

**Term Sheet for Private Placement of Unsecured, Redeemable,  
Non-Convertible Bonds of Face Value ₹10 lakh each aggregating ₹500 crore  
with Greenshoe Option**



**SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA**

*(Established under the Small Industries Development Bank of India Act, 1989)*

**Head Office: SIDBI Tower, 15, Ashok Marg, Lucknow – 226001**

**Tel (0522) 2288546-50, Fax (0522) 2288455**

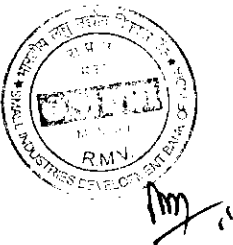
**Mumbai Office: MSME Development Centre, Plot No. C-11, G Block,  
Bandra - Kurla Complex, Bandra (East), Mumbai – 400051**

**Tel (022) 67531100 Fax (022) 26505790**

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[treasury\\_frontoffice@sidbi.in](mailto:treasury_frontoffice@sidbi.in)**

**CREDIT RATING: "CARE AAA" by CARE.** 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 rating is not a recommendation to buy, sell or hold securities and investors should take their own decisions.

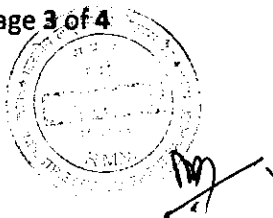
**LISTING: The Bonds are proposed to be listed on the Wholesale Debt Market Segment of the National Stock Exchange of India Limited.**



## INFORMATION RELATING TO THE TERMS OF OFFER OR PURCHASE

Security Name	7.25% SIDBI 2020-Series 4 of FY 2016-17
Issuer	Small Industries Development Bank of India (SIDBI)
Type of Instrument	Unsecured, Redeemable, Non-convertible Bonds
Nature of Instrument	Unsecured
Seniority	The bonds rank as senior debt on par with all the other borrowings of the Bank (other than Tier 1 Capital Bonds issued to GoI which are subordinated debt).
Mode of Issue	On Private Placement Basis
Eligible Investors	<p>Only the persons who are specifically addressed through a communication by or on behalf of SIDBI directly are eligible to apply for the Bonds. An application made by any other person will be deemed as an invalid application and rejected. The following categories of investors are eligible to apply for this Issue of Bonds:</p> <ul style="list-style-type: none"> <li>➤ Scheduled Commercial Banks/ Commercial Bank</li> <li>➤ Urban / Central / State / District / Primary Co-operative Banks</li> <li>➤ Regional Rural Banks, Land Development Banks</li> <li>➤ Mutual Fund Houses</li> <li>➤ Insurance Companies</li> <li>➤ Public Financial Institutions</li> <li>➤ Non Banking Financial Companies</li> <li>➤ Statutory Corporations, Companies, Body Corporates</li> <li>➤ Trusts including Port Trusts and Association of Persons which are authorized to invest in bonds</li> <li>➤ Provident Funds, Pension Funds, Superannuation Funds and Gratuity Funds</li> <li>➤ Other Government / Non-Government Agencies / Boards /Institutions.</li> <li>➤ Individuals (excluding Minors &amp; NRIs) to whom this Disclosure Document is specifically addressed</li> <li>➤ Foreign Institutional Investors (FIIs) as per SEBI / RBI regulations</li> </ul> <p><b>Note:</b> The above list is only illustrative and not exhaustive. Investors should check about their eligibility before making any investment</p>
Listing	<p>The Issue will be listed on Wholesale Debt Market segment of the National Stock Exchange within 15 days from the Deemed Date of Allotment.</p> <p>As per RBI circular No. 89 dated March 1, 2012 and SEBI circular SEBI/LAD-NRO/GN/2015-16/013 dated September 02, 2015, SEBI registered FIIs/sub-accounts of FIIs can invest in primary issues of Non-Convertible Debentures (NCDs)/ bonds only if listing of such bonds / NCDs is committed to be done within</p>

	15 days of such investment. In case the issue is not listed within 15 days from the deemed date of allotment, SIDBI would immediately redeem / buyback the said securities from the FII's/sub-accounts of FIIs.	
Rating	"CARE AAA" by CARE	
Issue Size	₹500 crore with Greenshoe option	
Option to retain oversubscription	Yes	
Objects of the issue	To mobilize long term resources for providing financial assistance to MSMEs or for any other purpose as laid down in the SIDBI Act, 1989, as amended from time to time.	
Details of utilization proceeds	The proceeds will be utilized for normal business activities of SIDBI and for such other purposes as may be decided by SIDBI's Board and as permissible under the SIDBI Act, 1989.	
Coupon Rate	7.25% p.a. (fixed)	
Step Up/ Step Down Coupon Rate	Not Applicable	
Coupon Payment Date	First on March 30, 2018, second on March 30, 2019, March 30, 2020 and final on April 30, 2020	
Coupon Type	Fixed	
Coupon Reset Process	Not Applicable	
Day Count basis/ Computation of Interest	Simple Interest for each of the interest periods shall be computed on an actual-by-actual number of days in a year basis on the Face Value of principal outstanding on the Bonds at the respective Coupon rate rounded off to the nearest Rupee.	
Interest on Application Money	Not Applicable	
Default Interest Rate	In case of default in payment of Interest and/or principal redemption on the due dates, additional interest at the minimum rate prescribed by SEBI over the coupon rate will be payable by the Issuer for the defaulting period	
Tenor	3 year & 1 month from the Deemed Date of Allotment.	
Redemption Date	April 30, 2020	
Redemption Amount	At par	
Redemption Premium / Discount	At par, on completion of the tenor of the instrument	
Face Value	₹10,00,000 per bond	
Issue Price	₹10,00,000 per bond	
Discount at which Security is issued and the effective yield as a result of such discount	Not Applicable	
Put Option Date	Not Applicable	
Put Option Price	Not Applicable	
Call Option Date	Not Applicable	
Call Option Price	Not Applicable	
Put Notification Time	Not Applicable	
Call Notification Time	Not Applicable	
Face Value	₹10,00,000 per bond	
Minimum Application	Fifty bonds and in multiples of ten bonds thereafter	
Issue Timing	Issue Opening Date	March 29, 2017
	Issue Closing Date	March 29, 2017
	Pay-in Date	March 30, 2017



	Deemed Date of Allotment	March 30, 2017
Issuance Mode of the Instrument	Only in Demat form	
Settlement Mode of the Instrument	By way of NEFT/RTGS	
Depository's Name	NSDL/CDSL	
Holiday Convention	<p>If any Coupon Payment falls on a day that is not a Business Day (Saturday/Sunday/Holiday) in Mumbai, the payment shall be made by the Issuer on the immediately succeeding Business Day along with interest for such additional period. Further, interest for such additional period so paid, shall be deducted out of the interest payable on the next Coupon Payment Date.</p> <p>If the Redemption Date (also being the last Coupon Payment Date) of the Bonds falls on a day that is not a Business Day (Saturday/Sunday/Holiday) in Mumbai, the redemption proceeds shall be paid by the Issuer on the immediately preceding Business Day along with interest accrued on the Bonds until but excluding the date of such payment.</p> <p>In the event the Record Date falls on a day which is not a Business day, the immediately succeeding Business Day will be considered as the Record Date.</p>	
Record Date	15 days prior to each Coupon Payment / Redemption Date	
Security	Not Applicable (Unsecured)	
Governing law and jurisdiction	The Bonds are governed by and shall be construed in accordance with the existing laws of India. Any dispute arising in respect thereof will be subject to the exclusive jurisdiction of the courts and tribunals in the State of Maharashtra.	
Debenture Trustee	SBICAP Trustee Company Limited	
Arrangers of the Issue	----	
Registrar and Transfer Agents	<p>Link Intime India Pvt. Ltd C-101, 247 Park, LBS Marg, Vikhroli West Mumbai - 400083 Tel : :022-49186000 Fax : 022-49186060 Website : www.linkintime.co.in</p>	

SIDBI reserves the right to change schedule of the issue including early closure/ cancellation without prior consent of investors or arrangers. SIDBI also reserves the right to alter the lot size and/ or reject the application if any of the above terms and conditions is not fulfilled. SIDBI will not pay any interest on the amount so refunded.