,000.00	1,621.00	-	3,091.42		4,712.42	17,269.10
31-Mar-09	5,000.00	1,563.40	-	3,701.23		5,264.63	22,725.89
31-Dec-09	5,000.00	1,563.40	-	4,183.55		5,746.95	14,556.10

(v) Details of Debentures sought to be Issued and listed and Issue Size

Face Value	Rs 10,000,000 per debenture
Nature of Debentures	Unsecured Subordinated Listed Redeemable Non Convertible Debentures, eligible for inclusion as Tier III capital of the Issuer
Mode of Issue	Private Placement

Tier III capital is the capital issued to meet solely the market risk capital charge in accordance with the criteria as laid down below. PDs may employ a third tier of capital ("Tier III"), consisting of short-term subordinated debt, as defined below, for the sole purpose of meeting a portion of the capital requirements for market risks.

For short-term subordinated debt to be eligible as Tier III Capital, it needs, if circumstances demand, to be capable of becoming part of PD's permanent capital and available to absorb losses in the event of insolvency. It must, therefore, at a minimum;

- (i) be unsecured, subordinated and fully paid up;
- (ii) have an original maturity of at least two years;
- (iii) not be repayable before the agreed repayment date unless the RBI agrees;
- (iv) be subject to a lock-in clause that neither interest nor principal may be paid (even at maturity) if such payment means that the PD falls below or remains below its minimum capital requirement.

PDs are required to maintain a minimum Capital to Risk-weighted Assets Ratio (CRAR) norm of 15 percent on an ongoing basis.

(vi) Issue Size

The aggregate principal amount of the Debentures to be issued under the Issue is Rs. 50 crores.

(vii) Details of Utilisation of Proceeds

The present issue of Debentures is being made pursuant to applicable regulations and for strengthening the capital adequacy by way of augmenting our Tier-III Capital and for enhancing our long term resources.

(viii) Material Contracts and Agreements involving financial obligations

1. Copy of Agreement dated 23rd November 2001 executed by the Company appointing Sharepro Services (India) Pvt. Limited as the Registrar and Transfer Agent for its Commercial papers / Non-Convertible Debenture / other Debt instruments.
2. Certified true copy of the Memorandum and Articles of Association of the Company.
3. Certified true copy of Resolution passed by shareholders' at the Annual General Meeting increasing the borrowing powers of the Board of Directors in terms of Section 293(1)(d) of the Companies Act, 1956
4. Consent of Letter from the Trustee for providing Trusteeship Services
5. Copy of letter from CRISIL giving the credit rating to the Debentures to be issued by the Company.
6. Copy of tripartite agreement dated 26th June, 2001 between ICICI Securities Primary Dealership Limited and NSDL.
7. Copy of tripartite agreement dated 20th January, 2001 between ICICI Securities Primary Dealership Limited and CDSL.

The above material documents and contracts will be available for inspection between 9.00 am and 5.00 p.m. on all working days in Mumbai at the office of the Company mentioned below:

Registered Office: ICICI Centre, H, T. Parekh Marg, Churchgate, Mumbai – 400 020

(ix) Details of other borrowings by the Issuer (as on December 31, 2009)**Tier II and Tier III Borrowings**

Particulars	(Rupees in mn)
Subordinated Debentures issued in Tier III Capital	1,150.00
Subordinated Debentures issued in Tier II Capital	500.00

Other Borrowings

Particulars	(Rupees in mn)
Secured Loans	2,719.75
Unsecured	10,186.35

(x) Material Events / Developments

As of the date of this Offer Document, I-Sec PD is not aware of any material events and/ or material developments and/ or material changes in relation to the Issuer that have not been disclosed in this document and which in our view could materially adversely affect the Issue or investors' decision to invest in the Debentures, other than as set forth below:

(xi) Particulars of Debt Securities issued (i) for consideration other than cash, (ii) at a premium or discount, or (iii) in pursuance of an option:

No debt securities have been issues for consideration other than cash or at a premium / discount or in pursuance to an option.

(xii) Details of highest ten holders of each kind of securities of the Issuer as on December 31, 2009**Ten Largest Shareholders**

ICICI Bank Limited along with its nominees holds 100% of the paid-up equity share capital of the Company.

List of largest ten bond holders (Tier II and Tier III only) as on March 23, 2010

Sr no	Investor	Address	Amt (Rs. mn)
1	Kotak Mahindra Trustee Company Ltd. A/C. Kotak Mahindra Bond Short Term Plan	Kotak Tower Building, 6th floor, No. 21 Infinity Park, Opp western express Highway, Goregaon Mulund link Rd, Malad East.mumbai-400097	300
2	Templeton India Income Opportunities Fund	Wockhardt Tower, Level 4, C-2 G-Block, Bandra Kurla Complex Bandra (East), Mumbai 400 051	250
3	State Bank Of Hyderabad	State Bank of India, LHO Building, 7th Floor, Bandra Kurla Complex, Mumbai-400 051	250

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4	ICICI Prudential Life Insurance Co Ltd	ICICI Prulife Towers, 1089 Appasaheb Marathe Marg, Prabhadevi, Mumbai - 400 025	200
5	HDFC Standard Life Insurance Company Limited	Investment Dept, 2nd Flr, A Wing, Trade Star Bldg, Junction of Kondivita & MV Rd, Andheri Kurla Rd, Andheri (E), Mumbai - 400 059	200
6	Kotak Mahindra Trustee Co Ltd A/C Kotak Fmp24m Series 1	Kotak Tower Building, 6th floor, No. 21 Infinity Park, Opp western express Highway, Goregaon Mulund link Rd, Malad East.mumbai-400097	200
7	Corporation Bank	15, Mittal Chambers, 1st Floor, Nariman Point, Mumbai - 400 021	200
8	Bank of India	Star House, Bandra Kurla Complex, Mumbai- 400 051	150
9	Deutsche Trustee Services (India) Private Limited A/c DWS Fixed Term Fund - Series 43	2nd Floor, Kodak House, Dr. D N Road, Fort, Mumbai 400 001	100
10	Federal Bank Limited	C8, 1st Flr. Lakshmi Tower Bandra Kurla ComplexMarine Drive, Bandra (East), Mumbai 400 051	100
11	Syndicate Bank	Maker Tower No.F, 3rd Floor, Cuffe Parade, Mumbai 400 005	100
12	Reliance General Insurance Co Ltd	570, Naigaum Cross Road, Next to Royal Industrial Estate, Wadala(W), Mumbai 400 031	100
13	Canara Robeco Mutual Fund A/C Canara Robeco Monthly Income Plan	Construction House, 4th Floor, 5, W.H.Marg, Ballard Estate, Mumbai 400 001, India	100
14	Canara Robeco Mutual Fund A/C Canara Robecoincome	Construction House, 4th Floor, 5, W.H.Marg, Ballard Estate, Mumbai 400 001, India	100
15	Sundaram Bnp Paribas Mutual Fund A/C Sundarambnp Paribas Flexible Fund Short Term Plan	2 nd Floor, 46, Whites Road, Chennai – 600 014	100

(xiii) Common form of transfer

The Debentures issued under this Issue would only be in dematerialised form and there would be no physical certificates of the Debentures issued.

Pursuant to listing, trading in the Debentures will be in the compulsory demat segment of the stock exchanges. The market lot will be one Debenture. Since the Debentures are being issued only in dematerialised form, odd lots will not arise either at the time of issuance or at the time of transfer of the Debentures. However, the Issuer shall stipulate a common transfer form for physical holdings if at any time Debentures in physical form come into existence due to exercise of a rematerialisation option provided by the Depository to any Investor.

(xiv) Redemption Amount, Period of Maturity and Yield on Redemption of the Debentures:

Redemption Amount	Rs. 50 crores
Period of Maturity	2 years 74 days
Yield on redemption	7.80%

(xv) Information related to terms of the Offer

The Debentures being offered are subject to the provisions of the Act, the Memorandum and Articles of Association, the terms of this Offer Document, Application Form and other terms and conditions as may be incorporated in the Letter(s) of Allotment and/or Debenture Certificate(s).

Over and above such terms and conditions, the Debentures shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the issue of capital 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 Debentures.

Authority for the Issue

Pursuant to the provisions of Section 293 (1) (d) of the Companies Act, 1956, the members of the Company had, in their meeting held on September 6, 1996, approved borrowings upto a limit of Rs. 30bn by the Board of Directors of the Company which was further enhanced to Rs. 40bn at the meeting of the members held on August 16, 2004. The shareholders have, at their meeting held on July 18, 2007, approved further increase in this limit to Rs. 60bn

The Board of Directors of the Company had, at its meeting held on July 17, 2007, approved the issuance of non-convertible debentures upto Rs.20bn.

No further approvals are required from any Government authority for the private placement.

Nature of Debentures

The instrument is to be issued in the form of Unsecured, Subordinated, Listed, Redeemable, Non-Convertible Debentures eligible for inclusion as Tier III capital of the Issuer.

Tier III capital is the capital issued to meet solely the market risk capital charge in accordance with the criteria as laid down below. PDs may employ a third tier of capital

("Tier III"), consisting of short-term subordinated debt, as defined below, for the sole purpose of meeting a portion of the capital requirements for market risks.

For short-term subordinated debt to be eligible as Tier III Capital, it needs, if circumstances demand, to be capable of becoming part of PD's permanent capital and available to absorb losses in the event of insolvency. It must, therefore, at a minimum;

- I. be unsecured, subordinated and fully paid up;
- II. have an original maturity of at least two years;
- III. not be repayable before the agreed repayment date unless the RBI agrees;
- IV. be subject to a lock-in clause that neither interest nor principal may be paid (even at maturity) if such payment means that the PD falls below or remains below its minimum capital requirement

PDs are required to maintain a minimum Capital to Risk-weighted Assets Ratio (CRAR) norm of 15 percent on an ongoing basis.

Interest in Case of Delay in Despatch of Allotment Letters / Refund orders

The Company agrees that as far as possible allotment of securities offered to the public shall be made within 30 days of the closure of the issue. The Company further agrees that it shall pay interest in accordance with provisions of Companies Act/DIP Guidelines of SEBI, if the allotment letters / refund orders have not been dispatched to the applicants within 30 days from the date of closure of issue.

Who can apply

The categories of investors, when specifically approached, are eligible to apply for this private placement of Debentures

- Banks
- Financial Institutions
- Mutual Funds
- Any other investor authorised to invest in these Debentures.

All investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this issue of Debentures.

Availability of Offer Document and Application Forms

Copies of Offer Document and Application Forms may be obtained from offices of ICICI Securities Primary Dealership Limited

Mode of Payment

All cheques/drafts must be made payable to "ICICI Securities Primary Dealership Limited" and crossed "A/C PAYEE ONLY".

Submission of Completed Application Forms

All applications duly completed and accompanied by account payee cheques shall be submitted at ICICI Securities Primary Dealership Limited offices.

Procedure for applications by Mutual Funds and Multiple Applications

The applications forms duly filled shall clearly indicate the name of the concerned scheme for which application is being made and must be accompanied by certified true copies of:

- SEBI registration certificate

- Resolution authorising investment and containing operating instructions
- Specimen Signatures of authorised signatories

Despatch of Refund Orders

The Company shall ensure dispatch of refund orders by registered post only and adequate funds for the purpose shall be made available.

Minimum Application Size

The application must be made for a minimum of 5 Debentures and in multiples of 1 thereafter.

Depository Arrangement

The Company has made depository arrangements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for issue and holding of the Debentures in dematerialised form.

As per the provisions of Depositories Act, 1996, the Debentures issued by the Company should be held in a dematerialised form, i.e. not in the form of physical certificates but be fungible and be represented by the statement issued through electronic mode. In this context:

- Two tripartite agreements have been signed:
 - Tripartite Agreement dated 20/01/2003 with CDSL
 - Tripartite Agreement dated 26/06/2001 with NSDL
- An applicant has the option to seek allotment of Debentures in electronic mode only.
- An applicant who wishes to apply for Debentures in the electronic form must have at least one beneficiary account with any of the Depository Participants (DPs) of NSDL or CDSL prior to making the application.
- The applicant seeking allotment of Debentures in the electronic form must necessarily fill in the details (including the beneficiary account number and Depository Participant's ID) appearing in the Application form under the heading 'Request for Debentures in Electronic Form'.
- Debentures allotted to an applicant in the electronic account form will be credited directly to the applicant's respective beneficiary account(s) with the DP.
- For subscription in electronic form, names in the application form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
- In case of allotment of Debentures in electronic form, the address, nomination details and other details of the applicant as registered with his/her DP shall be used for all correspondence with the applicant. The Applicant is therefore responsible for the correctness of his/her demographic details given in the application form vis-à-vis those with his/her DP. In case the information is incorrect or insufficient, the Issuer would not be liable for losses, if any.

Face Value

Each Debentures shall have a face value of Rs.10,000,000 /- (Rupees ten million only)

Payment on Application

The full face value of the Debentures applied for, is to be paid along with the application form.

Date of Allotment

The Deemed Date of Allotment is as per the termsheet.

Minimum Lot Size

The minimum lot size for trading of the Debentures on the BSE is proposed to be 1 Debenture.

Payment of Interest

The interest payable to each Debentureholder shall be paid by interest warrants bearing the interest payment dates. Such warrants shall be dispatched to the Debentureholders whose names appear in the Register of Debentureholders on the record date and in case of joint holders to the one whose name appears first in the Register of Debentureholders. In the event of the Company not receiving any notice of transfer on the record date i.e. 7 clear working days before the interest payment date, the transferee(s) for the Debenture shall not have any claim against the Company in respect of amount so paid to the registered Debentureholders

- The interest shall be computed on the basis of actual / 365 days

Wherever the signature(s) of such transferor(s) in the intimation sent to the Company is/are not in accordance with the specimen signature(s) of such transferor(s) available on the records of the Company, all payments on such Debenture(s) will be kept at abeyance by the Company till such time as the Company is satisfied in this regard.

No interest / interest on interest shall accrue on the Debentures after the date of maturity of the respective instruments.

The last interest payment will be proportionately made on the redemption date.

Interest on Application Money

Interest on Application Money is payable at the applicable coupon rate (subject to deduction of tax at source at the rates prevailing from time to time under the provisions of Income Tax Act, 1961 or any statutory modification or re-enactment thereof), will be paid on the entire application money on all valid applications. The same will be released within 30 days from the Date of Allotment.

Such interest shall be paid for the period commencing from the date of realisation of the cheque(s)/draft(s) up to one day prior to the date of allotment. The interest warrants will be dispatched by registered post at the sole risk of the applicant, to the sole/first applicant.

No interest on application money would be payable in cases of invalid applications.

Effect of Holidays

Should any of dates defined above or elsewhere in the Offer Document, excepting the Date of Allotment, fall on a Sunday or a Public Holiday in Mumbai, the interest for the period would be paid on the immediate preceding or succeeding working day in Mumbai with interest upto the day preceding the actual date of payment. The interest for the next succeeding interest period will correspondingly be adjusted. For the purpose of this clause, "Public Holiday" means public holiday as defined in Negotiable Instrument Act, 1881.

Tax Deduction at Source

Income tax will be deducted at source from interest on application money as per applicable provisions of the Income Tax Act, 1961 and as applicable from time to time. In respect of interest on application money, the relevant document (Form 15AA / 15H) should be submitted along with the application form.

Where any deduction of Income Tax is made at source, the Company shall send to the Debentureholder a Certificate of Tax Deduction at Source.

Re-issue of Debentures

Where the Company has redeemed any such Debentures, subject to the provisions of Section 121 of the Companies Act and other applicable provisions, the Company shall have and shall be deemed always to have had the right to keep such Debentures alive for the purpose of reissue and in exercising such right, the Company shall have and shall be deemed always to have had the power to re-issue such Debentures either by re-issuing the same Debentures or by issuing other Debentures in their place.

Mode of Transfer

Transfer of Debentures in dematerialised form would be in accordance with the rules / procedures as prescribed by NSDL / Depository participant.

Payment on Redemption

The payment of the redemption amount of the Debentures will be made by the Company to the Registered Debentureholders recorded in the books of the Company and in the case of joint holders, to the one whose name appears first in the Register of Debentureholders as on the record date. In the event of the Company not receiving any notice of transfer, before the record date, the transferee(s) for the Debenture(s) shall not have any claim against the Company in respect to the amount so paid to the Registered Debentureholders.

The Debentures held in the Dematerialised Form shall be taken as discharged on payment of the redemption amount by the Company on maturity to the registered Debentureholders whose name appears in the Register of Debentureholders on the record date. Such payment will be a legal discharge of the liability of the Company towards the Debentureholders. On such payment being made, the Company will inform NSDL/CDSL and accordingly the account of the Debentureholders with NSDL /CDSL will be adjusted.

The Company's liability to the Debentureholders towards all their rights including for payment or otherwise shall cease and stand extinguished from the due dates of redemption in all events. Further the Company will not be liable to pay any interest or compensation from the dates of such redemption.

On the Company dispatching the amount as specified above in respect of the Debentures, the liability of the Company shall stand extinguished.

Debenture Redemption Reserve

As per the Ministry of Corporate Affairs circular no.9/2002 dated April 18, 2002 - Debenture Redemption reserve is not required to be created for issue of privately placed debentures by Non-Banking Finance Companies (NBFC) registered with Reserve Bank of India under Section 45 IA of the RBI (Amendment) Act 1997. I-Sec PD being a NBFC registered with Reserve Bank of India will not create Debenture Redemption Reserve as specified under Section 117C of the Companies Act, 1956.

Declaration regarding Non-Default

I-Sec PD confirms that it has not defaulted on any interest payment or redemption payment on any series of Debentures, issued by it from the date of its inception.

Rights of Debentureholders

The Debentureholders will not be entitled to any rights and privileges of shareholders other than those available to them under statutory requirements. The Debenture shall not confer upon the holders the right to receive notice, or to attend and vote at the general meetings of the Company. The Debentures shall be subjected to other usual terms and conditions incorporated in the Debenture certificate(s) that will be issued to the allottee(s) of such Debentures by the Company.

Modification of Rights

The rights, privileges, terms and conditions attached to the Debentures may be varied, modified or abrogated with the consent, in writing, of those holders of the Debentures who hold at least three fourth of the outstanding amount of the Debentures or with the sanction accorded pursuant to a special resolution passed at a meeting of the Debentureholders, provided that nothing in such consent or resolution which modifies or varies the terms and conditions of the Debentures shall be operative against the Company, if the same are not accepted by the Company.

Future Borrowings

The Company shall be entitled from time to time to make further issue of Debentures and to raise further loans, advances or such other facilities from Banks, Financial Institutions and / or any other person(s) on the security or otherwise of its assets without any further approval from the Debentureholders.

Transferability of Debentures

The debentures may be transferred only in favour of Institutions, Companies, Banks or Mutual Funds as stated in Section 2(1)(xii) (a), (b), (c) & (h) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998. These debentures are restricted in their transferability to investors other than Mutual Funds, Banks, Financial Institutions under Section 4A of Companies Act, 1956 and companies registered under Companies Act, 1956.

All requests for transfer of securities / other documents should be sent to the office of the Registrar & Transfer Agent.

Right to accept / reject applications

The Issuer is entitled at its sole and absolute discretion to accept or reject any application, in part or in full, without assigning any reason. Application forms which are incomplete or which do not fulfill the Terms & Conditions indicated on the reverse of the application form are liable to be rejected.

Basis of Allocation / Allotment

The Issuer will decide the basis of allotment. The issuer reserves the right to reject any/all applications at its sole discretion, without assigning any reason whatsoever.

Documents to be provided by investors

Investors need to submit the following documentation, along with the application form, as applicable:

- Memorandum and Articles of Association / Documents Governing Constitution;
- Resolution authorising investment;
- Certified True Copy of the Power of Attorney;
- Form 15 AA for investors seeking exemption from Tax deduction at source from interest on the application money;
- Specimen signatures of the authorised signatories duly certified by an appropriate authority;
- SEBI Registration Certificate (for Mutual Funds);
- Certified copy of the PAN card.

Despatch of Documents

The Refund Orders and Cheques/ Demand Drafts/other instruments of payment, as the case may be, shall be dispatched by registered post / courier or by hand delivery to the address of the holder whose name appears first in the Register of Debentureholders. This will be at the sole risk of the addressee.

Debentureholder not a Shareholder

The Debentureholders will not be entitled to any of the rights and privileges available to the Shareholders.

Governing Law

The Debentures are governed by and shall be construed in accordance with the existing Indian laws. Any dispute arising thereof will be subject to the jurisdiction at the city of Mumbai.

(xvi) Discount on the Offer Price of the Debentures

The Debentures are being issued at face value and without any discount to the Offer Price.

(xvii) Debt Equity Ratio of the Issuer

Particulars	(Rupees in mn)
Equity	
Share Capital	1,563.40
Reserves & Surplus	4,183.55
	5,746.95
Debt	
Secured Loans	2,719.75
Unsecured Loans	11,836.35
	14,556.10

D/E Ratio as on December 31, 2009 2.53

D/E Ratio post issue* 2.62

*D/E ratio post issue has been calculated assuming Rs 50 crores of Tier III borrowing and other figures constant. Please note that Debt figures change on an everyday basis.

(xviii) Servicing Behavior on Existing Debts

The Issuer has carried out payments of principal and interest in respect of its existing liabilities (including debt securities issued by it and any term loans), on respective due dates and expects to continue to do so in the future.

(xix) Permission / Consent from existing creditors for creation of any charges in favour of the Trustee

The Debentures are unsecured and no charge is required to be created in favour of the Trustees.

(xx) Name of the Debenture Trustee(s)

The Debentures being issued hereunder are unsecured in nature. Hence there would be no trust deed in relation to the Issue for securing the interests of the Debenture holders by creation of any charge over the properties of the Issuer.

To protect the interests of the Debenture holders, the Issuer would be entering into a Trustee Agreement in respect of the Issue. IDBI Trusteeship Services Limited ("Trustee"), through its letter no. 135/ITSL/OPR/CL/10-11/DEB/11 dated April 7, 2010 has agreed to act as trustee for the Debenture holders in relation to the Issue.

The address of the Trustee is as follows:

IDBI Trusteeship Services Limited

Regd office - Asian Building, Ground Floor
17, R. Kamani Marg, Ballard Estate,
Mumbai – 400 001

(xxi) Rating Rationale adopted by rating agencies

CRISIL has assigned a rating of "AAA/negative" for Rs. 50 crores indicating "highest degree of safety with regard to timely payment of interest and principal on the

instrument”.

The rating is not a recommendation to buy, sell or hold securities and investors should take their own decision. The rating may be subject to revision or withdrawal at any time by the assigning rating agency and each rating should be evaluated independently of any other rating. The ratings obtained are subject to revision at any point of time in the future. The rating agencies have a right to suspend or withdraw the rating at any time on the basis of new information etc.

(xxii) Listing of Debentures

The Debentures are proposed to be listed by the Issuer on the WDM segment of the Bombay Stock Exchange Limited.

Bombay Stock Exchange Ltd. (BSE)
Rotunda Building,
Dalal Street,
Fort, Mumbai 400 001

The Issuer shall apply to BSE for in principle approval for listing of the Debentures.

(xiii) Summary Termsheet

Unsecured, Subordinated, Listed, Redeemable, Non-Convertible Debentures constituting Tier III Capital

Issuer	ICICI Securities Primary Dealership Limited
Minimum Subscription	5 Debentures and in multiples of 1 Debenture thereafter
Credit Rating	"AAA/ Negative" by Crisil.
Face Value	Rs.10,000,000/- per Debenture
Tenor	2 year 74 days
Redemption date	28 th June 2012
Put/Call option	None
Coupon Rate	7.80% p.a.
Coupon payment Date	15 th April 2011. 15 th April 2012 and 28 th June 2012
Redemption	Bullet
Record Date	7 clear working days before the interest payment date / redemption date
Listing	WDM segment of BSE
Issuance mode	Demat only
Trading	Demat only
Depository	NSDL/CDSL
Other Conditions.	<p>As per RBI guidelines, for short term subordinated debt to be eligible as Tier III capital, it must be :</p> <ul style="list-style-type: none"> • Be unsecured, subordinated and fully paid up. • Have an original maturity of at least two years • not be repayable before the agreed repayment date unless the RBI agrees; • Be subject to a lock-in clause that neither interest nor principal may be paid (even at maturity) if such payment means that the PD falls below or remains below its minimum capital requirement
Issue Schedule	<p>Issue Opening: 15th April 2010</p> <p>Issue Closing: 15th April 2010</p>
Pay in date	15 th April 2010
Deemed date of allotment	15 th April 2010
Settlement	<p>RTGS – Bank Name: Reserve Bank of India</p> <p>A/c Number: 8706914</p> <p>IFSC Code - ISEC0000001</p>

Rating Letter



CONFIDENTIAL

Ref. no.: MR/FSR/ISECPD/2010-11/02

April 05, 2010

Mr. B. Prasanna
Senior Vice President
ICICI Securities Primary Dealership Limited.
Backbay Reclamation,
Churchgate,
Mumbai - 400 020
Phone : 022 – 56377108
Fax : 022 – 22882312

Dear Mr. Prasanna,

Re: CRISIL Rating for the Rs.500.0 million Tier III Bonds Issue of ICICI Securities Primary Dealership Limited.

We refer to your request for a rating for the captioned Debt Programme.

CRISIL has, after due consideration, assigned “AAA/Negative” (pronounced “Triple A with negative outlook”) rating to the captioned Debt Programme. This rating indicates **highest degree of safety** with regard to timely payment of interest and principal on the instrument.

As per our Rating Agreement, CRISIL would disseminate the rating along with outlook through its publications and other media, and keep the rating along with outlook under surveillance for the life of the instrument. CRISIL reserves the right to suspend, withdraw, or revise the rating / outlook assigned to the captioned programme at any time, on the basis of new information, or unavailability of information, or other circumstances which CRISIL believes may have an impact on the rating.

Further, in view of your decision to accept the CRISIL Rating, we request you to apprise us of the instrument details (in the enclosed format) as soon as it has been placed. In the event of your company not making the issue within a period of 180 days from the above date, or in the event of any change in the size or structure of your proposed issue, a fresh letter of revalidation from CRISIL will be necessary.

Should you require any clarifications, please feel free to get in touch with us.

With warm regards,

Yours sincerely,

Suman Chowdhury
Head – Financial Sector Ratings

M. Ramesh
Manager – Financial Sector Ratings

A CRISIL rating reflects CRISIL's current opinion on the likelihood of timely payment of the obligations under the rated instrument, and does not constitute an audit of the rated entity by CRISIL. CRISIL ratings are based on information provided by the issuer or obtained by CRISIL from sources it considers reliable. CRISIL does not guarantee the completeness or accuracy of the information on which the rating is based. A CRISIL rating is not a recommendation to buy / sell or hold the rated instrument; it does not comment on the market price or suitability for a particular investor.

CRISIL has a practice of keeping all its ratings under surveillance and ratings are revised as and when circumstances so warrant. CRISIL is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of its ratings. For the latest rating information on any instrument of any company rated by CRISIL, please contact CRISIL RATING DESK at CRISILratingdesk@crisil.com or at (+91 22) 3342 3001 – 09.

Trustee Consent Letter

IDBI Trusteeship Services Ltd.

AN ISO 9001 : 2000 COMPANY



No. 135 / ITS/OPR/CL/10-11/DEB/11

7th April 2010

Mr. B Prasanna
MD & CEO- Debt Capital Market
ICICI Securities Primary Dealership Limited
ICICI Centre, H T Parekh Marg,
Mumbai – 400 020.

Regd. Office :
Asian Building, Ground Floor,
17, R. Kamani Marg, Ballard Estate,
Mumbai - 400 001.

Dear Sir,

Consent to act as Debenture Trustee for Unsecured, Subordinated, Listed, Redeemable, Non Convertible Debentures of upto Rs. 50 crores

This is with reference to your e-mail dated 7th April 2010 on appointment of IDBI Trusteeship Services Ltd. as Debenture Trustee for Unsecured, Subordinated, Listed, Redeemable, Non Convertible Debentures of upto Rs. 50 crores.

In this connection, we confirm our acceptance to act as Debenture Trustee for the same, subject to the company agreeing the conditions set out in the "**Annexure A**" enclosed herewith.

We are also agreeable for inclusion of our name as trustees in the Company's offer document / disclosure document / listing application / any other document to be filed with the Stock Exchange(s) or any other authority as required.

Looking forward to a long and fruitful association with your esteemed organization.

Thanking you,

Yours faithfully,
For IDBI Trusteeship Services Limited


Ajit Guruj
Vice President