

**Term Sheet for Private Placement of Unsecured, Redeemable,
Non-Convertible Debentures 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)

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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	7.74% SIDBI 2021-Series VIII of FY 2017-18
Issuer	Small Industries Development Bank of India (SIDBI)
Type of Instrument	Unsecured, Redeemable, Non-Convertible Debentures
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"> ➤ Scheduled Commercial Banks/ Commercial Bank ➤ Urban / Central / State / District / Primary Co-operative Banks ➤ Regional Rural Banks, Land Development Banks ➤ Mutual Fund Houses ➤ Insurance Companies ➤ Public Financial Institutions ➤ Non Banking Financial Companies ➤ Statutory Corporations, Companies, Body Corporates ➤ Trusts including Port Trusts and Association of Persons which are authorized to Invest in bonds ➤ Provident Funds, Pension Funds, Superannuation Funds and Gratuity Funds ➤ Other Government / Non-Government Agencies / Boards /Institutions. ➤ Individuals (excluding Minors & NRIs) to whom this Disclosure Document is specifically addressed ➤ Foreign Institutional Investors (FIIs) as per SEBI / RBI regulations <p>Note: 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-</p>



	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 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 FIIs/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	7.74% p.a. (fixed)
Step Up/ Step Down Coupon Rate	Not Applicable
Coupon Payment Date	First on May 22, 2018, Second on May 22, 2019, Third on May 22, 2020 and Final on March 22, 2021.
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 years and 1 month from the Deemed Date of Allotment.
Redemption Date	March 22, 2021
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	22/05/2019 (1 year and 3 months from the deemed date of allotment)
Put Option Price	At Par



Call Option Date	22/05/2019 (1 year and 3 months from the deemed date of allotment) /				
Call Option Price	At Par				
Put Notification Time	The notice for exercising Put option be submitted on or before 5PM on 07 May 2019				
Call Notification Time	The notice for exercising Call option be submitted on or before 5PM on 07 May 2019				
Face Value	₹10,00,000 per bond				
Minimum Application	Fifty bonds and in multiples of ten bonds thereafter				
Issue Timing	Issue Opening Date	February 21, 2018			
	Issue Closing Date	February 21, 2018			
	Pay-in Date	February 22 2018			
	Deemed Date of Allotment	February 22, 2018			
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 the interest payment date falls on a holiday, the payment shall be made on the following working day however the dates of the future coupon payments would be as per the schedule originally stipulated at the time of issuing the security. In other words, the subsequent coupon schedule would not be disturbed merely because the payment date in respect of one particular coupon payment has been postponed earlier because of it having fallen on a holiday.</p> <p>In case of a leap year, if February 29 falls during the tenor of a security, then the number of days shall be reckoned as 366 days (<i>Actual/Actual day count convention</i>) for a whole one year period, irrespective of whether the interest is payable annually, half yearly, quarterly or monthly etc. It is thus emphasized that for a half yearly interest payment, 366 days would be reckoned twice as the denominator; for quarterly interest, four times and for monthly interest payment, twelve times.</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> <p>Payment of interest / redemption shall be made only on the days when the money market is functioning in Mumbai.</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	Thru' Electronic Bidding Platform (EBP)
Registrar and Transfer Agents	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

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.

