CO:MBD:2018-19: 31st July, 2018

National Stock Exchange of India Limited Listing Department Exchange Plaza, Plot No.C/1, 'G' Block Bandra-Kurla Complex Bandra (E), Mumbai-400 051	General Manager Corporate Relationship Deptt Bombay Stock Exchange Ltd. Phiroze Jeejeebhoy Towers Dalal Street, Fort Mumbai 400001

Dear Sir/Madam,

Sub : Non submission of reports/disclosures in the annual report submitted for the year ended 31-Mar-2018

Please refer to your letter Ref:NSE/LIST/12572 dated 26th July 2018 on the captioned subject.

In this regard, we submit that in terms of Government of India guidelines vide letter F No. 10/3/2010-BOA dated January 18, 2013, Banks are required to pay a minimum dividend of 20% of their equity (i.e. paid up capital) or 20% of their post–tax profits, whichever is higher. Any relaxation from the provisions of these instructions requires specific prior permission of the Government. Further, there are guidelines from Reserve Bank of India also on the declaration of dividend by Banks. As per RBI guidelines vide its circular No. RBI/2004-05/451 DBOD. NO.BP.BC.88/21.02.067/2004-05 dated May 04, 2005, the Dividend payout ratio(Dividend payment amount- excluding tax to total net profit for the year) is restricted to maximum 40% and it is linked to matrix of Bank's actual CRAR for last 3 years and the Bank net NPA Ratio. It is stated in the RBI circular that they will not entertain any application for a higher dividend payout ratio than the one for which the banks qualify. In previous three financial years, the Bank has not declared any Dividend.

We submit you that Central Bank of India is not a company but a body corporate constituted under the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 ("the Act") and is regulated by Reserve Bank of India. The Bank is required to follow the above guidelines of Government of India and Reserve Bank of India in connection with declaration of dividend and the same has been treated as the policy for the Bank. The Bank can not deviate from these guidelines.

चंदर मुखी, नरीमन पॉइंट, मुंबई - 400 021 • दूरध्वनी : 2202 6428, 6638 7777 • फैक्स : (91-22) 2204 4336

Therefore, you may please appreciate that there is no violation of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. However as desired, the above guidelines of Government of India and Reserve Bank of India will be reproduced in the form of separate policy namely- "Dividend Distribution Policy" and will be submitted to stock exchanges and also be uploaded on website of the Bank for dissemination of the stakeholders.

Please take the above on your record.

Thanking you,

Yours faithfully,

For CENTRAL BANK OF INDIA



ANAND KUMAR DAS
ASSTT GENERAL MANAGER-MBD/
COMPANY SECRETARY

चंदर मुखी, नरीमन पॉइंट, मुंबई - 400 021 • दूरध्वनी : 2202 6428, 6638 7777 • फैक्स : (91-22) 2204 4336