

July 23, 2012

Dear Bondholder(s)

**Flexibonds 14 – Retirement Bond (2002 D) Option 'B' -  
Redemption on September 12, 2012**

In terms of the Offer Document dated July 12, 2002 for Flexibonds 14, your investment in the captioned Bonds would mature on September 12, 2012 and interest will cease to accrue from that date. To effect the maturity payment, there would be book closure from 13/08/2012 to 11/09/2012 as per notices sent to BSE/NSE.

2. **The bondholders of IDBI Bank Ltd. are no longer required to surrender the Original Bond Certificate for redemption.** The redemption proceeds comprising principal and interest would be sent by way of warrants dated September 12, 2012 to all registered bondholders.

3. In terms of the provision relating to TDS under the Income Tax Act 1961, effective from April 1, 2010, tax at higher of the prescribed rate or 20% will be deducted on all transactions liable to TDS, where the Permanent Account Number (PAN) of the deductee is not available. As per the said provision, declaration by deductee under section 197A for non-deduction of TDS on payments shall also not be valid, unless the application bears PAN of the deductee. All bondholders are, therefore, advised to furnish a copy of the PAN card, if not already done, to the Registrars of the Bond series. Bondholders eligible for and desirous of availing TDS exemption may furnish declaration in Form 15G/15H (in duplicate) **alongwith PAN**, if not already submitted for FY 2012-13

4. Any change in name, address and bank account particulars of the bondholders, the status of the bondholder on account of 'minor' becoming 'major' or change of name on account of marriage has to be furnished (along with the attested copies of birth/marriage certificate as evidence) **latest by August 13, 2012 by quoting the respective Folio No.**, to the Registrars, viz. **Datamatics Financial Services Limited.**, Plot No B-5, Part 'B' Cross Lane, MIDC, Andheri (East) Mumbai - 400 093 (Tel: 022 6671 2001 to 2006, Fax: 022 6671 2011). Further, in case of transfer of bonds, the Transferee is required to register his/her name with the Registrars by submission of the transferred bond certificates before the aforesaid date.

5. IDBI Bank Ltd., a Public Sector Bank having 983 fully networked branches, has launched various deposit products, including IDBI Suvidha Fixed Deposits scheme. To continue with the fruitful association built up over the years, the Bank requests the bondholders to consider investing the redemption proceeds of Flexibonds in any of our deposit schemes. The bondholders may contact any of the branches of the Bank for further details.

6. IDBI Bank Ltd. thanks all the bondholders for reposing their confidence in the Bank and look forward for continued association as an esteemed depositor under its deposit schemes. Bondholders may kindly communicate their telephone number, e-mail address, etc., for faster communication and always quote their registered folio number (14RMB xxxxxxx) in all correspondences.

With best regards,

Yours faithfully,

(P.Patnaik)  
Dy. General Manager  
Domestic Resources Deptt.