

III. ANNEXURES

PART A

IDBI TRUSTEESHIP SERVICES LIMITED – CONSENT TO ACT AS TRUSTEE

IDBI Trusteeship Services Ltd.



No. 1914/ITSL/OPR/2008/CL - 145

11th August 2008

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

Indian Overseas Bank
P.B. No.3765
763, Anna Salai
Chennai 600 002

Dear Sir,

**Lower Tier II Bonds aggregating Rs.300 crores:
Consent to act as Bond Trustee**

This is with reference to the discussion we had regarding appointment of IDBI Trusteeship Services Ltd. (ITSL) as Bond Trustee for the Bank's proposed issue of Lower Tier II Bonds aggregating Rs.300 crores. In this connection, we advise that we are agreeable to act as Trustees for the said issue of Bonds.

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

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

Yours faithfully,



Brindha V.
Asst. Vice President

PART B Credit Rating letters and Rating Rationale from CRISIL and ICRA

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Ref. no. : MS/FSR/IOB/2008-09/0566

August 14, 2008

Mr. V. Krishnaswamy
General Manager
Indian Overseas Bank
Central Office
763, Anna Salai
Chennai 600 002
Phone : 044 - 2851 9419
Fax : 044 - 2852 3372



Dear Mr. Krishnaswamy,

Re: CRISIL Rating for the Rs.3.0 billion Lower Tier II Bond Issue of Indian Overseas Bank

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

CRISIL has, after due consideration, assigned a "AA+Stable" (pronounced "Double A plus with stable outlook") rating to the captioned Debt Programme. This rating indicates high degree of safety with regard to timely payment of interest and principal on the instrument.

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 programme 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. 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.

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

With warm regards,

Yours sincerely,

S. Venkataraman
Senior Director- Ratings

Manish Saraf
Manager - Financial Sector Ratings

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 financial liability whatsoever to the subscribers / users / transmitters / distributors of its ratings. For the latest rating information on any instrument of any company rated by CRISIL, please contact CRISIL, RATING DESK at CRISILratingdesk@crsil.com or at (+91 22) 6691 3001 - 02.

CRISIL Limited

CRISIL House, 121-122, Andheri-Kurla Road, Andheri (East), Mumbai - 400 059, India. Phone: +91 (22) 6691 3001 - 09 Fax: +91 (22) 6691 3050
Web: www.crsil.com



ICRA Limited

An Associate of Moody's Investors Service

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Ref No: RTG/Chen/75/08-09

August 13, 2008

Mr. V. Krishnaswamy
General Manager
Indian Overseas Bank
Central Office
Investors Relations Cell
763, Anna Salai
Chennai - 600 002

Dear Sir,

Sub : ICRA Credit Rating for your Lower Tier II Bond programme of Rs.300 crore.

Please refer to your request vide your letter No.ACC/RC/ /2008-09 dated August 12, 2008 for rating the Lower Tier II Bond programme of Rs.300 crore of your bank. The Rating Committee of ICRA, after due consideration, has assigned the rating "LAA+" (pronounced as L double A plus). This rating indicates the high-credit-quality rating assigned by ICRA. The rated instrument carries low credit risk.

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

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

The rating, as aforesaid, however, should not be treated as a recommendation to buy, sell or hold the Lower Tier II Bonds to be issued by you.

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Karumuttu Centre, 5th Floor,
634, Anna Salai, Nandanam,
Chennai - 600 005.

Tel : +(91 44) 24340043/8080/9659
24333293/294, 24336734
Fax : +(91 44) 24343663

website : www.icra.in
e mail : info@icraindia.com

Regd. Office : 1105, Kalash Building, 11th Floor, 26, Kasturba Gandhi Marg, New Delhi - 110 001.

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[- 2 -]

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

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

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

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

We thank you for your kind co-operation extended to us 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 sincerely,
for ICRA Limited.


(Pavithra Ponniah)
Senior Analyst


(P. Avinash)
Analyst

