



महाराष्ट्र MAHARASHTRA

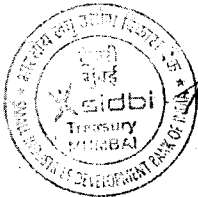
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प्रधान मुद्रांक कार्यालय, मुंबई
प.मु.वि.क्र. ८००००९४
15 NOV 2022
सक्षम अधिकारी

श्रीमती आयली कोळी

This document form's part and parcel of Debenture Trust Deed for Issuance of Redeemable, Taxable, Non-Convertible, Non-Priority Sector, Unsecured Securities in the nature of Debentures viz. 7.59% SIDBI 2026-Series IX of FY 2022-23 for aggregate amount of INR 5000 Crore [ISIN No. INE556F08KG3]



DEBENTURE TRUST DEED

This Debenture Trust Deed made at **Mumbai** on this 18th day of **January 2023**.

BETWEEN

SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA, established under the Small Industries Development Bank of India Act, 1989 and having its Head Office at SIDBI Tower, 15, Ashok Marg, Lucknow - 226 001 and Mumbai office at Swavalamban Bhavan, Plot No. C-11, G Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051, hereinafter called '**the Bank**' (which expression shall include its successors and assignees wherever the context or meaning shall so require or permit)

AND

IDBI TRUSTEESHIP SERVICES LIMITED (ITSL), a company established under the Companies Act, 1956 (1 of 1956) and having its registered office at Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai - 400 001, hereinafter called '**the Trustees/ Trustee**', (which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and permitted assigns).

The Bank and the Trustee/Debenture Trustee are hereinafter collectively referred to as '**the Parties**' and individually as '**the Party**'.

- (1) The Bank proposes to issue the debentures pursuant to the provisions of Securities Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and relevant provisions of the Companies Act, 2013 and has passed a Resolution authorizing borrowing of funds by way of issuing from time to time various series of Listed Unsecured, Redeemable, Taxable, Non priority sector Non-Convertible Debenture in the nature of Debentures of the face value of Rs.1 lakh each for a tenor of up to **3 Years and 23 Days without Put/Call option** in dematerialized form on a private placement basis at a coupon rate of **7.59%** per annum, (computed on a simple interest basis) to certain identified investors aggregating to **INR 2000 Crore** with an option to retain oversubscription i.e. green shoe option upto **INR 3000 Crore** (hereinafter referred to as the "**the Debentures**")
- (2) The Bank has appointed IDBI Trusteeship Services Limited to act as the debenture trustee for the benefit of the Debenture holders and IDBI Trusteeship Services Limited has agreed to act as the Debenture trustee for the Debenture holders vide **Debenture Trustee Agreement dated May 13th, 2022** (the "**Debenture Trustee Agreement**"). The Trustee is registered as debenture trustee under the SEBI Debenture Trustees Regulations.



- (3) The Bank has issued an information memorandum dated **January 11, 2023 ("Information Memorandum")** inter alia, setting out the terms and conditions on which the Debentures are to be issued.
- (4) This Deed should be read together with the Debenture Trustee Agreement and is entered into in compliance with the provisions of the SEBI Debt Regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI Regulations towards DT and Securities Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021.
- (5) The Debentures are subject to Applicable Law (as defined below), the Small Industries Development Bank of India Act, 1989, terms of Information Memorandum, SEBI Debt Regulations, SEBI Debenture Trustees Regulations, the Depositories Act, the Companies Act and Rules made thereunder each as amended from time to time, and the regulations made thereunder.
- (6) This Deed sets out the terms on which the Debentures are being issued, rights of the Trustee and the terms and conditions on which the Trust Property is to be held and administered by the Trustee for the benefit of the Debenture holders.
- (7) Debentures, which are standard in nature or are terms stipulated pursuant to statutory or regulatory requirements; and (ii) Part B which sets out the terms of the Bonds which are specific to this issuance This Deed is divided into the following sections: (i) Part A which sets out the terms of.

Part A – Statutory / Standard Information Pertaining to the Debt Issue

The Bank's Authorised, Issued, Subscribed and Paid-Up capital as on 31st March 2022, is as under:

Particulars		Amount (INR Crore)
(A)	Authorized Capital	
	Equity Capital	
	75,00,00,000 Equity Shares of ₹10 each	750.00
	Preference Capital	
	25,00,00,000 Redeemable Preference Shares of ₹10 each	250.00
	Total Authorized Capital	1,000.00
(B)	Issued, Subscribed and Paid-up Share Capital	
	56,85,41,169 Equity Shares of ₹ 10 each	569.00

NOW THIS INDENTURE WITNESSETH AND IT IS HEREBY MUTUALLY AGREED AND DECLARED BY AND BETWEEN THE PARTIES HERETO AS UNDER: -



1. DEFINITIONS

In these presents, unless there is anything in the subject or context inconsistent therewith, the expressions listed below shall have the following meanings: -

- a. **'Auditor'** shall mean an Auditor [Statutory Auditors of the Bank] under section 30 of the Banking Regulation Act, 1949.
- b. **'Non-Convertible Debenture'** means 7.59% SIDBI 2026 Series-IX of FY 2022-23 for aggregate amount of INR 5000 Crore ("Subscription Amount") (Indian Rupees Five Thousand Crore Only) by way of issue of Unsecured, Redeemable, Taxable, Non-priority sector, Non-Convertible Debenture of the nominal value of INR 1 Lakh each (Indian Rupees One Lakh Only) issued in terms of these presents.
- c. **"Debenture holders" or "Holders of Debentures"** means the holder(s) of Non-Convertible Debentures for the time being and who have been entered in the register of Non-Convertible Debenture holders(s) maintained by the Bank and includes Beneficial Owners(s).
- d. **'Beneficial Owner(s)'** means the persons/ bodies, who are, for the time being, owners of the Debentures, holding Debentures in Electronic (Dematerialised) Form and whose names appear in the list of Beneficial Owner(s) given/held by the Depository viz., NSDL and/or CDSL as the case may be.
- e. **'CDSL'** means Central Depository Securities (India) Limited.
- f. **'Credit Rating Agency'** means a credit rating agency registered with the board.
- g. **'Deemed Date of Allotment'** means the Date of Allotment of Debentures for each Tranche Issue.
- h. **'Debt Securities'** means non-convertible debt securities with a fixed maturity period which create or acknowledge indebtedness and includes debentures, bonds or any other security whether constituting a charge on the assets/ properties or not, but excludes security receipts, securitized debt instruments, money market instruments regulated by the Reserve Bank of India, and bonds issued by the Government, or such other bodies as may be specified by the Board.
- i. **"Designated stock exchange"** means a recognised stock exchange, in which non-convertible securities and/or commercial paper of the issuer are listed or proposed to be listed and which is chosen by the issuer for the purposes of a particular issue under these regulations.
- j. **"Draft offer document"** means a draft prospectus or draft shelf prospectus filed with the stock exchange(s) and the Board in relation to a public issue



of debt securities or non- convertible redeemable preference shares under these regulations;

- k. **"Electronic book provider platform"** means an electronic platform for private placement of nonconvertible securities provided by a recognized stock exchange(s) or a recognised depository, pursuant to obtaining approval from the Board;
- l. **"Fugitive economic offender"** shall mean an individual who is declared as a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018 (17 of 2018);
- m. **'Financial Covenants and Conditions'** means the covenants and conditions on the part of the Bank to be observed and performed as set out in the First Schedule hereunder written and as the same may, from time to time, be modified in accordance with these presents.
- n. **"Issuer"** means a company or a body corporate or a statutory corporation or a multilateral institution or a trust registered with the Board as a Real Estate Investment Trust (REIT) or an Infrastructure Investment Trust (InvIT), authorised to issue non-convertible securities and/or commercial paper under the relevant laws and in accordance with these regulations and seeks to list its non-convertible securities, with any recognized stock exchange(s);
- o. **"Lead Manager"** means a merchant banker registered with the Board and appointed by the issuer to manage the public issue of debt securities and/or non-convertible redeemable preference shares and in case of a book-built issue, the lead manager(s) appointed by the issuer who act(s) as the book running lead manager(s) for the purposes of book building;
- p. **"Listing regulations"** means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time;
- q. **'NSDL'** means National Securities Depository Limited.
- r. **"Offer document"** means a prospectus, shelf prospectus, tranche prospectus in case of public issue of debt securities and/or non-convertible redeemable preference shares and a placement memorandum in case of private placement of non-convertible securities and includes a draft offer document;
- s. **"Placement memorandum"** means a document including a shelf placement memorandum, filed with the stock exchange(s) in relation to an issue of non-convertible securities to be issued on a private placement basis;



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- t. **"Private placement"** means an offer or invitation to subscribe or issue of non-convertible securities to a select group of persons by a company (other than by way of public offer), which satisfies the applicable conditions specified in Section 42 of the Companies Act, 2013 (18 of 2013);
- u. **"Receiver"** means a receiver or receiver and manager or administrative receiver of the whole or any part of the business of the Company.
- v. **"Recovery Expense Fund"** shall mean fund contributed by the Company towards creation of a recovery expense fund as required to be created in terms of the circular no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/207 and dated October 22, 2020 on "Contribution by Issuers of listed or proposed to b.e listed debt securities towards creation of "Recovery Expense Fund" issued by SEBI, as amended from time to time and circular no. SEBI/LAD-NRO/GN/2021/39 dated August 09, 2021
- w. **'Repay'** shall include 'Redeem' and vice versa and repaid, repayable, repayment, redeemed, redeemable and redemption shall be construed accordingly.
- x. **"Redemption Date(s)"** shall mean the date(s) specified in the respective information memorandum on which the aggregate amount of the Debentures or any of the Debentures is to be paid by the Bank to the Debenture holders.
- y. **"Inter Creditor Agreement" or "ICA"** shall mean an agreement entered under the directions issued by RBI described as the RBI (Prudential Framework for Resolution of Stressed Assets) Directions, 2019 providing a framework for early recognition, reporting and time bound resolution of stressed assets on June 7, 2019 as amended from time to time read with the SEBI circular no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/203 dated October 13, 2020 prescribing the procedure to be followed by debenture trustees in case of 'Default' by issuers of listed debt securities including seeking consent from the Debenture Holder(s) for entering into an inter-creditor agreement, as amended from time to time.
- z. **'SEBI Act'** means the Securities and Exchange Board of India Act, 1992, and the Regulations, Rules, Circulars and Orders thereunder.
- aa. **"SEBI (LODR) Regulations"** means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended.

"SEBI Operational Circular" means the SEBI circular bearing reference number SEBI/HO/DDHS/P/CIR/2021/613, dated August 10, 2021, as amended.




- bb. **"Statutory corporation"** means a body corporate formed by a special Act of the Central or State Legislature;
- cc. **"Stock exchange"** means any recognised stock exchange having nationwide trading terminals chosen by the issuer on which the non-convertible securities and/or commercial paper of an issuer are listed or proposed to be listed for the purpose of a particular issue of such securities and includes a designated stock exchange;
- dd. **'Special Resolution'** shall mean a resolution where the votes cast in favour of the resolution are not less than three times the number of the votes, if any, cast against the resolution.
- ee. **"Record Date"** shall mean 15 days prior to each interest payment date and principal repayment date of the Debentures.
- ff. **"trust deed"** means a deed executed between the issuer and the debenture trustee for the benefit of the holders of the debt securities;

Interpretation

In this Deed, unless the context otherwise requires:

Words denoting singular number only shall include plural number and vice versa.

Words denoting one gender only shall include the other gender.

Words denoting persons only shall include companies and bodies corporate.

Words and expressions defined in the Financial Covenants and Conditions shall, where used in these presents have the same meanings save where such meaning would render the same inconsistent with the definitions in this Clause.

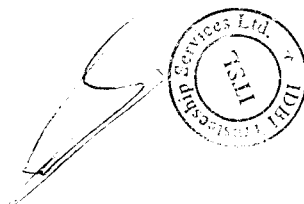
All references in these presents to any provision of any statute shall be deemed also to refer to the statute, modification, or re-enactment thereof or any statutory rule, order or regulation made thereunder or under such re-enactment.

All references in these presents to Schedules, Clauses, Sub-Clauses, Paragraphs or Sub-paragraphs shall be construed as reference respectively to the Schedules, Clauses, Sub-Clauses, Paragraphs and Sub-paragraphs of these presents.

Any approval, authorisation, consent, waiver, direction, instruction given, or any action taken by the Debenture Trustee will be with the prior consent of the majority Non-Convertible Debentures Holder or as per Debenture Trust Deed.

2. Appointment of Debenture trustee and constitution of the trust

- 2.1 Subject to the terms, conditions and covenants contained in this Deed, **IDBI Trusteeship Services Limited** is hereby appointed as the Debenture Trustee to act on behalf of the Debenture Holders pursuant to the trust created hereunder and IDBI Trusteeship Services Limited hereby agrees to act as Debenture trustee for the purposes and in accordance with the terms and provisions set forth herein.



- 2.2 The Issuer hereby settles in trust with the Debenture Trustee the sum of INR 1,000/- (Rupees One Thousand only). The Debenture Trustee hereby confirms receipt of and accepts the above amount of INR 1,000/- (Rupees One Thousand only) in trust hereby declared and, subject to the terms and conditions of this Deed, agrees to act as trustee for the benefit of the Debenture Holders and their successors, transferees, novatees and assignees.

3. AUTHORISED INVESTMENTS

Any monies which under the trust or powers herein contained ought to be invested by the Trustee may be invested in the name of the Trustee (on behalf of the Trust formed herein) or under the legal control of the Trustee in any of the investments by law authorised for investment of Trust monies for the time being in force in India with power to vary and transpose such investments and in so far as the same shall not be invested shall be placed on deposit in the name of the Trustee in a scheduled bank or banks listed in schedule of the Reserve Bank of India Act, 1934.

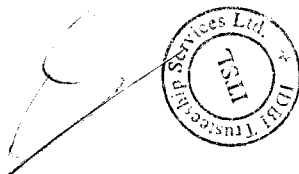
4. BANK'S COVENANTS

A. The Bank declares, represents and covenants as follows:

(i) That the Bank shall execute all such deeds, documents and assurances and do all such acts and things as the Trustee may reasonably require, for exercising the rights under these presents, the powers, authorities and discretion by the Trustee and in particular, the Bank shall execute all such deeds and documents which the Trustee may think expedient and shall perform or cause to be performed all acts and things requisite or desirable for the purpose of giving effect to the exercise of any of the said powers, authorities and discretions and further, shall for such purposes or any of them, make or consent to such application to any Government or local authority as the Trustee may require and it shall be lawful for the Trustee to make or consent to make any such application in the name of the Bank and for the purposes aforesaid, a certificate in writing signed by the Trustee to the effect that any particular assurance or thing required by them is reasonably required by them shall be conclusive evidence thereof. The Bank shall, at the request of the Trustee, co-operate and provide any documentary or other support as may be required by the Trustee in order to make any such application.

(ii) The Debenture Trustees, "ipso facto" do not have the obligations of a borrower or a Principal Debtor or a Guarantor as to the monies paid/invested by investors for the Debentures.

(iii) The Company shall provide all assistance to the Debenture Trustee and provide all relevant documents/ information, as may be required by the Debenture Trustee, to carry out the necessary due diligence in the manner as may be specified by SEBI from time to time, including pursuant to the SEBI's circular dated November 12, 2020 on "Monitoring and Disclosures by

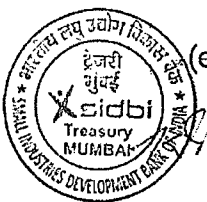


Debenture Trustee(s)" (SEBI Monitoring Circular) and SEBI Circular no. SEBI/HO/MIRSD/MIRSD_CRADT/CIR/P/2022/67 dated May 19, 2022.

(iv) The Bank confirms that all necessary disclosures have been made in the Information Memorandum/Disclosure document including but not limited to statutory and other regulatory disclosures. Investors should carefully read and note the contents of the Information Memorandum/Disclosure document. Each prospective investor should make its own independent assessment of the merit of the investment in Debentures and the Issuer Bank. Prospective Investor should consult their own financial, legal, tax and other professional advisors as to the risks and investment considerations arising from an investment in the Debentures.

B. GENERAL COVENANTS

- I. The Bank hereby covenants with the Trustees that the Bank shall at all times during the continuance of this Debentures (except as may otherwise be previously agreed in writing by the Trustees): -
 - (a) Carry on and conduct its business with due diligence and efficiency and in accordance with sound engineering, technical, managerial and financial standards and business practices with qualified and experienced management and personnel.
 - (b) Utilise the monies received in accordance with the Disclosure Document and at the end of every financial year or any other dates in terms of Disclosure Document, furnish to the Trustee a statement certified by the Bank's Statutory auditors showing the manner in which the said monies have been utilized as per Information Memorandum.
 - (c) At the end of every financial year, or any other dates, as may be called upon by the Trustee, procure and furnish to the Trustee a certificate from the Bank's Statutory auditors in respect of the utilization of funds raised by the issue of the Debentures for and to meet regular normal capital expenditure of the Bank till the complete utilization of funds.
 - (d) Keep proper books of account as required by applicable law, and make true and proper entries therein and keep the said books of account and all other books, registers and other documents relating to the affairs of the Bank at its Registered /Head Office or, where permitted by law, at other place or places where the books of account and documents of a similar nature may be kept and the Bank will ensure that all entries in the same relating to the business of the Bank shall at reasonable times be open for inspection of the Trustee and such person or persons, as the Trustee shall, from time to time, in writing for that purpose appoint.
 - (e) Give to the Trustee or to such person or persons as aforesaid such information as they or any of them shall require as to all matters relating



to the business, property and affairs of the Bank and at the time of the issue thereof to the shareholders of the Bank, furnish to the Trustee three copies of every report, balance sheet, profit and loss account, circulars or notices, issued to the shareholders and the Trustee shall be entitled if it thinks fit, from time to time, to nominate a firm of Chartered Accountants to examine the books of account, documents and property of the Bank or any part thereof and to investigate the affairs thereof and the Bank shall allow any such accountant or agent to make such examination and investigation and shall furnish/ reimburse such a firm of Chartered Accountants with all such costs, charges and expenses of and incidental to, such examination and investigation; on furnishing of a valid receipt and subject to deduction of TDS;

- (f) Promptly inform the Trustee of the happening of any event likely to have a substantial effect on the Bank's profits or business with an explanation of the reasons, therefore.
- (g) Promptly inform the Trustee of any loss or damage which the Bank may suffer due to any force majeure circumstances or act of God, such as earthquake, flood, tempest or typhoon, etc., against which the Bank may not have insured its properties.
- (h) Shall furnish quarterly report to the Trustees containing the following particulars-
 - 1) Updated list of the names and addresses of the Debenture holders.
 - 2) Details of the interest due, but unpaid and reasons thereof.
 - 3) the number and nature of grievances received from Debentureholders and resolved by the Bank and unresolved grievances and the reasons for the same.
 - 4) Such other information as requested by the Debenture Trustee in relation to the issuance of the debentures.
- (i) Promptly and expeditiously attend to and redress the grievances, if any, of the Debentureholders. The Bank further undertakes that it shall promptly comply with the suggestions and directions that may be given in this regard, from time to time, by the Trustees and shall advise the Trustees periodically of the compliance.
- (j) Promptly inform the Trustee of any major change in the composition of its Board of Directors in accordance with the listing agreement executed for listing the Debentures.
- (k) informing the debenture trustee about any change in nature and conduct of business by the company before such change;



informing the debenture trustee of any amalgamation, merger or reconstruction scheme proposed by the company;



The Bank will comply with all guidelines/ directions issued by Regulatory Authority (RBI/SEBI) and communicate to the Trustee any guidelines/directions issued to the Bank by such Regulatory Authority.

- (l) Promptly inform the Trustee before declaring or distributing dividend in case of Event of Default.
- (m) The Bank undertakes to pay the interest and principal amount of such Debentures to the Debenture holders as and when it becomes due, as per the terms of the offer.

Provided that the Bank shall also furnish to the Trustee a half yearly certificate regarding maintenance of hundred percent security cover or as per the terms of offer document/Information Memorandum and/or Debenture Trust Deed, including compliance with all covenants, in respect of listed non-convertible debt securities, by the Statutory auditor, along with half yearly financial results in terms of SEBI (LODR) (Third Amendment) Regulations, 2020 dated the 8th October, 2020 & subsequent amendments and SEBI (Issue and Listing of Non-Convertible Securities) Regulation, 2021.

- (o) The Bank shall comply with the listing regulations and/or such other conditions and disclosure documents as may be specified by the board from time to time. The Bank shall, to the extent required under the debt listing agreement entered into between the Bank and the NSE Ltd. and SEBI (Listing Obligations & Discloser Requirement) Regulation, 2015 submit to the NSE Ltd. for dissemination, along with the quarterly/annually yearly financial results, containing, *inter alia*, the following information:

Event Specific

- (i) Debt-Equity Ratio
- (ii) Debt service coverage ratio of the Company
- (iii) Interest service coverage ratio of the Company
- (iv) Outstanding redeemable preference shares (quantity and value)
- (v) Debenture Redemption Reserve
- (vi) Net-Worth
- (vii) Net Profit After Tax
- (viii) Earnings Per Share
- (ix) Total Debts to Total Assets
- (x) A statement indicating material deviations, if any in utilisation of the proceeds of the Debentures
- (xi) Current Ratio
- (xii) Long Term Debt to Working Capital
- (xiii) Bad debts to Account Receivable Ratio
- (xiv) Current Liability Ratio



- (xv) Total Debts to Total Assets
- (xvi) Debtors Turnover
- (xvii) Inventory Turnover
- (xviii) Operating Margin (%)
- (xix) Net Profit Margin (%) and

Provided that if the information mentioned in sub-regulation (4) above is not applicable to the listed entity, it shall disclose such other ratio/equivalent financial information, as may be required to be maintained under applicable laws, if any

The Bank will also make any additional filings as may be required in accordance with prevailing Applicable Laws, including, without limitation, all information required under the LODR.

- (o) The Company is aware that in terms of Regulation 14 of the SEBI (Debenture Trustees) Regulations, 1993 as amended from time to time, the Trust Deed has to contain the matters specified in Section 71 of the Companies Act, 2013 and Form No. SH.12 specified under the Companies (Share Capital and Debentures) Rules, 2014. The Company hereby agrees to comply with all the Clauses of Form No. SH.12 as specified under the Companies (Share Capital and Debentures) Rules, 2014 as if they are and physically incorporated herein in this deed.
- (p) In accordance with the terms of regulation 18.6 of the SEBI (Issue and listing of Non-convertible Securities) Regulation, 2021 and Clause 3.2 of the SEBI Circular dated June 23, 2020 (bearing reference number: SEBI/HO/DDHS/CIR/P/103/2020), the Bank hereby submits the following bank account details from which it proposes to pay the Redemption Amount in respect of the Debentures.

Sr. No.	Particulars	Details
1.	Name of bank	State Bank of India
2.	Account number	10996685010
3.	Branch address	Bandra Kurla Complex, Mumbai
4.	Email address	sbi.04380@sbi.co.in

The Bank hereby further agrees and undertakes that it shall also inform the Debenture Trustee and the Debenture Holders of any change in aforesaid bank details within 1 (One) working day of such change.

- II Negative Covenants: Without the prior written permission of the Trustees the Bank shall not:
 - (q) Dividend - Declare or pay any dividend to its shareholders during any financial year unless it has paid all the dues to the Bondholders/Trustees up to the date on which the dividend is proposed to be declared or paid or has made satisfactory provisions, therefore.



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- (r) Waiver
- a) The Trustee may, from time to time, or at any time, after obtaining the consent of the Majority Bondholders, waive on such terms and conditions as to them shall seem expedient any breach by the Bank of any of the covenants and provisions contained in this Deed without prejudice to the rights of the Trustee in respect of any subsequent breach thereof.
- b) Notwithstanding the aforesaid, where the Trustee determines such breach to be of a formal, negligible, minor or technical nature, the Trustee may, at any time, without prejudice to the rights of the Trustee in respect of any subsequent breach thereof, waive on such terms and conditions as it shall deem expedient any such breach by the Issuer.

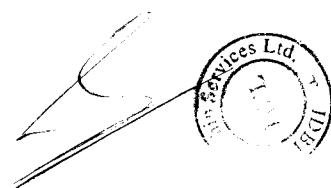
Debenture Redemption Reserve

As per the provisions of the Companies Act, any company that intends to issue Debentures must create a Debenture Redemption Reserve to which adequate amounts shall be credited out of the profits of the company until the redemption of the Debentures. However, under the Companies (Issuance of Share Capital and Debentures) Rules, 2014, as amended from time to time, All India Financial Institutions (AIFIs) regulated by RBI and banking companies are exempted from this requirement in respect of both public and privately placed Debentures. Pursuant to this exemption and given that the Debentures being issued in terms of the Information Memorandum are in the nature of Debentures, the Bank does not intend to create any reserve funds for the redemption of the Debentures. However, the Bank hereby agrees to create the DRR if required as per Applicable Laws.

Recovery Expense Funds:

The Issuer shall create the recovery expenses funds in terms of the Regulation 15 (1) (h) of the SEBI (DT) Regulation, 2020, Regulation 26 (b) (7) of SEBI (Issue and Listing of Debt Securities) (Amendment) Regulation, 2020, SEBI Circular dated 22.10.2020 and SEBI (Issue and Listing of Non-Convertible Securities) Regulation, 2021 and SEBI circular no. SEBI/HO/MIRSD/MIRSD_CRADT/CIR/P/2022/67 dated May 19, 2022, in the manner as may be specified by the SEBI from time to time. Further, Issuer hereby agree and undertake to comply with provisions of recovery expenses as per Applicable Laws and shall promptly inform the Trustee about the same.

The issuer hereby covenants and undertake that it shall furnish the following documents/ information/reports/certification, as applicable, to Debenture Trustee to enable the Debenture Trustee to submit the same to Stock Exchange(s) within the timelines mentioned in the SEBI circular SEBI/ HO/ MIRSD/ CRADT/ CIR/ P/ 2020/230 dated November 12, 2020 and SEBI circular



No. SEBI/HO/MIRSD/MIRSD_CRADT/CIR/P/2022/67 dated May 19, 2022 and as mentioned below:

'On quarterly basis within 60 days from the end of each quarter except last quarter of financial year (within 75 days from the end of the quarter), listed entity shall furnish the compliance status with respect to financial covenants of the listed debt securities certified by Statutory Auditor of listed entity to Debenture Trustee or as may be amended from time to time'

Debentures are issued on Unsecured in nature.

Bank undertakes to comply with all the directions/ guidelines/ circulars/ regulations issued by any regulatory authority with regard to the Debenture issue including latest amendments i.e. SEBI (Debenture Trustee) Amendment Regulation, 2020, SEBI (Listing Obligations and Disclosure Requirements) Amendment Regulation, 2020 and Securities Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 as may be amendment by SEBI from time to time and further company shall take such steps as may be required from time to time.

The Debenture Trustee may at any time through its authorized representatives and agents, inspect books of account, records, registers of Company and the trust property to the extent necessary for discharging its obligations and the Company shall provide full and unimpeded access to the records, registers and books of accounts and facilitate in the inspection and due diligence process. Any fees, costs expenses incurred in conducting such inspection/due diligence process shall be fully borne by the Company. In the event, any fees, costs expenses are borne by the Debenture Trustee, it shall be reimbursed forthwith by the Company upon request.

BREACH OF COVENANT BY THE BANK MAY BE WAIVED:

The Trustees may, at any time, waive on such terms and conditions as to them shall seem expedient any breach by the Corporation of any of the covenants and provisions in these presents contained without prejudice to the rights of the Trustees in respect of any subsequent breach thereof.

POWER OF TRUSTEES TO DELEGATE:

The Trustees hereof being an Institution in the public sector may, in the execution and exercise of all or any of the trusts, powers, authorities and discretions vested in them by these presents act by an officer or officers for the time being of the Trustees and the Trustees may also, whenever they think it expedient, delegate by power of Attorney or otherwise to any such officer all or any of the Trusts, powers, authorities and discretions vested in them by these presents and any such delegation may be made upon such terms and conditions and subject to such regulations (including power to sub-delegate) as the Trustees may think fit.



POWER OF TRUSTEES TO EMPLOY AGENTS:

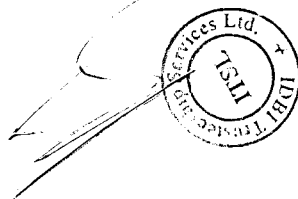
The Trustees may, in carrying out the trust business employ and pay any person or concur in transacting any business and do or concur in doing all acts required to be done by the Trustees including the receipt and payment of moneys and shall be entitled to charge and be paid all usual professional and other charges for business transacted and acts done by them in connection with trusts hereof and also their reasonable charges in addition to the expenses incurred by them in connection with these presents.

TRUSTEES MAY CONTRACT WITH BANK:

Neither the Trustee nor any agent of the Trustee shall be precluded from making any contract or entering into any arrangement or transaction with the Bank or with itself as Trustee in the ordinary course of business of the Trustee or from undertaking any banking, financial or agency services for the Bank or for itself either with or without a commission or other remuneration or otherwise at any time entering into any contract of loan or deposit or any other contract or arrangement or transaction with the Bank or being concerned or interested in any such contract or arrangement or transaction which any other bank or person not being Trustee of these presents would be entitled to enter into with the Bank and they shall not be in anyway liable to account either to the Bank or to the Bondholders for any profits made by them thereby or in connection therewith and the Trustee or any agent of the Trustee shall also be allowed to retain for its own benefit any customary share of brokerage, fee, commission, interest, discount or other compensation or remuneration allowed to him or them.

RETIREMENT & REMOVAL OF TRUSTEES:

- (a) The Trustee hereof may retire/resign at any time without assigning any reason and without being responsible for any loss or costs occasioned by such retirement/resignation provided that it shall have given atleast 1 (One) Month's previous notice in writing to the Bank in that behalf, provided that the Trustee shall continue to act as bond trustee until a successor trustee is appointed by the Bank and the Bank will give notice to all the Debenture holders individually to that effect.
- (b) The Trustees hereof may be removed by the Debenture holders by a Special Resolution duly passed at the meeting of the Debenture holders convened in accordance with the provisions set out in the point C of Part -A hereunder written. The Corporation shall appoint such person or person or persons as may be nominated by such resolution as new Trustee or Trustees hereof.
- (c) For the purposes aforesaid, forthwith upon receipt of the notice of retirement from the Trustee for the time being hereof or on the occurrence of vacancy in the office of the Trustee hereof, the Bank shall convene a



meeting of the Debenture holders. A body corporate or a statutory corporation which is a financial institution, may be appointed as Trustee. Whenever there shall be more than two trustees hereof, the majority of such Trustee shall be entitled to exercise the powers, authorities and discretion hereby vested in the Trustee.

MODIFICATIONS TO THESE PRESENTS:

The Trustee shall concur with the Bank in making any modifications in these presents which in the opinion of the Trustee shall be expedient to make in terms of provisions of the Disclosure Document and SEBI Act, and the Trustee shall give effect to the same by executing, along with the Bank, necessary Supplemental Trust Deed(s) to these presents.

TRUSTEES REMUNERATION:

- i. Acceptance Fees and Annual Fees / Service Charges are payable in accordance with the Trustee's Fee Letter No. **43621/ITSL/CL/22-23/DEB/90 dated May 04, 2022** (Master Consent Letter Reference No. **43620/ITSL/CL/22-23/DEB/90 dated May 04, 2022**) and is payable from the date of allotment of the Debentures, till the Debentures are fully redeemed (pro-rata basis). The Annual Service Charges in the year of redemption will be paid proportionately upto the date of redemption of the Debentures. Arrears of instalments of annual service charges, if any, shall carry interest at the rate specified in fee letter till the actual payment.
- ii. The Bank shall reimburse the Trustee, its officers, employees or its agents all out-of-pocket expenses towards documentation, legal fees, conveyance and other expenses incurred in the course of its operations as Trustee on presentation of valid receipts for the same, in connection with the execution of these presents and the Bank hereby agrees to indemnify the Trustee against all actions, proceedings costs, charges, expenses, monetary claims and demands whatsoever which may be brought or made against or incurred by it in respect of any matter or thing done or omitted to be done in good faith without its willful default and in pursuance of this Deed provided the maximum claim shall not be more than the individual value of each bond.

APPOINTMENT OF TRUSTEES AS ATTORNEYS OF THE BANK:

In the Event of Default, the Bank hereby irrevocably appoints the Trustee to be the Attorney of the Bank in the name and on behalf of the Bank to execute, sign and do any deeds, documents, assurances, acts and things which shall in the opinion of the Trustee be necessary or expedient that the Bank should execute, sign and do for the purpose of carrying out any of the obligations declared or imposed upon the Bank by these presents or of giving to the Debenture holders



or to the Trustee on their behalf the full benefit of any of the provisions of these presents and generally to use the name of the Bank in the exercise of all or any of the powers hereby conferred upon the Trustee. Notwithstanding anything to the contrary contained herein, on the occurrence of an Event of Default, the Bond Trustee shall follow the standard operating procedure as may be stipulated by SEBI from time to time (as presently set out in the SEBI Defaults (Procedure) Circular.

14. NOTICES:

- (a) Any notice required to be served through registered post acknowledgement due on the Parties hereto and shall be addressed as under: -

I Trustee

Name: Mr. Subrat Udgata

Designation: Senior Vice President

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

Tel. No.:- 022-40807023

Fax No.:- 022-66311776

II SIDBI

Name: Shri Karan Singh Rawat

Designation: Deputy General Manager

Address: SIDBI, Swavalamban Bhavan, C-11, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051

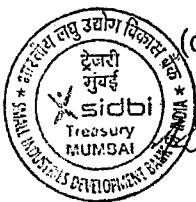
Head Office: SIDBI Tower, 15, Ashok Marg, Lucknow 226 001

Tel. No.: 022 - 6753 1295 / 8691022600

Fax No.:- 022-67221528

- (b) Any notice may be served by the Bank or the Trustee by sending through post in prepaid letter addressed to such Debenture holders at their registered address and any notice so sent by post, shall be deemed to have been duly served on the third day following the day on which it is posted and in proving such service it shall be sufficient to prove that the letter containing the notice was properly addressed and put into post box.

- (c) Where a document is sent by post, service thereof shall be deemed to be effected by properly addressing and prepaying and posting a letter



containing the document provided that if intimation has been given in advance that the documents should be sent under a Certificate of posting or by Registered Post with or without Acknowledgement Due and a sum sufficient to defray the expenses has been deposited, service of the document shall not be deemed to be effected unless it is sent in the manner so intimated by the Bondholders.

COSTS

The Corporation shall pay all costs, charges (including stamp duty and registration charges) and expenses and all taxes, duties and penalties, if any, as may be required to be paid under the applicable law with respect to these presents and the creation of any security in favour of the Trustee and in the event that the same is not paid, the Trustees shall be at liberty but not bound to pay the same and in such event the said sum, if any, paid by the Trustee shall be secured by these presents.

OBLIGATIONS OF THE BANK:

The Bank shall -

- (a) maintain a Record of Bond holders including addresses of the Debenture holders, record of subsequent transfers and changes of ownership.
- (b) keep proper books of accounts open for inspection by Trustee.
- (c) permit the Trustee to enter the Debenture holder's premises and inspect the state and condition of charged assets.
- (d) furnish information required by the Trustee for the effective discharge of its duties and obligations, including copies of reports, balance sheets, profit and loss account etc.
- (e) The issuer shall treat all applicants to an issue of non-convertible securities in a fair and equitable manner as per the procedures as may be specified by the Board.
- (f) The issuer shall not employ any device, scheme, or artifice to defraud in connection with issue or subscription or distribution of non-convertible securities which are listed or proposed to be listed on the recognized stock exchange(s).
- (g) The issuer shall apply for Securities and Exchange Board of India Complaints Redress System (SCORES) authentication in the format specified by the Board and shall use the same for all issuance of non-convertible securities.
- (h) The issuer shall ensure that secured debt securities are secured by hundred percent security cover.
- (i) convert the Debentures into equity in accordance with the terms of the issue, if applicable.
- (j) comply with all directions/ guidelines issued by a Regulatory authority, with regard to the Debenture issue.
- (k) provide quarterly reports to the Trustee.
- (l) submit such information, as required by the Trustee.



PROVISIONS FOR THE MEETINGS OF THE DEBENTURE HOLDERS

The following provisions shall apply to the meetings of the Debenture holders:

1. The Trustee or the Bank may, at any time, and the Trustee shall at the request in writing of Debenture holders representing not less than one-tenth in value of the nominal amount of the Debentures for the time being outstanding, convene a meeting of the Debenture holders. Any such meeting shall be held at such place in the city where the Registered Office of the Bank is situated or at such other place as the Trustee shall determine.

2. (i) A meeting of the Debenture holders may be called by giving not less than twenty-one days' notice in writing.

(ii) A meeting may be called after giving shorter notice than that specified in sub-Clause (i), if consent is accorded thereto by the Debenture holders representing not less than 95% of the Bonds for the time being outstanding.

3. (i) Every notice of a meeting shall specify the place, day and hour of the meeting and shall contain a statement of the business to be transacted thereat.

(ii) Notice of every meeting shall be given to:-

- (a) The Debenture holders in the manner provided in the Trust Deed;
- (b) The persons entitled to a Debentures in consequence of death or insolvency of a Debenture holders, by sending it through post in a prepaid letter addressed to them by name or by the title of the representatives of the deceased, or assignees of the insolvent or by any like description at the address, if any, in India supplied for the purpose by the persons claiming to be so entitled or until such an address has been so supplied, by giving the notice in any manner in which might have been given if the death or insolvency had not occurred;
- (c) The Auditor or Auditors for the time being; and
- (d) The Trustee when the meeting is convened by the Bank and to the Bank when the meeting is convened by the Trustee.

4. The accidental omission to give notice to, or the non-receipt of notice by any Debenture holders or other person to whom it should be given shall not invalidate the proceedings at the meeting.

5. (i) There shall be annexed to the notice of the meeting, a statement setting out all material facts concerning each such item of business, including in particular the nature of the concern or interest, if any, therein of every Director, the Manager, if any, of the Bank:



Provided that where any item of business as aforesaid to be transacted at a meeting of the Debenture holders relates to, or affects, any other bank the extent of shareholding interest in that bank of every Director, and the Manager, if any, of the first mentioned bank shall also be set out in the statement if the extent of such shareholding interest is not less than two percent of the paid-up share capital of that other bank.

(ii) Where any item of business consists of approval to any document by the meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.

6. Two Debenture holders, personally present shall be the quorum for the meeting of the Debenture holders and provisions of following sub-Clause shall apply with respect thereto. If there is a single Debenture holder, it shall constitute a valid quorum. If, within half an hour from the time appointed for holding a meeting of the Debenture holders, a quorum is not present, the meeting, if called upon the requisition of the Debenture holders shall stand dissolved but in any other case the meeting shall stand adjourned to the same day in the next week, at the same time and place, or to such other day and at such other time and place as the Trustees may determine and if at the adjourned meeting also a quorum is not present within half an hour from the time appointed for the holding of the meeting, the Debenture holders present shall be a quorum.

7. (i) The nominee of the Trustees shall be the Chairman of the meeting and in his absence the Debenture holders personally present at the meeting shall elect one of themselves to be the Chairman thereof on a show of hands.

(ii) If a poll is demanded on the election of the Chairman, it shall be taken forthwith in accordance with the provisions of the Shares and Meetings Regulations of the Bank, the Chairman elected on a show of hands exercising all the powers of the Chairman under the said provisions.

(iii) If some other person is elected Chairman as a result of the poll, he shall be Chairman for the rest of the meeting.

8. The Trustee and the Directors of the Bank and their respective Solicitors/ Advocates may attend any meeting but shall not be entitled as such to vote thereat.

9. At any meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is demanded in the manner hereinafter mentioned, and unless a poll is so demanded, a declaration by the Chairman that on a show of hands the resolution has or has not been carried either unanimously or by a particular majority and an entry to that effect in the books containing the minutes of the proceedings of the meeting, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes cast in favour of or against such resolution.



10. Before or on the declaration of the result on voting on any resolution on a show of hands a poll may be ordered to be taken by the Chairman of the meeting of his own motion and shall be ordered to be taken by him on a demand made in that behalf by the Debenture holders representing not less than one-tenth of the nominal amount of the Debentures for the time being outstanding present in person or by proxy.

11. (i) A poll demanded on a question of adjournment shall be taken forthwith.

(ii) A poll demanded on any other question (not being a question relating to the election of a Chairman) shall be taken at such time not being later than forty-eight hours from the time when the demand was made as the Chairman may direct.

12. At every such meeting each Debenture holder shall, on a show of hands, be entitled to one vote only, but on a poll he shall be entitled to one vote in respect of every Debentures of which he is a owner in respect of which he is entitled to vote.

13. (i) Any Debenture holders entitled to attend and vote at the meeting shall be entitled to appoint another person (whether a Debenture holder or not) as his proxy to attend and vote instead of himself/itself.

(ii) In every notice calling the meeting there shall appear with reasonable prominence a statement that a Debenture holder entitled to attend, and vote is entitled to appoint one or more proxies to attend and vote instead of himself, and that a proxy need not be a Debenture holder.

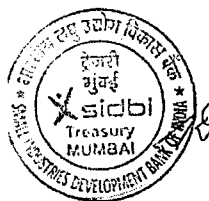
(iii) The instrument appointing a proxy and the power of attorney (if any) under which it is signed or a notarised certified copy of the power of attorney shall be deposited at the Registered Office of the Bank not less than forty-eight hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote or in case of a poll, not less than twenty-four hours before the time appointed for the taking of the poll and in default, the instrument of proxy shall not be treated as valid.

(iv) The instrument appointing a proxy shall:

(a) be in writing; and

(b) be signed by the appointer or his attorney duly authorised in writing, or if the appointer is a body corporate, be under its seal or be signed by an officer or an attorney duly authorised by it.

(v) Every Debenture holder entitled to vote at a meeting of the Debenture holders of the Bank on any resolution to be moved thereat shall be entitled during the period beginning twenty four hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting to inspect the proxies lodged, at any time during the business hours of the Bank,



provided not less than three days' notice in writing of the intention so to inspect is given to the Bank.

(vi) A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed or the transfer of the Debentures in respect of which the proxy is given provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Bank at the Registered Office before the commencement of the meeting or adjourned meeting at which the proxy is used.

14. On a poll taken at any meeting of the Debenture holders, a Debenture holder entitled to more than one vote or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.

15. (i) When a poll is to be taken, the Chairman of the meeting shall appoint two scrutineers to scrutinize the votes given on the poll and to report thereon to him.

(ii) The Chairman shall have power, at any time before the result of the poll is declared, to remove a scrutineer from office and to fill vacancies in the office of scrutineer arising from such removal or from any other cause.

(iii) Of the two scrutineers appointed under this Clause, one shall always be a Debenture holder (not being an officer or employee of the Bank) present at the meeting, provided such a Debenture holder is available and willing to be appointed.

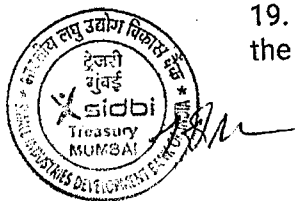
16. (i) Subject to the provisions of the Act, the Chairman of the meeting shall have power to regulate the manner in which a poll shall be taken.

(ii) The result of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken.

17. In the case of joint Debenture holders, the vote of the first holder who tenders a vote whether in person or by proxy shall be accepted to the exclusion of the other joint holder or holders.

18. The Chairman of a meeting of the Debenture holders may, with the consent of the meeting, adjourn the same from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

19. In the case of equality of votes, whether on a show of hands, or on a poll, the Chairman of the meeting at which the show of hands takes place or at which



the poll is demanded, shall be entitled to a second or casting vote in addition to the vote to which he may be entitled to as a Debenture holder.

20. The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.

21. The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.

22. A meeting of the Debenture holders shall inter alia have the following powers exercisable in the manner hereinafter specified in Clause 23 hereof:

(i) Power to sanction any compromise or arrangement proposed to be made between the Bank and the Bondholders.

(ii) Power to sanction any modification, alteration or, abrogation of any of the rights of the Debenture holders against the Bank or properties of the Bank whether such right shall arise under the Trust Deed or Debentures or otherwise.

(iii) Power to assent to any scheme for reconstruction or amalgamation of or by the Bank whether by sale or transfer of assets under any power in the Bank's Memorandum of Association or otherwise under the Act or provisions of any law.

(iv) Power to assent to any modification of the provisions contained in the Debenture Trust Deed and to authorize the Trustees to concur in the execution of any Supplemental Deed embodying any such modification.

(v) Power to remove the existing Trustee and to appoint new Trustee/s

(vi) Power to give any direction, sanction, request or approval which under any provision of the Debenture Trust Deed is required to be given by a Special Resolution.

23. The powers set out in Clause 22 hereof shall be exercisable by a Special Resolution passed at a meeting of the Debenture holders duly convened and held in accordance with provisions herein contained and carried by a majority consisting of not less than three-fourths of the persons voting thereat upon a show of hands or if a poll is demanded by a majority representing not less than three-fourths in value of the votes cast on such poll. Such a Resolution is herein called "Special Resolution".

24. A Resolution, passed at a general meeting of the Debenture holders duly convened and held in accordance with these presents shall be binding upon all the Debenture holders, whether present or not at such meeting and each of the Debenture holders shall be bound to give effect thereto accordingly, and the



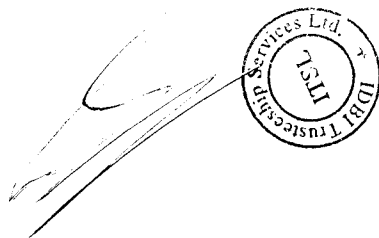
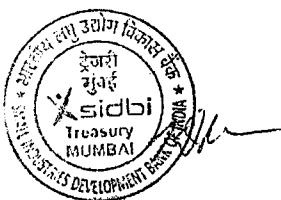
passing of any such resolutions shall be conclusive evidence that the circumstances justify the passing thereof, the intentions being that it shall rest with the meeting to determine without appeal whether or not the circumstances justify the passing of such resolution.

25. Minutes of all Resolutions and proceedings at every such meeting as aforesaid shall be made and duly entered into books from time to time provided for the purpose by the Trustee at the expenses of the Bank and any such minutes as aforesaid, if purported to be signed by the Chairman of the meeting at which such Resolutions were passed or proceedings held or by the Chairman of the adjourned meeting shall be conclusive evidence of the matters therein contained and until the contrary is proved every such meeting in-respect of the proceedings of which minutes have been made shall be deemed to have been duly held and convened and all resolutions passed thereat or proceedings taken, to have been duly passed and taken.

26. Notwithstanding anything herein contained, it shall be competent to all the Debenture holders to exercise the rights, powers and authorities of the Debenture holders under the Debenture said Trust Deed by a letter or letters signed by or on behalf of the Debenture holders of at-least three-fourths in value of the Debentures outstanding without convening a meeting of the Debenture holders as if such letter or letters constituted a resolution or a special resolution, as the case may be passed at a meeting duly convened and held as aforesaid and shall have effect accordingly.

27. SEBI Defaults (Procedure) Circular

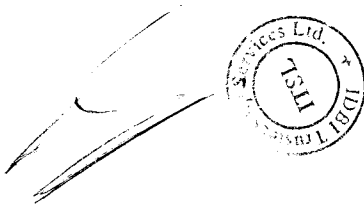
- (a) If any meeting of the Bond Holders is proposed to be conducted in respect of any matter prescribed in the SEBI Defaults (Procedure) Circular, the provisions of this paragraph 27 shall apply.
- (b) Any notice for a meeting in respect of the SEBI Defaults (Procedure) Circular shall contain the details prescribed in the SEBI Defaults (Procedure) Circular, including without limitation, positive consent for signing the inter-creditor agreement, the time period within which the consent needs to be provided, and the date of meeting to be convened.
- (c) The provisions of this Schedule (applicable to meetings of the Bond Holders) shall apply in respect of any meeting that is conducted under this paragraph 27.
- (d) Any action of the Bond Trustee in respect of the occurrence of an Event of Default and the application of the SEBI Defaults (Procedure) Circular shall be in accordance with the decision of the Bond Holders taken at any meeting convened in accordance with this paragraph 27, subject to the exceptions (if any) set out in the SEBI Defaults (Procedure) Circular.



- (e) For the purposes of a meeting convened in accordance with this paragraph 27, in accordance with the SEBI Defaults (Procedure) Circular, all decisions shall require the consent of 75% (seventy five percent) of the Bond Holders (by value) and 60% (sixty percent) of the Bond Holders (by number).

Part B - Details specific to the Debt Issue

1. The Bank is desirous of issuing the Debentures for the following purpose: "To utilise the entire proceeds for extending financial assistance to MSMEs or for any other purpose as laid down in the SIDBI Act, 1989, as amended from time to time."
2. Pursuant thereto the Board of Directors of the Bank has passed a Resolution dated May 17, 2022, authorizing the Bank to borrow money up to a limit of ₹ 1,91,000 Crores (Resource Plan for FY2023) through various instruments, including Private Placement of Unsecured Bonds. For the purposes of issue of Unsecured Bonds pursuant to the Information Memorandum, the Board resolution shall remain absolute. The Board Resolution forms an integral part of this Deed.
3. Pursuant thereto, the Bank has issued **500000 Units (Units Five Lakh Only)** of Taxable, Listed, Unsecured, Redeemable, Non-Convertible Debentures (hereinafter referred to as 'the Debenture') of an aggregate amount of **INR 5000 Crore (Rupees Five Thousand Crore Only)** on Private Placement basis ("the Debenture") of nominal value of **INR 1 Lakh each (Indian Rupees One Lakh Only)**.
4. The Trustee has, at the request of the Bank, agreed to act as Trustee under the present for the benefit of the holders of the Debentures upon the terms and conditions hereinafter provided.
5. The Bank has appointed IDBI Trusteeship Services Ltd. (ITSL) as the Trustee for the benefit of the Debenture holders and IDBI Trusteeship Services Limited has given its acceptance vide its Master Consent Letter No. **43620/ITSL/CL/22-23/DEB/90 dated May 04, 2022** and the Bank and IDBI Trusteeship Services Ltd. (ITSL) have entered into a Trustee Agreement on **May 13th, 2022**. Further, ITSL has also given Consent vide Letter No. **53310/ITSL/CL/22-23/DEB/90/09 dated January 11, 2023**, for the Issuance viz. **7.59% SIDBI 2026 Series-IX of FY 2022-23** for aggregate amount of **INR 5000 Crore**.
6. Thereafter, the Bank has issued Disclosure Document dated **January 11, 2023** (hereinafter referred to as 'Disclosure Document') inviting subscriptions for the said Debentures.
7. Pursuant to the said Disclosure Agreement the Debentures are allotted to the subscribers thereof and the allottees have duly been advised with regard to



the allotments by the Bank and the Bank has entered the particulars of such allotments in the record of Debenture holders maintained by the Bank.

8. The Trustee shall remain appointed till the redemption of the said Debentures for which it has been appointed unless the Trustee resigns or retires as per Clause mentioned below.
9. The Debentures are listed on the debt segment of National Stock Exchange Limited in accordance with the Securities Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 as amended from time to time.
10. The Bank has entered into Tripartite Agreement(s) with the National Securities Depository Limited (NSDL) and/or Central Depository Services (India) Limited (CDSL) (Depository(ies) and Link Intime India Pvt Ltd., the registrar to the Debentures issue for the purpose of admission of Debentures in the Depository system. Accordingly, the subscriber(s) to the Debentures have furnished / are required / will require to furnish relevant details such as name of the Depository, depository participant ID and the beneficiary account number in the application form, for getting credit of the Debentures allotted in electronic (dematerialized) form.

AMOUNT OF DEBENTURES AND COVENANT TO PAY PRINCIPAL AND INTEREST

- (i) The Debentures of the aggregate nominal value of **INR 5000 Crores (Indian Rupees Five Thousand Crore Only)** issued / to be issued in electronic (dematerialized) Form to Debenture holders hereunder on privately placed for the time being with the Debenture holders(s).
- (ii) The Bank covenants with the Trustee that it shall pay to the Debenture holders the principal amount of the Debentures on the date(s) mentioned in Clause no. (iii) of Financial Covenants and Conditions and shall also pay interest (inclusive of compound interest where applicable) on the Debentures in accordance with Clause No.(ii) thereof;

Provided that if so called upon by the Trustee, the Bank shall make payments as aforesaid to or to the order of or for the account opened by the Trustee on behalf of the Debenture holders for this purpose by the Bank/Trustee of the Trustee at Mumbai and such payment shall be deemed to be in satisfaction of the aforesaid pro-tanto covenant of the Bank to make such payments to the Debenture holders.

- (iii) **Default in Payment:** In case of default in payment of interest and/or principal redemption on the due dates or observance of any other terms, conditions or covenants as per this Deed, Disclosure Document(s) in respect of a relevant tranche / series of the Debentures, additional interest/ default



interest of atleast @ 2% p.a. or such other rate as may be prescribed under the Applicable Law over and above the applicable implicit yield / Coupon Rate/ Interest Rate will be payable by the Company for the defaulting period in respect of such tranche /series of the bonds.

- A. The Trustee shall be entitled to enforce the obligations of the Bank under or pursuant to the same.

LISTING

The Debentures are proposed to be listed on the National Stock Exchange of India Ltd. (NSE).

All expenses, costs, charges incurred for the purpose of listing of the Debentures, as also for making the offer for sale of the Debentures shall be borne and paid by the Bank.

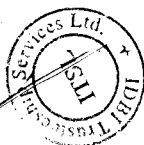
Delay in Listing: In case of delay in listing of the debt securities, wherever applicable, beyond 3 (Three) days from the bidding date or such number of days as may be allowed (for getting the bonds listed) under the Applicable Law in respect of the relevant tranche of the Debentures, the Bank will pay default/ additional interest of atleast 1 % p.a. over the coupon rate or such other rate as may be prescribed under the Applicable Law.

Delay in execution of Debenture Trust Deed

Where an Bank fails to execute the trust deed within the period specified without prejudice to any liability arising on account of violation of the provisions of the Act and these regulations, the issuer shall also pay interest of at least 2% (two percent) per annum or such other rate, as specified by the Board to the holder of debt securities, over and above the agreed coupon rate, till the execution of the trust deed.

FORM OF THE DEBENTURES

- (i) The Debentures are proposed to be issued in Dematerialized mode and the same shall be credited to the respective Debenture holder's Demat Account. The Bank has made depository arrangements with National Securities Depository Limited ('NSDL'), for issue of Debentures in Dematerialised form. The Debenture holders will own the Debentures in Dematerialised form and deal with the same as per the provisions of the Depositories Act, 1996, and rules as notified by NSDL and/or CDSL, as the case may be, from time to time.
- (ii) The principal amount of the Debentures (inclusive of compound interest where applicable) and all other monies hereby due shall, as between the Debenture holders, inter se rank pari-passu without any preference or priority whatsoever on account of date of issue or allotment or otherwise.
- (iii) The Financial Covenants and Conditions shall be binding on the Bank and the Debenture holders and all persons claiming by, through or under it/them, and shall ensure for the benefit of the Debenture holders and all persons claiming by, through or under it/them. The Trustee shall be



entitled to enforce the obligations of the Bank under or pursuant to the same.

EVENTS OF DEFAULT

If one or more of the events specified herein (hereinafter called 'the Event(s) of Default') take place, the Trustee may, and shall, upon request in writing by the Debenture holders of an amount representing not less than three-fourths in value of the nominal amount of the Debentures for the time being outstanding or by a Special Resolution duly passed at the meeting of the Debenture holders convened in accordance with the provisions set out hereunder written, give a notice of 30 days in writing to the Bank to remedy the breach or default and if after expiry of such period the breach or default is still unremedied, by a notice in writing to the Bank, declare the principal of and all accrued interest on the Debentures and all premium, liquidated damages, fees, costs, charges, expenses and other amounts payable by the Bank on all the Debentures under the terms and conditions of the relative Debentures issue or under this Deed to be due and payable forthwith.

(A) EVENTS OF DEFAULT

- i. If there is reasonable apprehension that the Bank is unable to pay its debts or proceedings for taking it into liquidation, may be or have been commenced in respect thereof;
- ii. The Bank shall have voluntarily or involuntarily become the subject of proceedings under any insolvency laws;
- iii. The Bank has voluntarily or involuntarily dissolved;
- iv. If a petition for winding up of the Bank shall have been admitted or if an order is passed by the Central Government for dissolution of the Bank;
- v. The Bank is unable or has admitted in writing its inability to pay its debts as they mature;
- vi. A receiver or a liquidator is appointed or allowed to be appointed for all or any part of the undertaking of the Bank;
- vii. Default in payment of interest and/ or redemption of principal amount on the due dates (except in case of regulatory requirements prescribed under RBI Regulations).
- viii. When the Bank without the consent of Debenture Holders ceases to carry on its business or gives notice of its intention to do so.
- ix. When any breach of the terms of the prospectus inviting the subscriptions of debentures or of the covenants of this deed is committed;

1.1.1 Default in redemption of debentures¹



As per SH-12 of Companies (Share Capital and Debentures) Rules, 2014 read with Regulation 14 of SEBI(Debenture Trustee) Regulations, 1993

Default shall have occurred in the Redemption of the Debentures together with redemption premium, if any, as and when the same shall have become due and payable.

1.1.2 Default in payment of interest

Any default by the Company in the payment of any instalment of interest of the Debentures, as and when the same shall have become due and payable.

1.1.3 Default in performance of covenants and conditions

Default shall have occurred in the performance of any material covenants, conditions or agreements on the part of the Company other than any payment defaults under this Deed or the other Transaction Documents or deeds entered into between the Company and the Debenture Holder(s)/Beneficial Owner(s)/ Debenture Trustee.

1.1.4 Company ceases to carry on business

If the Company ceases with/without the consent of the Debenture Holder(s) or threatens to cease to carry on its business or gives notice of its intention to do so.

1.1.5 Inability to pay debts

If the Company is unable to or admits in writing its inability to pay its debts as they mature or proceedings for taking it into insolvency or liquidation have been admitted by any competent court or a special resolution has been passed by the shareholders for winding up of the Company or for filing an application to initiate insolvency resolution process of the Company or it is certified by the statutory auditors that the liabilities of the Company exceed its assets indicating the inability of the Company to discharge its obligations under this Deed. 2

1.1.6 Proceedings against Company

The Company shall have voluntarily or involuntarily become the subject of proceedings under bankruptcy or insolvency law, or has suffered any action taken for its reorganization, insolvency, liquidation or dissolution except an application filed by an operational creditor of the Company for initiation of corporate insolvency resolution process in respect of the Company, which has been disputed by the Company and / or gets dismissed within 30 days from the date of first listing of such application; or.

A receiver or resolution professional or liquidator is appointed or allowed to be appointed in respect of all or any part of the undertaking of the Company.

1.1.7 Misleading Information



² As per SH-12 of Companies (Share Capital and Debentures) Rules, 2014 read with Regulation 14 of SEBI(Debenture Trustee) Regulations, 1993



Any information given by the Company in the Disclosure Documents//Prospectus/ Offer Letter, the Transaction Documents and/or other information furnished and/or the representations and warranties given/deemed to have been given by the Company to the Debenture Holder(s)/Beneficial Owner(s) for availing financial assistance by way of subscription to the Debentures is or proves to be misleading or incorrect in any material respect or is found to be incorrect.

1.1.8 Inadequate Insurance

If the properties and assets offered as security to the Trustee/ Debenture Holder(s)/Beneficial Owner(s) for the Debentures (including the Secured Assets) are not insured or kept under-insured by the Company or depreciate in value to such an extent that in the opinion of the Debenture Holder(s)/ Beneficial Owner(s)/Debenture Trustee, further security to the satisfaction of the Debenture Holder(s)/ Beneficial Owner(s)/Debenture Trustee should be given and such security is not given.

1.1.9 Attachment or Distraint

If an attachment or distraint is levied on the Mortgaged Properties or any part thereof and / or certificate proceedings are taken or commenced for recovery of any dues from the Company.

1.1.10 If extraordinary circumstances have occurred which make it improbable for the Company to fulfil its obligations under this Deed and/or the Debentures in the opinion of the Debenture Trustee.

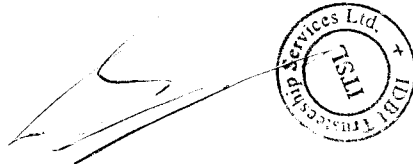
1.1.11 If it is certified by the Statutory Auditors that the liabilities of the Company exceed its assets indicating the inability of the Company to discharge its obligations under this Deed.

1.1.12 Expropriation / Nationalisation

If any Governmental Authority shall have condemned, nationalized, seized, or otherwise expropriated all or any substantial part of the assets of the Company or of the shares of the Company held by any director or the promoters, or shall have assumed custody or control of such shares or the business or operations of the Company or shall have taken any action for the dissolution of the Company or any action that would prevent the Company or its officers from carrying on its business or operations or a substantial part thereof.

1.1.13 Alteration to Memorandum or Articles

If the Company, shall without the previous consent in writing of the Debenture Trustee, make or attempt to make any alteration in the provisions of its Memorandum and/or Articles of Association which might in the opinion of the Debenture Trustee detrimentally affect the interests of the Debenture Holder(s)/Beneficial Owner(s) and shall upon demand by the Debenture Trustee refuse or neglect or be unable to rescind such alteration.



1.1.14 Clearances

Any of the necessary clearances required or desirable in relation to the [Project] or Company or the Debentures in accordance with any of the Transaction Documents is not received or is revoked or terminated, withdrawn, suspended, modified or withheld or shall cease to be in full force and effect which shall, in the reasonable opinion of Debenture Holder(s)/Beneficial Owners(s), have Material Adverse Effect on the [Project] or Company or the Debentures.

1.1.15 Unlawfulness

It is or becomes unlawful for the Company to perform any of its material obligations under any Transaction Document in the opinion of the Debenture Holder/Beneficial Owner(s).

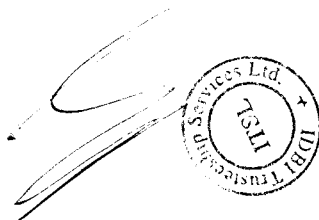
1.1.16 Material Adverse Effect

The occurrence of any event or condition which, in the reasonable opinion of the Trustee or the Debenture Holder(s)/ Beneficial Owners(s), constitutes a Material Adverse Effect.

Any other event described as an Event of Default in the Disclosure Documents/Prospectus/ Offer Letter and the Transaction Documents.

B) REMEDIES

- i. In any Event of Default or any event which, after notice, or lapse of time, or both, would constitute an Event of Default has happened, the Bank shall forthwith give notice thereof to the Debenture holders & Trustee in writing, specifying the nature of such Event of Default or such event.
- ii. The Debenture holders shall have a right to accelerate the payments due to them including the principal, interest, additional interest.
- iii. The Trustee shall, upon the approval of Debenture holders vide a Special Resolution, or in the event requiring immediate intervention of the Trustee, on its own, undertake suitable proceedings under Applicable Law against the Bank to recover the interest, principal, additional interest and any other amounts that may be recoverable by the Bondholders from the Bank by virtue of this Debentures issue.
- iv. All expenses incurred by the Debenture holders or Trustee after an EVENT of default has occurred for the purpose of remedying the default/following up for remedying the default shall be payable/reimbursed by the Bank.
- v. Notwithstanding anything to the contrary contained herein, on the occurrence of an Event of Default, the Bond Trustee shall follow the standard operating procedure for the purposes of execution of an



inter-creditor agreement as may be stipulated by SEBI from time to time (as presently set out in the SEBI Defaults (Procedure) Circular).

RECEIPT OF BONDHOLDERS

As the Debentures are issued in dematerialized form, the credit to the DP Account of the Beneficiary shall be a good discharge to the Trustees and the Bank. The Debentures shall be credited to DP account of the Debenture Holder within 2 days from the date of allotment.

TRUST OF DEBENTURES NOT RECOGNISED

The Trustees shall not be affected by any notice express or implied of the right, title or claim of any person to such monies other than the Debenture holders/Beneficial Owner(s) of the Bank.

DISCHARGE OF LIABILITY ON REDEMPTION OF DEBENTURES

Upon payment to the Debenture holders in full discharge of all principal moneys and interest due upon their Bonds, all liabilities of the Trustee and the Bank under this Agreement shall be treated as discharged.

POWER OF THE TRUSTEES TO INVEST UNCLAIMED AMOUNT

Any provision for payment and satisfaction of the Debentures is made by the deposit in Bank as aforesaid, the Trustees may invest the same in any of the investments herein authorized.

TRUSTEES' RIGHTS TO CARRY ON BUSINESS

The Trustee shall be well within its right to carry on business with any person(s), maintaining arm's length distance for the purpose of the same and to avoid any conflict of interest with its role as Trustee herein.

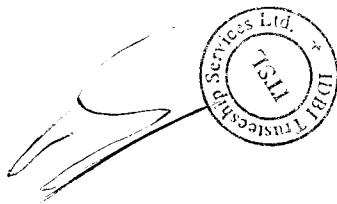
B. FINANCIAL COVENANTS AND CONDITIONS

DEBENTURES TO RANK PARI PASSU

The Debentures issued under these presents shall rank pari passu inter se without any preference or priority of one over the other or others of them.

INTEREST ON APPLICATION MONEY

- (a) The Bank shall until the Bonds are fully redeemed or paid off, pay to the Debenture holders, Interest @7.59% per annum (as per respective Disclosure Document) on the paid up value of the Debentures outstanding from time to time, subject to deduction of Income Tax (where applicable) at the rate prescribed from time to time under the Income Tax Act, 1961, or any statutory modification or re-enactment thereof for the time being



in force. Such interest shall be payable annually as per respective Disclosure Document on till the redemption of the Debentures.

- (b) All interest on the Debentures and all other monies which have become payable or accruing due under this Deed / Disclosure Document shall, in the case the same be not paid on the respective due dates, carry additional interest 2% p.a. over and above the rates of interest aforementioned computed from the respective due dates or monies accruing due and shall become payable upon the footing of compound interest with quarterly rests on the respective due dates provided.

PROVIDED HOWEVER, in the event of any default in the payment of interest and/or in the redemption of the Debentures and all other monies payable pursuant to this Deed / Agreement with applicable modifications thereto, the Bank shall pay to the Debenture holders, further interest or the liquidated damages as per the Disclosure Document if applicable for the period of default on the amount of such defaulted instalment of redemption and/ or interest and /or other monies payable upon the footing of compound interest as aforesaid.

All interest on other monies which shall accrue under these presents shall also be payable in the manner and on the dates as mentioned in sub-section (a) above.

COMPUTATION OF INTEREST

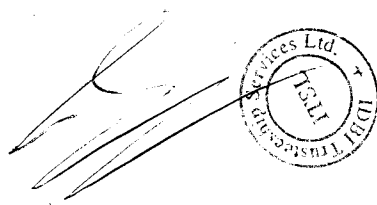
Interest for each of the interest periods shall be calculated on 'actual/actual days' basis, on the face value of principal outstanding on the Debentures at the respective coupon rate rounded off to the nearest Rupee.

PAYMENT OF INTEREST

The interest will be payable to the beneficiaries as per the beneficiary list provided by the Depository as on the Record Date. The interest payment shall be made at such frequency as mentioned in the Disclosure Document, except at the time of redemption when the interest shall be paid on the date of redemption.

REDEMPTION & PAYMENT ON REDEMPTION

The Debentures shall be redeemed at par at the expiry of the tenor. The payment on redemption will be made in the name of the sole holder or first holder (in case of joint holders) whose name appears in the list of beneficial owners provided by the depository on the Record Date. The Debentures shall be taken as discharged on payment of the last redemption amount by the Issuer (or the Trustee) to the beneficiaries as per the beneficiary list and the liability of SIDBI shall stand extinguished. These Debentures will be simultaneously



extinguished through appropriate debit corporate action. On such payment being made, the Issuer will inform the Depository concerned and accordingly the account of the Debenture holders with the Depository concerned will be adjusted.

The Issuer's liability to the Debenture holder in respect of all their rights including for payment or otherwise shall cease and stand extinguished after maturity in all events save and except the Debenture holder's right of redemption as stated above if any Debenture is not fully redeemed on maturity.

On the Issuer dispatching the payment instrument or crediting the designated bank account operated by the Debenture holder / Trustee to the Debenture holder towards payment of the interest and/or of the redemption amount as specified above, the liability of the Issuer in respect of the Debentures shall stand extinguished.

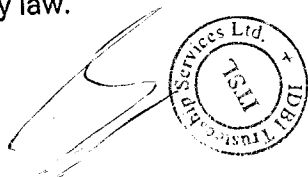
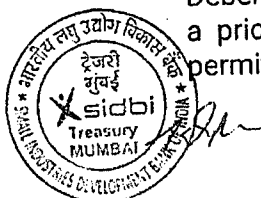
Series	Subscribed Amount (In Crore)	Coupon Rate	Allotment Date	Redemption Date	Interest payment dates
IX of FY 2022-23	5000	7.59%	18-Jan-2023	10-Feb-2026	First on January 18, 2024, Second on January 18, 2025 (adjusted to January 20, 2025), Third on January 18, 2026 (adjusted to January 19, 2026); Fourth and Final on February 10, 2026.

PUT/CALL OPTION

No, provision for put/ Call Option has been made in the placement of the aforementioned Debenture.

RIGHT TO REPURCHASE, RE-ISSUE AND CANCELLATIONS

SIDBI will have the power, exercisable at its absolute discretion, from time to time to repurchase some, or all of its Debentures at discount / par / premium, in the open market or otherwise in the secondary markets at any time prior to the specified date of redemption. In the event of the Debentures being bought back, SIDBI shall be deemed to have always the right to re-issue the Debentures. Such Debenture (s) may, at the option of the Bank, be cancelled, held or resold at such a price and such terms and conditions as the Bank may deem fit and as permitted by law.



Where the Issuer has redeemed any such Debentures, the Issuer shall have and shall be deemed always to have had the right to keep such Debentures alive for the purpose of reissue and in exercising such right, the Issuer shall have and shall be deemed always to have had the power to re-issue such Debentures either by reissuing the same Debentures or by issuing other Debentures in their place in either case, at such a price and on such terms and conditions (including any variations, dropping of or additions to any terms and conditions originally stipulated) as the Issuer may deem fit.

NOMINEE DIRECTOR

The Debenture Trustee shall have a right to appoint a nominee Director on the Board of Directors of the Company (hereinafter referred to as "the Nominee Director") in accordance with the provisions of the Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993 in the event of:

- (i) 2 (two) consecutive defaults in payment of interest to the Debenture holders; or
- (ii) Any default on the part of the Company in redemption of the Debentures.

The Nominee Director so appointed shall not be liable to retire by rotation nor shall be required to hold any qualification shares. The Company shall take steps to amend its Articles of Association for the purpose if necessary.

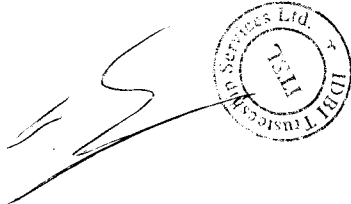
On behalf of the Debenture holders/s, the Debentures Trustees shall have a right to appoint a Debentures Director on the Board of Directors of the Bank (hereinafter referred to as 'the Debentures Director') in case of event of default, if so permitted under the provisions of law. The right to appoint the Debentures Director shall be exercised by the Debentures Trustees as per the statutory guidelines as may be applicable for the purpose in consultation with the participating Debenture holders/s.

In addition to the above in case of default in payment of interest/principal or any other monies due to the Debenture holders/s on the due date(s), the institutional Debenture holders/s, if so permitted under the provisions of law shall have a right to appoint a Nominee Director on the Board of the Directors of the Bank.

The Nominee Director so appointed pursuant to above Section shall not be liable to retire by rotation nor shall be required to hold any qualification share. The Bank shall take steps to amend its relevant regulations / Articles of Association/Constitutional Documents, if necessary.

TRANSFER OF DEBENTURES

The Debentures either in Physical Form or in Electronic (Dematerialized) Form shall be transferable and transmittable in the same manner and to the same extent and be subject to the same restrictions and limitations as in the case of



the existing equity shares of the Bank, subject to the provisions applicable to securities issued to the Debenture holders

The provisions relating to transfer and transmission in respect of the shares as provided in the rules and regulations framed by the Bank shall apply, mutatis mutandis, to the Debentures.

DEBENTURES FREE FROM EQUITIES

The Debenture holders will be entitled to their Debentures free from equities or cross claims by the Bank against the original or any intermediate Debenture holders thereof.

DEBENTURE HOLDERS NOT ENTITLED TO SHAREHOLDERS' RIGHTS

The Debenture holders will not be entitled to any of the rights and privileges available to the shareholders including right to receive notices or annual reports or to attend and vote at general meetings of the members of the Bank.

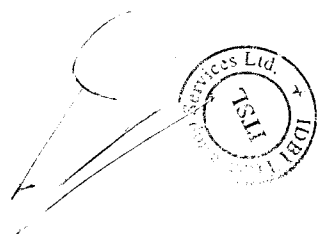
VARIATION OF DEBENTURE HOLDERS' RIGHTS

The rights, privileges and conditions attached to the Debentures may be varied, modified or abrogated with the consent in writing of the Debenture holders of the Debentures provided that nothing in such consent shall be operative against the Bank, where such consent modifies or revises the terms and conditions governing the Debentures, if the same are not acceptable to the Bank.

ENFORCEMENT OF SECURITY

On the occurrence of any of the events of defaults as set out in the Trust Deed, may without prejudice to any rights and remedies they may have under the this deed and/or under any regulations and/or under any other contract and/or otherwise take one or more of the following actions:-

- a. declare all or any part of the obligations to be immediately due and payable
- b. require the Bank to redeem in full, immediately or on a date as specified by the Debenture Trustee, all the Debentures then outstanding, at the aggregate of the outstanding nominal value of the Debentures, together with the coupon, redemption premium, additional coupon, costs, expenses and all other amounts outstanding, due and/or payable in relation to the Debentures.
- c. appoint Nominee Director(s) in accordance with the SEBI (Debenture Trustee) regulation, 1993 and the Companies Act, on the Board of the Bank;
- d. exercise and enforce such other remedies and/or take any action as permitted or available under regulations under this deed.



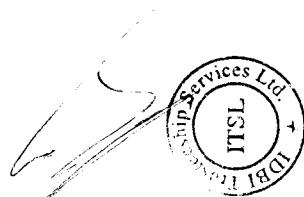
Annexure 1

SUMMARY TERM SHEET

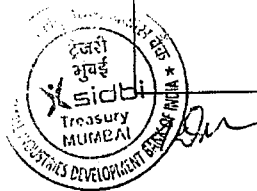
Security Name	7.59% SIDBI 2026-Series IX of FY 2022-23
Issuer	Small Industries Development Bank of India (SIDBI)
Type / Nature of Instrument	Unsecured, Redeemable, Non-Convertible Debentures, Taxable, Non Priority Sector Bonds
Seniority	The bonds rank as senior debt on par with all the other borrowings of the Bank.
Mode of Issue	On Private Placement Basis
Eligible Investors	<p>Only the persons who are specifically addressed through a communication by or on behalf of SIDBI directly are eligible to apply for the Bonds. An application made by any other person will be deemed as an invalid application and rejected. The following categories of investors are eligible to apply for this Issue of Bonds:</p> <ul style="list-style-type: none"> ▪ Scheduled Commercial Banks/ Commercial Bank ▪ Urban / Central / State / District / Primary Co-operative Banks ▪ Regional Rural Banks, Land Development Banks ▪ Mutual Fund Houses ▪ Insurance Companies ▪ Public Financial Institutions ▪ Non-Banking Financial Companies ▪ Statutory Corporations, Companies, Body Corporates ▪ Trusts including Port Trusts and Association of Persons which are authorized to Invest in bonds ▪ Provident Funds, Pension Funds, Superannuation Funds and Gratuity Funds ▪ Other Government / Non-Government Agencies / Boards /Institutions. ▪ Individuals (excluding Minors & NRIs) to whom this Disclosure Document is specifically addressed ▪ Foreign Institutional Investors (FIIs) as per SEBI / RBI regulations <p>Note: The above list is only illustrative and not exhaustive. Investors should check about their eligibility before making any investment</p>
Listing	<p>In terms of Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, the Issue will be listed on NSE within 03 days from the date of closure of the issue.</p> <p>pay penal interest of 1% p.a. over the coupon/ dividend rate for the period of delay to the investor (i.e. from the date of allotment to the date of listing); and</p>



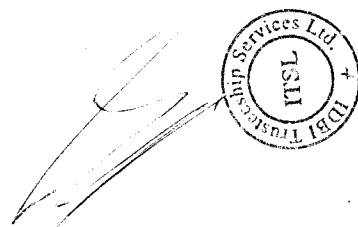
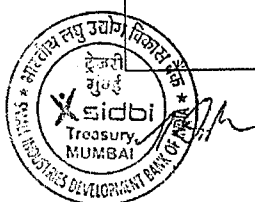
	be permitted to utilise the issue proceeds of its subsequent two privately placed issuances of securities only after receiving final listing approval from stock exchanges.
Rating	"CARE AAA" by CARE Ratings Limited dated January 10, 2023 "CRISIL AAA" by CRISIL Limited dated January 11, 2023
Issue Size	`2000 crore with Green Shoe Option upto `3000 crore (Availed `5000 cr)
Option to retain oversubscription	Yes
Objects of the issue	To utilise the entire proceeds for extending financial assistance to MSMEs or for any other purpose as laid down in the SIDBI Act, 1989, as amended from time to time.
Details of utilization proceeds	The proceeds will be utilized for normal business activities of SIDBI and for such other purposes as may be decided by SIDBI's Board and as permissible under the SIDBI Act, 1989.
Coupon Rate	7.59% p.a. [fixed] If there is any change in Coupon Rate pursuant to any event then such new Coupon Rate and events which lead to such change shall be disclosed.
Manner of Bidding in the issue	Closed Bidding
Manner of allotment	Uniform Price Allotment
Step Up/ Step Down Coupon Rate	Not Applicable
Coupon Payment Date	Annually as per cash flow schedule
Coupon Type	Fixed
Coupon Reset Process	Not Applicable
Day Count basis/ Computation of Interest	Simple Interest for each of the interest periods shall be computed on an actual-by-actual number of days in a year basis on the Face Value of principal outstanding on the Bonds at the respective Coupon rate rounded off to the nearest Rupee.
Interest on Application Money	Not Applicable
Default Interest Rate	In case of default (including delay) in payment of interest and/ or redemption of principal on the due dates for debt securities issued on private placement or public issue, additional interest of at least @ 2% p.a. over the coupon rate shall be payable by the issuer for the defaulting period. In case of default (including delay) in payment of dividend and/ or redemption of principal on the due dates for NCRPS issued on private placement or public issue, additional dividend of at least @ 2% p.a. over the rate of dividend shall be payable by the issuer for the defaulting period
Tenor	3 Years 23 days from the deemed date of allotment
Redemption Date	February 10, 2026
Redemption Amount	At par
Redemption Premium / Discount	At par, on completion of the tenor of the instrument
Face Value	`1,00,000 per bond



Issue Price	₹1,00,000 per bond	
Discount at which Security is issued and the effective yield as a result of such discount	Not Applicable	
Put Option Date	Not Applicable	
Put Option Price	Not Applicable	
Call Option Date	Not Applicable	
Call Option Price	Not Applicable	
Put Notification Time	Not Applicable	
Call Notification Time	Not Applicable	
Face Value	₹1,00,000 per bond	
Minimum Application	One bond/debenture having face value of ₹1 lakh and in multiples thereof.	
Issue Timing	Issue Opening Date	January 16, 2023
	Issue Closing Date	January 16, 2023
	Pay-in Date	January 18, 2023
	Deemed Date of Allotment	January 18, 2023
Issuance Mode of the Instrument	Only in Demat form	
Settlement Mode of the Instrument	By way of NEFT/RTGS	
Manner of Settlement	Through Clearing corporation	
Settlement Cycle	T+2, where T is the issue date	
Depository's Name	NSDL/CDSL	
Holiday Convention	<p>If the interest payment date falls on a holiday, the payment shall be made on the following working day however the dates of the future coupon payments would be as per the schedule originally stipulated at the time of issuing the security. In other words, the subsequent coupon schedule would not be disturbed merely because the payment date in respect of one particular coupon payment has been postponed earlier because of it having fallen on a holiday.</p> <p>In case of a leap year, if February 29 falls during the tenor of a security, then the number of days shall be reckoned as 366 days (<i>Actual/Actual day count convention</i>) for a whole one year period, irrespective of whether the interest is payable annually, half yearly, quarterly or monthly etc. It is thus emphasized that for a half yearly interest payment, 366 days would be reckoned twice as the denominator; for quarterly interest, four times and for monthly interest payment, twelve times.</p> <p>If the Redemption Date (also being the last Coupon Payment Date) of the Bonds falls on a day that is not a Business Day (Saturday/Sunday/Holiday) in Mumbai, the redemption proceeds shall be paid by the Issuer on the immediately preceding Business Day along with interest accrued on the Bonds until but excluding the date of such payment.</p>	



	<p>In the event the Record Date falls on a day which is not a Business day, the immediately succeeding Business Day will be considered as the Record Date.</p> <p>Payment of interest / redemption shall be made only on the days when the money market is functioning in Mumbai.</p>		
Record Date	15 days prior to each Coupon Payment / Redemption Date		
All Covenants of the issue (including side letters, accelerated payment clause, etc.)	As per Debenture Trust Deed.		
Creation of Recovery Expense fund	Recovery Expense Fund has been created with the NSE Ltd for ₹25,00,000/- on March 09, 2021.		
Conditions for breach of covenants	Default shall have occurred in the performance of any other covenants, conditions or agreements on the part of the issuer under this Deed or the other Transaction Documents or deeds entered into between the Issuer and the Bondholder(s)/Beneficial Owner(s)/Bond Trustee and such default shall have continued for a period of thirty days after notice in writing thereof been given to the Issuer by the Bondholder(s)/Beneficial Owner(s)/Bond Trustee for remedying such default.		
Risk Factors pertaining to the Issue	The Bonds are unsecured in nature.		
Events of Default (including manner of voting/ conditions of joining Inter Creditor Agreement)	Refer Information Memorandum (IM) of the issue.		
Security	Not Applicable (Unsecured)		
Governing law and jurisdiction	The Bonds are governed by and shall be construed in accordance with the existing laws of India. Any dispute arising in respect thereof will be subject to the exclusive jurisdiction of the courts and tribunals in the State of Maharashtra.		
Debenture Trustee	IDBI Trusteeship Services Limited Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai – 400 001. T: (91) (22) 40807023. https://idbitrustee.com		
Arrangers of the Issue	Through Electronic Bidding Platform (EBP)		
	SI	Name	Amount (Rs. cr)
	1	A.K. Capital Services Limited	75
	2	Axis Bank Limited	815.5
	3	BOB Capital Markets Limited	100



4	Capital Square Advisors P Ltd.	50
5	Genev Capital Private Limited	15
6	HDFC Bank Limited	250
7	ICICI Bank Limited	835
8	IDBI CAPITAL MARKETS & SECURITIES Ltd.	15
9	IndusInd Bank Ltd.	30
10	ICICI Securities Primary Dealership Ltd	200
11	JM Financial Ltd.	25
12	Kotak Mahindra Bank Limited	79.50
13	PIONEER INVESTCORP LIMITED	15
14	PNB GILTS LTD	85
15	Tipsons Consultancy Services Private Limited	15
16	Trust Investment Advisors Private Limited	25
17	Yes Bank Limited	100

Names of the Arrangers who have arranged minimum amount of Rs.15 crore have been mentioned.

Registrar and Transfer Agents

Link Intime India Pvt. Ltd
C-101, 247 Park, LBS Marg, Vikhroli West, Mumbai - 400083
Tel: 022-49186000 ; Fax: 022-49186060
Website: www.linkintime.co.in

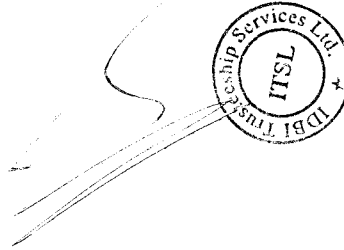
Other Conditions:

- (i) Multiple bids by an investor: Investors are now permitted to place multiple bids in an issue.
- (ii) Allotment on yield-time priority basis: Allotment to the bidders shall be done on the basis of "Yield-time priority". Thus, allotment shall be done first on "yield priority" basis, however, where two or more bids are at the same yield, then the allotment shall be done on "time - priority" basis. Further, if two or more bids have the same yield and time, then allotment shall be done on " pro-rata" basis.
- (iii) Pay-in of funds through clearing corporation of stock exchanges on T+2, where T is the issue day.



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

The Company shall ensure due compliance and adherence to the SEBI Debenture Circulars in letter and spirit.



Annexure 2

List of Allottees Beneficiary Details for 7.59% SIDBI 2026-Series IX of FY 2022-23

S. No.	ISIN	Beneficiary Name	Qty.
1	INE556F08KG3	BANK OF BARODA	20000
2	INE556F08KG3	HDFC ERGO GENERAL INSURANCE COMPANY LIMITED	10000
3	INE556F08KG3	Kotak Mahindra Bank Limited	7950
4	INE556F08KG3	UCO BANK	5000
5	INE556F08KG3	GUJARAT ELECTRICITY BOARDS CPF TRUST	1000
6	INE556F08KG3	Axis Bank Limited	81550
7	INE556F08KG3	PIONEER INVESTCORP LIMITED	1500
8	INE556F08KG3	Welspun Enterprises Ltd	2500
9	INE556F08KG3	ICICI Bank Limited	83500
10	INE556F08KG3	THE SOUTH INDIAN BANK LIMITED	5000
11	INE556F08KG3	ICICI Securities Primary Dealership Ltd	20000
12	INE556F08KG3	Yes Bank Limited	5000
13	INE556F08KG3	Genev Capital Private Limited	1500
14	INE556F08KG3	JM Financial Products Limited	2500
15	INE556F08KG3	A.K. Capital Services Limited	2500
16	INE556F08KG3	SUNRISE GILTS & SECURITIES PRIVATE LIMITED	1500
17	INE556F08KG3	HDFC Bank Limited	10000
18	INE556F08KG3	Indusind Bank Ltd.	3000
19	INE556F08KG3	Tipsons Financial Services Pvt Ltd	1500
20	INE556F08KG3	PNB GILTS LTD	8500
21	INE556F08KG3	SK Finance Ltd	1500
22	INE556F08KG3	UTI - CORPORATE BOND FUND	6000
23	INE556F08KG3	UTI - Treasury Advantage Fund	7500
24	INE556F08KG3	UTI - Floater Fund	10000
25	INE556F08KG3	ICICI PRUDENTIAL CORPORATE BOND FUND	17500
26	INE556F08KG3	UTI - Multi Asset Fund	1000
27	INE556F08KG3	NPS TRUST-A/C LIC PENSION FUND SCHEME-STATE GOVERNMENT	15000
28	INE556F08KG3	ADITYA BSL TRUSTEE PVT. LTD A/C - ADITYA BIRLA SUN LIFE FLOATING RATE FUND	2500
29	INE556F08KG3	ADITYA BSL TRUSTEE PVT. LTD A/C - ADITYA BIRLA SUN LIFE INCOME FUND	5000
30	INE556F08KG3	ADITYA BSL TRUSTEE PVT. LTD A/C - ADITYA BIRLA SUN LIFE BANKING & PSU DEBT FUND	20000
31	INE556F08KG3	NPS TRUST- A/C LIC PENSION FUND SCHEME-CORPORATE CG	1000
32	INE556F08KG3	NPS TRUST -A/C LIC PENSION FUND SCHEME C TIER II	20
33	INE556F08KG3	NPS TRUST-A/C LIC PENSION FUND SCHEME C-TIER I	680
34	INE556F08KG3	NPS TRUST-A/C LIC PENSION FUND SCHEME-ATAL PENSION YOJANA (APY)	1300
35	INE556F08KG3	IDFC BANKING & PSU DEBT FUND	60000
36	INE556F08KG3	NPS TRUST-A/C LIC PENSION FUND SCHEME-CENTRAL GOVERNMENT	7000

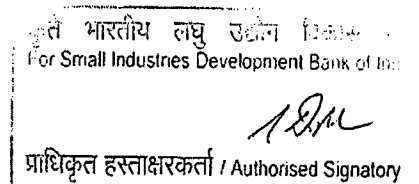


37	INE556F08KG3	KOTAK MAHINDRA TRUSTEE CO LTD. A/C Kotak Banking and PSU Debt Fund	20000
38	INE556F08KG3	Kotak Mahindra Bond Short Term Plan	30000
39	INE556F08KG3	KOTAK MAHINDRA TRUSTEE CO LTD. A/C Kotak Corporate Bond Fund	20000
Total			500000



IN WITNESS WHEREOF the seal of the Bank has been hereunto affixed and the Trustee have caused these presents to be executed by its respective authorised officers/Constituted Attorney the day and year first hereinabove written in the manner hereinafter appearing.

The Seal of within named SIDBI has been affixed pursuant to the Resolution passed by the Board of Directors of the Bank at their meeting held on 11.08.2018 by Shri Karan Singh Rawat, Deputy General Manager, who has subscribed his signatures hereto in token thereof in the presence of:



1. Gaurav Balwantray Mahetalia

2. Hemanth S.T

SIGNED AND DELIVERED BY IDBI Trusteeship Services Ltd. (ITSL), in its capacity as Trustee by the hand of Mr. Suresh Chandra

its Authorised Signatory, in the presence of:

THE TRUSTEESHIP SERVICES LTD.

AUTHORISED SIGNATORY

1. Kaustubh Sudam
2. Manali Sahasrabudhe