



**Private & Confidential – Not for Circulation**  
(This is a Disclosure Document prepared in conformity with Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 issued vide circular No. LAD-NRO/GN/2008/13/127878 dated June 06, 2008)

## CENTRAL BANK OF INDIA

(A Government of India Undertaking)

Constituted under the Banking Companies (Acquisition & Transfer of Undertakings) Act, 1970

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### DISCLOSURE DOCUMENT FOR PRIVATE PLACEMENT OF UNSECURED REDEEMABLE NON- CONVERTIBLE SUBORDINATED UPPER TIER-II BONDS (DEBT CAPITAL INSTRUMENTS) (SERIES III) IN THE NATURE OF PROMISSORY NOTES OF RS. 10 LAKH EACH FOR CASH AT PAR AGGREGATING RS. 500 CRORES

#### REGISTRARS TO THE ISSUE



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#### TRUSTEE FOR THE BONDHOLDERS



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##### ICICI Securities Primary Dealership Ltd.

ICICI Centre

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##### SPA Merchant Bankers Ltd.

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Mumbai – 400 021

Tel.: (022) 22801240

Fax : 91-22-22871192



##### Trust Investment Advisors Pvt. Ltd.

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## I. DEFINITIONS/ ABBREVIATIONS

ALM	Asset Liability Management
ATM	Automated Teller Machine
Board/ Board of Directors	The Board of Directors of Central Bank of India or Committee thereof
Bonds	Unsecured Redeemable Non-Convertible Subordinated Upper Tier-II Bonds (Debt Capital Instruments) (Series III) in the nature of Promissory Notes of Rs. 10,00,000/- each offered through private placement route under the terms of this Disclosure Document
Book Closure/ Record Date	The date of closure of register of Bonds for payment of interest and repayment of principal (either on maturity or on exercise of Call Option)
BSE	Bombay Stock Exchange Ltd.
CAR	Capital Adequacy Ratio
CRAR	Capital to Risk Assets Ratio
CARE	Credit Analysis & Research Ltd.
CAGR	Compounded Annual Growth Rate
CDSL	Central Depository Services (India) Ltd.
CDR	Corporate Debt Restructuring
CRR	Cash Reserve Ratio
Debt Securities	Non-Convertible debt securities which create or acknowledge indebtedness and include debenture, bonds and such other securities of the Issuer, whether constituting a charge on the assets of the Issuer or not, but excludes security receipts and securitized debt instruments
Depository	A Depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996, as amended from time to time
Depositories Act	The Depositories Act, 1996, as amended from time to time
Depository Participant	A Depository participant as defined under Depositories Act
DICGC	Deposit Insurance and Credit Guarantee Corporation of India
Director(s)	Director(s) of Central Bank of India unless otherwise mentioned
DP	Depository Participant
EPS	Earning Per Share
FDI	Foreign Direct Investment
FEDAI	Foreign Exchange Dealers Association of India
FIs	Financial Institutions
FII	Foreign Institutional Investors
Financial Year/ FY	Period of twelve months period ending March 31, of that particular year
Gol	Government of India/ Central Government
HUF	Hindu Undivided Family
Trustee	IDBI Trusteeship Services Ltd.
Disclosure Document	Disclosure Document dated June 16, 2009 for Private Placement of Unsecured Redeemable Non-Convertible Subordinated Upper Tier-II Bonds (Debt Capital Instruments) (Series III) in the nature of Promissory Notes of Rs. 10,00,000/- each for cash at par aggregating Rs. 500 crores to be issued by Central Bank of India
I.T. Act	The Income Tax Act, 1961, as amended from time to time
ICRA	ICRA Ltd.
MoF	Ministry of Finance
NPAs	Non Performing Assets
NRIs	Non Resident Indians
NSDL	National Securities Depository Ltd.
OCBs	Overseas Corporate Bodies
PAN	Permanent Account Number
PLR	Prime Lending Rate
Rs.	Indian National Rupee
RBI	Reserve Bank of India
RTGS	Real Time Gross Settlement
Registrar	Registrar to the Issue, in this case being Sharepro Services (India) Pvt. Ltd.
SARFAESI Act	Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002
SEBI	The Securities and Exchange Board of India, constituted under the SEBI Act, 1992
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time
SEBI Regulations	Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 issued vide Circular No. LAD-NRO/GN/2008/13/127878 dated June 06, 2008
SLR	Statutory Liquidity Ratio
TDS	Tax Deducted at Source
The Bank/ the Issuer	Central Bank of India, constituted under the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970
The Companies Act	The Companies Act, 1956 as amended from time to time
The Act	The Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970
The Issue/ The Offer/ Private Placement	Private Placement of Unsecured Redeemable Non-Convertible Subordinated Upper Tier-II Bonds (Debt Capital Instruments) (Series III) in the nature of Promissory Notes of Rs. 10,00,000/- each for cash at par aggregating Rs. 500 crores to be issued by Central Bank of India



## II. DISCLAIMER

### GENERAL DISCLAIMER

This Disclosure Document is neither a Prospectus nor a Statement in Lieu of Prospectus and is prepared in accordance with Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 issued vide Circular No. LAD-NRO/GN/2008/13/127878 dated June 06, 2008. This document does not constitute an offer to the public generally to subscribe for or otherwise acquire the Bonds to be issued by Central Bank of India (the "Issuer"/ the "Bank"/ the "Issuer Bank"). The document is for the exclusive use of the Institutions to whom it is delivered and it should not be circulated or distributed to third party(ies). The Bank certifies that the disclosures made in this 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.

### DISCLAIMER OF THE SECURITIES & EXCHANGE BOARD OF INDIA

This Disclosure Document has not been filed with Securities & Exchange Board of India (SEBI). The Securities have not been recommended or approved by SEBI nor does SEBI guarantee the accuracy or adequacy of this document. It is to be distinctly understood that this 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 this document. The issue of Bonds being made on private placement basis, filing of this document is not required with SEBI, however SEBI reserves the right to take up at any point of time, with the Bank, any irregularities or lapses in this document.

### DISCLAIMER OF THE LEAD ARRANGERS

It is advised that the Bank has exercised self due-diligence to ensure complete compliance of prescribed disclosure norms in this Disclosure Document. The role of the Lead Arrangers in the assignment is confined to marketing and placement of the bonds on the basis of this Disclosure Document as prepared by the Bank. The Lead Arrangers have neither scrutinized/ vetted nor have they done any due-diligence for verification of the contents of this Disclosure Document. The Lead Arrangers shall use this document for the purpose of soliciting subscription from qualified institutional investors in the bonds to be issued by the Company on private placement basis. It is to be distinctly understood that the aforesaid use of this document by the Lead Arrangers should not in any way be deemed or construed that the document has been prepared, cleared, approved or vetted by the Lead Arrangers; nor do they in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this document; nor do they take responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of the Bank. The Lead Arrangers or any of its directors, employees, affiliates or representatives do not accept any responsibility and/or liability for any loss or damage arising of whatever nature and extent in connection with the use of any of the information contained in this document.

### DISCLAIMER OF THE ISSUER

The Issuer confirms that the information contained in this Disclosure Document is true and correct in all material respects and is not misleading in any material respect. All information considered adequate and relevant about the Issue and the Bank has been made available in this Disclosure Document for the use and perusal of the potential investors and no selective or additional information would be available for a section of investors in any manner whatsoever. The Bank accepts no responsibility for statements made otherwise than in this Disclosure Document or any other material issued by or at the instance of the Issuer Bank and anyone placing reliance on any other source of information would be doing so at his/her/their own risk.

### DISCLAIMER OF THE STOCK EXCHANGE

As required, a copy of this Disclosure Document has been submitted to the Bombay Stock Exchange Ltd. (hereinafter referred to as "BSE") for hosting the same on its website. It is to be distinctly understood that such submission of the document with BSE or hosting the same on its website should not in any way be deemed or construed that the document has been cleared or approved by BSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this document; nor does it warrant that this Issuer's securities will be listed or continue to be listed on the Exchange; nor does it take responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of the Company. Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/ acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.



### III. NAME AND ADDRESS OF HEAD OFFICE OF THE ISSUER

<b>Name of the Issuer</b>	:	Central Bank of India
<b>Head Office</b>	:	Chandermukhi, Nariman Point, Mumbai - 400 021
<b>Telephone Numbers</b>	:	(022) 66387756
<b>Fax Number</b>	:	(022) 22820989
<b>E-mail</b>	:	gmid@centralbank.co.in / cmmbd@centralbank.co.in
<b>Website</b>	:	www.centralbankofindia.co.in

### IV. NAMES AND ADDRESSES OF THE DIRECTORS OF THE ISSUER

The composition of the Board of Directors of the Bank as date of this Disclosure Document is as under:

Sr. No.	Name	Designation	Address
1	Shri S. Sridhar	Chairman and Managing Director	Central Bank of India, Head Office, Chander Mukhi, Nariman Point, Mumbai - 400 021
2	Shri Ramnath Pradeep	Executive Director	Central Bank of India, Head Office, Chander Mukhi, Nariman Point, Mumbai - 400 021
3	Shri Arun Kaul	Executive Director	Central Bank of India, Head Office, Chander Mukhi, Nariman Point, Mumbai - 400 021
4	Dr. Shashank Saksena	Government Director	Dept of Financial Services, Ministry of Finance Banking Division, Jeevan Deep Building, New Delhi – 110 001
5	Shri M. K. Bhattacharya	RBI Nominee Director	Evershine Millenium Park Apartments, 37/601, Thakur Village, Kandivili (East), Mumbai – 400101
6	Shri M. S. Johar	Director (Chartered Accountant)	Central Bank of India, J-92, Saket, New Delhi- 110017
7	Ms. Indu Singh Pawar	Director	Central Bank of India 18A, Shashtri Nagar, Jammu Tavi, Pin - 180 004
8	Shri C. M. Puri	Director	Central Bank of India, Janpath Branch, P.B. 244, 70, 72 Janpath, New Delhi - 110 001
9	Shri N. K. Pareek	Director	Central Bank of India, P.B. No. 87, Mirza Ismail Road, Jaipur - 302 001
10	Shri Brijlal Kshatriya	Shareholder Director	57, Navjivan Vihar, 1st Floor, New Delhi-110017
11	Shri N. Balakrishnan	Shareholder Director	DQ-19, Indian Institute of Sciences Campus, Bangalore, Karnataka, India – 560012



## V. BRIEF SUMMARY OF BUSINESS/ ACTIVITIES OF ISSUER AND ITS LINE OF BUSINESS

THE SWADESHI BANK: Central Bank of India was founded on December 21, 1911 by Sir Sorabjee Pochkhanwalla with Sir Pheroza Mehta as Chairman. It was the first fully Indian owned and managed Commercial Bank in the Country. The birth of the Bank with its Indian Shareholders, Indian staff and Indian customers was the crystallization of Sir Sorabjee's dream of setting up a truly 'Swadeshi Bank'. Sir Sorabjee proclaimed with pride that Central Bank was the 'property of the nation and country's asset' and added that 'Central Bank lives on people's faith. It regards itself as the people's own Bank'. The Bank not only withstood the severe depression of the 1930s and series of financial crisis during the British rule, but also emerged stronger each time by converting various financial threats into business opportunities. A galaxy of eminent personalities like Sir Pheroza Mehta, Shri A. J. Billimoria, Sir Sorabjee Pochkhanwalla, Shri Pheroza Sethna, Sir Homi Mody, Shri Dinshaw Romer were associated with the Bank.

From its very inception, the Bank has been alive to the national aspirations and objectives. The Bank has always cared for the small and the needy sections of the society. The progress during the pre-nationalisation period was remarkable in more ways than one. The Bank was instrumental not only in inculcating banking habit amongst the people, but also in widening the scope of banking services in India by offering customers a wide range of schemes and services, pioneered by it. The Bank is indeed proud to be the pioneer in banking sector with many 'firsts' to its credit. Its wide range of innovations during the period upto nationalization in July 1969 include:

- 1921 : First to introduce Home Savings Safe Deposit Scheme to build saving/ thrift habits in lower and middle income groups
- 1924 : Established Exclusive Ladies Department to cater to the Bank's women clientele
- 1926 : Provided Safe Deposit Locker facility to customers and introduced Rupee Travellers' cheques
- 1929 : Set up Executor and Trustee Department
- 1932 : Introduced Deposit Insurance Benefit Scheme
- 1961 : Introduced Recurring Deposit Scheme

With the advent of social banking, greater thrust was given to Priority Sector lending to agriculture, small scale industries and various self-employment programmes. Special Departments were established in the Head Office of the Bank to cater to the needs of agriculture and small industries. Social Control Scheme of 1967 led to the broad-basing of the Board of Directors of the Bank to ensure representation of various interest-groups like agriculture, small industry etc.

THE POST-NATIONALISATION ERA: In the first phase of nationalization in July 1969, Central Bank of India was nationalized along with 13 other Banks. The Bank has made rapid strides in terms of major business parameters like branch network, deposit mobilization, lending to priority and non-priority sector, export credit and also in diversifying into other financial services.

Amongst the nationalized banks, in terms of branch network, Central Bank of India is the third largest Bank, with 3518 branches all over the country as on 31st March 2009. The Bank also has 34 Satellite Office and 219 extension counter at different centers. Significantly, around 70 per cent of the branches are located in rural and semi urban centers. Ours is an all India Bank in true sense of the word with representation in all of States and in 3 Union Territories out of 7 Union Territories. The Bank has 16 Zonal Offices, 78 Regional Offices, One Overseas Joint Venture Bank and 2 Subsidiaries; Housing Finance and Executor and Trustee business. The Bank has sponsored 8 Regional Rural Banks (RRBs) as of date. The Bank also pioneered the idea of infrastructure finance and development and co-sponsored the Infrastructure Leasing & Financial Services Ltd., the first organization of its kind in India.

The Bank has lead Bank responsibility in 48 Districts and most of these are located in the economically backward areas of Madhya Pradesh (3), Bihar (2), Maharashtra (1), Uttar Pradesh (2), West Bengal (1), Rajasthan (1) and Chhattisgarh (1). The Bank has Lead Bank responsibility for the state of Madhya Pradesh and is the Convenor of State Level Bankers' Committee.

The average business per employee increased from Rs.401 lacs as on March 2008 to Rs.560 lacs as on March 2009. Total deposits have increased from Rs.110320 crore as on 31.03.2008 to Rs.131272 crores as on March 2009 registering an increase of Rs.20952 crore i. e. 18.99%. It is remarkable that the Bank could achieve a sizeable per branch average deposit growth despite the fast branch expansion in the post-nationalisation period. Deposits mobilized under the Savings Bank segment constituted around 25.66% of the Bank's aggregate deposits indicating the strong bond between the household sector and the Bank.

The Bank's growth on the credit front is encouraging. The total advances of the Bank stood at around Rs. 86740 crores as on March 31, 2009. Likewise, there has been significant increase in the Bank's Investment portfolio, which stood at around Rs. 44446 crores as at March 31, 2009.



The Bank has been alive to the credit needs of agriculture, small-scale industries and other economic activities at the grass root level that deserves attention. Priority Sector Credit constituted around 31.27 of Net Credit as on March 2009, thereby shortfall of 8.73 of the prescribed norm of 40%. This is mainly due to recovery in Agriculture advances on account of Agriculture Debt Relief scheme implemented by the Government of India. The Bank has been extending financial support under various poverty alleviation and employment generating programmes such as SJSY, SJSRY, PMRY, etc. Among others, Bank attention is more towards welfare of SC/ST, women beneficiaries and Minority Communities.

The Bank has 78 regional offices, controlling 3518 branches and 34 Satellite offices and 219 extension counters as on March 31, 2009.

The Bank continues to be a pioneer in Banking Sector by introducing innovations in various services. The following initiatives taken by the Bank are worth mentioning:

1976 : Merchant Banking Cell established.

1980 : Centralcard the credit card of the Bank was introduced.

1989 : Set up a housing subsidiary "Cent Bank Home Finance Ltd." with its headquarters at Bhopal, M.P.

1994: Quick Cheque Collection Service (QCC) & Express Service for speedy collection of outstation cheques.

Bank has a host of Term Deposit Schemes to offer. These are: Money multiplier Deposit Certificate. Monthly/Quarterly Interest Deposit Receipt. Cent Uttam Deposit scheme. Recurring Deposit Scheme.

In order to serve the senior Citizens the bank has introduced a new deposit scheme w.e.f. June 01, 2001 named as "Central's Senior Citizen Deposit Scheme".

In order to meet complex and diverse needs of the vast clientele, the Bank offers various customer-friendly services, some of which are:

- i) Rupees Travellers Cheques
- ii) Gift Cheques
- iii) Merchant Banking
- iv) Credit Card/ Debit Card
- v) Bancassurance.

#### **MAIN OBJECTS OF THE BANK**

The main object and business of the Bank, as laid down in the Bank Nationalisation Act is as under:

The main object of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 under which the undertaking of the Bank was taken over by the Central Government is as under: "An Act to provide for the acquisition and transfer of the undertakings of certain Banking Companies, having regard to their size, resources, coverage and organisation, in order to control the heights of the economy and to meet progressively, and serve better, the needs of the development of the economy, in conformity with national policy and objectives and for matters connected therewith or incidental thereto".

The main object of the Bank enables it to undertake the activities for which the funds are being raised and the activities, which it has been carrying on till date.

#### **Business Sphere of the Bank**

The Bank shall carry on and transact the business of Banking as defined in Clause (b) of Section 5 of the Banking Regulation Act, 1949, and may engage in one or more of the other forms of business specified in Sub-Section (1) of Section 6 of that Act.

Clause (b) of Section 5 of the Banking Regulation Act, 1949 defines Banking as "the accepting for the purpose of lending or investment, of deposits of money from the public, repayable on demand or otherwise, and withdrawable by cheque, draft, order or otherwise."

#### **Other Business that the Bank may undertake (Section 3 (7))**

Sections 3 (7) of Chapter II of the Banking Companies (Acquisition) Act 1970 provides for the Bank to act as Agent of Reserve Bank.

1. The Bank shall, if so required by the Reserve Bank of India, act as agent of the Reserve Bank at all places in India where it has a branch for:

- a. Paying, receiving, collecting and remitting money, bullion and securities on behalf of the Government of India
- b. Undertaking and transacting any other business which the Reserve Bank may from time to time entrust to it

2. The terms and conditions on which any such agency business shall be carried on by the corresponding new Bank on behalf of the Reserve Bank shall be such as may be agreed upon



3. If no agreement can be reached on any matter referred to in Clause (ii) above, or if a dispute arises between the corresponding new Bank and the Reserve Bank as to the interpretation of any agreement between them, the matter shall be referred to the Central Government and the decision of the Central Government, thereon, shall be final.

4. The corresponding new Bank may transact any business or perform any function entrusted to it under Clause (i) by itself or through any agent approved by the Reserve Bank.

### **BUSINESS OF THE BANK & ITS PRODUCTS AND SERVICES**

The Bank has a wide range of choice of deposits & loans through many different schemes. Some of the main features of its various deposits & loans schemes are detailed as follows:

#### **DEPOSITS**

##### **1. Money Multiplier Deposit Certificate**

This is an ideal savings scheme to meet children's education needs, future travel plans, other contingencies that arise unexpectedly. The interest is calculated on a quarterly compounding basis and repaid along with the principal amount on maturity.

##### **2. Cent Uttam Deposit Scheme**

This offers depositors the double benefits of easy liquidity and high returns. It is also a flexible scheme, which allows the depositor to withdraw a part of the deposit amount as and when required. Under the scheme, the entire deposit amount will be placed in 'Units' of Rs. 1,000/- each in order to facilitate easy withdrawals, upto a maximum of 10 times. Such withdrawals of 'Units' will be treated as premature payment and attract interest as per guidelines in force. Accounts can be opened with a minimum of Rs.5,000/- and in multiples of Rs.1,000/- thereafter for a period of 30 days to 120 months.

##### **3. Monthly Interest Deposit Receipt**

This provides the depositor with monthly interest earnings, without touching the principal amount. This scheme is ideal for customers who are required to make a monthly provision for payment of electricity bills, telephone bills, insurance premia, school fees, etc.

##### **4. Quarterly Interest Deposit Receipt**

This provides the depositor quarterly interest without affecting the principal amount. Quarterly payment will be made in cash or credited to savings or current account as desired by the depositor. The schemes has been found ideal by customers who need money for various purposes at predetermined interval.

##### **5. Recurring Deposit Scheme**

Ideal for salaried and regular income people. It can be opened for any period from 6 months to 120 months. Repayment with accumulated interest will be effected 30days /one month after the last installment has been paid or on the expiry of the period for which the deposit was accepted, whichever is later.

##### **6. Central's Senior Citizen Deposit Scheme**

A fixed deposit scheme specifically meant for "senior citizens". The unique feature of the scheme is to offer an incentive by way of additional interest, over and above the normal rate of interest on any of our existing term deposits and will be available on fresh as well as renewals of maturing deposits.

##### **7. Central's Flexi Yield Deposit Scheme**

This offers the depositor interest at a flexible rate linked to Bank Rate. Interest is payable at quarterly intervals at a simple rate and credited to the depositors' savings/ current account.

##### **8. Cent Bachat Khata**

The broad features of this scheme are a minimum balance of Rs. 50, no service charges for non maintenance of the minimum balance, 50 withdrawals per year free of charge and one chequebook per year free of charge. Total credits in a year should not exceed Rs. 100,000 and balance in the account should not exceed Rs. 50,000 in all accounts taken together. Interest is paid at the savings bank rate which was 3.5% as at March 31, 2009.

##### **9. Cent Tax Saving Deposit**

This deposit scheme is available to an individual or a Hindu Undivided Family ("HUF") who is an income tax assessee with a permanent account number at the Bank. The minimum deposit is Rs. 100 or multiples thereof up to a maximum of Rs. 100,000 in a financial year. Deposits may be in the form of monthly interest deposits, quarterly interest deposits or reinvestment plan (cumulative). Investments under this scheme are eligible for deduction from income up to a maximum of Rs. 100,000 in a financial year. However, the interest accrued or paid in such deposit is taxable and subject to tax deducted at source as per existing rules.





## LOANS

### 1. Housing Finance Scheme

This scheme provides loans to individuals for the construction of houses and flats, acquiring new or existing houses and flats, the extension of existing houses and the repair, renovation or alteration of existing houses and flats. The maximum loan amount under this scheme varies depending upon the income and repaying capacity of a borrower.

### 2. Cent Trade

This scheme provides an overdraft limit of up to Rs. 5 Crores against the mortgage of property for all types of traders, including retailers, distributors and commission agents.

### 3. Cent Buy

This scheme provides term loans of up to Rs. 200,000 for consumer durables, including furniture and household fixtures, against hypothecation of the goods.

### 4. Cent Vivah

Under this scheme, we provide loans of up to Rs. 200,000 for covering expenses relating to weddings.

### 5. Centvidyarthi

This scheme for educational loans provides financial assistance on reasonable terms to the poor and needy to undertake basic education and to students to pursue higher education in India and abroad. The aim of the scheme is to ensure that deserving or meritorious students are provided the opportunity to pursue education financial support. Under this scheme, collateral is not required for loans of up to Rs. 400,000.

### 6. Cent Vyapari

Under this scheme, we provide cash credit facilities of up to Rs. 2 Crores to small and medium traders, including retailers and distributors, through our urban and semi-urban branches.

### 7. Cent Mortgage

Under this scheme, we offer term loans up to Rs. 5 Crores for any non-speculative purpose against the mortgage of property situated in metropolitan, urban or semi urban centres having a value of twice the loan amount. These loans are repayable in 60 monthly installments.

### 8. Cent Vehicle

Under this scheme, we make loans of up to Rs. 1 Crores to purchase two wheelers and four wheelers solely for personal use. Under this scheme, finance can also be extended for the purchase of second hand cars that are no older than three years and have an expected residual life of at least 10 years.

### 9. Personal Loans to Employees of Corporate Clients

Under this scheme, we make personal loans of up to Rs. 200,000 to permanent employees of large corporate clients as well as other reputed companies do not have credit limits with us. These loans are for meeting the personal or domestic expenses of the borrower and are subject to a personal guarantee.

### 10. Personal Loans to Employees other than Corporate Clients

Under this scheme, we make personal loans of up to Rs. 200,000 to permanent employees of railways, government institutions, the Government of India, state governments, schools, hospitals or any other permanent employee drawing a salary through one of our branches. These loans are for meeting the personal or domestic expenses of the borrower and are subject to a personal guarantee.

### 11. Personal Loans to Teachers

Under this scheme, we make personal loans of up to Rs. 200,000 to teachers and employees of other educational institutions whose salary is paid into an account at one of our branches.

### 12. Loans to Pensioners Drawing a Pension at One of our Branches

Under this scheme, we make personal loans of up to Rs. 50,000 to pensioners drawing their pension from one of our branches.

### 13. Cent Suvidha

Under this scheme, we provide loans to salaried employees, whose salaries have been routed through savings accounts of our branches at least for one year, for personal expenses. The quantum of loan depends on net salary of the borrower, subject to a maximum loan amount of Rs. 20,000.

- **Cent School**

Under this scheme, we provide loans to parents and guardians for financing the education of their children at school level from 8th to 10th standard. The loan amounts are need-based, with a maximum of Rs. 30,000 per loan.



- **Cent Liquid**

This scheme provides loans of up to Rs. 2 Crores to individuals who own shares or debentures in Demat form for meetings contingencies and needs of a personal nature or for subscribing to rights or new issues of shares or debentures against the security of existing shares and debentures.

- **Cent Computer Loan**

Under this scheme, we provide loans to finance up to 75% of the cost of a computer and related accessories, subject to a maximum loan amount of Rs. 100,000.

- **Cent Jewel**

Under this scheme, we provide loans to finance up to 80% of the cost of jewellery of reputed brands purchased by women, subject to a maximum loan amount of Rs. 100,000.

- **Cent Safar**

Under this scheme, we provide term loans to salaried employees, professionals, self employed persons and etc., for their domestic and international tours organized by recognized tour operators and travel agents. The quantum of the loan depends upon the income of the borrower, subject to a maximum loan amount of Rs. 200,000 and Rs. 500,000 for domestic and international tours, respectively.

- **Cent Home Loan Plus**

Under this scheme, we provide loans to existing borrowers under the Housing Finance Scheme for home refurbishment, renovation, as well as the purchase of furniture. The quantum of the loan depends on the value of the property already mortgaged under the Housing Scheme at the time of the loan sanction or the present value, whichever is lower, subject to a maximum loan amount of Rs. 500,000.

- **Cent Multipurpose**

This scheme is designed to enable borrowers to avail a Cent Buy or personal loan along with a Housing Finance Scheme loan on certain concessions in the rate of interest and processing charges.

- **Loans against Future Rent Receivables**

Under the Cent Rentals scheme we offer loans against future rent receivables. We offer term loans up to 80% of future rent receivables for a maximum period of five years depending upon the remaining lease period.

- **Golden Jubilee Rural Housing Finance Scheme**

This scheme provides credit facilities to people in rural areas (where the population is less than 50,000 as per the 1991 census) for the construction, renovation or purchase of a house. This scheme is available at all our rural and semi-urban branches.

- **Cent Kalyani**

This scheme is specially designed to offer loans and credit facilities to women entrepreneurs and to women working in a profession.

#### **BRANCH NETWORK OF THE BANK**

The Bank has 78 regional offices, controlling 3518 branches and 34 Satellite offices and 219 extension counters as on March 31, 2009

Geographical distribution of Branches of the Bank is as under:

Region	March 31 2006	March 31 2007	March 31 2008	March 31 2009
North	385	395	423	490
East	794	812	839	746
Central	858	882	901	944
West	701	709	716	740
South	391	396	429	479
North East				119
Total	3,129	3,194	3,308	3518

For customer satisfaction and to increase the business, the Bank has given thrust to single window service by opening the specialized branches. The Bank has 175 specialized branches as on March 31, 2009 that are engaged in financing its corporate borrowers, small-scale industries, specialized trading etc. The details are as given below:



Specialized Branches	Number of Branches
Central Clearing Offices / Service Branch	29
SSI	60
International Business	85
Treasury	01
Total	175
Currency Chests	109
Extension Counter	219

#### DEPOSITS (Rs. in crores)

As on	March 31, 2005	March 31, 2006	March 31, 2007	March 31, 2008	March 31, 2009
Deposits (Global)	60751.67	66482.64	82776.28	110319.67	131272
Annual Growth – Amount	4843.07	5730.97	16293.64	27543.39	20952.33
Annual Growth – Percent	8.66	9.43	24.51	33.27	18.99
Cost of Deposits (Global) (%)	4.79	4.66	4.98	6.24	6.90

The category-wise break-up of total Global deposits during last 5 years is presented below: (Rs. in crores)

As on	March 31, 2005	March 31, 2006	March 31, 2007	March 31, 2008	March 31, 2009
Current Deposits	6138.66	7630.76	85255.64	10000.84	10112.29
Savings Bank Deposits	20327.11	23480.22	263122.40	29865.84	33680.08
Term Deposits	34285.89	35371.65	479384.73	70452.99	87479.48
Total	60751.67	66482.63	827762.77	110319.67	131271.84

#### ADVANCES

The growth of the Bank's gross advances during the past five years is as follows: (Rs. in crores)

Year ended	March 31, 2005	March 31, 2006	March 31, 2007	March 31, 2008	March 31, 2009
Gross Credit	29085	39195	53,489	74287	86740
Increase (%)	18.83	34.76	36.47	38.90	16.76

#### INVESTMENTS

The gross investments of the Bank in government approved and other securities have increased substantially from Rs. 27132.12 crores as at end of March 2008 to Rs. 38786.61 crores as at the end of March 2009, recording an increase of 42.95% (Rs.11654.49crores). Due to softening of the interest rates during the year, the Bank's profit on sale of investments increased from Rs.177.22 crores in 2007-08 to Rs.212.81 in 2008-09. The average yield on investments has come down from 7.03 during 2007-08 to 6.89% during the year 2008-09. The modified duration of the investment portfolio (excluding reverse repos) improved from 4.56 to 4.86 which is advantageous in the decreasing rate scenario.

#### International Banking

The foreign exchange merchant turnover of the Bank increased from Rs. 21918.20 crores in 2007-08 to Rs.23585.27 during 2008-09, thus registered growth of Rs.1667.07 crores (7.60 %). Purchase transactions constituted Rs.15886.41 crores of the turnover while sales transactions accounted for Rs.7698.86 crores. The profit generated from forex business during the year 2008-09 recorded Rs.312.68 crores as against Rs. 292.95 crores recorded during 2007-08.

There was a continued demand for export credit denominated in foreign currency during the year. The level of export credit (including credit denominated in foreign currency), as at, the end of March, 2009, was Rs. 2619.63 crores, The Bank has also been offering foreign currency loans (FCNR loans) to its customers at LIBOR related rates and the outstanding foreign currency loans stood at USD 21.95 million, as at the end year 2009.

#### Core Banking Solution (CBS)

As at March 31, 2009, the Core Banking Solution ("CBS"), which is a suite of software applications that facilitate centralised operations through a central data base, had been implemented in 1202 branches and 135 extension counters and 1 NBO, covering approximately 80% of our business (i.e., total gross deposits and advances). During the year all 100% computerisation of all the branches and extension counters were achieved.

#### BUSINESS PROFILE

The aggregate deposits of the Bank as on March, 31, 2009 were at Rs. 131272 crores and the total advances stood at Rs. 86740 crores. The Bank's advances to priority sector stood at Rs. 27131 crores which constituted 32.03% of its net bank credit. Advances to agriculture stood at Rs. 13668.86 crores and export credit stood at Rs. 2620 crores. The gross NPA ratio was 2.67 as on March 31, 2009. The net NPA ratio of the Bank stood at 1.24% as on March 31, 2009. The Bank has recorded net profit of Rs. 571.24 crores for the year ended March 31, 2009.



### Asset Classification of Performing and Non-Performing Assets

(Rs. in crores)

Asset Classification	March 31, 2005		March 31, 2006		March 31, 2007		March 31, 2008		March 31, 2009	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Standard Assets	26474.84	90.55	36522.55	92.83	50923.77	94.95	71942.86	96.68	84423	97.32
Non-Performing Assets	2763.44	9.45	2819.49	7.17	2706.01	5.05	2469.9	3.32	2317	2.68
<i>Of which:</i>										
Sub-standard Assets	604.12	2.07	609.43	1.55	628.88	1.17	1597.8	0.80	590	0.68
Doubtful Assets	1908.91	6.53	21015.00	5.34	1944.20	3.63	1730.38	2.33	1658	1.91
Loss Assets	250.42	0.86	108.57	0.28	133.01	0.25	141.74	0.19	69	0.08
Total Loan Assets	29238.27		39342.05		53629.85		74412.95		86740	

### Details of Non-Performing Assets

(Rs. in crores)

As on March 31st	2005	2006	2007	2008	2009
Gross NPA at the beginning of the year	3092	2763	2684	2572	2350
Addition during the year	781	726	807	665	0
Reduction during the year	1110	669	919	901	33
Gross NPA at the end of the year	2763	2820	2572	2350	2317
Net NPAs as at the April	814	972	878.45	1060	1063
Net NPA to net advances (%)	2.98	2.59	1.70	1.45	1.24

### SUBSIDIARIES OF THE BANK

#### 1. CENTBANK FINANCIAL & CUSTODIAL SERVICES LTD. [CEFICUS]

Centbank Financial and Custodial Services Ltd. was incorporated on May 1, 1929 as The Central Bank Executor and Trustee Company Ltd. Its name was changed to Centbank Financial and Custodial Services Limited with effect from February 9, 1996. It is engaged in the trustee and executor business and acts as executors, administrators and trustees and undertakes and executes private and public trusts, including, religious and charitable trusts. The Company acts as Executor of a will, Administrator of an Estate, Trustee under a will/Voluntary or living Trust, Trustee for Public, Charitable and religious Trusts, Manager of property under Power of Attorney, Trustee of Trust created by policies issued under Married Women's Property Act, Debenture Trusteeship undertaken upto 31.03.1996 in the name of the Company till they are redeemed.

The registered office of the company is at Central Bank of India – MMO Building, 6th Floor, 55, Mahatma Gandhi Road, Fort, Mumbai 400 001.

#### 2. CENTBANK HOME FINANCE LTD.

Cent Bank Home Finance Ltd. was incorporated on May 7, 1991 as Apna Ghar Vitta Nigam Ltd. Its name was changed to Cent Bank Home Finance Ltd. with effect from June 19, 1992. Cent Bank Home Finance Ltd. is a housing finance institution registered with the National Housing Bank and is engaged in the business of providing long term finance for the purchase or construction of houses in India. The Company is mainly engaged in Housing Loans for financing for purchase, construction and furnishing of residential house.

The registered office of the company is at Central Bank of India Building, 9, Arera Hills, Mother Teresa Road, Bhopal - 462 011.

#### Joint Venture/ AFFILIATES/ of the BANK/ COMPANY PROMOTED/ CO-PROMOTED BY THE BANK

The Indo Zambia Bank Ltd. (Lusaka) in Zambia is promoted jointly by three Indian banks, viz., Central Bank, Bank of Baroda and Bank of India, each holding 20% equity and the balance 40% equity is held by the Government of Republic of Zambia.

### Operating & Financial Highlights

(Rs. in crores)

As on/ For the Year ended	March 31, 2005	March 31, 2006	March 31, 2007	March 31, 2008	March 31, 2009
Total Income	6125.00	5916.40	6709.86	8786.61	11525.16
Total Expenditure	4515.83	4721.73	5444.14	7518.31	10088.42
Operating Profit	1609.17	1194.66	1265.71	1268.30	1436.74
Net Profit after Tax	357.40	257.41	498.01	550.16	571.24



Investments	30834.74	28639.08	27741.88	31455.19	44446.00
Advances	27277.31	37483.48	51795.46	72997.43	86740.00
Deposits	60751.65	66482.61	82776.26	110319.67	131272.00
Equity Share Capital	1124.14	1124.14	324.14	324.14	404.14
Preference Capital	0.00	0.00	800.00	800.00	917.00
Reserves and Surplus	1371.86	1810.18	2179.83	2699.95	5090.91
Net Worth	2496.00	2934.32	3303.97	3824.09	4400.58

### Capital Adequacy position of the Bank

Details of capital vis-a-vis risk weighted assets for the last five financial years are as under:

(Rs. in crores)

As on March 31	2005	2006	2007	2008	2009
Eligible Tier I Capital	1702.48	2920.50	3289.82	3889.67	4966.20
Eligible Tier II Capital	1702.48	1560.44	2121.95	3589.57	4385.62
Total Capital	3585.11	4480.94	5411.77	7479.24	9351.82
Total Risk Adjusted Assets	29507	40608	52017.88	71764	71279
Capital Adequacy Ratio (%)	12.15	11.03	10.40	10.42	13.12

### Key Financial Ratios

As on March 31	2005	2006	2007	2008	2009
Interest Income as % to average working funds (%)	8.28	7.78	7.77	7.92	8.22
Non-Interest Income as % to av. working funds (%)	1.46	0.77	0.80	0.78	0.84
Operating profit as % to average working funds (%)	2.56	1.73	1.78	1.26	1.13
Return on Assets (%)	0.56	0.37	0.62	0.54	0.45
Average Business per employee (excluding interbank deposit) [Rs. in lacs]	206.90	240.46	303.85%	400.99	560
Profit per employee (Rs.in lacs)	0.93	0.68	1.35	1.56	1.71
Credit/Deposits Ratio (%)	47.87	58.96	64.62	67.34	66.08
Net profit / Average Working Funds (%)	0.57	0.37	0.62	0.54	0.45
Operating Expenses / Average Working Funds (%)	2.68	2.48	2.10	1.73	1.46
Return on Average Net Worth (%)	15.03	9.49	15.98	15.27	12.98
Yield on Advances (%)	8.81	8.40	8.52	9.74	10.19
Yield on Investments (%)	8.62	8.19	7.76	7.37	6.89
Cost of Deposits (%)	4.79	4.66	4.98	6.24	6.90
Gross Profit per Employee (Rs in lakhs)	4.18	3.17	3.89	3.59	4.32
Business per Branch (Rs in lakhs)	2529.00	2897.65	3496.52	4286.93	6197.04
Tier I Capital	1702.48	2920.49	3289.82	3889.67	4966.20
Tier II Capital	1702.48	1560.48	2121.95	3589.57	4385.62



## VI. BRIEF HISTORY OF ISSUER SINCE INCEPTION, DETAILS OF ACTIVITIES INCLUDING ANY REORGANIZATION, RECONSTRUCTION OR AMALGAMATION, CHANGES IN CAPITAL STRUCTURE, (AUTHORIZED, ISSUED AND SUBSCRIBED) AND BORROWINGS

### HISTORY SINCE INCEPTION

THE SWADESHI BANK: Central Bank of India was founded on December 21, 1911 by Sir Sorabjee Pochkhanwalla with Sir Pherozesha Mehta as Chairman. It was the first fully Indian owned and managed Commercial Bank in the Country. The birth of the Bank with its Indian Shareholders, Indian staff and Indian customers was the crystallization of Sir Sorabjee's dream of setting up a truly 'Swadeshi Bank'. Sir Sorabjee proclaimed with pride that Central Bank was the 'property of the nation and country's asset' and added that 'Central Bank lives on people's faith. It regards itself as the people's own Bank'. The Bank not only withstood the severe depression of the 1930s and series of financial crisis during the British rule, but also emerged stronger each time by converting various financial threats into business opportunities. A galaxy of eminent personalities like Sir Pherozeshah Mehta, Shri A. J. Billimoria, Sir Sorabjee Pochkhanawalla, Shri Pheroze Sethna, Sir Homi Mody, Shri Dinshaw Romer were associated with the Bank.

From its very inception, the Bank has been alive to the national aspirations and objectives. The Bank has always cared for the small and the needy sections of the society. The progress during the pre-nationalisation period was remarkable in more ways than one. The Bank was instrumental not only in inculcating banking habit amongst the people, but also in widening the scope of banking services in India by offering customers a wide range of schemes and services, pioneered by it. The Bank is indeed proud to be the pioneer in banking sector with many 'firsts' to its credit. Its wide range of innovations during the period upto nationalization in July 1969 include:

- 1921 : First to introduce Home Savings Safe Deposit Scheme to build saving/ thrift habits in lower and middle income groups
- 1924 : Established Exclusive Ladies Department to cater to the Bank's women clientele
- 1926 : Provided Safe Deposit Locker facility to customers and introduced Rupee Travellers' cheques
- 1929 : Set up Executor and Trustee Department
- 1932 : Introduced Deposit Insurance Benefit Scheme
- 1961 : Introduced Recurring Deposit Scheme

With the advent of social banking, greater thrust was given to Priority Sector lending to agriculture, small scale industries and various self-employment programmes. Special Departments were established in the Head Office of the Bank to cater to the needs of agriculture and small industries. Social Control Scheme of 1967 led to the broad-basing of the Board of Directors of the Bank to ensure representation of various interest-groups like agriculture, small industry etc.

THE POST-NATIONALISATION ERA: In the first phase of nationalization in July 1969, Central Bank of India was nationalized along with 13 other Banks. The Bank has made rapid strides in terms of major business parameters like branch network, deposit mobilization, lending to priority and non-priority sector, export credit and also in diversifying into other financial services.

Amongst the nationalized banks, in terms of branch network, Central Bank of India is the third largest Bank, with 3518 branches all over the country as on 31st March 2009. The Bank also has 34 Satellite Office and 219 extension counter at different centers. Significantly, around 70 per cent of the branches are located in rural and semi urban centers. Ours is an all India Bank in true sense of the word with representation in all of States and in 3 Union Territories out of 7 Union Territories. The Bank has 16 Zonal Offices, 78 Regional Offices, One Overseas Joint Venture Bank and 2 Subsidiaries; Housing Finance and Executor and Trustee business. The Bank has sponsored 8 Regional Rural Banks (RRBs) as of date. The Bank also pioneered the idea of infrastructure finance and development and co-sponsored the Infrastructure Leasing & Financial Services Ltd., the first organization of its kind in India.

The Bank has lead Bank responsibility in 48 Districts and most of these are located in the economically backward areas of Madhya Pradesh (3), Bihar (2), Maharashtra (1), Uttar Pradesh (2), West Bengal (1), Rajasthan (1) and Chhattisgarh (1). The Bank has Lead Bank responsibility for the state of Madhya Pradesh and is the Convenor of State Level Bankers' Committee.

The average business per employee increased from Rs.401 lacs as on March 2008 to Rs.560 lacs as on March 2009. Total deposits have increased from Rs.110320 crore as on 31.03.2008 to Rs.131272 crores as on March 2009 registering an increase of Rs.20952 crore i. e. 18.99%. It is remarkable that the Bank could achieve a sizeable per branch average deposit growth despite the fast branch expansion in the post-nationalisation period. Deposits mobilized under the Savings Bank segment constituted around 25.66% of the Bank's aggregate deposits indicating the strong bond between the household sector and the Bank.

The Bank's growth on the credit front is encouraging. The total advances of the Bank stood at around Rs. 86740 crores as on March 31, 2009. Likewise, there has been significant increase in the Bank's Investment portfolio, which stood at around Rs. 44446 crores as at March 31, 2009.



The Bank has been alive to the credit needs of agriculture, small-scale industries and other economic activities at the grass root level that deserves attention. As on March 2009, Priority Sector Credit constituted around 39.08 % of Aggravated Net Bank Credit (ANBC) of March 2008, thereby shortfall of 0.92% of the prescribed norm of 40%. This is mainly due to recovery in Agriculture advances on account of Agriculture Debt Relief scheme implemented by the Government of India. The Bank has been extending financial support under various poverty alleviation and employment generating programmes such as SJSY, SJSRY, PMRY, etc. Among others, Bank attention is more towards welfare of SC/ST, women beneficiaries and Minority Communities.

The Bank has 78 regional offices, controlling 3518 branches and 34 Satellite offices and 219 extension counters as on March 31, 2009.

The Bank continues to be a pioneer in Banking Sector by introducing innovations in various services. The following initiatives taken by the Bank are worth mentioning:

1976 : Merchant Banking Cell established.

1980 : Centralcard the credit card of the Bank was introduced.

1989 : Set up a housing subsidiary "Cent Bank Home Finance Ltd." with its headquarters at Bhopal, M.P.

1994: Quick Cheque Collection Service (QCC) & Express Service for speedy collection of outstation cheques.

Bank has a host of Term Deposit Schemes to offer. These are: Money multiplier Deposit Certificate. Monthly/Quarterly Interest Deposit Receipt. Cent Uttam Deposit scheme. Recurring Deposit Scheme.

In order to serve the senior Citizens the bank has introduced a new deposit scheme w.e.f. June 01, 2001 named as "Central's Senior Citizen Deposit Scheme".

In order to meet complex and diverse needs of the vast clientele, the Bank offers various customer-friendly services, some of which are:

- i) Rupees Travellers Cheques
- ii) Gift Cheques
- iii) Merchant Banking
- iv) Credit Card/ Debit Card
- v) Bancassurance

#### CAPITAL STRUCTURE

(as on March 31, 2009)

Particulars	Amount (Rs. in crs)
1. SHARE CAPITAL	
a. Authorised Share Capital	1500.00
b. Issued, Subscribed & Paid Up Equity Share Capital	
4041,41,460 Equity Shares of Rs. 10/- each	404.14
80,00,00,000 Perpetual Non-Cumulative Preference Shares of Rs. 10/- each	800.00
1170 Perpetual Non-Cumulative Preference Shares of Rs.10 lac each	117.00
TOTAL	1321.14
2. SHARE PREMIUM ACCOUNT	736.00

#### SHARE CAPITAL HISTORY (since December 1985)

(Rs. in crores)

Year	Particulars	Increase/(Decrease) in Share Capital	Cumulative Paid-Up Capital
Dec. 1985	Subscribed during the year	7.74	7.74
Dec. 1985	Subscribed during the year	34.00	41.74
Dec. 1986	Subscribed during the year	27.00	68.74
Mar. 1988	Subscribed during the year	24.00	92.74
Mar. 1989	Subscribed during the year	33.00	125.74
Mar. 1992	Subscribed during the year	50.00	175.74
Jan. 1994	Subscribed during the year	490.00	665.74
Dec. 1994	Subscribed during the year	632.46	1298.2
Mar. 1997	Subscribed during the year	500.00	1798.2
Mar. 1998	Subscribed during the year	7.25	1805.45
Mar. 2002	Less: Provided for Accumulated losses	681.31	1124.14
Mar. 2007	Conversion of Equity Share Capital into Perpetual Non-Cumulative Preference Shares	(800.00)	324.14
2007	Add: Fresh Issue of Shares through IPO	80.00	404.14

**TOP 10 SHAREHOLDERS**

(as on March 31, 2009)

Sr. No.	NAME OF SHAREHOLDER	NO. OF SHARES	% SHAREHOLDING
1.	PRESIDENT OF INDIA	324141460	80.2050
2.	LIC MARKET PLUS	12893420	3.1903
3.	LIFE INSURANCE CORPORATION OF INDIA	6314969	1.5626
4.	MORGAN STANLEY MAURITIUS COMPANY LTD	5437452	1.3454
5.	LIC MONEY PLUS	3822341	0.9458
6.	BIRLA SUN LIFE TRUSTEE COMPANY PVT LTD	2518693	0.6232
7.	FIL TRUSTEE COMPANY	1000187	0.2475
8.	WELLINGTON MANAGEMENT COMPANY	810565	0.2005
9.	RELIGRE SECURITIES	461564	0.1142
10.	SIDBI	400000	0.0990
TOTAL		357800651	88.5335

**SHAREHOLDING PATTERN**

(as on March 31, 2009)

Sr. No.	Category	Number of Holders	Number of Shares Held	% Shareholding
<b>A. Promoter's Holding</b>				
1.	Government of India	1	324141460	80.20
2.	Persons acting in Concert	Nil	Nil	Nil
Sub Total		1	324141460	80.20
<b>B. Non-Promoters Holding</b>				
<b>3. Institutions</b>				
a.	Mutual Funds/ UTI	6	1768187	0.44
b.	Financial Institutions/ Banks	16	18956352	4.69
c.	Insurance Companies	7	7304349	1.81
d.	Foreign Institutional Investors	18	7314030	1.81
Sub Total		47	35342918	8.74
<b>4. Non-Institutions</b>				
a.	Bodies/ Corporate	1317	9337536	2.31
b.	Individual shareholders holding nominal share capital up to Rs. 1 lakh	232217	31509026	7.80
c.	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	92	2507126	0.62
d.	Trusts	26	14224	0.00
e.	Non-Resident Individuals	893	363979	0.09
f.	Directors/Relatives	2	1360	0.00
g.	Clearing Members	331	922468	0.23
Sub Total				
Grand Total		234926	404140097	100.00

**DETAILS OF BORROWINGS IN THE PAST**

As on March 31, 2009, the borrowings of Bank are as follows:

(Rs. in crores)

Borrowings from Reserve Bank of India	17.25
Borrowings from Other Banks	55.11
Borrowings from Other Institutions & Agencies	731.89
Total	804.25

**Unsecured Redeemable Non-Convertible Bonds (outstanding as on March 31, 2009)**

(Rs. in crores)

Issue Series	Deemed Date of Allotment	Coupon Rate (% p.a.)	Date of Redemption	Amount (Rs. in crs.)
V(II)	29-12-2001	9.75	29-04-2009	95.00
VI(II)	25-09-2002	8.35	25-04-2009	184.00
VII	25-09-2003	5.80	25-04-2010	200.00
VIII	07-10-2003	5.80	07-05-2010	70.00
IX	08-10-2004	7.05	08-06-2014	200.00
X	28-03-2006	8.15	28-06-2015	578.20
XI	04-10-2006	8.95	04-10-2016	700.00
XII	03-03-2008	9.20	03.05.2017	389.10
Upper Tier II Series I	14-11-2008	11.45	14-11-2023	300.00
Lower Tier II Series XIII	10-02-2009	9.35	10-04-2018	270
Upper Tier II Series II	17-02-2009	9.40	17-02-2024	285
TOTAL				3271.30





## VII. SUMMARY TERM SHEET

Issuer	Central Bank of India
Issue Size	Rs. 500 crores
Issue Objects	Augmenting Tier II Capital for strengthening the Capital Adequacy and enhancing long term resources of the Bank
Instrument	Unsecured Redeemable Non-Convertible Subordinated Upper Tier-II Bonds (Debt Capital Instruments) (Series-III) in the nature of Promissory Notes ("Bonds")
Seniority of Claim	The claims of the investors in these Bonds shall be (a) superior to the claims of investors in instruments eligible for inclusion in Tier I capital; and (b) subordinate to the claims of all other creditors
Issuance/ Trading	In Dematerialized Form
Credit Rating	'LAA-' by ICRA and 'CAREAA-' by CARE
Security	Unsecured
Face Value	Rs. 10,00,000/- per Bond
Issue Price	At par (Rs. 10,00,000/- per Bond)
Redemption Price	At par (Rs. 10,00,000/- per Bond)
Minimum Subscription	1 Bond and in multiples of 1 Bond thereafter
Tenure	15 Years
Put Option	None
Call Option	<p>Call Option may be exercised by the Bank only if the Bonds have run for at least 10 Years. Call Option shall be exercised by the Bank only with the prior approval of RBI (Department of Banking Operations &amp; Development).</p> <p>In effect, the Bank reserves Call Option to redeem the Bonds at par at the end of 10th Year from the Deemed Date of Allotment (subject to prior approval from RBI)</p>
Redemption/ Maturity	At par at the end of 15th Year from the Deemed Date of Allotment (subject to prior approval from RBI)
Redemption Date	June 22 , 2024 (subject to prior approval from RBI)
Call Option Due Date	June 22 , 2019 (subject to prior approval from RBI)
Coupon Rate *	8.80 % p.a. for the first 10 years
Step Up Option	<p>The Bonds shall have a step-up option which shall be exercised only once during the whole life of the instrument, in conjunction with the Call Option, after the lapse of 10 years from the date of issue. The step-up shall be 50 bps.</p> <p>In effect, the coupon rate on Bonds shall be stepped up to 9.30% p.a. for last 5 Years if Call Option is not exercised by the Bank at the end of 10th Year from the Deemed Date of Allotment.</p>
Interest Payment	Annual (subject to RBI norms)
Interest Payment Date	On June 22 , every year (subject to RBI norms)
Lock-in-clause	These Bonds shall be subjected to a lock-in clause in terms of which, the Bank shall not be liable to pay either interest or principal, even at maturity, if (a) the Bank's CRAR is below the minimum regulatory requirement prescribed by RBI, or (b) the impact of such payment results in Bank's CRAR falling below or remaining below the minimum regulatory requirement prescribed by RBI. However, the Bank may pay interest with the prior approval of RBI when the impact of such payment may result in net loss or increase the net loss provided CRAR remains above the regulatory norm. For this purpose 'Net Loss' would mean either (a) the accumulated loss at the end of the previous financial year; or (b) the loss incurred during the current financial year. The interest amount due and remaining unpaid may be allowed to be paid in the later years subject to the bank complying with the above regulatory requirement. While paying such unpaid interest and principal, the Bank is allowed to pay compound interest at a rate not exceeding the coupon rate of the relative Upper Tier Bonds, on the outstanding principal and interest.
Listing	Proposed on the Wholesale Debt Market (WDM) Segment of the Bombay Stock Exchange Ltd. (BSE)
Trustee	IDBI Trusteeship Services Ltd.
Depository	National Securities Depository Ltd. and/or Central Depository Services (India) Ltd.
Registrars	Sharepro Services (India) Pvt.Ltd.
Banker to the Issue	Central Bank of India
Interest on Application Money *	At the coupon rate (i.e. @ 8.80% p.a.) from the date of realization of cheque(s)/ demand draft(s)/ RTGS upto but excluding the Deemed Date of Allotment. It will be paid within five working days from the Deemed Date of Allotment
Settlement	Payment of interest and repayment of principal shall be made by way of cheque(s)/ interest/ redemption warrant(s)/ demand draft(s)/ credit through RTGS system



Mode of Subscription	Cheque(s)/ demand draft(s) may be drawn in favour of "Central Bank of India" and crossed "Account Payee Only" payable at par at Mumbai or by way of electronic transfer of funds through RTGS mechanism as per following details: Name of the Bank : Central Bank of India Address of the Bank : 5th Floor, Chandermukhi Building, Nariman Point, Mumbai 400 021 IFSC Code : CBIN0281102 (R 42 ,Inter Bank Transfer) Name of the Beneficiary : Central Bank of India, Treasury Branch, Mumbai
Issue Opens on ^	June 17 , 2009
Issue Closes on ^	June 22, 2009
Pay-In Date ^	June 17, 2009 to June 22, 2009
Deemed Date of Allotment ^	June 22, 2009

\* Subject to deduction of tax at source, as applicable.

^ The Bank reserves its sole and absolute right to modify (pre-poner/ postpone) the issue opening/ closing/ pay-in date(s) without giving any reasons or prior notice. In such a case, investors shall be intimated about the revised time schedule by the Bank. The Bank also reserves the right to keep multiple Deemed Date(s) of Allotment at its sole and absolute discretion without any notice.

The summary term sheet should be read along with the Master Circular no. DBOD.No.BP.BC.2/21.01.002/2008-09 dated July 01, 2008 on Prudential Norms on Capital Adequacy - Basel I Framework covering terms and conditions for issue of Debt Capital Instruments to qualify as Upper Tier II capital and any other terms and conditions stipulated by RBI from time to time.



**VIII. TERMS OF OFFER (DETAILS OF DEBT SECURITIES PROPOSED TO BE ISSUED, MODE OF ISSUANCE, ISSUE SIZE, UTILIZATION OF ISSUE PROCEEDS, STOCK EXCHANGES WHERE SECURITIES ARE PROPOSED TO BE LISTED, REDEMPTION AMOUNT, PERIOD OF MATURITY, YIELD ON REDEMPTION, DISCOUNT AT WHICH OFFER IS MADE AND EFFECTIVE YIELD FOR INVESTOR)**

**PRIVATE PLACEMENT OF UNSECURED REDEEMABLE NON-CONVERTIBLE SUBORDINATED UPPER TIER-II BONDS (DEBT CAPITAL INSTRUMENTS) (SERIES-III) IN THE NATURE OF PROMISSORY NOTES OF RS. 10 LAKH EACH FOR CASH AT PAR AGGREGATING RS. 500 CRORES TO BE ISSUED BY CENTRAL BANK OF INDIA**

**Issue Size**

Central Bank of India (the 'Issuer' or the "Bank") proposes to raise Rs. 500 crores through issue of Unsecured Redeemable Non-Convertible Subordinated Upper Tier-II Bonds (Debt Capital Instruments) (Series-III) in the nature of Promissory Notes (hereinafter referred to as "Bonds") of face value of Rs. 10,00,000/- each by way of private placement ('the Issue').

**Governing Law & Provisions**

The Bonds offered are subject to provisions of the Companies Act, 1956, Securities Contract Regulation Act, 1956, Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970, terms of this Disclosure Document, Instructions contained in the Application Form and other terms and conditions as may be incorporated in the Trustee Agreement and Bond Trust Deed. Over and above such terms and conditions, the Bonds shall also be subject to the applicable provisions of the Depositories Act 1996 and the laws as applicable, guidelines, notifications and regulations relating to the allotment & issue of capital and listing of securities issued from time to time by the Government of India (GOI), Reserve Bank of India (RBI), Securities & Exchange Board of India (SEBI), concerned Stock Exchange or any other authorities and other documents that may be executed in respect of the Bonds. Any disputes arising out of this issue will be subject to the exclusive jurisdiction of the courts at Mumbai (Maharashtra).

**Authority for the Placement**

The present private placement of Unsecured Redeemable Non-Convertible Subordinated Upper Tier-II Bonds (Debt Capital Instruments) (Series-III) in the nature of Promissory Notes is being made in accordance with extant RBI guidelines vide its master circular no. DBOD.No.BP.BC.2/21.01.002/2008-09 dated July 01, 2008 on Prudential Norms on Capital Adequacy - Basel I Framework covering terms and conditions for issue of Debt Capital Instruments to qualify as Upper Tier II capital. The private placement of Bonds under the terms of this Disclosure Document is being made pursuant to the approval given by the Board of Directors of the Bank in their meeting held on May 17, 2009. The Bonds to be raised is within the overall borrowing powers of the Bank. This being a private placement of debt securities, the eligibility norms of SEBI (DIP) Guidelines, 2000 shall not be applicable. Further the Bank, its promoter, its associates and companies with which the directors of the Bank are associated as directors or promoters are not prohibited from accessing the capital market/ debt securities market under any order or directions passed by SEBI. The Bank can undertake the proposed issue of bonds in view of the present approvals and no further approval from any government authority (ies)/ Reserve Bank of India (RBI) is required by the Bank in this connection.

**Objects of the Issue**

The proposed issue of Bonds is being made for augmenting Tier II Capital of the Bank for strengthening its Capital Adequacy and for enhancing the long-term resources of the Bank. The expenses of the issue shall be borne by the Bank.

**Utilisation of Issue Proceeds**

The funds raised through this private placement are not meant for any specific project as such and therefore the proceeds of this Issue shall be utilized for the regular business activities of the Bank. The Bank has to shore up its capital base to match the growth in assets and maintain level of CAR higher than the minimum level prescribed by RBI. The requirement of capital has increased on account of phased convergence to Basel I norms by Reserve Bank of India and growth in credit. The Bank is managed by professionals under the supervision of its Board of Directors. Further, the Bank is subject to a number of regulatory checks and balances as stipulated in its regulatory environment. Therefore, the management shall ensure that the funds raised via this private placement shall be utilized only towards satisfactory fulfillment of the Objects of the Issue.

**Minimum Subscription**

As the current issue of Bonds is being made on private placement basis, the requirement of minimum subscription shall not be applicable and therefore the Bank shall not be liable to refund the issue subscription(s)/ proceed(s) in the event of the total issue collection falling short of issue size or certain percentage of issue size.

**Underwriting**

The present Issue of Bonds on private placement basis has not been underwritten.



### Nature and Status of Bonds

The Bonds are to be issued in the form of Unsecured Redeemable Non-Convertible Subordinated Upper Tier-II Bonds (Debt Capital Instruments) (Series III) in the nature of Promissory Notes for inclusion as Upper Tier II capital. As per RBI master circular no. DBOD.No.BP.BC.2/21.01.002/2008-09 dated July 01, 2008 on Prudential Norms on Capital Adequacy - Basel I Framework covering terms and conditions for issue of Debt Capital Instruments to qualify as Upper Tier II capital, these Bonds shall be fully paid-up, unsecured, and free of any restrictive clauses. The claims of the investors in these Bonds shall be (a) superior to the claims of investors in instruments eligible for inclusion in Tier I capital; and (b) subordinate to the claims of all other creditors. The Information Memorandum along with Term Sheet should also be read along with RBI Master Circular no. DBOD.No.BP.BC. 2/21.01.002/2008-09 dated July 01, 2008 for any other stated conditions there in.

### Face Value, Issue Price, Effective Yield for Investor

Each Bond has a face value of Rs. 10,00,000/- and is issued as well as redeemable at par i.e. for Rs. 10,00,000/-. Since there is no premium or discount on issue price or redemption price of the Bonds, the effective yield for the investors shall be the same as the coupon rate on the Bonds (i.e. 8.80% p.a. for first 10 years and 9.30% p.a. for last 5 years if Call Option is not exercised by the Bank at the end of 10th year).

### Terms of Payment

The full face value of the Bonds applied for is to be paid alongwith the Application Form. Investor(s) need to send in the Application Form and the cheque(s)/ demand draft(s)/ RTGS for the full face value of the Bonds applied for.

Face Value per Bond	Minimum Application for	Amount Payable on Application per Bond
Rs. 10,00,000/-	1 Bond and in multiples of 1 Bond thereafter	Rs. 10,00,000/-

### Deemed Date of Allotment

Interest on Bonds shall accrue to the Bondholder(s) from and including June 22, 2009, which shall be the Deemed Date of Allotment. All benefits relating to the Bonds will be available to the investors from the Deemed Date of Allotment. The actual allotment of Bonds may take place on a date other than the Deemed Date of Allotment. The Bank reserves the right to keep multiple allotment date(s)/ deemed date(s) of allotment at its sole and absolute discretion without any notice. In case if the issue closing date is changed (pre-poned/ postponed), the Deemed Date of Allotment may also be changed (pre-poned/ postponed) by the Bank at its sole and absolute discretion.

### Letter(s) of Allotment/ Bond Certificate(s)/ Refund Order(s) Issue of Letter(s) of Allotment

The beneficiary account of the investor(s) with National Securities Depository Limited (NSDL)/ Central Depository Services (India) Limited (CDSL)/ Depository Participant will be given initial credit within two working days from the Deemed Date of Allotment. The initial credit in the account will be akin to the Letter of Allotment. On completion of the all-statutory formalities, such credit in the account will be akin to a Bond Certificate.

### Issue of Bond Certificate(s)

Subject to the completion of all statutory formalities within 3 months from the Deemed Date of Allotment, or such extended period as may be approved by the appropriate authority(ies), the initial credit akin to a Letter of Allotment in the Beneficiary Account of the investor would be replaced with the number of Bonds allotted. The Bonds since issued in electronic (dematerialized) form, will be governed as per the provisions of The Depository Act, 1996, Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, rules notified by NSDL/ CDSL/ Depository Participant from time to time and other applicable laws and rules notified in respect thereof.

### Depository Arrangements

The Bank has appointed "Sharepro Services (India) Pvt. Ltd." (hereinafter referred to as the 'Registrars/ 'RTA') [Address Sharepro Services (India) Pvt. Ltd. Satam Estate, 3rd Floor, Above bank of Baroda, Chakala, Andheri (East), Mumbai-400099 Ph-022-67720300,67720329,67720354 Fax-022-28202365] as Registrars & Transfer Agent for the present Bond Issue. The Bank shall make necessary depository arrangements with National Securities Depository Ltd. ("NSDL") and Central Depository Services (India) Ltd. ("CDSL") for issue and holding of Bonds in dematerialised form

Investors can hold the bonds only in dematerialised form and deal with the same as per the provisions of Depositories Act, 1996 as amended from time to time.

### Procedure for applying for Demat Facility

- The applicant 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 must necessarily fill in the details (including the beneficiary account number and Depository Participant's ID) appearing in the Application Form under the heading 'Details for Issue of Bonds in Electronic/ Dematerialised Form'.
- Bonds allotted to an applicant will be credited directly to the applicant's respective Beneficiary Account(s) with the DP.



- For subscribing the bonds, 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.
- The Registrars to the Issue will directly send non-transferable allotment advice/refund orders to the applicant.
- If incomplete/ incorrect details are given under the heading 'Details for Issue of Bonds in Electronic/ Dematerialised Form' in the application form, it will be deemed to be an incomplete application and the same may be held liable for rejection at the sole discretion of the Bank.
- For allotment of Bonds, 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.
- It may be noted that Bonds being issued in electronic form, the same can be traded only on the Stock Exchanges having electronic connectivity with NSDL or CDSL. Bombay Stock Exchange Ltd. where the Bonds of the Bank are proposed to be listed has connectivity with NSDL and CDSL.
- Interest or other benefits would be paid to those Bondholders whose names appear on the list of beneficial owners given by the Depositories to the Bank as on Record Date/ Book Closure Date. In case of those Bonds for which the beneficial owner is not identified by the Depository as on the Record Date/ Book Closure Date, the Bank would keep in abeyance the payment of interest or other benefits, till such time that the beneficial owner is identified by the Depository and conveyed to the Bank, whereupon the interest or benefits will be paid to the beneficiaries, as identified, within a period of 30 days.

Investors may note that pursuant to current provisions, the Bonds of the Bank would be issued and traded only in dematerialised form.

#### **Market Lot**

The market lot will be one Bond ("Market Lot"). Since the Bonds are being issued only in dematerialised form, the odd lots will not arise either at the time of issuance or at the time of transfer of Bonds.

#### **Trading of Bonds**

The marketable lot for the purpose of trading of Bonds shall be Rs.10 lakhs. Trading of Bonds would be permitted in demat mode only in standard denomination of Rs.10 lakhs and such trades shall be cleared and settled in recognised stock exchange(s) subject to conditions specified by SEBI. In case of trading in Bonds which has been made over the counter, the trades shall be executed and reported on a recognized stock exchange having a nation wide trading terminal or such other platform as may be specified by SEBI.

#### **Mode of Transfer of Bonds**

Bonds shall be transferred subject to and in accordance with the rules/ procedures as prescribed by the NSDL/ CDSL/ Depository Participant of the transferor/ transferee and any other applicable laws and rules notified in respect thereof. The normal procedure followed for transfer of securities held in dematerialized form shall be followed for transfer of these Bonds held in electronic form. The seller should give delivery instructions containing details of the buyer's DP account to his depository participant.

Transfer of Bonds to and from NRIs/ OCBs, in case they seek to hold the Bonds and are eligible to do so, will be governed by the then prevailing guidelines of RBI. The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, interest will be paid/ redemption will be made to the person, whose name appears in the records of the Depository. In such cases, claims, if any, by the transferee(s) would need to be settled with the transferor(s) and not with the Bank.

#### **Interest on Application Money**

Interest at the coupon rate applicable for first 10 years (i.e. at the rate of 8.80 per cent per annum) (subject to deduction of income tax under the provisions of the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof, as applicable) will be paid to all the applicants on the application money for the Bonds. Such interest shall be paid from the date of realisation of cheque(s)/ demand draft(s)/ RTGS upto one day prior to the Deemed Date of Allotment. The interest on application money will be computed on an Actual/ 365 day basis. Such interest would be paid on all the valid applications, including the refunds. Where the entire subscription amount has been refunded, the interest on application money will be paid alongwith the Refund Orders. Where an applicant is allotted lesser number of bonds than applied for, the excess amount paid on application will be refunded to the applicant alongwith the interest on refunded money.

The interest cheque(s)/ demand draft(s) for interest on application money (alongwith Refund Orders, in case of refund of application money, if any) shall be dispatched by the Bank alongwith the Refund Order(s), as the case may be, by registered post to the sole/ first applicant, at the sole risk of the applicant, within five working days from the Deemed Date of Allotment.

**Interest on the Bonds**

The Bonds shall carry interest at the rate of 8.80 per cent per annum (subject to deduction of tax at source at the rates prevailing from time to time under the provisions of the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof for which a certificate will be issued by the Bank) from, and including, June 22, 2009 up to, but excluding, June 22, 2019, payable annually in arrears on June 22, in each year (each, an "Interest Payment Date"), commencing June 22, 2010, to the holders of Bonds (the "Holders" and each, a "Holder") as of the relevant Record Date. If the Bonds are not redeemed on June 22, 2019, interest from June, 2019 up to but excluding, June 22, 2024 shall be reset to 9.30 per cent per annum (subject to deduction of tax at source at the rates prevailing from time to time under the provisions of the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof for which a certificate will be issued by the Bank) for subsequent interest payment periods, payable annually in arrears on June 22, in each year (each, an "Interest Payment Date"), commencing June 22, 2020, to the holders of Bonds. In case if call option is exercised at the end of 10th year from the Deemed Date of Allotment, then interest on Bonds will cease from the date of exercise of such Call Option in all events.

The first interest period is defined as the actual number of days falling between the Deemed Date of Allotment to June 22, 2010 including the first date but excluding the last date. The first interest payment would be made on June 22, 2010. The second and subsequent interest period is defined as the actual number of days in a year as 365 (366 in case of a leap year) between June 22, and June 22, including the first date but excluding the last date and so on. The last interest period is defined as the actual number of days falling between June 22, and call option exercise date/ redemption date, as the case may be, including the first date but excluding the last date. The last interest payment would be made on the call option exercise date/ redemption date, as the case may be, alongwith the redemption of principal amount.

In terms of RBI master circular no. DBOD.No.BP.BC.2/21.01.002/2008-09 dated July 01, 2008 on Prudential Norms on Capital Adequacy - Basel I Framework covering terms and conditions for issue of Debt Capital Instruments to qualify as Upper Tier II capital, these Bonds shall have a step-up option which shall be exercised only once during the whole life of the instrument, in conjunction with the Call Option, after the lapse of 10 years from the date of issue. The step-up shall be 50 bps. That is, the coupon rate on Bonds shall be stepped up to 9.30% p.a. for last 5 Years if Call Option is not exercised by the Bank at the end of 10th Year from the Deemed Date of Allotment.

In terms of RBI master circular no. DBOD.No.BP.BC.2/21.01.002/2008-09 dated July 01, 2008 on Prudential Norms on Capital Adequacy - Basel I Framework covering terms and conditions for issue of Debt Capital Instruments to qualify as Upper Tier II capital, these Bonds shall be subjected to a lock-in clause in terms of which, the Bank shall not be liable to pay either interest or principal, even at maturity, if (a) the Bank's CRAR is below the minimum regulatory requirement prescribed by RBI, or (b) the impact of such payment results in Bank's CRAR falling below or remaining below the minimum regulatory requirement prescribed by RBI. However, the Bank may pay interest with the prior approval of RBI when the impact of such payment may result in net loss or increase the net loss provided CRAR remains above the regulatory norm. For this purpose 'Net Loss' would mean either (a) the accumulated loss at the end of the previous financial year; or (b) the loss incurred during the current financial year. The interest amount due and remaining unpaid may be allowed to be paid in the later years subject to the bank complying with the above regulatory requirement. While paying such unpaid interest and principal, the Bank is allowed to pay compound interest at a rate not exceeding the coupon rate on these Bonds, on the outstanding principal and interest.

If any interest payment date falls on a day which is not a Business Day ('Business Day' being a day on which Commercial Banks are open for Business in the city of Mumbai) then payment of interest will be made on the next day that is a business day but without liability for making payment of interest for the intervening period.

In case the Deemed Date of Allotment is revised (pre-poned/ postponed) then the above Interest Payment Date may also be revised pre-poned/ postponed) accordingly by the Bank at its sole & absolute discretion.

**Computation of Interest**

Interest for each of the interest periods shall be calculated, on 'actual/ 365 (366 in case of a leap year) days' basis, on the face value of principal outstanding on the Bonds at the coupon rate rounded off to the nearest Rupee.

**Record Date**

The 'Record Date' for the Bonds shall be 15 days prior to each interest payment date and/ or call option due date and/or redemption date.

**Deduction of Tax at Source**

Tax as applicable under the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof will be deducted at source. The investor(s) desirous of claiming exemption from deduction of income tax at source on the interest on application money are required to submit the necessary certificate(s), in duplicate, along with the Application Form in terms of Income Tax rules.



Interest payable subsequent to the Deemed Date of Allotment of Bonds will be treated as "Interest on Securities" as per Income Tax Rules. Bondholders desirous of claiming exemption from deduction of income tax at source on the interest payable on Bonds should submit tax exemption certificate/ document, under Section 193 of the Income Tax Act, 1961, if any, at the Head Office of the Bank, at least 45 days before the payment becoming due.

Regarding deduction of tax at source and the requisite declaration forms to be submitted, prospective investors are advised to consult their own tax consultant(s).

#### **Put Option**

There is no Put Option available to the Bondholder(s). As per RBI master circular no. DBOD.No.BP.BC.2/21.01.002/2008-09 dated July 01, 2008 on Prudential Norms on Capital Adequacy - Basel I Framework covering terms and conditions for issue of Debt Capital Instruments to qualify as Upper Tier II capital, these Bonds shall be free of any restrictive clauses and shall not be redeemable at the initiative of the holder and shall thus not have any 'Put Option'.

#### **Call Option/ Option for Early Redemption**

In terms of RBI master circular no. DBOD.No.BP.BC.2/21.01.002/2008-09 dated July 01, 2008 on Prudential Norms on Capital Adequacy - Basel I Framework covering terms and conditions for issue of Debt Capital Instruments to qualify as Upper Tier II capital, these Bonds shall have a Call Option which may be exercised by the Bank only if the Bonds have run for at least 10 years. Further Call Option shall be exercised by the Bank only with the prior approval of RBI (Department of Banking Operations & Development).

In effect, the Bank shall have the option of redeeming the Bonds at par, subject to the prior approval of the RBI and in accordance with applicable laws and regulations in effect at the time (relating to among other things, capital adequacy position of the Bank both at the time of exercise of the call option and after exercise of the call option), in whole but not in part, on June 22, 2019 (i.e. at the end of 10th year from the Deemed Date of Allotment), at a redemption price equal to the principal amount of the Bonds plus accrued interest.

In case of exercise of Call Option by the Bank, the Bank shall notify its intention to do so through a public notice at least in one All-India English daily newspaper and/or through notice sent by registered post/ courier to the sole/ first allottee or sole/ first Beneficial Owner of the Bonds at least 30 (thirty) days prior to the due date.

In case if the Call Option due date falls on a day which is not a Business Day ('Business Day' being a day on which Commercial Banks are open for business in the city of Mumbai, then the payment due shall be made on the next Business Day together with additional interest for the intervening period.

Payment on exercise of Call Option will be made by cheque(s)/ redemption warrants(s)/ demand draft(s)/ credit through RTGS system in the name of the Bondholders whose name appear on the List of Beneficial Owners given by Depository to the Bank as on the Record Date/ Book Closure Date. On the Bank dispatching the redemption warrants to such Beneficiary(ies) by registered post/ courier, the liability of the Bank shall stand extinguished.

The Bonds shall be taken as discharged on payment of the redemption amount by the Bank on exercise of Call Option to the list of Beneficial Owners as provided by the Depository to the Bank as on the Record Date. Such payment will be a legal discharge of the liability of the Bank towards the Bondholders. On such payment being made, the Bank will inform NSDL/ CDSL/ Depository Participant and accordingly the account of the Bondholders with NSDL/ CDSL/ Depository Participant will be adjusted.

The Bank's liability to the Bondholders towards all their rights including for payment or otherwise shall cease and stand extinguished from the date of exercise of Call Option in all events. Further the Bank will not be liable to pay any interest or compensation from the date of exercise of Call Option. On the Bank dispatching the amount as specified above in respect of the Bonds, the liability of the Bank shall stand extinguished.

#### **Redemption**

The face value of the Bonds will be redeemed at par on June 22, 2024 (at the end of 15 years from the Deemed Date of Allotment). In terms of RBI master circular no. DBOD.No.BP.BC.2/21.01.002/2008-09 dated July 01, 2008 on Prudential Norms on Capital Adequacy - Basel I Framework covering terms and conditions for issue of Debt Capital Instruments to qualify as Upper Tier II capital, these Bonds are free of any restrictive clauses and shall not be redeemable at the initiative of the holder. Redemption of these Bonds shall be made only with the prior approval of the RBI.



Further these Bonds shall be subjected to a lock-in clause in terms of which, the Bank shall not be liable to pay either interest or principal, even at maturity, if (a) the Bank's CRAR is below the minimum regulatory requirement prescribed by RBI, or (b) the impact of such payment results in Bank's CRAR falling below or remaining below the minimum regulatory requirement prescribed by RBI. However, the Bank may pay interest with the prior approval of RBI when the impact of such payment may result in net loss or increase the net loss provided CRAR remains above the regulatory norm. For this purpose 'Net Loss' would mean either (a) the accumulated loss at the end of the previous financial year; or (b) the loss incurred during the current financial year. The interest amount due and remaining unpaid may be allowed to be paid in the later years subject to the bank complying with the above regulatory requirement. While paying such unpaid interest and principal, the Bank is allowed to pay compound interest at a rate not exceeding the coupon rate on these Bonds, on the outstanding principal and interest.

In case if the principal redemption date falls on a day which is not a Business Day ('Business Day' being a day on which Commercial Banks are open for business in Mumbai, then the payment due shall be made on the next Business Day together with additional interest for the intervening period.

Payment on redemption shall be made by cheque(s)/ redemption warrants(s)/ demand draft(s)/ credit through RTGS system in the name of the Bondholders whose name appear on the List of Beneficial Owners given by Depository to the Bank as on the Record Date/ Book Closure Date. On the Bank dispatching the redemption warrants to such Beneficiary(ies) by registered post/ courier, the liability of the Bank shall stand extinguished.

The Bonds shall be taken as discharged on payment of the redemption amount by the Bank on redemption date to the list of Beneficial Owners as provided by the Depository to the Bank as on the Record Date. Such payment will be a legal discharge of the liability of the Bank towards the Bondholders. On such payment being made, the Bank will inform NSDL/ CDSL/ Depository Participant and accordingly the account of the Bondholders with NSDL/ CDSL/ Depository Participant will be adjusted.

The Bank's liability to the Bondholders towards all their rights including for payment or otherwise shall cease and stand extinguished from the date of redemption in all events. Further the Bank will not be liable to pay any interest or compensation from the date of redemption. On the Bank dispatching the amount as specified above in respect of the Bonds, the liability of the Bank shall stand extinguished.

#### **Lock-In Clause**

In terms of RBI master circular no. DBOD.No.BP.BC.2/21.01.002/2008-09 dated July 01, 2008 on Prudential Norms on Capital Adequacy - Basel I Framework covering terms and conditions for issue of Debt Capital Instruments to qualify as Upper Tier II capital, these Bonds shall be subjected to a lock-in clause in terms of which, the Bank shall not be liable to pay either interest or principal, even at maturity, if (a) the Bank's CRAR is below the minimum regulatory requirement prescribed by RBI, or (b) the impact of such payment results in Bank's CRAR falling below or remaining below the minimum regulatory requirement prescribed by RBI. However, the Bank may pay interest with the prior approval of RBI when the impact of such payment may result in net loss or increase the net loss provided CRAR remains above the regulatory norm. For this purpose 'Net Loss' would mean either (a) the accumulated loss at the end of the previous financial year; or (b) the loss incurred during the current financial year. The interest amount due and remaining unpaid may be allowed to be paid in the later years subject to the bank complying with the above regulatory requirement. While paying such unpaid interest and principal, the Bank is allowed to pay compound interest at a rate not exceeding the coupon rate on these Bonds, on the outstanding principal and interest.

#### **Effect of Holidays**

Should any of dates defined above or elsewhere in the Disclosure Document, excepting the Deemed Date of Allotment, fall on a Saturday, Sunday or a Public Holiday, the next working day shall be considered as the effective date(s). In case any Interest Payment Date(s) and/or the Call Option Due Date and/ or Redemption Date falls on a holiday, interest/ redemption will be paid on the next working day (i.e. a day on which scheduled commercial banks are open for business in the city of Mumbai).

#### **List of Beneficial Owners**

The Bank shall request the Depository to provide a list of Beneficial Owners as at the end of the Record Date. This shall be the list, which shall be considered for payment of interest or repayment of principal amount, as the case may be.

#### **Succession**

In the event of the demise of the sole/first holder of the Bond(s) or the last survivor, in case of joint holders for the time being, the Bank will recognize the executor or administrator of the deceased Bondholder, or the holder of succession certificate or other legal representative as having title to the Bond(s). The Bank shall not be bound to recognize such executor or administrator, unless such executor or administrator obtains probate, wherever it is necessary, or letter of administration or such holder is the holder of succession certificate or other legal representation, as the case may be, from a Court in India having jurisdiction over the matter.





The Bank may, in its absolute discretion, where it thinks fit, dispense with production of probate or letter of administration or succession certificate or other legal representation, in order to recognize such holder as being entitled to the Bond(s) standing in the name of the deceased Bondholder on production of sufficient documentary proof or indemnity.

Where a non-resident Indian becomes entitled to the Bond by way of succession, the following steps have to be complied with:

- a. Documentary evidence to be submitted to the Legacy Cell of the RBI to the effect that the Bond was acquired by the NRI as part of the legacy left by the deceased holder.
  - b. Proof that the NRI is an Indian National or is of Indian origin.
- Such holding by the NRI will be on a non-repatriation basis.

#### **Who Can Apply**

The following categories of investors may apply for the Bonds, subject to fulfilling their respective investment norms/ rules by submitting all the relevant documents alongwith the application form.

1. Scheduled Commercial Banks;
2. Financial Institutions;
3. Insurance Companies;
4. Primary/ State/ District/ Central Co-operative Banks (subject to permission from RBI);
5. Regional Rural Banks;
6. Mutual Funds;
7. Provident, Gratuity, Superannuation and Pension Funds;
8. Companies, Bodies Corporate authorised to invest in Bonds;
9. Trusts, Individuals, Association of Persons, and Societies registered under the applicable laws in India which, are duly authorised to invest in bonds.

#### **Application not to be made by**

1. Hindu Undivided Family (neither by the name of the Karta);
2. Partnership Firms or their nominees;
3. Overseas Corporate Bodies (OCBs);
4. Foreign Institutional Investors (FIIs).

Although above investors are eligible to apply however only those investors, who are individually addressed through direct communication by the Bank/ Lead Arrangers, are eligible to apply for the Bonds. No other person may apply. Hosting of Disclosure Document on the website of the Stock Exchange should not be construed as an offer to issue and the same has been hosted only as it is stipulated by SEBI. Investors should check about their eligibility before making any investment.

The applications must be accompanied by certified true copies of (1) Memorandum and Articles of Association/ Constitution/ Bye-laws (2) Resolution authorising investment and containing operating instructions (3) Specimen signatures of authorised signatories, (4) Copy of Permanent Account Number Card ("PAN Card") issued by the Income Tax Department and (5) Necessary forms for claiming exemption from deduction of tax at source on the interest income/ interest on application money, wherever applicable.

#### **Application under Power of Attorney or by Limited Companies**

In case of applications made under a Power of Attorney or by a Limited Company or a Body Corporate or Registered Society or Mutual Fund, and scientific and/or industrial research organizations or Trusts etc, the relevant Power of Attorney or the relevant resolution or authority to make the application, as the case may be, together with the certified true copy thereof along with the certified copy of the Memorandum and Articles of Association and/or Bye-Laws as the case may be must be attached to the Application Form or lodged for scrutiny separately with the photocopy of the Application Form, quoting the serial number of the Application Form and the Bank's branch where the application has been submitted, at the office of the Registrars to the Issue after submission of the Application Form to the bankers to the issue or any of the designated branches as mentioned on the reverse of the Application Form, failing which the applications are liable to be rejected. Such authority received by the Registrars to the Issue more than 10 days after closure of the subscription list may not be considered.

#### **Mode of Subscription/ How to Apply**

This being a Private Placement Offer, Investors who are established/ resident in India and who have been addressed through this communication directly only are eligible to apply. All Application Forms, duly completed, together with cheque/ demand draft for the amount payable on application must be delivered before the closing of the issue to the Bank at Merchant Banking Division 5th Floor Chandermukhi Nariman Point, Mumbai 400 057.



Applications should be for a minimum of 1 Bond and in multiples of 1 Bond thereafter. All cheques/ demand drafts should be in favour of “**Central Bank of India**” and crossed “**Account Payee Only**”. The entire amount of Rs. 10 lakh (Rs. Ten Lakh only) per Bond is payable on application. Alternatively, investors can remit their application money by way of electronic transfer of funds through RTGS mechanism for credit in the Account of “**Central Bank of India**”, Address of the Bank: “**5th Floor, Chandermukhi Building, Nariman Point, Mumbai 400 021**”; IFSC Code: “**CBIN02801102**”, Name of the Beneficiary: “**Central Bank of India, Treasury, Mumbai**”. (R-42, Inter Bank Transfer).

Applications for the Bonds must be in the prescribed form (enclosed) and completed in BLOCK LETTERS in English and as per the instructions contained therein.

Applications complete in all respects (along with all necessary documents as detailed in this Disclosure Document) must be submitted before the last date indicated in the issue time table or such extended time as decided by the Bank, at the designated collection centre, accompanied by the subscription amount by way of cheque(s)/ demand draft(s) drawn on any bank including a co-operative bank which is situated at and is a member of the Bankers' clearing house located at a place where the application form is submitted.

Outstation cheque(s)/ Bank draft(s) drawn on Bank(s) not participating in the clearing process at the designated clearing centres will not be accepted. Money orders/ postal orders will also not be accepted. The Bank assumes no responsibility for any applications/ cheques/ demand drafts lost in mail.

No separate receipt will be issued for the application money. However, the Bank's designated collection branches or Lead Arrangers receiving the duly completed Application Form will acknowledge receipt of the application by stamping and returning to the applicant the Acknowledgment Slip at the bottom of the each Application Form.

As a matter of precaution against possible fraudulent encashment of interest warrants/ cheques due to loss/ misplacement, the applicant should furnish the full particulars of his or her bank account (i.e. Account Number, name of the bank and branch) at the appropriate place in the Application Form. Interest warrants will then be made out in favour of the bank for credit to his/ her account so specified and dispatched to the investors, who may deposit the same in the said bank.

#### **Right to Accept or Reject Applications**

The Bank reserves its full, unqualified and absolute right to accept or reject any application, in part or in full, without assigning any reason thereof. The rejected applicants will be intimated along with the refund warrant, if applicable, to be sent. Interest on application money will be paid from the date of realisation of the cheque(s)/ demand drafts(s) till one day prior to the date of refund. The application forms that are not complete in all respects are liable to be rejected and would not be paid any interest on the application money. Application would be liable to be rejected on one or more technical grounds, including but not restricted to:

- a. Number of bonds applied for is less than the minimum application size;
- b. Applications exceeding the issue size;
- c. Bank account details not given;
- d. Details for issue of bonds in electronic/ dematerialised form not given; PAN/GIR and IT Circle/ Ward/ District not given;
- e. In case of applications under Power of Attorney by limited companies, corporate bodies, trusts, etc. relevant documents not submitted;

In the event, if any Bond(s) applied for is/ are not allotted in full, the excess application monies of such Bonds will be refunded, as may be permitted.

#### **PAN/GIR Number**

All applicants should mention their Permanent Account Number or the GIR Number allotted under Income Tax Act, 1961 and the Income Tax Circle/ Ward/ District. In case where neither the PAN nor the GIR Number has been allotted, the fact of such a non-allotment should be mentioned in the Application Form in the space provided.

#### **Signatures**

Signatures should be made in English or in any of the Indian Languages. Thumb impressions must be attested by an authorized official of a Bank or by a Magistrate/ Notary Public under his/her official seal.

#### **Nomination Facility**

As per Section 109 A of the Companies Act, 1956, only individuals applying as sole applicant/Joint Applicant can nominate, in the prescribed manner, a person to whom his Bonds shall vest in the event of his death. Non-individuals including holders of Power of Attorney can not nominate.

**Bondholder not a Shareholder**

The bondholders will not be entitled to any of the rights and privileges available to the shareholders. If, however, any resolution affecting the rights attached to the Bonds is placed before the members of the Bank, such resolution will first be placed before the bondholders for their consideration.

**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 resolution passed at a meeting of the Bondholders, provided that nothing in such consent or resolution shall be operative against the Bank where such consent or resolution modifies or varies the terms and conditions of the Bonds, if the same are not acceptable to the Bank.

**Future Borrowings**

The Bank shall be entitled to borrow/ raise loans or avail of financial assistance in whatever form as also issue Bonds/ Debentures/ Notes/ other securities in any manner with ranking as pari-passu basis or otherwise and to change its capital structure, including issue of shares of any class or redemption or reduction of any class of paid up capital, on such terms and conditions as the Bank may think appropriate, without the consent of, or intimation to, the Bondholder(s) or the Trustees in this connection.

**Bond Redemption Reserve**

The Government of India, Ministry of Company Affairs has vide General Circular No. 9/2002 No.6/3/2001-CL.V dated April 18, 2002 clarified that Banks need not create Debenture Redemption Reserve as specified under section 117C of the Companies Act, 1956.

**Notices**

All notices required to be given by the Bank or by the Trustees to the Bondholders shall be deemed to have been given if sent by ordinary post/ courier to the original sole/ first allottees of the Bonds and/ or if published in one All India English daily newspaper and one regional language newspaper.

All notices required to be given by the Bondholder(s), including notices referred to under "Payment of Interest" shall be sent by registered post or by hand delivery to the Bank or to such persons at such address as may be notified by the Bank from time to time.

**Tax Benefits to the Bondholders of the Bank**

The holder(s) of the Bonds are advised to consider in their own case, the tax implications in respect of subscription to the Bonds after consulting their own tax advisor/ counsel.

**Disputes & Governing Law**

The Bonds are governed by and shall be construed in accordance with the existing laws of India. Any dispute arising thereof will be subject to the exclusive jurisdiction of the Courts of Mumbai (Maharashtra).

**COMPLIANCE OFFICER**

Mr. K. A. Somayajulu  
General Manager (Treasury)  
Central Bank of India  
5th Floor, Chandermukhi, Nariman Point  
Mumbai 400 021  
Tel: (022) 22831592  
Fax: (022) 22028605  
Email: gmid@centralbank.co.in

The investors can contact the Compliance Officer in case of any pre-issue/ post-issue related problems such as non-credit of letter(s) of allotment/ bond certificate(s) in the demat account, non-receipt of refund order(s), interest warrant(s)/ cheque(s) etc.

**REGISTRARS TO THE ISSUE****Sharepro Services (India) Pvt. Ltd.**

Satam Estate, 3rd Floor,  
Above bank of Baroda, Chakala,  
Andheri (East), Mumbai-400099  
Ph-022-67720300, 67720329, 67720354  
Fax-022-28202365



**LEAD ARRANGERS TO THE ISSUE (in alphabetic order)**



**A. K. Capital Services Ltd.**  
30-39, 3rd Floor  
Free Press House  
215, Nariman Point  
Mumbai – 400 021  
Tel: (022) 66349300  
Fax: 91-22-66360977



**Axis Bank Ltd.**  
Central Office  
111, Maker Tower 'F'  
Cuffe Parade, Colaba  
Mumbai – 400 005  
Tel: (022) 22189106-08  
Fax: 91-22-22162467



**ICICI Securities Primary Dealership Ltd.**  
ICICI Centre  
H T Parekh Marg  
Churchgate  
Mumbai – 400 020  
Tel: (022) 22882460/70  
Fax: 91-22-22882312



**SPA Merchant Bankers Ltd.**  
10-A, Chandermukhi  
Nariman Point  
Mumbai – 400 021  
Tel.: (022) 22801240  
Fax : 91-22-22871192



**Trust Investment Advisors Pvt. Ltd.**  
109/110, 1st Floor, Balrama Village  
Parigkhari, Bandra-Kurla Complex  
Bandra(East)  
Mumbai 400 051  
Tel. : (022) 30681150-56  
Fax : 91-22- 30681150



## IX. CREDIT RATING & RATIONALE THEREOF

ICRA Ltd. (“**ICRA**”) has assigned a ‘**LAA-**’ (pronounced as Double A minus) rating for an amount of Rs.500 crore of Upper Tier II Bonds to be issued by the Bank vide its letter No. 2009-10/717/3381 dated June 11, 2009. This rating indicates the high-credit-quality rating assigned by ICRA. The rated instruments carry low credit risk. The copy of the rating letter is enclosed elsewhere in this Disclosure Document.

Credit Analysis & Research Ltd. (“**CARE**”) has assigned a ‘**CARE AA-**’ (pronounced as Double A minus) rating for an amount of Rs. 500 crores to the present Upper Tier-II Bonds to be issued by the Bank vide its letter dated June 11, 2009. Instruments with this rating are considered to offer high safety for timely servicing of debt obligations. Such instruments carry very low credit risk. A copy of rating letter from CARE is enclosed elsewhere in this Disclosure Document.

Other than the credit ratings mentioned hereinabove, the Bank has not sought any other credit rating from any other credit rating agency(ies) for the Bonds offered for subscription under the terms of this Disclosure Document.

The above 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. The rating obtained is subject to revision at any point of time in the future. The rating agency has the right to suspend, withdraw the rating at any time on the basis of new information etc.

## X. NAME OF DEBENTURE TRUSTEE

In accordance with the provisions of Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 issued vide Circular No. LAD-NRO/GN/2008/13/127878 dated June 06, 2008, the Bank has appointed IDBI Trusteeship Services Ltd. to act as Trustees (“Trustees”) for and on behalf of the holder(s) of the Bonds. The address and contact details of the Trustees are as under:



### **IDBI Trusteeship Services Ltd.**

Registered Office  
Asian Building, Ground Floor  
17, R Kamani Marg, Ballard Estate,  
Mumbai – 400 001  
Tel: (022) 6631 1771-3  
Fax: 91-22-66311776  
E-mail: itsl@idbitrustee.co.in

A copy of letter from IDBI Trusteeship Services Ltd. conveying their consent to act as Trustee for the current issue of Bonds is enclosed elsewhere in this Disclosure Document.

The Bank hereby undertakes that it shall sign a Trustee Agreement as per applicable provisions. The Trustee Agreement shall not contain any clause which has the effect of (i) limiting or extinguishing the obligations and liabilities of the Trustees or the Bank in relation to any rights or interests of the holder(s) of the Bonds, (ii) limiting or restricting or waiving the provisions of the Securities and Exchange Board of India Act, 1992 (15 of 1992); Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and circulars or guidelines issued by SEBI, (iii) indemnifying the Trustees or the Bank for loss or damage caused by their act of negligence or commission or omission.

The Bondholder(s) shall, without further act or deed, be deemed to have irrevocably given their consent to the Trustees or any of their agents or authorized officials to do all such acts, deeds, matters and things in respect of or relating to the Bonds as the Trustees may in their absolute discretion deem necessary or require to be done in the interest of the holder(s) of the Bonds. Any payment made by the Bank to the Trustees on behalf of the Bondholder(s) shall discharge the Bank pro tanto to the Bondholder(s). The Trustees shall protect the interest of the Bondholders in the event of default by the Bank in regard to timely payment of interest and repayment of principal and shall take necessary action at the cost of the Bank. No Bondholder shall be entitled to proceed directly against the Bank unless the Trustees, having become so bound to proceed, fail to do so. In the event of Bank defaulting in payment of interest on Bonds or redemption thereof, any distribution of dividend by the Bank shall require approval of the Trustees.



## XI. STOCK EXCHANGES WHERE SECURITIES ARE PROPOSED TO BE LISTED

The Unsecured Redeemable Non-Convertible Subordinated Upper Tier-II Bonds (Debt Capital Instruments) (Series III) in the nature of Promissory Notes are proposed to be listed on the Wholesale Debt Market (WDM) Segment of the **Bombay Stock Exchange Ltd. (BSE)**. The Bank has applied for in-principle approval from BSE for listing of said Bonds on their Wholesale Debt Market (WDM) Segment. The Bank shall make application to BSE to list the Bonds to be issued and allotted under this Disclosure Document and complete all the formalities relating to listing of the Bonds within reasonable time. In connection with listing of Bonds with BSE, the Bank hereby undertakes that:

- It shall comply with conditions of listing of Bonds as may be specified in the Listing Agreement with BSE.
- Rating obtained by the Bank shall be periodically reviewed by the credit rating agency and any revision in the rating shall be promptly disclosed by the Bank to BSE.
- Any change in rating shall be promptly disseminated to the holder(s) of the Bonds in such manner as BSE may determine from time to time.
- The Bank, the Trustees and BSE shall disseminate all information and reports on Bonds including compliance reports filed by the Bank and the Trustees regarding the Bonds to the holder(s) of Bonds and the general public by placing them on their websites.

## XII. DETAILS OF OTHER BORROWINGS (DETAILS DEBT SECURITIES ISSUED IN THE PAST, PARTICULARS OF DEBT SECURITIES ISSUED FOR CONSIDERATION OTHER THAN CASH OR AT A PREMIUM OR DISCOUNT OR IN PURSUANCE OF AN OPTION, HIGHEST TEN HOLDERS OF EACH CLASS OR KIND OF SECURITIES, DEBT EQUITY RATIO)

### 1. PRIVATE PLACEMENT OF BONDS

The Bank has raised Tier II capital by way of private placement of Subordinated Bonds to augment capital adequacy as under:

Issue Series	Deemed Date of Allotment	Coupon Rate (% p.a.)	Date of Redemption	Amount (Rs. in crs.)
I	09-02-1999	13.90	09-05-2004 *	300.00
II	22-03-2000	11.35	22-06-2005 *	200.00
III	28-03-2001	11.00	28-06-2006 *	200.00
IV	28-09-2001	9.80	28-04-2007 *	100.00
V(I)	29-12-2001	9.40	29-04-2007 *	45.00
V(II)	29-12-2001	9.75	29-04-2009 *	95.00
VI(I)	25-09-2002	8.15	25-04-2008 *	16.00
VI(II)	25-09-2002	8.35	25-04-2009 *	184.00
VII	25-09-2003	5.80	25-04-2010	200.00
VIII	07-10-2003	5.80	07-05-2010	70.00
IX	08-10-2004	7.05	08-06-2014	200.00
X	28-03-2006	8.15	28-06-2015	578.20
XI	04-10-2006	8.95	04-10-2016	700.00
UT-II (I)	14-11-2008	11.45	14-11-2023	300.00
XIII	10-02-2009	9.35	10-04-2018	270.00
UT-II (II)	17.02.2009	9.40	17.02.2024	285.00
<b>TOTAL</b>				<b>3743.20</b>

\* redeemed on due dates.

### 2. OTHER BORROWINGS (as on March 31, 2009) (Rs in crores)

Particulars	Amount outstanding	Interest Rate	Repayment Date/ Schedule
Demand Deposits from Banks	484.89	Nil	Withdrawable on demand
Demand Deposits from Others	9627.40	Nil	Withdrawable on demand
Saving Bank Deposits	33680.08	3.5%	Withdrawable on demand
Term Deposits from Banks	4713.90	3.75 to 7.50%	As per terms
Term Deposits from Others	82765.57	3.75% to 8.50 %	As per terms
Borrowings from Reserve Bank of India	17.25	3.50 % to 5.00 %	As per terms
Borrowings from Other Banks	55.11	Nil	As per terms
Borrowings from Other Institutions & Agencies	731.89	7.50% to 8.00%	As per terms
Bills Payable	886.54	Nil	As per terms
<b>TOTAL</b>	<b>118322.34</b>		



### 3. DEBT EQUITY RATIO

Particulars	Pre-Issue (as on March 31, 2009)	Post Issue of present Upper Tier-II Bonds of Rs. 500 crores *
<b>LOAN FUNDS</b>		
Subordinated Bonds	3271.30	3771.30
Other Long Term Borrowings	804.25	804.25
<b>TOTAL</b>	<b>4075.55</b>	<b>4575.55</b>
<b>SHAREHOLDERS' FUNDS</b>		
Equity Share Capital	404.14	404.14
Preference Share Capital	917.00	917.00
Reserves & Surplus (excluding Revaluation Reserve)	3082.00	3082.00
<b>TOTAL</b>	<b>4403.14</b>	<b>4403.14</b>
<b>DEBT/ EQUITY RATIO</b>		
Long Term Debt/ Equity Ratio	0.93	1.09

\* after adding proposed Upper Tier-II Bonds of Rs. 500 crores to the figures of March 31, 2009.

### 4. HIGHEST 10 HOLDERS OF EACH CLASS AND KIND OF SECURITIES

#### A. TOP 10 EQUITY SHAREHOLDERS

(as on March 31, 2009)

SR. NO.	NAME OF SHAREHOLDER	NO. OF SHARES	% SHAREHOLDING
1.	PRESIDENT OF INDIA	324141460	80.2050
2.	LIC MARKET PLUS	12893420	3.1903
3.	LIFE INSURANCE CORPORATION OF INDIA	6314969	1.5626
4.	MORGAN STANLEY MAURITIUS COMPANY LTD	5437452	1.3454
5.	LIC MONEY PLUS	3822341	0.9458
6.	BIRLA SUN LIFE TRUSTEE COMPANY PVT LTD	2518693	0.6232
7.	FIL TRUSTEE COMPANY	1000187	0.2475
8.	WELLINGTON MANAGEMENT COMPANY	810565	0.2005
9.	RELIGRE SECURITIES	461564	0.1142
10.	SIDBI	400000	0.0990
<b>TOTAL</b>		<b>357800651</b>	<b>88.5335</b>

#### B. TOP 10 BONDHOLDERS - SERIES - VI

(as on Mach 31, 2009)

SR. NO.	NAME OF BONDHOLDER	ADDRESS	NO. OF BONDS HELD	% HOLDING
1.	TRUSTEES CENTRAL BANK OF INDIA EMPLOYEES PENSION FUND	PENSION FUND DEPARTMENT 5TH FLOOR, NCL BUILDING BANDRA KURLA COMPLEX BANDRA (EAST), MUMBAI - 400 051	400	10.87
2.	BOCHASANWASI SHRI AKSHAR PURUSHOTTAM SWAMINARAYAN SANSTHA	ACCOUNTS DEPARTMENT DHARMA SADAN SHRI SWAMINARAYAN MANDIR SHAHIBAUG ROAD AHMEDABAD - 380 004	400	10.87
3.	PUNJAB NATIONAL BANK EMPLOYEES PENSION FUND	PUNJAB NATIONAL BANK 3RD FLOOR, RAJENDRA BHAWAN RAJENDRA PLACE NEW DELHI - 110 008	320	8.69
4.	PUNJAB NATIONAL BANK EMPLOYEES PROVIDENT FUND	H.O. PF DEPARTMENT 3RD FLOOR, RAJENDRA BHAWAN RAJENDRA PLACE NEW DELHI - 110 008	237	6.44
5.	TRUSTEES CENTRAL BANK OF INDIA EMPLOYEES PROVIDENT FUND PROVIDENT FUND DEPARTMENT	PROVIDENT FUND DEPARTMENT 4TH FLOOR, NCL BUILDING BANDRA KURLA COMPLEX BANDRA (EAST), MUMBAI - 400 051	200	5.43



6.	PUNJAB NATIONAL BANK EMPLOYEES GRATUITY FUND	PUNJAB NATIONAL BANK PROVIDENT FUND DEPARTMENT H.O. RAJENDRA BHAWAN RAJENDRA PLACE NEW DELHI - 110 008	160	4.35
7.	SYNDICATE BANK EMPLOYEES PROVIDENT FUND	SYNDICATE BANK P.B. NO.1, HEAD OFFICE MANIPAL - 576 119	160	4.35
8.	SYNDICATE BANK EMPLOYEES PENSION FUND	SYNDICATE BANK P.B. NO.1, HEAD OFFICE MANIPAL - 576 119	120	3.26
9.	HDFC BANK LTD EMPLOYEES PROVIDENT FUND TRUST	CUSTODY AND DEPOSITORY SERVICES, TRADE WORLD, A WING, KAMLA MILLS COMPOUND, SENAPATI BAPAT MARG, LOWER PAREL, MUMBAI - 400 013	120	3.26
10.	MAHINDRA AND MAHINDRA LTD. STAFF PROVIDENT FUND	SOUTH BUILDING AKURLI ROAD, KANDIVALI (EAST) MUMBAI - 400 101	130	3.53
TOTAL			2247	61.05

**C. TOP 10 BONDHOLDERS - SERIES – VII**

(as on March 31, 2009)

SR. NO.	NAME OF BONDHOLDER	ADDRESS	NO. OF BONDS HELD	% HOLDING
1.	VIJAYA BANK	TREASURY MANAGEMENT DEPARTMENT, HEAD OFFICE 41/2, M.G. ROAD, TRINITY CIRCLE BANGALORE - 560 001	400	10.00
2.	IDBI BANK LIMITED - TBO	IDBI LIMITED, IDBI TOWER, 17TH FLOOR, WORLD TRADE CENTRE COMPLEX, CUFFEE PARADE MUMBAI - 400 005	400	10.00
3.	PUNJAB NATIONAL BANK	DEUTSCHE BANK AG DB HOUSE, HAZARIMAL SOMANI MARG, NEXT TO STERLING THEATRE, FORT, P.O. BOX NO.1142 MUMBAI - 400 001	300	7.50
4.	TRUSTEES CENTRAL BANK OF INDIA EMPLOYEES PENSION FUND	PENSION FUND DEPARTMENT, NCL BLDG, 5TH FLOOR BANDRA KURLA COMPLEX, BANDRA (E), MUMBAI - 400 051	200	5.00
5.	TRUSTEES CENTRAL BANK OF INDIA EMPLOYEES PROVIDENT FUND	PROVIDENT FUND DEPARTMENT, NCL BLDG., 4TH FLOOR BANDRA KURLA COMPLEX, BANDRA (E), MUMBAI - 400 051	200	5.00
6.	ORIENTAL BANK OF COMMERCE	MERCHANT BANKING DIVISION COMPETENT HOUSE, F-14, 4TH FLOOR, CONNAUGHT PLACE NEW DELHI - 110 001	200	5.00
7.	SYNDICATE BANK EMPLOYEES PENSION FUND	SYNDICATE BANK, POST BOX NO.1, HEAD OFFICE, MANIPAL - 576 104	200	5.00
8.	ANDHRA BANK	FUNDS FOREX DEPARTMENT 82 83 MAKER TOWERS 8 F BLOCK CUFFE PARADE MUMBAI - 400 005	200	5.00
9.	CORPORATION BANK	GENERAL ACCOUNT, INVESTMENT DIVISION 15 MITTAL CHAMBERS, 1ST FLOOR, NARIMAN POINT, MUMBAI - 400 021	200	5.00
10.	CANARA BANK	F-I SEC, BRANCH (DEBT), 1ST FLOOR, VERMA CHAMBERS, HOMJI STREET, FORT, MUMBAI - 400 001	200	5.00
TOTAL			2500	62.50



**D. TOP 10 BONDHOLDERS - SERIES - VIII**

(as on March 31, 2009)

SR. NO.	NAME OF BONDHOLDER	ADDRESS	NO. OF BONDS HELD	% HOLDING
1.	COAL MINES PROVIDENT FUND	C/O ICICI SECURITIES PRIMARY DEALERSHIP LIMITED DBI CAPITAL MARKET SERVICES LTD. ICICI CENTRE, H.T. PAREKH MARG CHURCHGATE, MUMBAI - 400020	65	4.64
2.	LIFE INSURANCE CORPORATION OF INDIA	YOGAK SHEMA, JEEVAN BIMA MARG MUMBAI - 400021	1000	71.43
3.	GENERAL INSURANCE CORPORATION OF INDIA	SURAKSHA, 170, J. TATA ROAD CHURCHGATE, MUMBAI - 400020	200	14.28
4.	COAL MINES PENSION FUND	STATE BANK OF INDIA, SECURITIES SERVICES BRANCH MAIN BRANCH BLDG, 2ND FLOOR FORT, MUMBAI - 400001	135	9.65
TOTAL			1400	100

**E. TOP 10 BONDHOLDERS - SERIES - IX**

(as on March 31, 2009)

SR. NO.	NAME OF BONDHOLDER	ADDRESS	NO. OF BONDS HELD	% HOLDING
1.	LIFE INSURANCE CORPORATION OF INDIA	YOGAK SHEMA, JEEVAN BIMA MARG MUMBAI - 400021	2000	100
TOTAL			2000	100

**F. TOP 10 BONDHOLDERS - SERIES - X**

(as on March 31, 2009)

SR. NO.	NAME OF BONDHOLDER	ADDRESS	NO. OF BONDS HELD	% HOLDING
1.	TRUSTEES CENTRAL BANK OF INDIA EMPLOYEES PROVIDENT FUND	PROVIDENT T FUND DEPARTMENT NCL BUILDING, 4TH FLOOR BANDRA KURLA COMPLEX BANDRA (EAST), MUMBAI - 400051	558	9.65
2.	PUNJAB NATIONAL BANK EMPLOYEES PROVIDENT FUND	H/O PF DEPTT 3RD FLOOR, RAJENDRA BHAWAN, RAJENDRA PLACE NEW DELHI - 110 008	510	8.82
3.	PUNJAB NATIONAL BANK EMPLOYEES PENSION FUND	PUNJAB NATIONAL BANK 3RD FLR, RAJENDRA BHAWAN, RAJENDRA PLACE, NEW DELHI - 110 008	408	7.06
4.	TRUSTEES CENTRAL BANK OF INDIA EMPLOYEES GRATUITY FUND	PROVIDENT T FUND DEPARTMENT NCL BUILDING, 4TH FLOOR BANDRA KURLA COMPLEX BANDRA (EAST), MUMBAI - 400 051	386	6.68
5.	BANK OF BARODA PROVIDENT FUND TRUST	BARODA HOUSE, 4TH FLOOR MANDVI, BARODA - 390 006	200	3.46
6.	GENERAL INSURANCE CORPORATION OF INDIA	SURAKSHA, 170, J. TATA ROAD, CHURCH GATE, MUMBAI - 400 020	150	2.59
7.	UNION BANK OF INDIA	C/O. ILFS, ILFS HOUSE, PLOT NO.14 RAHEJA VIHAR, CHANDIVALI ANDHERI E), MUMBAI - 400 072	100	1.73
8.	THE NEW INDIA ASSURANCE COMPANY EMPLOYEES PENSION FUND	NEW INDIA ASSURANCE BLDG BASEMENT 87 M.G. ROAD MUMBAI - 400 001	100	1.73
9.	BANK OF BARODA (EMPLOYEES) PENSION FUND	BARODA HOUSE, FIRST FLOOR MANDVI, BARODA - 390 006	100	1.73



10.	VISAKHAPATNAM STEEL PROJECT EMPLOYEES PROVIDENT FUND TRUST	PAY AND PF SECTIONS, BEHIND ED(WORKS) BLDGS VISAKHAPATNAM STEEL PALNT VISAKHAPATNAM - 530 031	57	0.98
TOTAL			<b>2569</b>	<b>44.43</b>

**G. TOP 10 BONDHOLDERS - SERIES - XI**

(as on March 31, 2009)

SR. NO.	NAME OF BONDHOLDER	ADDRESS	NO. OF BONDS HELD	% HOLDING
1.	COAL MINES PENSION FUND	C/O IDBI CAPITAL MARKET SERVICES LTD., 5TH FLOOR, MAFATLAL CENTRE NARIMAN POINT, MUMBAI - 400 021	520	7.43
2.	PUNJAB NATIONAL BANK	DEUTSCHE BANK AG DB HOUSE, HAZARIMAL SOMANI MARG, NEXT TO STERLING THEATRE, FORT, P.O. BOX NO.1142, MUMBAI - 400001	500	7.14
3.	COAL MINES PROVIDENT FUND	C/O ICICI SECURITIES PRIMARY DEALERSHIP LIMITED ICICI CENTRE, H. T. PAREKH MARG CHURCHGATE, MUMBAI - 400 020	450	6.43
4.	PUNJAB NATIONAL BANK EMPLOYEES PROVIDENT FUND	H/O PF DEPTT 3RD FLOOR, RAJENDRA BHAWAN RAJENDRA PLACE NEW DELHI - 110008	310	4.43
5.	BOARD OF TRUSTEES FOR BOKARO STEEL EMPLOYEES PROVIDENT FUND	P.F. ACCOUNT OLD ADM. BLDG., SAIL, BOKARO STEEL PLANT BOKARO STEEL CITY BOKARO - 827001	230	3.28
6.	BHARAT PETROLEUM CORPORATION LIMITED EMPLOYEES CONTRIBUTORY SUPERANNUATION FUND	BHARAT BHAVAN, 4 AND 6 CURRIMBOY ROAD BALLARD ESTATE MUMBAI - 400001	190	2.71
7.	CESC LIMITED PROVIDENT FUND	CESC HOUSE, CHOWRINGHEE SQUARE, KOLKATA - 700001	170	2.43
8.	VISAKHAPATNAM STEEL PROJECT EMPLOYEES PROVIDENT FUND TRUST	PAY AND PF SECTIONS BEHIND ED (WORKS ) BUILDINGS VISAKHAPATNAM STEEL PLANT VISAKHAPATNAM - 530031	150	2.14
9.	DURGAPUR STEEL PLANT PROVIDENT FUND	PROVIDENT FUND SECTION ROOM NO.- 501, DURGAPUR STEEL PLANT, DURGAPUR - 713203	150	2.14
10.	TRUSTEE NEW INDIA ASSURANCE CO. LTD. STAFF PROVIDENT FUND	THE NEW INDIA ASSURANCE CO LTD 87 MAHATMA GANDHI ROAD FORT, MUMBAI - 400023	150	2.14
TOTAL			2820	40.27

**H. TOP 10 BONDHOLDERS - SERIES - XII**

(as on March 31, 2008)

SR. NO.	NAME OF BONDHOLDER	ADDRESS	NO. OF BONDS HELD	% HOLDING
1.	CENTRAL BANK OF INDIA EMPLOYEES PENSION FUND TRUST	NCL BANDRA KURLA PREMISES CO BANDRA (E) - 400 051	450	11.56
2.	KOTAK MAHINDRA BANK LTD	2ND FLOOR, BAKHTAWAR 229 NARIMAN POINT MUMBAI-400 021	250	6.42



3.	SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA	SME DEV CENTRE, C11, G BLOCK BANDRA - E, BKC, MUMBAI - 400051	250	6.42
4.	SYNDICATE BANK	FIM DEPTT. MAKER TOWER 'E', II FLOOR CUFFE PARADE, COLABA MUMBAI - 400005	200	5.14
5.	UNION BANK OF INDIA	TREASURY BRANCH, 5TH FLR, UNION BANK BHAVAN, NARIMAN POINT, MUMBAI 400 021	200	5.14
6.	BANK OF BARODA	TREASURY BRANCH KALPATARU HERITAGE BLDG, 6TH FLR NANIK MOTWANE MARG, FORT, MUMBAI - 400 023	200	5.14
7.	BANK OF INDIA	TREASURY BRANCH, STAR HOUSE C-5 G BLOCK, BANDRA - EAST MUMBAI - 400051	150	3.85
8.	LIFE INSURANCE CORPORATION OF INDIA	CENTRAL OFFICE, INVESTMENT DEPTT., YOGAK SHEMA, JIVAN BIMA MARG, MUMBAI - 400 021	150	3.85
9.	ANDHRA BANK	INVESTMENT & INTERNATIONAL BANKING 8 F MAKER TOWER, CUFFE PARADE MUMBAI 400 005	100	2.57
10.	ALLAHABAD BANK	TREASURY BRANCH 3RD FLR, MUMBAI SAMACHAR MARG FORT, MUMBAI 400 023	100	2.57
TOTAL			2050	52.66

**I. TOP 10 BONDHOLDERS - SERIES - XIII**

(as on February 10, 2009)

SR. NO.	NAME OF BONDHOLDER	NO. OF BONDS HELD	% HOLDING
1.	AXIS BANK LTD.	1300	48.15
2.	CBT EPF - PRUDENTIAL ICICI	1000	37.04
3.	OIL INDIA LTD EMPLOYEES PROVIDENT FUND	104	3.85
4.	CESCO EMPLOYEES PENSION TRUST	50	1.85
5.	UNION BANK OF INDIA EMPLOYEES PROVIDENT FUND	50	1.85
6.	ORIENTAL INSURANCE EMPLOYEES GRATUITY FUND	50	1.85
7.	EXPORT CREDIT GUARANTEE CORPORATION LTD.	50	1.85
9.	OIL INDIA EMPLOYEES PENSION FUND	26	0.96
10.	OIL INDIA LTD STAFF PROVIDENT FUND	20	0.74
11.	OIL INDIA GRATUITY FUND	20	0.74
TOTAL		2700	100.00

**J. Top 10 Bondholders for Upper Tier II Series I**

SR. NO.	NAME OF BONDHOLDER	NO. OF BONDS HELD	% HOLDING
1.	LIFE INSURANCE CORPORATION OF INDIA	3000	100.00
TOTAL		3000	100.00

**K. Top 10 Bondholders for Upper Tier II Series II**

SR. NO.	NAME OF BONDHOLDER	NO. OF BONDS HELD	% HOLDING
1.	LIFE INSURANCE CORPORATION OF INDIA	2850	100.00
TOTAL		2850	100.00

**5. PARTICULARS OF DEBT SECURITIES ISSUED (I) FOR CONSIDERATION OTHER THAN CASH, WHETHER IN WHOLE OR PART, (II) AT A PREMIUM OR DISCOUNT, OR (III) IN PURSUANCE OF AN OPTION**

The Bank hereby confirms that it has not issued any debt securities or agreed to issue any debt securities for consideration other than cash, whether in whole or in part, at a premium or discount or in pursuance of an option since inception.

**XIII. SERVICING BEHAVIOR ON EXISTING DEBT SECURITIES AND OTHER BORROWINGS**

The Bank hereby confirms that:

- a) The main constituents of Bank's borrowings have been in the form of borrowings from RBI, inter-bank borrowings, call money borrowings, term money borrowings, savings bank deposits, current account deposits, term deposits, subordinated bonds, certificate of deposits etc.
- b) The Bank has been servicing all its principal and interest liabilities on time and there has been no instance of delay or default since inception.
- c) The Bank has neither defaulted in repayment/ redemption of any of its borrowings nor affected any kind of roll over against any of its borrowings in the past.

**XIV. UNDERTAKING REGARDING COMMON FORM OF TRANSFER**

The Bonds shall be transferred subject to and in accordance with the rules/ procedures as prescribed by the NSDL/ CDSL/ Depository Participant of the transferor/ transferee and any other applicable laws and rules notified in respect thereof. The normal procedure followed for transfer of securities held in dematerialized form shall be followed for transfer of these Bonds held in electronic form. The seller should give delivery instructions containing details of the buyer's DP account to his depository participant. The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, interest will be paid/ redemption will be made to the person, whose name appears in the records of the Depository. In such cases, claims, if any, by the transferee(s) would need to be settled with the transferor(s) and not with the Bank.

The Bank undertakes that it shall use a common form/ procedure for transfer of Bonds issued under terms of this Disclosure Document.

**XV. MATERIAL EVENT, DEVELOPMENT OR CHANGE AT THE TIME OF ISSUE**

The Bank hereby declares that there has been no material event, development or change at the time of issue which may affect the issue or the investor's decision to invest/ continue to invest in the debt securities of the Bank.

**XVI. PERMISSION/ CONSENT FROM PRIOR CREDITORS**

The Bank hereby confirms that it is entitled to raise money through current issue of Bonds without the consent/ permission/ approval from the Bondholders/ Trustees/ Lenders/ other creditors of the Bank. Further the Bonds proposed to be issued under the terms of this Disclosure Document being unsecured and subordinated in nature, there is no requirement for obtaining permission/ consent from the prior creditors for creating second or pari passu charge in favor of Trustees.

**XVII. MATERIAL CONTRACTS & AGREEMENTS INVOLVING FINANCIAL OBLIGATIONS OF THE ISSUER**

By very nature of its business, the Bank is involved in a large number of transactions involving financial obligations and therefore it may not be possible to furnish details of all material contracts and agreements involving financial obligations of the Bank. However, the contracts referred to in Para A below (not being contracts entered into in the ordinary course of the business carried on by the Bank) which are or may be deemed to be material have been entered into by the Bank. Copies of these contracts together with the copies of documents referred to in Para B may be inspected at the Corporate Office of the Bank between 10.00 a.m. and 2.00 p.m. on any working day until the issue closing date.

**A. MATERIAL CONTRACTS**

- a. Copy of letter appointing Sharepro Services (India) Pvt. Ltd. as Registrar and Transfer Agents.
- b. Copy of letter appointing IDBI Trusteeship Services Ltd. as Trustees to the Bondholders.

**B. DOCUMENTS**

- a. Board Resolution dated May 17, 2009 authorizing the issue of Bonds offered under terms of this Disclosure Document.
- b. Consent from the Trustees to the Bondholders and Registrars to the Issue referred to in this Disclosure Document to act in their respective capacities.
- c. Copy of application made to BSE for grant of in-principle approval for listing of Bonds.
- d. Letter from ICRA conveying the credit rating for the Bonds of the Bank and the rating rationale pertaining thereto.
- e. Letter from CARE conveying the credit rating for the Bonds of the Bank and the rating rationale pertaining thereto.
- f. Tripartite Agreement between the Bank, NSDL and Sharepro Services (India) Pvt. Ltd. for issue of Bonds in dematerialised form.
- g. Tripartite Agreement between the Bank, CDSL and Sharepro Services (India) Pvt. Ltd. for issue of Bonds in dematerialised form.



## **XVIII. DECLARATION**

It is hereby declared that this Disclosure Document contains full disclosures in accordance with Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 issued vide Circular No. LAD-NRO/GN/2008/13/127878 dated June 06, 2008.

The Bank also confirms that this Disclosure Document does not omit disclosure of any material fact which may make the statements made therein, in light of the circumstances under which they are made, misleading. The Disclosure Document also does not contain any false or misleading statement.

The Bank accepts no responsibility for the statement made otherwise than in the Disclosure Document or in any other material issued by or at the instance of the Bank and that any one placing reliance on any other source of information would be doing so at his own risk.

Signed by Mr. K. A. Somayajulu, General Manager (International Division/ Treasury/ Central Card/ Merchant Banking Department & Subsidiaries), pursuant to the internal authority granted.

for **Central Bank of India**

**(K. A. Somayajulu)**  
**General Manager**

Date: June 16, 2009

Place: Mumbai (Maharashtra)



## DESIGNATED CENTRE OF BANKERS TO THE ISSUE

**CENTRAL BANK OF INDIA**

(A Government of India Undertaking)

Head Office: Chandermukhi, Nariman Point, Mumbai 400 021

Tel: (022) 66387756

Fax: (022) 22820989

E-mail: [gmid@centralbank.co.in](mailto:gmid@centralbank.co.in)Website: [www.centralbankofindia.co.in](http://www.centralbankofindia.co.in)

Location	Address of Branch	STD Code	Telephone No.	Fax No.
Mumbai	Central Bank of India Merchant Banking Department 9th Floor, Chandermukhi Nariman Point, Mumbai 400 057	022	66387769	22820989



CONFIDENTIAL

**ICRA Limited**

An Associate of Moody's Investors Service

Ref No: 2009-10/717/3361

June 11, 2009

Mr. K. A. Somayajulu  
General Manager - Treasury  
Central Bank of India  
Chander Mukhi  
Nariman Point  
Mumbai 400 021

Dear Sir,

**Re : ICRA Credit Rating for the Upper Tier II Bonds (Series III) Programme of Rs.500 crore.**

Please refer to your request vide your letter dated June 11, 2009 for rating the Upper Tier II Bonds programme of your Bank. Our Rating Committee of ICRA, after due consideration, has assigned the "LAA-" (pronounced L double A minus) Rating to your aforesaid Upper Tier II Bonds Programme of Rs.500 crore. This rating indicates the high-credit-quality rating assigned by ICRA. The rated instrument carries low credit risk.

In any of your publicity material or other document wherever you are using our above rating, it should be stated as "LAA-". We would appreciate if you can sign on the duplicate copy of this letter and send it to us within 10 days from the date of this letter as a token of your acceptance and use of the assigned rating. The rationale for assigning the above rating will be sent to you on receipt of your confirmation about the use of our rating, as above. Any intimation by you about the above rating to any Banker/Lending Agency/Government Authorities/Stock Exchange would constitute use of this rating by you.

If the instrument rated as above, is not issued by you within a period of 10 months from the date of the letter communicating the rating, the same would stand withdrawn unless revalidated before expiry of the 10 months.

You are required to forthwith inform us about any default or delay in repayment of interest and/or principal amount of the instrument rated, as above, or any other debt instruments / borrowings. You are also required to keep us forthwith informed of any other developments which may have a direct or indirect impact on the debt servicing capability of the company including any proposal for re-schedulement or postponement of the repayment programmes of the dues/debts of the company with any lender (s) / investor (s).

The rating is specific to the terms and conditions of the proposed issue as was indicated to us by you and any change in the terms or size of the issue would require the rating to be reviewed by us.

If there is any such change after the rating is assigned by us and accepted by you, it would be subject to our review and may result in change in the rating assigned.

You are required to inform us immediately as and when the borrowing limit for the instrument rated, as above, or as prescribed by the regulatory authority (ies) is exceeded.

ICRA reserves the right to suspend, withdraw or revise the above rating at any time on the basis of new information or unavailability of information or such other circumstances, which ICRA believes, may have an impact on the rating assigned to you.

The ratings, as aforesaid, however, should not be treated as a recommendation to buy, sell or hold the Non-Convertible Debentures issued by you.

..2/-

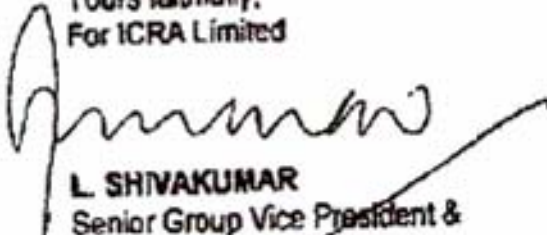


Should you require any clarifications, please do not hesitate to get in touch with us.

We thank you for your kind co-operation during the course of the rating exercise.

With kind regards,

Yours faithfully,  
For ICRA Limited



**L. SHIVAKUMAR**  
Senior Group Vice President &  
Head - Western Region



**KARTHIK SRINIVASAN**  
Vice President &  
Co-Head Financial Sector Ratings

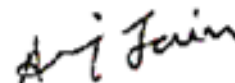





6. CARE reserves the right to suspend/withdraw/revise the rating assigned on the basis of new information or in the event of failure on the part of the company to furnish such information, material and clarifications as may be required by CARE. CARE shall also be entitled to publicize/disseminate/such suspension/withdrawal/revision in the assigned rating in any manner considered appropriate by it, without reference to you.
7. The above rating is normally valid for a period of one year from the date of the rating letter. A formal surveillance/review of ratings is normally done on the expiry of the one year from the date of initial rating / last review of the rating. However, CARE reserves the right to undertake a surveillance/review of rating more than once a year (including any time before the expiry of one year from the date of initial rating) if in the opinion of CARE, circumstances warrant such a surveillance/review.
8. CARE ratings are not recommendations to buy, sell, or hold any security.
9. If you need any clarification, you are welcome to approach us in this regard.

Thanking you,

Yours faithfully,

  
[Anuj Jain]  
Dy. Manager

  
[Milind Gadkari]  
Jt. General Manager

Encl:A/a

Disclaimer

CARE's ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE has based its ratings on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

# **IDBI Trusteeship Services Ltd.**

**AN ISO 9001 : 2000 COMPANY**

No. 1279/ITSL/OPR/2009/ CL - 09-10 - BT - 75



132  
11/6/09

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

10<sup>th</sup> June, 2009

Mr. Vivek Kumar  
Chief Manager  
Merchant Banking Division  
Central Bank of India  
Integrated Treasury, 9<sup>th</sup> Floor  
Chandramukhi, Nariman Point  
Mumbai 400 021

Dear Sir,

**Consent to act as Bond Trustee for Tier II Bonds aggregating Rs. 500 crores**

This is with reference to the discussion we had regarding appointment of IDBI Trusteeship Services Ltd. (ITSL) as Bond Trustee for the proposed Bonds aggregating to Rs. 500 Crores. In this connection, we advise that we are agreeable to act as Trustees for the said issue.

The Bank shall enter into Bond Trustee Agreement for the said bond issue.

We are agreeable for inclusion of our name as trustees in the Disclosure document/listing application/any other document to be filed with the Stock Exchange(s).

Yours faithfully,

Swati Borkar  
Manager