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This Disclosure Document is neither a Prospectus nor a Statement in Lieu of Prospectus. This Disclosure Document is 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 as amended from time to time
Dated: January 11, 2016

STATE BANK OF MYSORE

(Constituted under the State Bank of India (Subsidiary Banks) Act, 1959)

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PRIVATE PLACEMENT OF NON-CONVERTIBLE, REDEEMABLE, UNSECURED, BASEL III COMPLIANT TIER 2 BONDS, FOR INCLUSION IN TIER 2 CAPITAL OF THE BANK, IN THE NATURE OF DEBENTURES OF FACE VALUE OF Rs.10 LAKHS EACH (“BONDS”) AT PAR AGGREGATING Rs. 200 CRORES BY STATE BANK OF MYSORE (OR SBM OR “ISSUER” OR “BANK”)

GENERAL RISK

For taking an investment decision, investors must rely on their own examination of the Issue and the Disclosure Document including the risks involved. The Issue has not been recommended or approved by Securities and Exchange Board of India (SEBI) nor does SEBI guarantee the accuracy or adequacy of this Disclosure Document.




The Bonds are Capital Instruments and not deposits of the Bank and they cannot be used as Collateral for any loan made by the Bank or any of its Subsidiaries or Affiliates. The Bonds are different from Fixed Deposits and are not covered by Deposit Insurance. Unlike the Fixed Deposits where Deposits are repaid at the option of Deposit Holder, the Bonds are not redeemable at the option of the Bondholders or without the prior consent of RBI. The Bonds carry Loss Absorption Features applicable to such instruments as are prescribed by RBI and may impact the payment of interest and principal.

CREDIT RATING

The Bonds proposed to be issued by the Bank have been assigned a rating of CRISIL AAA/Stable by CRISIL Limited vide its letter no. SN/FSR/SBM/2015-16/1582 dated 22nd December 2015 and ICRA AAA(hyb) with Stable outlook by ICRA Limited vide its letter no. ICRA:BLR:2015-2016/RT/650 dated 23rd December 2015. Instruments with this rating are considered to have the highest degree of safety regarding timely servicing of financial obligations. Such instruments carry lowest credit risk. The above ratings are not a recommendation to buy, sell or hold securities and investors should take their own decision. The ratings may be subject to revision or withdrawal at any time by the assigning rating agency and should be evaluated independently of any other ratings. Please refer to Annexure I & II for the above ratings.

LISTING

The Bonds are proposed to be listed on the Wholesale Debt Market (WDM) segment of BSE Ltd. (BSE).

Arranger of the Issue	Trustee of the Issue	Registrar of the Issue
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Issue Opens on	Issue Closes on	Deemed Date of Allotment
[•]	[•]	[•]

The Bank reserves its sole and absolute right to modify (pre -pone/ postpone) the above issue schedule without giving any reasons or prior notice. The Bank also reserves its sole and absolute right to change the deemed date of allotment of the above issue and/or reserves the right to keep multiple Deemed Date(s) of Allotment without giving any reasons or prior notice

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Annexure – I

Key features of the Rs.5.0 billion Tier II Bond Issue (under BASEL III) of State Bank of Mysore

- Non-Convertible Redeemable Unsecured Basel III compliant Tier II Bonds
- Coupon payments on an annual basis.
- Loss Absorption Features' as per RBI's BASEL III norms applicable.
 - Instrument may be, in part or in full, at the option of RBI, be permanently written off on occurrence of trigger event called Point of Non Viability (PONV) trigger.
 - PONV trigger shall be determined by RBI.

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

CRISIL has a practice of keeping all its ratings under surveillance and ratings are revised as and when circumstances so warrant. CRISIL is not responsible for any errors and especially states that it has no liability to subscribers / users / transmitters / distributors of its ratings. For the latest rating information on any instrument, please contact CRISIL RATING DESK at CRISILratingdesk@crisil.com or at (+91 22) 6691 3001 – 09.

Classification: EXTERNAL

CRISIL Limited

Corporate Identity Number: L67120MH1987PLC042363

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Disclaimers:

1. 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/20 08/13/127878 dated June 06, 2008, as amended from time to time. This Disclosure Document does not constitute an offer to public in general to subscribe for or otherwise acquire the Bonds to be issued by (“State Bank of Mysore”/ “SBM”/ the “Issuer”/ the “Bank”). This Disclosure Document is for the exclusive use of the addressee and it should not be circulated or distributed to third party (ies). It is not and shall not be deemed to constitute an offer or an invitation to the public in general to subscribe to the Bonds issued by the Issuer. This bond issue is made strictly on private placement basis. Apart from this Disclosure Document, no offer document or prospectus has been prepared in connection with the offering of this bond issue or in relation to the issuer.

This Disclosure Document is not intended to form the basis of evaluation for the prospective subscribers to whom it is addressed and who are willing and eligible to subscribe to the bonds issued by SBM. This Disclosure Document has been prepared to give general information regarding to parties proposing to invest in this issue of Bonds and it does not purport to contain all the information that any such party may require. SBM believes that the information contained in this Disclosure Document is true and correct as of the date hereof.

SBM does not undertake to update this Disclosure Document to reflect subsequent events and thus prospective subscribers must confirm about the accuracy and relevancy of any information contained herein with SBM. However, SBM reserves its right for providing the information at its absolute discretion. SBM accepts no responsibility for statements made in any advertisement or any other material and anyone placing reliance on any other source of information would be doing so at his own risk and responsibility. Prospective subscribers must make their own independent evaluation and judgment before making the investment and are believed to be experienced in investing in debt markets and are able to bear the economic risk of investing in Bonds. It is the responsibility of the prospective subscriber to have obtained all consents, approvals or authorizations required by them to make an offer to subscribe for, and purchase the Bonds. It is the responsibility of the prospective subscriber to verify if they have necessary power and competence to apply for the Bonds under the relevant laws and regulations in force. Prospective subscribers should conduct their own investigation, due diligence and analysis before applying for the Bonds. Nothing in this Disclosure Document should be construed as advice or recommendation by the Issuer or by the Arrangers to the Issue to subscribers to the Bonds. The prospective subscribers also acknowledge that the Arrangers to the Issue do not owe the subscribers any duty of care in respect of this private placement offer to subscribe for the bonds. Prospective subscribers should also consult their own advisors on the implications of application, allotment, sale, holding, ownership and redemption of these Bonds and matters incidental thereto.

This Disclosure Document is not intended for distribution. It is meant for the consideration of the person to whom it is addressed and should not be reproduced by the recipient. The securities mentioned herein are being issued on private placement Basis and this offer does not constitute a public offer/ invitation.

The Issuer reserves the right to withdraw the private placement of the bond issue prior to the issue closing date(s) in the event of any unforeseen development adversely affecting the economic and regulatory environment or any other force majeure condition including any change in applicable law. In such an event, the Issuer will refund the application money, if any, along with interest payable on such application money, if any.

2. Disclaimer of Securities & Exchange Board of India (SEBI):

This Disclosure Document has not been filed with Securities & Exchange Board of India (“SEBI”). The Bonds have not been recommended or approved by SEBI nor does SEBI guarantee the accuracy or adequacy of this Disclosure Document. It is to be distinctly understood that this Disclosure 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 Disclosure Document. The Issue of Bonds being made on private placement basis, filing of this Disclosure Document is not required with SEBI.

3. *Disclaimer of Arranger to the Issue:*

The role of the Arranger in the assignment is confined to marketing and placement of the Debentures/Bonds (Debentures and Bonds have been used interchangeably in this Disclaimer) on the basis of this Information Memorandum/Disclosure Document/Offer Document (hereinafter collectively referred to as “Information Memorandum”) as prepared by the Issuer. The Arranger has neither scrutinized nor vetted nor reviewed nor has it done any due-diligence for verification of the contents of this Information Memorandum. The Arranger shall use this Information Memorandum for the purpose of soliciting subscription(s) from Eligible Investors in the Debentures to be issued by the Issuer on a private placement basis. It is to be distinctly understood that the use and distribution of this Information Memorandum by the Arranger should not in any way be deemed or construed to mean that the Information Memorandum has been endorsed by the Arranger in any manner.

It is responsibility of the Issuer to comply with all laws, rules and regulations and obtain all regulatory, governmental, corporate and other necessary approvals for the issuance of the Bonds. The Arranger has not verified whether the regulatory requirements have been fulfilled and necessary approvals have been obtained by the Issuer.

The Issuer has prepared this Information Memorandum and the Issuer is solely responsible and liable for its contents. The Issuer confirms that all the information contained in this Information Memorandum has been provided by the Issuer or is from publicly available information, the use of which isn't regulated or prohibited by applicable law or regulation relating to insider dealing or otherwise and that such information has not been independently verified by the Arranger.

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The Eligible Investors should carefully read this Information Memorandum. This Information Memorandum is for general information purposes only, without regard to specific objectives, suitability, financial situations and needs of any particular person and does not constitute any recommendation and the Eligible Investors are not to construe the contents of this Information Memorandum as investment, legal, accounting, regulatory or tax advice, and the Eligible Investors should consult with its own advisors as to all legal, accounting, regulatory, tax, financial and related matters concerning an investment in the Bonds. This Information Memorandum should not be construed as an offer to sell or the solicitation of an offer to buy, purchase or subscribe to any securities mentioned therein, and neither this document nor anything contained herein shall form the basis of or be relied upon in connection with any contract or commitment whatsoever.

This Information Memorandum is confidential and is made available to potential investors in the Bonds on the understanding that it is confidential. Recipients are not entitled to use any of the information contained in this Information Memorandum for any purpose other than in assisting to decide whether or not to participate in the Bonds. This document and information contained herein or any part of it does not constitute or purport to constitute investment advice in publicly accessible media and should not be printed, reproduced, transmitted,

sold, distributed or published by the recipient without the prior written approval from the Arranger and the Issuer. This Information Memorandum has not been approved and will or may not be reviewed or approved by any statutory or regulatory authority in India or by any Stock Exchange in India. This document may not be all inclusive and may not contain all of the information that the recipient may consider material.

Please note that:

- (a) The Arranger and/or their affiliates may, now and/or in the future, have other investment and commercial banking, trust and other relationships with the Issuer and other entities related to the Issuer;
- (b) As a result of those other relationships, the Arranger and/or their affiliates may get information about the Issuer and/or the Issue or that may be relevant to any of them. Despite this, the Arranger and/or their affiliates will not be required to disclose such information, or the fact that it is in possession of such information, to any recipient of this Information Memorandum;
- (c) The Arranger and/or their affiliates may, now and in the future, have fiduciary or other relationships under which it, or they, may exercise voting power over securities of various persons. Those securities may, from time to time, include securities of the Issuer;
- (d) The Arranger and/or their affiliates may exercise such voting powers, and otherwise perform its functions in connection with such fiduciary or other relationships, without regard to its relationship to the Issuer and/or the securities;
- (e) The Arranger is not acting as trustee or fiduciary for the investors or any other person; and
- (f) The Arranger is under no obligation to conduct any "know your customer" or other procedures in relation to any person.

Nothing in this Information Memorandum constitutes an offer of securities for sale in the United States of America or any other jurisdiction where such offer or placement would be in violation of any law, rule or regulation. No action is being taken to permit an offering of the bonds in the nature of debentures or the distribution of this Information Memorandum in any jurisdiction where such action is required. The distribution/taking/sending/dispatching/transmitting of this Information Memorandum and the offering and sale of the Bonds may be restricted by law in certain jurisdictions, and persons into whose possession this document comes should inform themselves about, and observe, any such restrictions.

4. Disclaimer of Stock Exchange:

As required, a copy of this Disclosure Document will be submitted to BSE Limited (hereinafter referred to as "BSE") for hosting the same on its website. It is to be distinctly understood that such submission of the Disclosure Document with BSE or hosting the same on its website should not in any way be deemed or construed that the Disclosure 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 Disclosure 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 Issuer. 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.

5. Disclaimer of Rating Agencies:

A CRISIL Ratings reflects CRISIL's current opinion on the likely hood of timely payment of the obligations under the rated instruments, and does not constitute an audit of the rating entity by CRISIL. CRISIL ratings are based on the information provided by the issuer or obtained by CRISIL from sources it considers reliable.

CRISIL does not guarantee the completeness or accuracy of the information on which the rating is based. A CRISIL rating is not a recommendation to buy/sell or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. CRISIL has a practice of keeping all its ratings under surveillance and ratings are revised as and when circumstances so warrant. CRISIL is not responsible for any errors and especially states that it has no financial liabilities whatsoever to the subscribers/users/transmitters/distributors of its ratings.

Rating (s) assigned by ICRA reflects its opinion of your company's ability to meet, in a timely manner, all payment (including repayment) obligations against the Rated Facility; such opinion is not to be construed, under any circumstances, as an audit opinion. The Rating (s) assigned must be understood solely as an opinion and should not be treated, or cause to be treated, as recommendations to buy, sell, or hold the rated facility of your company. When determining the rating, ICRA relies on the current information available/made available to it and not on any subsequent information. ICRA does not guarantee the completeness or accuracy of the information on which the rating is based.

6. *Disclaimer of Debenture Trustees:*

Investors should carefully read and note the contents of the Information Memorandum/Disclosure document. Each prospective investor should make its own independent assessment of the merit of the investment in NCDs/Bonds and the issuer bank. Prospective investor should consult their own financial, legal, tax and other professional advisors as to the risks and investment considerations arising from an investment in the NCDs and should possess the appropriate resources to analysis such investments and suitability of such investment to such investor's particular circumstance. Prospective investors are required to make their own independent evaluation and judgement before making the investments and or believed to be experienced in Investing in debt markets and or able to bear the economic risk of investing in such instruments.

Forward Looking Statements

The Bank has included statements in this Disclosure Document which contain words or phrases such as “will”, “would”, “aim”, “aimed”, “will likely result”, “is likely”, “are likely”, “believe”, “expect”, “expected to”, “will continue”, “will achieve”, “anticipate”, “estimate”, “estimating”, “intend”, “plan”, “contemplate”, “seek to”, “seeking to”, “trying to”, “target”, “propose to”, “future”, “objective”, “goal”, “project”, “should”, “can”, “could”, “may”, “will pursue”, “our judgment” and similar expressions or variations of such expressions, that are “forward-looking statements”. Actual results may differ materially from those suggested by the forward-looking statements due to certain risks or uncertainties associated with the Bank’s expectations with respect to, but not limited to, the actual growth in demand for banking and other financial products and services, its ability to successfully implement its strategy, including its use of the Internet and other technology and its rural expansion, its ability to integrate recent or future mergers or acquisitions into its operations, its ability to manage the increased complexity of the risks the Bank faces following its rapid international growth, future levels of impaired loans, its growth and expansion in domestic and overseas markets, the adequacy of its allowance for credit and investment losses, technological changes, investment income, its ability to market new products, cash flow projections, the outcome of any legal, tax or regulatory proceedings in India and in other jurisdictions the Bank is or will become a party to, the future impact of new accounting standards, its ability to implement its dividend policy, the impact of changes in banking regulations and other regulatory changes in India and other jurisdictions on the Bank, including on the assets and liabilities of SBM, a former financial institution not subject to Indian banking regulations, its ability to roll over its short-term funding sources and its exposure to credit, market and liquidity risks. By their nature, certain of the market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains, losses or impact on net interest income and net income could materially differ from those that have been estimated.

In addition, other factors that could cause actual results to differ materially from those estimated by the forward-looking statements contained in this Disclosure Document include, but are not limited to, the monetary and interest rate policies of India and the other markets in which the Bank operates, natural calamities, general economic, financial or political conditions, instability or uncertainty in India, southeast Asia, or any other country, caused by any factor including terrorist attacks in India or elsewhere, military armament or social unrest in any part of India, inflation, deflation, unanticipated turbulence in interest rates, changes or volatility in the value of the rupee, instability in the subprime credit market and liquidity levels in the foreign exchange rates, equity prices or other market rates or prices, the performance of the financial markets in general, changes in domestic and foreign laws, regulations and taxes, changes in the competitive and pricing environment in India, and general or regional changes in asset valuations.

Definitions and Abbreviations

AY	Assessment Year
Allotment/ Allot/ Allotted	The issue and allotment of the Bonds to the successful Applicants in the Issue
Allottee	A successful Applicant to whom the Bonds are allotted pursuant to the Issue, either in full or in part
Applicant/ Investor	A person who makes an offer to subscribe the Bonds pursuant to the terms of this Disclosure Document and the Application Form
Application Form	The form in terms of which the Applicant shall make an offer to subscribe to the Bonds and which will be considered as the application for allotment of Bonds in the Issue
Bondholder(s)	Any person or entity holding the Bonds and whose name appears in the list of Beneficial Owners provided by the Depositories
Beneficial Owner(s)	Bondholder(s) holding Bond(s) in dematerialized form (Beneficial Owner of the Bond(s) as defined in clause (a) of sub-section of Section 2 of the Depositories Act, 1996)
Board/ Board of Directors	The Board of State Bank of Mysore or Committee thereof, unless otherwise specified
Bond(s)	Non-Convertible, Redeemable, Unsecured Basel III compliant Tier 2 Bonds for inclusion in Tier 2 Capital in the nature of Debentures of face value of Rs. 10 lacs each at par to be issued by State Bank of Mysore (“SBM” or “Issuer” or the “Bank”) through private placement route under the terms of this Disclosure Document
BSE	BSE Limited
CARE	Credit Analysis & Research Ltd.
CAR	Capital Adequacy Ratio
CDSL	Central Depository Services (India) Limited
Coupon / Interest Payment Date	The date as may be specified in the Summary Term Sheet of this Disclosure Document
Debt Securities	Non-Convertible debt securities which create or acknowledge indebtedness and include debenture, bonds and such other securities of a body corporate or any statutory body constituted by virtue of a legislation, whether constituting a charge on the assets of the Bank or not, but excludes security bonds issued by Government or such other bodies as may be specified by SEBI, security receipts and securitized debt instruments
Deemed Date of Allotment	The cut-off date declared by the Bank from which all benefits under the Bonds including interest on the Bonds shall be available to the Bondholder(s). The actual allotment of Bonds (i.e. approval from the Board of Directors or a Committee thereof) may take place on a date other than the Deemed Date of Allotment
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
Disclosure Document	Disclosure Document dated January 11, 2016 for private placement of Non-Convertible, Redeemable, Unsecured Basel III compliant Tier 2 Bonds for inclusion in Tier 2 Capital in the nature of Debentures of face value of Rs. 10 lacs each (“Bonds”) at par aggregating Rs. 200 crores by State Bank of Mysore
DP	Depository Participant
DRR	Bond/ Debenture Redemption Reserve
EPS	Earnings Per Share
FIs	Financial Institutions
FIIs	Foreign Institutional Investors
Financial Year/ FY	Period of twelve months beginning from April 1 of a calendar year and ending on March 31 of the subsequent calendar year
FRN	Firm Registration Number
Gol	Government of India/ Central Government

Trustees	Trustees for the Bondholders in this case being IDBI Trusteeship Services Ltd.
Issuer / SBM / Bank	State Bank of Mysore
I.T. Act	The Income Tax Act, 1961, as amended from time to time
Listing Agreement	Listing Agreement for Debt Securities issued by Securities and Exchange Board of India vide circular no. SEBI/IMD/BOND/1/2009/11/05 dated May 11, 2009 and Amendments to Simplified Debt Listing Agreement for Debt Securities issued by Securities and Exchange Board of India vide circular no. SEBI/IMD/DOF-1/BOND/Cir-5/2009 dated November 26, 2009 and Amendments to Simplified Debt Listing Agreement for Debt Securities issued by Securities and Exchange Board of India vide circular no. SEBI/IMD/DOF-1/BOND/Cir-1/2010 dated January 07, 2010
MF	Mutual Fund
MoF	Ministry of Finance
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
PAN	Permanent Account Number
GIR	General Index Registration Number
Rs. / INR	Indian National Rupee
RBI	Reserve Bank of India
RBI Norms / RBI Guidelines	Master Circular No. DBR.No.BP.BC.1/21.06.201/2015-16 dated July 01, 2015 issued by the Reserve Bank of India on Basel III capital regulations covering terms and conditions for issue of debt capital instruments for inclusion as Tier 2 capital as updated/modified from time to time
RTGS	Real Time Gross Settlement
Record Date	As may be specified in the Summary Term Sheet
Registrar	Registrar to the Issue, in this case being Canbank Computer Services Ltd. R&T Centre, 218, JP Royale, 1st Floor, 2 nd Main, Sampige Road, Near Cross, Malleswaram, Bangalore 560003
SBBJ	State Bank of Bikaner & Jaipur
SBH	State Bank of Hyderabad
SBI	State Bank of India
SBP	State Bank of Patiala
SBT	State Bank of Travancore
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 Debt 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, as amended from time to time.
TDS	Tax Deducted at Source
The Companies Act	The Companies Act, 1956 to the extent not repealed, and the Companies Act, 2013 to the extent provisions of the Companies Act, 2013 have been notified by the Government of India.
The Issue/ The Offer/ Private Placement	Private Placement of Non-Convertible, Redeemable, Unsecured Basel III compliant Tier 2 Bonds for inclusion in Tier 2 Capital in the nature of Debentures of face value of Rs. 10 lacs each ("Bonds") at par aggregating Rs. 200 crores by State Bank of Mysore

A. Issuer Information

a. Name and address of the following:-

i. Registered Office of the Issuer

State Bank of Mysore

K G Road, Bangalore

Karnataka – 560009

Ph: +91-80-22352184 / 22353901 / 22353902 / 22353903/4/5/6/7

Fax: +91-80-22254753

Email: dgmfa@sbm.co.in; cmshares@sbm.co.in

ii. Corporate Office of the Issuer

State Bank of Mysore

K G Road, Bengaluru

Karnataka – 560009

Ph: +91-80-22352184 / 22353901 / 22353902 / 22353903/4/5/6/7

Fax: +91-80-22254753

Email: dgmfa@sbm.co.in; cmshares@sbm.co.in

iii. Compliance Officer of the Issuer

Smt. R. Krishnaveni

Deputy General Manager (Compliance)

Chief Compliance Officer,

State Bank of Mysore,

K.G Road, Bengaluru-560 009

Karnataka

Ph.: +91-80-22259798,

Fax: +91-80-22259798

Email: dgmcomp@sbm.co.in

Shri. George Thomas

Deputy General Manager (F&A)

Compliance Officer for Stock Exchange

State Bank of Mysore,

K.G Road, Bengaluru-560 009

Karnataka

Ph.: +91-80-2235 3901,

Fax: +91-80-2225 4573

Email: dgmfa@sbm.co.in

iv. CFO of the Issuer

Shri.Sridharan.M.P.

General Manager (Treasury) & CFO

State Bank of Mysore

K.G.Road, Bengaluru-560 009

Karnataka

Ph.: +91-80-2225 7149,

Fax: +91-80-2235 3494

v. Arrangers

SBI Capital Markets Limited

202, Maker Tower 'E',

Cuffe Parade,

Mumbai - 400 005

Tel: +91-22-2217 8300

Fax: +91-22-2218 8332

Email: dcm@sbicaps.com

vi. Trustee of the Issue

IDBI TRUSTESHIP SERVICES LTD.

Asian Building, Ground Floor

17, R. KarnaniMarg, Ballard Estate

Mumbai 400 001

vii. Registrar of the Issue

Canbank Computer Services Ltd.

R&T Centre, #218, J.P.Royale, 1st Floor, 2nd Main, Sampige Road (Near 14th Cross)
Malleswaram,
Bengaluru- 560 003

viii. Credit Rating Agencies

CRISIL Limited

Regd.Office:

CRISIL House, Central Avenue,
Hiranandani Business Park,
Powai, Mumbai- 400 076.

Ph: +91-22-3342 3000

Fax: +91-22-3342 3050

Email: debtissue@crisil.com

ICRA Limited,

Regd.Office:

No.1105, Kailash Building,
11th floor, 26 Kasturba Gandhi
Marg, New Delhi-110001.

Ph: +91-11-23357940-50

Fax: +91-11-23357014

Email: info@icraindia.com

ix. Auditors of the Issuer

(As on 31st December 2015)

B.P.RAO & CO.,

Chartered Accountants,

FRN-003116S,

No.5, Poorna Prasad Road,

High Grounds,

Bangalore-560001

P. B. VIJAYARAGHAVAN & CO.,

Chartered Accountants

FRN : 004721S

14/27, Cathedral Garden Road

Nungambakkam

Chennai - 600034

P. G. JOSHI & CO.,

Chartered Accountants

FRN : 104416W

Dhanvate Chambers,

Sitabuldi,

Nagpur – 440012

J. V. RAMANUJAM & CO.,

Chartered Accountants

FRN : 02947S

F-1, 1st Floor, “Lakshmi”,

56/28, III Main Road , R.A. Puram

Chennai – 600028

b. A brief summary of the business/ activities of the Issuer and its line of business containing at-least following information:-

i. Overview

Our Bank was incorporated on May 13, 1913 as a public limited company pursuant to the Mysore Companies Regulation No. III of 1895 as “The Bank of Mysore Limited”. In 1953, The Bank of Mysore Limited was appointed as an agent of the Reserve Bank of India to

undertake government business and treasury operations. Thereafter, pursuant to the notification of State Bank of India (Subsidiary Banks) Act, 1959, The Bank of Mysore Limited was constituted as a subsidiary of State Bank of India under the name, State Bank of Mysore. As on date State Bank of India holds 90% of shares. The Bank's shares are listed on BSE Ltd and NSE.

Our Bank is one of the leading Public Sector scheduled commercial banks in Karnataka and offers a wide range of products and services to Retail and Corporate customers through a variety of delivery channels. In 100 years of our operations, we have significantly grown our branch network with a presence predominantly in South India, especially Karnataka.

Our Bank as on 30th September, 2015 has widespread network of 1,022 Branches and 1,361 ATMs, 9 Extension Counters spread all over India including 20 Small and Medium Enterprise Branches, 8 Industrial Finance Branches, 3 Corporate Accounts Branches, 7 Specialized Personal & Services Banking Branches, 9 Agricultural Development Branches, 3 Government Business Branches, 2 Specialized NRI Branches, offering wide range of services to the customers besides 5 Service Branches and 1 Asset Recovery Branch rendering backup support to the Bank.

Our Bank has a dedicated work force of 10,116 employees. The staff strength comprised 3,709 officers, 4,535 clerical staff and 1,871 sub-ordinate staff (as on 30th September, 2015). The skill and competence of the employees have been kept updated to meet the requirement of our customers keeping in view the changes in the business environment.

We have three main business lines:

- Corporate/Wholesale Banking
- Retail Banking
- Treasury Operations

We offer various corporate/wholesale banking products and services to our trade and corporate customers, including project finance, term loans, short term loans, cash credit, working capital finance, export credit, bill discounting, line of credit, letters of credit and guarantees.

Our retail banking portfolio consists of Savings Bank, Current Account and Term Deposit services, retail lending for Housing, Gold Loan, Vehicle, Education, MSME lending, Agriculture and other personal loans, and other personal banking products. We offer our customers a suite of technological products, including global debit cards, “anywhere banking” facilities, mobile banking, Internet banking, RTGS, NEFT and POS machines at commercial outlets.

We distribute third-party products such as life and non-life insurance policies through corporate agency agreements with SBI Life Insurance Company Limited and SBI General Insurance Company Limited, respectively, and mutual funds with SBI Funds Management Private Limited through a distribution agreement. We have entered into an agreement for sourcing the applications for SBI Credit Cards. We also act as an agent for various State Governments and the Central Government on numerous matters including the collection of taxes and payment of salary and pension including pensions under New Pension Scheme.

Our treasury operations comprise of liquidity management by seeking to maintain an optimum level of liquidity, while complying with the CRR and the SLR, monitoring and implementation of non-SLR investments of our Bank. We maintain the SLR through a portfolio of Central Government, State Government and Government-guaranteed securities that we actively manage to optimize yield and benefit from price movements. We are also

involved in the trading of debt securities, equity securities and foreign exchange within permissible limits.

Performance:

Deposits

Total Deposits of the Bank grew by Rs.4,504crs to reach the level of Rs.66,064 crs. Aggregate Deposits (total deposits excl. inter Bank deposits) stood at Rs.65,058 crs as at March 31, 2015, recording a growth of Rs. 3,971 crs (6.5%) during FY 2015. The share of CASA deposits to Aggregate Deposits increased from 33.25% in FY 2014 to 33.73% in FY2015.

Personal segment deposits grew by Rs.5,236crs, registering a growth of 15.8 % to reach a level of Rs.38,343 crs as on 31st March 2015. Share of Personal segment deposits to aggregate deposits has increased from 54.2% in FY 2014 to 59% in FY 2015. The number of deposit accounts under Personal segment has increased by 17,31,510 during FY 2015.

To further boost deposits growth under Personal segment, a new product viz “My Bank Sanchay”, a Savings Bank with add on benefits including free accidental Insurance Cover, free Gold/ Platinum Cards etc. was introduced. A special campaign was also held from 02 Feb 2015 to 31st March 2015.

Advances:

While the total advances of the Bank increased from Rs. 50,862 crsin FY 2014 to Rs.53,296crs in FY 2015, thus registering a growth of Rs.2,434 crs (4.79%) during FY 2015, Net advances (i.e. net of NPA related/floating Provisions, and outstanding under Staff Festival Advance) of the Bank increased from Rs. 49,482 crs in FY2014 to Rs.52,026 crs in FY 2015. Credit Deposit Ratio of the Bank stands at 81.9% as at March 31, 2015.

Our Bank has formed the Corporate Network consisting of 11 large branches spread over Metro and other big centres of the country, for catering to the needs of large Corporates. The Corporate Network of the Bank has achieved a business level of Rs.31,481crs, comprising of Rs.4,387 crs of deposits &Rs. 27,094 crs of advances, as on March 31, 2015. The Advances portion of Corporate Net Work, accounts for 51% of the total advances and 89% of the Commercial &Institutional advances of our Bank as on March 31, 2015.

Personal segment advances registered a record growth of Rs.1,636crs (18.5%) to reach a level of Rs. 10,500 crs as on March 31,15. Special campaigns were conducted from time to time to provide a boost to the growth in Housing loans, Car loans, Gold loans and Personal loans. Housing loans recorded a growth of Rs. 974 crs (22%) to reach a level of Rs. 5,372 crs as on March 31, 2015. As on March 31, 2015Car loans recorded a growth of Rs.113 crs (16%) to reach a level of Rs.1,418 crs, Gold loans recorded a growth of Rs. 36 crs (9%) to reach a level of Rs.421 crs and Personal loans recorded a growth of Rs.288 crs (25%) to reach a level of Rs. 1,418 crs.

Income:

Total Income of the Bank increased by 12%, from Rs.6,895crsin FY 14 to Rs 7,708crs in FY2015. Interest Income increased from Rs.6,323crs in FY 2014 to Rs.6,940 crs (10%) in FY 2015. Average Yield on Advances increased from 10.93% in FY 2014 to 11.11% during FY 2015, while Average Yield on Investments increased from 7.37% in FY 2014 to 7.49% in FY 15. Non-Interest Income increased by impressive 34% from Rs. 572 crs in FY 2014 to Rs. 767crsFY 2015 with the growth in profit from sale of investments improving from Rs. 69.36 crs to Rs. 125 crs (81%) and Recovery from Written Off Accounts recording whopping 155%

growth over Rs. 45 crs in FY 2014 to Rs. 115 crs in FY2015. The ratio of Non-Interest Income to Total Income, therefore, stood at a higher level of 10% in FY 2015 (8.4% last year).

Expenditure

The Total Expenditure (before provisions and contingencies) increased by Rs.574crs, from Rs.5,732crs in 2013-14 to Rs.6,376 crs in 2014-15. While Interest Expenses increased by Rs.456 crs (10.5%), the Operating Expenses increased by Rs.128 crs (9%) during FY 2015. The Average Cost of Deposits increased from 7.21% in FY 2014 to 7.25% in FY 2015 owing to customers' marked preference for investment in Term Deposit of 1-3 years maturities, despite increase in CASA share from 33.25% (31.03.14) to 33.73% (31.03.15) and decrease in higher cost bulk deposits.

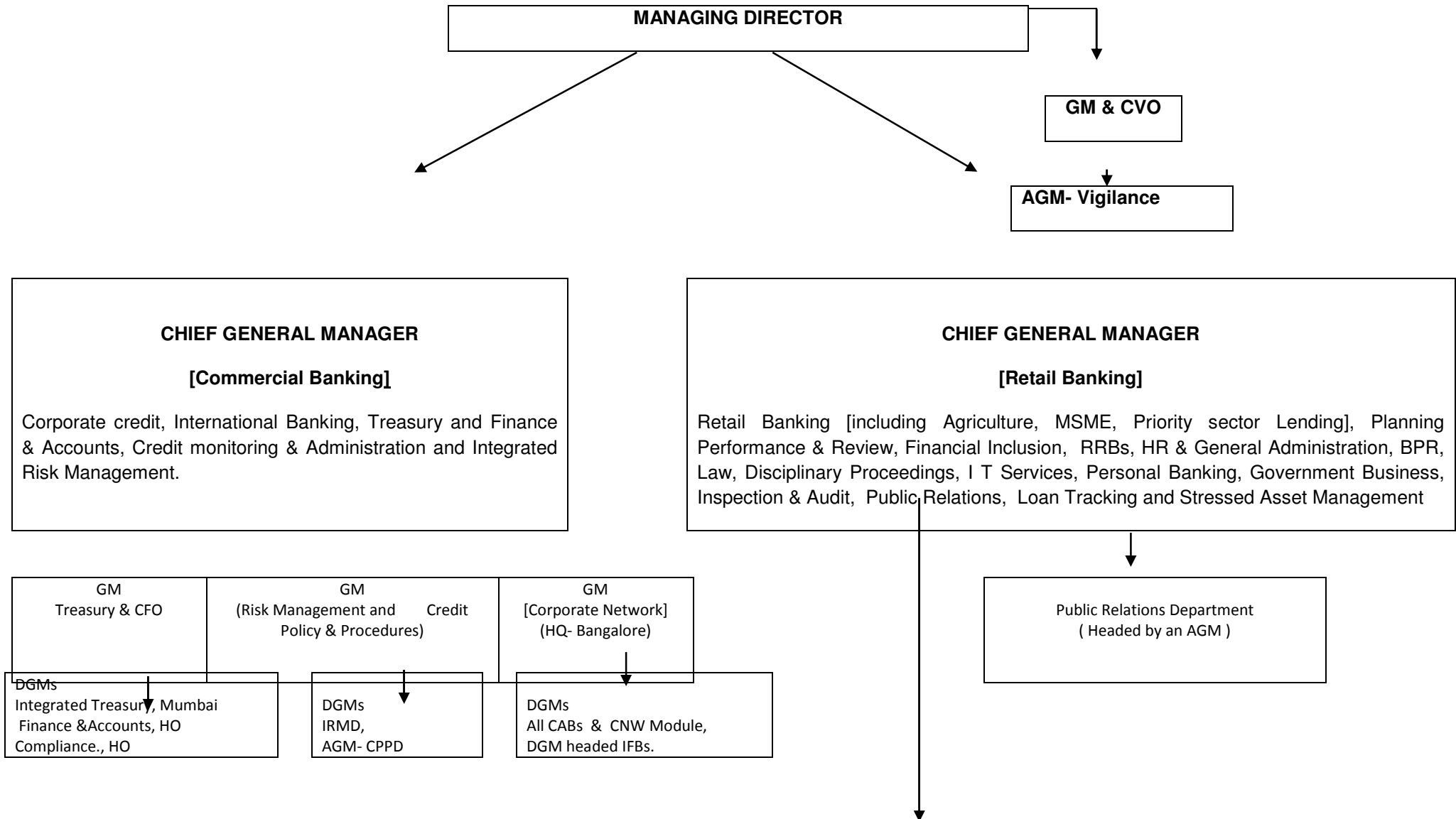
Profit

While the Operating Profit increased from Rs. 1,164 crs in FY 2014 to Rs. 1,331 crs in FY 2015 (14%), the Net Profit increased from Rs.274.25 crsin FY 2014 to Rs.409 crs (49%) in FY 2015. The improvement in bottom-line is on account of proactive steps taken by the Bank in recovery of NPAs and AUC and also by Strategic Sale of Assets. While Return on Assets (ROA) increased from 0.40% in FY 2014 to 0.54% in FY 2015 owing to improved profit despite growth in average assets, Return on Equity (ROE) also increased from 6.84 in FY 2014 % to 9.40% in FY 2015.

Capital Adequacy

The Capital Adequacy Ratio recast under Basel III guidelines as per RBI directives effective from 1st April 2013 stands at 11.42 % as at March 2015, against 11.08 % (recast under BaselIII) as at March 2014. The CRAR of 11.42% consists of CET – I of 8.37%, AT-I of 0.15% both forming TIER-I Capital, besides 3.01% of TIER-II Capital. The CRAR under Basel II guide lines as at March 31, 2015 stood at 12.02% as against 11.50% as at March 31, 2014. The Capital Adequacy Ratio of the Bank has increased on account of improved profitability, control on RWAs, raising of Tier- II capital of Rs 500 crs during FY 2015

ii. Corporate Structure

STATE BANK OF MYSORE, HEAD OFFICE, BANGALORE. - ORGANISATION STRUCTURE

AGM- HOCC.

GM (Stressed Asset Management Group)	GM (Inspection & Audit & CCSD & Customer Complaints)	GM (IT, New Business, Government Business)	GM (H R & General Administration)	GM (Personal Segment Banking & Cross Selling & BPR)	GM (Priority Sector, Rural Banking & Financial Inclusion)	GM (Retail Network) I [HQ- Bangalore]	GM (Retail Network) II [HQ- Mysore]	GM (Retail Network) III [HQ- New Delhi]
↓	↓	↓	↓	↓	↓	↓	↓	↓
DGMs CDR / SAMG	DGMs Inspn& Credit Audit, Credit Audit (Mobile), & CPIO. **	DGMs ITSD & New Business, GBD.	DGMs HR, Gen. Admin. STU, *	DGMs P & SB, BPR Cross Selling (AGM)	DGMs Agriculture, RRB, MSME, Financial Inclusion, Policy, Planning & Review	DGMs Bangalore Br., Bangalore Zone- I Bangalore Zone- II Bengaluru Zone-III &SMECC, Bangalore, SARC, Bangalore	DGMs Mysore, Mangalore, Hubli& Belgaum Zones.	DGMs Delhi Region, Mumbai Region & Central Zone, Chennai.

* DPD and Law departments are headed by AGMs and report directly to GM [HR & Gen Admin],

- iii. Key Operational and Financial Parameters for the last 3 Audited Years
Key Operational and Financial Parameters of the Bank for the last 3 Audited years and Unaudited Results up to 30.09.2015 on a standalone basis are as under

(Rs.incrore):

Particulars	Half year ended September 30, 2015 (Unaudited)	Year ended 31.03.2015 (Audited)	Year ended 31.03.2014 (Audited)	Year ended 31.03.2013 (Audited)
Capital	48.01	48.01	48.01	46.8
Reserves & Surplus	5110.4	4884.35	4500.59	4285.73
Net worth	4587.63	4361.58	3988.86	3764.77
Deposits	69352.59	66063.76	61560.32	56969.04
Borrowings	3248.29	5688.35	5473.97	3854.2
Other Liabilities & Provisions	2734.65	2784.45	2393.46	2076.98
Cash and Balances with Reserve Bank of India	3139.38	3891.92	2858.84	2404.67
Balances with Banks and money at call and short notice	1421.15	364.27	82.38	1100.09
Investments	19968.33	20565.66	19190.20	16774.58
Advances	50742.81	52025.86	49481.95	44932.57
Fixed Assets	950.37	936.59	860.32	824.28
Other Assets	4271.9	1684.62	1502.66	1196.57
Contingent Liabilities	32883.7	40050.46	27880.36	17069.91
Bills for Collection	3386.52	2984.7	880.99	711.17
Interest earned	3603.51	6939.99	6322.86	5965.48
Other Income	318.1	767.61	572.56	595.59
Interest expended	2541.53	4853.09	4396.44	4125.28
Operating expenses	807.33	1523.53	1334.54	1104.76
Provisions and contingencies (including tax)	346.71	922.18	890.19	914.94
Net Profit for the Period	226.05	408.8	274.25	416.1
Gross NPA (%)	4.19%	4.00%	5.54%	4.53%
Net NPA (%)	2.22%	2.16%	3.29%	2.69%

Tier I Capital Adequacy Ratio (Basel II) (%)	8.52%	8.61%	8.81%	8.87%
Tier II Capital Adequacy Ratio (Basel II) (%)	3.30%	3.41%	2.69%	2.92%

Gross Debt: Equity Ratio of the Company:-

Particulars	Total Borrowing (Rs. Crore)	Net Worth (Rs. Crore)	Borrowings / Equity Ratio
Before the issue of bonds	3248.29*	4587.63*	0.71
After the issue of bonds	3748.29	4587.63*	0.82

(Based on figures as on 30th September 2015)

iv. Project Cost and means of financing, in case of funding of new projects

The funds being raised by the Issuer through present issue of Tier 2 bonds are not meant for financing any particular project. The Bank shall utilize the proceeds of the issue for augmenting its Tier 2 and overall capital base and for the purpose of its regular business activities & other associated business objectives.

c. A brief history of the Issuer since its incorporation giving details of its following activities:-

History

Our Bank was incorporated on May 13, 1913 as a public limited company pursuant to the Mysore Companies Regulation No. III of 1895 as “The Bank of Mysore Limited”. In 1953, The Bank of Mysore Limited was appointed as an agent of the Reserve Bank of India to undertake government business and treasury operations. Thereafter, pursuant to the notification of State Bank of India (Subsidiary Banks) Act, 1959, The Bank of Mysore Limited was constituted as a subsidiary of State Bank of India under the name State Bank of Mysore. State Bank of India holds 90% of shares. The Bank's shares are listed in BSE Ltd and NSE.

i. Details of Share Capital as on 30th September 2015:-

Share Capital	Rs in crs
Authorized Share Capital	500.00
Issued, Subscribed and Paid-up Share Capital	48.01

ii. Changes in its capital structure as on 30th September 2015, for the last five years:-

Date of Change (AGM/EGM)	Amount (Increase) Rs in crs		Particulars
23-07-2010*	Capital	10.80	Increase in Issue, Subscribed and paid-up share Capital pursuant to RBI approval dated 23 rd July 2010 and SBI Approval dated 20 th August 2009 sought under section 7(1A) of State Bank of India (Subsidiary Banks) Act, 1959
	Premium	570.54	

11-03-2013	Capital	1.21	Increase in Issue, Subscribed and paid-up share Capital to meet the SEBI requirement of minimum 10% public shareholding, Bank has raised Rs.1.21 crores through Institutional Placement Programme (IPP) issue vide: GoI approval: F.No.11/5/2013-BOA dated 21.03.2013. RBI approval: DBOD.CO.BP.No.21.01.002/2012-13 dated 28.02.2013.
	Premium	63.82	

*RBI Approval Date

iii. Equity Share Capital History of the Company as on last quarter end, for the last five years:-

Date of Allotment	No. Of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Consideration (Cash, other than cash, etc.)	Nature of Allotment	Cumulative			Remarks
						No. Of Equity Shares	Equity Share Capital (Rs. Crore)	Equity Share Premium (Rs. Crore)	
08.10.2010	1,07,99,790	10	540/-	Cash	Rights	4,67,99,790	46.80	630.54	Rights Issue in the ratio of 3 equity shares for every 10 equity shares held
12.07.2013	12,13,420	10/-	545/-	Cash	Institutional Placement Programme	4,80,13,420	48.01	694.35	IPP Issue

iv. Details of any Acquisition or Amalgamation in the last 1 year:-

There has not been any Acquisition or Amalgamation in the last 1 year

v. Details of any Reorganization or Reconstruction in the last 1 year:-

Type of Event	Date of Announcement	Date of Completion	Details
There has not been any Reorganization or Reconstruction in the last 1 year			

d. Details of the shareholding of the Company as on 30th September 2015:-

i. Shareholding pattern of the Company as on 30th September 2015:-

Sr. No	Particulars	Total No. of Equity Shares	No. of Shares in Demat Form	Total Shareholding as a % of total no. of equity shares
(A)	Shareholding of Promoter and Promoter Group Financial Institution/Banks	4,32,12,078	4,32,12,078	90.00%
(B)	Public shareholding			
1	Institutions			
(a)	Mutual Funds/UTI	1,50,100	1,50,100	0.31%
(b)	Financial Institutions / Banks	5,18,193	5,17,633	1.08%
(c)	Central Government/State Government(s)			
(d)	Insurance Companies	7,77,808	7,77,758	1.62%
(e)	Foreign Institutional Investors	60,383	60,183	0.13%
(f)	Qualified Foreign Investor			
	Sub Total (B)(1)	15,06,484	15,05,674	3.14%
2	Non-institutions			
(a)	Bodies Corporate	2,30,889	2,21,949	0.48%
(b)	Individuals			
i)	Individuals - shareholders holding nominal share capital up to Rs 1 Lakh	26,91,921	18,95,492	5.61%
ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 Lakh	2,53,940	2,53,940	0.53%
(c)	Qualified Foreign Investor	-	-	
(d)	Any Other (specify)	-	-	
(d-i)	Non Resident Indian	61,434	60,794	0.13%
(d-ii)	Trusts	6,760	6,760	0.01%
(d-iii)	OCB			
(d-iv)	Foreign National			
(d-v)	Foreign Body Corporates			
(d-vi)	Clearing Member	49,914	49,914	0.10%
	Sub Total (B)(2)	32,94,858	24,88,849	6.86%
	Total Public Shareholding (B)=(B)(1)+(B)(2)	48,01,342	39,94,523	10.00%
(C)	Shares held by Custodians and against which Depository Receipts have been issued			
	GRAND TOTAL (A)+(B)+(C)	4,80,13,420	4,72,06,601	100.00%

Note: There are no shares pledged or encumbered by the promoters of the Bank.

ii. List of top 10 holders of equity shares of the Company as on 30th September, 2015

Sr. No.	Name of the shareholders	Total No of Equity Shares	No of shares in demat form	Total Shareholding as % of total no of equity shares
1	State Bank Of India	43212078	43212078	90.00
2	Life Insurance Corporation of India	708058	708058	1.47

3	The Lakshmi Vilas Bank Limited	108744	108744	0.23
4	Reliance Capital Trustee Co. Ltd- A/C Reliance Capital Builder Fund 2 SR A	88500	88500	0.18
5	The KarurVysya Bank Ltd	82246	82246	0.17
6	Canara Bank	78246	78246	0.16
7	Indian Bank	77355	77355	0.16
8	Bank of Maharashtra	71219	71219	0.15
9	United India Insurance Company Limited	69700	69700	0.15
10	Hemendra M Kothari	67000	67000	0.14

e. Following details regarding the directors of the Company:-

i. Details of the current directors of the Bank

Sr. no.	Name, Designation and DIN	Age (yrs.)	Address	Director of the Bank since	Details of other directorships
1.	Smt. Arundhati Bhattacharya Chairman DIN: 02011213	59	No.5, Dunedin, J.M.Mehta Road, Mumbai – 400 006	07.10.2013	SBI, SBBJ, SBH, SBP, SBT, SBI Capital Markets Ltd., SBI DFHI Ltd., SBI Global Factors Ltd., SBI Life Insurance Co. Ltd., SBI Funds Management Pvt.Ltd., SBI Pension Funds Pvt Ltd., SBI Cards & Payments Services Pvt Ltd., SBI General Insurance Co.Ltd., EXIM Bank, IBA,NIBM, IIBF, IBPS, IIT Kharagpur
2.	Shri V. G. Kannan Director DIN: 03443982	59	Associate Banks Department, State Bank of India, 18th Floor, Corporate Centre State Bank Bhavan, Madame Cama Road, Mumbai - 400 021.	21.10.2014	SBI, SBBJ, SBH, SBP, SBT, SBI Capital Markets Ltd., SBI Cap securities Ltd., SBICAPS Ventures Ltd., SBICAP(UK) Ltd., SBI Cap Singapore Ltd, SBI DFHI Ltd., SBI Gen. Ins. Co. Ltd., SBI Global Factors Ltd., SBI Life Insurance Co. Ltd., SBI Funds Management Pvt.Ltd., SBI Pension Funds Pvt Ltd., SBI Cards & Payments Services Pvt Ltd.
3.	ShriSharad Sharma Managing Director DIN: 05160057	59	SBM House, No.75 15th Cross, Malleswaram Bangalore -560 003.	13.08.2012	---

4.	ShriNeerajVyas Director DIN: 06473712	57	Associate Banks Department, State Bank of India, 4th Floor, Corporate Centre, State Bank Bhavan, Madame CamaRoad,Mumbai -400 021	24.08.2015	SBBJ, SBH, SBP, SBT, SBI Payment Services Pvt.Ltd, GE Capital Business Process Management Services Pvt.Ltd.
5.	Shri Ravi NandanSahay Director	55	Associate Banks Department, State Bank of India Corporate Centre, State Bank Bhavan, Madame Cama Road, Mumbai -400 021.	28.08.2015	SBBJ, SBH, SBP, SBT
6.	Shri A Prabhakara Director	56	# 6/1, “Sri Ramana”, 8th ‘A’ Main Road, RMV Extension, Sadashivnagar, Bangalore –560080,	11.01.2014	---
7.	ShriMurliRadhakris hnan Director	58	CGM, HRMD 16th Floor, New Central Office Building, RBI, ShahidBhagat Singh Road Mumbai- 400 001	24.05.2013	----
8.	Shri S. Selvakumar Director	47	Joint Secretary, Government of India, Dept. of Economic Affairs, Ministry of Finance, 10, Parliament street, NEW DELHI-110 001	15.06.2015	---
9.	Shri K Gururaj Acharya Director	46	No.14, Girls School Street, Kumara Park West, Seshadripuram, Bangalore – 560 020.	05.04.2013	---
10.	ShriRamasubraman ian. S Director	69	Flat No.705, 6th Floor, Ramsridhar Apartments’, 9th Main, 2nd Cross, BTM Layout, 2nd Stage, Bangalore – 560 076.	15.02.2013	---

11.	Shri R Raghavendra Director	58	State Bank of Mysore, Market Branch, Sayyaji Rao Road, Mysore- 570 001	01.09.2013	---
12.	Shri Vijay Kumar Monga	57	Associate Banks Department, State Bank of India Corporate Centre, State Bank Bhavan, Madame Cama Road, Mumbai -400 021.	30.09.2015	---

Note: None of the current Directors of the Bank appear in the RBI's Defaulters' List or ECGC's Default List

ii. Details of change in directors since last three years:-

Sr. No.	Name, Designation and DIN	Date of Appointment/ Resignation/ Cessation	Director of the Bank Since (in case of Resignation)	Reason / Remarks
1.	Shri A K Deb Director	30.11.2012	05.09.2011	Attained superannuation vide letter A&S/NKC/2969 dt. 30.11.2012
2.	Shri Rajiv N Mehra Director	30.04.2014	01.12.2012	Attained superannuation.
3.	Shri B Ramesh Babu Director	24.08.2015	05.05.2014	Resigned on transfer from A&S Dept., SBI HO.
4.	Shri Neeraj Vyas Director DIN: 07053788	24.08.2015		Appointed in place of Shri B Ramesh Babu, vide letter A & S No. 01/2015-16 dtd- 24.08.2015
5.	Shri K N Nayak Director	13.11.2013	30.09.2011	Resigned on transfer from A&S Dept., SBI HO.
6.	Shri Purna Chandra Jena Director	17.07.2014	26.11.2013	Promoted & transferred. Ceased to be a director w.e.f. 17.07.2014
7.	Shri Ramesh Chandra Srivastava Director	27.08.2015	17.07.2014	Resigned on transfer from A&S Dept., SBI HO.
8.	Shri Ravi Nandan Sahay Director	28.08.2015		Appointed in place of Shri Ramesh Chandra Srivastava, vide letter A & S No.

				02/2015-16 dtd- 28.08.2015
9.	Shri Vijay Kumar Monga, Director	30.09.2015		Appointed by SBI vide letter A & S No. 03/2015-16 dtd- 30.09.2015
10.	ShriShyamal Acharya Director	30.11.2012	01.07.2011	Resigned on transfer from A&S Dept., SBI, and HO. A&S/NKC/3001 dt.29.11.2012
11.	Shri S Vishvanathan Director	30.04.2014	17.07.2013	Attained Superannuation
12.	ShriV.G.Kannan Director	21.10.2014		Appointed under section 25(1)(c) of The State Bank of India (Subsidiary Banks) Act, 1959 vide letter A&S/NKC/2485 dt.22.10.2014
13.	Ms. May Rose Steele	14.02.2013	15.02.2010	Completed the term of appointment
14.	Shri S Ramasubramanian , Director	15.02.2013		Elected Director under section 25(1)(d) of The State Bank of India (Subsidiary Banks) Act, 1959
15.	Shri K Gururaj Acharya Director	09.02.2013	10.02.2010	Completed the term of appointment
16.	Shri K Gururaj Acharya Director	05.04.2013		Elected Director under section 25(1)(d) of The State Bank of India (Subsidiary Banks) Act, 1959 vide letter A&S/NKC/0043 dated 05.04.2013
17.	ShriSharad Sharma Managing Director	13.08.2012		Appointed under section 25(1) (aa) of The State Bank of India (Subsidiary Banks) Act, 1959 vide letter A&S/NKC/1423 dt. 23.07.2012
18.	ShriPratipChaudhuri Chairman	30.09.2013	07.04.2011	Attained Superannuation

19.	SmtArundhati Bhattacharya Chairman	07.10.2013		Appointed under Section 19 (a) and 20(1) of The State Bank of India Act, 1955 read with Section 25(1) (a) of The State Bank of India (Subsidiary Banks) Act, 1959 vide letter A&S/NKC/2186 dt.17.10.2013
20.	Smt. MadhumitaSarkar Deb Director	24.05.2013	03.01.2011	Resigned vide RBI Letter DBOD No.16883/08.21.006/2012-13 dated 24th May, 2013
21.	ShriMuraliRadhakrishnan Director	24.05.2013		Appointed under section 25(1)(b) of The State Bank of India (Subsidiary Banks) Act, 1959 vide RBI Letter DBOD No.16883/08.21.006/2012-13 dated 24th May, 2013
22.	Shri D DMaheshwari Director	23.05.2013	12.05.2009	Completed the term of appointment
23.	Shri M MahmoodDawla Director	07.05.2014	23.05.2013	Resigned vide letter F.No.6/3/2012-BO-1 dated 7th May 2014
24.	Shri J S Phaugat Director	15.06.2015	07.05.2014	Appointed under section 25(1)(c) of The State Bank of India (Subsidiary Banks) Act, 1959 vide letter F.No.6/3/2012-BO-1 dated 7th May 2014
25.	Shri S. Selvakumar Director	15.06.2015		Appointed vide letter F.No.6/3/2012-BO-1 dated 15.06.2015
26.	ShriMilind S Katti Director	30.08.2013	31.08.2010	Completed the term of appointment
27.	Shri R Raghavendra Director	01.09.2013		Appointed under section 25(1)(ca) of The State Bank of India (Subsidiary Banks) Act, 1959 vide letter notification F. No. 6/6/2013-BO-1 dated 14th August, 2013

28.	ShriGururajaRao Director	06.09.2013	07.09.2010	Completed the term of appointment
29.	Shri K Guruswamy Director	30.07.2015	24.01.2014	Ceased to be officer employee Director vide letter F.No.3/6/2013-BO-1 dated 30.07.2015
30.	Shri A Prabhakara Director	11.01.2014		Appointed under section 25(1)(c) of The State Bank of India (Subsidiary Banks) Act, 1959 vide letter A&S/NKC/2944 dt.07.01.2014

f. Following details regarding the auditors of the Company:-

i. Details of the auditor of the Company

Name	Address	Auditor since
B.P.Rao& Co.	Chartered Accountants, FRN-003116S , No.5, Poorna Prasad Road, High Grounds, Bangalore-560 001	Dec 2015
P B Vijayaraghavan& Co.	Chartered Accountants, FRN – 004721S #14, (Old No. 27), Cathedral Garden Road, Nungambakkam, Chennai- 600 034	March 2015
P G Joshi & Co.	Chartered Accountants, FRN-104416W Dhanvate Chambers Sitabuldi, Nagpur- 440 012	March 2015
J V Ramanujam& Co.	Chartered Accountants, FRN-002947S F-1, First Floor, "LAKSHMI" Old no. 28, New No. 56,3rd Main Road, Raja Annamalaipuram, Chennai- 600 028	March 2015

ii. Details of change in auditor since last three years:-

Name	Address	Date of appointment/ Resignation/ Retirement	Auditor of the Company since (in case of resignation/retirement)	Remarks
M/s Bhasin Raghavan & Co.	E-48, Bhagat Singh Market, Near Gole Market, New Delhi- 110 001.	September 2013	September2010	Retired
M/s K P Rao& Co.	"Poornima", 25, State Bank Road, Bangalore - 560 001.	September 2013	September2010	Retired
M/s S K Basu& Co.	2nd Floor, Temple Chambers, 6, Old Post Office Road, Kolkata - 700 001	December 2012	December 2011	Services discontinued as per RBI instructions

M/s B L Ajmera & Co.	Malji Chhagalal Trust Building, M.I. Road, Jaipur - 302 001	December 2014	December 2011	Retired
M/s MKPS & Associates	Block "B", LBS Colony, Monalika Apartment, Old Station Road, Cuttack Road, Bhubaneswar - 751 006.	December 2014	December 2011	Retired
M/s Maharaj N R Suresh & Co.	9, II Lane, 11 Main Road, Trustpuram, Chennai - 600 024	December 2014	December 2011	Retired
M/s Bubber Jindal & Co.	19-20, Gola Market, Darya Ganj, New Delhi - 110 002	December 2015	December 2012	Retired
M/s P B Vijayaraghavan Co.	#14, (Old No. 27), Cathedral Garden Road, Nungambakkam, Chennai- 600034	March 2015		Appointed.
M/s P G Joshi & Co.	Dhanvate Chambers Sitabuldi, Nagpur- 440 012	March 2015		Appointed.
M/s J V Ramanujam & Co.	F-1, First Floor, "LAKSHMI" Old no. 28, New No. 56 3rd Main Road, Raja Annamalaipuram, Chennai- 600 028	March 2015		Appointed.
M/s. B P Rao & Co.	Chartered Accountants, No.5, Poorna Prasad Road, High Grounds, Bangalore-560 001	December 2015		Appointed

g. Details of borrowings of the Company, as on 30th September 2015:-

i. Details of Loan Facilities:-

Borrowings as on 30.09.2015 (Rs. crores):		
I. Borrowings in India		
(i) Reserve Bank of India		NIL
(ii) Other Banks		NIL
(iii) Other Institutions and Agencies		1632.12
(iv) Capital Instruments		
a. Innovative Perpetual Debt Instruments (IPDI)		
b. Subordinated Debt		
TOTAL		1632.12
II. Borrowings outside India		
(i) Borrowings and Refinance outside India		166.69
TOTAL		166.69
GRAND TOTAL		1798.81
Secured borrowings included in I & II above		1632.12

ii. Details of Deposits:-

Sr. no.	Particulars	Amount (Rs. crores)	Cumulative (Rs. crores)
I.	Demand Deposits		3475.22
i.	From Banks	520.32	
ii.	From Others	2954.90	
II.	Savings Bank Deposits		19667.25
III.	Term Deposits		46210.12
i.	From Banks	102.38	
ii.	From Others	46107.74	
	Total		69,352.59
	Deposits of Branches in India		69,352.59
	Deposits of Branches outside India		
	Total		69,352.59

iii. Details of NCDs:-

Debenture series	Tenor/Period of Maturity	Coupon (%)	Amount (Rs.in crore)	Date of Allotment	Redemption date/Schedule	Credit Rating	Secured/Unsecured	Security
Upper Tier-II	180	8.95 with step-up coupon of 9.45% if call option not exercised	300.00	15.11.2006	15.10.2021 with a call option at on 15.11.2016	AAA CRISIL & CARE	Unsecured	NA
IPDI-SR-I	Perpetual	9.8% with a step-up coupon of 10.30% if call option not exercised at the end of 10th year	160.00	30.11.2007	NA (Call option at the end of 10th year and every thereafter)	AAA CRISIL & CARE	Unsecured	NA

Upper Tier-II, SR-I	180	9.08% with a step-up coupon of 9.58% if call option not exercised .	340.00	16.01.2008	16.12.2017	AAA CRISIL & CARE	Unsecured	NA
IPDI SR-I	Perpetual	9.10% with a step-up coupon of 9.60% if call option not exercised .	100.00	25.11.2009	NA (Call option after 120 months)	AAA CRISIL & CARE	Unsecured	NA
Basel-III, Tier-II	120	8.55	500.00	17.12.2014	17.12.2024	AAA CRISIL & CARE	Unsecured	NA
Basel-III, Tier-II	120	8.40	300.00	31.12.2015	31.12.2025	AAA CRISIL & ICRA	Unsecured	NA

iv. List of Top 10 Debenture Holders as on 30th September 2015

Sr. No.	Name of Debenture Holders	Amount in crores
1	CBT EPF-05-C-DM	242.00
2	CBT EPF-05-A-DM	125.00
3	Life Insurance Corporation of India	100.00
4	CBT EPF-05-D-DM	100.00
5	CBT EPF-05-C-DM	100.00
6	CBT EPF-11-A-DM	91.10
7	CBT EPF-11-B-DM	75.00
8	CBT EFP-11-C-DM	75.00
9	BIRLA SUN LIFE INSURANCE COMPANY LIMITED	30.00

10	CBT EPF-05-B-DM	25.00
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Note: Top 10 holders' (in value terms, on cumulative basis for all outstanding debentures issues) details should be provided.

- v. The amount of corporate guarantee issued by the Issuer along with name of the counterparty (like name of the subsidiary, JV entity, Group Company, etc.) on behalf of whom it has been issued.

There are no Corporate Guarantees issued by the Bank to counterparties including the Bank's Subsidiaries, Joint Ventures, Group Companies, etc.; except Non Fund based limits in the form of Bank Guarantees, during the course of Bank's Business Operations.

- vi. Details of Certificate of Deposit: - The total Face Value of Certificate of Deposit Outstanding as on 30th September 2015

NIL

- vii. Details of Rest of the borrowings (including hybrid debt like FCCB, Optionally Convertible Bonds /Preference Shares) as on 30.09.2015:

The Bank has not issued any hybrid debt like Foreign Currency Convertible Bonds (FCCBs), optionally Convertible Bonds /Debentures (OCBs) / Preference Shares etc.

- viii. Details of all default/s and/or delay in payments of interest and principal of any kind of term loans, debt securities and other financial indebtedness including corporate guarantee issued by the Company, in the past 5 years .

There has been no default (s) and / or delay (s) in payments of interest and principal of any kind of term loans, debt securities and other financial indebtedness including corporate guarantee issued by the Bank, in the past five years.

- ix. Details of any outstanding borrowings taken/ debt securities issued where taken / 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 confirms that other than and to the extent mentioned elsewhere in this Disclosure Document, it has not issued any debt securities or agreed to issue any debt securities or availed any borrowings for a consideration other than cash, whether in whole or in part, at a premium or discount or in pursuance of an option since inception.

h. Details of Promoters of the Company:-

- i. Details of Promoter Holding in the Bank as on 30th September 2015:-

Sr.no.	Name of the shareholders	Total no. of equity shares	No. of shares in demat form	Total shareholding as % of total no. of equity shares	No. of shares pledged	% of shares pledged with respect to shares owned
1.	State Bank of India	4,32,12,078	4,32,12,078	90.00%	Nil	Nil

i. Abridged version of Audited Standalone Financial Information (Profit & Loss statement, Balance Sheet and Cash Flow statement) for last three years and auditor qualifications

Balance Sheet

<i>Rs. Lacs</i>								
SCH . No			For the year ended March 31, 2015		For the year ended March 31, 2014		For the year ended March 31, 2013	
		CAPITAL & LIABILITIES						
I	Capital		4801.34	4801.34	4801.34	4801.34	4679.98	4679.98
II	Reserve & Surplus	Statutory Reserves	160976.29		150756.39		143900.26	
		Capital Reserve	25486.72		23718.09		22251.06	
		Share Premium	69435.09		69435.09		63053.59	
		Revaluation Reserve	57077.93		55972.13		56776.35	
		Revenue and Other Reserves	175459.16		150176.46		142591.73	
		Balance in Profit & Loss a/c	0.25	488435.44	0.41	450058.57	0.22	428573.21
III	Deposits	Demand Deposits	370719.44		336940.70		285690.67	
		Savings Bank Deposits	1866273.72		1716960.42		1511541.64	
		Term Deposits	4369383.32	6606376.48	4102131.31	6156032.43	3899671.98	5696904.29
IV	Borrowings	Borrowings in India						
		(a) From Reserve Bank of India	75500.00		127500.00		28000.00	
		(b) from other Banks	44936.26		0.00		0.00	
		(c) from other institutions and agencies	385898.53		362977.27		324849.27	
		Borrowings outside India	62500.00	568834.79	56919.25	547396.52	32571.00	385420.27
V	Other liabilities and provisions	Bills payable	47665.76		35670.05		37152.67	
		Inter-Office adjustments (net)	0.00		0.00		0.00	
		Interest Accrued	84243.82		75297.14		70947.11	
		Provisions towards standard assets	34530.74		29684.74		24800.74	
		Deferred Tax Liability (net)	0.00		0.00		0.00	
		Others	112004.23	278444.55	98693.80	239345.73	74797.43	207697.95
Total Capital and Liabilities				7946892.60		7397634.59		6723275.70
		ASSETS						
VI	Cash and balance with Reserve Bank of India		389192.23	389192.23	285884.23	285884.23	240466.70	240466.70
VII	Balances with Banks and money at call and short notice	Balance with banks in India	1058.85		1848.30		2183.47	
		Money at call and short notice in India	35000.00		0.00		95814.27	
		Balance outside India	368.05	36426.90	6389.67	8237.97	12011.45	110009.19
VIII	Investments	In India						
		(a) Government Securities	1678642.62		1590191.59		1446016.26	
		(b) Other approved securities	0.00		0.00		0.00	

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		(c)Shares	4230.49		3733.99		7712.86	
		(d) Debentures and Bonds	40772.32		37153.68		21393.76	
		(e) Subsidiaries and/or Joint Ventures	2123.38		1889.19		1889.19	
		(f) Others	330797.62		286051.34		200445.63	
		Outside India		2056566.43		1919019.79	0.00	1677457.70
IX	Advances	In India						
		(a) Bills purchased and discounted	256930.87		304740.71		176470.42	
		(b) Cash credits overdrafts and loans repayable on demand	1964911.53		1910069.94		1768746.23	
		(c)Terms Loans	2980743.76		2733384.24		2548040.71	
		Outside India	0.00	5202586.16	0.00	4948194.89	0.00	4493257.36
X	Fixed Assets		93659.14	93659.14	86032.15	86032.15	82428.16	82428.16
XI	Other Assets	Inter-Office adjustments (net)	34841.35		31729.85		7853.64	
		Interest Accrued	52769.37		51988.44		44590.01	
		Tax paid on advance/deducted at source	32388.60		26897.93		23802.71	
		Deferred Tax Assets (net)	20353.51		15433.64		11575.62	
		Non-banking assets acquired in satisfaction of claims	0.00		0.00		0.00	
		others	28108.91	168461.74	24215.70	150265.56	31834.61	119656.59
Total Assets				7946892.60		7397634.59		6723275.70
XII	Contingent Liability	Claims against the Bank not acknowledged as debt	59390.91		30854.64		29790.97	
		Liability on account of outstanding forward exchange	3114659.28		2060305.78		1020533.03	
		Guarantees given on behalf on constituents	303692.18		266698.76		238735.11	
		Acceptance endorsements and other obligations	508372.90		417099.38		404376.59	
		Other items for which the bank is contingently liable	18930.68	4005045.95	13077.12	2788035.68	13555.30	1706991.00
	Bills for collection		298470.24	298470.24	88098.89	88098.89	71117.39	71117.39

Profit & Loss

SCH .No			For the year ended March 31, 2015		For the year ended March 31, 2014		For the year ended March 31, 2013	
		INCOME						
XIII	Interest Earned	On advances/bills	543710.01		490621.92		478776.58	
		On investments	144717.68		130903.71		115757.06	
		On balances with RBI and Inter Bank funds	4594.44		5544.94		1751.84	
		Others	976.48	693998.61	5214.96	632285.53	262.94	596548.42
XIV	Other Income	Commission, Exchange and Brokerage	45379.59		39943.73		39135.49	
		Net Profit on sale of Investment	12533.54		6935.63		6652.82	

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		Net profit on sale on land, buildings and other assets	-274.53		-220.09		-102.67	
		Net profit on exchange transactions	7412.56		5959.87		5850.19	
		Income by way of dividends etc from subsidiaries/companies and/or joint ventures abroad/In India	0.00		0.00		0.00	
		Miscellaneous Income	11709.38	76760.54	4637.31	57256.45	8023.26	59559.09
		Total Income		770759.15		689541.98		656107.51
		EXPENDITURE						
XV	Interest Expended	On deposits	446749.34		404221.30		377990.10	
		on RBI/Inter Bank borrowings	24737.06		21974.27		21459.97	
		Others	13822.11	485308.51	13448.65	439644.22	13077.86	412527.93
XVI	Operating Expenses	Payment to and provision for employees	90049.90		78355.71		64024.48	
		Rent taxes and lighting	14686.50		12854.16		9816.61	
		Printing and stationary	1531.67		1421.54		1429.19	
		Advertisement and publicity	898.59		831.38		640.18	
		Depreciation on bank's property	6561.63		6136.59		4704.49	
		Directors fees allowances and expenses	22.00		13.88		20.52	
		Auditors fee and expenses (including branch auditors)	1158.13		1140.40		915.60	
		Law charges	596.30		625.79		733.94	
		Postages, telegrams, telephones etc.	679.00		764.16		622.99	
		Repairs and maintenance	536.79		573.70		460.81	
		Insurance	6902.45		6274.81		4693.31	
		Others	28729.59	152352.55	24461.85	133453.97	22414.25	110476.37
	Provisions and Contingencies	Provision for depreciation on investment	71.09		7006.80		3602.80	
		Provision towards non performing assets	51716.80		71980.10		41276.56	
		Provision towards standard assets	4846.00		4884.00		6340.40	
		Others (excluding income taxes)	16862.00	73495.89	9839.00	93709.90	12375.54	63595.30
		Total expenses and provisions		711156.95		666808.09		586599.60
	Profit/(Loss) before tax			59602.20		22733.89		69507.91
		Current tax	18722.59		-4690.61		26542.32	
		Deferred tax	0.00	18722.59	0.00	-4690.61	1355.96	
		Provision for earlier years reversed (Net)					-	27898.28
	Profit/(Loss) after tax			40879.61		27424.50		41609.63
	Profit/Loss brought forward		0.41	0.41	0.22	0.22	0.29	0.29
	Total			40880.02		27424.72		41609.92
	Appropriations	Transfer to Statutory	10219.90		6856.12		10402.42	

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		Reserve						
		Transfer to other Reserves	27201.32		18883.00		25825.32	
		Transfer to Government/ Dividend & Dividend Tax	3458.55		1685.20		5381.97	
		Balance earned forward to balance sheet	0.25	40880.02	0.41	27424.72	0.22	41609.92

Cash Flow Statement

Rs. Lacs

	Particulars	YEAR ENDED 31-03-2015		YEAR ENDED 31-03-2014		YEAR ENDED 31-03-2013	
A	Cash Flow From Operating Activities		1733 84 56		-364 95 09		393 65 38
B	Cash Flow From Investing Activities		-269 84 47		-150 06 26		-83 65 78
C	Cash Flow From Financing Activities		-149 03 17		-48 52 34		-167 94 39
	NET CHANGE IN CASH AND CASH EQUIVALENTS		1314 96 92		-563 53 69		142 05 21
D	Cash and Cash Equivalents at the Beginning of the year		2941 22 20		3504 75 89		3362 70 68
E	Cash and Cash Equivalents at the end of year [A+B+C+D]		4256 19 12		2941 22 20		3504 75 89
A	Cash Flow From Operating Activities						
	Net profit after Taxes	408 79 61		274 24 49		416 09 64	
	Provision for Taxes	187 22 59		-46 90 61		278 98 28	
	Net profit before Taxes		596 02 20		227 33 88		695 07 92
	Adjustment For						
	Depreciation charges	65 61 63		61 36 59		47 04 49	
	Depreciation Write Back					-47 32 26	
	Profit/Loss on sale of fixed assets	2 74 53		2 20 10		1 02 67	
			68 36 16		63 56 69		74 90
	Net Profit Before Depreciation,(Profit)Loss on sale of fixed assets		664 38 36		290 90 57		695 82 82
	Provisions for NPAs		517 16 80		719 80 10		412 76 56
	Provision for/(Written back of) Investment Depreciation (Net)		-10 54 04		70 06 80		36 02 80
	Provision for Standard Assets		48 46 00		48 84 00		63 40 40
	Interest paid on State Bank of Mysore Bonds [financing activity]		114 44 62		113 55 20		113 55 20

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	Provision for interest sacrifice on restructured accounts		63 34 00		15 52 00		92 73 99
	Provision for / (written back of) wage revision		105 28 00		82 87 00		31 00 00
	Miscellaneous Provision						1 54
	TOTAL		1502 53 74		1341 55 67		1445 33 31
	Less Direct Taxes		-104 10 54		-69 53 24		-267 61 20
	Adjustment For						
	Increase / (Decrease) in Deposits		4503 44 05		4591 28 14		6782 74 27
	Increase / (Decrease) in Borrowings		214 38 27		1619 76 25		-571 38 35
	(Increase) / Decrease in Investments		-1375 73 12		-2485 68 89		-2041 87 35
	(Increase) / Decrease in Advances		-3419 03 71		-5269 17 63		-5510 03 19
	Increase / (Decrease) in Other Liabilities & Provisions		490 21 51		143 40 34		40 98 04
	(Increase) / Decrease in Other Assets		-77 85 64		-236 55 73		515 49 85
	Net Cash provided by the Operating Activities		1733 84 56		-364 95 09		393 65 38
B	Cash Flow From Investing Activities						
	Investments in Subsidiaries and/or Joint Ventures						
	Income earned on such Investments						
	Fixed Assets		-269 84 47		-150 06 26		-83 65 78
	Net Cash used in Investing Activities		-269 84 47		-150 06 26		-86 35 78
C	Cash Flow From Financing Activities						
	Share Capital				1 21 36		-
	Share Premium				63 81 50		-
	Subordinated Bonds/Perpetual Bonds						-
	Redemption of Subordinated Bonds						-
	Interest paid on Bonds		-114 44 62		-113 55 20		-113 55 20
	Dividends Paid		-34 58 55				-54 39 19
	Net Cash provided by Financing Activities		-149 03 17		-48 52 34		-167 94 39
D	Cash and Cash Equivalents at the beginning of the year						
	Cash in hand (including foreign currency		253 73 51		245 05 80		253 96 09

	notes and gold)						
	Balance with Reserve Bank of India		2605 10 72		2159 60 90		2771 88 41
	Balance with Banks and Money at Call and Short Notice		82 37 97		1100 09 19		336 86 18
	Net Balance		2941 22 20		3504 75 89		3362 70 68
E	Cash and Cash Equivalents at the end of the year						
	Cash in hand (including foreign currency notes and gold)		436 70 90		253 73 51		245 05 80
	Balance with Reserve Bank of India		3455 21 32		2605 10 72		2159 60 90
	Balance with Banks and Money at Call and Short Notice		364 26 90		82 37 97		1100 09 19
	Net Balance		4256 19 12		2941 22 20		3504 75 89

Auditors Qualification

Extracts for the year 2012-13

“7. We invite attention to:-

- 7.1 Note No 5.13 of Schedule 18 regarding charging of Rs.26.64 Crores to the Profit & Loss Account for the year towards amortization (1/5th) of the Pension and Gratuity Liability determined by the Bank on account of Reopening of Pension Scheme and Enhancement in Gratuity limits in the year 2010-11 in terms of Circular issued by the Reserve Bank of India. Had the RBI not issued such a circular, the Profit of the year would have been higher by Rs. 26.64 Crores, and the Revenue Reserve of the Bank would have been lowered by Rs.53.27 Crores pursuant to the application of the requirements of AS-15.
- 7.2 Note No 12 of Schedule 18 regarding adhoc provision of Rs.31 Crores towards additional employees cost that may arise on account of impending wage settlement.
- 7.3 Note No 7(III) of Schedule 18 regarding reconciliation of various Accounts including National and Local Clearing Accounts, Branch System Suspense Account, FCNR Account, PCFC Account, Currency Transaction Account, ATM Transactions and IBIT Account; and
- 7.4 Note No 4.2.2 of Schedule 18 regarding change of Accounting Policy in respect of method of charging depreciation resulting in write back of depreciation to the extent of Rs.47.33 Crores and consequent increase in tax expense (Deferred tax) of Rs.43.56 Crores has resulted in increase in Net Profit for the year by Rs.3.77 Crores, and lower charging of Depreciation by Rs.12.28 Crores for the year under audit, resulting in increase in profit (Net of Tax) for the year by Rs.8.30 Crores. If the Bank had continued with the preamended policies, the profits (Net of Taxes) of the Bank would have been lower by Rs.12.07 Crores.

Opinion

8. In our opinion, as shown by books of the Bank, and to the best of our information and according to the explanations given to us:

- (i) the Balance Sheet, read with the notes thereon is a full and fair Balance Sheet containing all the necessary particulars, is properly drawn up so as to exhibit a true and fair view of state of affairs of the Bank as at 31st March 2013 in conformity with accounting principles generally accepted in India;
- (ii) the Profit and Loss Account, read with the notes thereon shows a true balance of profit, in conformity with accounting principles generally accepted in India, for the year covered by the account; and
- (iii) the Cash Flow Statement gives a true and fair view of the cash flows for the year ended on that date.”

Extracts for the year 2013-14

“7. We invite attention to:-

- 7.1 Note No 4.10.2 of Schedule 18 to the accounts ,regarding Deferred Tax Liability of 96.81 crores created on the Special Reserve of Rs.284.82 crores as on 31.03.2013 under section 36(I) (viii) of the Income Tax Act, 1961 by debit to ‘Revenue & Other Reserves’ available as on 31.03.2013 as per RBI guidelines.
- 7.2 Note No 4.10.3 of Schedule 18 to the accounts regarding recognition of previously unrecognized Deferred tax assets of `65.12 crores on the diminution in the fair value of Standard restructured accounts, as the realisability of the same is considered reasonably certain.
- 7.3 Note No 5.13 of Schedule 18 regarding charging of Rs.26.64 Crores to the Profit & Loss Account for the year towards amortization (1/5th) of the Pension and Gratuity Liability determined by the Bank on account of Reopening of Pension Scheme and Enhancement in Gratuity limits in the year 2010-11 in terms of Circular issued by the Reserve Bank of India. Had the RBI not issued such a circular, the Profit of the year would have been higher by Rs.26.64 crores, and the Revenue Reserve of the Bank would have been lower by Rs.26.64 Crores pursuant to the application of the requirements of AS-15.
- 7.4 Note No 7 (III) of Schedule 18 regarding reconciliation of various Accounts including National and Local Clearing Accounts, Branch System Suspense Account, FCNR Account, PCFC Account, and ATM Transactions.
- 7.5 Note No 12 of Schedule 18 regarding adhoc provision of Rs.82.87 crores towards additional employees cost that may arise on account of impending wage revision.

Opinion

- 8. In our opinion, as shown by books of the Bank, and to the best of our information and according to the explanations given to us:
 - (i) the Balance Sheet, read with the notes thereon is a full and fair Balance Sheet containing all the necessary particulars, is properly drawn up so as to exhibit a true and fair view of state of affairs of the Bank as at 31st March 2014 in conformity with accounting principles generally accepted in India;
 - (ii) the Profit and Loss Account, read with the notes thereon shows a true balance of profit, in conformity with accounting principles generally accepted in India, for the year covered by the account; and
 - (iii) the Cash Flow Statement gives a true and fair view of the cash flows for the year ended on that date.”

Extracts for the year 2014-15

“7. In our opinion, as shown by books of the Bank, and to the best of our information and according to the explanations given to us:

- (i) the Balance Sheet, read with the notes thereon is a full and fair Balance Sheet containing all the necessary particulars, is properly drawn up so as to exhibit a true and fair view of state of affairs of the Bank as at 31st March 2015 in conformity with accounting principles generally accepted in India;
- (ii) the Profit and Loss Account, read with the notes thereon shows a true balance of profit, in conformity with accounting principles generally accepted in India, for the year covered by the account; and
- (iii) the Cash Flow Statement gives a true and fair view of the cash flows for the year ended on that date.”

Note: The detailed annual report is uploaded on the website of the bank and can be accessed at <http://statebankofmysore.co.in/shareholders-information.html>

j. Abridged version of Latest audited / Limited Review half yearly Standalone Financial Information (like Profit & Loss statement, and Balance Sheet) and auditor's qualifications, if any.

STATE BANK OF MYSORE							
HEAD OFFICE, BANGALORE							
REVIEWED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2015							
(₹ in lakhs)							
	Particulars	QUARTER ENDED			HALF YEAR ENDED		Previous accounting year ended
		30.09.2015 (REVIEWED)	30.06.2015 (REVIEWED)	30.09.2014 (REVIEWED)	30.09.2015 (REVIEWED)	30.09.2014 (REVIEWED)	31.03.2015 (AUDITED)
1	Interest earned [a+b+c+d]	180580	179772	171879	360351	343341	693999
	a Interest / discount on advances / bills	137869	139586	135248	277455	269529	543710
	b Income on Investments *	37528	34685	32998	72213	64713	130337
	c Interest on balances with RBI & other Inter bank funds	1428	1459	545	2886	2387	4594
	d Others	3755	4042	3088	7797	6713	15357
2	Other Income	16416	15394	18173	31810	33484	76761
3	Total income [1 + 2]	196996	195165	190052	392161	376825	770759
4	Interest expended	127953	126199	120518	254153	239260	485309
5	Operating expenses [i + ii +iii]	38764	41968	34800	80733	72550	152353
	i Employee Cost	22489	24110	20956	46599	42564	90050
	ii Depreciation on Fixed Assets	2056	1641	1638	3696	2997	6562
	iii Other operating expenses	14220	16218	12206	30438	26989	55741
6	Total expenditure[4+5](excluding provisions and contingencies)	166718	168168	155318	334885	311810	637661
7	Operating profit before provisions and contingencies (3-6)	30278	26998	34734	57276	65015	133098
8	Provisions (Other than tax) and contingencies	11640	13189	21656	24829	41448	73496
	of which provision for Non performing Assets	19242	19008	16157	38250	34570	51717
9	Exceptional items	0	0	0	0	0	0
10	Profit/Loss from ordinary activities before tax(7-8-9)	18638	13809	13078	32447	23567	59602
11	Tax Expenses	5440	4402	2887	9842	5899	18723
12	Net profit/Loss from ordinary activities after tax [10-11]	13198	9407	10190	22605	17667	40880
13	Extra ordinary items (net of tax expenses)	0	0	0	0	0	0
14	Net Profit/Loss for the period(12-13)	13198	9407	10190	22605	17667	40880
15	Paid up Equity Share Capital	4801	4801	4801	4801	4801	4801
16	Reserves excluding revaluation reserves (as per balance sheet of previous accounting year)	430002	430002	394086	430002	394086	430002
17	Analytical Ratios						
	i Percentage of shares held by GOI	NIL	NIL	NIL	NIL	NIL	NIL
	ii Capital Adequacy Ratio			-			
	a) Basel II	11.82%	11.78%	11.01%	11.82%	11.01%	12.02%
	b) Basel III	11.29%	11.22%	10.73%	11.29%	10.73%	11.42%
	iii Earning per share (Rs.) (not annualised)						
	a Basic & Diluted EPS before Extra ordinary items	27.49	19.59	21.22	47.08	36.80	85.14
	b Basic & Diluted EPS after Extra ordinary items	27.49	19.59	21.22	47.08	36.80	85.14
	iv a) Gross NPA	217579	221362	251920	217579	251920	213642
	b) Net NPA	112810	107656	142421	112810	142421	112158
	c) % of gross NPA to Gross Advances	4.19%	4.21%	5.07%	4.19%	5.07%	4.00%

Private and Confidential – Not for Circulation

		d) % of net NPA to Net Advances	2.22%	2.10%	2.94%	2.22%	2.94%	2.16%
		e)Return on assets (annualised)	0.65%	0.47%	0.55%	0.56%	0.48%	0.54%
18		Public Shareholding						
		No. of shares	48,01,342	48,01,342	48,01,342	48,01,342	48,01,342	48,01,342
		Percentage of shareholding	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
19		Promoters and promoter group shareholding						
	a	Pledged/Encumbered						
		Number of shares	NIL	NIL	NIL	NIL	NIL	NIL
		Percentage of shares (as a % of the total shareholding of Promoter and Promoter Group)	NIL	NIL	NIL	NIL	NIL	NIL
		Percentage of shares (as a % of the total share capital of the company)	NIL	NIL	NIL	NIL	NIL	NIL
	b	Non-encumbered						
		Number of shares	4,32,12,078	4,32,12,078	4,32,12,078	4,32,12,078	4,32,12,078	4,32,12,078
		Percentage of shares (as a % of the total shareholding of Promoter and Promoter Group)	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
		Percentage of shares (as a % of the total share capital of the company)	90.00%	90.00%	90.00%	90.00%	90.00%	90.00%

**State Bank of Mysore
STATEMENT OF ASSETS AND LIABILITIES (UNAUDITED)**

IN LAKHS

	As on 30-09-2015	As on 30-09-2015
	(Not Reviewed)	(Not Reviewed)
CAPITAL & LIABILITIES		
Capital	4801	4801
Reserves & Surplus	511040	467323
Deposits	6935259	6245093
Borrowings	324829	493391
Other Liabilities and Provisions	273465	252665
TOTAL	8049394	7463273
ASSETS		
Cash and Balances with Reserve Bank of India	313938	304956
Balances with Banks and Money at call and short notice	142115	26429
Investments	1996833	1766267
Advances	5074281	4839615
Fixed Assets	95037	88137

Other Assets	427190	437870
TOTAL	8049394	7463273

Auditor's Qualification: There were no qualifications

Extract from Review Report for Half Year ended 30th September 2015

“4) We invite attention to

A review of Financial Results consists principally of applying analytical procedures to financial data and making enquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with the generally accepted auditing standards, the objective which is expression of an opinion regarding the financial statements taken as a whole. According, we do not express an audit opinion.

Based on our review conducted as aforesaid, nothing has come to our attention that causes us to believe that the accompanying statement of un-audited financial results together with the Notes thereon prepared in accordance with accounting standards and the relevant prudential norms issued by Reserve Bank of India in respect of income recognition, assets classification, provisioning and other related matters, has not disclosed the information required to be disclosed in terms of clause 41 of the Listing Agreement, including the manner in which it is to be disclosed, or that it contains any material misstatements.”

k. Any material event/ development or change having implications on the financials/credit quality (e.g. any material regulatory proceedings against the Issuer/Promoters, Tax litigations resulting in material liabilities, corporate restructuring event etc.) at the time of issue which may affect the issue or the investor's decision to invest / continue to invest in the debt securities.

The Issuer hereby confirms that there has been no material event, development or change having implications on the financials/ credit quality of the Issuer (e.g. any material regulatory proceedings against the Issuer/ promoters of the Issuer, tax litigations resulting in material liabilities, corporate restructuring event etc.) 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 Issuer.

l. Names of the Debentures Trustees and Consents thereof

In accordance with the provisions of

(i) 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, as amended,

(ii) Securities and Exchange Board of India (Issue and Listing of Debt Securities) (Amendment) Regulations, 2012 issued vide Circular No. LAD-NRO/GN/2012-13/19/5392 dated October 12, 2012, as amended,

The Issuer has appointed M/s.IDBI Trusteeship Services Ltd to act as Trustees to the Bondholder(s).

The address and contact details of the Trustees are as under:

IDBI Trusteeship Services Ltd.
Asian Building, Ground Floor

17, R. Karnani Marg, Ballard Estate
Mumbai 400 001

Copy of letter from M/s.IDBI Trusteeship Services Ltd. conveying their consent to act as Trustees for the current issue of Bonds is enclosed within the Annexure in this Disclosure Document.

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 Issuer to the Trustees on behalf of the Bondholder(s) shall discharge the Issuer pro-tanto to the Bondholder(s). No Bondholder shall be entitled to proceed directly against the Issuer unless the Trustees, having become so bound to proceed, fail to do so.

The Trustees shall perform its duties and obligations and exercise its rights and discretions, in keeping with the trust reposed in the Trustees by the holder(s) of the Bonds and shall further conduct itself, and comply with the provisions of all applicable laws, provided that, the provisions of Section 20 of the Indian Trusts Act, 1882, shall not be applicable to the Trustees. The Trustees shall carry out its duties and perform its functions as required to discharge its obligations under the terms of SEBI Debt Regulations, the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, the Debenture Trusteeship Agreement, Disclosure Document and all other related transaction documents, with due care, diligence and loyalty.

m. Rating and Rating Letter

CRISIL vide its letter No.SN/FSR/SBM/2015-16/1581 Dated 22.12.2015 has assigned a rating of CRISIL AAA/stable (pronounced “CRISIL AAA rating with stable outlook”) and ICRA vide its letter No:ICRA:BLR:2015-2016/RT/650 dated 23.12.2015 has assigned a rating of “(ICRA) AAA(hyb)” (pronounced ICRA Triple A hybrid) for the present issue of BASEL III compliant Tier 2 Bonds aggregating to Rs.200 Crores. The instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk. Copies of the rating letters from CRISIL Ltd and ICRA Ltd are enclosed within the annexure in this disclosure document.

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

n. If the security is backed by a guarantee or letter of comfort or any other document / letter with similar intent, a copy of the same shall be disclosed. In case such document does not contain detailed payment structure (procedure of invocation of guarantee and receipt of payment by the investor along with timelines)

Not Applicable

o. Stock Exchange where Bonds are proposed to be listed

The Bonds are proposed to be listed on the Wholesale Debt Market (WDM) segment of BSE Ltd. (BSE). BSE shall be the designated stock exchanges for the purpose of present Issue of the BASEL III compliant Tier 2 Bonds.

p. Other Details

i. DRR Creation

Since our bank is not incorporated under the Companies Act, provision relating to creation of Debenture Redemption Reserve are not applicable to the Bank. However, it may be noted that under the Companies (Share Capital and Debentures) Rules, 2014, Banking companies are not required to create Debenture Redemption Reserve.

ii. Issue/instrument specific regulations

The present issue of Bonds is being made in pursuance of RBI Master Circular No. DBR.No.BP.BC.1/21.06.201/2015-16 dated July 01, 2015 on Basel III Capital Regulations issued by the RBI, covering Prudential Guidelines on Implementation of Basel III Capital Regulations in India covering Criteria for inclusion of Debt Capital Instruments as Tier 2 Capital (Annex 5) and Minimum Requirements to ensure loss absorbency of Additional Tier I instruments at pre-specified trigger and of all non-equity regulatory capital instruments at the PONV(Annex 16)

The present Issue of Bonds is being made pursuant to the approval by the Board of Directors at its meeting held on July 30, 2015 and the delegation provided there under. The current issue of bonds is within the overall borrowing limits. The Bank can issue the bonds proposed by it in view of the present approvals and no further internal or external permission/ approval(s) is/are required by it to undertake the proposed activity.

iii. Application Process

1. Who Can Apply

The categories of investors who are eligible to apply for this Issue of Bonds are mentioned in the Term Sheet of this Disclosure Document. However, the prospective subscribers must make their own independent evaluation and judgment regarding their eligibility to invest in the Issue.

All applicants are required to comply with the relevant regulations/ guidelines applicable to them for investing in the issue of Bonds as per the norms approved by Government of India, RBI or any other statutory body from time to time.

However, out of the aforesaid class of investors eligible to invest, this Disclosure Document is intended solely for the use of the person to whom it has been sent by the Issuer for the purpose of evaluating a possible investment opportunity by the recipient(s) in respect of the securities offered herein, and it is not to be reproduced or distributed to any other persons (other than professional advisors of the prospective investor receiving this Disclosure Document from the Issuer).

2. Documents to be provided by Investors

Investors need to submit the certified true copies of the following documents, along-with the Application Form, as applicable:

- Memorandum and Articles of Association/ Constitution/ Bye-laws/ Trust Deed;
- Board Resolution authorizing the investment and containing operating instructions;
- Power of Attorney/ relevant resolution/authority to make application;
- Specimen signatures of the authorized signatories (ink signed), duly certified by an appropriate authority;
- Government Notification (in case of Primary Co-operative Bank and RRBs);
- Copy of Permanent Account Number Card ("PAN Card") issued by the Income Tax Department;
- Necessary forms for claiming exemption from deduction of tax at source on interest on application money, wherever applicable.

3. How to Apply

This being a private placement Issue, the eligible investors who have been addressed through this communication directly, only are eligible to apply. Applications for the Bonds must be in the prescribed form and completed in BLOCK LETTERS in English and as per the instructions contained therein.

Applications complete in all respects must be submitted before the last date indicated in the issue time table or such extended time as decided by the Issuer, at any of the designated collection centres, accompanied by details of remittance of the application money . The original Applications Forms (along with all necessary documents as detailed in this Disclosure Document), payment details and other necessary documents should be sent to the Corporate Office of the Bank through respective Arrangers on the same day.

The payment should be made by electronic transfer of funds through RTGS mechanism for credit as per details given hereunder:

Name of the Banker	State Bank of Mysore
Account Name	Tier II Bond 2015– Series - 1
Credit into Current A/c No.	64188711809
IFS Code	SBMY0040007
Address of the Branch	Bangalore Main Br. Avenue Road, Bengaluru – 560 009
Narration	Application Money for Bond Issue

Cheque(s), demand draft(s), Money orders, postal orders will not be accepted. The Bank assumes no responsibility for any applications lost in mail. The entire amount of Rs.10 lacs per Bond is payable on application.

Applications should be for the number of Bonds applied by the Applicant. Applications not completed in the said manner are liable to be rejected. The name of the applicant's bank, type of account and account number must be filled in the Application Form. This is required for the applicant's own safety and these details will be printed on the refund orders and interest/ redemption warrants.

The applicant or in the case of an application in joint names, each of the applicant, should mention his/her Permanent Account Number (PAN) allotted under the Income -Tax Act, 1961 or where the same has not been allotted, the GIR No. and the Income tax Circle/Ward/District. As per the provision of Section 139A (5A) of the Income Tax Act, PAN/GIR No. needs to be mentioned on the TDS certificates. Hence, the investor should mention his PAN/GIR No. In case neither the PAN nor the GIR Number has been allotted, the applicant shall mention “Applied for” nor in case the applicant is not assessed to income tax, the applicant shall mention ‘Not Applicable’ (stating reasons for non-applicability) in the appropriate box provided for the purpose. Application Forms without this information will be considered incomplete and are liable to be rejected.

All applicants are requested to tick the relevant column “Category of Investor” in the Application Form. Public/ Private/ Religious/ Charitable Trusts, Provident Funds and Other Superannuation Trusts and other investors requiring “approved security” status for making investments.

For further instructions about how to make an application for applying for the Bonds and procedure for remittance of application money, please refer to the Summary Term Sheet and the Application Form.

4. Terms of Payment

The full face value of the Bonds applied for is to be paid along with the Application Form. Investor(s) need to send in the Application Form and the details of RTGS for the full value of Bonds applied for.

5. Force Majeure

The Issuer reserves the right to withdraw the issue prior to the Issue Closing Date in the event of any unforeseen development adversely affecting the economic and regulatory environment.

6. Applications under Power of Attorney

A certified true copy of the power of attorney or the relevant authority as the case may be along with the names and specimen signature(s) of all the authorized signatories and the tax exemption certificate/document, if any, must be lodged along with the submission of the completed Application Form. Further modifications/ additions in the power of attorney or authority should be notified to the Issuer or to the Registrars or to such other person(s) at such other address(es) as may be specified by the Issuer from time to time through a suitable communication.

7. Application by Mutual Funds

In case of applications by Mutual Funds, a separate application must be made in respect of each scheme of an Indian Mutual Fund registered with SEBI and such applications will not be treated as multiple applications, provided that the application made by the Asset Management Company/ Trustees/ Custodian clearly indicate their intention as to the scheme for which the application has been made.

8. Application by Provident Funds, Superannuation Funds and Gratuity Funds

The applications must be accompanied by certified true copies of

- a. Trust Deed / Bye Laws /Resolutions
- b. Resolution authorizing Investment
- c. Specimen Signatures of the Authorized Signatories

Those desirous of claiming tax exemptions on interest on application money are compulsorily required to submit a certificate issued by the Income Tax Officer along with the Application form. For subsequent interest payments, such certificates have to be submitted periodically.

9. Acknowledgements

No separate receipts will be issued for the application money. However, the Bankers to the Issue receiving the duly completed Application Form will acknowledge receipt of the application by stamping and returning to the applicant the acknowledgement slip at the bottom of each Application Form.

10. Basis of Allocation

Beginning from the issue opening date and until the day immediately prior to the issue closing date, full and firm allotment against all valid applications for the Bonds will be made to applicants on a first -come-first-served basis, subject to a limit of the Issue size, in accordance with applicable laws. At its sole discretion, the Issuer shall decide the amount of oversubscription to be retained over and above the basic issue size. If and to the extent, the Issue (including the option to retain oversubscription as decided and finalized by the Issuer) is fully subscribed prior to the issue closing date; no allotments shall be accepted once the Issue (including the option to retain oversubscription as decided and finalized by the Issuer) is fully subscribed.

Allotment will be done on “day-priority basis”. In case of oversubscription over and above the issue size inclusive of the option to retain oversubscription exercised by the Issuer, the allotment of such valid applications received on the closing day shall be on pro rata basis to the investors in the ratio in which they have applied regardless of investor category. If the proportionate allotment of Bonds to such applicants is not a minimum of one Bond or in multiples of one Bond (which is the market lot), the decimal would be rounded off to the next higher whole number if that decimal is 0.5 or higher and to the next lower whole number if the decimal is lower than 0.5. All successful applicants on the issue closing date would be allotted the number of Bonds arrived at after such rounding off.

11. Right to Accept or Reject Applications

The Issuer 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 realization 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/ dematerialized form not given;
- e. PAN/GIR and IT Circle/Ward/District not given;
- f. 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.

12. 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.

13. 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.

14. Nomination Facility

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 cannot nominate.

15. Fictitious Applications

Any person who makes, in fictitious name, any application to a body corporate for acquiring, or subscribing to, the bonds, or otherwise induced a body corporate to allot, register any transfer of bonds therein to them or any other person in a fictitious name, shall be punishable under the extant laws.

16. Depository Arrangements

The Issuer has appointed M/s.Canbank Computer Services Ltd., R&T Centre, No.218, J.P.Royale, 1st Floor, 2nd Main, Sampige Road (Near 14th Cross), Malleswaram, Bengalure-560 003 as the Registrar for the present Bond Issue. The Issuer has entered into necessary depository arrangements with National Securities Depository Limited (“NSDL”) and Central Depository Services (India) Limited (“CDSL”) for dematerialization of the Bonds offered under the present Issue, in accordance with the Depositories Act, 1996 and regulations made there under. In this context, the Issuer has signed two tripartite agreements as under:

- Tripartite Agreement between the Issuer, NSDL and the Registrar for dematerialization of the Bonds offered under the present Issue.
- Tripartite Agreement between the Issuer, CDSL and the Registrar for dematerialization of the Bonds offered under the present Issue.

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

17. Procedure for applying for Demat Facility

- a. Applicant(s) must have a Beneficiary Account with any Depository Participant of NSDL or CDSL prior to making the application.
- b. Applicant(s) must specify their beneficiary account number and depository participants ID in the relevant columns of the Application Form.
- c. For subscribing to the Bonds, names in the application form should be identical to those appearing in the account details of 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.
- d. If incomplete/ incorrect beneficiary account details are given in the Application Form which does not match with the details in the depository system, it will be deemed to be

an incomplete application and the same be held liable for rejection at the sole discretion of the Bank.

- e. The Bonds shall be directly credited to the Beneficiary Account as given in the Application Form and after due verification, allotment advice/ refund order, if any, would be sent directly to the applicant by the Registrars to the Issue but the confirmation of the credit of the Bonds to the applicant's Depository Account will be provided to the applicant by the Depository Participant of the applicant.
- f. Interest or other benefits with respect to the Bonds would be paid to those bondholders whose names appear on the list of beneficial owners given by the depositories to the Issuer as on the Record Date. In case, the beneficial owner is not identified by the depository on the Record Date due to any reason whatsoever, the Issuer shall keep in abeyance the payment of interest or other benefits, till such time the beneficial owner is identified by the depository and intimated to the Issuer. On receiving such intimation, the Issuer shall pay the interest or other benefits to the beneficiaries identified, within a period of 15 days from the date of receiving such intimation.
- g. Applicants may please note that the Bonds shall be allotted and traded on the stock exchange(s) only in dematerialized form.

ii. Others

1. Right of Bondholder(s)

Bondholder is not a shareholder. The Bondholders will not be entitled to any other rights and privilege of shareholders other than those available to them under statutory requirements. The Bond(s) shall not confer upon the holders the right to receive notice, or to attend and vote at the General Meetings of the Issuer. The principal amount and interest on the Bonds will be paid to the registered Bondholders only, and in case of Joint holders, to the one whose name stands first.

Besides the above, the Bonds shall be subject to the provisions of the terms of this bond issue and the other terms and conditions as may be incorporated in the Debenture Trusteeship Agreement and other documents that may be executed in respect of these Bonds.

2. 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 Issuer where such consent or resolution modifies or varies the terms and conditions of the Bonds, if the same are not acceptable to the Issuer.

3. Future Borrowings

The Issuer shall be entitled to borrow/ raise loans or avail of financial assistance in whatever form as also issue Bonds or 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 Issuer may think appropriate, without the consent of, or intimation to, the Bondholder(s) or the Trustees in this connection.

4. Notices

All notices required to be given by the Issuer 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 English daily newspaper having nation - wide circulation and one regional language newspaper.

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

5. 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 the issue size or certain percentage of the issue size.

6. Underwriting

The present issue of Bonds is not underwritten.

7. Deemed Date of Allotment

All benefits under the Bonds including payment of interest will accrue to the Bondholders from and including 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 date(s) of allotment / allotment date(s) at its sole and absolute discretion without any notice. In case if the issue closing date/ pay in dates is/are changed (pre-poned/ postponed), the Deemed Date of Allotment may also be changed (pre -pond/ postponed) by the Issuer at its sole and absolute discretion.

8. 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 2 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.

9. Issue of Bond Certificate(s)

Subject to the completion of all statutory formalities within time frame prescribed in the relevant Regulations/Act/ Rules etc., 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. The Bonds shall be allotted in dematerialized form only

10. Market Lot

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

11. Trading of Bonds

The marketable lot for the purpose of trading of Bonds shall be 1 (one) Bond of face value of Rs.10 lacs each. Trading of Bonds would be permitted in demat mode only in standard denomination of Rs.10 lacs and such trades shall be cleared and settled in recognized 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 reported on a recognized stock exchange having a nationwide trading terminal or such other platform as may be specified by SEBI.

12. Mode of Transfer of Bonds

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.

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.

13. Common Form of Transfer

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

14. Interest on Application Money

Interest at the Coupon Rate (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 the applicants on the application money for the Bonds.

Such interest shall be paid for the period starting from and including the date of realization of application money in Issuer’s Bank Account up to one day prior to the Deemed Date of Allotment. The interest on application money will be computed as per Actual/Actual day count convention. Such interest would be paid on all valid applications, including the refunds. Where the entire subscription amount has been refunded, the interest on application money will be paid along with 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 along with the interest on refunded money.

Provided that, notwithstanding anything contained hereinabove, Bank shall not be liable to pay any interest on monies liable to be refunded in case of invalid Applications or Applications liable to be rejected.

The interest cheque(s)/ demand draft(s) for interest on application money (along with Refund Orders, in case of refund of application money, if any) shall be dispatched by the Issuer within 15 days from the Deemed Date of Allotment and the relative interest warrant(s) along with the Refund Order(s), as the case may be, will be dispatched by registered post to the sole/ first applicant, at the sole risk of the applicant.

15. Interest on the Bonds

The Bonds shall carry a fixed rate of interest at the Coupon Rate from, and including, the Deemed Date of Allotment up to, but excluding the Redemption Date, payable on the “Coupon Payment Dates”, on the outstanding Principal Amount of Bonds till Redemption Date, to the holders of Bonds (the “Holders” and each, a “Holder”) as of the relevant Record Date. Interest on Bonds will cease from the Redemption Date in all events.

16. 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 out of interest payable on Bonds.

Interest payable subsequent to the Deemed Date of Allotment of Bonds shall 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, with the Registrars, or to such other person(s) at such other address (es) as the Issuer may specify from time to time through suitable communication, at least 45 days before the payment becoming due. Regarding deduction of tax at source and the requisite declaration forms to be submitted, applicants are advised to consult their own tax consultant(s).

17. List of Beneficial Owners

The Issuer 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.

18. 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 Issuer shall 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 Issuer 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 Issuer 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:

- 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.
- 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

19. Joint – Holders

Where two or more persons are holders of any Bond(s), they shall be deemed to hold the same as joint tenants with benefits of survivorship subject to provisions contained in the Companies Act, 1956 and the amendments there to.

20. Disputes & Governing Law

The Bonds are governed by and shall be construed in accordance with the existing laws of India. Any dispute arising thereof shall be subject to the jurisdiction of district courts of Mumbai, Maharashtra.

21. Investor Relations and Grievance Redressal

Arrangements have been made to redress investor grievances expeditiously as far as possible. The Issuer shall endeavour to resolve the investor's grievances within 30 days of its receipt. All grievances related to the issue quoting the Application Number (including prefix), number of Bonds applied for, amount paid on application and details of collection centre where the Application was submitted, may be addressed to the Compliance Officer at registered office of the Issuer. All investors are hereby informed that the Issuer has designated a Compliance Officer who may be contacted 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. Contact details of the Compliance Officer are given elsewhere in this Disclosure Document.

22. 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 that 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 Head 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& Documents

- a. Letter appointing Registrars and copy of MoU entered into between the Bank and the Registrars.
- b. Letter appointing Trustees to the Issue.
- c. The State Bank of India (Subsidiary Banks) Act, 1959
- d. Board Memorandum of the meeting held on 30th July 2015 authorizing issue of Bonds offered under terms of this Disclosure Document.
- e. Letter of Consent from the Trustees to act as Trustees to the Issue.
- f. Letter of Consent from the Registrars for acting as Registrars to the Issue.
- g. Letter/Email granting In-principle Approval for listing of Bonds byBSE.
- h. Letter from CRISIL & ICRA Ratings conveying the credit rating for the Bonds.
- i. Tripartite Agreement between the Issuer, NSDL and Registrars for issue of Bonds in dematerialized form.
- j. Tripartite Agreement between the Issuer, CDSL and Registrars for issue of Bonds in dematerialized form.
- k. Annual Report along with Audited financials and Audit Reports for the last three financial years
- l. Limited Review financials for the half-year ended 30th September 2015

B. Issue Details*a. Summary term sheet:*

Security Name	[•]%SBM[•]
Series	[•]
Issuer	State Bank of Mysore
Type Nature of Instrument	Non-convertible, Redeemable, Unsecured Basel III complaint Tier 2 Bonds in the nature of debentures of Rs.10 lacs each
Nature of Instrument	Unsecured
Seniority	<p>The claims of the investors in instruments shall be –</p> <ul style="list-style-type: none"> (i) senior to the claims of Investors in Instruments eligible for inclusion in Tier 1 Capital (ii) subordinate to the claims of all depositors and general Creditors of the Bank and (iii) neither be secured nor covered by a guarantee of the Issuer or its related entity or other arrangement that legally or economically enhances the seniority of the claim vis -à-vis creditors of the Bank. (iv) Unless the terms of any subsequent issuance of bonds/debentures by the Bank specifies that the claims of such subsequent bond holders are senior or subordinate to the Bonds issued under this Information Memorandum or unless the RBI specifies otherwise in its guidelines, the claims of the Bond holders shall be paripassu with claims of holders of such subsequent debentures/bond issuances; and shall be on paripassu ranking with holders of other Tier 2 instruments issued by the Bank.
Mode of Issue	Private Placement
Eligible Investors	<p>The following class of investors are eligible to participate in the offer:</p> <p>Mutual Funds, Public Financial Institutions as defined in section 4A of the Companies Act, 1956, Scheduled Commercial Banks, Insurance Companies, Provident Funds, Gratuity Funds, Superannuation Funds and Pension Funds, Co -operative Banks, Regional Rural Banks authorized to invest in bonds/ debentures, Companies and Bodies Corporate authorized to invest in bonds/ debentures, Societies authorized to invest in bonds/ debentures, Trusts authorized to invest in bonds/ debentures, Statutory Corporations/ Undertakings established by Central/ State legislature authorized to invest in bonds/ debentures, etc., Foreign Institutional Investors*.</p> <p>This being a private placement Issue, the eligible investors who have been addressed through this communication directly, are only eligible to apply.</p> <p>The following class of investors are not eligible to participate in the offer:</p> <p>Resident Individual Investors, , Foreign Nationals, Persons resident outside India, Venture Capital Funds, Alternative Investment Funds, Overseas</p>

	<p>Corporate Bodies, Partnership firms formed under applicable laws in India in the name of the partners, Hindu Undivided Families through Karta, Person ineligible to contract under applicable statutory/ regulatory requirements.</p> <p>*Investment by FIIs in Tier 2 instruments raised in Indian Rupees shall be subject to a separate ceiling of USD 500 million.</p>
Listing	Proposed on the Wholesale Debt Market (WDM) Segment of BSE
Rating	“CRISIL AAA/ STABLE” by CRISIL and “[ICRA] AAA (hyb)” with stable outlook by ICRA Limited
Issue Size	Rs. 200 crores
Option to retain oversubscription	Nil
Objects of the Issue	Augmenting Tier 2 Capital and overall capital of the Bank for strengthening its capital adequacy and for enhancing its long-term resources
Details of Utilization of funds	Augmenting Tier 2 Capital and overall capital of the Bank for strengthening its capital adequacy and for enhancing its long-term resources
Coupon Rate	[•]% p.a.
Step Up/Step Down Coupon Rate	Not Applicable
Coupon Payment Frequency	Annual
Coupon Payment Dates	First Interest on [•] and subsequently on [•] every year till maturity
Coupon Type	Fixed
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc.)	Not Applicable
Day Count Basis	<p>Interest for each of the interest periods shall be computed as per Actual / Actual day count conversion on the face value of principal outstanding at the coupon rate rounded off to the nearest rupee.</p> <p>Interest Period means each period beginning on (and including) the deemed date of allotment(s) or any coupon payment date and ending on (but excluding) the next coupon payment date/ Redemption Date.</p> <p>Sample interest calculation is provided in the Information Memorandum in Annexure IV</p>
Interest on Application Money	Interest at the coupon rate (subject to deduction of income tax under the provisions of the Income Tax Act, 1961, or any other statutory modification or

	<p>re-enactment thereof, as applicable) will be paid to the applicants on the application money for the Bonds for the period starting from and including the date of realization of application money in Issuer's Bank Account upto one day prior to the Date of Allotment.</p> <p>Provided that, notwithstanding anything contained hereinabove, Bank shall not be liable to pay any interest on monies liable to be refunded in case of invalid Applications or Applications liable to be rejected.</p>
Default Interest Rate	<p>In case of default in payment of Interest and/or principal redemption on the due dates, additional interest at 2% p.a. over the coupon rate will be payable by the Issuer for the defaulting period.</p> <p>However, any non-payment of interest and / or principal on account of RBI Guidelines on Basel III capital regulations and other provisions of this Summary Term Sheet, no such default interest shall be payable</p>
Tenor	Redeemable after 120 months from the Deemed Date of Allotment
Redemption Date	[•] subject to Call Option (including Regulatory and Tax Call), if any and provided that the instrument has not been written-off on account of PONV and/or any other event on account of RBI Guidelines.
Redemption Amount	At par along with interest accrued till one day prior to the Redemption Date subject to adjustments and write-off on account of "Loss Absorbency" & "Other Events" mentioned in the Summary Term Sheet
Premium/Discount on redemption	Nil
Issue Price	At par (Rs.10 lacs per Bond)
Discount on Issue	Nil
Put Option Date	Not Applicable
Put Option Price	Not Applicable
Call Option Date	No Call Option, subject to Tax Call and Regulatory Call
Condition for exercise of Call Option (Tax Call/ Regulatory Call)	<p>Exercise of Call Option (Tax Call/ Regulatory Call) by the Bank will be subject to all the conditions mentioned below:</p> <ul style="list-style-type: none"> (i) The Call Option can be exercised only after a minimum of five years (ii) To exercise a call option the Bank shall require prior approval of RBI ; and (iii) Bank shall not exercise a call unless <ul style="list-style-type: none"> (a) The instrument is replaced with capital of the same or better quality and the replacement of this capital is done at conditions which are sustainable for the income capacity of the bank; or (b)The Bank demonstrates that its capital position is well above the minimum capital requirements after the call option is exercised
Tax Call	If there is any change in, or amendment to, the laws affecting taxation (or regulations or rulings promulgated thereunder) in India or any change in the official application of such laws, regulations or rulings wherein the Issuer will no longer be entitled to claim a deduction in respect of computing its taxation

	<p>liabilities with respect to coupon on the Bonds, (a “Tax Event”), Issuer may, at its option, redeem the Bonds, in whole but not in part, at a redemption price equal to outstanding principal amount subject to adjustment on account of “Loss Absorbency” and Other Events mentioned in the Term Sheet, together with any accrued but unpaid interest (which excludes any interest cancelled or deemed cancelled) to (but excluding) the date fixed for redemption. Any redemption upon the occurrence of a Tax Event will be subject to the provisions described under “Call Notification Time” and “Condition for exercise of Call Option”</p> <p>RBI may permit the Issuer to exercise the Tax Call only if the RBI is convinced that the Issuer was not in a position to anticipate the Tax Event at the time of issuance of the Bonds and if the Bank demonstrates to the satisfaction of RBI that the Bank's capital position is well above the minimum capital requirements after the call option is exercised.</p>
Regulatory Call	<p>If there is a change in the regulatory classification of the Bonds that occurs on or after the issue date of the Bonds (a “Regulatory Event”), Issuer may, at its option, redeem the Bonds, in whole but not in part, at a redemption price equal to outstanding principal amount subject to adjustment on account of “Loss Absorbency” and Other Events mentioned in the Term Sheet, together with any accrued but unpaid interest (which excludes any interest cancelled or deemed cancelled) to (but excluding) the date fixed for redemption. Any redemption upon the occurrence of a Regulatory Event will be subject to the provisions described under “Call Notification Time” and “Condition for exercise of Call Option”</p> <p>RBI may permit the Issuer to exercise the Regulatory Call all only if the RBI is convinced that the Issuer was not in a position to anticipate the Regulatory Call at the time of issuance of the Bonds and if the Bank demonstrates to the satisfaction of RBI that the Bank's capital position is well above the minimum capital requirements after the call option is exercised.</p>
Call Option Price	Not Applicable
Put Notification Time	Not Applicable
Call Notification Time	Any redemption of the Bonds on account of exercise of Call Option shall be subject to the Issuer giving not less than twenty one (21) calendar days prior notice
Face Value	Rs. 10 Lacs per Bond
Minimum Application	10 (Ten) Bonds and in multiples of 1 (One) Bond thereafter
Issue Timing: 1. Issue Opening Date 2. Issue Closing Date 3. Pay-in Date 4. Deemed Date of Allotment	[•] [•] [•] [•]
Issuance mode	In Demat mode only

Trading Mode	In Demat mode only
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 direct credit/ NECS/RTGS/ NEFT mechanism
Depository	National Securities Depository Limited and Central Depository Services (India) Limited
Business Day Convention/ Effect of Holidays	‘Business Day’ shall be a day on which commercial banks are open for business in the city of Mumbai, Maharashtra and Bangaluru, Karnataka. If the date of payment of interest does not fall on a Business Day, then the succeeding Business Day will be considered for such payment of interest with interest for such additional period. Such additional interest will be deducted from the interest payable on the next date of payment of interest. In case the Maturity Date does not fall on a Business Day, the payment will be made on the preceding Business Day, along with coupon/interest accrued on the Bonds until but excluding the date of such payment.
Record Date	15 days prior to each coupon payment date / Call Option Date/ Redemption date.
Security	Unsecured
Transaction documents	<p>The Issuer has executed/ shall execute the documents including but not limited to the following in connection with the Issue:</p> <ol style="list-style-type: none"> 1. Letter appointing IDBI Trusteeship Services Ltd., as Trustees to the Bondholders; 2. Letter appointing Arranger to the issue 3. Debenture Trusteeship Agreement; 4. Debenture Trust Deed; 5. Rating Letter from rating agency; 6. Tripartite Agreement between the Issuer; Registrar and NSDL for issue of Bonds in dematerialized form; 7. Tripartite Agreement between the Issuer, Registrar and CDSL for issue of Bonds in dematerialized form; 8. Letter appointing Registrar and MoU entered into between the Issuer and the Registrar; 9. Application made to BSE for seeking its in-principle approval for listing of Bonds; 10. Listing Agreement with BSE
Conditions precedent to subscription of Bonds	<p>The subscription from applicants shall be accepted for allocation and allotment by the Bank, subject to the following:</p> <ol style="list-style-type: none"> a) Rating Letters from CRISIL Limited and ICRA Limited b) Consent Letter from the Trustees to act as Trustee to the Bondholder(s) c) Letter from BSE conveying In-Principle Approval for listing & trading of Bonds
Conditions subsequent to subscription of Bonds	<p>The Bank shall ensure that the following documents are executed/ activities are completed as per terms of this Disclosure Document:</p> <ol style="list-style-type: none"> a) Credit of Demat Account(s) of the Allottee(s) by number of Bonds allotted within 2 working days from the Deemed Date of Allotment b) Making application to BSE within 15 days from the Deemed Date of Allotment to list the Bonds and seek listing permission within 20 days from the Deemed Date of Allotment

	c) Neither the Bank nor any related party over which the Bank exercises control or significant influence (as defined under relevant Accounting Standards) shall purchase the Bonds, nor would the Bank directly or indirectly fund the purchase of the Bonds. The Bank shall not grant advances against the security of the Bonds issued by it
Events of Default	The investor shall have no rights to accelerate the repayment of future scheduled payments (coupon or principal) except in bankruptcy and liquidation of the Issuer.
Treatment in Bankruptcy / Liquidation	The Bondholders shall have no rights to accelerate the repayment of future scheduled payments (coupon or principal) except in bankruptcy and liquidation.
Cross Default	Not Applicable
Role and Responsibilities of Trustees to the Issue	The Trustees shall perform its duties and obligations and exercise its rights and discretions, in keeping with the trust reposed in the Trustees by the holder(s) of the Bonds and shall further conduct itself, and comply with the provisions of all applicable laws, provided that, the provisions of Section 20 of the Indian Trusts Act, 1882, shall not be applicable to the Trustees. The Trustees shall carry out its duties and perform its functions as required to discharge its obligations under the terms of SEBI Debt Regulations, the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, the Debenture Trusteeship Agreement, Disclosure Document and all other related transaction documents, with due care, diligence and loyalty.
Loss Absorbency	<p>The Bonds (including all claims, demands on the Bonds and interest thereon, whether accrued or contingent) are issued subject to loss absorbency features applicable for non-equity capital Instruments issued in terms of RBI Master Circular DBR.No.BP.BC.1/21.06.201/2015-16 dated July 01, 2015 on Basel III Capital Regulations in India, including in compliance with the requirements of Annex 5 thereof and are subject to certain loss absorbency features as described herein and required of Tier 2 instruments at the Point of Non Viability (“PONV”) as provided for in Annex 16 of the aforesaid circular.</p> <p>Accordingly, the instrument and any claims or demands of any holder thereof or any other person claiming for or on behalf of or through such holder of the instrument, against us or any of our assets, wherever situated, may at the option of RBI be permanently written-off, in whole or in part, upon the occurrence of the trigger event called the Point of Non Viability (PONV). A write-off of the Bonds may have the following effects:</p> <p>(i) reduce the claim of the Bond (up to nil) in liquidation;</p> <p>(ii) reduce the amount to be re-paid on the Bond when call is exercised (up to nil);</p> <p>(iii) partially or fully reduce coupon payments on the Bond (up to nil coupon)."</p> <p>PONV trigger event shall be as defined in the aforesaid RBI Circular and shall be determined by the RBI.</p> <p>RBI may in its option alter or modify the PONV trigger whether generally or in relation to us or otherwise. In any case it should be noted that following writing-off of the instruments and claims and demands as noted above neither us, nor any other person on our behalf shall be required to compensate or</p>

	<p>provide any relief, whether absolutely or contingently, to the holder of the instrument or any other person claiming for or on behalf of or through such holder and all claims and demands of such persons, whether under law, contract or equity, shall stand permanently and irrevocably extinguished and terminated. Unless otherwise specified in this Information Memorandum, the write-off of any common equity or any other regulatory capital (as understood in terms of the aforesaid circular or any replacement/amendment thereof), whether senior or paripassu or subordinate, and whether a Tier 1 capital or otherwise shall not be required before the write-off of any of the instruments issued in terms of this Information Memorandum and there is no right available to the holder hereof or any other person claiming for or on behalf of or through such holder to demand or seek that any other regulatory capital be subject to prior or simultaneous write-off or that the treatment offered to holders of such other regulatory capital be also offered to the holders of the instruments issued pursuant to this Information Memorandum.</p>
PONV	<p>The Bonds (including all claims, demands on the Bonds and interest thereon, whether accrued or contingent), at the option of the RBI, can be written down upon the occurrence of the trigger event, called “Point of Non-Viability Trigger” (PONV Trigger)</p> <p>The PONV Trigger event is the earlier of:</p> <ol style="list-style-type: none"> a decision that a write-off without which the Bank would become non-viable, is necessary, as determined by the Reserve Bank of India; and the decision to make a public sector injection of capital, or equivalent support, without which the Bank would have become non-viable, as determined by the relevant authority. <p>The amount of non-equity capital to be written-off will be determined by RBI.</p> <p>The Write-off of any Common Equity Tier 1 capital shall not be required before the write-off of any Non-equity (Additional Tier 1 and Tier 2) regulatory capital instrument. The order of write-off of the Bonds shall be as specified in the order of seniority as per this Information Memorandum and any other regulatory norms as may be stipulated by the RBI from time to time.</p> <p>Such a decision would invariably imply that the write-off consequent upon the trigger event must occur prior to any public sector injection of capital so that the capital provided by the public sector is not diluted. The holders of the Bonds shall not have any residual claims on the Bank (including any claims which are senior to ordinary shares of the Bank), following any trigger event. In any case it should be noted that following writing-off of the instruments and claims and demands as noted above neither the Bank, nor any other person on the Bank's behalf shall be required to compensate or provide any relief, whether absolutely or contingently, to the holder of the instrument or any other person claiming for or on behalf of or through such holder and all claims</p>

	<p>and demands of such persons, whether under law, contract or equity, shall stand permanently and irrevocably extinguished and terminated. Unless otherwise specified in this Information Memorandum, the write-off of any common equity or any other regulatory capital (as understood in terms of the aforesaid circular or any replacement/amendment thereof), whether senior or paripassu or subordinate, and whether a Tier 1 capital or otherwise shall not be required before the write-off of any of the instruments issued in terms of this Information Memorandum and there is no right available to the holder hereof or any other person claiming for or on behalf of or through such holder to demand or seek that any other regulatory capital be subject to prior or simultaneous write-off or that the treatment offered to holders of such other regulatory capital be also offered to the holders of the instruments issued pursuant to this Information Memorandum.</p> <p>For these purposes, the Bank may be considered as non-viable if::</p> <p>The Bank which, owing to its financial and other difficulties, may no longer remain a going concern on its own in the opinion of the Reserve Bank unless appropriate measures are taken to revive its operations and thus, enable it to continue as a going concern. The difficulties faced by the Bank should be such that these are likely to result in financial losses and raising the Common Equity Tier 1 capital of the Bank should be considered as the most appropriate way to prevent the bank from turning nonviable. Such measures would include write-off / conversion of non-equity regulatory capital into common shares in combination with or without other measures as considered appropriate by the Reserve Bank.</p> <p>The Bank facing financial difficulties and approaching a PONV will be deemed to achieve viability if within a reasonable time in the opinion of Reserve Bank, it will be able to come out of the present difficulties if appropriate measures are taken to revive it. The measures including augmentation of equity capital through write off/conversion/public sector injection of funds are likely to:</p> <ol style="list-style-type: none"> Restore depositors'/investors' confidence; Improve rating /creditworthiness of the Bank and thereby improve its borrowing capacity and liquidity and reduce cost of funds; and Augment the resource base to fund balance sheet growth in the case of fresh injection of funds. <p>The trigger at PONV will be evaluated both at consolidated and solo level and breach at either level will trigger write-off.</p> <p><i>In addition, the Bonds shall have additional trigger events. This additional trigger event is the earlier of:</i></p> <ol style="list-style-type: none"> (1) a decision that a conversion or write-off, without which SBI or SBM would become non-viable, is necessary, as determined by the Reserve Bank of India; and (2) the decision to make a public sector injection of capital, or equivalent support, without which the SBI or SBM would have become non-viable, as determined by the Reserve Bank of India. Such a decision would invariably imply that the write-off or issuance of any new shares as a result of conversion consequent upon the trigger event must occur prior to any public sector injection of capital so that the capital provided by the public sector is not
--	---

	diluted.
Other Events	<p><i>Treatment of Bonds in the event of Winding-Up:</i></p> <p>Subject to the provisions of The State Bank of India Act (Subsidiary Banks) Act, 1959 as amended from time to time</p> <ul style="list-style-type: none"> a) If the Bank goes into liquidation before the instrument has been written-down, these instruments will absorb losses in accordance with the order of Seniority as specified in this Information Memorandum and as per usual legal provisions governing priority of charges. b) If the Bank goes into liquidation after the instrument has been written-down, the holders of these instruments will have no claim on the proceeds of liquidation. <p><i>Amalgamation of a banking company: (Section 44 A of BR Act, 1949)</i></p> <p>Subject to the provisions of The State Bank of India Act (Subsidiary Banks) Act, 1959 and the Banking Regulation Act, 1949 as amended from time to time</p> <ul style="list-style-type: none"> (a) If the Bank is amalgamated with any other bank before the instrument has been written-down, these instrument will become part of the corresponding categories of regulatory capital of the new bank emerging after the merger. (b) If the Bank is amalgamated with any other bank after the instrument has been written-down permanently, these bonds cannot be written up by the amalgamated entity. <p><i>Scheme of reconstitution or amalgamation of a banking company</i></p> <p>Subject to the provisions of The State Bank of India Act (Subsidiary Banks) Act, 1959 and the Banking Regulation Act, 1949 as amended from time to time:</p> <p>If the relevant authorities decide to reconstitute the Bank or amalgamate the Bank with any other bank under the Section 45 of BR Act, 1949, the Bank will be deemed as non-viable or approaching non-viability and both the pre-specified trigger and the trigger at the point of non-viability for write-down of AT1/AT2 instruments will be activated. Accordingly, the Bonds may be written-down permanently before amalgamation / reconstitution in accordance with these rules.</p>
Order of claim of Tier 2 instruments	<p>The order of claim of various types of Regulatory capital instruments issued by the Bank and that may be issued in future shall be as under:</p> <p>Tier 2 instruments shall be superior to the claims of investors in instruments eligible for inclusion in Tier 1 Capital and subordinate to the claims of all depositors and general Creditors of the Bank. Tier 2 debt instruments will rank paripassu without preference amongst themselves and other debt instruments</p>

	<p>irrespective of the date of issue classifying as Tier 2 Capital in terms of Basel III Guidelines. Unless the terms of any subsequent issuance of bonds/debentures by the Bank specifies that the claims of such subsequent bond holders are senior or subordinate to the Bonds issued under this Information Memorandum or unless the RBI specifies otherwise in its guidelines, the claims of the Bond holders shall be paripassu with claims of holders of such subsequent debentures/bond issuances; and shall be on pari-passu ranking with holders of other Tier 2 instruments issued by the Bank.</p> <p>However, the claims of the Bondholders shall be subject to the provisions of Loss Absorbency and Other Events mentioned above.</p>
Governing Law and Jurisdiction	<p>The Bonds are governed by and shall be construed in accordance with the existing laws of India. Any dispute arising thereof shall be subject to the jurisdiction of courts of Mumbai, Maharashtra</p>

Note: The Bank reserves its sole and absolute right to modify (pre -pone/ postpone) the above issue schedule without giving any reasons or prior notice. The Bank also reserves its sole and absolute right to change the deemed date of allotment of the above issue without giving any reasons or prior notice. Consequent to change in Deemed Date of Allotment, the Coupon Payment Dates and/or Redemption Date may also be changed at the sole and absolute discretion of the Issuer. The Bank reserves the right to close the Issue earlier than the stipulated issue closing date and it is further clarified that the Bank need not wait for any minimum subscription amount to the Bonds before closing the Issue.

In case of delay in listing of the Bonds beyond 20 days from the Deemed Date of Allotment, the Issuer will pay penal interest of at least 1% p.a. over the coupon rate from the expiry of 30 days from the Deemed Date of Allotment till the listing of the Bonds to the investor.

b. Cash Flow Illustration:

Name of the Company	State Bank of Mysore
Face Value	1,000,000
Deemed Date of Allotment	[•]
Redemption Date	[•]
Coupon Rate	[•] p.a.
Frequency of Interest Payment	First Interest on [•] and subsequently on [•] every year till maturity
First Interest Payment Date	[•]
Day Count Convention	Actual/Actual

Cash Flow	Day, Date	No. of Days in Coupon Period	Amount (in Rupees)
Interest	[•]	[•]	[•]
Interest	[•]	[•]	[•]
Interest	[•]	[•]	[•]
Interest	[•]	[•]	[•]
Interest	[•]	[•]	[•]
Interest	[•]	[•]	[•]
Interest	[•]	[•]	[•]
Interest	[•]	[•]	[•]
Interest	[•]	[•]	[•]
Interest	[•]	[•]	[•]
Interest	[•]	[•]	[•]
Principal	[•]		1,000,000

Note: The above example is for illustration only and does not take into account the effect of holidays announced as well as the impact of the loss absorption features mentioned in the Term Sheet. The actual payment of interest shall be made as per the terms mentioned in the Information Memorandum.

C. DECLARATION

The Issuer undertakes 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, as amended from time to time.

The Issuer also confirms that to the best of its knowledge and beliefs 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 Issuer 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 Issuer and that anyone placing reliance on any other source of information would be doing so at his own risk.

Signed pursuant to internal authority granted;

For State Bank of Mysore

Authorized Signatory

Place: Bangalore

Date: [•]

Annexures

Annexure – I: Credit Rating Letter from CRISIL



CONFIDENTIAL

Ref. No.: SN/FSR/SBM/2015-16/1582

December 22, 2015

Mr. M.P. Sridharan
General Manager (Treasury) & CFO
State Bank of Mysore
Head Office
K.G.Road.
Bangalore – 560 009.
Phone : 91-080-22258087
Fax : 91-080-22384480

Dear Mr. Sridharan

Re: CRISIL Rating for the Rs.5.0 billion Tier II Bond Issue (under BASEL III) of State Bank of Mysore

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

CRISIL has, after due consideration, assigned a “CRISIL AAA/Stable” (pronounced “CRISIL triple A rating with stable outlook”) rating to the captioned Debt Programme. Instruments with this rating are considered to have the highest degree of safety regarding timely servicing of financial obligations. Such instruments carry lowest credit risk.

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

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

As per the latest SEBI circular¹ on centralized database for corporate bonds/debentures, you are required to provide international securities identification number (ISIN) along with the reference number and the date of the rating letter of all bond/debenture issuances made against this rating letter to us. The circular also requires you to share this information with us within 2 days after the allotment of the ISIN. We request you to mail us all the necessary and relevant information at debtissue@crsil.com. This will enable CRISIL to verify and confirm to the depositories, including NSDL and CDSL, the ISIN details of debt rated by us, as required by SEBI. Feel free to contact us for any clarifications you may have at debtissue@crsil.com

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

With warm regards,

Yours sincerely,

Amit
Amit Bhawe
Director – Ratings

Subha Sri
Subha Sri Narayanan
Associate Director – Financial Sector Ratings



¹ Please refer to SEBI circular (bearing reference number: CIR/IMD/DF/17/2013) on Centralized Database for Corporate bonds/ Debentures dated October 22, 2013

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

CRISIL has a practice of keeping all its ratings under surveillance and ratings are revised as and when circumstances so warrant. CRISIL is not responsible for any errors and especially states that it has no liability to subscribers / users / transmitters / distributors of its ratings. For the latest rating information on any instrument, please contact CRISIL RATING DESK at CRISIL.ratingdesk@crsil.com or at (+91 22) 6691 3001 – 09.

CRISIL Limited

Corporate Identity Number: L67120MH1987PLC042363

Registered Office: CRISIL House, Central Avenue, Hiranandani Business Park, Powai, Mumbai - 400 076. Phone: +91 22 3342 3000 | Fax: +91 22 3342 3050
www.crsil.com



Annexure – I

Key features of the Rs.5.0 billion Tier II Bond Issue (under BASEL III) of State Bank of Mysore

- Non-Convertible Redeemable Unsecured Basel III compliant Tier II Bonds
- Coupon payments on an annual basis.
- Loss Absorption Features' as per RBI's BASEL III norms applicable.
 - Instrument may be, in part or in full, at the option of RBI, be permanently written off on occurrence of trigger event called Point of Non Viability (PONY) trigger.
 - PONY trigger shall be determined by RBI.

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

CRISIL has a practice of keeping all its ratings under surveillance and ratings are revised as and when circumstances so warrant. CRISIL is not responsible for any errors and especially states that it has no liability to subscribers / users / transmitters / distributors of its ratings. For the latest rating information on any instrument, please contact CRISIL RATING DESK at CRISILratingdesk@crisil.com or at (+91 22) 6691 3001 – 09.

Classification: EXTERNAL

CRISIL Limited

Corporate Identity Number: L67120MH1987PLC042363

Registered Office: CRISIL House, Central Avenue, Hiranandani Business Park, Powai, Mumbai - 400 076. Phone: +91 22 3342 3000 | Fax: +91 22 3342 3050
www.crisil.com

Annexure – II: Credit Rating Letter from ICRA



ICRA Limited

CONFIDENTIAL

Ref:ICRA:BLR:2015-2016/RT/650

Date: December 23, 2015

To,
Mr. George Thomas
The Deputy General Manager (F&A)
M/s State Bank of Mysore
HO: KG Road
Bangalore – 560 009

Dear Sir,

Re : ICRA Credit Rating for Rs. 500.00 crore Basel III compliant Tier II bonds of State Bank of Mysore

Please refer to your Rating Requisition dated December 22, 2015 and the subsequent Rating Agreement of December 22, 2015 for carrying out the rating of the aforesaid Bond Programme. The Rating Committee of ICRA, after due consideration, has assigned the "[ICRA]AAA(hyb)" (pronounced ICRA Triple A hybrid) rating with **Stable Outlook** to the captioned bond programme. Instruments with [ICRA]AAA are considered to have the highest degree of safety regarding timely servicing of financial obligations. Such instruments carry lowest credit risk. The letters "hyb" in parenthesis suffixed to a rating symbol stand for "hybrid", indicating that the rated instrument is a hybrid subordinated instrument with equity-like loss-absorption features; such features may translate into higher levels of rating transition and loss-severity vis-à-vis conventional debt instruments.

In any of your publicity material or other document wherever you are using our above rating, it should be stated as "[ICRA]AAA(hyb)" with **Stable Outlook**. We would appreciate if you can sign on the duplicate copy of this letter and send it to us within 7 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.

This 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 change in the terms and conditions or size of the instrument rated, as above, the same must be brought to our notice before the issue of the instrument. If there is any such change after the rating is assigned by us and confirmed to use by you, it would be subject to our review and may result in change in the rating assigned.

ICRA reserves the right to suspend, withdraw or revise the above 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 rating, as aforesaid, however, should not be treated as a recommendation to buy, sell or hold the bonds to be issued by you. If the instrument rated, as above, is not issued by you within a period of 3 months from the date of this letter communicating the rating, the same would stand withdrawn unless revalidated before the expiry of 3 months.

'The Millenia', Tower B, Unit No. 1004
10th Floor, 1&2 Murphy Road, Ulsoor
Bengaluru - 560008

Tel : +(91-80) 4332 6400
Fax: +(91-80) 4332 6409
CIN: L74999DL1991PLC042749

Website : www.icra.in
email : info@icraindia.com



You are required to forthwith inform us about any default or delay in repayment of interest or principal amount of the instrument rated, as above, or any other debt instruments/ borrowing. 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).

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.

We thank you for your kind cooperation extended during the course of the rating exercise. Should you require any clarification, please do not hesitate to get in touch with us.

With kind regards,

Yours faithfully,
For ICRA Limited

A handwritten signature in blue ink, appearing to read 'Math'.

[Mathew Kurian Eranat]
Assistant Vice President

A handwritten signature in blue ink, appearing to read 'P. Sen'.

[Piyush Sen]
Analyst

Annexure – III: Letter of Consent from Debenture Trustee

IDBI Trusteeship Services Ltd

CIN : U65991MH2001GOI131154



No. 5382 /ITSL/OPR/CL/15-16/BT/830
December 22, 2015

State Bank of Mysore
Deputy General Manager (F&A)
Head Office, Kempegowda Road (K. G. Road)
Bengaluru - 560 009.

Dear Sir,

Consent to act as Bond Trustee for proposed redeemable unsecured Basel III compliant Tier II Bonds in the nature of debentures on private placement basis with issue size of Rs.500 crore.

This is with reference to your letter dated December 18, 2015 regarding appointment of IDBI Trusteeship Services Ltd. (ITSL) as Bond Trustee for the Bank's proposed redeemable unsecured Basel III compliant Tier II Bonds in the nature of debentures on private placement basis with issue size of Rs.500 crore.

In this connection, we confirm our acceptance to act as Bond Trustee for the same, subject to the Bank agreeing the conditions as set out in "Annexure - A".

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

State Bank of Mysore shall enter into Bond Trustee Agreement for the said issue of the Bonds.

Thanking you,

Yours faithfully,
For IDBI Trusteeship Services Limited


Authorised Signatory

Annexure – IV: In-Principle Approval of the Stock Exchange

[•]

Annexure – V: Application Form

**State Bank of Mysore**

(Constituted under the State Bank of India (Subsidiary Banks) Act, 1959)

Corporate Office: State Bank of Mysore, K G Road, Bengaluru – 560 009

Contact Person: Shri George Thomas, Deputy General Manager (F&A);

Tel: 080 2235 3901 – 07; Fax: 080 2225 4573

E-mail: dgmfa@sbm.co.in; Website: www.statebankofmysore.co.in**Application Form Sr. No.**

Dear Sirs,

Having read and understood the contents of the Disclosure Document dated [•] for Private Placement, we apply for allotment to us of the Unsecured, Redeemable Non-Convertible, Basel III Compliant Tier 2 Bonds in the nature of Debentures. The amount payable on application as shown below is remitted herewith. On allotment, please place our name on the Register of Bond holders. We bind ourselves to the terms and conditions as contained in the Disclosure Document for Private Placement. We note that the Bank is entitled in its absolute discretion to accept or reject this application whole or in part without assigning any reason whatsoever.

(PLEASE READ THE INSTRUCTIONS CAREFULLY BEFORE FILLING THIS FORM)

Form in which certificate is to be issued

Demat	NSDL	[]	CDSL	[]
DP NAME:				
DPID:		CLIENT ID:		

We understand that in case of allotment of Bonds to us, our Beneficiary Account as mentioned above would be credited to the extent of Bonds allotted. In case the Bonds allotted to us cannot be credited to our Beneficiary Account for any reason whatsoever, we will accept physical Bonds certificates.

The application shall be for a minimum of 1 (One) Bonds and in Multiples of 1 (One) Bond thereafter (Each bond of Rs. 10,00,000)

Remittance through RTGS

No. of Bonds applied for (In figures)		
No. of Bonds applied for (In words)		
Amount (Rs.) _____		
(in words) _____		
Remittance Particulars		
Mode of Remittance	UTR No.	Name of the Remitting Bank and Branch and Date of Remittance
RTGS		

We are applying as {Tick (✓) whichever is applicable}

1	Company Body Corporate	2	Commercial Bank	3	Regional Rural Bank
4	Co-operative Banks	5	Financial Institution	6	Insurance Companies
7	Mutual Fund	8	Provident/Superannuation/Gratuity Funds	9	Port Trusts
10	NBFC & Residuary NBFC	11	Association of Persons	12	Others (Please specify)

First Applicant's Name in Full (Block letters)																																							
Second Applicant's Name in Full (Block letters)																																							
Third Applicant's Name in Full (Block letters)																																							
Mailing Address in Full (Do not repeat name. Post Box No. alone is not sufficient.)																																							
Pin:										Tel:										Fax:																			
Tax Details										PAN or GIR No.										IT Circle / Ward / District										Not Allotted									

Details of Bank Account of the First Applicant:

Name of the Bank _____ Branch _____

 Account No: _____ Nature of Account: SB/CA
 RTGS Code of Bank/ Branch _____
Tax Deduction Status: (Please tick one)

() Fully Exempt (Please furnish exemption certificate):

() Tax to be deducted at Source:

Specimen Signature

	Name of the Authorised Signatory	Designation	Signature
1.			
2.			

I/we, the applicants for the Bonds, hereby acknowledge and confirm that:

a) neither the Bank nor any person claiming under the Bank's behalf has communicated that call option may or could be exercised by the Bank on the Bonds, other than as specified in this Information Memorandum;

b) The Bonds being issued under this Information Memorandum are Basel III compliant Tier 2 instruments and are subject to the terms specified in the Information Memorandum and in the RBI Guidelines;

c) Our rights in relation to the Bonds may be written-off, permanently, as per terms of the Information Memorandum and/or as per the terms of the RBI Guidelines;

d) The Bonds are unsecured and neither I/us nor any other person claiming for us or on behalf of us or through us shall be entitled to any lien or set-off on any property / assets / rights, whether current or future, of the Bank or any other person in relation to any obligations of the Bank in relation to the Bonds, whether such right is under law, equity or contract.

By making this application, I/We acknowledge that I/We have understood the terms and conditions of the issue of Bonds of State Bank of India as disclosed in the Information Memorandum.

Acknowledgement Slip shall be given to the Investors as shown below the Instructions.

-----Tear Here-----

ACKNOWLEDGEMENT SLIP



STATE BANK OF MYSORE

(Constituted under the State Bank of India (Subsidiary Banks) Act, 1959)

Corporate Office: State Bank of Mysore, K G Road, Bengaluru – 560 009

Contact Person: Shri George Thomas, Deputy General Manager (F&A);

Tel: 080 2235 3901 – 07; Fax: 080 2225 4573

E-mail: dgmfa@sbm.co.in; Website: www.statebankofmysore.co.in

Application Form Sr. No:

Received from _____

Address _____

an application for _____ **Bonds along with Rs.** _____ **(Rupees** _____ **only)**

RTGS Remittance Particulars

Mode of Transfer	Date of Remittance	Name of the Remitting Bank and Branch	Amount of Remittance
RTGS			Rs. _____ (Rupees _____)

Private and Confidential – Not for Circulation
INSTRUCTIONS

- 1) Application Forms must be completed in BLOCK LETTERS IN ENGLISH. A blank space must be between two or more parts of the name. For Example:

A	B	C	D	E		L	T	D			
---	---	---	---	---	--	---	---	---	--	--	--

- 2) Application forms duly completed in all respects must be lodged with the Bank at its corporate office, before the closure of the subscription. Investors may remit the application money through RTGS (if remitted from branches of other Banks), with instructions to credit the same to the State Bank of Mysore account (A/c No. **64188711809**) maintained at our **Bangalore Main Branch (IFSC Code: SBMY0040007)**.
- 3) As an abundant precaution, the investors are advised to send by fax the particulars of the remittances made through RTGS [like i) Name of the Investor ii) Number of Bonds applied for iii) Amount of Application Money remitted iv) Date of the remittance v) Bank and Branch through which the remittance is made etc.] to any of the Advisors, on the fax number mentioned elsewhere in the Document/Application Form.
- 4) Cash, outstation cheques/drafts, money orders, postal orders and stock invest will NOT be accepted.**
- 5) Receipt of application will be acknowledged by the collecting Bank branch(es) in the “Acknowledgement Slip” appearing below the Application Form. No separate receipt will be issued.
- 6) All applicant(s) should mention their Permanent Account Number (PAN) or the GIR number allotted under the Income Tax Act, 1961 and the Income Tax Circle/Ward district. In case where neither the PAN nor GIR is allotted, the fact of non-allotment should be mentioned in the application form in the space provided for.
- 7) The Application would be accepted as per the terms and conditions of the Bonds outlined in the Information Memorandum of Private Placement.
- 8) Signatures should be made in English or in any other Indian language included in Schedule VIII of the Constitution of India. Thumb impression must be attested by an authorized official of a Bank or by a Magistrate/Notary Public under his/her official seal.
- 9) Those desirous of claiming tax exemptions on interest on Application Money are compulsorily required to submit a certificate issued by the Income Tax Officer / relevant declaration forms as per Income Tax Act, 1961 along with the Application Form. In case the above documents are not enclosed with the application forms, TDS will be deducted on interest on Application Money. For subsequent interest payments such certificates have to be submitted periodically.

Application Form(s) can be submitted to the offices of the Arrangers or Bankers to the Issue or at the branch (es) of State Bank of Mysore designated as collection centers mentioned in the Information Memorandum: