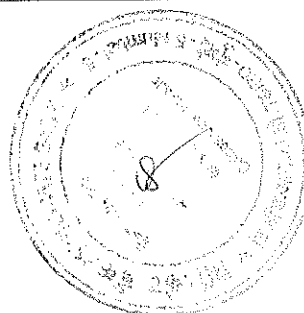
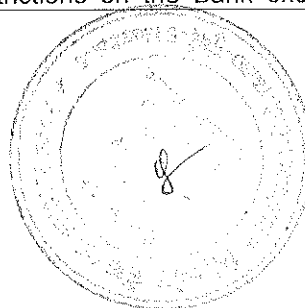


VIII. SUMMARY TERM SHEET

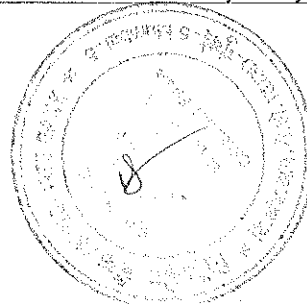
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| 1 | Security Name | Syndicate Bank Unsecured Perpetual Fully Paid-Up Non-Convertible Basel III Compliant Additional Tier 1 Bonds 2016-17 (Series IV). |
| 2 | Issuer | Syndicate Bank (the "Bank"/ the "Issuer"). |
| 3 | Issue Size and option to retain oversubscription | Rs 1000 Crore. |
| 4 | Objects of the Issue / Details of the utilisation of the proceeds | <p>Augmenting Additional Tier 1 Capital (as the term is defined in the Basel III Guidelines) and over all capital of the Issuer for strengthening its capital adequacy and for enhancing its long-term resources.</p> <p>The funds being raised by the Bank through the present Issue are not meant for financing any particular project. The Bank shall utilize the proceeds of the Issue for its regular business activities. The Bank undertakes that proceeds of the Issue shall not be used for any purpose which may be in contravention of the regulations/guidelines/norms issued by RBI/SEBI/Stock Exchange.</p> |
| 5 | Listing (including name of Stock Exchange (s) where it will be listed. | Proposed on the Wholesale Debt Market (WDM) Segment of NSE. |
| 6 | Instrument | Unsecured, fully paid up, Non-Convertible, Listed, Basel –III compliant perpetual debt instruments in the nature of Debentures for inclusion in Additional Tier 1 Capital (as the term is defined in the Basel III Guidelines) (the "Bonds"). |
| 7 | Nature of Instrument | The Bonds are neither secured nor covered by a guarantee of the Issuer nor related entity or other arrangements that legally or economically enhances the seniority of the claim of the holders of the Bonds (the "Bondholders") vis-à-vis other creditors of the Issuer. |
| 8 | Seniority | <p>The claims in respect of the Bonds, subject to <i>loss absorption</i>, will rank:</p> <p>(i) superior to the claims of investors in equity shares and perpetual non-cumulative preference shares of the Issuer;</p> <p>(ii) subordinate to the claims of all depositors and general creditors and subordinated debt of the Issuer other than subordinated debt qualifying as Additional Tier1 Capital (as the term is defined in the Basel III Guidelines) of the Issuer;</p> <p>(iii) <i>pari passu</i> without preference amongst themselves and other debt instruments classifying as Additional Tier 1 Capital in terms of Basel III Guidelines; and</p> <p>(iv) The Bonds are neither secured nor covered by a guarantee of the Issuer nor related entity or other arrangements that legally or economically enhances the seniority of the claim of the holders of the Bonds (the "Bondholders") vis-à-vis other creditors of the Issuer.</p> |
| 9 | Tenor | Perpetual |
| 10 | Redemption Amount | Not Applicable |
| 11 | Redemption Date | Not Applicable |
| 12 | Convertibility | Non-Convertible |
| 13 | Face Value /Issue Price | Rs. 10,00,000/- (Rupees Ten Lacs) per Bond. |
| 14 | Credit Rating | AA by India Ratings and Research Private Limited (A Fitch |



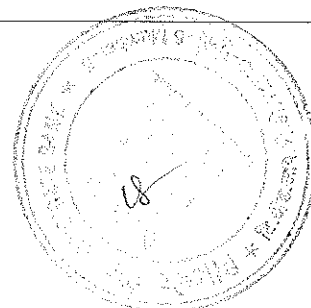
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| | | Group Company) and AA- by Credit Analysis & Research Limited (CARE) |
| 15 | Mode of Issue | Private Placement |
| 16 | Security | Unsecured |
| 17 | Coupon | 9.95 % p.a. |
| 18 | Coupon Reset | Not Applicable |
| 19 | Coupon Type | Fixed |
| 20 | Coupon Payment Frequency | Annual subject to condition of <i>Coupon Discretion</i> and <i>Loss Absorption</i> . |
| 21 | Coupon Payment Dates | <p>First coupon payment shall be made on 24.10.2017 comprising of interest/ coupon from and including the Deemed Date of Allotment upto but excluding the first Coupon Payment Date.</p> <p>Subsequent coupon payments shall be made on anniversary of the Deemed Date of Allotment each year thereafter, subject to <i>Coupon Discretion clause</i>.</p> |
| 22 | Interest on application money | <p>Interest at the Coupon Rate (subject to deduction of Income-tax under the provisions of the Income-tax Act 1961, or any statutory modification or re-enactment as applicable) will be paid to all the applicants on the application money for the Bonds. Such interest shall be paid from the date of realization of cheque (s)/demand draft (s) and in case of RTGS/other means of electronic transfer interest shall be paid from the date of receipt of funds to one day prior to the Deemed Date of Allotment.</p> <p>The Interest on application money will be computed as per Actual/Actual Day count convention. Such interest would be paid on all the valid applications including the refunds. For the application amount that has been refunded, the Interest on application money will be paid along with the refund orders and for the application amount against which Bonds have been allotted, the Interest on application money will be paid within ten working days from the Deemed Date of Allotment. 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. Income Tax at Source (TDS) will be deducted at the applicable rate on Interest on application money.</p> |
| 23 | Record Date | Reference date for payment of coupon or of principal which shall be the date falling 15 days prior to the relevant Coupon Payment Date, Issuer Call Date, Tax Call Date or Regulatory Call Date (each as defined later) on which interest due and payable. In the event the Record Date for Coupon Payment date falls on a day which is not a business day, the next business day will be considered as the Record Date. |
| 24 | Computation of Interest | Actual/ Actual |
| 25 | Coupon Discretion | <p>(i) The Issuer may elect at its full discretion to cancel (in whole or in part) coupon scheduled to be paid on Coupon Payment Date.</p> <p>(ii) Cancellation of payment of interest will not be an event of default. Cancellation of payment of interest will not impose restrictions on the Bank except in relation to</p> |



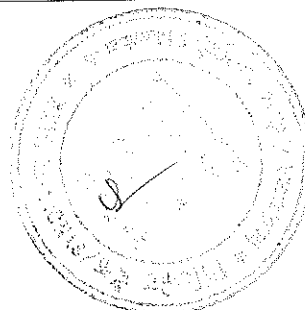
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| | | <p>distribution to common stakeholders.</p> <p>(iii) Further, the Coupons must be paid out of distributable items. In this context, coupon may be paid out of current year profits. However, if current year profits are not sufficient, coupon may be paid subject to availability of sufficient revenue reserves (those which are not created for specific purposes by a bank) and / or credit balance in profit and loss account, if any</p> <p>(iv) However, payment of coupon from the revenue reserves is subject to the Issuer meeting minimum regulatory requirements for CET 1, Tier 1 and Total Capital ratios (each as defined and calculated in accordance with the Basel III Guidelines) at all relevant times and subject to the requirements of capital buffer frameworks (i.e. capital conservation buffer, countercyclical capital buffer and Domestic Systemically Important Banks) set out in Basel III Guidelines;</p> <p>(v) Coupon on the Bonds will be noncumulative. If coupon is not paid or paid at a rate lesser than the Coupon Rate, the unpaid coupon will not be paid in future years. Non-payment of coupon will not constitute an Event of Default in respect of the Bonds;</p> <p>(vi) In the event that the Issuer determines that it shall not make a payment of coupon on the Bonds, the Issuer shall notify the Trustee not less than 21 calendar days prior to the relevant Coupon Payment Date of that fact and of the amount that shall not be paid. The Issuer has full discretion at all times to cancel distributions / payments in order to meet the eligibility criteria for perpetual debt instruments.</p> |
| 26 | Dividend Stopper Clause | <p>Dividend Stopper Clause will be applicable to these instruments and it will stop dividend payments on common shares in the event the holders of these instruments are not paid coupon. In the event the holders of these Instrument are not paid coupon, they shall not impede the full discretion that Issuer has at all times to cancel distributions/payments on these Instruments, nor will they impede/hinder:</p> <ol style="list-style-type: none"> The Re-capitalisation of the Issuer The Issuer's right to make payments on other instruments, where the payments on this other instrument were not also fully discretionary The Issuer's right to making distribution to shareholders for a period that extends beyond the point in time that coupon /dividends in these Instruments are resumed. The normal operation of the bank or any restructuring activity (including acquisitions/disposals). |
| 27 | Put Option | Not Applicable |
| 28 | Call Option | |
| | i. Issuer Call | <p>The Issuer may at its sole discretion, having notified the Trustee not less than 21 calendar days prior to the date of exercise of such Issuer Call (which notice shall specify the date fixed for exercise of the Issuer Call (the "Issuer Call Date")), may exercise a call on the outstanding Bonds.)</p> <p>The Issuer Call, which is discretionary, may or may not be</p> |



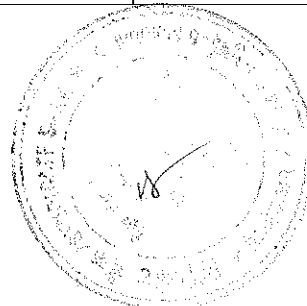
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| | | <p>exercised on the fifth anniversary from the Deemed Date of Allotment i.e. the fifth Coupon Payment Date or on any Coupon Payment Date thereafter.</p> <p>Prior approval of RBI (Department of Banking Regulation) will be required.</p> <p>The instrument should be 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. Here, replacement of the capital can be concurrent with but not after the instrument is called.</p> <p>OR</p> <p>(i) The bank demonstrates that its capital position is well above the minimum capital requirements after the call option is exercised.</p> <p>(ii) Here, minimum refers to Common Equity Tier 1 of 8% of RWAs (including capital conservation buffer of 2.5% of RWAs as and when phased in by RBI) and Total Capital of 11.5% of RWAs (including capital conservation buffer of 2.5% of RWAs) including any additional capital requirement identified under Pillar 2.</p> |
| | ii. Tax Call or Variation | <p>If a Tax Event (as described below) has occurred and continuing, then the Issuer may, having notified the Trustee not less than 21 calendar days prior to the date of exercise of such Tax Call or Variation (which notice shall specify the date fixed for exercise of the Tax Call or Variation "Tax Call Date"), may exercise a call on the Bonds or substitute the Bonds or vary the terms of the Bonds so that the Bonds have better classification.</p> <p>A Tax Event has occurred if, as a result of any change in, or amendment to, the laws affecting taxation (or regulations or rulings promulgated there under) of India or any change in the official application of such laws, regulations or rulings the Issuer will no longer be entitled to claim a deduction in respect of computing its taxation liabilities with respect to coupon on the Bonds.</p> <p>The exercise of Tax Call by the Issuer is subject to requirements set out in the Applicable RBI Guidelines (as defined below). RBI will 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.</p> |
| | iii. Regulatory Call or Variation | <p>If a Regulatory Event (as described below) has occurred and continuing, then the Issuer may, and having notified the Trustee not less than 21 calendar days prior to the date of exercise of such Regulatory Call or Variation (which notice shall specify the date fixed for exercise of the Regulatory Call or Variation (the "Regulatory Call Date")), may exercise a call on the Bonds or substitute the Bonds or vary the terms of the Bonds so that the Bonds have better classification.</p> |



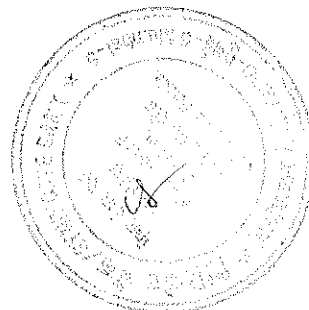
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| | | <p>A Regulatory Event is deemed to have occurred if there is a downgrade of the Bonds in regulatory classification i.e. Bonds is excluded from the consolidated Tier I Capital of the Issuer.</p> <p>The exercise of Regulatory call by the Issuer is subject to requirements set out in the Applicable RBI Guidelines (as defined below). RBI will permit the Issuer to exercise the Regulatory Call only if the RBI is convinced that the Issuer was not in a position to anticipate the Regulatory Event at the time of issuance of the Bonds.</p> |
| | iv. Call Notification Time | 21 calendar days prior to the date of exercise of Call |
| | v. Call Option Price | Rs. 10,00,000/- (Rupee Ten Lakh) per Bond |
| 29 | Debenture Redemption Reserve A/c | Shall not be created |
| 30 | Treatment in Insolvency | The instrument cannot contribute to liabilities exceeding assets if such a balance sheet test forms part of a requirement to prove insolvency under any law or otherwise. |
| 31 | Classification in Balance Sheet | The Bond shall be classified as "Liabilities" under Schedule - 4 -Borrowings in the Balance sheet for accounting purposes and not for the purpose of insolvency. |
| 32 | Step up/step down option | Not applicable |
| 33 | Depository | National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) |
| 34 | Cross Default | Not Applicable |
| 35 | Proposed Listing | Proposed on the wholesale Debt Market (WDM) segment of NSE |
| 36 | Issuance | Only in dematerialized form |
| 37 | Trading | Only in dematerialized form |
| 38 | Issue Schedule* | |
| | Issue Opening Date | 24.10.2016 |
| | Issue Closing Date | 24.10.2016 |
| | Pay-In-Date | 24.10.2016 |
| | Deemed Date of Allotment | 24.10.2016 |
| 39 | Minimum Application and in multiples of Debt securities thereafter | 10,000 Bonds |
| 40 | Settlement | Payment of interest and repayment of principal shall be made by way direct credit/ NECS/ RTGS/ NEFT mechanism. |
| 41 | Loss Absorption at the Pre-Specified Trigger | |
| | i) Loss Absorbency at the occurrence of an Objective Pre-Specified Trigger | <p>The Bonds are subject to principal loss absorption through a temporary write down mechanism which allocates losses to the instruments at an objective pre-specified trigger point as per point 41 (ii) below. The write down will have the following effects:</p> <p>a) reduce the claim of the instrument in liquidation;</p> <p>b) reduce the amount re-paid when a call is exercised; and</p> <p>c) Partially or fully reduce coupon payments on the instrument.</p> |
| | ii) Objective Pre-Specified Trigger Point for Loss Absorbency Clause | <p>A Pre-Specified Trigger (the "CET1 Trigger Event Threshold") means that the Issuers Common Equity Tier I Ratio is:</p> <p>(i) if calculated at any time prior to March 31,2019, at or below 5.5% of Risk Weighted Assets; or</p> <p>(ii) if calculated at any time from and including March 31,</p> |



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| | | <p>2019, at or below 6.125% of Risk Weighted Assets,;</p> <p>Common Equity Tier 1 Ratio means the Common Equity Tier 1 Capital (as defined and calculated in accordance with the Basel III Guidelines) of the Issuer or its group (as the case may be) expressed as a percentage of the total risk weighted assets (as defined and calculated in accordance with the Basel III Guidelines) of the Issuer or its group (as applicable);</p> <p>If a CET1 Trigger Event (as described above) occurs, the Issuer shall:</p> <p>(i) notify the Trustee;</p> <p>(ii) cancel any coupon which is accrued and unpaid to as on the write down date; and</p> <p>(iii) without the need for the consent of Bondholders or the Trustee, write down the outstanding principal of the Bonds by such amount as the Issuer may in its absolute discretion decide and in no case such amount shall be less than the amount required to immediately return the Issuer's Common Equity Tier 1 Ratio (as defined above) to above the CET1 Trigger Event Threshold (as defined above) (the "CET1 Write Down").</p> <p>Notwithstanding the above, if the RBI has agreed with the Issuer prior to the occurrence of the relevant CET1 Trigger Event that a write down shall not occur because it is satisfied that actions, circumstances or events have had, or imminently will have, the effect of restoring the Common Equity Tier 1 Ratio to a level above the CET1 Trigger Event threshold that the RBI and the Issuer deem, in their absolute discretion, to be adequate at such time, no CET1 Trigger Event in relation thereto shall be deemed to have occurred.</p> <p>The write down may be more than once in case the bank hits the pre-specified trigger level subsequent to the first write down which was partial.</p> |
| | iii) Amount of Write down upon Breach of Trigger Level | <p>The aggregate amount to be written down for all AT1 instruments on breaching the trigger level must be at least the amount needed to immediately return the bank's CET1 ratio to the trigger level or, if this is not possible, the full principal value of the instruments. Further, Bank have full discretion to determine the amount of AT1 instruments to be written down subject to the amount of write down not exceeding the amount which would be required to bring the CET1 ratio to 8% of RWAs (minimum CET1 of 5.5% + capital conservation buffer of 2.5%).</p> |
| | iv) Write up of Bonds temporarily written down | <p>In the event of temporary write down of the Bonds, Bank solely at its discretion may write up the Bonds to its original value in future, when it demonstrates that its capital position is well above the minimum capital position and with the prior approval of the Reserve Bank of India.</p> |
| | v) Treatment of Bonds in the event of liquidation | <p>Where a temporary write down of the Bonds pursuant to occurrence of CET1 Trigger event has occurred prior to liquidation, the holders of these instruments will have no claim on the proceeds of the liquidation.</p> |



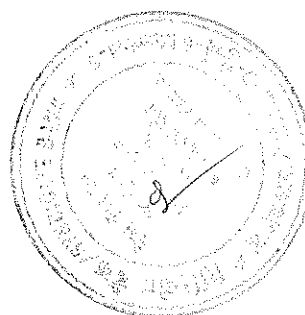
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| | | <p>For the avoidance of doubt,</p> <p>a) If the Bank goes into liquidation before any write down at the pre-specified trigger, the Bonds will absorb losses in accordance with the order of <i>seniority</i> indicated in the offer document and as per usual legal provisions governing priority of charges.</p> <p>b) If Bank goes into liquidation after the AT1 instruments have been written-down temporarily at the pre-specified trigger but yet to be written up, the holders of these instruments will have no claim on the proceeds of liquidation.</p> |
| | vi) Treatment of Bonds in the event of amalgamation | <p>If the Issuer is amalgamated with any other bank pursuant to Section 44 A of the Banking Regulation Act, 1949 (the BR Act) before the Bonds have been written down, the Bonds will become part of the Additional Tier 1 capital of the new bank emerging after the merger.</p> <p>If the Bank is amalgamated with any other Bank after the bonds have been written down temporarily pursuant to a CET1 trigger event, the amalgamated Bank can write – up these instruments according to its discretion.</p> <p>If the RBI or the relevant authorities decide to reconstitute the issuer or amalgamate the issuer with any other bank under the Section 45 of BR Act, 1949, the issuer will be deemed as non-viable or approaching non-viability and the pre-specified trigger will be activated. Accordingly, the AT1 instruments will be written down permanently prior to any amalgamation / reconstitution in accordance with these rules.</p> |
| 42 | Loss Absorption at the point of Non-Viability (PONV) | |
| | i) point of Non-Viability (PONV) trigger event | <p>The PONV trigger event, in respect of the issuer or its group means the earlier of:</p> <ul style="list-style-type: none"> i) a decision that a principal write-off, without which the Issuer or its group (as the case may be) would become non-viable, is necessary, as determined by the RBI; and ii) the decision to make a public sector injection of capital, or equivalent support, without which the Issuer or its group (as the case may be) would have become non-viable, as determined by the RBI or relevant authority; <p>However, any capital infusion by Government of India into the Issuer as the promoter of the Issuer in the normal course of business may not be construed as a PONV trigger.</p> <p>The trigger at PONV will be evaluated both at consolidated and solo level and breach at either level will trigger write-off.</p> |
| | ii) Loss Absorbency by the way of Write-off on the occurrence of the PONV trigger event | <p>If a PONV Trigger Event (as described above in 42 (i)) occurs, the Issuer shall:</p> <ul style="list-style-type: none"> (i) notify the Trustee; (ii) cancel any coupon which is accrued and unpaid on the Bonds as on the write-off date; and (iii) Without the need for the consent of Bondholders or the |



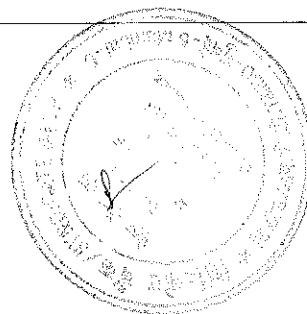
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| | | <p>Trustee, write-off (the outstanding principal of the Bonds by such amount as may be prescribed by RBI ("PONV write-off Amount") and subject as is otherwise required by the RBI at the relevant time. The Issuer will affect a write-off within thirty days of the PONV. Write-off Amount being determined and agreed with the RBI.</p> <p>Once the principal of the Bonds have been written-off pursuant to PONV Trigger Event, the PONV write-off amount will not be restored in any circumstances, including where the PONV Trigger Event has ceased to continue.</p> <p>A write-off due to a PONV Trigger Event shall occur prior to any public sector injection of capital so that the capital provided by the public sector is not diluted.</p> <p>The Basel III Guidelines state that, for this purpose, a non-viable bank will be a bank which, owing to its financial and other difficulties, may no longer remain a going concern on its own in the opinion of the RBI unless appropriate measures are taken to revive its operations and thus, enable it to continue as a going concern. The difficulties faced by a 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 non-viable. Such measures would include a permanent write-off in combination with or without other measures as considered appropriate by the RBI.</p> <p>A bank facing financial difficulties and approaching a point of non-viability shall be deemed to achieve viability if within a reasonable time in the opinion of the RBI; 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 a conversion or public sector injection of funds are likely to:</p> <ol style="list-style-type: none"> restore confidence of the depositors/investors; improve rating/ creditworthiness of the bank and thereby improving 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. |
| | iii) Treatment of Bonds in the event of liquidation | <p>If the Bank goes into liquidation before the Bonds have been permanently written-off, these instruments will absorb losses in accordance with the order of <i>seniority</i> indicated in the offer document and as per usual legal provisions governing priority of charges.</p> <p>If Bank goes into liquidation after the AT1 instruments have been written-off permanently, the holders of these instruments will have no claim on the proceeds of liquidation.</p> |
| | iv) Treatment of Bonds in the event of amalgamation | <p>If the Issuer is amalgamated with any other bank pursuant to Section 44 A of the Banking Regulation Act, 1949 (the BR Act) before the Bonds have been written-off, the Bonds will become part of the Additional Tier 1 capital of the new bank</p> |



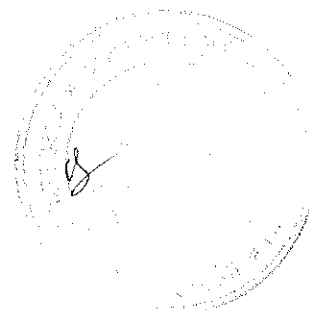
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| | | <p>emerging after the merger.</p> <p>If the Bank is amalgamated with any other Bank after the bonds have been written-off pursuant to a PONV trigger event, these cannot be re-instated by the amalgamated Bank.</p> <p>If the RBI or the relevant authorities decide to reconstitute the issuer or amalgamate the issuer with any other bank under the Section 45 of BR Act, 1949, the issuer will be deemed as non-viable or approaching non-viability and the PONV trigger event will be activated. Accordingly, the AT1 instruments will be written off permanently prior to any amalgamation / reconstitution in accordance with these rules.</p> |
| 43 | Order of Conversion of Various Types of AT1 at the event of Gone concern situation | <p>The order of claim of various types of Regulatory capital instruments issued by the Issuer and that may be issued in future shall be as under:</p> <p>Additional Tier I debt instruments will be superior to the claims of investors in equity shares and perpetual non-cumulative preference shares and subordinate to the claims of all depositors and general creditors & subordinated debt of the bank. However, conversion of AT 1 debt instruments will be on pari-passu basis amongst themselves irrespective of the date of issue.</p> <p>Perpetual non-cumulative preference shares will be superior to the claims of Equity Shares.</p> |
| 44 | Transaction Documents | <p>The Issuer shall execute the documents including but not limited to the following in connection with the issue:</p> <ul style="list-style-type: none"> (i) Letter appointing Trustees to the Bond Holders. (ii) Bond trustee agreement; (iii) Bond trust deed (iv) Rating agreement with Rating agency; (v) Tripartite agreement between the Issuer, Registrar and NSDL for issue of Bonds in dematerialized form; (vi) Tripartite agreement between the Issuer, Registrar and CDSL for issue of Bonds in dematerialized form; (vii) Letter appointing Registrar and agreement entered into between the Issuer and the Registrar. (viii) Listing Agreement with NSE. (ix) Information Memorandum / Disclosure Document |
| 45 | Conditions precedent to subscription of Bonds | <p>The subscription from investors shall be accepted for allocation and allotment by the Issuer subject to the following:</p> <ul style="list-style-type: none"> (i) Rating letter(s) from the aforesaid rating agencies not being more than two month old from the issue opening date; (ii) Letter from the Trustees conveying their consent to act as Trustees for the Bondholder(s); (iii) Letter from the Registrar conveying their consent to act as Registrar for the Issue; (iv) Letter to NSE for seeking its In-principle approval for listing and trading of Bonds. |
| 46 | Conditions subsequent to subscription of Bonds | <p>The Issuer shall ensure that the following documents are executed/ activities are completed as per time frame</p> |



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| | | <p>mentioned elsewhere in this Disclosure Document:</p> <p>(i) Credit of demat account(s) of the allottee (s) by number of Bonds allotted within 2 working days from the Deemed Date of Allotment.</p> <p>(ii) Making listing application to NSE within 15 days from the Deemed Date of Allotment of Bonds and seeking listing permission within 20 days from the Deemed Date of Allotment of Bonds in pursuance of SEBI Debt Regulations;</p> <p>(In the event of a delay in listing of the Bonds beyond 20 days of the Deemed Date of Allotment, the Issuer will pay to the investor penal interest of 1% per annum over the Coupon Rate commencing on the expiry of 30 days from the Deemed Date of Allotment until the listing of the Bonds.)</p> <p>Besides, the Issuer shall perform all activities, whether mandatory or otherwise, as mentioned elsewhere in this Disclosure Document.</p> |
| 47 | Business Day Convention | <p>Should any of the dates, other than the Coupon Payment Date including the Deemed Date of Allotment, Issuer Call Date, Tax Call Date or Regulatory Call Date as defined in this Information Memorandum, fall on day which is not a business day, the immediately preceding business day shall be considered as the effective date. Should the Coupon Payment Date, as defined herein, fall on day which is not a business day, the immediately next business day shall be considered as the effective date.</p> |
| 48 | Refusal of Listing | <p>If listing permission is refused before the expiry of the 20 days from the Deemed Date of Allotment, the Issuer shall forthwith repay all monies received from the applicants in pursuance of the Disclosure Document along with penal interest of 1.00% per annum over the Coupon Rate from the expiry of 20 days from the Deemed Date of Allotment. If such monies are not repaid within 8 days after the Issuer becomes liable to repay it (i.e. from the date of refusal or 20 days from the Deemed Date of Allotment, whichever is earlier), then the Issuer and every director of the Issuer who is an officer in default shall, on and from the expiry of 8 days, will be jointly and severally liable to repay the money, with interest at the rate of 15 per cent per annum on application money.</p> |
| 49 | Eligible Investors | <p>a. Mutual Funds;</p> <p>b. Public Financial Institutions as defined under the Companies Act.</p> <p>c. Scheduled Commercial Banks;</p> <p>d. Insurance Companies;</p> <p>e. Provident Funds, Gratuity Funds, Superannuation Funds and Pension Funds;</p> <p>f. Co-operative Banks;</p> <p>g. Regional Rural Banks authorized to invest in bonds/debentures;</p> <p>h. Companies and Bodies Corporate authorized to invest in bonds/debentures;</p> <p>i. Trusts authorized to invest in bonds/debentures; and</p> <p>j. Statutory Corporations/ Undertakings established by Central/ State legislature authorized to invest in bonds/debentures, etc.</p> |

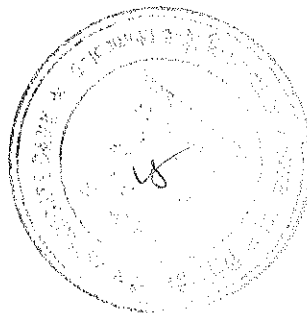


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| | | The issue is restricted only to the above Investors. Prospective subscribers must make their own independent evaluation and judgment regarding their eligibility to invest in the issue. |
| 50 | Governing Law and Jurisdiction | The Bonds are governed by and shall be construed in accordance with the existing laws of India. Any dispute arising thereof shall be subject to the courts of Mumbai, Maharashtra. |
| 51 | Applicable RBI Guidelines | The present Issue of Bonds is being made in pursuance of Master Circular No. DBR.NO.BP.BC.1/21.06.201/2015-16 dated July 1, 2015 issued by the Reserve Bank of India on Basel III capital regulations ("Master Circular") and Clarification on Master Circular – Basel III Capital Regulations DBR.No.BP.BC.71/21.06.201/2015-16 dated January 14, 2016 covering terms and conditions for issue of Perpetual Debt Instruments ("PDIs") for inclusion in Additional Tier 1 Capital (Annex 4 of the Master Circular) and minimum requirements to ensure loss absorbency of Additional Tier 1 instruments at pre-specified trigger and of all non regulatory capital instruments at the point of non viability ("PONV") (Annex 16 of the Master Circular) DBR.NO.BP.BC.1/21.06.201/2015-16 dated July 1, 2015 as amended or replaced from time to time. In the event of any discrepancy or inconsistency between the terms of the Bonds and any other Transaction Document(s), the provisions of the RBI Basel III Guidelines and related amendments shall prevail. The issue of Bonds and the terms and conditions of the Bonds will be subject to the applicable guidelines issued by the Reserve Bank of India and the Securities and Exchange Board of India from time to time. |
| 52 | Prohibition on Purchase/ Funding of Bonds | Neither the Bank nor a related party over which the Bank exercises control or significant influence (as defined under relevant Accounting Standards) shall purchase the Bonds, nor shall the Bank directly or indirectly fund the purchase of the Bonds. The Bank shall also not grant advances against the security of the Bonds issued by it. |
| 53 | Repurchase / Redemption / Buy Back | Principal of the instruments may be repaid (e.g. through repurchase or redemption or Buy Back) only with prior approval of RBI and subject to <i>Conditions for call and repurchase</i> Banks may repurchase / Redemption / Buy-Back only if: (a) They replace the such instrument 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 repurchase / Redemption / Buy-Back. |
| 54 | Conditions for call and repurchase | The Issuer shall not exercise a call option or redeem, buy-back, repurchase, substitute or vary any of the Bonds unless: i) in the case of exercise of call option or repurchase, buy- |



| | | |
|----|------------------------------------|--|
| | | <p>back or redemption, either (a) the Bonds are replaced with the same or better quality capital (in the opinion of the RBI), at conditions sustainable for the income capacity of the Issuer; or (b) the Issuer has demonstrated to the satisfaction of the RBI that its capital position is well above (in the opinion of the RBI) the minimum capital requirements (after such call option is exercised or after the redemption, repurchase or buy-back, as the case may be);</p> <p>ii) the prior written approval of the RBI shall have been obtained;</p> <p>iii) the Issuer has not created any expectation that such call or variation or repurchase shall be exercised; and</p> <p>iv) any other pre-conditions specified in the Basel III Guidelines at such time have been satisfied</p> |
| 55 | Trustees | SBICAP Trustee Company Limited |
| 56 | Role and Responsibility of Trustee | <p>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 Sec. 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 Bond/Debenture Trusteeship Agreement, Disclosure Document and all other related transaction documents with due care, diligence and loyalty.</p> <p>The Trustees shall be vested with the requisite powers for protecting the interest of Holder(s) of the Bonds. The Trustees shall ensure disclosure of all material events on an ongoing basis.</p> |
| 57 | Re-capitalization | Nothing contained in this term-sheet or in any transaction documents shall hinder re-capitalization by the Issuer |
| 58 | Additional Covenants | On the happening of any of the event of default, in addition to the rights specified above, the bond/debenture Holders/ debenture Trustees shall have the right as indicated in the SEBI Regulations/ from time to time. |
| 59 | Registrar | Karvy Computershare Private Limited |

*The Bank reserves its sole and absolute right to modify (pre-poned/post-poned) the above issue schedule without giving any reasons or prior notice. In such a case, applicants shall be intimated about the revised time schedule by the Bank. The Bank also reserves the right to keep multiple Date(s) of Allotment at its sole and absolute discretion without any notice. In case if the Issue Closing Date/Pay in Dates is/are changed (pre-poned/post-poned), the Deemed Date of Allotment may also be changed (pre-poned/post-poned) by the Bank at its sole and absolute discretion. Consequent to change in Deemed Date of Allotment, the Coupon Payment Dates and/or Call Option Due Date may also be changed at the sole and absolute discretion of the Bank.



IX. TERMS OF OFFER (DETAILS OF DEBT SECURITIES PROPOSED TO BE ISSUED, MODE OF ISSUANCE, ISSUE SIZE, UTILIZATION OF ISSUE PROCEEDS, STOCK EXCHANGES WHERE SECURITIES ARE PROPOSED TO BE LISTED, REDEMPTION AMOUNT, PERIOD OF MATURITY, YIELD ON REDEMPTION, DISCOUNT AT WHICH OFFER IS MADE AND EFFECTIVE YIELD FOR INVESTOR)

ISSUE OF UNSECURED NON-CONVERTIBLE PERPETUAL FULLY PAID UP BASEL III COMPLIANT ADDITIONAL TIER I BONDS IN THE NATURE OF DEBENTURES FOR INCLUSION IN ADDITIONAL TIER I CAPITAL OF FACE VALUE OF RS. 10 LACS EACH ("BONDS") AGGREGATING TO RS. 1000 CRORE BY SYNDICATE BANK (THE "ISSUER" OR THE "BANK")

1. ISSUE SIZE

Syndicate Bank (the "Issuer" or the "Bank") proposes to raise Rs. 1000 Crore through issue of Unsecured Non-Convertible Perpetual Fully Paid Up Basel III Compliant Additional Tier I Bonds in the nature of Debentures for inclusion in Tier I Capital of Face Value of Rs. 10 Lac each ("Bonds") (the "Issue") by way of private placement.

2. ELIGIBILITY TO COME OUT WITH THE ISSUE

The Bank or its promoter has not been restrained or prohibited or debarred by SEBI/any other Government authority from accessing the securities market or dealing in securities and no such direction or order is in force.

3. REGISTRATION AND GOVERNMENT APPROVALS

The Issuer can undertake the activities proposed by it in view of the present approvals and no further approval from any government authority (ies) is required by it to undertake the proposed activities excepting those approvals which may be required to be taken in the normal course of business from time to time.

4. AUTHORITY FOR THE ISSUE

The present issue of Bonds is being made pursuant to the resolution of the Board of Directors of the Issuer, passed at its meeting held on 23rd September, 2016 and the delegation provided there under:

The present issue of Bonds is being made in pursuance of Master Circular No. DBR.No.BP.BC.1/21.06.201/2015-16 dated July 01, 2015 and Clarification on Master Circular – Basel III Capital Regulations DBR.No.BP.BC.71/21.06.201/2015-16 dated January 14, 2016 as amended or replaced from time to time covering terms and conditions for issue of Perpetual Debt Instruments ("PDIs") for inclusion as Additional Tier I Capital (Annex 4 of the Master Circular) and minimum requirement to ensure loss absorbency of non-equity regulatory capital instruments at the Point of Non Viability (PONV) (Annex 16 of the Master Circular).

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.

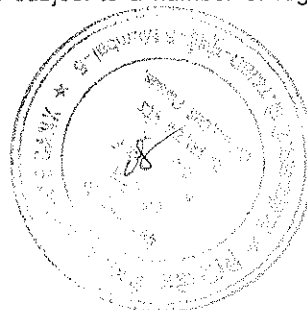
The Bonds offered are subject to provisions of the Companies Act, 2013, Securities Contract Regulation Act 1956, Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970, terms of this Disclosure Document, instructions contained in the Application Form and other terms and conditions as may be incorporated in the Debenture Trustee Agreement. Over and above such terms and conditions, the Bonds shall also be subject to the applicable provisions of the Depositories Act 1996 and the laws as applicable, guidelines, notifications and regulations relating to the allotment & issue of capital and listing of securities issued from time to time by the Government of India (GOI), Reserve Bank of India (RBI), Securities & Exchange Board of India (SEBI), concerned Stock Exchange or any other documents that may be executed in respect of the Bonds.

5. OBJECTS OF THE ISSUE

Augmenting Basel III Compliant Additional Tier 1 Capital (as the term is defined in the Basel III Guidelines) and over all capital of the Issuer for strengthening its capital adequacy and for enhancing its long-term resources.

6. UTILISATION OF ISSUE PROCEEDS

The funds being raised by the Issuer through present issue of Bonds are not meant for financing any particular project. The Issuer shall utilise the proceeds of the Issue for augmenting overall capital of the Bank and for enhancing the long term resources of the Bank. The Issuer is subject to a number of regulatory checks and



balances as stipulated in its regulatory environment. The Issuer is a Government of India undertaking under the administrative control of Ministry of Finance, Government of India and is managed by professionals under the supervision of the Board of Directors. The management of the Issuer shall ensure that the funds raised via the present Issue shall be utilized only towards satisfactory fulfilment of the objects of the Issue.

The Issuer undertakes that proceeds of the present Issue shall not be used for any purpose which may be in contravention of the regulations/ guidelines/ norms issued by the RBI/ SEBI/Stock Exchange(s).

In accordance with the SEBI Debt Regulations, the Issuer undertakes that it shall not utilise the proceeds of the Issue for providing loan to or acquisition of shares of any person who is part of the same group or who is under the same management. However, the Issuer is a Government of India undertaking and, as such, it does not have any identifiable 'Group Companies' or 'Companies under the same Management'. The Issue proceeds shall not be utilised towards full or part consideration for the purchase or any acquisition, including by way of a lease, of any property.

Further, the Issuer undertakes that Issue proceeds from the present issue of Bonds shall not be used for any purpose which may be in contravention of the RBI guidelines on bank financing to NBFCs including those relating to classification as capital market exposure or any other sectors that are prohibited under the RBI regulations.

7. MINIMUM SUBSCRIPTION

10,000 Bonds

8. UNDERWRITING

The present Issue of Bonds is not underwritten.

9. NATURE AND STATUS OF THE BONDS / SENIORITY OF CLAIM

The claims of the Bondholders shall be, subject to *condition of loss absorption*, will rank (i) superior to the claims of investors in equity shares and perpetual non-cumulative preference shares of the Issuer; (ii) subordinate to the claims of all depositors and general creditors and subordinated debt of the Issuer other than subordinated debt qualifying as Additional Tier1 Capital (as the term is defined in the Basel III Guidelines) of the Issuer; (iii) *pari passu* without preference amongst themselves and other debt instruments classifying as Additional Tier 1 Capital in terms of Basel III Guidelines; and (iv) The Bonds are neither secured nor covered by a guarantee of the Issuer nor related entity or other arrangements that legally or economically enhances the seniority of the claim of the holders of the Bonds (the "**Bondholders**") vis-à-vis other creditors of the Issuer.

10. LOSS ABSORPTION FEATURES

Please refer to section "Loss Absorption Features" in Summary Term Sheet.

11. RBI REGULATIONS

RBI 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 ("Master Circular") and Clarification on Master Circular – Basel III Capital Regulations DBR.No.BP.BC.71/21.06.201/2015-16 dated January 14, 2016 covering terms and conditions for issue of Perpetual Debt Instruments ("PDIs") for inclusion in Additional Tier 1 Capital (Annex 4 of the Master Circular) and minimum requirements to ensure loss absorbency of Additional Tier 1 instruments at pre-specified trigger and of all non regulatory capital instruments at the point of non viability ("PONV") (Annex 16 of the Master Circular) DBR.NO.BP.BC.1/21.06.201/2015-16 dated July 1, 2015 as amended or replaced from time to time.

12. FACE VALUE, ISSUE PRICE

Each Bond has a face value of Rs.10 lac and is issued at par i.e. for Rs.10 lac.



13. SECURITY

The Bonds are unsecured.

14. TERMS OF PAYMENT

The full face value of the Bonds applied for is to be paid along with the Application Form. Applicant needs to send in the Application Form and the cheque(s)/ demand draft(s)/ RTGS for the full value of Bonds applied for.

| Face Value per Bond | Minimum Application for | Amount Payable on Application per Bond |
|---------------------|-------------------------|--|
| Rs.10 lac | 10000 Bonds | Rs.10 lac |

15. DEEMED DATE OF ALLOTMENT

All benefits under the Bonds including payment of interest will accrue to the Bondholders from and including deemed date of allotment 24.10.2016. 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 Issuer reserves the right to keep multiple allotment date(s)/ deemed date(s) of allotment at its sole and absolute discretion without any notice. In case if the issue closing date/ pay in dates is/are changed (pre-pond/ postponed), the Deemed Date of Allotment may also be changed (pre-pond/ postponed) by the Issuer at its sole and absolute discretion.

16. LETTER(S) OF ALLOTMENT/ BOND CERTIFICATE(S)/ REFUND ORDER(S)

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 all the statutory formalities, such credit in the account will be akin to a Bond Certificate.

17. ISSUE OF BOND CERTIFICATE(S)

Subject to the completion of all statutory formalities within timeframe 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.

18. DEPOSITORY ARRANGEMENTS

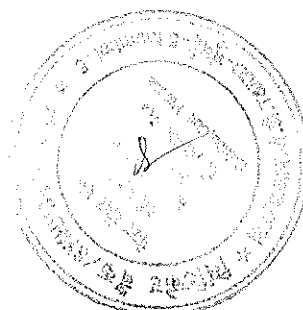
The Issuer has appointed Karvy Computershare Private Limited (Address: Plot No. 17 to 24, Vithalrao Nagar, Madhapur, Hyderabad - 500 081; Tel. No: (040) 44655000, 44655116; Fax No: +91-40-23420814; E-mail: mahendra.singh@karvy.com; Website: www.karvycomputershare.com) as the Registrar ("Registrar") for 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.

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

19. 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. The applicant(s) must specify their beneficiary account number and depository participants ID in the relevant columns of the Application Form.
- c. If incomplete/incorrect beneficiary account details are given in the Application Form which does not match with the details in the depository system, the allotment of Bonds shall be held in abeyance till such time satisfactory demat account details are provided by the applicant.
- d. 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.
- e. 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.
- f. Applicants may please note that the Bonds shall be allotted and traded on the stock exchange(s) only in dematerialized form.

20. 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 extant laws.

21. MARKET LOT

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

22. TRADING OF BONDS

The marketable lot for the purpose of trading of Bonds shall be 1 (One) Bond of face value of Rs.10 lac each. Trading of Bonds would be permitted in demat mode only in standard denomination of Rs.10 lac and such trades shall be cleared and settled in recognised 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.

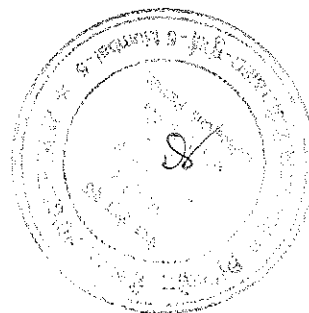
23. MODE OF TRANSFER OF BONDS

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 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 Issuer.

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.

24. 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.



25. INTEREST ON APPLICATION MONEY AGAINST WHICH ALLOTMENT IS MADE

In respect of applicants who get allotment of Bonds in the Issue, interest on application money shall be paid 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) on the aggregate face value amount of Bonds for the period starting from and including the date of realization of application money in Issuer's account upto but excluding the Deemed Date of Allotment. The interest cheque(s)/ demand draft(s)/ for interest on application money shall be dispatched by the Issuer within 15 days from the Deemed Date of Allotment and the relative interest warrant(s) alongwith 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.

26. INTEREST ON REFUNDED MONEY AGAINST WHICH ALLOTMENT IS NOT MADE

In respect of applications, which are valid but rejected on account of oversubscription(excluding the valid rejections), interest on refunded money shall be paid 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) for the period starting from and including the date of realization of application money in Issuer's account upto but excluding the Deemed Date of Allotment. The interest cheque(s)/ demand draft(s)/ for interest on refunded money (alongwith Refund Orders) shall be dispatched by the Issuer within 15 days from the Deemed Date of Allotment and the relative interest warrant(s) alongwith 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.

No interest on application money will be paid in respect of applications which are invalid and rejected for not being in accordance with the terms of the Disclosure Document.

27. INTEREST ON THE BONDS

The Bonds shall carry a fixed rate of interest of 9.95% per cent per annum from, and including, the Deemed Date of Allotment, payable annually on the "Coupon Payment Dates", on the outstanding principal amount of Bonds to the holders of Bonds (the "Holders" and each, a "Holder") as of the relevant Record Date. Interest on Bonds will cease from the Call Option date (if exercised as per the summary term sheet) in all events.

In pursuance of Master Circular No. DBR.No.BP.BC.1/21.06.201/2015-16 dated July 01, 2015, and amendment there on issued by the Reserve Bank of India on Basel III capital regulations covering criteria for inclusion of debt capital instruments as Additional Tier I Capital, the Bonds shall not have any step-ups or any other incentives to redeem. Further, the Bonds shall not have a credit sensitive coupon feature, i.e., a coupon that is reset periodically based in whole or in part on Bank's credit standing.

If any Coupon Payment Date falls on a day that is not a Business Day, the payment shall be made by the Bank 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.

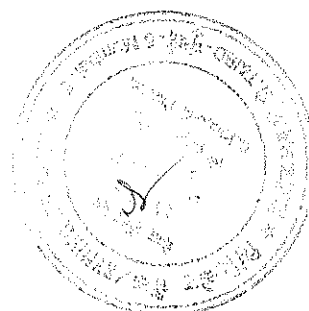
28. BUSINESS DAY/ WORKING DAY

Business Days/ Working Days shall be all days [excluding Sundays and Public holidays and the Saturdays on which Bank is not open] on which commercial banks are open for business in the city of Mumbai, Maharashtra, except with reference to Issue Period and Record Date, where Business Days/ Working Days shall mean all days, excluding Sundays and Public holidays and the Saturdays on which Bank is not open and public holidays in Mumbai or at any other payment centre notified in terms of the Negotiable Instruments Act, 1881.

29. EFFECT OF HOLIDAYS

If any Coupon Payment Date falls on a day that is not a Business Day, the payment shall be made by the Bank 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.

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.



30. DAY COUNT CONVENTION

Interest shall be computed on an "actual/actual basis". Where the interest period (start date to end date) includes February 29, interest shall be computed on 366 days-a-year basis on the outstanding face value of the Bonds.

31. ILLUSTRATION OF CASH FLOWS

In pursuance of SEBI circular no.CIR/IMD/DF/18/2013 dated October 29 2013, set forth below is an illustration for guidance in respect of the day count convention and effect of holidays on payments.

| | |
|--|--|
| Name of the Issuer | Syndicate Bank |
| Face Value of the Bonds (per Bond) | Rs.10,00,000 |
| Deemed Date of Allotment | 24.10.2016 |
| Redemption | Perpetual |
| Coupon / Interest Rate | 9.95 per cent |
| Frequency of the Interest Payment with specified dates | First coupon payment shall be made on 24.10.2017 comprising of interest/ coupon from and including the Deemed Date of Allotment upto but excluding the first Coupon Payment Date and Subsequent coupon payments shall be made on anniversary of the Deemed Date of Allotment each year thereafter, subject to <i>Coupon Discretion</i> clause. |
| Day Count Convention | Actual / Actual |

Cash Flows

| Particulars | Original Coupon Payment Date | Modified Coupon Payment Date | No. of Days | Amount payable per Bond of Rs 10,00,000/- |
|--------------------|------------------------------|------------------------------|-------------|---|
| 1st Coupon Payment | 24.10.2017 | 24.10.2017 | 365 | 99,500/- |
| 2nd Coupon Payment | 24.10.2018 | 24.10.2018 | 365 | 99,500/- |
| 3rd Coupon Payment | 24.10.2019 | 24.10.2019 | 365 | 99,500/- |
| 4th Coupon Payment | 24.10.2020 | 26.10.2020 | 368 | 1,00,044/- |
| 5th Coupon Payment | 24.10.2021 | 25.10.2021 | 364 | 99,227/- |

Assumptions:

For the purposes of the above illustration all Sundays and 2nd & 4th Saturdays have been considered as non-working days. Wherever the Coupon/ Interest Payment Date are falling on days which are not Business Days, the effect of holidays has been factored in under such cases. Further, the bonds are perpetual in nature and do not carry redemption date. Coupon upto 5 years has been mentioned for illustrative purpose only. The coupon payment is subject to *coupon discretion* provisions as provided in the Term Sheet.

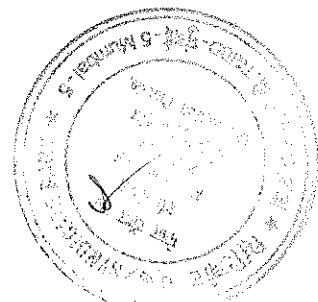
Notes:

The aggregate coupon / interest payable to each bondholder shall be rounded off to the nearest rupee as per the Fixed Income Money Market and Derivatives Association handbook on market practices.

32. RECORD DATE

The 'Record Date' for the Bonds shall be 15 days prior to each Coupon Payment Date. Interest payment shall be made to the person whose name appears as beneficiary with the Depositories as on Record Date. In the event of the Issuer not receiving any notice of transfer at least 15 days before the respective Coupon Payment Date, the transferees for the Bonds shall not have any claim against the Issuer in respect of interest so paid to the registered Bondholders.

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.



33. 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. However, with effective from 01.06.2008, tax is not to be deducted at source under the provisions of section 193 of Income Tax Act, 1961, if the following conditions are satisfied:

- a. interest is payable on any security issued by a company
- b. such security is in dematerialized form
- c. such security is listed in a recognised stock exchange in India

Present issue of Bonds fulfils the above conditions and therefore, no tax would be deducted on the interest payable. However, the Issuer shall pursue the provisions as amended from time to time with respect to applicability of TDS at the time of payment of interest on Bonds. Regarding deduction of tax at source and the requisite declaration forms to be submitted, applicants are advised to consult their own tax consultant(s).

34. PUT & CALL OPTION

In pursuance of Master Circular No DBR.No.BP.BC.1/21.06.201/2015-16 dated July 01, 2015 and as amended from time to time, 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 Additional Tier I Capital, the Bonds shall not have any "Put Option".

However, the Bonds may have "Call Option" exercisable at the initiative of the Bank only after a minimum of five years, subject to compliance with the terms specified in the RBI Regulations. The Bank has decided to retain "Call Option" in the current issue of Bonds.

35. REDEMPTION

The Bonds are perpetual unless the Bank elects to exercise a call option on the Bonds to the extent allowed by the terms and conditions of the Bonds. Accordingly, the Bonds have no fixed final redemption date. In addition, holders of the Bonds have no right to call for the redemption of the Bonds. Although the Bank may redeem the Bonds at its option, there are limitations on redemption of the Bonds, including obtaining the prior written approval of the RBI and satisfaction of any conditions that the RBI and other relevant Indian authorities may impose at the time of such approval.

36. EVENT OF DEFAULT

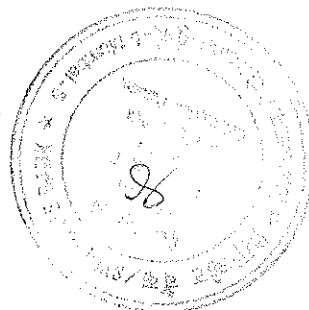
Please refer to the section on *Coupon Discretion* in Summary Term Sheet

37. SETTLEMENT/ PAYMENT ON REDEMPTION (IF ANY)

Payment of interest and repayment of principal amount (If any) shall be made by the Bank by way of cheque(s)/ interest/ redemption warrant(s)/ demand draft(s)/ credit through direct credit/ NECS/ RTGS/ NEFT mechanism or any other online facility allowed by the RBI in the name of the Bondholders whose name appear on the List of Beneficial Owners given by Depository to the Issuer as on the Record Date.

The Bonds shall be taken as discharged on payment of the redemption amount (if any) by the Issuer to the list of Beneficial Owners as provided by NSDL/ CDSL/ Depository Participant as on Record Date. Such payment will be a legal discharge of the liability of the Issuer towards the Bondholders. On such payment being made, the Issuer shall inform NSDL/ CDSL/ Depository Participant and accordingly the account of the Bondholders with NSDL/ CDSL/ Depository Participant shall be adjusted.

The Issuer's liability to the Bondholders towards all their rights including for payment or otherwise shall cease and stand extinguished from the due date of redemption (if any) in all events. Further the Issuer will not be liable to pay any interest or compensation from the Redemption Date (if any). On the Issuer's dispatching/ crediting the



amount to the Beneficiary (ies) as specified above in respect of the Bonds, the liability of the Issuer shall stand extinguished.

38. 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.

39. 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:

- a. 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.
- b. 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.

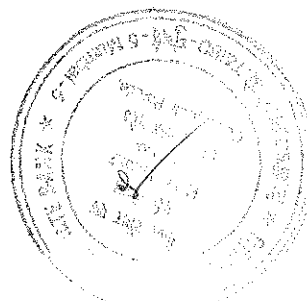
40. WHO CAN APPLY

The application can be made by only those investors to whom the invitation to subscribe has been addressed by the Bank. The following categories of investors are eligible to apply for this Issue of Bonds. However, the prospective subscribers must make their own independent evaluation and judgement regarding their eligibility to invest in the Issue.

- a) Insurance Companies;
- b) Mutual Funds;
- c) Public Financial Institutions as defined under section 2(72) of the Companies Act, 2013;
- d) Scheduled Commercial Banks;
- e) Provident Funds, Gratuity Funds, Superannuation Funds, Pension Funds;
- f) Co-operative Banks authorized to invest in bonds/ debentures;
- g) Regional Rural Banks authorized to invest in bonds/ debentures;
- h) Companies and Bodies Corporate authorized to invest in bonds/ debentures;
- i) Trusts authorized to invest in bonds/ debentures;
- j) Statutory Corporations/ Undertakings established by Central/ State legislature authorized to invest in bonds/ debentures;
- k) Partnership Firms formed under applicable laws in India in the name of the partners;
- l) Any other person allowed to apply in the issue.

All investors 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, Reserve Bank of India 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).



41. WHO ARE NOT ELIGIBLE TO APPLY FOR BONDS

This Issue is not being offered to the following categories of investors and any application from such investors will be deemed an invalid application and rejected:

- a) Minors without a guardian name;
- b) Foreign Institutional Investors;
- c) Qualified Foreign Investors;
- d) Foreign Nationals;
- e) Non Resident Indians;
- f) Persons resident outside India;
- g) Venture Capital Funds;
- h) Alternative Investment Funds;
- i) Overseas Corporate Bodies; and
- j) Person ineligible to contract under applicable statutory/ regulatory requirements.

42. 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;
- Copy of a cancelled cheque for ECS payments;
- Necessary forms for claiming exemption from deduction of tax at source on interest on application money, wherever applicable.

43. 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.

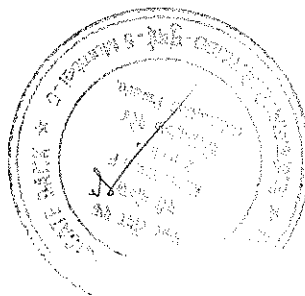
Applications complete in all respects must be submitted before the last date indicated in the issue time table or such extended time as decided by the Issuer, at any of the CBS branches of the Bank, accompanied by the application money by way of cheque(s)/ demand draft(s) drawn on any bank including a co-operative bank payable at par at any of the CBS branches of the Bank. The original Applications Forms (along with all necessary documents as detailed in this Disclosure Document), pay-in slip and other necessary documents should be sent to the head office of the Bank on the same day.

Money orders/postal orders will not be accepted. The Issuer assumes no responsibility for any applications/cheques/ demand drafts lost in mail. The entire amount of Rs.10 lacs per Bond is payable on application.

The applicants may make remittance of application money through either of following two modes:

| | | |
|----|--|---|
| a. | Cheque(s)/ demand draft(s) drawn in favour of "Syndicate Bank" and crossed "Account Payee Only" payable at par at any of the CBS branches of the Bank. | |
| b. | Electronic transfer of funds through RTGS mechanism for credit in the account as per following details: | |
| | Name of the Collecting Banker | Syndicate Bank |
| | Account Name | Synb A/C Bonds Subor |
| | Credit into Current A/c No. | 50023170000060 |
| | IFSC Code | SYNB0005002 |
| | Address of the Branch | T&IBD, 2nd Floor, Maker Tower E, Cuffe Parade, Mumbai |
| | Narration | Application Money for Bonds Issue 2016-17 |

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.

The applicant or in the case of an application in joint names, each of the applicant, should mention their Permanent Account Number (PAN) allotted under the Income-Tax Act, 1971 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" and 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.

44. 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.

45. 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 Bank or to the Registrars or to such other person(s) at such other address(es) as may be specified by the Bank from time to time through a suitable communication.

46. 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.

47. APPLICATION BY PROVIDENT FUNDS, SUPERANNUATION FUNDS AND GRATUITY FUNDS

The applications must be accompanied by certified true copies of (i) Trust Deed/Bye Laws/Resolutions, (ii) Resolution authorising investment and (iii) specimen signatures of the authorised 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.

48. ACKNOWLEDGEMENTS

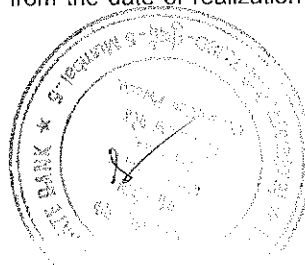
No separate receipts will be issued for the application money. However, the branches of the Bank receiving the duly completed Application Form will acknowledge receipt of the application by stamping and returning to the applicant the acknowledgement slip at the bottom of each Application Form.

49. BASIS OF ALLOCATION

In the event of issue being oversubscribed, the Bank reserves its full, unqualified and absolute right of allotment / rejections in full or pro-rata at its discretion without assigning any reasons thereof.

50. 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.

51. PAN/GIR NUMBER

All applicants should mention their Permanent Account Number or the GIR Number allotted under Income Tax Act, 1971 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.

52. 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.

53. NOMINATION FACILITY

As per Section 72 of the Companies Act, 2013, 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.

54. 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 Annual General Meeting 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.

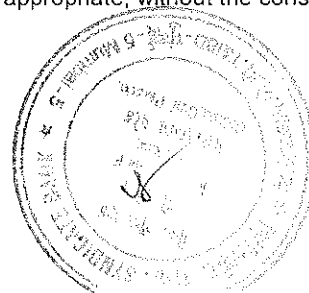
Besides the above, the Bonds shall be subject to the provisions of the Banking Regulation Act, 1949, as amended, the terms of this bond issue and the other terms and conditions as may be incorporated in the Debenture Trusteeship Agreement and other documents that may be executed in respect of these Bonds.

55. 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.

56. FUTURE BORROWINGS

The Issuer shall be entitled to borrow/ raise loans or avail of financial assistance in whatever form as also issue Bonds/ Debentures/ Notes/ 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.



57. BOND/ DEBENTURE REDEMPTION RESERVE ("DRR")

As per clause (i) of sub-rule (b) of rule 7 of the Companies (Share Capital and Debentures) Rules, 2014, no DRR is required for debentures issued by banking companies for both public as well as privately placed debentures. The Bank has appointed a trustee to protect the interest of the investors.

58. NOTICES

All notices required to be given by the Issuer or by the Debenture Trustee 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 All India English daily newspaper 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 Bank from time to time.

59. JOINT-HOLDERS

Where two or more persons are holders of any Bond(s), they shall be deemed to hold the same as joint holders with benefits of survivorship subject to provisions contained in the Companies Act, 2013.

60. 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.

61. INVESTOR RELATIONS AND GRIEVANCE REDRESSAL

Arrangements have been made to redress investor grievances expeditiously as far as possible the Issuer endeavours 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 corporate office of the Issuer. All investors are hereby informed that the Issuer has appointed 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.

62. PURCHASE / FUNDING OF BONDS BY THE BANK

Neither the Bank nor a related party over which the Bank exercises control or significant influence (as defined under relevant Accounting Standards) shall purchase the Bonds, nor shall 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.

63. TREATMENT IN BANKRUPTCY/ LIQUIDATION

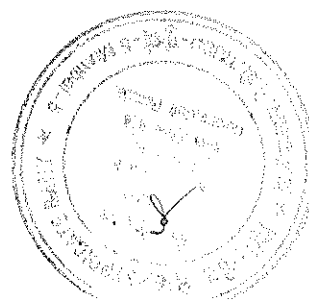
The Bondholders shall have no rights to accelerate the repayment of future scheduled payments (coupon or principal) except in bankruptcy and liquidation.

X. CREDIT RATING FOR THE BONDS

India Ratings vide its letter dated 20.10.2016 has reaffirmed the rating of "AA" with stable outlook for the issue of Basel III compliant Additional Tier I Bonds aggregating upto Rs.1000 Crore. 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. A copy of rating letter from India Ratings is enclosed elsewhere in this Disclosure Document.

Credit Analysis and Research Limited ("CARE") vide its letter dated 18.10.2016 has given the rating of "CARE AA- (Double A Minus)" for the Bonds aggregating upto Rs.1000 Crore. A copy of rating letter from CARE is enclosed elsewhere in this Disclosure Document.

The above ratings are not a recommendation to buy, sell or hold any 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.



XI. DEBENTURE TRUSTEE

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, and (iii) Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, the Bank has appointed SBICAP Trustee Company Limited, to act as Debenture Trustee for and on behalf of the holder(s) of the Bonds. The address and contact details of the Debenture Trustee are as under:

SBICAP Trustee Company Limited

Apeejay House, 6th Floor
3, Dinshaw Wachha Road
Churchgate
Mumbai - 400020
Tel. No: (022) 43025555
Fax No: +91-22-43025500
E-mail: corporate@sbicaptrustee.com
Website: www.sbicaptrustee.com

A copy of letter dated 20th October, 2016 from SBICAP Trustee Company Limited conveying their consent to act as Debenture Trustee for the current issue of Bonds is enclosed elsewhere in this Disclosure Document.

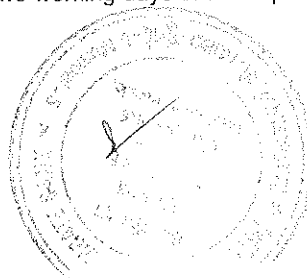
The Issuer hereby undertakes that a Debenture Trusteeship Agreement shall be executed by it in favour of the Debenture Trustee within time frame permissible under applicable laws. The Debenture Trusteeship Agreement shall contain such clauses as may be prescribed under Schedule IV of the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993. Further, the Debenture Trusteeship Agreement shall not contain a clause which has the effect of (i) limiting or extinguishing the obligations and liabilities of the Trustees or the Issuer in relation to any rights or interests of the holder(s) of the Bonds, (ii) limiting or restricting or waiving the provisions of the Securities and Exchange Board of India Act, 1992 (15 of 1992); Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Securities and Exchange Board of India (Issue and Listing of Debt Securities) (Amendment) Regulations, 2012 and circulars, regulations or guidelines issued by SEBI and (iii) indemnifying the Trustees or the Issuer for loss or damage caused by their act of negligence or commission or omission.

The Bondholder(s) shall, without further act or deed, be deemed to have irrevocably given their consent to the Debenture Trustee 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 Debenture Trustee 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 Debenture Trustee on behalf of the Bondholder(s) shall discharge the Issuer pro tanto to the Bondholder(s). The Debenture Trustee shall protect the interest of the Bondholders in the event of default by the Issuer in regard to timely payment of interest and repayment of principal and shall take necessary action at the cost of the Issuer. No Bondholder shall be entitled to proceed directly against the Issuer unless the Debenture Trustee, having become so bound to proceed, fail to do so.

The Debenture Trustee shall perform its duties and obligations and exercise its rights and discretions, in keeping with the trust reposed in the Debenture Trustee 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 Trustee Agreement, Disclosure Document and all other related transaction documents, with due care, diligence and loyalty.

The Debenture Trustee shall be vested with the requisite powers for protecting the interest of holder(s) of the Bonds. The Debenture Trustee shall ensure disclosure of all material events on an ongoing basis.

The Issuer shall, till the redemption of Bonds, submit its latest audited/ limited review quarterly consolidated (wherever available) and standalone financial information such as Statement of Profit & Loss, Balance Sheet and Cash Flow Statement and auditor qualifications, if any, to the Trustees within the timelines as mentioned in Simplified Listing Agreement issued by SEBI vide circular No. SEBI/IMD/BOND/1/2009/11/05 dated May 11, 2009 as amended. Besides, the Issuer shall within 180 days from the end of the financial year, submit a copy of the latest annual report to the Debenture Trustee and the Debenture Trustee shall be obliged to share the details so submitted with all 'Qualified Institutional Buyers' (QIBs) within two working days of their specific request.



XII. STOCK EXCHANGE WHERE BONDS ARE PROPOSED TO BE LISTED

The Bonds are proposed to be listed on the Wholesale Debt Market (WDM) segment of National Stock Exchange of India Limited ("NSE"). NSE shall be the designated stock exchange for the purpose of present Issue of Bonds. The Issuer has made an application to NSE for seeking its in-principle approval for listing of Bonds offered under the terms of this Disclosure Document.

The Issuer shall make an application to NSE along with applicable disclosures within 15 (Fifteen) days from the Deemed Date of Allotment of the Bonds to list the Bonds to be issued and allotted under this Disclosure Document. The Issuer shall complete all the formalities and seek listing permission within 20 (Twenty) days from the Deemed Date of Allotment.

In connection with listing of Bonds with NSE, the Issuer hereby undertakes that:

- (a) it shall comply with the conditions of listing as specified in the Listing Agreement for the Bonds;
- (b) the credit ratings obtained for the Bonds shall be got periodically reviewed by the credit rating agencies and any revision in the rating(s) shall be promptly disclosed by the Issuer to NSE;
- (c) any change in credit rating(s) shall be promptly disseminated to the Bondholder(s) in such manner as NSE may determine from time to time;
- (d) The Issuer, the Debenture Trustee and NSE shall disseminate all information and reports on the Bonds including compliance reports filed by the Issuer and the Debenture Trustee regarding the Bonds to the Bondholder(s) and the general public by placing them on their websites;
- (e) The Debenture Trustee shall disclose the information to the Bondholder(s) and the general public by issuing a press release and placing on the websites of the Debenture Trustee, the Issuer and NSE, in any of the following events:
 - (i) default by Issuer to pay interest on the Bonds or redemption amount;
 - (ii) revision of the credit rating(s) assigned to the Bonds.

XIII. MATERIAL CONTRACTS & AGREEMENTS INVOLVING FINANCIAL OBLIGATIONS OF THE ISSUER

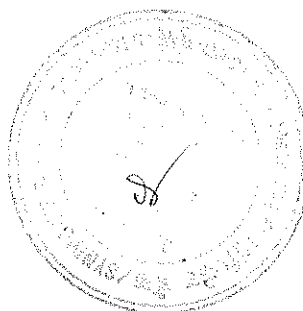
By very nature of its business, the Issuer is involved in a large number of transactions involving financial obligations and therefore it may not be possible to furnish details of all material contracts and agreements involving financial obligations of the Issuer. However, the contracts referred to in Para A below (not being contracts entered into in the ordinary course of the business carried on by the Issuer) which are or may be deemed to be material have been entered into by the Issuer. Copies of these contracts together with the copies of documents referred to in Para B may be inspected at the corporate office of the Issuer between 10.00 a.m. and 2.00 p.m. on any working day until the issue closing date.

A. MATERIAL CONTRACTS

- a. Copy of letter appointing Registrars and copy of MoU entered into between the Issuer and the Registrars.
- b. Copy of letter appointing Debenture Trustee.

B. DOCUMENTS

- a. The Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970, as amended from time to time.
- b. Board resolution dated 17th May 2016 authorizing issue of Bonds offered under terms of this Disclosure Document.
- c. Letter of consent from the Debenture Trustee for acting as trustees for and on behalf of the holder(s) of the Bonds.
- d. Application made to the NSE for grant of in-principle approval for listing of Bonds.
- e. Letter from India Ratings conveying the credit rating for the Bonds.
- f. Letter from CARE conveying the credit rating for the Bonds.
- g. Tripartite Agreement between the Issuer, NSDL and Registrars for issue of Bonds in dematerialized form.
- h. Tripartite Agreement between the Issuer, CDSL and Registrars for issue of Bonds in dematerialized form.



XIV. 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 and 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 and Securities and Exchange Board of India (Issue and Listing of Debt Securities) (Amendment) Regulations, 2014 issued vide circular no. LAD-NRO/GN/2013-14/43/207 dated January 31, 2014, as amended.

The Issuer also confirms that 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 any one placing reliance on any other source of information would be doing so at his own risk.

Signed pursuant to internal authority granted

For Syndicate Bank


(V Ganesan)
General Manager

For **Syndicate Bank**

Gen. Manager

Place: Mumbai, Maharashtra
Date: 21.10.2016



XV. ANNEXURES

A. RATING LETTER FROM CARE



CARE/BRO/RL/2016-17/1155

Mr. U.S. Majumder,
General Manager – RMG,
Syndicate Bank
Corporate Office,
Gandhinagar,
Bengaluru - 560 009

October 18, 2016

Confidential

Dear Sir,

Credit rating for Proposed Basel III Compliant Tier II Bonds and
Basel III Compliant Additional Tier I Bonds

Please refer to your request for rating of Proposed Basel III Compliant Tier II Bond issue and
Basel III Compliant Additional Tier I Bond issue aggregating to Rs. 2600 crore.

The following ratings have been assigned by our Rating Committee:

| Instrument | Amount (Rs. Crore) | Rating | Remarks |
|--|--|-------------------------------|----------|
| Tier II Bonds (Basel III Compliant) | 1500 | CARE AA + (Double A Plus) | Assigned |
| Additional Tier I Bonds (Basel III Compliant) | 1100 | CARE AA – (Double A Minus) | Assigned |
| TOTAL | 2600 (Rs. Two Thousand Six Hundred Crore Only) | | |

- The rationale for the rating will be communicated to you separately.
- Please arrange to get the rating re-evaluated, in case the proposed issue is not made
within a period of six months from the date of our initial communication of rating to you
(that is October 3, 2016).

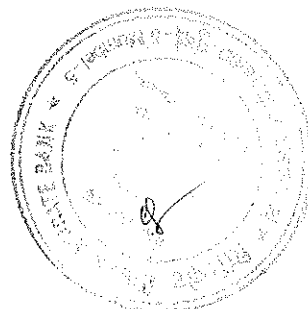
Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE
publications.

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CREDIT ANALYSIS & RESEARCH LTD.

CORPORATE OFFICE: 4th Floor, 5, Outer Circle, Connaught Place, New Delhi
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Email: care@careratings.com; www.careratings.com

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Tel: 011-2604212525, 011-2604212525, 011-2604212525



B. RATING LETTER FROM INDIA RATINGS

India Ratings
& Research

Fitch Group

Mr. Anil Srivastava
MD & CEO
Syndicate Bank
11 Cross Rd, Gandhi Nagar
Bangalore - 400021

October 20, 2016

Dear Sir,

Re: Rating of Syndicate Bank's INR 10bn Additional Tier 1 Bonds (Series IV)

India Ratings (see definition below) assigns the following rating:

'IND AA' to Syndicate Bank's INR 10bn Additional Tier 1 Bonds (Series IV). The outlook is **stable**.

In issuing and maintaining its ratings, India Ratings relies on factual information it receives from issuers and underwriters and from other sources India Ratings believes to be credible. India Ratings conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security or in a given jurisdiction.

The nature of India Ratings' factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in the jurisdiction in which the rated security is offered and sold and/or the issuer is located, the availability and nature of relevant public information, access to the management of the issuer and its advisors, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors.

Users of India Ratings' ratings should understand that neither an enhanced factual investigation nor any third-party verification can ensure that all of the information India Ratings relies on in connection with a rating will be accurate and complete. Ultimately, the issuer and its advisors are responsible for the accuracy of the information they provide to India Ratings and to the market in offering documents and other reports. In issuing its ratings India Ratings must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings are inherently forward-looking and embody assumptions and predictions about future events that by their nature cannot be verified as facts. As a result, despite any verification of current facts, ratings can be affected by future events or conditions that were not anticipated at the time a rating was issued or affirmed.

India Ratings seeks to continuously improve its ratings criteria and methodologies, and periodically updates the descriptions on its website of its criteria and methodologies for securities of a given type. The criteria and methodology used to determine a rating action are those in effect at the time the rating action is taken, which for public ratings is the date of the related rating action commentary. Each rating action commentary provides information about the criteria and methodology used to arrive at the stated rating, which may differ from the general criteria and methodology for the applicable security type posted on the website at a given time. For this reason, you should always consult the applicable rating action commentary for the most accurate information on the basis of any given public rating.

India Ratings & Research Private Limited - A Fitch Group Company
Wealthart Tower, Level 4, West Wing, Bandra Kurla Complex, Bandra (E), Mumbai 400 051
Tel: +91 22 4000 1700 | Fax: +91 22 4000 1701 | CIN/L.PIN: U67100M1995FTC140043 | www.indiaratings.co.in



C. CONSENT LETTER FROM SBICAP TRUSTEE COMPANY LIMITED

Corporate Office: Apeejay House, 6th Floor,
3 Dinshaw Wacha Road, Churchgate, Mumbai - 400 020.
Tel : 022-4302 5555 Fax : 022-2204 0465
Email : helpdesk@sbicaptrustee.com



**SBICAP Trustee
Company Ltd.**

No. 2923/2016-2017/CL - 1663
Date: 20th October, 2016.

Syndicate Bank
Maker Tower F, II Floor, Cuffe Parade,
Colaba,
Mumbai 400005

Attn: Mr. Krishnendu Chanda -Senior Manager

Proposed Private placement by Syndicate Bank (the "Company") of Basel III compliant Additional Tier I bonds (the "Bonds") aggregating to Rs. 1,000 Crores (the "Issue").

We the undersigned, hereby give our consent to act as Debenture Trustee for the proposed captioned private placement of debentures and to include our name as Debenture Trustee in the Schedule I as per the Securities and Exchange Board of India guidelines.

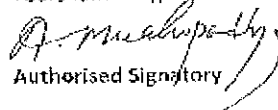
We hereby authorise you to deliver this letter of consent to the stock exchange(s) or any other regulatory authority as may be required by law.

The following details with respect to us may be disclosed:

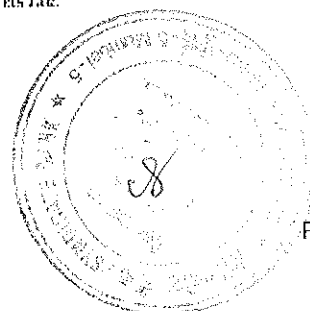
| | |
|-----------------------|---|
| Name | : SBICAP Trustee Company Limited |
| Address | : Apeejay House, 6 th floor 3, Dinshaw Wacha Road, Churchgate, Mumbai 400 020. |
| Telephone No. | : 022-43025555 |
| Fax No | : 022- 22040465 |
| E-mail | : corporate@sbicaptrustee.com |
| Website | : www.sbicaptrustee.com |
| Contact Person | : Mr. Ajit Joshi (Company Secretary & Compliance Officer) Tel No. 022- 43025503 |
| SEBI Registration No. | : IND000000536 |

We confirm that we are registered with SEBI and that such registration is valid for permanent.

Yours faithfully,


Authorised Signatory

Registered Office: 202, Maker Tower F, Cuffe Parade, Mumbai 400 005.
Website : www.sbicaptrustee.com Corporate Identity Number : U69991MH2005PLC158386
A wholly owned Subsidiary of SBI Capital Markets Ltd.



D. CONSENT TO ACT AS REGISTRAR TO THE ISSUE



October 20, 2016

Syndicate Bank
Treasury & International Banking Department
Maker Tower E
11th Floor, Cuffe Parade
Colaba
Mumbai - 400 005

Subj: Proposed Issue of Basel III Compliant Additional Tier I Bonds up to 1000 Crores

Dear Sir,

We hereby give our consent to act as Registrar to your issue of Basel III Compliant Additional Tier I Bonds and are agreeable to the inclusion of our name as "Registrar to Issue" in the Disclosure Documents.

We also authorize you to forward this consent letter to SEBI and Stock Exchange where the Bank proposes to list its Bonds along with the Information Memorandum.

Thanking you,

Yours Faithfully,
For KARVY COMPUTERSHARE PVT. LTD

S P Venugopal
Corporate Registry
encl: a/a



Karvy Computershare Private Limited
Karvy Selenam Tower B-1, Plot No. 31 & 32, Quthub-1, Ferozshah District, Bandlaguda,
Serilingampally, Hyderabad- 500 052. Tel: +91 44 67352222, 63211800, e-mail: registrar@karvy.com

Registered Office: Karvy Computershare Private Limited, Plot No. 31 & 32, Quthub-1, Ferozshah District, Bandlaguda, Serilingampally, Hyderabad- 500 052. Tel: +91 44 67352222, 63211800, e-mail: registrar@karvy.com
Branches: Bangalore | Chennai | Coimbatore | Delhi | Hyderabad | Kolkata | Mumbai | New Delhi | Pune | Thiruvananthapuram | Visakhapatnam



E. IN-PRINCIPLE APPROVAL OF LISTING FROM STOCK EXCHANGE



NATIONAL STOCK EXCHANGE
OF INDIA LIMITED

50

10th Floor, 2nd Tower

October 20, 2016

Ref.: NSE/LIST/91038

The Company Secretary
Syndicate Bank
Investor Relation Centre,
Syndicate Bank Building,
Gandhi Nagar,
Bangalore - 560 009

Kind Attn.: Mr. R Ravi

Dear Sir,

Sub : In-principle approval for listing of Unsecured Non-Convertible Perpetual
Debentures to be issued by Syndicate Bank on private placement basis.

This is with reference to your application for In-principle approval for listing on the Debt segment of the Exchange of Unsecured non-convertible perpetual fully paid up Basel III compliant additional Tier I bond (in the nature of debentures) for inclusion in additional Tier I capital of face value of Rs. 10,00,000 each for cash at par (hereinafter referred to as the "Bonds") amounting to Rs. 1000 crore (hereinafter referred to as the "Issue") to be issued by Syndicate Bank on private placement basis. In this regard, the Exchange is pleased to grant in-principle approval for the said issue.

Kindly note that these debt instruments may be listed on the Exchange after the allotment process has been completed provided the securities of the issuer are eligible for listing on the Exchange as per our listing criteria and the issuer fulfills the listing requirements of the Exchange. The issuer is responsible to ensure compliance with all the applicable guidelines issued by appropriate authorities from time to time including SEBI (Issue and Listing of Debt Securities) Regulations, 2008.

Yours faithfully,
For National Stock Exchange of India Limited

Divya Poojari
Manager

Regd. Office: Exchange Plaza, Plot No. C/1, G-Block Bandra-Kurla Complex, Bandra (E), Mumbai 400 051 India. CIN: U67100MH1592PLC069759 Tel: +91 22 26595213/25 26595345 26595428 26595433 Web site: www.nseindia.com

