

September 22, 2016

To

National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex
Bandra (E), Mumbai 400 051

Kind Attn.: Mr. Kautuk Upadhyay, Manager

Dear Sir,

Sub.: Fund raising by way of Qualified Institutions Placement.

We refer to your letter bearing Ref. No. NSE/LIST/87058 dated September 15, 2016 on the captioned subject.

The chronology of the events leading upto and subsequent withdrawal of QIP, is as follows:

1. We would like to submit that the Resolution passed by the Board of Directors at their meeting held on April 27, 2016 was essentially a continuation/ reiteration of existing Board and Shareholders' approvals obtained in 2015 for raising of capital for the Bank, *inter alia*, by way Qualified Institutional Placement ("QIP"). The Board approval for capital raising upto USD 1 billion, *inter alia*, by way of QIP was first obtained at the Board meeting held on April 22, 2015, (subject to shareholders final approval) which was subsequently approved by the shareholders' at the AGM held on June 06, 2015.
2. Pursuant to the above, the Bank appointed 12 Merchant Bankers for the proposed QIP, and filed for the QIP on September 07, 2016 with the Exchange(s). The pre-placement document was filed with stock exchanges in the evening of September 7, 2016.
3. By early morning on September 08, 2016, the Bank was informed of the consolidated Expression of Interest (EoIs) from Investors upto USD 1.04 Billion, inclusive of USD 758 Mn of confirmed commitments and balance by way of verbal commitments, demonstrating investor appetite for full subscription of the issue.
4. During the early course of trading hours on September 08, 2016, there was heightened market volatility in the Bank's stock.
5. Given the market circumstances, the Bank decided, as advised to defer the QIP. The Bank duly communicated to the Stock Exchange(s) at 4.53/4.57 pm on September 08, 2016 that it has deferred the QIP, effectively withdrawing the QIP, for the time being.

Given the aforesaid events the Bank, as a client, has been a victim of market circumstances. However, basis the demonstrated performance and track record of the Bank, robust investor appetite, and also its past two successful QIPs (USD 225 Mn in January 2010 and USD 500 Mn in May 2014), the Bank is confident that the proposed QIP will be consummated sooner than later.

The Bank would not like to offer any comments on the views in the news item.

We trust the above is in order.

Thanking you,
Yours Sincerely,

Shivanand Shettigar
Company Secretary

