

EXECUTION COPY

Investment Number 25492

Subscription Agreement

between

ICICI BANK LIMITED

and

INTERNATIONAL FINANCE CORPORATION

Dated December ____, 2006

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SUBSCRIPTION AGREEMENT

This AGREEMENT, dated December 21, 2006 between **ICICI BANK LIMITED**, a company incorporated under the Companies Act of 1956 of the Republic of India, and a banking company within the meaning of the Banking Regulation Act of 1949 of the Republic of India, acting through its Indian head office (the "Bank"), and **INTERNATIONAL FINANCE CORPORATION**, an international organization established by Articles of Agreement between its member countries including the Republic of India ("IFC").

ARTICLE I

Definitions and Interpretation

Section 1.01. *General.* Wherever used in this Agreement, the following terms have the meanings opposite them:

"Accounting Principles" or "Indian GAAP"	accounting principles generally accepted in the Country together with pronouncements thereon from time to time, and applied on a consistent basis;
"Affiliate"	with respect to any Person, any other Person directly or indirectly controlling, controlled by or under common control with, such Person (where "control" means the power to direct the management or policies of a Person, directly or indirectly, provided that the direct, indirect or beneficial ownership of twenty six percent (26%) or more of the voting share capital of a Person is deemed to constitute control of such Person, and "controlling" and "controlled" have corresponding meanings);
"Applicable S&E Law"	all applicable statutes, laws, ordinances, rules and regulations of the Country, including but not limited to any license, permit or other governmental Authorization imposing liability or setting standards of conduct concerning any environmental, social, labor, health and safety or security risks of the type contemplated by the Performance Standards;
"Assets"	with respect to any Person, the aggregate of all physical assets and on-balance sheet and off-balance sheet present and future rights (whether actual or contingent) of that Person to receive money including, without limitation, all rights which, under the Accounting Principles, would appear in the "assets" section of that Person's financial statements;
"Auditors"	BSR & Co., or such other firm that the Bank appoints from time to time as its auditors;
"Authority"	any national, regional or local government or governmental, administrative, fiscal, judicial, or government-owned body, department, commission, authority, tribunal, agency or entity, or central bank (or any Person, whether or not government owned and

howsoever constituted or called, that exercises the functions of a central bank);

- "Authorization" any consent, registration, filing, agreement, notarization, certificate, license, approval, permit, authority or exemption from, by or with any Authority, whether given by express action or deemed given by failure to act within any specified time period and all corporate, creditors' and shareholders' approvals or consents;
- "Authorized Representative" any natural person who is duly authorized by the Bank to act on its behalf for the purposes specified in, and whose name and specimen signature appear on, the Certificate of Incumbency and Authority most recently delivered to IFC;
- "Available Capital" the total capital of the Bank calculated in accordance with guidelines on capital adequacy and other relevant guidelines issued from time to time by the RBI;
- "Basel Committee on Banking Supervision" the committee established by certain central bank governors to formulate bank supervisory standards and guidelines, with its secretariat provided by the Bank for International Standards;
- "Banking Regulations" the laws and regulations applicable to banking companies in the Country, including any rules, regulations and/or directives issued by the central bank or any Person exercising the functions of a central bank or that otherwise has authority to regulate the banking sector in the Country;
- "Business Day" a day when banks are open for business in New York, New York or, for the purpose only of determining the interest rate other than pursuant to Section 3.03 (b) (ii) (*Interest*), London, England;
- "Call Option" the option of the Bank to prepay in full the IFC Bond, upon receipt of requisite RBI approval, in accordance with the provisions of Section 3.06, on any Interest Payment Date following (i) the tenth (10th) anniversary of the date of the Subscription, or (ii) such other time period as may be prescribed by the RBI from time to time;
- "Certificate of Incumbency"

and Authority"	a certificate provided to IFC by the Bank in the form of Schedule 1;
"Charter"	the memorandum and articles of association of the Bank;
"Client"	any borrower financed by the Relevant Financing Operations;
"Country"	the Republic of India;
"CRAR"	the result obtained by dividing: (i) Available Capital; by (ii) Risk Weighted Assets;
"CRAR Deficiency"	means, for any Interest Payment Date, a determination made by the Bank that its CRAR has declined below the minimum regulatory requirement prescribed by the RBI from time to time, as of March 31 or September 30, whichever date is immediately preceding the relevant Interest Payment Date;
"Dollars" and "\$"	the lawful currency of the United States of America;
"Event of Default"	any one of the events specified in Sections 7.01, 7.02 and 7.03;
"Excluded Activity"	any of the activities listed in the Exclusion List;
"Exclusion List"	the list setting out the Excluded Activities attached hereto as Schedule 6;
"Financial Year"	the period commencing each year on April 1 and ending on the following March 31, or such other period that the Bank designates as its accounting year;
"IFC Bond"	the non convertible, unsecured, foreign currency debt instrument of face value equal to the Subscription Amount to be issued by the Bank to IFC on the Subscription by IFC in the form of Schedule 7;
"Interest Determination Date"	for any Interest Period, the second Business Day before the beginning of that Interest Period, or if LIBOR is determined pursuant to Section 3.03 (b) (ii) (<i>Interest</i>), the beginning of that Interest Period;
"Interest Payment"	

"Date"	April 15 and October 15 in any year;
"Interest Period"	each period of six (6) months commencing on an Interest Payment Date (or, for the first period applicable to the Subscription, the period commencing on the date of the Subscription) and ending on the day immediately before the next following Interest Payment Date;
"Letter Agreement"	an agreement to be entered into by the Bank and IFC, pursuant to which the Bank shall undertake certain obligations related to the Subscription;
"Letter of Allotment"	the letter in the form of Schedule 5, to be issued by the Bank under Section 3.02 (f) on the Subscription for the interim period before the bond certificate evidencing the IFC Bond is issued to IFC;
"LIBOR"	for any Interest Period, and subject to Section 3.03 (b) (<i>Interest</i>), the British Bankers' Association ("BBA") interbank offered rate for deposits in the Subscription Currency which appears, on the Interest Determination Date for that Interest Period, on the relevant page of the Telerate Service (currently page 3750) or, if not available, on the relevant page of any other service that displays such BBA rate;
"Master Circular"	the Master Circular bearing number DBOD No. BP.BC. 13/21.01.002/2006-07, dated July 1, 2006, issued by the Reserve Bank of India consolidating instructions/guidelines issued to banks on matters relating to 'Prudential Norms on Capital Adequacy' as amended and/or replaced from time to time;
"Material Adverse Effect"	with respect to the Bank, a material adverse effect on: (i) the Bank, its assets or properties; (ii) the Bank's business prospects or financial condition; (iii) the implementation of, or the carrying on of, the Bank's business or operations; or (iv) the ability of the Bank to comply with its obligations under this Agreement;
"Net Loss"	means, for any Interest Payment Date, a determination made by the Bank in accordance with (a) its unconsolidated financial statements

under the Indian GAAP that it has either (i) a negative balance reported in the profit and loss account line item of its balance sheet, or (ii) a net loss reported in its profit and loss account line item of its balance sheet, as of the end and for the duration of the 12 month period ended on the immediately preceding March 31 in case the relevant Interest Payment Date is on April 15, or as at the end of and for the six month period ended on the immediately preceding September 30 in case the Interest Payment Date is on October 15 or (b) norms prescribed by the RBI from time to time in this regard. In case of any conflict between determination made under (a) and (b) hereinabove, the determination made under (b) shall prevail;

- "Official" any officer of a political party or candidate for political office in the Country or any officer or employee (i) of the Government (including any legislative, judicial, executive or administrative department, agency or instrumentality thereof) or (ii) of a public international organization;
- "Performance Standards" IFC's Performance Standards on Social & Environmental Sustainability, dated April 30, 2006, copies of which have been delivered to and receipt of which have been acknowledged by the Bank;
- "Person" any natural person, corporation, company, partnership, firm, voluntary association, joint venture, trust, unincorporated organization, Authority or any other entity whether acting in an individual, fiduciary or other capacity;
- "Prohibited Payments" any offer, gift, payment, promise to pay or authorization of the payment of any money or anything of value, directly or indirectly, to or for the use or benefit of any Official (including to or for the use or benefit of any other Person if the Bank knows, or has reasonable grounds for believing, that the other Person would use such offer, gift, payment, promise or authorization of payment for the benefit of any such Official), for the purpose of influencing any act or decision or omission of any Official in order to obtain, retain or direct business to, or to secure any improper benefit or advantage for, the Bank, an Affiliate, or any other Person; provided that any such offer, gift, payment, promise or authorization of payment shall not be considered a Prohibited Payment if it (i) is lawful under applicable written laws and regulations or (ii) in IFC's reasonable opinion, is made for the purpose of expediting or securing the performance of a routine

governmental action (as such term is construed under applicable law);

"Relevant Financed Operations"	any operations or activities of the Clients (or with respect to any Client, the operations and activities of the Client) financed by the Relevant Financing Operations;
"Relevant Financing Operations"	the financing operations of the Bank with respect to project finance, including term lending for project finance;
"Relevant Spread"	(i) one point four percent (1.4%) per annum up to April 15, 2017; and (ii) two point four percent (2.4%) per annum after April 15, 2017;
"Relevant Circulars"	collectively, the following: (A) (i) the circular bearing number DBOD. No. BP.BC. 57/21.01.002/2005-2006 dated January 25, 2006, and (ii) the circular bearing number DBOD. No.BP.BC.23/21.01.2002/2006-2007 dated July 21, 2006, on matters relating to 'Enhancement of bank's capital raising options for capital adequacy purposes' as amended from time to time; and (B) the Master Circular;
"Reserve Bank of India" or "RBI"	the Central Bank of the Country constituted under the Reserve Bank of India Act, 1934;
"Risk Weighted Assets"	the aggregate of the on-balance sheet and off-balance sheet assets of the Bank, risk weighted in accordance with the RBI guidelines;
"Rupees" and "Rs."	the lawful currency of the Country;
"S&E Management System"	the social and environmental management system of the Bank that enables the Bank to identify, assess and manage the social and

	environmental risks of the Relevant Financed Operations in accordance with the S&E Requirements as implemented and/or in effect from time to time;
"SEMS Officer"	a senior officer of the Bank, reasonably acceptable to IFC, to be responsible for administration and oversight of the S&E Management System;
"SEMS Plan"	a plan prepared by the Bank, substantially in the form of Schedule 2 of the Letter Agreement, setting forth the measures to be undertaken or implemented by the Bank to enable the S&E Management System to identify, assess and manage social and environmental risks in respect of the Relevant Financed Operations in accordance with the S&E Requirements;
"S&E Performance Report"	a written report prepared by the Bank, in form and substance satisfactory to IFC, describing the implementation of the S&E Management System;
"S&E Requirements"	the social and environmental obligations to be undertaken by the Clients, including compliance with (i) the Applicable S&E Laws, (ii) the Exclusion List (subject to the provisions of Section 4.01(n)(ii)), (iii) the Performance Standards and (iv) any other requirements established by the S&E Management System;
"Shell Bank"	a bank or other financial institution which (i) is incorporated in a jurisdiction in which it has no physical presence and (ii) is unaffiliated with a regulated bank, financial institution or financial group;
"Subscription"	the subscription to, and payment for, the IFC Bond by IFC on the terms and conditions specified in this Agreement;
"Subscription Amount"	the amount as specified in Section 3.01(a) (<i>Amount</i>) of one hundred and fifty million Dollars (\$150,000,000) or, as the context requires, its principal amount from time to time outstanding;
"Subscription Currency"	Dollars;
"Upper Tier II Capital"	capital that qualifies as Upper Tier II Capital under the Relevant Circulars; and

"World Bank" the International Bank for Reconstruction and Development, an international organization established by Articles of Agreement among its member countries.

Section 1.02. *Interpretation.* In this Agreement, unless the context otherwise requires:

- (a) a reference to an Annex, Article, party, Schedule or Section is a reference to that Article or Section of, or that Annex, party or Schedule to, this Agreement;
- (b) words importing the singular include the plural and vice versa; and
- (c) a reference to a document includes an amendment or supplement to, or replacement or novation of, that document but disregarding any amendment, supplement, replacement or novation made in breach of this Agreement.

ARTICLE II

Purpose of the Subscription

Section 2.01. *Purpose.* The purpose of the Subscription is to provide the Bank with Upper Tier II Capital by subscribing to the IFC Bond for augmenting the capital base of the Bank and thereby enhancing its long term resources to finance growth in the areas of retail and rural banking.

ARTICLE III

Subscription

Section 3.01. *Amount.* (a) Subject to the terms and conditions of this Agreement, IFC agrees to subscribe to the IFC Bond by providing the Subscription Amount of one hundred and fifty million Dollars (US\$150,000,000).

(b) Any portion of the IFC Bond that is redeemed, prepaid or repaid or any part of the IFC Bond that is cancelled may not be issued again.

Section 3.02. *Subscription.* (a) There shall be only one subscription for the full amount of the IFC Bond. The Bank may request a Subscription by delivering to IFC a request in the form of Schedule 2, at least ten (10) Business Days before the proposed date of the subscription or within such other notice period as may be agreed between the Bank and IFC.

(b) IFC shall make payment of the Subscription Amount on a Business Day at a bank in New York for further credit to the Bank's account at a bank in the Country or any other place acceptable to IFC, as specified in the Bank's request for the Subscription.

The Bank shall deliver to IFC a signed receipt in the form of Schedule 3 within five (5) days of receiving the Subscription Amount.

(c) IFC may, by written notice to the Bank, suspend or cancel the right of the Bank to request the Subscription in whole or in part, with immediate effect:

- (i) if the Subscription has not been made by March 31, 2007;
- (ii) if any Event of Default has occurred and is continuing; or
- (iii) if any event or condition has occurred which has a Material Adverse Effect.

Upon any cancellation, the Bank shall, subject to paragraph (e) of this Section 3.02, pay to IFC all fees and other amounts accrued (whether or not then due and payable) under this Agreement up to the date of that cancellation.

(d) Upon written request by the Bank, IFC shall cancel the unpaid portion of the Subscription Amount with effect as of the date specified in that request (not to be earlier than thirty (30) days after the date of the request) provided that, subject to paragraph (e) of this Section 3.02, IFC has received all fees and other amounts accrued (whether or not then due and payable) under this Agreement up to that specified date.

(e) In the case of partial cancellation of the Subscription pursuant to paragraph (c) or (d) of this Section 3.02, interest on the amount then outstanding of the IFC Bond remains payable as provided in Section 3.03 (*Interest*).

(f) (i) Upon the disbursement and payment by IFC under subsection (b) above and the receipt by the Bank of the Subscription Amount, the Bank shall issue and deliver to IFC, or its authorized designate as IFC shall direct in writing, a Letter of Allotment for the interim period from the date of disbursement to:

(A) the date of issuance of the bond certificate, in form and in substance satisfactory to IFC (such bond certificate to be issued within one (1) calendar month from the date of the receipt by the Bank of the Subscription Amount); or

(B) the date of the electronic credit in dematerialized form of the IFC Bond to IFC's custodian account detailed in Section 3.02(f)(iv) (provided that the time period for such electronic credit to the custodian account shall not exceed seven (7) days from the date of the Subscription);

evidencing valid title to the IFC Bond for the amount for which such payment is made so issued free from any liens or preemptive rights.

(ii) To the extent that a bond certificate is issued it shall clearly state that the provisions of this Agreement form an inherent part of the bond certificate and are

incorporated by reference and deemed to be part of the bond certificate as if such provisions had been set forth in their entirety therein.

(iii) The bond certificate, the certificate/documents mentioned in Section 3.02 (f)(i)(B), and this Agreement shall also be appropriately stamped by the Bank in accordance with the statutory and regulatory requirements under the relevant laws applicable to the Bank.

(iv) The Bank, if specifically requested, shall provide evidence to IFC either (A) that the bond certificate has been delivered by the Bank for deposit with such IFC office or custodian account as IFC shall direct in writing, or (B) that the electronic credit of the IFC Bond has been made to IFC's following custodian account:

Hong Kong & Shanghai Banking Corporation Limited
Hong Kong Bank Central Services Center
Sudam Kalu Ahire Marg
Worli, Mumbai, India 400 030
Attn: Custody Services Department
BIC: HSBCINBBXXX
Security Account: C61V-IFC Bond Subscription
Sub Account: 002-757631-601
Reference: ICICI Bank Limited, # 25492 IND

or such account as IFC may direct in writing on or before the date of the Subscription.

(g) In the event that the bond certificate is lost or misplaced, then the same will be reissued by the Bank (and at its own cost in the event the bond certificates are lost or misplaced by the Bank) within thirty (30) days of a receipt of a written request for the same made by IFC.

Section 3.03. *Interest.* (a) Subject to Section 3.05 (*Payments in Arrears*), the Bank shall, on each Interest Payment Date, pay interest on the principal amount of the IFC Bond outstanding during the immediately preceding Interest Period at the per annum rate which is the sum of the Relevant Spread and LIBOR on the Interest Determination Date for one, two, three or six months (whichever period is closest to the duration of the relevant Interest Period) rounded upward to the nearest three decimal places; provided that, with respect to any Subscription made less than fifteen (15) days before an Interest Payment Date, interest shall be paid on the second Interest Payment Date following the date of that Subscription. Interest shall accrue from day to day and be calculated on the basis of a 360-day year and the actual number of days in each Interest Period.

(b) If for any reason LIBOR cannot be determined from the Telerate Service or any other service that displays BBA rates, IFC will make such determination by calculating the arithmetic mean (rounded upward to the nearest three decimal places) of the offered rates for deposits or, in the case of sub-paragraph (ii) below, loans in the

Subscription Currency advised to IFC on the relevant Interest Determination Date (and otherwise in accordance with Section 3.03 (a)), either:

- (i) on or around 11:00 a.m. London time, by any four (4) major banks active in the Subscription Currency interbank market in London selected by IFC; provided, however, that if less than four quotations are received, IFC may rely on the quotations so received if not less than two (2); or
- (ii) if less than two (2) such quotations are received, on or around 11:00 a.m. New York time, by any major bank or banks active in the Subscription Currency interbank market in New York, New York selected by IFC.

(c) IFC shall notify the Bank of its determination of the interest rate for each Interest Period. That determination shall bind the Bank unless it shows that such determination involves manifest error.

(d) (i) If the Bank has: (A) a CRAR Deficiency; or (B) a Net Loss, the Bank shall defer payment of interest until the next Interest Payment Date when the Bank does not have a CRAR Deficiency or a Net Loss.

(ii) If the Bank: (A) does not have a CRAR Deficiency; but (B) has a Net Loss, the Bank shall not pay interest on such Interest Payment Date unless it has obtained the prior approval of the RBI and payment of interest shall be deferred until such next Interest Payment Date when the Bank does not have a CRAR Deficiency or a Net Loss.

(iii) In the event that any payment of interest is deferred as set forth in items (i) or (ii) above, the Bank will immediately notify the Chief General Manager-in Charge of the Department of Banking Operations and Development and Department of Banking Supervisions of the Reserve Bank of India, Mumbai and simultaneously send a copy of such notification to IFC. Any payment of interest deferred under items (i) and (ii) above shall accrue interest at the interest rate in effect from time to time on the IFC Bond.

(iv) Any deferment of interest under items (i) and (ii) above shall not constitute a default by the Bank provided however that the Bank shall not declare or pay any dividend or make any distribution on its share capital, or purchase, redeem or otherwise acquire any shares of the Bank or any option over them or make any payment in respect of its indebtedness that ranks equally or junior to the IFC Bond unless all payments on the IFC Bond (including payments in arrears) have been paid in full.

(v) For the avoidance of doubt, where any payment of interest may only be made with the approval of the RBI, the Bank will use its best endeavors to obtain such approval. IFC however understands and agrees that the approval of the RBI is purely discretionary and may not be necessarily granted or may be granted conditionally.

Section 3.04. *Repayment.* (a) Subject to Section 3.06 (*Call Option and Prepayment*) and in compliance with all applicable laws and the RBI guidelines, the Bank shall redeem the IFC Bond by repaying the Subscription Amount with the accrued interest in a single installment on April 15, 2022.

(b) The date for redemption of the IFC Bond shall be specified on the bond certificate as issued by the Bank and such date of redemption shall coincide with an Interest Payment Date.

(c) (i) If the Bank has: (A) a CRAR Deficiency; or (B) a Net Loss, the Bank shall defer redemption of the IFC Bond until the next Interest Payment Date when the Bank does not have a CRAR Deficiency or a Net Loss.

(ii) If the Bank: (A) does not have a CRAR Deficiency; but (B) has a Net Loss, the Bank shall not redeem the IFC Bond unless it has obtained the prior approval of the RBI and redemption of the IFC Bond shall be deferred until such next Interest Payment Date when the Bank does not have a CRAR Deficiency or a Net Loss.

(iii) In the event that any payment of the Subscription Amount is deferred as set forth in item (i) or (ii) above, the Bank will immediately notify the Chief General Manager-in Charge of the Department of Banking Operations and Development and Department of Banking Supervisions of the Reserve Bank of India, Mumbai and simultaneously send a copy of such notification to IFC. Any payment of the Subscription Amount so deferred under item (i) above shall accrue interest at the interest rate in effect from time to time on the IFC Bond for so long as such payment remains unpaid.

(iv) Any deferment of payment of the Subscription Amount under item (i) and (ii) above shall not constitute a default by the Bank provided however that the Bank shall not declare or pay any dividend or make any distribution on its share capital, or purchase, redeem or otherwise acquire any shares of the Bank or any option over them or make any payment in respect of its indebtedness that ranks equally or junior to the IFC Bond unless all payments on the IFC Bond (including payments in arrears) have been paid in full.

(v) For the avoidance of doubt, where any repayment by the Bank on the IFC Bond may only be made with the approval of the RBI, the Bank will use its best endeavors to obtain such approval. IFC however understands and agrees that the approval of the RBI is purely discretionary and may not be necessarily granted or may be granted conditionally.

Section 3.05. *Payments in Arrears.* Without limiting the remedies available to IFC under this Agreement or otherwise (and to the maximum extent permitted by applicable law) if the Bank fails to make any payment of principal or interest (including interest payable pursuant to this Section) or any other payment provided for in Section 3.07 (*Fees*) when due, the Bank shall pay interest on the amount of that payment due and unpaid at the rate which is equivalent to the interest rate payable on the IFC Bond from time to time and that interest shall accrue from the date the relevant payment became due

until the date of actual payment (as well after as before judgment) and will be payable on demand or, if not demanded, on each Interest Payment Date thereafter.

Section 3.06. Call Option and Prepayment. (a) The Bank may, subject to the approval of the RBI, exercise the Call Option, provided that any outstanding portion of the IFC Bond will be subject to the Relevant Spread of two point four percent (2.4%) after April 15, 2017.

(b) In the event that the IFC Bond at any time is not classified as Upper Tier II Capital (provided that any progressive discount for capital adequacy purposes as referred to in Section 7.05 of this Agreement will not be deemed to be a non-classification of the IFC Bond as Upper Tier II Capital for purposes of this Section), the Bank may:

(A) Subject to the approval of the RBI, on not less than thirty (30) days' prior notice to IFC, in accordance with the terms of that notice, redeem all or part of the IFC Bond, on an Interest Payment Date, but only if:

- (i) the Bank simultaneously pays all accrued interest on the amount of the IFC Bond to be redeemed, together with all other amounts then due and payable under this Agreement;
- (ii) for a partial redemption of the IFC Bond, that redemption is made by the prepayment of the Subscription Amount in an amount of not less than ten million Dollars (\$10,000,000) or increments thereof;
- (iii) to the extent necessary, in the event that a partial redemption would result in any portion of the IFC Bond having to be reissued or replaced, IFC receives new bond certificate for the outstanding amount of the principal of the IFC Bond evidencing valid title to the IFC Bond free from any liens or preemptive rights along with evidence satisfactory to IFC that such IFC Bond has been duly authorized, issued and delivered and all other legal requirements in connection therewith have been duly satisfied (for the avoidance of doubt IFC shall issue a release letter for such portion of the IFC Bond as is reissued or replaced on the date of receipt of the new bond certificate); and
- (iv) if requested by IFC, the Bank delivers to IFC, prior to the date of prepayment, evidence satisfactory to IFC that all required Authorizations, including the prior approval of the RBI as required under the annex 2 to Master Circular, with respect to the prepayment have been obtained.

(B) Subject to the approval of the RBI, within a 30-day period, negotiate and agree with IFC to reclassify the full amount of the IFC Bond, or in case of partial prepayment in accordance with (A) above, the remaining portion of the IFC Bond

outstanding, as a senior loan of the Bank, in accordance with the applicable laws and regulations.

(C) In the event the Bank fails to prepay and/or reclassify the IFC Bond in accordance with (A) and (B) above, the Bank shall immediately redeem the IFC Bond in full, subject to the provisions of Section 7.03.

(b) Amounts of principal prepaid under this Section shall be applied by IFC to the outstanding amount of principal of the IFC Bond on a pro rata basis or to the extent possible to such portion of the IFC Bond as is being redeemed.

(c) Any principal amount of the Subscription Amount prepaid to redeem the IFC Bond under this Agreement may not be re-borrowed from IFC.

Section 3.07. Fees. The Bank shall pay to IFC:

- (a) a front-end fee of one million eight hundred and seventy five thousand Dollars (\$1,875,000) to be paid on the earlier of (x) thirty (30) calendar days from the date of this Agreement and (y) the date immediately preceding the date of the Subscription;
- (b) a commitment fee at the rate of one half of one percent (1/2%) per annum on that part of the Subscription Amount which has not been disbursed/paid or cancelled by IFC, which shall accrue from day to day beginning on the date of this Agreement, be calculated on the basis of a 360-day year and the actual number of days in the relevant period, and be payable in arrears on each Interest Payment Date beginning on April 15, 2007; and
- (c) within 30 days after the Subscription and then on every anniversary thereafter, a portfolio monitoring fee of fifteen thousand Dollars (\$15,000,000) per annum.

Section 3.08. Currency and Place of Payment. (a) Payments due to IFC under this Agreement shall be made in the Subscription Currency, in same day funds, to Citibank, N.A., 111 Wall Street, New York, New York, U.S.A., ABA#021000089, for credit to IFC's account number 36085579 unless a different account has been designated in writing by IFC at least five (5) days prior to the date of payment.

(b) The payment obligations of the Bank under this Agreement shall be discharged or satisfied only to the extent that (and as of the date when) IFC actually receives funds in the Subscription Currency in the account referred to in Section 3.08 (a), notwithstanding the tender or payment (including by way of recovery under a judgment) of any amount in any currency other than the Subscription Currency. Accordingly, the Bank shall, as a separate obligation or by way of indemnity, as the case may be, pay such additional amount as is necessary to enable IFC to receive, after conversion to the Subscription Currency, at the prevailing exchange rate, and transfer to that account, the

full amount due to IFC under this Agreement in the Subscription Currency and in the account referred to in subsection (a) above.

Section 3.09. *Taxes*. The Bank shall pay or cause to be paid all taxes and make all payments under this Agreement without deducting any, present and future taxes whatsoever by whomsoever levied or imposed in connection with the payment of any amount under this Agreement; provided that, if the Bank is prevented from making payments without deduction, the Bank shall, in each case, pay an increased amount such that, after deduction, IFC receives the full amount it would have received had that payment been made without deduction.

Section 3.10. *Business Day Adjustment*. (a) When an Interest Payment Date is not a Business Day, then such Interest Payment Date shall be automatically changed to the next Business Day in that calendar month (if there is one) or the preceding Business Day (if there is not).

(b) When the day on or by which a payment (other than a payment of principal or interest) is due to be made is not a Business Day, that payment shall be made on or by the next Business Day in that calendar month (if there is one) or the preceding Business Day (if there is not).

Section 3.11. *Allocation of Partial Payments*. If at any time IFC receives less than the full amount then due and payable under this Agreement, IFC may allocate and apply the amount received in any manner for the purpose of this Agreement as IFC solely determines notwithstanding any instruction of the Bank to the contrary.

Section 3.12. *Increased Costs*.

[THIS SECTION HAS INTENTIONALLY BEEN OMMITTED]

Section 3.13. *Unwinding Costs*. If IFC incurs any cost, expense or loss in unwinding its funding arrangements (including any premium, penalty or expense incurred to liquidate or obtain third party deposits or borrowings in order to make, maintain or fund all or any part of the IFC Bond) as a result of (i) the Bank's failure to borrow any part of the Subscription Amount in accordance with a request for the Subscription made pursuant to Section 3.02 (a) (*Subscription*) or to redeem the IFC Bond by prepaying the Subscription Amount in accordance with a notice of prepayment or (ii) the redemption of the IFC Bond by the prepayment of any part of the Subscription Amount other than on an Interest Payment Date, the Bank shall, on IFC's demand, pay to IFC the amount of any such cost, expense or loss as determined by IFC in accordance with the methodology set out in Annex C that IFC notifies to the Bank.

Section 3.14. *Expenses*. (a) The Bank shall pay, or reimburse IFC any amount paid by IFC on account of, all taxes (including stamp taxes), duties, fees or other charges payable on or in connection with the execution, issue, delivery, registration or notarization of this Agreement, the IFC Bond and any other documents related to them.

(b) The Bank shall pay to IFC or as IFC may direct:

- (i) (A) the fees and expenses up to the amount of twenty thousand Dollars (\$20,000) of IFC's counsel in the Country incurred in connection with IFC's investment provided for in this Agreement including, without limitation, the preparation, review and execution of this Agreement, the IFC Bond, and any other documents or matters related to them, including the issuance of a legal opinion by IFC's counsel in the Country for the benefit of IFC and, (B) the reasonable fees and expenses of IFC's counsel in the Country and/or England, incurred in connection with any amendment, supplement or modification to, or waiver under, this Agreement; and
- (ii) the costs and expenses incurred by IFC, including legal and other professional consultants' fees, on a full indemnity basis, in relation to any efforts to enforce and/or protect its rights under this Agreement, and/or the exercise of its rights or powers consequent upon or arising out of the occurrence of any Event of Default.

ARTICLE IV

Representations and Warranties

Section 4.01. Representations and Warranties. The Bank represents and warrants that:

(a) it is duly incorporated and validly existing under the laws of the Country and has the corporate power, and has obtained all required Authorizations, to own its assets, conduct its business as presently conducted and to enter into, and fulfill its obligations under, this Agreement;

(b) this Agreement has been duly authorized and executed by it and constitutes its valid and legally binding obligation, enforceable in accordance with its terms;

(c) neither the making of this Agreement (when all the Authorizations referred to in Section 5.01(a) (*Conditions of Subscription*) have been obtained) nor the compliance with its terms will conflict with or result in a breach of any of the terms, conditions or provisions of, or constitute a default or require any consent under, any indenture, mortgage, agreement or other instrument or arrangement to which it is a party or by which it is bound, or violate any of the terms or provisions of its Charter or any Authorization, judgment, decree or order or any statute, rule or regulation applicable to it;

(d) to the best of the Bank's knowledge after due inquiry:

- (i) the Authorizations specified in Annex A are all the Authorizations (other than Authorizations that are of a routine nature and are obtained in the ordinary course of business) needed by the Bank to conduct and carry out its business, and execute, and comply with its obligations under, this Agreement, and all Authorizations specified in Annex A have been obtained and are in full force and effect;
- (e) its Charter has not been amended since August 20, 2005;
- (f) neither it nor any of its property enjoys any right of immunity from set-off, suit or execution with respect to its assets or its obligations under this Agreement;
- (g) the information relating to the Bank and the purpose for which the Bank is availing the Subscription Amount was and continues to be true and accurate (other than for projections and other forward-looking statements which the Bank believes to be reasonable) and does not contain any information which is misleading in any material respect nor does it omit any information the omission of which makes the information contained in it misleading in any material respect;
- (h) since March 31, 2006, it (i) has not suffered any change that has a Material Adverse Effect or incurred any substantial loss or liability and (ii) other than as has been publicly disclosed, has not undertaken or agreed to undertake any substantial obligation outside the ordinary course of business of the Bank;
 - (i) its financial statements for the period ending on March 31, 2006:
 - (i) have been prepared in accordance with the Accounting Principles, and give a true and fair view of its financial condition as of that date and the results of its operations during the period then ended; and
 - (ii) disclose all liabilities (contingent or otherwise) of the Bank, and the reserves, if any, for such liabilities and all unrealized or anticipated liabilities and losses arising from commitments entered into by the Bank (whether or not such commitments have been disclosed in such financial statements);
- (j) all tax returns and reports of the Bank required by law to be filed have been duly filed and all taxes, obligations, fees and other governmental charges upon the Bank, or its properties, or its income or assets, which are due and payable or to be withheld, have been paid or withheld, except where disputed in good faith by the Bank and the outcome of such dispute is pending;
- (k) to the best of its knowledge and belief after due inquiry, other than as disclosed and disputed in good faith by the Bank, where the outcome of such dispute is pending; it is not in violation of any statute or regulation of any Authority, and is not

engaged in nor threatened by any litigation, arbitration or administrative proceedings, the outcome of which could reasonably be expected to have a Material Adverse Effect;

(l) neither the Bank nor any Affiliates, nor any Person acting on its or their behalf, has made, with respect to the Subscription and IFC Bond or any transaction contemplated by this Agreement, any Prohibited Payment;

(m) no judgment or order has been issued which has a Material Adverse Effect;

(n) (i) to the best of the Bank's knowledge and belief, after due inquiry, the Bank has not received nor is aware of: (i) any existing or threatened complaint, order, directive, claim, citation or notice from any Authority; or (ii) any material written communication from any Person concerning the failure by any Client to undertake its operations and activities in accordance with the S&E Requirements;

(ii) the Bank's aggregate exposure on account of its loan portfolio to, collectively, all the items in the Exclusion List, does not exceed five percent (5%) of the aggregate amount of its total Assets;

(o) the IFC Bond is available for subscription by IFC and are free from any preemptive rights or liens whatsoever; and the Subscription Amount to be made available to the Bank, by way of a subscription by IFC to the IFC Bond, shall qualify as Upper Tier II Capital;

(p) after subscription by IFC, the IFC Bond will be, duly authorized, issued and delivered and all other legal requirements in connection therewith will be duly satisfied;

(q) the claims of IFC as an investor in the IFC Bond shall be superior to the claims of investors in instruments eligible for inclusion in Tier 1 Capital as defined under the Relevant Circulars and shall be subordinated to the claims of all other creditors in accordance with the Relevant Circulars;

(r) the Bank's CRAR is not below the minimum regulatory requirement prescribed by the RBI;

(s) the present borrowings of the Bank from IFC are within the sanctioned limits as applicable to the Bank under the Master Circular; and

(t) it does not maintain accounts or effect transactions through Shell Banks.

Section 4.02. *IFC Reliance.* The Bank acknowledges that it makes the representations and warranties in Section 4.01 (*Representations and Warranties*) with the

intention of inducing IFC to enter into this Agreement and that IFC enters into this Agreement in full reliance on each of them.

ARTICLE V

Conditions of Subscription

Section 5.01. *Conditions of Subscription.* IFC shall have no obligation to make the Subscription unless the following conditions are fulfilled:

(a) the Bank has delivered to IFC copies of all Authorizations listed in Annex A and as are necessary for the Subscription, and the issuance of IFC Bond, the due execution, delivery, validity and enforceability of, and performance by the Bank of its obligations under, this Agreement, the remittance to IFC or its assigns in Dollars of all monies payable with respect to this Agreement (except for any RBI approval that may be required for the redemption of the IFC Bond under Section 3.04(a) which is to be obtained prior to such redemption) and all those Authorizations are in full force and effect;

(b) IFC has received a legal opinion in form and substance acceptable to IFC, from IFC's counsel in the Country and covering such matters relating to the transactions contemplated by this Agreement as IFC may request;

(c) IFC has received a copy of all insurance policies required to be obtained pursuant to Annex B and other information or documents on each insurance policy as IFC may request;

(d) IFC has received the fees specified in Section 3.07 (*Fees*) required to be paid at the date of the Subscription and, if IFC so requires, reimbursement of all invoiced fees and expenses of IFC's counsel or confirmation by that counsel that the Bank has directly paid those fees and expenses;

(e) IFC has received a Certificate of Incumbency and Authority;

(f) the Bank has delivered to IFC evidence, substantially in the form of Schedule 4 or in other form satisfactory to IFC, of appointment of an agent for service of process pursuant to Section 8.05 (d) (*Applicable Law and Jurisdiction*);

(g) the Bank has delivered to IFC the SEMS Plan;

(h) no Event of Default has occurred and is continuing;

(i) the proceeds of the Subscription are, at the date of the relevant request or within three (3) months of that date, needed by the Bank for the purpose specified in Section 2.01 (*Purpose*) and are not in reimbursement of, or to be used for, expenditures in

the territories of any country which is not a member of the World Bank or for goods produced in or services supplied from any such country;

(j) since March 31, 2006 (i) nothing has occurred which has a Material Adverse Effect, and (ii) the Bank has not incurred any material loss other than as it has publicly disclosed;

(k) the representations and warranties made in Article IV are true and correct in all material respects on and as of the date of the Subscription with the same effect as if those representations and warranties had been made on and as of the date of the Subscription (but in the case of Section 4.01 (c) (*Representations and Warranties*), without the words in parentheses);

(l) after giving effect to the Subscription, the Bank would not be in violation of its Charter, any provision contained in any document to which the Bank is a party (including this Agreement) or by which the Bank is bound, or any law, rule, regulation, Authorization or agreement or other document binding on the Bank directly or indirectly limiting or otherwise restricting the Bank's borrowing power or authority or its ability to borrow;

(m) the Letter Agreement has been entered into and has become unconditional and fully effective in accordance with its terms; and

(n) the Bank has delivered to IFC certifications, in the form included in Schedule 2, expressed to be effective as of the date of the Subscription, and if IFC so requires, such evidence as IFC may reasonably request of the proposed utilization of the proceeds of the Subscription.

Section 5.02. *Conditions for IFC Benefit.* The conditions in Section 5.01 (*Conditions of Subscription*) are for the benefit of IFC and may be waived only by IFC in its sole discretion.

ARTICLE VI

Reporting

Section 6.01. *Reporting Requirements.* Unless IFC otherwise agrees, the Bank shall:

(a) as soon as available but in any event within forty (40) days after the end of each quarter of each Financial Year, deliver to IFC a copy of the Bank's published financial results for such quarter, certified by an officer of the Bank and a report on all the disclosures made publicly for such quarter;

(b) as soon as available but in any event within ninety (90) days after the end of each Financial Year, deliver to IFC two (2) copies of its complete and audited financial

statements for that Financial Year prepared on an unconsolidated basis and on a consolidated basis in accordance with the Accounting Principles, together with the Auditors' audit report on them, all in form as required to be observed under statutes by the Bank;

- (c) (i) as soon as available but in any event within ninety (90) days after the end of each Financial Year, deliver to IFC the S&E Performance Report; and
- (ii) as soon as possible but no later than ten (10) days after becoming aware of the occurrence, notify IFC of any social, labor, health and safety, security or environmental incident, accident or circumstance with respect to any Client or in relation to any of the Relevant Financed Operations having, or which could reasonably be expected to have, any material adverse effect or a material adverse impact on the implementation or operation of the Relevant Financed Operations in compliance with the S&E Requirements. The Bank agrees to provide IFC with any additional relevant information that IFC may reasonably request in this regard to which the Bank has reasonable access;
- (d) promptly upon becoming aware of (i) any litigation or administrative, regulatory or criminal investigations or proceedings before any Authority or arbitral body which has or may reasonably be expected to have a Material Adverse Effect, and (ii) all litigation, administrative, regulatory or criminal investigations or proceedings or freezing of assets by any government Authority involving the Bank or its employees in their official capacity with regard to money laundering or financing of terrorism, if permitted by law or regulations to do so, notify IFC by facsimile of that event specifying the nature of the action, litigation, investigation or proceedings and the steps the Bank is taking or proposes to take with respect thereto;
- (e) on an annual basis, a summary of the quarterly reports which are prepared for and submitted to the Bank's Audit Committee concerning anti-money laundering, combating the financing of terrorism and related matters; and
- (f) upon the occurrence of an Event of Default, notify IFC by facsimile specifying the nature of that Event of Default and any steps the Bank is taking to remedy it.

ARTICLE VII

Events of Default, Subordination and Discounts

Section 7.01. *Payment Default.* Subject to Section 3.03 (d) and 3.04(c), if the Bank fails to pay when due any principal of, or interest on, or payments in arrears and default rate interest on the IFC Bond, and such failure continues for a period of five (5)

days, IFC may, at its discretion and without further notice, institute such proceedings and take such actions against the Bank as it may think fit to enforce the obligations of the Bank under the IFC Bond including, without limitation, the institution of proceedings of winding up; provided that the Bank shall not, by virtue of the institution of any such proceedings other than proceedings for the winding up of the Bank, be obliged to pay any sums sooner than the same would otherwise have been payable by it.

Section 7.02. *Bankruptcy, Etc.* In the event that any order is made for the winding up or liquidation of the Bank (save for the purposes of amalgamation, merger, reorganization or demerger, where the resulting, transferee or surviving entity, as the case may be, that has the obligations related to the Subscription Amount and other obligations under this Agreement, has a credit rating equal to or higher than the Bank), IFC shall have the right to give notice to the Bank that the Subscription Amount, all accrued interest on it and any other amounts payable under this Agreement are, and they shall, subject to the prior approval of the Reserve Bank of India having been obtained, thereupon become, due and repayable.

Section 7.03. *Non- classification as Upper Tier II Capital.* In the event that the IFC Bond is not, or ceases to be, classified as Upper Tier II Capital, subject to the provisions of Section 3.06, and in accordance with the Section 3.06(b)(C), the IFC Bond and all other amounts payable under this Agreement shall become immediately due without any presentment, demand, protest or notice of any kind, all of which the Bank waives and the Bank shall, subject to the receipt of the RBI approval, in the event that such approval is required, immediately redeem the IFC Bond by repaying the Subscription Amount and pay all accrued interest on it and any other amounts payable under this Agreement. In the event that an RBI approval is required, the Bank will take all necessary action to ensure that it obtains the approval of the RBI to redeem the IFC Bond by repaying the Subscription Amount and pay all accrued interest on it and any other amounts payable under this Agreement to give effect to the provisions herein contained. IFC understands and agrees that in the event that an RBI approval is required to be obtained, such approval of the RBI is purely discretionary and may not be necessarily granted or may be granted conditionally. For the avoidance of doubt it is clarified that any progressive discount of the IFC Bond for capital adequacy purposes as referred to in Section 7.05 of this Agreement will not be deemed to be a non classification of the IFC Bond as Upper Tier II Capital for purposes of this Section.

Section 7.04. *Subordination.* In the event of the winding up or liquidation of the Bank, payments on the IFC Bond shall be subordinated in right of payment to the prior payment in full of all other creditors, except those liabilities which rank equally or junior to the IFC Bond, including claims of investors eligible for inclusion in Tier I Capital (as defined in the Relevant Circulars).

Section 7.05. *Discounts.* The provisions of discounting as provided for in Annex 2 to the Master Circular shall apply to this Agreement.

ARTICLE VIII

Miscellaneous

Section 8.01. *Saving of Rights.* (a) The rights and remedies of IFC in relation to any misrepresentation or breach of warranty on the part of the Bank shall not be prejudiced by any investigation by or on behalf of IFC into the affairs of the Bank, by the execution or the performance of this Agreement or by any other act or thing by or on behalf of IFC (other than an express written waiver by IFC) which might, apart from this Section, prejudice such rights or remedies.

(b) No course of dealing, action or waiver by IFC with respect to the Subscription or condition of Subscription or default shall affect or impair any right, power or remedy of IFC or be construed to be a waiver with respect to any other subscription or condition of subscription or default.

(c) No course of dealing and no failure or delay by IFC in exercising any power, remedy, discretion, authority or other right under this Agreement or any other agreement shall impair, or be construed to be a waiver of or an acquiescence in, that or any other power, remedy, discretion, authority or right under this Agreement, or in any manner preclude its additional or future exercise.

Section 8.02. *Notices.* Any notice, request or other communication to be given or made under this Agreement shall be in writing and, unless otherwise specified in this Agreement, may be delivered by hand, airmail, established courier service or facsimile to the party's address specified below or at such other address as that party notifies to the other party from time to time, and will be effective upon receipt.

For the Bank:

ICICI Bank Ltd.
ICICI Bank Towers
Bandra-Kurla Complex
Bandra (East)
Mumbai 400 051

Facsimile: (91 22) 2653 1111

Attention: Vishakha Mulye, Group Chief Financial Officer

For IFC:

International Finance Corporation
2121 Pennsylvania Ave., N.W.
Washington, D.C. 20433
United States of America

Facsimile: (202) 974-4872

Attention: Director, Global Financial Markets Department

With a copy (in the case of communications relating to payments) sent to the attention of the Director, Department of Financial Operations, at:

Facsimile: (202) 522-7419.

Without in any way prejudicing, affecting or modifying the aforesaid, a copy of a notice given or made to IFC in any mode pursuant to the foregoing provisions shall also be sent by courier and facsimile to IFC's South Asia Department, Godrej Bhavan, 3rd Floor, Murzban Road, Fort, Mumbai – 400 001, India, fax number (91-22) 6665 2001.

Section 8.03. English Language. All documents to be provided or communications to be given or made under this Agreement shall be in English and, where the original version of any such document or communication is not in English, shall be accompanied by an English translation certified by an Authorized Representative to be a true and correct translation of the original. IFC may, if it so requires, obtain an English translation of any document or communication received in any other language at the cost and expense of the Bank; and in either case IFC may deem any such translation to be the governing version.

Section 8.04. Term of Agreement. This Agreement shall continue in force until all monies payable under it have been fully paid in accordance with its provisions.

Section 8.05. Applicable Law and Jurisdiction. (a) This Agreement is governed by, and shall be construed in accordance with, the laws of England.

(b) The Bank irrevocably submits to the jurisdiction of the courts of England in any legal action, suit or proceeding arising out of or relating to this Agreement that may be brought by IFC; and final judgment against the Bank in any such action, suit or proceeding shall (subject to any right available to the Bank under the laws of England to oppose or otherwise dispute or challenge any such judgment) be conclusive and may be enforced in any other jurisdiction, including the Country, by suit on the judgment, a certified or exemplified copy of which shall be conclusive evidence of the judgment, or in any other manner provided by law.

(c) The Bank (A) agrees to appoint and empower a process agent acceptable to IFC as its authorized agent to receive for and on its behalf service of the claim form or other legal process in any action, suit or proceeding brought in the courts of England, and (B) agrees that, for as long as this Agreement remains in force, it shall maintain a duly appointed and authorized agent for that purpose, and inform IFC of the identity and location of that agent.

(d) The Bank also irrevocably consents to the service of process being made out of those courts by mailing copies of the claim form or other legal process by air mail, postage prepaid, to the Bank at its address specified pursuant to Section 8.02 (*Notices*). In such a case, IFC shall also send by facsimile, or have sent by facsimile, a copy of such claim form or other legal process to the Bank.

(e) To the extent that the Bank may be entitled in any jurisdiction to claim for itself or its assets immunity in respect of its obligations under this Agreement to which it is a party, from any suit, execution, attachment (whether provisional or final, in aid of execution, before judgment or otherwise) or other legal process or to the extent that in any jurisdiction that immunity (whether or not claimed) may be attributed to it or its assets, the Bank irrevocably agrees not to claim and irrevocably waives such immunity to the fullest extent permitted now or in the future by the laws of such jurisdiction.

Section 8.06. Disclosure of Information. Subject to the Confidentiality Letter of IFC to the Bank, dated October 6, 2006, IFC may, notwithstanding the terms of this Agreement:

- (i) disclose any documents or records or information about this Agreement, or the assets, business or affairs of the Bank, to (A) its outside counsel, or auditors, and (B) in case of an Event of Default occurring, to any other Person as IFC may deem appropriate in connection with any proposed sale, transfer, assignment or other disposition of IFC's rights under this Agreement; and
- (ii) refer to any documents or records or information already public about the Bank, this Agreement or the assets, business or affairs of the Bank, to any other Person, as IFC may deem appropriate, in connection with any proposed sale, transfer, assignment or other disposition of IFC's rights.

Section 8.07. Successors and Assignees. This Agreement binds and benefits the respective successors and assignees of the parties. However, the Bank may not assign or delegate any of its rights or obligations under this Agreement without the prior consent of IFC.

Section 8.08. Amendments, Waivers and Consents. Any amendment or waiver of, or any consent given under, any provision of this Agreement shall be in writing and, in the case of an amendment, signed by the parties. Without prejudice to IFC's rights and remedies under this Agreement, in the event that the IFC Bond is not classified as Upper Tier II Capital, the parties will, in good faith, make reasonable efforts to amend the Agreement.

Section 8.09. Visitation. The Bank shall upon IFC's prior request by e-mail or other written forms, permit representatives of IFC to visit any of the premises where the business of the Bank is conducted and, subject to applicable law, to have access to its books of account and records and to its employees.

Section 8.10. Counterparts. This Agreement may be executed in several counterparts, each of which is an original, but all of which constitute the same agreement.

IN WITNESS WHEREOF, the parties have caused this Agreement to be signed in their respective names as of the date first above written.

ICICI BANK LIMITED

By: _____

Name: _____

Title: _____

INTERNATIONAL FINANCE CORPORATION

By: _____

Name: _____

Title: _____

ANNEX A

BANK AUTHORIZATIONS

(See Sections 4.01 (a) and 5.01 (a) of the Subscription Agreement)

Authorizations Already Obtained/to be Obtained Prior to the Execution of the
Subscription Agreement

- (a) certified true copy of the Memorandum and Articles of Association of the Bank;
- (b) certified true copy of an extract of the resolution of the Board of Directors of the Bank passed at their meeting held on April 26, 2002, authorizing the Committee of Directors (Borrowing, Treasury and Investment Operations) to authorize and raise borrowings;
- (c) certified true copy of an extract of the resolution of the Board of Directors of the Bank passed at their meeting held on April 29, 2006 authorising the Committee to issue hybrid Tier I and Tier II capital in foreign currency not exceeding Rs. 50 billion in each category of instruments;
- (d) certified true copy of an extract of the resolution of the Committee of Directors (Borrowing, Treasury and Investment Operations) of the Bank's Board of Directors passed at their meeting held on December 15, 2006, authorizing: (i) the issue Upper Tier 2 capital of USD 150 million to IFC; and (ii) specified person or persons, on its behalf, to sign and/or dispatch all documents and notices to be signed and/or dispatched by it under or in connection with the Subscription Agreement;
- (e) certified true copy of an extract of the resolution of the shareholders meeting of the Bank under Section 293(1)(d) of the Companies Act, 1956, held on June 15 1998, read with the relevant extract of the scheme of amalgamation of ICICI Limited, ICICI Capital Services Limited and ICICI Personal Financial Services Limited with ICICI Bank Limited, effective May 3, 2002 (the "**Scheme**"), authorizing the Bank to borrow up to an amount of Rs. 1,005.50 billion (\$22.5 billion);
- (f) certificate from the statutory auditors of the Bank dated December 21, 2006, certifying that the borrowing is within the borrowing limit authorized by the Bank's shareholders pursuant to Section 293(1) (d) of the Companies Act, 1956.

ANNEX B

INSURANCE REQUIREMENTS

(See Section 5.01 (c) of the Subscription Agreement)

The insurances required to be arranged by the Bank are those customarily expected of a prudent banking institution, including but not limited to the following:

- a) Fire and perils, or All Risks on assets
- b) Public liability
- c) Financial institution bond (bankers blanket bond) with cover to include, without limitation, the following:
 - Fidelity guarantee
 - Cash
 - Electronic fraud; and
- d) other insurances required by local law.

Special Provisions

- a) Maintain insurance requirements for loans
- b) Deliver to IFC a description of the insurance requirements and the procedures instituted by the Bank to monitor insurances on all loans, in accordance with its Credit and Recovery Policy, as amended from time to time

ANNEX C

EXAMPLE FOR THE CALCULATION OF THE UNWINDING COST

(See Section 3.13 of the Subscription Agreement)

T1 = Time of last reset, say June 15, 2007

R1 = Last Reset Rate (LIBOR), say 1.15%

T2 = Time of repayment if there were no breakage, say December 15, 2007

T0 = Time of breakage, say August 15, 2007

A = Amount of breakage, say \$10m

Step 1 : Get the remaining period (Actual/360) : $(T2 - T0) = (\text{December 15} - \text{August 15})/360 = 123/360$

Step 2 : Get the rate for the above remaining period (usually found by simple linear interpolation). Say it is R2, 1.12% (this depends on rate as on T0)

Step 3 : Calculate : $A*(T2 - T0)*(R1-R2)$. Say it is $C = 10,000,000*(123/360)*(1.15\% - 1.12\%) = \$1,025$

Step 4: Breakage cost = Maximum of (C,0) = \$1,025"

FORM OF CERTIFICATE OF INCUMBENCY AND AUTHORITY

(See Section 1.01 and Section 5.01(e) of the Subscription Agreement)

[Bank's Letterhead]

[Date]

International Finance Corporation
2121 Pennsylvania Avenue, N.W.
Washington, D.C. 20433
United States of America

Attention: Director, Global Financial Markets Department

Ladies and Gentlemen:

Certificate of Incumbency and Authority

With reference to the Subscription Agreement between us, dated December ____, 2006 (the "Subscription Agreement"), I, the undersigned Group Chief Financial Officer of ICICI Bank Limited, (the "Bank"), duly authorized to do so, hereby certify that the following are the names, offices and true specimen signatures of the persons each of whom are, and will continue to be, authorized:

(a) to sign on behalf of the Bank the requests for the disbursement of funds provided for in Section 3.02 of the Subscription Agreement;

(b) to sign the certifications provided for in Section 5.01 of the Subscription Agreement; and

SCHEDULE 1

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(c) to take any other action required or permitted to be taken, done, signed or executed under the Subscription Agreement or any other agreement to which IFC and the Bank may be parties.

<u>*Name</u>	<u>Office</u>	<u>Specimen Signature</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

You may assume that any such person continues to be so authorized until you receive authorized written notice from the Bank that they, or any of them, is no longer so authorized.

Yours truly,

ICICI Bank Limited

By _____
Group Chief Financial Officer

* Designations may be changed by the Bank at any time by issuing a new Certificate of Incumbency and Authority authorized by the Board of Directors of the Bank where applicable.

FORM OF REQUEST FOR SUBSCRIPTION

(See Section 3.02 (a) and Section 5.01 of the Subscription Agreement)

[Bank's Letterhead]

[Date]

International Finance Corporation
2121 Pennsylvania Avenue, N.W.
Washington, D.C. 20433
United States of America

Attention: Director, Global Financial Markets Department

Ladies and Gentlemen:

Investment No. 25492
Request for Subscription No. _____

1. Please refer to the Subscription Agreement (the "Subscription Agreement") dated December __, 2006 between ICICI Bank Limited (the "Bank") and International Finance Corporation ("IFC"). Terms defined in the Subscription Agreement have their defined meanings whenever used in this request.
2. The Bank irrevocably requests the subscription on _____, ____ (or as soon as practicable thereafter) of the amount of hundred and fifty million Dollars (\$150,000,000) being the Subscription Amount (the "Subscription") in accordance with the provisions of Section 3.02 of the Subscription Agreement. You are requested to pay such amount to the account in [New York] of ICICI Bank Limited [Name of correspondent Bank], Account No. _____ at [Name and Address of Bank] [for further credit to the Bank's Account No. _____ at [Name and address of Bank] in [city and country].

4. For the purpose of Section 5.01 of the Subscription Agreement, the Bank certifies as follows:

(a) no Event of Default has occurred and is continuing;

(b) the proceeds of the Subscription are at the date of the request or within three (3) months of that date, needed by the Bank for the purpose provided under Section 2.01 and are not in reimbursement of, or to be used for, expenditures in the territories of any country which is not a member of the World Bank or for goods produced in or services supplied from any such country;

(c) since March 31, 2006 (i) nothing has occurred which has a Material Adverse Effect, and (ii) the Bank has not incurred any material loss other than as it has publicly disclosed;

(d) the representations and warranties made in Article IV of the Subscription Agreement are true in all material respects on the date of this request and will be true on the date of the Subscription with the same effect as if such representations and warranties had been made on and as of such date (but in the case of Section 4.01(c), without the words in parenthesis);

(e) after giving effect to the Subscription, the Bank will not be in violation of:

(i) its Charter;

(ii) any provision contained in any document to which the Bank is a party (including the Subscription Agreement) or by which the Bank is bound; or

(iii) any law, rule, regulation, Authorization or agreement or other document binding on the Bank directly or indirectly, limiting or otherwise restricting the Bank's borrowing power or authority or its ability to borrow; and

SCHEDULE 2

Page 3 of 4

(f) (i) Upon the disbursement and payment by IFC under subsection Section 3.02 (b) of the Subscription Agreement and upon the receipt of the Subscription Amount by the Bank, the Bank shall issue and deliver to IFC, or its authorized designate as IFC shall direct, a Letter of Allotment for the interim period from the date of disbursement to:

(A) the date of issuance of the bond certificate, in form and in substance satisfactory to IFC (such bond certificate to be issued within one (1) calendar month from the date of the receipt by the Bank of the Subscription Amount); or

(B) the date of the electronic credit in dematerialized form of the IFC Bond to IFC's custodian account detailed in Section 3.02(f)(iv) (provided that the time period for such electronic credit to the custodian account shall not exceed seven (7) days from the date of the Subscription);

evidencing valid title to the IFC Bond for the amount for which such payment is made so issued free from any liens or preemptive rights.

(ii) To the extent that a bond certificate is issued it shall clearly state that the provisions of this Agreement form an inherent part of the bond certificate and are incorporated by reference and deemed to be part of the bond certificate as if such provisions had been set forth in their entirety therein.

(iii) Each bond certificate, the certificate/documents mentioned in Section 3.02 (f)(i)(B), and this Agreement shall also be appropriately stamped by the Bank in accordance with the statutory and regulatory requirements under the relevant laws applicable to the Bank.

(iv) The Bank, if specifically requested, shall provide evidence to IFC evidencing either (A) that the bond certificate has been delivered by the Bank for deposit with such IFC office or custodian account as IFC shall direct in writing, or (B) the electronic credit of the IFC Bond has been made to IFC's following custodian account:

Hong Kong & Shanghai Banking Corporation Limited
Hong Kong Bank Central Services Center
Sudam Kalu Ahire Marg
Worli, Mumbai, India 400 030
Attn: Custody Services Department
BIC: HSBCINBBXXX
Security Account: C61V-IFC Bond Subscription
Sub Account: 002-757631-601

Reference: ICICI Bank Limited, # 25492 IND

or such account as IFC may direct in writing on or before the date of the Subscription.

The above certifications are effective as of the date of this Request for Subscription and shall continue to be effective as of the date of the Subscription. If any of these certifications is no longer valid as of or prior to the date of the requested Subscription, the Bank undertakes to immediately notify IFC.

Yours truly,

ICICI Bank Limited

By _____
Authorized Representative

ATTACHMENTS: Letter of Allotment

Copy to: Manager, Financial Operations Unit
International Finance Corporation

FORM OF SUBSCRIPTION RECEIPT

(See Section 3.02 (b) of the Subscription Agreement)

[Bank's Letterhead]

International Finance Corporation
2121 Pennsylvania Avenue, N.W.
Washington, D.C. 20433
United States of America

Attention: Manager, Financial Operations Unit

Ladies and Gentlemen:

Investment No. 25492
Subscription Receipt (IFC Bond)

We, ICICI Bank Limited, hereby acknowledge receipt on the date hereof, of the sum of one hundred and fifty million Dollars (\$150,000,000) disbursed to us by International Finance Corporation ("IFC") as the Subscription to the IFC Bond of one hundred and fifty million Dollars (\$150,000,000) provided for in the Subscription Agreement dated December ___, 2006 between ICICI Bank Limited and International Finance Corporation.

Yours truly,

ICICI Bank Limited

By _____
Authorized Representative***

As named in the Bank's Certificate of Incumbency and Authority (see Schedule 1).

FORM OF SERVICE OF PROCESS LETTER
[Letterhead of Agent for Service of Process]
(See Section 5.01 (f) of the Subscription Agreement)

[Date]

International Finance Corporation
2121 Pennsylvania Avenue, N.W.
Washington, D.C. 20433
Attention: Director, Global Financial Markets Department
Re: INDIA/ ICICI Bank Limited

Dear Sirs:

Reference is made to (i) Section 8.05 of the Subscription Agreement dated December __, 2006 (the "Subscription **Agreement**") between ICICI Bank Limited (the "**Bank**") and International Finance Corporation ("**IFC**"). Unless otherwise defined herein, capitalized terms used herein shall have the meaning specified in the Subscription Agreement.

Pursuant to Section 8.05(c) of the Subscription Agreement, the Bank has irrevocably designated and appointed the undersigned, [_____,] with offices currently located at [_____,] England, as its authorized agent to receive for and on its behalf service of process in any legal action or proceeding with respect to the Subscription Agreement in the courts of England.

The undersigned hereby informs you that it has irrevocably accepted that appointment as process agent as set forth in Section 8.05 (c) of the Subscription Agreement from _____¹ until _____² and agrees with you that the undersigned (i) shall inform IFC promptly in writing of any change of its address in England, (ii) shall perform its obligations as such process agent in accordance with the relevant provisions of Section 8.05 of the Subscription Agreement, and (iii) shall forward promptly to the Bank any legal process received by the undersigned in its capacity as process agent.

¹ Insert date of effectiveness of appointment.

² Insert date which is [three] months after the last redemption of the IFC Bond.

As process agent, the undersigned and its successor or successors agree to discharge the above-mentioned obligations and will not refuse fulfillment of such obligations as provided under Section 8.05 of the Subscription Agreement.

Very truly yours,

[_____]

By _____
Title:

cc: ICICI Bank Limited

LETTER OF ALLOTMENT

Private Placement of IFC Bond to qualify as Upper Tier II Capital Unlisted and Untraded on any Stock Exchange

UNSECURED NON CONVERTIBLE “IFC BOND” OF FACE VALUE ONE
HUNDRED FIFTY MILLION DOLLARS (\$150,000,000)

This Letter of Allotment is issued to International Finance Corporation (“*IFC*”) pursuant to Subscription Agreement dated December __, 2006 (the “*Agreement*” or “*Subscription Agreement*”) between IFC and ICICI Bank Limited (“*Bank*”) and is in respect to the IFC Bond, as defined in the Agreement, which is to be issued to IFC upon the Subscription by IFC under the Agreement. Unless otherwise defined, capitalized terms in this Letter of Allotment shall have the meaning given to them in the Agreement. We hereby confirm that pursuant to the resolution passed by the board of director’s of the Bank on __, IFC Bond has been allotted to you in accordance with the terms of the Subscription Agreement.

The IFC Bond in respect of which this Letter of Allotment is issued, will be issued either in registered form and will bear an identifying number, or in the dematerialized form, and will form part of a series designated as specified in the title “The IFC Bond” of the Bank. The IFC Bond is subject to the terms and conditions and provisions of the Agreement.

This Letter of Allotment incorporates by reference, and the IFC Bond will incorporate by reference, the provisions of the Subscription Agreement which form and shall form, as the case may be, an inherent part of this Letter and the IFC Bond.

The IFC Bond shall also be appropriately stamped by the Bank in accordance with statutory and regulatory requirements under the laws applicable to the Bank.

This Letter of Allotment is, and the IFC Bond shall be, duly authorized, issued and delivered and all other legal requirements in connection therewith shall be duly satisfied.

The Bank hereby certifies that IFC is at the date hereof entered on the register of bond holders of the Bank as the holder of the IFC Bond in the aggregate principal amount of one hundred million Dollars (\$150,000,000) and this Letter of Allotment is issued by the Bank to IFC to recognize and register IFC as a holder of the IFC Bond for the interim period from the date of Subscription until the date of issuance of the IFC bond certificate or documents evidencing the electronic credit in dematerialized form of the IFC Bond to IFC’s custodian account detailed in Section 3.02(f)(iv) of the Agreement within the time period set forth in Section 3.02(f)(iv).

SCHEDULE 5

Page 2 of 2

This Letter of Allotment is evidence of entitlement and due registration of IFC as a holder of the IFC Bond. IFC is hereby entitled to all payments on account of the IFC Bond under the Subscription Agreement.

In the event of any transfer, title to the IFC Bond passes only on due registration on the register of bond holders and only the duly registered holder is entitled to payments on the IFC Bond for in respect of which this Letter of Allotment is issued.

By: _____

Dated: _____

EXCLUSION LIST

The following projects are in IFC's Exclusion List:

- Production or activities involving harmful or exploitative forms of forced labor¹/harmful child labor².
- Production or trade in any product or activity deemed illegal under host country laws or regulations or international conventions and agreements.
- Production or trade in weapons and munitions.³
- Production or trade in alcoholic beverages (excluding beer and wine).³
- Production or trade in tobacco.³
- Gambling, casinos and equivalent enterprises.³
- Trade in wildlife or wildlife products regulated under CITES.⁴
- Production or trade in radioactive materials.⁵
- Production or trade in or use of unbonded asbestos fibers.⁶
- Commercial logging operations or the purchase of logging equipment for use in primary tropical moist forest (prohibited by the Forestry policy).⁷
- Production or trade in products containing PCBs.⁸
- Production or trade in pharmaceuticals subject to international phase outs or bans.⁹
- Production or trade in pesticides/herbicides subject to international phase outs or bans.¹⁰
- Production or trade in ozone depleting substances subject to international phase out.¹¹
- Drift net fishing in the marine environment using nets in excess of 2.5 km. in length.

A reasonableness test will be applied when the activities of the project company would have a significant development impact but circumstances of the country require adjustment to the Exclusion List.

¹ Forced labor means all work or service, not voluntarily performed, that is extracted from an individual under threat of force or penalty.

² Harmful child labor means the employment of children that is economically exploitive, or is likely to be hazardous to, or to interfere with, the child's education, or to be harmful to the child's health, or physical, mental, spiritual, moral, or social development.

³ This does not apply to project sponsors who are not substantially involved in these activities. "Not substantially involved" means that the activity concerned is ancillary to a project sponsor's primary operations.

⁴ CITES: Convention on International Trade in Endangered Species of Wild Fauna and Flora. A list of CITES listed species is available from the Environment Division.

⁵ This does not apply to the purchase of medical equipment, quality control (measurement) equipment and any equipment where IFC considers the radioactive source to be trivial and/or adequately shielded.

⁶ This does not apply to the purchase and use of bonded asbestos cement sheeting where the asbestos content is <20%.

⁷ See IFC OP 4.36, *Forestry*.

⁸ PCBs: Polychlorinated biphenyls—a group of highly toxic chemicals. PCBs are likely to be found in oil-filled electrical transformers, capacitors and switchgear dating from 1950-1985.

⁹ A list of pharmaceutical products subject to phase outs or bans is available from the Environment Division.

¹⁰ A list of pesticides and herbicides subject to phase outs or bans is available from the Environment Division.

¹¹ Ozone Depleting Substances (ODSs): Chemical compounds which react with and deplete stratospheric ozone, resulting in the widely publicized 'ozone holes'. The Montreal Protocol lists ODSs and their target reduction and phase out dates. A list of the chemical compounds regulated by the Montreal Protocol, which includes aerosols, refrigerants, foam blowing agents, solvents, and fire protection agents, together with details of signatory countries and phase out target dates, is available from the Environment Division.

FORM OF IFC BOND

(See Section 1.01 of the Subscription Agreement)

**ICICI BANK LIMITED (the “Bank”)
BOND CERTIFICATE**

**UNSECURED NON CONVERTIBLE “IFC BOND” OF AGGREGATE FACE VALUE
ONE HUNDRED AND FIFTY MILLION DOLLARS (US\$ 150,000,000)**

The IFC Bond is issued to International Finance Corporation (“**IFC**”) pursuant to Subscription Agreement dated December __, 2006 (the “**Agreement**” or “**Subscription Agreement**”) between IFC and the Bank (a copy of the Agreement is annexed hereto), for the purposes of augmenting the Upper Tier II Capital of the Bank. Unless otherwise defined, capitalized terms in this Bond Certificate shall have the meaning given to them in the Agreement.

The IFC Bond shall have a face value of one million five hundred thousand dollars (US\$ 1,500,000). The IFC Bond is subject to the terms and conditions and provisions of the Agreement and the IFC Bond incorporates by reference the provisions of the Subscription Agreement which forms an inherent part of the IFC Bond.

The Bank hereby certifies that IFC is as at December __, 2006 entered on the register of bondholders of the Bank as the holder of the IFC Bond in the principal amount of one hundred and fifty million Dollars (US\$ 150,000,000).

For value received, the Bank promises to pay the Person who appears at the relevant time on the register of bondholders as holder of the IFC Bond in respect of which this Bond Certificate is issued, such amount or amounts as shall become due in respect of such IFC Bond in accordance with the terms and conditions of the Subscription Agreement.

The IFC Bond is repayable in accordance with the terms of the Subscription Agreement. The IFC Bond shall be redeemed at their principal amount together with accrued interest and any other amounts payable in accordance with the terms of the Subscription Agreement.

On any redemption of the IFC Bond, details of such redemption shall be entered by or on behalf of the Bank in Schedule Two hereto and the relevant space in Schedule Two hereto recording any such redemption shall be signed by or on behalf of the Bank. Upon any such redemption, the principal amount of the IFC Bond shall be reduced by the amount of the portion of the IFC Bond so redeemed.

The IFC Bond is freely transferable and in the event of any transfer, upon a submission of this certificate, the title to the IFC Bond passes to the transferee only on its due registration in the bond holders register and completion of the details in Schedule One hereto and only the duly registered holder is entitled to payments on the IFC Bond in respect of which this Bond Certificate is issued.

By: _____

Dated: _____

