


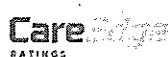


SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA
(Established under the Small Industries Development Bank of India Act, 1989)
PAN: AABCS3480N; Date and Place of Incorporation: 02nd April 1990, Lucknow
Head Office: SIDBI Tower, 15, Ashok Marg, Lucknow – 226001
Tel (0522) 2288546-50, Fax (0522) 2288455
Mumbai Office: SWAVALAMBAN BHAVAN, Plot No. C-11, G Block, Bandra - Kurla Complex, Bandra (East), Mumbai – 400051, Tel (022) 67531100 Fax (022) 26505790,
Website: www.sidbi.in Email: rmd_mo@sidbi.in & treasury_frontoffice@sidbi.in
PRIVATE PLACEMENT MEMORANDUM DATED October 12, 2023

Issued in conformity with SIDBI Act, 1989, as amended, Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021, as amended. This issuance would be under the electronic book mechanism for issuance of debt securities on private placement basis as per SEBI Operational Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper dated August 10, 2021 updated on April 13, 2022, bearing reference number SEBI/HO/DDHS/P/CIR/2021/613, as amended.

PRIVATE PLACEMENT OF REDEEMABLE, TAXABLE, NON-CONVERTIBLE, NON-PRIORITY SECTOR, UNSECURED SECURITIES IN THE NATURE OF DEBENTURE OF FACE VALUE ₹ 1 LAKH EACH (THE "BONDS") UNDER SERIES IV/FY 2023-24 WITH BASE ISSUE SIZE OF ₹2000 CRORE AND WITH AN OPTION TO RETAIN OVERSUBSCRIPTION BY WAY OF GREEN SHOE OPTION OF ₹3000 CRORE AGGREGATING TO ₹5000 CRORE THROUGH ISSUANCE OF BONDS WITH COUPON RATE OF 7.79% PAYABLE ANNUALLY AND REDEEMABLE AT PAR.

| Registrar & Transfer Agent | Debenture Trustee of the Issue |
|--|--|
| <p>Link Intime India Pvt. Ltd C-101, 247 Park, LBS Marg, Vikhroli West Mumbai - 400083 Tel: :022-49186000, Fax: 022-49186060 Email: debtca@linkintime.co.in Website: www.linkintime.co.in Contact person-Mr Ganesh Jadhav, Asst. Vice President</p>  | <p>SBICAP Trustee Company Limited Mistry Bhavan, 4th Floor 122 Dinshaw Vachha Road Churchgate Mumbai – 400 020 T: (91) (22) 4325555 Website: https://sbicaptrustee.com Email: corporate@sbicaptrustee.com Contact person- Mr. Ardhendu Mukhopadhyay</p>  |

| Credit Rating Agencies | |
|---|--|
| <p>CRISIL Ltd. CRISIL House, Central Avenue, Hirandani Business Park, Powai, Mumbai – 400076 Tel.: 022-3342 3000 Fax.: 022-3342 3050</p>  <p>An S&P Global Company</p> | <p>CARE Ratings Ltd. (Formerly known as Credit Analysis & Research Ltd.) 4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (E), Mumbai - 22. Tel.:022- 6754 3456 (Board), Mob.: +91-9860020004; Fax: +91-22- 67543457 / 67 Contact person-Mr Dharmesh Gandhi, Lead Analyst</p>  |
| Current Rating & date: AAA/ Stable, October 12, 2023 | Current Rating & date: AAA/ Stable, September 27, 2023 |






| Compliance Officer | Promoters | CFO | Issue Schedule |
|--|--|---|---|
| Shri Vishnu Kumar Sah Tel:- 022- 67531215 Email:vishnus@sidbi.in | President through, MOF, Government of India and institutions / public sector banks / insurance companies owned or controlled by the Gol. | Shri Ajith Nath Jha Tel:- 022-67531213 Email:ajitjha@sidbi.in | Opening date- October 17, 2023 Closing date- October 17, 2023 Pay in Date- October 19, 2023 Deemed Allotment Date - October 19, 2023 |

| Bidding Parameters | Eligible Investors |
|---|--|
| Bidding Type: Closed Book Bidding at NSE-EBP Allotment Type: Uniform yield/price Allotment as per bids accepted, Bidding for coupon Settlement: Through NSE Clearing Limited Listing on: NSE | As per the operating guidelines of NSE-Bond EBP for issuance of securities on a private placement basis. |

DISCLOSURES AS PER SCHEDULE I OF REVISED GUIDELINES FOR ISSUE AND LISTING OF DEBT SECURITIES

Issuer Information:

| | |
|--|---|
| <p>1. Name and address of the Registered Office of the Issuer:</p> <p>Head Office: SIDBI Tower, 15, Ashok Marg, Lucknow – 226001, Tel (0522) 2288546-50, Fax (0522) 2288455</p> <p>Mumbai Office: SWAVALAMBAN BHAVAN, Plot No. C11, G Block, Bandra - Kurla Complex, Bandra (East), Mumbai – 400051, Tel (022) 67531100 Fax (022) 26505790 Website: www.sidbi.in Email: rmd_mo@sidbi.in & treasury_frontoffice@sidbi.in</p> | <p>2. Compliance Officer</p> <p>Shri Vishnu Kumar Sah SWAVALAMBAN BHAVAN, Plot No. C-11, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400051 Tel:- 022- 67531215 Email: vishnus@sidbi.in</p> |
| <p>3. Arrangers of the issue</p> <p>As per term sheet</p> | <p>4. Trustee of the issue SBICAP Trustee Company Limited Mistry Bhavan, 4th Floor 122 Dinshaw Vachha Road Churchgate Mumbai – 400 020 T: (91) (22) 4325555 Website: https://sbicaptrustee.com Email: corporate@sbicaptrustee.com Contact person- Mr. Ardhendu Mukhopadhyay</p>  |



| | |
|---|---|
| <p>5. Registrar and Transfer Agents</p> <p>Link Intime India Pvt. Ltd C-101, 247 Park, LBS Marg, Vikhroli West Mumbai - 400083 Tel: :022-49186000, Fax: 022-49186060 Email: debtca@linkintime.co.in Website: www.linkintime.co.in Contact person-Mr Ganesh Jadhav, Asst. Vice President</p> <p>LINKintime</p> | <p>6. Auditors of the Issuer</p> <p>M/s J Kala & Associates 504 Rainbow Chambers Near Kandivali Telephone Exchange S V Road Kandiwali (W) Mumbai – 400 05567 Contact No: 022- 28625129 Email address: admin@jka.co.in</p> |
| <p>7. Rating agencies of the Issue</p> <p>CRISIL Ltd. CRISIL House, Central Avenue, Hirandani Business Park, Powai, Mumbai – 400076 Tel.: 022-3342 3000 Fax.: 022-3342 3050</p> <p>CRISIL An S&P Global Company</p> <p>Rationale - Attached</p> | <p>CARE Ratings Ltd. (Formerly known as Credit Analysis & Research Ltd.) 4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (E), Mumbai - 22. Tel.:022- 6754 3456 (Board), Mob.: +91-9860020004; Fax: +91-22- 67543457 / 67</p> <p>Contact person-Mr Dharmesh Gandhi, Lead Analyst</p> <p>Care Edge RATINGS</p> <p>Rationale - Attached</p> |
| <p>8. Details about underwriting of the issue including the amount undertaken to be underwritten by the underwriters :- None</p> | |

2.3.1 'Issuer's Absolute Responsibility'. – Attached at *Annexure*

2.3.2 The PAN details of Directors are submitted to the exchange as given below:

| Sl. No. | Name and Designation | PAN No. |
|---------|-----------------------------|------------|
| 1 | Shri Sivasubramanian Ramann | AABPR9184R |
| 2 | Shri Sudatta Mandal | AALPM7389P |
| 3 | Dr.Rajneesh | ACFPR1276G |
| 4 | Shri Bhushan Kumar Sinha | ALJPS0644L |
| 5 | Shri Krishna Singh Nagnyal | AANPN6331N |
| 6 | Shri Anindya Sunder Paul | AFQPP5324R |
| 7 | Shri Monomoy Mukherjee | AABPM5513H |
| 8 | Shri G. Gopalakrishna | AAAPG6780D |
| 9 | Smt Nupur Garg | AGVPG6648R |
| 10 | Shri Amit Tandon | AADPT7741C |

2.3.3 Details of credit rating along with reference to the rating letter issued - *Attached*



2.3.4 Name(s) of the stock exchange(s) where the non-convertible securities are proposed to be listed and the details of their in-principle approval for listing obtained from these stock exchange(s) –

The NCD shall be listed in NSE. In principle approval dated October 12, 2023 obtained from NSE in this regard.

2.3.5 The following details regarding the issue to be captured in a table format under “Issue Schedule”, as prescribed below:

| Particulars | Date |
|--------------------------|------------------|
| Issue Opening Date | October 17, 2023 |
| Issue Closing Date | October 17, 2023 |
| Pay-in Date | October 19, 2023 |
| Deemed Date of Allotment | October 19, 2023 |

2.3.6 Issue Details: - *Given at “Summary of terms”*

2.3.7 About the Issuer

1. Overview

Small Industries Development Bank of India (SIDBI), set up on April 2, 1990 under an Act of Indian Parliament, is the Principal Financial Institution for the Promotion, Financing and Development of the Micro, Small and Medium Enterprise (MSME) sector and for Co-ordination of the functions of the institutions engaged in similar activities. The SIDBI Act has provided SIDBI considerable flexibility in adopting appropriate operational strategies to meet these objectives. The activities of SIDBI, as they have evolved over the period of time, now meet almost all the requirements of small scale industries which fall into a wide spectrum constituting modern and technologically superior units at one end and traditional units at the other end.

The business domain of SIDBI consists of MSME sector, which contributes significantly to the national economy in terms of production, employment and exports. MSME sector is an important pillar of Indian economy as it contributes greatly to the growth of Indian economy with a vast network of around 4.5 crore enterprises, creating employment of about 10 crore, manufacturing more than 6,000 products, contributing about 40% to manufacturing output and about 36% of exports, directly and indirectly.

SIDBI is committed to developing a strong, vibrant and responsive MSME sector. Over the years, SIDBI has put in place financing schemes either through its direct financing mechanism or through indirect assistance mechanism and special focus programmes under its Promotional and Developmental (P&D) initiatives. In its approach, SIDBI has struck a good balance between financing and providing other support services. As an apex institution, SIDBI makes use of the network of Primary Lending Institutions [PLIs] like Banks and State Financial Corporations [SFCs], which have retail outlets. SIDBI supplements the efforts of existing institutions through its direct assistance schemes to reach financial assistance to the ultimate borrowers in the small scale sector. Besides financial assistance, SIDBI provides appropriate support in the form of promotional and developmental services. SIDBI has been built up as a financially sound, vibrant, forward looking and technology oriented institution and, it intends to sustain this orientation in future.



SIDBI's Mission Statement

"To facilitate and strengthen credit flow to MSMEs and address both financial and developmental gaps in the MSME eco-system"

SIDBI, in its operational strategy, emphasizes:

- Enhancement in the flow of financial assistance to MSMEs, and
- Enhancement in the capabilities of MSMEs at all levels, with focus on adoption of improved and modern technology.

SIDBI identifies the areas of gaps in credit delivery system and addresses them through devising appropriate schemes and implementing them.

SIDBI's assistance to MSMEs broadly covers:

- Term loans (Rupee and Foreign Currency)
- Working capital Assistance
- Bills Discounting
- Refinance to PLIs
- Resource Support to NBFCs
- Micro Finance Assistance to Micro Finance Institutions [MFIs]

The purpose, for which SIDBI's assistance is provided, includes financial assistance for new projects, expansion, diversification, technology upgradation, modernization, quality improvement, environmental management and marketing (domestic and international). Besides financing, SIDBI provides developmental and support services to MSMEs under its P&D schemes. The focus of such assistance is to ensure:

- Human Resource Development
- Enterprise promotion
- Technology Upgradation
- Environmental and quality management
- Information Dissemination and
- Market Promotion

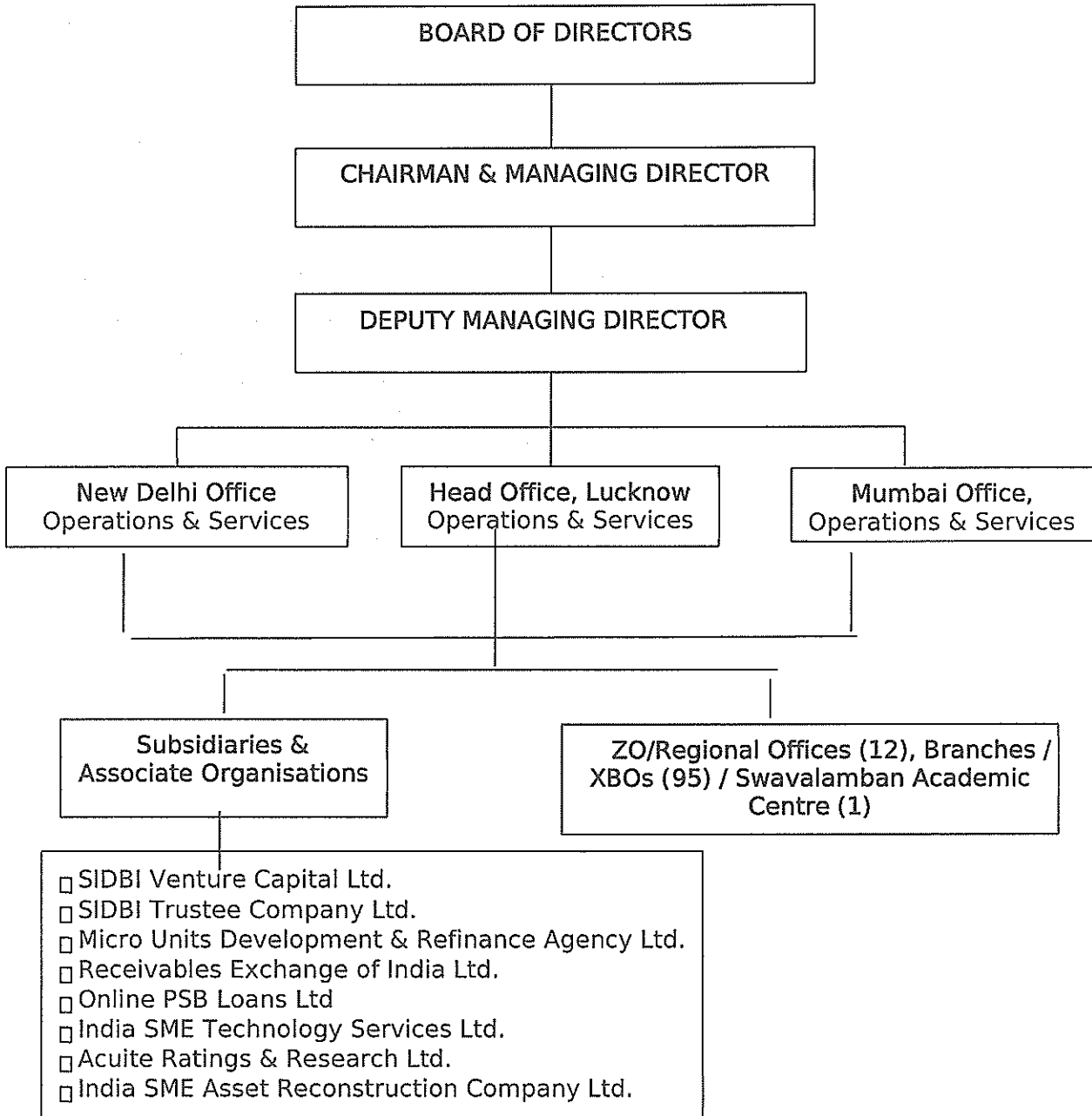
The P&D initiatives of SIDBI have crystallized over the years and are now oriented to serve rural entrepreneurs and youth, particularly women through programmes to empower them and motivate them to undertake entrepreneurial ventures.





2. Organization Structure of SIDBI

Annexure I – Organization Structure of SIDBI



In compliance to SEBI LODR Regulations, 2015, organisations where SIDBI is having more than 20% shareholding, except above are as under:

- Bihar State Financial Corporation
- Delhi State Financial Corporation



- Gujarat State Financial Corporation
- Maharashtra State Financial Corporation
- Punjab State Financial Corporation
- Uttar Pradesh State Financial Corporation
- Canbank Factors Ltd
- KITCO Ltd.
- Bihar Industrial and Technical Consultancy Organisation Ltd.
- Rajasthan Asset Management Co. Pvt. Ltd.
- Rajasthan Trustee Company Pvt. Ltd.
- Hyderabad Information Technology Venture Enterprises Ltd.
- Cyberabad Trustee Co. Pvt Ltd

3. Project Cost and means of financing, in case of funding of new projects

The funds being raised by the Issuer through present issue of bonds are not meant for financing any particular project. The proceeds of the issue 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 applicable laws and government policies.

2.3.8 Columnar Representation of Audited Financial Statements

Links to Last Three FY results and Auditors Reports: <https://www.sidbi.in/en/annualreports> and <https://www.sidbi.in/en/financialresults>

a. Standalone audited financial statements

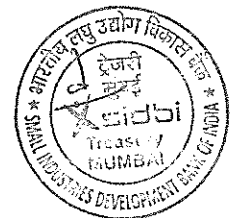
| (₹ in crore) | | | | |
|----------------------------------|--------------------|--------------------|--------------------|--------------------|
| A. Standalone Balance Sheet | 30-Jun-23 | 31-Mar-23 | 31-Mar-22 | 31-Mar-21 |
| CAPITAL AND LIABILITIES | | | | |
| Capital | 568.54 | 568.54 | 568.54 | 531.92 |
| Reserves, Surplus and Funds | 28,030.83 | 27,240.70 | 24,014.53 | 20,756.29 |
| Deposits | 1,67,165.75 | 1,65,036.15 | 1,40,878.43 | 1,24,412.12 |
| Borrowings | 2,46,990.69 | 2,00,657.92 | 75,712.44 | 39,090.19 |
| Other Liabilities and Provisions | 9,673.54 | 8,879.42 | 6,204.01 | 7,531.92 |
| Deferred Tax Liability | - | 0.00 | 0.75 | 0.00 |
| Total | 4,52,429.35 | 4,02,382.73 | 2,47,378.70 | 1,92,322.44 |
| ASSETS | | | | |
| Cash and Bank Balances | 39,655.36 | 12,108.82 | 17,918.31 | 13,807.96 |
| Investments | 47,440.71 | 29,088.66 | 23,951.56 | 19,153.47 |
| Loans & Advances | 3,59,838.05 | 3,56,439.07 | 2,02,251.78 | 1,56,232.80 |
| Fixed Assets | 305.14 | 296.39 | 293.12 | 277.32 |
| Other Assets | 5,190.09 | 4,449.79 | 2,963.92 | 2,850.90 |
| Total | 4,52,429.35 | 4,02,382.73 | 2,47,378.70 | 1,92,322.44 |
| Contingent Liabilities | 4,159.21 | 4,513.44 | 5,337.90 | 5,950.61 |



| B. Standalone Profit & Loss Account | | | | |
|---|-----------------|------------------|-----------------|------------------|
| INCOME | | | | |
| Interest and Discount | 6,503.63 | 17,953.54 | 8,714.12 | 10,221.36 |
| Other Income | 96.20 | 531.28 | 425.06 | 944.27 |
| Total | 6,599.83 | 18,484.82 | 9,139.18 | 11,165.63 |
| EXPENDITURE | | | | |
| Interest & Financial charges | 4,760.74 | 12,405.66 | 5,701.63 | 6,542.88 |
| Operating Expenses | 718.57 | 823.54 | 697.72 | 560.00 |
| Provisions & Contingencies | 62.16 | 858.14 | 351.81 | 915.24 |
| Total | 5,541.47 | 14,087.34 | 6,751.16 | 8,018.12 |
| Profit before Tax | 1,058.36 | 4,397.48 | 2,388.02 | 3,147.51 |
| Provision for Income Tax | 286.62 | 1,239.92 | 411.58 | 768.66 |
| Deferred Tax Adjustment [(Asset) / Liability] | (20.14) | (186.01) | (18.65) | (19.43) |
| Profit after Tax | 791.88 | 3,343.57 | 1,957.79 | 2,398.28 |
| Profit brought forward | - | 40.00 | 53.97 | 96.18 |
| Total Profit / (Loss) | 791.88 | 3,383.57 | 2,011.76 | 2,494.45 |

| Appropriations | | | | |
|---|---------------|-----------------|----------------|----------------|
| Transfer to General Reserve | 0.00 | 3,111.89 | 1800.41 | 2250.00 |
| Transfer to Special Reserve u/s 36(1)(viii) of The Income Tax Act, 1961 | 0.00 | 80.00 | 70.00 | 80.00 |
| Others | | | | |
| a) Transfer to Investment Fluctuation Reserve | 0.00 | 0.00 | 10.97 | 0.00 |
| Transfer to Staff Welfare Fund | 0.00 | 11.11 | 10.56 | 4.10 |
| Dividend on Shares | 0.00 | 113.71 | 79.81 | 106.38 |
| Tax on Dividend | 0.00 | 0.00 | 0.00 | 0.00 |
| Surplus in Profit & Loss account carried forward | 791.88 | 66.86 | 40.00 | 53.97 |
| Total | 791.88 | 3,383.57 | 2011.76 | 2494.45 |

| C. Standalone Cash Flow Statement | | | | | |
|---|--|--|-----------|-----------|-----------|
| | | Cash Flow Statement not prepared for Quarter Ended June 30, 2023 | 31-Mar-23 | 31-Mar-22 | 31-Mar-21 |
| 1. Cash Flow from Operating Activities | | | | | |
| Net Profit before tax as per P & L Account | | | 4,397.48 | 2388.02 | 3,147.51 |
| Adjustments for: | | | | | |
| Depreciation | | | 26.23 | 36.19 | 24.04 |
| Provision for net depreciation in investments | | | 26.05 | 5.53 | 15.62 |
| Provisions made (net of write back) | | | 919.41 | 398.32 | 969.17 |



| | | | |
|--|-----------------|--------------------|--------------------|
| Profit on sale of investments (net) | (44.63) | (70.44) | (125.89) |
| Profit on sale of fixed assets | (1.34) | (0.14) | (0.08) |
| Dividend Received on Investments | (32.37) | (47.78) | (453.98) |
| Cash generated from operations | 5,290.84 | 2709.70 | 3,576.40 |
| (Prior to changes in operating Assets and Liabilities) | | | |
| Adjustments for net changes in : | | | |
| Current assets | (1,279.60) | (38.08) | 1,085.76 |
| Current liabilities | 1,638.88 | (1731.75) | (694.90) |
| Bills of Exchange | (517.69) | (13.45) | 139.26 |
| Loans & Advances | (1,53,608.86) | (45994) | 9,334.65 |
| Net Proceeds of Bonds and Debentures & other borrowings | 1,24,945.48 | 36622.25 | (16,613.19) |
| Deposits received | 24,157.72 | 16466.31 | 18,440.47 |
| | (4,665.05) | 5,311.26 | 15,268.45 |
| Payment of Tax | (1,260.92) | (504.42) | (457.94) |
| Net Cash flow from operating Activities | (634.14) | 7,516.54 | 14,810.51 |
| | | | |
| 2. Cash flow from Investing Activities | | | |
| Net (Purchase)/Sale of fixed assets | (28.17) | (51.85) | (14.57) |
| Net (Purchase)/sale/redemption of Investments | 841.52 | (14,232.31) | (15,433.88) |
| Dividend Received on Investments | 32.37 | 47.78 | 453.98 |
| Net cash used in Investing Activities | 845.73 | (14,236.37) | (14,994.47) |
| | | | |
| 3. Cash flow from Financing Activities | | | |
| Dividend on Equity Shares & tax on Dividend | 0.00 | (106.38) | 0.00 |
| Proceeds from issuance of share capital & share premium | (79.82) | 1422.80 | 0.00 |
| Net cash used in Financing Activities | (79.82) | 1316.42 | 0.00 |
| | | | |
| 4. Net increase/(decrease) in cash and cash equivalents | 131.77 | (5403.42) | (183.96) |
| | | | |
| 5. Cash and Cash Equivalents at the beginning of the period | 2,506.43 | 7909.84 | 8,093.81 |
| | | | |
| 6. Cash and Cash Equivalents at the end of the period | 2,638.20 | 2,506.43 | 7,909.84 |

B. Consolidated audited financial statements

(₹ in crore)

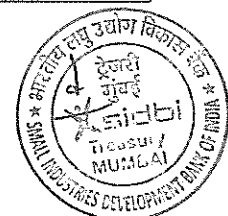
| A. Consolidated Balance Sheet | 31-Mar-23 | 31-Mar-22 | 31-Mar-21 |
|-------------------------------|-----------|-----------|-----------|
| Capital | 568.54 | 568.54 | 531.92 |
| Reserves, Surplus and Funds | 28,876.87 | 25,062.79 | 21,599.74 |






| | | | |
|--|--------------------|--------------------|--------------------|
| Deposits | 1,99,945.60 | 1,70,704.30 | 1,44,364.77 |
| Borrowings | 2,00,657.92 | 75,712.44 | 39,090.19 |
| Other Liabilities and Provisions | 9,203.25 | 6,831.68 | 8,104.71 |
| Deferred Tax Liability | 0.00 | 0.00 | 0.00 |
| Total | 4,39,252.18 | 2,78,879.74 | 2,13,691.33 |
| Cash and Bank Balances | 28,603.91 | 30,771.86 | 23,076.75 |
| Investments | 27,413.44 | 22,243.62 | 17,451.75 |
| Loans & Advances | 3,77,995.54 | 2,22,290.63 | 1,69,859.34 |
| Fixed Assets | 297.51 | 293.91 | 278.12 |
| Other Assets | 4,941.78 | 3,279.72 | 3,025.37 |
| Total | 4,39,252.18 | 2,78,879.74 | 2,13,691.33 |
| Contingent Liabilities | 4,513.44 | 5,337.90 | 5,950.61 |
| B. Consolidated Profit & Loss Account | | | |
| Interest and Discount | 19,482.45 | 9,715.64 | 11,214.31 |
| Other Income | 518.98 | 417.42 | 929.58 |
| Total | 20,001.43 | 10,133.06 | 12,143.89 |
| Interest & Financial charges | 13,156.49 | 6,363.02 | 7,190.89 |
| Operating Expenses | 841.67 | 711.78 | 571.34 |
| Provisions & Contingencies | 854.07 | 378.96 | 943.00 |
| Total | 14,852.23 | 7,453.75 | 8,705.23 |
| Profit before Tax | 5,149.20 | 2,679.31 | 3,438.66 |
| Provision for Income Tax | 1,424.28 | 499.84 | 782.67 |
| Deferred Tax Adjustment [(Asset) / Liability] | (172.74) | 11.68 | 33.55 |
| Share of earning/(loss) in associates | (33.81) | 5.81 | 14.90 |
| Profit after Tax | 3,931.47 | 2,161.98 | 2,607.55 |
| Profit brought forward | 444.99 | 301.46 | 183.56 |
| Total Profit / (Loss) | 4,376.46 | 2,463.44 | 2,791.11 |
| Transfer to General Reserve | 3,111.89 | 1,800.54 | 2,250.12 |

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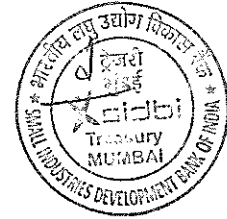
| | | | |
|---|-------------------|--------------------|--------------------|
| Transfer to Special reserve u/s 36(1)(viii) of The Income Tax Act, 1961 | 80.00 | 70.00 | 80.00 |
| Transfer to Statutory reserve u/s 45-IC of RBI Act, 1934 | 115.15 | 46.56 | 49.04 |
| Others | | | |
| a) Transfer to Investment Fluctuation Reserve | 0.00 | 10.96 | 0.00 |
| Transfer to Staff Welfare Fund | 11.11 | 10.55 | 4.10 |
| Development Fund | 0.00 | 0.00 | 0.00 |
| Dividend on Shares | 113.71 | 79.82 | 106.38 |
| Tax on Dividend | 0.00 | 0.00 | 0.00 |
| Surplus in Profit & Loss account carried forward | 944.60 | 444.99 | 301.46 |
| Total | 4,376.46 | 2,463.44 | 2,791.11 |
| | | | |
| C. Consolidated Cash Flow Statement | 31-Mar-23 | 31-Mar-22 | 31-Mar-21 |
| 1. Cash Flow from Operating Activities | | | |
| Net Profit before tax as per Consolidated P & L Account | 5,149.20 | 2,679.31 | 3438.66 |
| Depreciation | 26.67 | 36.44 | 24.09 |
| Provision for net depreciation investments | 24.54 | 5.53 | 15.62 |
| Provisions made (net of write back) | 916.74 | 425.63 | 996.54 |
| Profit on sale of investments (net) | (827.33) | (561.93) | (626.12) |
| Profit on sale of fixed assets | (1.34) | (0.14) | (0.08) |
| Dividend/Interest Received on Investments | (8.00) | (19.47) | (428.84) |
| Cash generated from operations | 5,280.48 | 2,565.37 | 3,419.88 |
| Current assets | (1,493.03) | (169.74) | 1,078.69 |
| Current liabilities | 6,491.98 | 8,168.99 | 2,382.88 |
| Bills of Exchange | (517.69) | (13.45) | 139.26 |
| Loans & Advances | (1,55,199.51) | (52,406.31) | 4,797.62 |
| Net Proceeds of Bonds and Debentures & other borrowings | 1,24,945.48 | 36,623.05 | (16,613.19) |
| Deposits received | 20,230.07 | 14,600.56 | 15,362.01 |
| Payment of Tax | (1,418.16) | (595.88) | (483.84) |
| Net Cash Flow from Operating Activities | (1,680.38) | 8,772.60 | 10,083.28 |
| Net (Purchase)/Sale of fixed assets | (28.94) | (52.09) | (14.84) |
| Net (Purchase)/ sale/redemption of Investments | 1,623.33 | (13,741.19) | (14,757.93) |
| Dividend/ Interest Received on Investments | 5.74 | 47.78 | 453.98 |
| Net cash used in Investing Activities | 1,600.13 | (13,745.50) | (14,318.79) |
| | | | |
| Dividend on Equity Shares & tax on Dividend | (79.82) | (134.70) | (25.14) |
| Proceeds from issuance of share capital & share premium | 0.00 | 1422.80 | 0.00 |






| | | | |
|---|----------|-----------|-----------|
| Net cash used in Financing Activities | (79.82) | 1288.10 | (25.14) |
| 4. Net increase / (decrease) in cash and cash equivalents | (160.07) | (3684.80) | (4260.64) |
| 5. Cash and Cash Equivalents at the beginning of the period | 4,365.30 | 8,050.10 | 12,310.74 |
| 6. Cash and Cash Equivalents at the end of the period | 4,205.23 | 4,365.30 | 8,050.10 |

MP



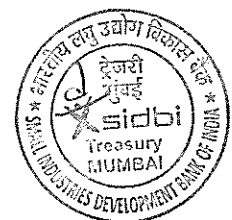


Small Industries Development Bank of India
(Established under the Small Industries Development Bank of India Act, 1989)
Head Office: SIDBI Tower, 15, Ashok Marg, Lucknow-226 001

Financial Results for the Quarter Ended June 30, 2023

(₹ crore)

| Particulars | Quarter Ended | | Year Ended | |
|--|---------------|------------|------------|------------|
| | 30.06.2023 | 31.03.2023 | 30.06.2022 | 31.03.2023 |
| | [Reviewed] | [Audited] | [Reviewed] | [Audited] |
| 1. Interest earned (a)+(b)+(c)+(d) | 6,504 | 5,703 | 3,045 | 17,954 |
| (a) Interest/disc. on advances/ bills | 5,801 | 5,057 | 2,488 | 15,173 |
| (b) Income on investments | 345 | 286 | 166 | 975 |
| (c) Interest on balances with Reserve Bank of India and other inter bank funds | 358 | 360 | 391 | 1,806 |
| (d) Others | - | - | - | - |
| 2. Other Income | 96 | 120 | 68 | 531 |
| 3. Total Income (1+2) | 6,600 | 5,823 | 3,113 | 18,485 |
| 4. Interest Expended | 4,761 | 4,084 | 1,911 | 12,406 |
| 5. Operating Expenses (i)+(ii) | 718 | 301 | 170 | 824 |
| (i) Employees cost | 147 | 180 | 114 | 507 |
| (ii) Other operating expenses | 571@ | 121 | 56 | 317 |
| 6. Total Expenditure (4+5) excluding provisions and contingencies | 5,479 | 4,385 | 2,081 | 13,229 |
| 7. Operating Profit before Provisions and Contingencies (3-6) | 1,121 | 1,438 | 1,032 | 5,256 |
| 8. Provisions (other than tax) and Contingencies [Net of write back] | 62 | 397 | (4) | 858 |
| 9. Exceptional Items | - | - | - | - |
| 10. Profit (+)/ Loss (-) from Ordinary Activities before tax (7-8+9) | 1,059 | 1,041 | 1,036 | 4,398 |
| 11. Tax expense [Net of DTA/DTL] | 267 | 226 | 260 | 1,054 |
| 12. Net Profit(+)/ Loss(-) from Ordinary Activities after tax (10-11) | 792 | 815 | 776 | 3,344 |
| 13. Extraordinary items (net of tax expense) | - | - | - | - |
| 14. Net Profit (+)/ Loss (-) for the period (12-13) | 792 | 815 | 776 | 3,344 |
| 15. Paid-up equity share capital (Face Value ₹ 10 each) | 569 | 569 | 569 | 569 |
| 16. Reserves excluding Revaluation Reserves | 27,727 | 26,935 | 24,492 | 26,935 |
| 17. Analytical Ratios | | | | |
| (i) Percentage of shares held by Government of India | 20.85% | 20.85% | 20.85% | 20.85% |
| (ii) Capital Adequacy Ratio | 15.63% | 19.29% | 21.53% | 19.29% |
| (iii) Earnings Per Share(Basic & Diluted) (EPS) | 13.93# | 14.34# | 13.64# | 58.81 |
| (iv) NPA Ratios | | | | |
| a) Amount of Gross NPA | 70 | 33 | 220 | 33 |
| b) Amount of Net NPA | 40 | 9 | 129 | 9 |
| c)% of Gross NPA | 0.02 | 0.01 | 0.11 | 0.01 |
| d)% of Net NPA | 0.01 | 0.00 | 0.06 | 0.00 |
| (v) Return on Assets (after Tax) (annualised) | 0.77% | 0.90% | 1.20% | 1.00% |
| (vi) Net Worth | 25,630 | 25,465 | 24,150 | 25,465 |
| (vii) Outstanding Redeemable Preference Shares | - | - | - | - |
| (viii) Capital Redemption Reserve | - | - | - | - |



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| | | | | |
|--|--------|--------|--------|--------|
| (ix) Debenture Redemption Reserve | - | - | - | - |
| (x) Operating Margin | 16.98% | 24.70% | 33.15% | 28.43% |
| (xi) Net Profit Margin | 12.00% | 14.00% | 24.93% | 18.09% |
| (xii) Debt - Equity Ratio * | 9.64 | 7.88 | 4.72 | 7.88 |
| (xiii) Total Debts to Total Assets (%) * | 54.59 | 49.87 | 39.10 | 49.87 |

Not annualised

*Debt denotes total Borrowings (excluding Deposits)

@Includes contribution of ₹500 crore made to CGTMSE

Notes:

- 1) The Significant Accounting Policies followed in preparation of these financial results, in all material aspects, are consistent with those followed in preparation of the annual financial statements for the year ended March 31, 2023.
- 2) The above results have been reviewed by the Board of Directors at their meeting held on July 31, 2023.
- 3) The figures for the quarter ended March 31, 2023 are the balancing figures between audited figures in respect of the financial year 2022-23 and the published year to date figures upto December 31, 2022.
- 4) The financial results for the quarter ended June 30, 2023 have been arrived at, after considering provisions for Non-performing assets, Standard Assets and Investment Depreciation on the basis of prudential norms issued by Reserve Bank of India. Income Tax, Deferred tax and other usual and necessary provisions including employee benefits made on estimated / proportionate basis, wherever required and subject to adjustment at the year-end.
- 5) During the quarter ended June 30, 2023, the Bank has made an additional provision on standard advances at rates higher than minimum stipulated under IRAC norms, as per Board approved Accelerated Provisioning Policy. Accordingly, the Bank holds additional provision on standard advances of ₹274.45 crore at June 30, 2023.
- 6) The extent to which the COVID19 pandemic will impact the Bank's results will depend on ongoing as well as future developments.
- 7) Details of loans transferred / acquired during the quarter ended June 30, 2023 under the RBI Master Direction on Transfer of Loan Exposures dated September 24, 2021 are given below:
During the quarter ended June 30, 2023:
 - i. the Bank has not acquired any loan not in default through assignment.
 - ii. the Bank has not transferred any non-performing assets (NPAs) to Asset Reconstruction Companies (ARCs)/ to permitted transferees/ to other transferees.
 - iii. the bank has not acquired any stressed loans and not transferred any loan not in default / Special Mention Accounts (SMA).
 - iv. the bank has not invested in Security Receipts (SR) issued by Asset Reconstruction Companies (ARC) in respect of stressed loans transferred to ARCs.
- 8) Floating provision is not considered for computation of net NPAs
- 9) Previous period's figures have been regrouped / reclassified wherever necessary to conform to current period classification.
- 10) As per RBI's letter dated May 15, 2019, implementation of IND-AS has been deferred for AIFIs until further notice.
- 11) The above results have been subjected to Limited Review by the Statutory Auditors.

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by DARSHIT
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DOSHI Date: 2023.07.31
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Dated: July 31, 2023
Place: Mumbai

By order of the Board
SIVASUBRAMA Digitally signed by
SIVASUBRAMANIAN RAMANN
NIAN RAMANN Date: 2023.07.31 14:05:27
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[Sivasubramanian Ramann]
Chairman and Managing Director



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Borkar & Muzumdar
Chartered Accountants

Limited Review Report on unaudited standalone financial results of the Small Industries Development Bank of India for the quarter ended 30 June 2023, pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

The Board of Directors
Small Industries Development Bank of India

1. We have reviewed the accompanying Statement of unaudited standalone financial results of Small Industries Development Bank of India (the "Bank") for the quarter ended 30 June 2023 ('the Statement'), attached herewith, being submitted by the Bank pursuant to the requirements of Regulation 52 (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations).
2. The Statement, which is the responsibility of the Bank's Management and has been approved by the Bank's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard -25 'Interim Financial Reporting' ('AS-25') notified by the Institute of Chartered Accountants of India, the Small Industries Development Bank of India General Regulations, 2000, the circulars, guidelines and directions issued by Reserve Bank of India from time to time (RBI guidelines) and the other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of the Listing Regulations, 2015 including relevant circulars issued by the SEBI from time to time. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all

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significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

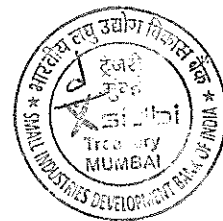
4. Included in these unaudited standalone financial results are the relevant returns of Mumbai Head Office reviewed by us which covers 94.20% of Advances, 97.90% of deposits, 100% of Borrowings as on 30 June 2023. In conduct of our review, we have relied upon various information and returns received from branches of the Bank not visited by us for the purpose of review and generated through centralized data base at Bank's Head Office.
5. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited standalone financial results prepared in accordance with applicable accounting standards, the RBI Guidelines and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.

For Borkar & Muzumdar
Chartered Accountants
Firm's Registration No. 101569W

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by DARSHIT
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Date:
DOSHI 2023.07.31
13:23:00 +05'30'

Darshit Doshi
Partner
Membership No. 133755
ICAI UDIN: 23133755BGQUAE5542

Place: Mumbai
Date: 31 July 2023



Borkar & Muzumdar
Chartered Accountants

Independent Auditor's report on the quarterly and annual standalone Financial Results of Small Industries Development Bank of India (SIDBI) pursuant to the Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Board of Directors,
Small Industries Development Bank of India

Opinion

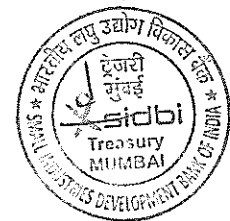
1. We have audited the accompanying standalone Financial Results of Small Industries Development Bank of India ("the Bank") for the quarter and year ended 31st March 2023 ("standalone Financial Results") attached herewith, being submitted by the Bank pursuant to the requirement of Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").
2. In our opinion and to the best of our information and according to the explanations given to us, these standalone Financial Results:
 - i. are presented in accordance with the requirements of Regulation 52 read with Regulation 63(2) of the Listing Regulations in this regard, and
 - ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Accounting Standards, the circulars, guidelines and directions issued by the Reserve Bank of India (RBI) from time to time ("RBI Guidelines") and other accounting principles generally accepted in India of the net profit and other financial information for the quarter and year ended 31st March 2023.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India ("the ICAI"). Our



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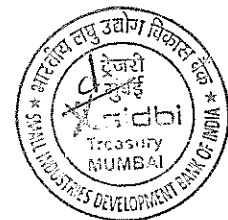




responsibilities under these Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Results' section of our report. We are independent of the Bank in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone Financial Results, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

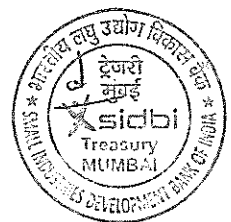
Management responsibilities for the standalone financial results.

4. These standalone Financial Results have been prepared on the basis of the audited standalone annual financial statements. The Bank's Management is responsible for the preparation of these standalone Financial Results that give a true and fair view of the net profit and other financial information in accordance with the Small Industries Development Bank of India General Regulations, 2000, and recognition and measurement principles laid down in the Accounting Standards notified by the Institute of Chartered Accountants of India, the RBI Guidelines and other accounting principles generally accepted in India and in compliance with the Listing Regulations. This responsibility also includes maintenance of adequate accounting records for safeguarding of the assets of the Bank and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Financial Results that give a true and fair view and are free from material misstatement, whether due to fraud or error.
5. In preparing the standalone Financial Results, the Management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.
6. Bank's Management is also responsible for overseeing the Bank's financial reporting process.



Auditor's Responsibilities for the Audit of the standalone Financial Results

7. Our objectives are to obtain reasonable assurance about whether the standalone Financial Results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone Financial Results.
8. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the standalone Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
 - Conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If



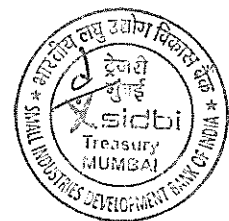


we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone Financial Results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.

- Evaluate the overall presentation, structure, and content of the standalone Financial Results, including the disclosures, and whether the standalone Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
9. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
10. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

11. These standalone Financial Results incorporate the relevant returns of 26 branches visited/audited by us including Head Office which covers 96.30% of Advances, 99.20% of deposits and 100% of Borrowings as on 31st March 2023 and 95.09% of Interest income on advances, 99.19% of interest expense on deposits and 100% of interest expense on borrowings for the year ended 31st March 2023. These branches have been selected in consultation with the Bank's management. In conduct of our audit, we have relied upon various information and returns received from remaining branches of the Bank not visited by us and generated through centralized data base at Head Office.
12. The standalone Financial Results includes the results for the quarter ended 31st March 2023, being the derived balancing figures between the standalone audited

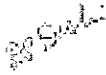





figures in respect of the full financial year ended 31st March 2023 and the published standalone unaudited year to date figures upto the nine months ended 31st December 2022, of the current financial year which have only been reviewed and not subjected to audit by us

Our opinion on the standalone financial results is not modified in respect of above matters.

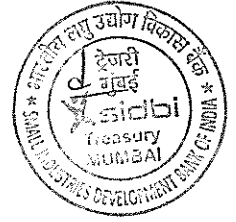
For Berkar & Muzumdar
Chartered Accountants
Firm's Registration No. 101569W

Darshit Doshi
Partner
Membership No. 133755
UDIN: 29133755BGGQIYK2661

Place: Mumbai
Date: 12th May 2023







Borkar & Muzumdar
Chartered Accountants

Independent Auditor's report on the annual consolidated Financial Results of Small Industries Development Bank of India (SIDBI) pursuant to the Regulation 52 read with Regulation 63(2) of the SEBI Listing Obligations and Disclosure Requirements Regulations, 2015

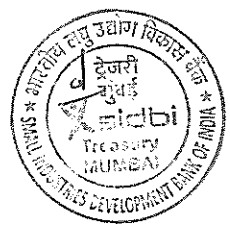
To,
The Board of Directors
Small Industries Development Bank of India

Opinion

- We have audited the accompanying Consolidated Financial Results of Small Industries Development Bank of India ("Parent" or "the Bank"), its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") and its associates for the year ended 31st March 2023 ("Consolidated Financial Results"), being submitted by the Bank pursuant to the requirement of Regulation 52 read with Regulation 63(2) of the SEBI Listing Obligations and Disclosure Requirements Regulations, 2015, as amended ("Listing Regulations").
- In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of reports of the other auditors on separate audited financial statements of the subsidiaries, the unaudited financial statements and the other financial information as the Associates as furnished by the management, these consolidated financial results:
 - include the annual audited financial results of the following entities:
 - Small Industries Development Bank of India (Parent)
 - Micro Units Development & Refinance Agency (MUDRA) (Subsidiary)
 - SIDBI Venture Capital Limited (SVCL) (Subsidiary)
 - SIDBI Trustee Company Limited (STCL) (Subsidiary)
 - include the annual unaudited financial results of the following entities:
 - Acme Rings Pvt Ltd (Related to MUDRA) (Associate)
 - India SME Asset Reconstruction Company Limited (ISARC) (Associate)
 - India Financial Corporation (IFCL) (Associate)
 - Accelvalue/Exchange of India Limited (EIN) (Associate)
 - STFCIL Fund (Associate)



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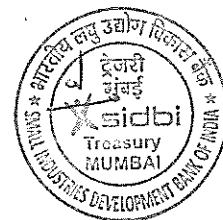
- iii. are presented in accordance with the requirements of Regulation 52 read with Regulation 63(2) of the Listing Regulations in this regard; and
- iv. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards, the circulars, guidelines and directions issued by the Reserve Bank of India (RBI) from time to time ("RBI Guidelines") and other accounting principles generally accepted in India of the consolidated net profit and other financial information of the Group and its associates for the year ended 31st March 2023.

Basis for Opinion

- 3. We conducted our audit in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India ("the ICAI"). Our responsibilities under these Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Results' section of our report. We are independent of the Bank in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Consolidated Financial Results, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their report referred to in 'Other Matter' paragraph below, is sufficient and appropriate to provide a basis for our opinion.

Management responsibilities for the consolidated financial results.

- 4. These Consolidated Financial Results have been prepared on the basis of the audited consolidated annual financial statements. The Bank's Management is responsible for the preparation of these Consolidated Financial Results that give a true and fair view of the consolidated net profit and other financial information of the Group including its associates in accordance with the Small Industries Development Bank of India General Regulations, 2001, and recognition and measurement principles laid down in the Accounting Standards issued by the Institute of Chartered Accountants of India, the RBI Guidelines and other accounting principles generally accepted in India and in compliance with the Listing Regulations. The respective management of the entities included in the Group and of its associates are responsible for the maintenance of adequate accounting records for safeguarding of the assets of the Group and its associates.



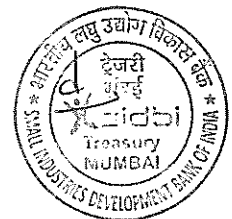


and for concealing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation, and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Results that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the Consolidated Financial Results by the Management of the Bank, as aforesaid.

5. In preparing the Consolidated Financial Results, the respective Management of the entities included in the Group and of its associates are responsible for assessing the ability of the Group and its associates to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management either intends to liquidate the respective entities in the Group or to cease operations, or has no realistic alternative but to do so.
6. The respective Management of the entities included in the Group and of its associates are responsible for overseeing the financial reporting process of the Group and of its associates.

Auditor's Responsibilities for the Audit of the Consolidated Financial Results

7. Our objectives are to obtain reasonable assurance about whether the consolidated Financial Results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial Results.
8. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:



- Identify and assess the risks of material misstatement of the consolidated financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and of its associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated Financial Results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group and its associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the Consolidated Financial Results, including the disclosures, and whether the Consolidated Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results financial information of the entities within the Group and its associates to express an opinion on the Consolidated Financial Results. We are responsible



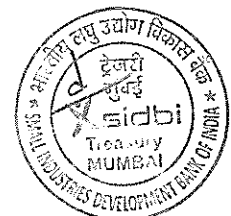


for the direction, supervision and performance of the audit of financial information of such entities included in the Consolidated Financial Results of which you are the independent auditors. For the other entities included in the Consolidated Financial Results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

9. We communicate with those charged with governance of the Bank regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
10. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

11. These Consolidated Financial Results incorporate the relevant returns of 26 branches of the Bank visited/audited by us including Bank's Head Office which covers 96.00% of Advances, 99.50% of deposits and 100% of Borrowings of the Bank as on 31st March 2023 and 95.00% of Interest income on advances, 99.19% of interest expense on deposits and 100% of interest expense on borrowings of the Bank for the year ended 31st March 2023. These branches have been selected in consultation with the management of the Bank. In conduct of our audit, we have relied upon various information and returns received from remaining branches of the Bank not visited by us and generated through centralized data base at Bank's Head Office.
12. The Consolidated Financial Results include the audited financial results of three subsidiaries, whose financial statements/financial results/financial information reflect total assets of Rs. 58,585.53 crore as at 31st March 2023, total revenues of Rs. 1,550.48 crore and total net profit after tax of Rs. 581.73 crore for the year ended 31st March 2023 and net cash outflow amounting to Rs. 201.85 crore for the year




ended on that date, as considered in the Consolidated Financial Results, which have been audited by other independent auditors, whose reports have been furnished to us by the management. Our opinion on the Consolidated Financial Results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of such auditors and the procedures performed by us are as stated in section above.

13. The Consolidated Financial Results also include the Group's share of net profit of Rs. 33.81 crore for the year ended 31st March 2023, as considered in the Consolidated Financial Results, in respect of associates, whose financial statements have not been audited by us. These financial statements are unaudited and have been furnished to us by the Bank's Management and our opinion on the consolidated financial statement, in so far as it relates to the amounts and disclosures included in respect of these associates, is based solely on such unaudited financial information. We have relied on the management's written representation to us that the effect of the changes / adjustments, if any, required to be made to the reported numbers of these Associates consequent to their audit would not be material for the Group.

Our opinion on the consolidated financial results is not modified in respect of above matters.

For Partner & Member
Chartered Accountants
Firm's Registration No. 181599W


Harshil Desai
Partner
Membership No. 130255
UDIN: 2310075590001312228

Mumbai
Date: 22nd May 2023





D. Key Operational & Financial Parameters on consolidated and Standalone basis.

(₹ in crore)

1. Consolidated

| Balance Sheet | 31-Mar-23 | 31-Mar-22 | 31-Mar-21 |
|---|-------------|-------------|-------------|
| Net Fixed assets | 297.51 | 293.91 | 278.12 |
| Current assets | NA | NA | NA |
| Non-current assets | NA | NA | NA |
| Total assets | 4,39,252.18 | 2,78,879.74 | 2,13,691.33 |
| Non-Current Liabilities ((including maturities of long term borrowings and short-term borrowings) Financial (borrowings, trade payables, and other financial liabilities) Provisions Deferred tax liabilities (net)\$ | | | |
| Other non-current liabilities\$ | | | |
| Current Liabilities (including maturities of long-term borrowings) Financial (borrowings, trade payables, and other financial liabilities) Provisions Current tax liabilities (net) \$ | | | |
| Other current liabilities | | | |
| Equity (equity and other equity) includes Capital, Reserve, Surplus & Funds | 29,445.41 | 25,631.33 | 22,131.66 |
| Total equity and liabilities | 4,39,252.18 | 2,78,879.74 | 2,13,691.33 |
| Profit and Loss | | | |
| Total revenue | 20,001.43 | 10,133.06 | 12,143.88 |
| From operations | 19,482.45 | 9,715.64 | 11,214.31 |
| Other income | 518.98 | 417.42 | 929.58 |
| Total Expenses (including Provisions) | 14,852.23 | 7,453.75 | 8,705.23 |
| Total comprehensive income | NA | NA | NA |
| Profit / loss (before Tax) | 5,149.20 | 2,679.31 | 3,438.66 |
| Other comprehensive income | NA | NA | NA |
| Profit / loss after tax | 3,931.47 | 2,161.98 | 2,607.55 |
| Earnings per equity share | | | |
| (a) basic and | 69.15 | 40.63 | 49.02 |
| (b) diluted | 69.15 | 40.63 | 49.02 |
| Continuing operations | NA | NA | NA |
| Discontinued operations | NA | NA | NA |
| Total Continuing and discontinued operations | NA | NA | NA |
| Cash Flow | | | |
| Net cash generated from operating activities | (1,680.38) | 8,772.70 | 10,083.28 |
| Net cash used in / generated from investing activities | 1,600.13 | (13,745.50) | (14,318.79) |



| | | | |
|--|----------------|-----------|-----------|
| Net cash used in financing activities | (79.82) | 1288.10 | (25.14) |
| Cash and cash equivalents | 4,205.23 | 4,365.30 | 8,050.10 |
| Balance as per statement of cash flows | 4,205.23 | 4,365.30 | 8,050.10 |
| Additional information | | | |
| Net worth | Not Calculated | | |
| Cash and Cash Equivalents | 28,603.91 | 30,771.86 | 23,076.75 |
| Current Investments | NA | NA | NA |
| Assets Under Management | NA | NA | NA |
| Off Balance Sheet Assets | 4,513.44 | 5,337.90 | 5,950.61 |
| Total Debts to Total assets* | 0.46 | 0.27 | 0.18 |
| Debt Service Coverage Ratios | NA | NA | NA |
| Interest Income including Discounts | 19,482.45 | 9,715.64 | 11,214.31 |
| Interest Expense | 13,156.49 | 6,363 | 7,190.89 |
| Interest service coverage ratio | NA | NA | NA |
| Provisioning & Write-offs | 854.07 | 378.96 | 943.00 |
| Bad debts to Account receivable ratio | NA | NA | NA |
| Gross NPA (%) | Not Calculated | | |
| Net NPA (%) | 0.00 | 0.06 | 0.11 |
| Tier I Capital Adequacy Ratio (%) | 19.94% | 24.26% | 28.78% |
| Tier II Capital Adequacy Ratio (%) | 1.17% | 0.02% | 0.94% |

\$ Being a financial institution, the same is not bifurcated.

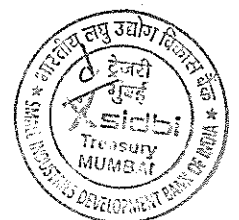
2. Standalone

| Balance Sheet | 30-Jun-23 | 31-Mar-23 | 31-Mar-22 | 31-Mar-21 |
|---|-------------|-------------|-------------|-------------|
| Net Fixed assets | 305.14 | 296.39 | 293.12 | 277.32 |
| Current assets | NA | | NA | NA |
| Non-current assets | NA | | NA | NA |
| Total assets | 4,52,429.35 | 4,02,382.73 | 2,47,378.69 | 1,92,322.45 |
| Non-Current Liabilities ((including maturities of long term borrowings and short-term borrowings) Financial (borrowings, trade payables, and other financial liabilities) Provisions Deferred tax liabilities (net)\$ | | | | |
| Other non-current liabilities\$ | | | | |
| Current Liabilities (including maturities of long-term borrowings) Financial (borrowings, trade payables, and other financial liabilities) Provisions Current tax liabilities (net) \$ | | | | |
| Other current liabilities | | | | |
| Equity (equity and other equity) includes Capital, Reserve, Surplus & Funds | 28,599.37 | 27,809.24 | 24,583.07 | 21,288.22 |
| Total equity and liabilities | 4,52,429.35 | 4,02,382.73 | 2,47,378.69 | 1,92,322.45 |
| Profit and Loss | | | | |
| Total revenue | 6,599.83 | 18,484.82 | 9,139.18 | 11,165.63 |



| | | | | |
|--|-----------|-----------|-------------|-------------|
| From operations | 6,503.63 | 17,953.54 | 8,714.12 | 10,221.36 |
| Other income | 96.20 | 531.28 | 425.06 | 944.27 |
| Total Expenses (including Provisions) | 5,541.47 | 14,087.34 | 6,751.16 | 8,018.12 |
| Total comprehensive income | NA | NA | NA | NA |
| Profit / loss (before Tax) | 1,058.36 | 4,397.48 | 2,388.02 | 3,147.51 |
| Other comprehensive income | NA | NA | NA | NA |
| Profit / loss after tax | 791.88 | 3,343.57 | 1,957.79 | 2,398.28 |
| Earnings per equity share | | | | |
| (a) basic and | 13.93 | 58.81 | 36.79 | 45.09 |
| (b) diluted | 13.93 | 58.81 | 36.79 | 45.09 |
| Continuing operations | NA | NA | NA | NA |
| Discontinued operations | NA | NA | NA | NA |
| Total Continuing and discontinued operations | NA | NA | NA | NA |
| Cash Flow | | | | |
| Net cash generated from operating activities | | (634.13) | 7,516.54 | 14,810.49 |
| Net cash used in / generated from investing activities | | 845.73 | (14,236.37) | (14,994.47) |
| Net cash used in financing activities | | (79.82) | 1,316.41 | 0.00 |
| Cash and cash equivalents | | 2,638.20 | 2,506.42 | 7,909.83 |
| Balance as per statement of cash flows | | 2,638.20 | 2,506.42 | 7,909.83 |
| Additional information | | | | |
| Net worth | 25630.39 | 25,464.95 | 23,497.34 | 20,667.33 |
| Cash and Cash Equivalents | 39,655.36 | 12,108.82 | 17,918.31 | 13,807.96 |
| Current Investments | NA | NA | NA | NA |
| Assets Under Management | NA | NA | NA | NA |
| Off Balance Sheet Assets | 4,159.21 | 4,513.44 | 5,337.90 | 5,950.61 |
| Total Debts to Total assets | 0.55 | 0.50 | 0.31 | 0.20 |
| Debt Service Coverage Ratios | NA | NA | NA | NA |
| Interest Income including Discounts | 6,503.63 | 17,953.54 | 8,714.12 | 10,221.36 |
| Interest Expense | 4,760.74 | 12,405.66 | 5,701.63 | 6,542.88 |
| Interest service coverage ratio | NA | NA | NA | NA |
| Provisioning & Write-offs | 62.16 | 858.14 | 351.81 | 915.24 |
| Bad debts to Account receivable ratio | NA | NA | NA | NA |
| Gross NPA (%) | 0.02 | 0.01 | 0.11 | 0.18 |
| Net NPA (%) | 0.01 | 0.00 | 0.07 | 0.12 |
| Tier I Capital Adequacy Ratio (%) | 15.21% | 18.81% | 24.28% | 27.49% |
| Tier II Capital Adequacy Ratio (%) | 0.42% | 0.48% | 0.00% | 0.00% |

\$ Being a financial institution, the same is not bifurcated.



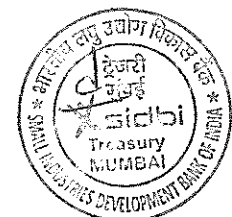
Small Industries Development Bank of India
(Established under the Small Industries Development Bank of India Act, 1989)
Head Office: SIDBI Tower, 15, Ashok Marg, Lucknow-226 001

Standalone Financial Results for the Quarter and Year Ended March 31, 2023

(₹ crore)

| Particulars | Quarter Ended | | | Year Ended | |
|--|---------------|------------|------------|------------|------------|
| | 31.03.2023 | 31.12.2022 | 31.03.2022 | 31.03.2023 | 31.03.2022 |
| | [Audited] | [Reviewed] | [Audited] | [Audited] | [Audited] |
| 1. Interest earned (a)+(b)+(c)+(d) | 5,703 | 5,092 | 2,471 | 17,954 | 8,715 |
| (a) Interest/disc. on advances/ bills | 5,057 | 4,441 | 2,087 | 15,173 | 7,475 |
| (b) Income on investments | 286 | 250 | 124 | 975 | 461 |
| (c) Interest on balances with Reserve Bank of India and other inter bank funds | 360 | 401 | 260 | 1,806 | 779 |
| (d) Others | - | - | - | - | - |
| 2. Other Income | 120 | 235 | 184 | 531 | 424 |
| 3. Total Income (1+2) | 5,823 | 5,327 | 2,655 | 18,485 | 9,139 |
| 4. Interest Expended | 4,084 | 3,595 | 1,547 | 12,406 | 5,702 |
| 5. Operating Expenses (i)+(ii) | 301 | 193 | 203 | 824 | 600 |
| (i) Employees' cost | 180 | 113 | 104 | 507 | 370 |
| (ii) Other operating expenses | 121 | 80 | 99 | 317 | 230 |
| 6. Total Expenditure (4+5) excluding provisions and contingencies | 4,385 | 3,788 | 1,750 | 13,229 | 6,302 |
| 7. Operating Profit before Provisions and Contingencies (3-6) | 1,438 | 1,539 | 905 | 5,256 | 2,837 |
| 8. Provisions (other than tax) and Contingencies (Net of write back) | 397 | 128 | 162 | 858 | 352 |
| 9. Exceptional Items | - | - | - | - | (97) |
| 10. Profit (+)/ Loss (-) from Ordinary Activities before tax(7-8+9) | 1,041 | 1,411 | 743 | 4,398 | 2,388 |
| 11. Tax expense (Net of DTA/DTL) | 226 | 346 | 166 | 1,054 | 430 |
| 12. Net Profit(+)/ Loss(-) from Ordinary Activities after tax (10-11) | 815 | 1,065 | 577 | 3,344 | 1,958 |
| 13. Extraordinary items (net of tax expense) | - | - | - | - | - |
| 14. Net Profit (+)/ Loss (-) for the period (12-13) | 815 | 1,065 | 577 | 3,344 | 1,958 |
| 15. Paid-up equity share capital (Face Value < 10 eqn) | 569 | 569 | 569 | 569 | 569 |
| 16. Reserves excluding Revaluation Reserves | 26,935 | 26,246 | 23,716 | 26,935 | 23,716 |
| 17. Analytical Ratios | | | | | |
| (i) Percentage of shares held by Government of India | 20.85% | 20.85% | 20.85% | 20.85% | 20.85% |
| (ii) Capital Adequacy Ratio (Under Basel I) | 19.29% | 19.98% | 24.28% | 19.29% | 24.28% |
| (iii) Earnings Per Share (Basic & Diluted) (EPS) | 14.34# | 18.73# | 10.83# | 58.81 | 38.79 |
| (iv) NPA Ratios | | | | | |
| a) Amount of Gross NPA | 33 | 255 | 218 | 33 | 218 |
| b) Amount of Net NPA | 9 | 142 | 132 | 9 | 132 |
| c) % of Gross NPA | 0.01 | 0.08 | 0.11 | 0.01 | 0.11 |
| d) % of Net NPA | 0.00 | 0.05 | 0.07 | 0.00 | 0.07 |

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| | 0.93% | 1.22% | 0.80% | 1.00% | 0.55* |
|---|--------|--------|--------|--------|--------|
| (a) Return on Assets (after Tax (annualised)) | 25.43% | 25.71% | 23.49% | 25.46% | 23.4% |
| (b) Net Worth | - | - | - | - | - |
| (c) Outstanding Redeemable Preference Shares | - | - | - | - | - |
| (d) Capital Redemption Reserve | - | - | - | - | - |
| (e) Debenture Redemption Reserve | - | - | - | - | - |
| (f) Operating Margin | 24.76% | 25.09% | 24.10% | 25.43% | 23.04% |
| (g) Net Profit Margin | 14.68% | 15.69% | 21.73% | 18.09% | 21.43% |
| (h) Debt : Equity Ratio * | 7.85 | 6.68 | 3.22 | 7.68 | 3.2 |
| (i) Debt Ratio to Total Assets (%) * | 49.87 | 46.23 | 30.54 | 40.87 | 50.6 |

* Not annualised

* Debt denotes total Borrowings (excluding Deposits)

Statement of Assets and Liabilities:

| Particulars | ₹ crore) | |
|----------------------------------|----------------------------------|----------------------------------|
| | As at 31.03.2023 [Audited] | As at 31.03.2022 [Audited] |
| CAPITAL AND LIABILITIES | | |
| Deposits | 569 | 569 |
| Reserves, Surplus and Funds | 27,241 | 24,016 |
| Deposits | 1,65,036 | 1,40,878 |
| Borrowings | 2,02,358 | 75,712 |
| Other Liabilities and Provisions | 8,279 | 5,204 |
| Deferred Tax Liability | - | 1 |
| Total | 4,02,383 | 2,47,379 |
| ASSETS | | |
| Cash and Bank Balances | 12,105 | 17,816 |
| Investments | 23,082 | 23,252 |
| Loans & Advances | 3,59,439 | 3,02,352 |
| Fixed Assets | 295 | 295 |
| Other Assets | 4,452 | 2,964 |
| Total | 4,02,383 | 2,47,379 |

Statement of Cash flow:

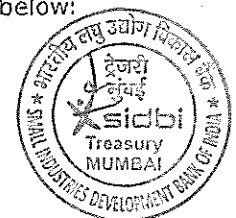
| Particulars | ₹ crore) | |
|--|------------|------------|
| | 31.03.2023 | 31.03.2022 |
| | Audited | Audited |
| 1. Cash flow from Operating Activities | | |
| Net Profit before tax as per P & L Account | 4,398 | 2,365 |
| Adjustments for: | | |
| Depreciation | 26 | 35 |
| Provision for net depreciation in investments | 26 | 6 |
| Provisions made (net of write back) | 919 | 398 |
| Profit on sale of investments (net) | (45) | (70) |
| Profit on sale of fixed assets | (1) | - |
| Income received on investments | (32) | (48) |
| Cash generated from operations | 5,291 | 2,711 |
| (Prior to changes in operating Assets and Liabilities) | | |
| Adjustments for net changes in: | | |
| Current assets | (11,280) | (29) |



| | | |
|--|--------------|-----------------|
| Current liabilities | 1,639 | (1,732) |
| Bills of Exchange | (518) | (13) |
| Loans & Advances | (1,53,609) | (45,994) |
| Net Proceeds of Bonds and Debentures & other borrowings | 1,24,945 | 36,622 |
| Deposits received | 24,158 | 16,466 |
| | (4,665) | 5,311 |
| Payment of Tax | (1,260) | (504) |
| Net Cash flow from operating Activities | (634) | 7,517 |
| 2 Cash Flow from Investing Activities | | |
| Net (Purchase)/Sale of fixed assets | (28) | (52) |
| Net (Purchase)/sale/redemption of Investments | 841 | (14,232) |
| Income received on Investments | 32 | 48 |
| Net cash used in Investing Activities | 845 | (14,236) |
| 3 Cash flow from Financing Activities | | |
| Proceeds from issuance of share capital & share premium | - | 1,422 |
| Dividend on Equity Shares & tax on dividend | (80) | (106) |
| Net cash used in Financing Activities | (80) | 1,316 |
| 4 Net increase/(decrease) in cash and cash equivalents | 131 | (5,403) |
| 5 Cash and Cash Equivalents at the beginning of the period | 2,507 | 7,910 |
| 6 Cash and Cash Equivalents at the end of the period | 2,638 | 2,507 |
| 7 Cash and cash equivalents at the end of the period includes | | |
| Cash in Hand | - | - |
| Current account balance with Bank | 631 | 93 |
| Mutual Funds | - | 2,000 |
| Deposits | 2,007 | 414 |

Notes

- 1) The Significant Accounting Policies followed in preparation of these financial results are consistent with those followed in preparation of the annual financial statements for the year ended March 31, 2022.
- 2) The above results have been approved by the Board of Directors at their meeting held on May 12, 2023.
- 3) The figures of the last quarter in each of the financial years are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the end of the third quarter of the respective financial year.
- 4) The financial results for the year ended March 31, 2023 have been arrived at, after considering provisions for Non-performing assets, Standard Assets and Investment Depreciation, provision for Income Tax, Deferred tax and other usual and necessary provisions.
- 5) During the year ended March 31, 2023, the Bank has made an additional provision on standard advances at rates higher than minimum stipulated under IRAC norms, as per Board approved Accelerated Provisioning Policy. Accordingly, the Bank holds additional provision on standard advances of ₹253.38 crore as at March 31, 2023.
- 6) The extent to which the COVID19 pandemic will impact the Bank's results will depend on ongoing as well as future developments.
- 7) Details of resolution plans implemented under the RBI Resolution Framework for COVID-19 related stress as per RBI Circular dated 6th August, 2020 (Resolution Framework 1.0) and 5th May, 2021 (Resolution Framework 2.0) as at March 31, 2023 are given below:

(₹ in crore)

| Type of borrower | Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year (A) | Of (A), aggregate debt that slipped into NPA during the half-year | Of (A), amount written off during the half-year | Of (A), amount paid by the borrowers during the half-year \$ | Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of March 31, 2023 |
|-----------------------|--|---|---|--|--|
| Personal Loans | --- | --- | --- | --- | --- |
| Corporate persons | 31.09 | 0.00 | 0.00 | (3.07) | 28.02 |
| <i>Of which MSMEs</i> | 31.09 | 0.00 | 0.00 | (3.07) | 28.02 |
| Others | --- | --- | --- | --- | --- |
| Total | 31.09 | 0.00 | 0.00 | (3.07) | 28.02 |

\$Represents net movement in balance outstanding.

- 8) Details of loans transferred / acquired during the quarter and year ended March 31, 2023 under the RBI Master Direction on Transfer of Loan Exposures dated September 24, 2021 are given below:
During the quarter and year ended March 31, 2023:
- the Bank has not acquired any loan not in default through assignment.
 - the Bank has not transferred any non-performing assets (NPAs) to Asset Reconstruction Companies (ARCs)/ to permitted transferees/ to other transferees.
 - the bank has not acquired any stressed loans and not transferred any loan not in default / Special Mention Accounts (SMA).
 - the bank has not invested in Security Receipts (SR) issued by Asset Reconstruction Companies (ARC) in respect of stressed loans transferred to ARCs
- 9) Floating provision is not considered for computation of net NPAs
- 10) Status of Investors' Complaints: As on 1st April, 2022 the Bank had 01 pending investor's complaint for disposal, which was later on resolved on April 08, 2022. During the current financial year 17 complaints were received from Investors and 18 complaints (including the complaint pending on April 01, 2022) were disposed off during the year. Accordingly, "Nil" complaint was pending for disposal as on March 31, 2023
- 11) Previous period's figures have been regrouped / reclassified wherever necessary to conform to current period classification.
- 12) As per RBI's letter dated May 15, 2019, implementation of IND-AS has been deferred for AIFs until further notice.
- 13) The above results have been subjected to Audit by the Statutory Auditors

APDoshi



By order of the Board

[Signature]

Dated: May 12, 2023
Place: Mumbai

[Sivasubramanian Ramann]
Chairman and Managing Director



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E: Debt: Equity Ratio of the Issuer:-

| | |
|---|------|
| Before the issue of debt securities (<i>as on March 31, 2023</i>) | 7.88 |
| After the issue of debt securities during the current FY (<i>including bond issues made after March 31, 2023</i>) | 8.43 |

2.3.9 Details of any other contingent liabilities of the issuer based on the last audited financial statements including amount and nature of liability - ₹4513.44 crore as per the audited results for the year ended March 31, 2023.

2.3.10 Brief history of the Issuer since its incorporation: -

SIDBI was established on April 2, 1990, under the Small Industries Development Bank of India Act, 1989, an Act of Parliament, as a wholly owned subsidiary of Industrial Development Bank of India.

In accordance with the provisions of Section 4B of the Small Industries Development Bank of India (Amendment) Act, 2000, GoI approved transfer of 23 crore (51.11 per cent) equity shares of SIDBI subscribed and held by IDBI to State Bank of India (SBI), Life Insurance Corporation of India (LIC), and other banks / institutions owned or controlled by Central Government. GOI, vide two notifications dated September 25, 2001, had specified the proportion of divestment of 23 crore SIDBI shares held by IDBI in favour of 35 institutions / public sector banks / insurance companies owned and controlled by the Central Government.

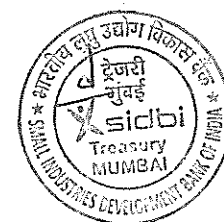
Currently, of the total paid-up equity capital of ₹569 crore, State Bank of India shareholding (15.65%), Government of India (20.85%), LIC of India (13.33%) and NABARD (9.36%) are the majority shareholders.

The SIDBI Act envisaged SIDBI to be the principal financial institution for the promotion, financing and development of industry in the small scale sector and to co-ordinate the functions of the institutions engaged in the promotion and financing or developing industry in the small scale sector and for matters connected therewith or incidental thereto.

a. Details of Share Capital as at last quarter end: -

SIDBI was established on April 2, 1990, under the Small Industries Development Bank of India Act, 1989, an Act of Parliament, as a wholly owned subsidiary of Industrial Development Bank of India. Pursuant to the Act, IDBI's portfolio relating to the small-scale industrial sector was transferred to SIDBI. In accordance with the provisions of Section 4B of Small Industries Development Bank of India (Amendment) Act, 2000, 80.79% of IDBI's equity stake in SIDBI was divested in favour of banks / institutions owned or controlled by Central Government.

Currently, the total paid-up equity capital of ₹569 crore is held by banks, financial institutions and insurance companies comprising mainly State Bank of India (15.65%), Government of India (20.85%), LIC of India (13.33%), NABARD (9.36%) and other majority shareholders.



| Particulars | | Amount (₹ crore) |
|-------------|---|---------------------|
| (A) | Authorized Capital | |
| | Equity Capital | |
| | 75,00,00,000 Equity Shares of ₹10 each | 750 |
| | Preference Capital | |
| | 25,00,00,000 Redeemable Preference Shares of ₹10 each | 250 |
| | Total Authorized Capital | 1,000 |
| (B) | Issued, Subscribed and Paid-up Share Capital | |
| | 56,85,41,169 Equity Shares of ₹10 each | 569 |

b. Changes in its capital structure as at last quarter end, for the last three years:- No change in authorised capital structure. Issued and paid-up capital increased by ₹37 crore on August 14, 2015, ₹45 crore during July 2016 at a premium of ₹212.52 per share and by ₹36 crore during March 2022 at a premium of ₹388.54 per share.

c. Equity Share Capital History of SIDBI:-

| No. | Date of Allotment | No. of Shares (Face Value of ₹10 each) | Issue Price (₹) | Total Paid Capital (₹) |
|-----|-----------------------|--|--------------------|---------------------------|
| 1 | First FY of Inception | 45,00,00,000 | 10 | 450,00,00,000 |
| 2 | August 14, 2015 | 3,69,82,250 | 10 | 36,98,22,500 |
| 3 | June-September 2016 | 4,49,39,781 | 10 | 44,93,97,810 |
| 4 | March 30, 2022 | 3,66,19,138 | 10 | 36,61,91,380 |
| | Total | --- | -- | 568,54,11,690 |

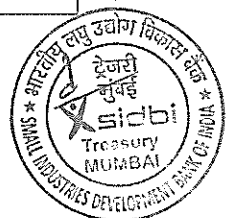
d. Details of any Acquisition of or Amalgamation with any entity in the last 1 year :- None

e. Details of any reorganization or reconstruction in the last one year – None

f. Details of the shareholding of the Company as at the latest quarter end:-

Shareholding as on March 31, 2023

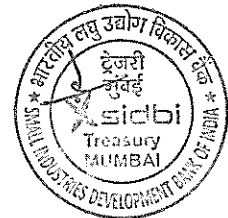
| Sl. No. | Name of the Shareholder | No of shares held | % of Holding |
|---------|---|-------------------|--------------|
| 1 | Government of India | 11,85,41,169 | 20.85% |
| 2 | State Bank of India | 8,90,00,000 | 15.65% |
| 3 | Life Insurance Corporation of India | 7,57,98,889 | 13.33% |
| 4 | National Bank for Agriculture & Rural Development | 5,31,92,203 | 9.36% |
| 5 | Punjab National Bank | 3,39,00,000 | 5.96% |
| 6 | Bank of Baroda | 2,88,59,610 | 5.08% |
| 7 | National Housing Bank | 2,60,00,000 | 4.57% |
| 8 | Canara Bank | 2,56,59,610 | 4.51% |
| 9 | Union Bank of India | 2,06,00,000 | 3.62% |



| | | | |
|----|--|---------------------|----------------|
| 10 | Bank of India | 1,51,00,000 | 2.66% |
| 11 | Central Bank of India | 1,27,00,000 | 2.23% |
| 12 | United India Insurance Company Limited | 83,00,000 | 1.46% |
| 13 | Export Import Bank of India | 79,00,000 | 1.39% |
| 14 | IDBI Bank | 70,89,688 | 1.25% |
| 15 | Indian Bank | 63,00,000 | 1.11% |
| 16 | General Insurance Corporation of India | 63,00,000 | 1.11% |
| 17 | National Insurance Company Limited | 63,00,000 | 1.11% |
| 18 | New India Assurance Company Limited | 63,00,000 | 1.11% |
| 19 | Oriental Insurance Company Limited | 63,00,000 | 1.11% |
| 20 | Indian Overseas Bank | 48,00,000 | 0.84% |
| 21 | Bank of Maharashtra | 32,00,000 | 0.56% |
| 22 | Punjab & Sind Bank | 32,00,000 | 0.56% |
| 23 | UCO Bank | 32,00,000 | 0.56% |
| | Grand Total | 56,85,41,169 | 100.00% |

g. List of top 10 holders of equity shares of the Company as at the latest quarter end (March 31, 2023):

| Sl. No. | Name of the Shareholder | No of shares held | % of Holding |
|---------|---|-------------------|--------------|
| 1 | Government of India | 11,85,41,169 | 20.85% |
| 2 | State Bank of India | 8,90,00,000 | 15.65% |
| 3 | Life Insurance Corporation of India | 7,57,98,889 | 13.33% |
| 4 | National Bank for Agriculture & Rural Development | 5,31,92,203 | 9.36% |
| 5 | Punjab National Bank | 3,39,00,000 | 5.96% |
| 6 | Bank of Baroda | 2,88,59,610 | 5.08% |
| 7 | National Housing Bank | 2,60,00,000 | 4.57% |
| 8 | Canara Bank | 2,56,59,610 | 4.51% |
| 9 | Union Bank of India | 2,06,00,000 | 3.62% |
| 10 | Bank of India | 1,51,00,000 | 2.66% |



2.3.11 Details of directors:

A- Current Directors as on October 11, 2023

| Sl. No. | Name of the Director, Designation and DIN | Age / Date of Birth | Address | Director since (Date of appointment on SIDBI Board) | List of other directorships |
|---------|--|-----------------------------|---|---|---|
| 1 | Shri Sivasubramanian Ramann Chairman & Managing Director DIN 07685657 | 57 years / 25 February 1966 | Small Industries Development Bank of India SWAVALAMBAN BHAVAN, Avenue 3, Lane 2, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051 | 19/04/2021 | 1 SIDBI Venture Capital Ltd. 2 SIDBI Trustee Company Ltd. 3 Micro Units Development & Refinance Agency Ltd 4 Credit Guarantee Fund Trust for Micro and Small Enterprises 5 Receivables Exchange of India Ltd. 6 Open Network for Digital Commerce 7 National Credit Guarantee Trustee Company Ltd. 8 Entrepreneurship Development Institute of India (EDII) 9 SIDBI Swavalamban Foundation 10 RXIL Financial Technologies Services Ltd |
| 2 | Shri Sudatta Mandal Dy. Managing Director (Whole Time Director) DIN 00942070 | 55 years / 20 April 1968 | Small Industries Development Bank of India SWAVALAMBAN BHAVAN, Avenue 3, Lane 2, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051 | 03/05/2021 | 1 Micro Units Development & Refinance Agency Limited 2 Receivables Exchange of India Ltd. 3 SIDBI Swavalamban Foundation 4 RXIL Global IFSC Limited 5 RXIL Financial Technologies Services Ltd |
| 3 | Dr Rajneesh Government Nominee Director/Non-Executive/Independent Director Additional Secretary & Development | 49 years/ 23 November 1973 | Ministry of Micro, Small and Medium Enterprises, Nirman Bhawan, Maulana Azad Road, New Delhi - 110 108 | 22/02/2023 | |

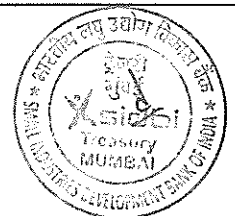
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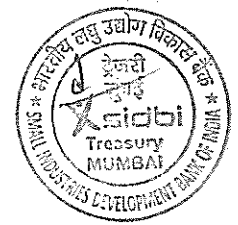
| | | | | | |
|---|---|-----------------------|--|------------|---|
| | Commissioner (MSME) DIN : 07781942 | | | | |
| 4 | Shri Bhushan Kumar Sinha Government Nominee Director / Non executive / Independent Director Joint Secretary DIN 08135512 | 59 years / 20/07/1964 | Department of Financial Services, Ministry of Finance, Jeevandeep Building, 3 rd Floor, Parliament Street, New Delhi 110 001 | 06/01/2023 | 1. Bank of India 2. IIFCL 3. National Bank for Financing Infrastructure and Development |
| 5 | Shri Anindya Sunder Paul; Nominee Director – SBI / Non Executive/Independent Director DIN: NA | 55 Years/ 14/07/1968 | 5th Floor, SMEBU Department State Bank of India State Bank Bhavan, Nariman Point, Mumbai- 400 021 | 03/08/2023 | |
| 6 | Shri Krishna Singh Nagnyal Nominee Director – LIC (Directors nominated by three largest Shareholders) | 61 years / 1 Feb 1962 | House no. 6, Officer's Colony, Ramadi Aan Singh, P O – Fatehpur, Near Gandhi Ashram, Kaladungi Road, Haldwani, <u>Uttrakhand – 263 139</u> | 29/10/2021 | - |




| | | | | | |
|---|--|------------------------------|--|------------|--|
| | DIN 06857451 / Non Executive Director | | | | |
| 7 | Shri Monomoy Mukherjee Nominee Director – NABARD (Directors nominated by three largest Shareholder s) / Non Executive Director | 59 years / 30 Sep 1964 | NABARD Head Office, Secretary's Department, 8th Floor, B Wing, Plot C - 24, G Block, Bandra Kurla Complex, Bandra (East) Mumbai – 400 051 | 29/12/2021 | |
| 8 | Shri G. Gopalakrish na Non Executive Director (Director Co-opted by the Board of SIDBI) DIN 06407040 | 67 years / 11 Mar 1956 | A2103, Lady Ratan Tower Danik Shivner Marg, Gandhinagar, Worli, Mumbai 400 018 | 11/08/2018 | 1 ICICI Home Finance Co. Ltd. 2 Risk and Compliance Professionals Association (Not for profit company) 3 Axis Mutual Fund (Trustee company) 4 ICICI Prudential Pension Funds Management Company Limited 5 Krazybee Services Pvt Ltd |
| 9 | Smt. Nupur Garg Non Executive Director (Director Co-opted by the Board of SIDBI) | 49 years / 09 Aug 1974 | Villa 72, The Palm Springs, DLF Phase V, Golf Course Road, Sector 54, Gurugram – 122 002 | 04/02/2019 | 1 Avyana Business Ventures Private Limited 2 Winpe Development Forum Growx Startups LLP (Individual 3 Partner) InnoVen Triple Blue Capital 4 Advisors LLP (Shareholder) 5 InnoVen Triple Blue Capital Services LLP (Shareholder) 6 Kerala Infrastructure Fund Management Limited |

| | | | | | |
|----|--|------------------------|--|------------|---|
| | DIN 03414074 | | | | 7 Triumvirate Management Services Privat Limited 8 Kids Clinic India Limited 9 Edelweiss Real Estate Managers Limited |
| 10 | Shri Amit Tandon Non Executive Director (Director Co-opted by the Board of SIDBI) DIN 01602336 | 63 years / 25 Oct 1960 | Founder and Managing Director of Institutional Investor Advisory Services India Ltd, DGP House, Ground Floor, 88-C, Old Prabhadevi Road, Mumbai - 400 025 | 08/08/2021 | 1 Institutional Investor Advisory Services India Limited 2 IIAS Research Foundation 3 Foundation For Audit Quality 4 Narain Family Trust |

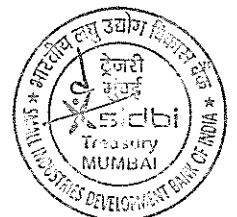





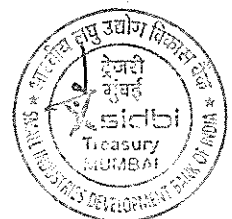
B – Details of change in Directors since last three years:

1.1

| Sr .No | Name, Designation and DIN | Date of Appointment / Resignation | Date of Cessation (in case of resignation) | Remarks (viz. Reasons for Change etc.) |
|--------|--|-----------------------------------|--|---|
| 1 | Shri Bhushan Kumar Sinha, (Joint Secretary,) Government Nominee Director / Non Executive /Independent Director DIN: 08135512 | 06/01/2023 | NA | Nominated: Government of India, vide its notification dated January 6, 2023, nominated Shri Bhushan Kumar Sinha as a Director in the Board of SIDBI |
| 2 | Shri K. Sampath Kumar, Nominee Director – SBI / Non Executive /Independent Director DIN : 09706264 | 20/07/2022 | 03/08/2023 | Cessation: Consequent upon SBI nominating Shri Anindya Sunder Paul on the Board in place of Shri K. Sampath Kumar, he ceased to be a member of the Board.. |
| 3 | Dr. Rajneesh, (AS&DC, M/o MSME) Government Nominee Director/ Non Executive /Independent Director DIN : 07781942 | 22/02/2023 | NA | Nominated: Government of India, vide its notification dated February 22, 2023, nominated Dr Rajneesh (AS&DC, M/o MSME), in place of Shri Shailesh Kumar Singh as a Director. |
| 4 | Shri Monomoy Mukherjee, Nominee Director – NABARD (Directors nominated by three largest Shareholders) / Non Executive /Independent Director DIN: NA | 29/12/2021 | NA | Nominated: NABARD vide its letter dated December 29, 2021, has nominated Shri Monomoy Mukherjee as its nominee Director on the Board of SIDBI in place of Shri L. R. Ramachandran |



| | | | | |
|---|---|----------------|------------|---|
| 5 | <p>Shri Krishna Singh Nagnyal, Nominee Director – LIC</p> <p>(Directors nominated by three largest Shareholders)</p> <p>/ Non Executive /Independent Director</p> <p>DIN - 06857451</p> | 29/10/20 21 | NA | <p>Nominated: LIC of India, vide its communication dated October 29, 2021, nominated Shri Krishna Singh Nagnyal on the Board w.e.f October 29, 2021 in place of Shri V. Sathya Kumar.</p> |
| 6 | <p>Shri Amit Tandon, Non Executive /Independent Director</p> <p>(Director Co-opted by the Board of SIDBI)</p> <p>DIN : 01602336</p> | 08/08/20 21 | NA | <p>Co-opted: The Board at its 211th meeting held on August 7, 2021 co-opted Shri Amit Tandon as a Director for a period of three years from August 8, 2021.</p> |
| 7 | <p>Shri Sudatta Mandal, Dy. Managing Director/Executive Director (Whole Time Director)</p> <p>DIN - 00942070</p> | 03/05/20 21 | NA | <p>Appointed: Government of India, vide its notification dated April 23, 2021, appointed Shri Sudatta Mandal as Deputy Managing Director.</p> |
| 8 | <p>Shri Sivasubramanian Ramann, Chairman & Managing Director/Executive Director (Whole Time Director)</p> <p>DIN - 07685657</p> | 19/04/20 21 | NA | <p>Appointed: Government of India, vide its notification dated April 7, 2021, appointed Shri Sivasubramanian Ramann as Chairman and Managing Director.</p> |
| 9 | <p>Shri V. Satya Venkata Rao, Dy. Managing Director/Executive Director (Whole Time Director)</p> | 05/06/2020 | 04/06/2023 | <p>Cessation: Term of appointment of Shri V. Satya Venkata Rao expired on 04/06/2023.</p> |



| | | | | |
|----|---|------------|----|--|
| | DIN - 00334394 | | | |
| 10 | <p>Smt. Nupur Garg, Non Executive/Independent Director</p> <p>(Director Co-opted by the Board of SIDBI) DIN - 03414074</p> | 04/02/2019 | NA | <p>Co-opted: The Board at its 200th meeting held on February 04, 2019 co-opted Smt. Nupur Garg as a Director for a period of 3 years from the date of approval. Further, the Board at its 213th meeting held on February 2, 2022 has co-opted her for a further period of three years.</p> |
| 11 | <p>Shri G. Gopalakrishna, Non Executive /Independent Director</p> <p>(Director Co-opted by the Board of SIDBI) DIN - 06407040</p> | 11/08/2018 | NA | <p>Co-opted: The Board at its 197th meeting held on August 11, 2018 co- opted Shri G. Gopalakris hna as a Director for a period of 3 years from the date of approval. Further, the Board at its 211th meeting held on August 7, 2021 has co-opted him for a further period of three years.</p> |
| 12 | <p>Shri Ashish Gupta, Non Executive / Independent Director</p> | 11/08/2018 | NA | <p>Co-opted: The Board at its 197th meeting held on</p> |

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| | | | | |
|---|--|------------|------------|---|
| | (Director Co-opted by the Board of SIDBI) DIN - 02715220 | | | August 11, 2018 co-opted Shri Ashish Gupta as a Director for a period of 3 years from the date of approval. Further, the Board at its 211th meeting held on August 7, 2021 has co-opted him for a further period of three years. |
| 13. | Shri Anindya Sunder Paul Nominee Director – SBI (Directors nominated by three largest Shareholders) / Non Executive / Independent Director DIN- NA | 03/08/2023 | NA | Nominated: State Bank of India, vide its communication dated August 03, 2023, nominated Shri Anindya Sunder Paul on the Board with immediate effect in place of Shri K. Sampath Kumar |
| Director Ceased as on October 11, 2023 | | | | |
| 1 | Shri Ashish Gupta | 11/08/2018 | 21/03/2023 | Shri Ashish Gupta has resigned from the Board of SIDBI vide his mail dated March 22, 2023. |
| 2 | Shri Lalit Kumar Chandel | 01/04/2022 | 05/01/2023 | Consequent upon Government of India nominating Shri Bhushan Kumar Sinha on the Board in place of Shri Lalit Kumar Chandel, he ceased to be a member of the Board. |
| 3 | Shri B. Sankar | 29/06/2021 | 19/07/2022 | Consequent upon SBI nominating Shri K. Sampath Kumar on the Board in place of Shri B. Sankar, he ceased to be a member of the Board. |




| | | | | |
|----|---------------------------|------------|------------|---|
| 4 | Shri Devendra Kumar Singh | 05/06/2020 | 19/06/2022 | Consequent upon Government of India nominating Shri Shailesh Kumar Singh on the Board in place of Shri Devendra Kumar Singh, he ceased to be a member of the Board. |
| 5 | Shri Pankaj Jain | 01/01/2016 | 31/03/2022 | Consequent upon Government of India nominating Shri Lalit Kumar Chandel on the Board in place of Shri Pankaj Jain, he ceased to be a member of the Board. |
| 6 | Shri L.R. Ramachandran | 23/6/2020 | 28/12/2021 | Consequent upon NABARD nominating Shri Monomoy Mukherjee on the Board in place of Shri L.R. Ramachandran, he ceased to be a member of the Board. |
| 7 | Shri V. Sathya Kumar | 16/07/2019 | 28/10/2021 | Consequent upon LIC nominating Shri Krishna Singh Nagnyal on the Board in place of Shri Sathya Kumar, he ceased to be a member of the Board. |
| 8 | Shri G K Kansal | 29/6/2018 | 28/06/2021 | Consequent upon SBI nominating Shri B. Sankar on the Board in place of Shri Kansal, he ceased to be a member of the Board. |
| 9 | Shri Manoj Mittal | 22/01/2016 | 21/01/2021 | Completed tenure of DMD as per Gol notification dated January 22, 2016. |
| 10 | Shri Mohammad Mustafa | 28/08/2017 | 27/08/2020 | Completed tenure of CMD as per Gol notification dated August 4, 2017. |
| 11 | Shri S.K. Bansal | 28/02/2019 | 22/06/2020 | Consequent upon NABARD nominating Shri L. R. Ramachandran on the Board in place of Shri S.K. Bansal, he ceased |




| | | | | |
|----|---------------------------|------------|------------|--|
| | | | | to be a member of the Board. |
| 12 | Shri Ram Mohan Mishra | 01/01/2018 | 04/06/2020 | Consequent upon Government of India nominating Shri Devendra Kumar Singh on the Board in place of Shri Ram Mohan Mishra, he ceased to be a member of the Board. |
| 13 | Shri Shailesh Kumar Singh | 20/06/2022 | 22/02/2023 | Consequent upon Government of India, vide its notification dated February 22, 2023, nominated Dr Rajneesh (AS&DC, M/o MSME), in place of Shri Shailesh Kumar Singh, he ceased to be a member of the Board. |
| 14 | Shri Bhushan Kumar Sinha | 06/01/2023 | 04/06/2023 | Consequent upon expiry of the term of Shri Bhushan Kumar Sinha , he ceased to be a member of the Board w.e.f. June 04, 2023 |
| 15 | Shri V. Satya Venkata Rao | 05/06/2020 | 04/06/2023 | Completed tenure of DMD as per Gol notification dated May 28, 2020. |
| 16 | Shri K. Sampath Kumar | 20/07/2022 | 03/08/2023 | Consequent upon SBI nominating Shri Anindya Sundar Paul on the Board in place of Shri K. Sampath Kumar, he ceased to be a member of the Board. |

2.3.12 - Details of the auditor of the Issuer: -
a - Auditors of the issue.

| Name | Address | Auditor since |
|-------------------------|---|---------------|
| M/s J Kala & Associates | 504 Rainbow Chambers Near Kandivali Telephone Exchange S V Road Kandiwali (W) Mumbai - 400 05567 Contact No: 022- 28625129 | October 2023 |

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b. Details of change in auditor since last three years

| Name | Address | Date of Appointment | Remarks |
|---|---|---------------------|--|
| M/s. Borkar & Majumdar, Chartered Accountants | 21/168, Anand Nagar Om CHS, Anand Nagar Lane, Vakola, Santa Cruz East, Mumbai 400 055 | October 2020 | Appointed as Statutory Auditor for FY 2020 to FY 2023. |

2.2.13 Details of the liabilities of the issuer, as at the end of the last quarter or if available, a later date:-

a. Details of Outstanding Secured Loan Facilities as on September 30, 2023: -

(₹ in crore)

| Lender's name/ Name of the Bank | Nature of facility/ instrument | Amount sanctioned | Principal Amount outstanding | Repayment date / schedule | Security, if applicable | Credit rating, if applicable | Asset classification |
|---------------------------------|--|-------------------|------------------------------|---------------------------|---|------------------------------|----------------------|
| Punjab National Bank | Loan against Deposit with Overdraft Facility | 27.00 | 7.40 | On Demand | Against Long Term Foreign Currency Deposit placed with the Bank | NA | Standard |

TRI-PARTY REPO SYSTEM [TREPS]

The Bank borrows under TREPS which is an RBI approved Money Market Instrument backed by gilts as collaterals. The outstanding borrowing under TREPS window as on September 30, 2023 was ₹20,799.46 crore.

b. Details of Outstanding Unsecured Loan Facilities as on March 31, 2023: -

(₹ in crore)

| Lender's name/ Name of the Bank | Nature of facility/ instrument | Amount sanctioned | Principal Amount outstanding | Repayment date / schedule | Security, if applicable | Credit rating, if applicable | Asset classification |
|---------------------------------|--------------------------------|-------------------|------------------------------|---------------------------|-------------------------|------------------------------|----------------------|
| PNB | WCDL | 16300 | 16300 | On Demand | NA | NA | Standard |

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| | | | | | | | |
|-----------------------|-----------------|-------|-------|-----------|----|----|----------|
| SBI | WCDL/STL | 21000 | 21000 | On Demand | NA | NA | Standard |
| IDBI Bank Ltd | Day Light Limit | 1000 | 0.00 | On Demand | NA | NA | Standard |
| Axis Bank Ltd | Day Light Limit | 2900 | 0.00 | On Demand | NA | NA | Standard |
| Union Bank | WCDL | 13000 | 11500 | On Demand | NA | NA | Standard |
| Central Bank of India | WCDL | 4925 | 4925 | On Demand | NA | NA | Standard |
| Canara Bank | STL | 13000 | 13000 | On Demand | NA | NA | Standard |
| Indian Overseas Bank | STL | 3270 | 3270 | On Demand | NA | NA | Standard |
| Bank of Baroda | STL | 11000 | 9045 | On Demand | NA | NA | Standard |
| Karnataka Bank Ltd. | STL | 1000 | 1000 | On Demand | NA | NA | Standard |
| South Indian Bank | STL | 1000 | 1000 | On Demand | NA | NA | Standard |
| Bank of India | WCTL | 4000 | 4000 | On Demand | NA | NA | Standard |

c. Details of Outstanding Non-Convertible Securities:

List of bonds outstanding as on date are as under (excluding bonds where 'Call Option' has been exercised):-

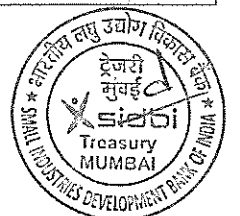
| Sl. No. | Description | Tenor (Yrs) | Coupon | Amount (₹ crore) | Date of Allotment | Date of Maturity | Date of Put / Call |
|---------|--------------|-------------------|--------|------------------|-------------------|------------------|--------------------|
| 1 | INE556F08JR2 | 3 Years and 1 Day | 4.58 | 250 | 17-Dec-2020 | 18-Dec-2023 | No Put/Call Option |
| 2 | INE556F08JS0 | 3 Years | 5.24 | 1900 | 26-Mar-2021 | 26-Mar-2024 | No Put/Call Option |
| 3 | INE556F08JT8 | 3 Years | 4.97 | 550 | 17-Jun-2021 | 17-Jun-2024 | No Put/Call Option |



| | | | | | | | |
|----|--------------|-----------------------------|-------|--------|--------------|-------------|--------------------|
| 4 | INE556F08JU6 | 3 Years | 5.59 | 2500 | 21-Feb-2022 | 21-Feb-2025 | No Put/Call Option |
| 5 | INE556F08JV4 | 3 Years and 1 Day | 5.57 | 2500 | 02-Mar-2022 | 03-Mar-2025 | No Put/Call Option |
| 6 | INE556F08JW2 | 3 Years and 1 Day | 5.40 | 1525 | 16-Mar-2022 | 17-Mar-2025 | March 18, 2024 |
| 7 | INE556F08JX0 | 3 Years | 5.70 | 1625 | 28-Mar-2022 | 28-Mar-2025 | No Put/Call Option |
| 8 | INE556F08JY8 | 3 years and 2 days | 7.15 | 2500 | 29-May-2022 | 02-06-2025 | No Put/Call Option |
| 9 | INE556F08JX5 | 3 years and 3 days | 7.15 | 3000 | 18-Jul-2022 | 21-Jul-2025 | No Put/Call Option |
| 10 | INE556F08KA6 | 3 years and 3 days | 7.25 | 3905 | 28-Jul-2022 | 31-Jul-2025 | No Put/Call Option |
| 11 | INE556F08KB4 | 3 years 6 months and 9 days | 7.11 | 4000 | 18-Aug-2022 | 27-Feb-2026 | No Put/Call Option |
| 12 | INE556F08KC2 | 3 years 6 months and 1 day | 7.23 | 4000 | 08-Sept-2022 | 09-Mar-2026 | No Put/Call Option |
| 13 | INE556F08KD0 | 3 years and 13 days | 7.75% | 4000 | 14-Oct-2022 | 27-Oct-2025 | No Put/Call Option |
| 14 | INE556F08KE8 | 3 years and 10 days | 7.47% | 4000 | 15-Nov-2022 | 25-Nov-2025 | No Put/Call Option |
| 15 | INE556F16AC6 | 3 years 41 days | 7.54% | 5000 | 02-Dec-2022 | 12-Jan-2026 | No Put/Call Option |
| 16 | INE556F08KG3 | 3 years 23 days | 7.59% | 5000 | 18-Jan-2023 | 10-Feb-2026 | No Put/Call Option |
| 17 | INE556F08KH1 | 3 years 3 months and 9 days | 7.43% | 5000 | 19-May-2023 | 31-Aug-2026 | No Put/Call Option |
| | | Total | | 60,255 | | | |

c. List of top 10 holders of non-convertible securities in terms of value (in cumulative basis)

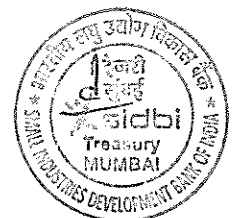
| Sl. No. | Name | Category | Amount (in ₹ crore) | Holding of debt Securities as a percentage of total debt securities outstanding of the issuer |
|---------|---|----------|---------------------|---|
| 1 | HDFC Trustee Co Ltd (Different Schemes) | Trust | 13300.50 | 16.13% |
| 2 | Aditya Birla Trustee Co Ltd | Trust | 10838.50 | 13.15% |
| 3 | SBI MF (Different schemes) | MF | 8230.00 | 9.98% |
| 4 | NPS Trust | Trust | 7720.00 | 9.36% |
| 5 | ICICI PRUDENTIAL SAVINGS FUND | MF | 6900.00 | 8.37% |



| | | | | |
|----|------------------------------------|-------|---------|-------|
| 6 | KOTAK MAHINDRA TRUSTEE COMPANY LTD | Trust | 6860.00 | 8.32% |
| 7 | AXIS TREASURY ADVANTAGE FUND | MF | 5974.10 | 7.03% |
| 8 | State Bank of India | Bank | 5615.00 | 6.81% |
| 9 | BANDHAN BANKING & PSU DEBT FUND | MF | 5295.00 | 6.42% |
| 10 | NIPPON LIFE INDIA TRUSTEE LTD-A/C | Trust | 4365.00 | 5.29% |

d. Details of outstanding Commercial Paper/ Certificate of Deposit as on October 11 , 2023:

| COMMERCIAL PAPER | | | |
|------------------------|--------------|---------------|------------------------------|
| Sl.no. | ISIN | Maturity Date | Outstanding Amount (₹ crore) |
| 1 | INE556F14JB4 | 15-Mar-2024 | 2000 |
| 2 | INE556F14JF5 | 20-Nov-2023 | 4000 |
| 3 | INE556F14JJ7 | 18-Dec-2023 | 2600 |
| 4 | INE556F14JL3 | 15-Feb-24 | 3775 |
| 5 | INE556F14JM1 | 26-Oct-23 | 5100 |
| 6 | INE556F14JN9 | 22-Nov-23 | 5425 |
| 7 | INE556F14JO7 | 28-Nov-23 | 4175 |
| 8 | INE556F14JP4 | 07-Dec-23 | 6050 |
| 9 | INE556F14JQ2 | 15-Dec-23 | 5475 |
| 10 | INE556F14JJ7 | 18-Dec-23 | 2200 |
| 11 | INE556F14JR0 | 20-Dec-23 | 3000 |
| 12 | INE556F14JS8 | 22-Dec-23 | 2900 |
| 13 | INE556F14JT6 | 28-Feb-24 | 900 |
| Total | | | 47,600 |
| Certificate of Deposit | | | |
| Sl.no. | ISIN | Maturity Date | Outstanding Amount (₹ crore) |



| | | | |
|--------------|--------------|-------------|---------------|
| 1 | INE556F16AB8 | 21-Nov-2023 | 850 |
| 2 | INE556F16AC6 | 14-Feb-2024 | 1600 |
| 3 | INE556F16AD4 | 06-Dec-2023 | 2000 |
| 4 | INE556F16AE2 | 11-Jan-2024 | 4000 |
| 5 | INE556F16AF9 | 31-Jan-2024 | 2400 |
| 6 | INE556F16AG7 | 14-Mar-2024 | 2035 |
| 7 | INE556F16AH5 | 27-Mar-2024 | 2700 |
| 8 | INE556F16AI3 | 24-Apr-2024 | 2750 |
| 9 | INE556F16AJ1 | 29-May-2024 | 2275 |
| 10 | INE556F16AK9 | 06-Jun-2024 | 5500 |
| 11 | INE556F16AL7 | 21-Jun-2024 | 2850 |
| Total | | | 28,960 |

e. Details of the rest of the borrowings (if any including hybrid debt like FCCB, Optionally Convertible Debentures / Preference Shares) as on March 31, 2023:

| Type of Instrument | Amount Outstanding (in ₹ crore) |
|-------------------------|------------------------------------|
| Fixed Deposit | 8676 |
| Deposit from Banks | 156360 |
| Borrowing from GOI | 517 |
| Borrowing outside India | 4241 |

Fixed Deposit – SIDBI has a fixed deposit scheme under which deposits are accepted from public for a period ranging between 12 Months to 60 Months. The total deposit outstanding under this scheme was ₹8676 crore as on March 31, 2023.

Deposit from Banks – Comprises funds received from various Banks as advised by RBI against priority sector lending shortfall viz. (a) MSME (Refinance) Fund (b) MSME (Risk Capital) Fund (c) MSME India Aspiration Fund and (d) MSME Venture Capital Fund were established with SIDBI with contribution from the domestic scheduled commercial banks. The outstanding under this Fund as on March 31, 2023, was ₹156,360 crore.

Borrowing from GOI – Borrowing from GOI comprises funds received from JICA Line of Credit IV and IDA Line of Credit, which were routed through GOI,

Borrowing outside India - SIDBI has been accessing Lines of Credit from bilateral / multilateral partners basically to ensure the availability of timely and cost effective credit to MSMEs in the country and to meet certain specific credit needs such as micro finance, financing cleaner production technologies in MSMEs, Energy Efficiency financing, etc. SIDBI has availed lines of



credit from JICA (Japan), KfW (Germany), IFAD (Rome), World Bank, ADB, AfD (France). The outstanding amounts as on March 31, 2023, are given in the following table:

| Agency | Amount Outstanding (₹ crore) |
|--------------|---------------------------------|
| KfW, Germany | 371 |
| JICA, Japan | 1080 |
| IFAD, Rome | 108 |
| World Bank | 2631 |
| Others | 126 |
| TOTAL | 4316 |

2.3.14 Details of any outstanding borrowings taken / debt securities issued where taken / issued (a) for consideration other than cash, whether in whole or part, (b) at a premium or discount, or (c) in pursuance of an option- None

2.3.15 Where the issuer is a Non-Banking Finance Company or Housing Finance Company the following disclosures on Asset Liability Managements shall be provided for the last Audited financials : - Not Applicable.

2.2.16 Details of all default/s and/or delay in payments of interest and principal of any kind of term loans, debt securities and other financial indebtedness including corporate guarantee issued by the Company, in the past 3 years including the current financial year -

SIDBI has a consistent record of paying principal instalments and interest on all loans, Bonds and deposits on due dates. There has been no default / delay in servicing of debt.

2.2.17 Any material event/ development or change having implications on the financials/credit quality (e.g. any material regulatory proceedings against the Issuer/promoters, litigations resulting in material liabilities, corporate restructuring event etc) at the time of issue which may

affect the issue or the investor's decision to invest / continue to invest in the non-convertible securities - *None*

2.2.18 Any litigation or legal action pending or taken by a Government Department or a statutory body during the last three years immediately preceding the year of the issue of prospectus against the promoter of the company - *None*

2.2.19 Details of default and non-payment of statutory dues - *None*

2.3.20 The names of the debenture trustee(s) shall be mentioned with statement to the effect that debenture trustee(s) has given its consent for appointment along with the copy of the consent letter from the debenture trustee - *SIDBI has appointed SBICAP Trustee Company Ltd to act as Trustee for the Bondholders (hereinafter referred to as "The Trustee") and SBICAP Trustee Company Ltd has given its consent vide letter dated May 15, 2023. However, as bonds are being issued on a private placement basis, a separate undertaking under Regulation 4(4) has not been obtained.*

2.3.21 If the security is backed by a guarantee or letter of comfort or any other document / letter with similar intent, a copy of the same shall be disclosed. In case such document does not contain detailed payment structure (procedure of invocation of guarantee and receipt of payment by the investor along with timelines), the same shall be disclosed in the offer document.- *Not applicable*





2.3.22 Disclosure of Cash flow with date of interest/dividend/ redemption payment as per day count convention – *As per term sheet*

2.3.23 Disclosures pertaining to wilful defaulter - *None of our members are wilful defaulter.*

2.3.24 Undertaking by the Issuer – *Given at Annexure*

2.3.25 Risk factors - *The Bonds are unsecured in nature.*

- a) Risks in relation to the non-convertible securities- All Bonds being issued under this Disclosure Document are unsecured . The claims of the investors in the Bonds being issued as long term Bonds shall rank *pari passu* along with claims of other uninsured, unsecured creditors. These Bonds are not redeemable at the option of the Holders and does not carry call or put option.
- b) The Bonds are unsecured in nature and therefore, security is not required to be created.
- c) Stock exchange has not refused listing of any security of the issuer during preceding three financial years and in the current financial year in India or abroad. There is no assurance that the NCDs issued pursuant to this issue may be listed on the stock exchange in a timely manner or at all.
- d) These Bonds are newly issued and there is no assurance of existence of active market and /or liquidity in the trading market of these bonds. We do not have any obligation to maintain any such market in case it exists. The liquidity in the market is dependent upon market conditions, economic condition and other factors.
- e) Ther is no default in compliance with financial covenants and condition of outstanding debt instruments or deposits or borrowings.
- f) All outstanding bonds issued are unsecured in nature and hence there is no obligation on us for creation of any security.
- g) Theis no default in payment of interest, default in redemption or repayment and no penal interest is incurred on account of any default.
- h) SIDBI is an All India Financial Institution and is not required to create the debenture redemption reserve in view of Rule 18 (7)(b)(i) of the Companies (Share Capital and Debentures) Rules, 2014.

2.3.26 Directors Declaration – *Given at Annexure*

2.3.27 In case of an issue of non-convertible redeemable preference shares, the following specific disclosure on the nature of the instrument in bold, on the cover page.... – *Not applicable*

2.3.28 Other details

a. Creation of Debenture Redemption Reserve (DRR) / Capital Redemption Reserve (CRR) - relevant legislations and applicability - No Debenture Redemption Reserve is required to be created for the Issue. The Government of India, Ministry of Company Affairs vide General Circular No. 9/2002 No.6/3/2001-CL.V dated April 18, 2002 clarified inter alia that All India Financial Institutions need not required to create Debenture Redemption Reserve as specified under Section 117C of the Companies Act, 1956. SIDBI has appointed a Debenture Trustee to protect the interest of investors.

b. Issue/instrument specific regulations - relevant details (Companies Act, Reserve Bank of India guidelines, etc.) - The proposed issue will be governed by the provisions of the Small Industries Development Bank of India Act, 1989 (as amended under Small Industries Development Bank of India (Amendment) Act, 2000) read with Small Industries Development Bank of India (Issue and Management of bonds) Regulations, 1990, as amended by Small Industries Development Bank of India (Issue and Management of Bonds) Amendment Regulations





2001. The proposed issue is also in accordance with RBI Master Circular dated July 1, 2016 on resource raising norms for Financial Institutions.

c. **Default in Payment** - 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.

d. **Delay in Listing** - In case of delay in listing of securities issued on privately placement basis beyond the timelines specified above, the issuer shall:

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

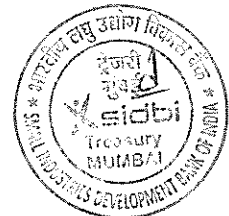
be permitted to utilise the issue proceeds of its subsequent two privately placed issuances of securities only after receiving final listing approval from stock exchanges.

e. **Delay in allotment of securities** - In case of any delay in allotment of the debt securities beyond the stipulated timelines, the Issuer will comply with the applicable regulatory requirements, if any relating to such delay.

f. **Issue details: As per Information memorandum**

g. **Application process – How to Apply** - Application Forms with copies of the Disclosure Document may be obtained from the Office of SIDBI or Arranges to the Issue. Application for the Bonds must be made in the prescribed Bond Application Form attached and must be completed in block letters in English by investors. All applicants are requested to tick the relevant column “Category of Investors” in the Application Form. Bonds Application forms must be accompanied by either NEFT / RTGS transactions, made in favour of “NSCCL”. The full amount of the face value of the Bonds applied for has to be paid along with the delivery of the fully completed and executed Bond Application Form together with other applicable documents described at the time of the issue. The issuer assumes no responsibility for any applications lost in mail or transit. Application not made out in the manner prescribed herein and the prescribed Application Forms will be rejected and the application money thereof will be refunded without payment of interest. All Applicants should mention their Permanent Account Number (PAN) or the GIR Number allotted under Income Tax Act, 1961 and the Income Tax Circle / Ward / District.

2.3.29 Other details in case of non- convertible redeemable preference shares issue..... – *Not applicable*



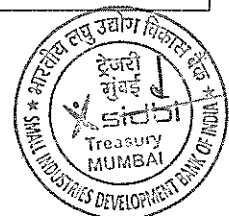
WIP



Summary of terms

1. Issue Terms

| | |
|-----------------------------|--|
| Security Name | 7.79% SIDBI 2027 - Series IV of FY 2023-24 |
| 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 <ul style="list-style-type: none"> ➤ 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>Delay in Listing: 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> <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.</p> |



| | |
|-----------------------------------|--|
| Rating | "CRISIL AAA" by CRISIL Limited dated October 12, 2023 "CARE AAA" by CARE Ratings Limited dated September 27, 2023 |
| Issue Size | ₹2000 crore with Green Shoe Option upto ₹3000 crore (Total accepted amount ₹3022.29 crore) |
| Minimum subscription | ₹2000 crore |
| 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. |

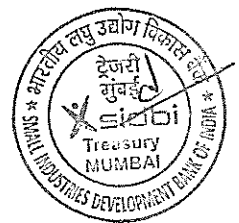
| | |
|--|---|
| Details of utilization proceeds | The proceeds will be utilized for normal business activities of SIDBI and for such other purposes as may be decided by SIDBI's Board and as permissible under the SIDBI Act, 1989. |
| Coupon Rate | 7.79% p.a. [fixed] If there is any change in Coupon Rate 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 and 6 months from the deemed date of allotment |
| Redemption Date | April 19, 2027 |
| Redemption Amount | At par |
| Redemption Premium / Discount | At par, on completion of the tenor of the instrument |
| Issue Price | ₹1,00,000 per bond |
| Discount at which | Not Applicable |






| | | |
|---|---|------------------|
| Security is issued and the effective yield as a result of such discount | | |
| 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 | | |
| 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 | October 17, 2023 |
| | Issue Closing Date | October 17, 2023 |
| | Pay-in Date | October 19, 2023 |
| | Deemed Date of Allotment | October 19, 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 | |

Handwritten signature



| | |
|---|---|
| <p>Holiday Convention</p> | <p>If any coupon payment date falls on a day that is a not a Business Day (Saturday / Sunday / Holiday) in Mumbai, the payment shall be made by the Issuer on the immediately on the succeeding Business Day. Interest will not be paid upto the date of payment extended.</p> <p>If the Redemption Date (as also the last coupon date) of the Bond 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 alongwith interest accrued on the bonds until but excluding the date of payment. In the event the record date falls on a day which is not a Business Day, the immediately preceding Business Day will be considered as the Record Date.</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>Record Date</p> | <p>15 calendar days prior to each Coupon Payment / Redemption Date</p> |
| <p>All Covenants of the issue (including side letters, accelerated payment clause, etc.)</p> | <p>As per Debenture Trust Deed.</p> |
| <p>Creation of Recovery Expense fund</p> | <p>Recovery Expense Fund has been created with the NSE Ltd for ₹25,00,000/- on March 09, 2021.</p> |
| <p>Conditions for breach of covenants</p> | <p>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.</p> |
| <p>Risk Factors pertaining to the Issue</p> | <p>The Bonds are unsecured in nature. The recovery of 100% of outstanding amount shall depend on the market scenario prevalent at the time of enforcement of the Bonds pursuant to Event of Default.</p> |
| <p>Transaction Documents</p> | <p>Refer Information Memorandum (IM) of the issue.</p> |
| <p>Events of Default (including manner of voting/ conditions of joining Inter Creditor Agreement)</p> | <p>Refer Information Memorandum (IM) of the issue.</p> |





| Conditions Precedent/ Subsequent to Disbursement | None | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|--|---------------|------|---------------|---|-------------------|-----|---|-------------------|-----|---|-----------------------------|--------|---|--------------------|-----|---|---------------|-----|---|--|-----|---|---|-----|---|------------------|-----|---|------------------------------|-----|----|--|-----|----|---|-----|
| Provisions related to Cross Default Clause | Refer Information Memorandum (IM) of the issue. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Role and Responsibilities of Debenture Trustee | 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 | SBICAP Trustee Company Limited Mistry Bhavan, 4 th Floor 122 Dinshaw Vachha Road Churchgate Mumbai – 400 020 T: (91) (22) 4325555. https://sbicaptrustee.com | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Arrangers of the Issue | Through Electronic Bidding Platform (EBP) of NSE As per SIDBI's Arranger Policy uploaded on EBP for current issue Minimum Quantum for Arrangership: ₹ 100 crore Arrangership Fee: 0.03% <table border="1"> <thead> <tr> <th>Sr</th> <th>Name</th> <th>Amt (₹ cr)</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>HDFC Bank Limited</td> <td>785</td> </tr> <tr> <td>2</td> <td>Axis Bank Limited</td> <td>215</td> </tr> <tr> <td>3</td> <td>Kotak Mahindra Bank Limited</td> <td>186.29</td> </tr> <tr> <td>4</td> <td>ICICI Bank Limited</td> <td>185</td> </tr> <tr> <td>5</td> <td>PNB GILTS LTD</td> <td>130</td> </tr> <tr> <td>6</td> <td>Tipsons Consultancy Services Pvt. Ltd.</td> <td>100</td> </tr> <tr> <td>7</td> <td>Trust Investment Advisors Private Limited</td> <td>100</td> </tr> <tr> <td>8</td> <td>Yes Bank Limited</td> <td>100</td> </tr> <tr> <td>9</td> <td>BOI Merchant Bankers Limited</td> <td>100</td> </tr> <tr> <td>10</td> <td>IDBI CAPITAL MARKETS & SECURITIES Ltd.</td> <td>100</td> </tr> <tr> <td>11</td> <td>ICICI SECURITIES PRIMARY DEALERSHIP LIMITED</td> <td>100</td> </tr> </tbody> </table> | Sr | Name | Amt (₹ cr) | 1 | HDFC Bank Limited | 785 | 2 | Axis Bank Limited | 215 | 3 | Kotak Mahindra Bank Limited | 186.29 | 4 | ICICI Bank Limited | 185 | 5 | PNB GILTS LTD | 130 | 6 | Tipsons Consultancy Services Pvt. Ltd. | 100 | 7 | Trust Investment Advisors Private Limited | 100 | 8 | Yes Bank Limited | 100 | 9 | BOI Merchant Bankers Limited | 100 | 10 | IDBI CAPITAL MARKETS & SECURITIES Ltd. | 100 | 11 | ICICI SECURITIES PRIMARY DEALERSHIP LIMITED | 100 |
| Sr | Name | Amt (₹ cr) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1 | HDFC Bank Limited | 785 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2 | Axis Bank Limited | 215 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 3 | Kotak Mahindra Bank Limited | 186.29 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 4 | ICICI Bank Limited | 185 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 5 | PNB GILTS LTD | 130 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 6 | Tipsons Consultancy Services Pvt. Ltd. | 100 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 7 | Trust Investment Advisors Private Limited | 100 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 8 | Yes Bank Limited | 100 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 9 | BOI Merchant Bankers Limited | 100 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 10 | IDBI CAPITAL MARKETS & SECURITIES Ltd. | 100 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 11 | ICICI SECURITIES PRIMARY DEALERSHIP LIMITED | 100 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 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.

2. Material contracts, agreements and documents:

- a) Board Resolution dated May 12, 2023 regarding raising of resources for FY 2024.
- b) Consent from the Trustees to the Bond-holders and Registrars to the Issue referred to in this Disclosure Document to act in their respective capacities.
- c) Balance Sheet and Profit & Loss Statement of the Bank for the period ended March 31, 2022.
- d) Letter from CARE Ratings Limited and CRISIL Limited giving the credit rating to the Bonds to be issued by SIDBI.
- e) Tripartite agreement between SIDBI, National Securities Depository Limited and Link Intime India Private Limited.

3. Deemed Date of Allotment

Deemed date of allotment will be as per the terms of the Bond Issue. All the benefits under the Bonds will accrue to the investor(s) from the deemed date of allotment.

4. An Undertaking that the Issuer shall use a common form of transfer The securities will be issued in a de-materialized ("Demat") form.

5. Issue of Bonds in Dematerialised Form

SIDBI shall issue bonds in dematerialized form and has made necessary arrangements with National Securities Depository Limited (NSDL) for the same. Investors shall hold the Bonds in dematerialised form and deal with the same as per the provisions of Depositories Act, 1996 and rules made there under, as amended from time to time. Investors should, therefore, mention their Depository Participant's name, DP-ID, Client-ID and Beneficiary Account Number at the appropriate place in the application form. SIDBI shall take necessary steps to credit the Bonds allotted to the Depository Account of the investor with the amount of bonds issued.

SIDBI will make allotment of Bonds to Investors in due course after verification of the application form, the accompanying documents and on realisation of the application money. The Bonds since issued in electronic (dematerialized) form, will be governed as per the provisions of The Depository Act, 1996, Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, rules notified by NSDL/ CDSL/ Depository Participant from time to time and other applicable laws and rules notified in respect thereof.

6. Mode of Transfer/ Transmission of Bonds

The Bond(s) now being issued shall be transferable and/or transmittable in accordance with the applicable provisions of law including SIDBI Act and be subject to the same restrictions and limitations as per the SIDBI (Issue and Management of Bonds) Regulations, 1990, as amended from time to time. The bonds shall be transferred subject to and in accordance with the rules/ procedures relating to transfer / transmission of bonds as prescribed by the NSDL and any other applicable laws and rules notified in respect thereof. The depository – NSDL will affect the necessary transfers. The concerned depositories shall inform the Registrars about the rightful owners of the bonds for payment of interest and principal amount. In case of transfer from one Demat holder to another Demat holder, the seller will give delivery instructions containing details of the buyer's DP account to his Depository Participant.





7. Payment of Interest

The interest will be payable to the Beneficiaries as per the Beneficiary list (in respect of the Bonds) 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.

8. Interest on Application Money

Interest at the applicable Coupon rate (subject to deduction of tax at source as required and at the rates prevailing from time to time under the provisions of the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof for which a certificate under the same will be issued by the Issuer) will be paid on the application money. Such interest shall be paid for the period starting from and including the date of realisation of the application money in Issuer's Bank Account up to but not including the Deemed Date of Allotment. The interest on application money will be computed as per Actual/ Actual day count convention. Such interest would be paid on all valid applications, including the refunds. Where the entire subscription amount has been refunded, the interest on application money will be paid along with the Refund Orders. Where an applicant is allotted lesser number of Bonds than applied for, the excess amount paid on application will be refunded to the applicant along with the interest on refunded money. The interest cheque(s)/ demand draft(s) for interest on application money (along with Refund Orders, in case of refund of application money, if any) shall be dispatched by the Issuer within 15 days from the Deemed Date of Allotment and the relative interest warrant(s) along with the Refund Order(s), as the case may be, will be dispatched by registered post to the sole/ first applicant, at the sole risk of the applicant. Interest on application money along with refund of application money, if any, may also be paid by way of NEFT / RTGS transactions.

9. Tax Deduction at Source (TDS)

Tax as applicable under the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof will be deducted at source. For seeking TDS exemption/lower rate of TDS, relevant certificate /document must be lodged by the Bondholders at the office of the Registrar & Transfer Agent of the Issuer at least 30 days before the interest payment becoming due and if required, be submitted afresh annually and/or as and when called upon for the same by the Issuer or its Registrar & Transfer Agent. Tax exemption certificate, if any, for non-deduction of tax at source on interest on application money, must be submitted along with the application form to the satisfaction of the Issuer. Failure to comply with the above shall entitle the Issuer to deduct tax at source as may be required under the provisions of law.

10. Redemption and Payment on Redemption

The Bonds 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 Bonds 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 Bonds 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 Bondholders with the Depository concerned will be adjusted. The Issuer's liability to the Bondholder 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 Bondholder's right of redemption as stated above if any Bond is not fully redeemed on maturity. On the Issuer dispatching the payment instrument or crediting the designated bank account operated by the Bondholder / Trustee to the Bondholder towards payment of the interest and/or of the redemption amount as specified above, the liability of the Issuer in respect of the Bonds shall stand extinguished.



11. Depository Arrangement

SIDBI has entered into depository arrangements with National Securities Depository Limited (NSDL). SIDBI has signed tripartite agreement dated February 10, 2012 with, National Securities Depository Limited (NSDL) and the R&T Agent viz Link Intime India Private Limited.

12. Effect of Holidays

If the interest payment date falls on a holiday, the payment may 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.

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 (*Actual/Actual day count convention*) 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.

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.

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.

Payment of interest / redemption shall be made only on the days when the money market is functioning in Mumbai.

13. Right to Accept or Reject Applications

The Issuer is entitled at its sole and absolute discretion to accept or reject an application, in part or in full, without assigning any reason thereof. The application form, which is not complete in all respects, shall be liable to be rejected. The rejection of any application would be intimated by the Issuer along with the refund of the application money but without having to assign any reason for any rejection.

14. Record Date & Shut Period

The record dates for corporate actions such as payment of interest, redemptions, put/call options, etc. will be 15 days prior to the date of corporate actions. For instance, in case the corporate action is due on May 23, the record date will be May 8th. There will be no 'shut' period in respect of payment of interest or for part-redemptions. For redemptions, the shut period will be 15 days prior to the date of corporate action.

15. Right of Issuer to Purchase, Re-Sell & Re-Issue Bonds

SIDBI will have the power, exercisable at its absolute discretion, from time to time to repurchase some, or all of its bonds 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 Bonds being bought back, SIDBI shall be deemed to have always the right to re-issue the Bonds. Such Bond(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 Bonds, the Issuer shall have and shall be deemed always to have had the right to keep such Bonds 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 Bonds either by reissuing the same Bonds or by issuing other Bonds 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.

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16. Register of Bondholders

SIDBI shall request the Depository viz. NSDL and/or CDSL, as the case may be, to provide a list of bondholder(s) on the record date as mentioned in the offer document. This shall be the list which shall be considered for payment of interest and repayment of principal.

17. Amendment of the Terms of the Bonds Issue

The rights, privileges, terms and conditions attached to the Bonds(s) may be varied, modified or abrogated with the consent in writing of the holder(s) who hold(s) at least three-fourth of the outstanding amount of the Bond(s) or with the sanction accorded pursuant to a Special Resolution, passed at a meeting of the Bondholder(s), (by not less than 3/4th of the Bondholder(s) present and voting at the meeting); provided that nothing in such consent or resolution shall be operative against SIDBI where such consent or resolution modifies or varies the terms and conditions of the Bonds(s), if the same are not acceptable to SIDBI.

18. Future Borrowings / Issues

SIDBI will be entitled to borrow /raise loans or avail financial assistance both from Domestic and International market as also issue Debenture/ Bonds /shares/ other securities in any manner having such priorities or securities and on terms and conditions as may be decided by the Board of SIDBI without consent of or intimation to Bondholders or Trustees in this connection.

19. Basis of Allotment

The basis of allocation / allotment of Bonds issued under this will be decided by the Issuer in consultation with the Arrangers. The Issuer reserves the right to reject in full or partly any or all the offers received by them to invest in these Bonds without assigning any reason for such rejection. SIDBI may stop accepting subscription at any time during the Private Placement.

20. Trustee to the Bondholders

SIDBI has appointed SBICAP Trustee Company Ltd to act as Trustee to the Bondholders. SIDBI and the Trustee will enter into a Trustee Agreement, specifying inter alia, the powers, authorities and obligations of the Trustees and SIDBI. The bond holders shall, without further act or deed, be deemed to have irrevocably given their consent to the Trustees or any of their agents or authorized officials to do all such acts, deeds, matters and things in respect of or relating to the Bonds as the Trustees may in their absolute discretion deem necessary or require to be done in the interest of the bondholders. Any payment made by SIDBI to the trustees on behalf of the bondholders shall discharge SIDBI pro tanto to the bondholders. No bondholder shall be entitled to proceed directly against SIDBI unless the Trustees, having become bound to proceed, fail to do so.

The maximum contract value would be ₹2.45 Lakh including GST which also include Annual Trusteeship Fee of ₹23600/- each for FY 2027, FY 2028 and FY 2029 for issuance that would be raised during FY 2026 and maturing in next 3 years. However, actual payment of Annual Service Fee during first year i.e. FY 2024 and last year's i.e., FY 2028 / FY 2029 would be on proportionate basis.

21. Role, Power and Obligations of Trustees

The major causes relating to the general rights, powers and discretions of the Trustees shall be as under. These are in addition to other powers conferred on the Trustees and provisions for their protection.

- (i) The Trustees may, in relation to these presents, act on the opinion or advice of or any information obtained from any solicitor, counsel, advocate, valuer, surveyor, broker, auctioneer, qualified accountant or other expert whether obtained by the Bank or by the Trustees and shall not be responsible for any loss occasioned by so acting;
- (ii) The Trustees shall not be bound suo-motto to take any steps to ascertain whether any event of default has happened;



(iii) Save as herein otherwise expressly provided the Trustees shall, as regards all trusts, powers, authorities and discretions, have absolute and uncontrolled discretion as to the exercise thereof and to the mode and time of exercise thereof;

(iv) The Trustee shall not be responsible for bonafidely acting upon any resolution purporting to have been passed at any meeting of the Bondholders in respect whereof minutes have been made and signed;

(v) Without prejudice to the rights to indemnity by law given to the Trustee, the Trustee and every Receiver, Attorney, Manager, Agent or other person appointed by them shall, subject to whatever stated above, be entitled to be indemnified in respect of all liabilities and expenses incurred by them or him in the execution or purported execution of the powers and trusts thereof including liabilities and expenses consequent to any bonafide mistake on the part of the Trustee or any such appointee and against all actions, proceedings, costs, claims and demands in respect of any matter or thing done or omitted in any way.

22. Power of Trustees to delegate

The Trustee hereof being a Company may, in the execution and exercise of all or any of the trusts, powers, authorities and discretions vested in them act by an officer or officers for the time being of the Trustee and the Trustee 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 be 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 Trustee may think fit.

23. Powers of Trustees to employ agents

The Trustee may, with prior consent of SIDBI, 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 Trustee 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 the trusts hereof and also their reasonable charges in addition to the expenses incurred by them in connection with matters arising out of or in connection with these presents.

24. Resignation and Removal of Trustees Resignation

The Trustee may at any time, without assigning any reason and without being responsible for any loss or costs occasioned thereby, resign as the trustee, provided that they shall continue to act as Trustee until a successor trustee is appointed by SIDBI. SIDBI shall, upon receipt of notice of resignation issued by the Trustee, take prompt steps to appoint another entity competent to act as trustee for the Bondholders in place of the Trustee (the Successor Trustee).

Removal

SIDBI may for sufficient cause but, after giving not less than two month's notice in writing, remove the Trustee and nominate an entity competent to act as their trustee and complete all necessary formalities to give effect to such appointment.

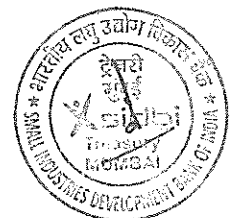
25. Events of Default:

a) Default in payment of principal sums of the bonds: Default has occurred in the payment of principal sums of the Bonds on the due dates.

b) Default in payment of interest: Default has occurred in payment of any instalment of interest (interest of at least ₹1lakh) on the bonds and such default has continued for a period of thirty days after notice in writing has been given to SIDBI by the Bondholders / Trustee.

c) Default in performance of covenants and conditions: Default has occurred in the performance of any other covenants, conditions or agreement on the part of SIDBI under this Agreement and any other agreement and such default has continued for a period of thirty days after notice in writing thereof has been given to SIDBI by the Bondholders/Trustees.

d) Supply of misleading information: Any information given by SIDBI in the Disclosure Document for Bonds, in the reports and other information furnished by SIDBI in accordance with the Reporting System and the warranties given/deemed to have been given by SIDBI to the Bondholders/ Trustees is misleading or incorrect in any material respect.





e) Extra-ordinary circumstances: If extraordinary circumstances have occurred which make it improbable for SIDBI to fulfill its obligations under the trust deed.

26. Rights of the Bondholder

The rights and privileges available to the Bond Holders are subject to the provisions and modifications of the SIDBI Act, 1989, as amended from time to time and the SIDBI (Issue and Management of Bonds) Regulations 1990, as amended from time to time, the terms of this Disclosure Document and Application Form. Over and above such terms and conditions, the Bond(s) shall also be subject to the other terms and condition as may be incorporated in the Trustee's Agreement/Letters of Allotment/guidelines, notifications and regulations relating to the issue of capital/debt and listing of Securities issued from time to time by the Government of India and /or other authorities and other documents that may be executed in respect of the bond(s). The Bondholder will not be entitled to any rights and privileges of shareholders other than those available to them under statutory requirements. The Bonds issued under this Offer Document shall not confer upon the Bondholder the right to receive notice, or to attend and vote at the general meetings of shareholders or the holders of Bonds issued under any other series or issued other than under this Disclosure Document or of any other class of securities of the Issuer.

27. Modification of Rights

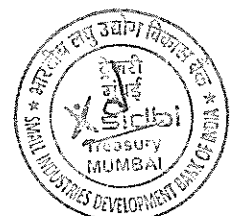
The Bondholders' rights, privileges, terms and conditions attached to the Bonds may be varied, modified or abrogated with the consent, in writing, of those holders of the Bonds (or through the Trustee to the Bondholders) who hold at least three-fourth of the outstanding amount of the Bonds or with the sanction accorded pursuant to a resolution passed at a meeting of the Bondholders, provided that nothing in such consent or resolution shall be operative against or bind the Issuer (or any third party security provider) in any manner where such consent or resolution modifies or varies the terms and conditions of the Bonds which are not acceptable to the Issuer.

28. Succession

In the event of demise of the Bond holder, SIDBI will recognize the executor or administrator of the deceased Bond holder, or the holder of succession certificate or other legal representative as having title to the Bonds in accordance with the provision of the Small Industries Development Bank of India (Issue and Management of Bonds) Regulations 1990 as amended by Small Industries Development Bank of India (Issue and Management of Bonds) Amendment Regulation, 2001. SIDBI shall not be bound to recognize such executor, administrator or holder of the succession certificate or other legal representative as having title to the Bonds, unless such executor or administrator obtains probate of letter or administration or such holder is the holder of succession certificate or other legal representation, as the case may be, from a competent Court in India having jurisdiction over the matter. SIDBI may, in their absolute discretion, where they think fit, dispense with production of probate or letter of administration or succession certificate or other legal representation, in order to recognize such holder as being entitled to the Bonds standing in the name of the deceased Bond holder on production of sufficient documentary proof or indemnity.

29. Nomination

Only individuals applying as Sole Applicant/ Joint Applicant can nominate, in the prescribed manner, a person who shall in the event of death of the sole applicant or all the joint applicants be entitled to the amount payable by SIDBI in respect of the bond. Non-individuals, body corporate, holder of power of attorney cannot nominate. The nomination made at the time of application may be substituted or cancelled at a later date by a request in writing to SIDBI or Registrars to the Issue, signed by all the bondholders. A nomination shall stand rescinded upon the transfer of the Bond by the person nominating. A transferee will be entitled to make a fresh nomination for which request in writing should be made to SIDBI or the Registrars to the Issue.



When the Bonds are held by two or more persons, the nominee shall become entitled to receive the amount only on the demise of all the holders.

30. Mode of Making Payment

- Successful bidders should do the funds pay-in to the bank account of NSCCL appearing on the EBP.
- Successful bidders must do the funds pay-in to the Designated Bank Account upto 10:30 am on the Pay-in Date.
- Funds pay-out would be made by NSCCL to the following bank account of the issuer:

| Name of the Bank | Branch Address | IFSC Code | Account number |
|---------------------|--|-------------|-------------------|
| STATE BANK OF INDIA | BANDRA KURLA COMPLEX, BANDRA EAST, MUMBAI 400051 | SBIN0004380 | 00000010996685010 |

31. Who can apply?

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:-

- 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

Note: The above list is only illustrative and not exhaustive. Investors should check about their eligibility before making any investment.

The application must be accompanied by certified true copies of

- Memorandum and Articles of Association/constitution/Bye-laws/ Government notification / Certificate of Incorporation / other documents governing constitution/ SEBI Registration Certificate / Trust Deed
- Resolution authorizing investment and containing operating instructions
- Permanent Account Number Card ("PAN Card") issued by the Income Tax Department;
- Specimen signatures of authorized signatories and
- Necessary forms for claiming exemption from deduction of tax at source on the interest income/ interest on application money, wherever applicable. The applicant must give the demat account details.

32. Application, under Power of Attorney/Relevant authority

A certified true copy of the power of attorney or the relevant authority, as the case may be, along with the names and specimen signatures of all the authorised signatures must be lodged along with the completed application form. Further modifications / additions in the power of attorney or authority should be notified to SIDBI at its Mumbai office.





33. Refunds

For applicants whose applications have been rejected or allotted in part, refund orders will be dispatched within 15 days from the Deemed Date of Allotment of the Bonds. Such payment may also be paid by way of NEFT / RTGS transactions.

34. Letters of Allotment /Bond Certificates / Refunds

The Bank shall credit the allotted securities to the respective beneficiary account / dispatch the Letters of Allotment/ Bond Certificates, if applicable, or Refund Order(s)/Letter(s) of Regret, as the case may be, by Registered Post or as per extant postal rules at the sole risk of the applicant. Further, the Issuer agrees that

(a) As far as possible, allotment of securities shall be made within the time stipulated by SEBI.

(b) SIDBI will provide adequate funds to the Registrars to the Issue (if required), for the purpose of dispatch of Letter(s) of Allotment/ Bond Certificate(s)/ Letter(s) of Regret/ Refund Order(s).

35. Notices

All notices to the bondholder(s) required to be given by SIDBI or the Trustee shall have and shall be deemed to have been given if published in one English and one Hindi language daily National newspaper in Mumbai and may, at the sole discretion of SIDBI or the Trustee, but without any obligation, be sent by ordinary post to the original sole/first allottees of the bond(s) or if notification and mandate has been received by SIDBI, pursuant to the provisions contained herein above, to the sole/first transferees.

All notices to be given by the Bondholder(s), including notices with regard to "Payment of Interest" and "Payment on Redemption" shall be sent by Registered Post / Courier or by hand delivery to the Registrars to the Issue or to such persons at such address as may be notified by SIDBI from time to time.

36. Force Majeure

The Issuer reserves the right to withdraw this Issue prior to the earliest closing date in the event of any unforeseen development adversely affecting the economic and regulatory environment in the opinion of and at the sole discretion of the Issuer. In such an event the Issuer will refund the application money, if any, along with interest payable on such application money, if any.

37. Undertaking by the Issuer

SIDBI undertakes that SIDBI shall, till the redemption of Bonds, submit its latest audited/ limited review half yearly financial information such as Statement of Profit & Loss, Balance Sheet and Cash Flow Statement and auditor qualifications, if any, to the Trustees within the timelines as mentioned in Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, for furnishing / publishing its half yearly/ annual result. Besides, the Issuer shall within 180 days from the end of the financial year, submit a copy of the latest annual report to the Trustees and the Trustees shall be obliged to share the details so submitted with all Qualified Institutional Buyers ("QIBs") and other existing Bondholder(s) within two working days of their specific request.

38. That the permission / consent from the prior creditor for a second or pari passu charge being created in favour of the trustees to the proposed issue has been obtained.

Bonds being issued are 'UNSECURED' in nature, hence no permission of prior creditors are required. Outstanding borrowings of SIDBI do not impose any restriction on the further borrowings by SIDBI from various sources.

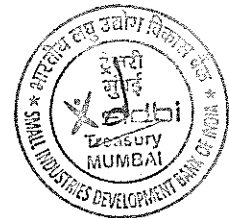
39. *As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). It is to be distinctly understood that the aforesaid submission or in-principle approval given by NSE vide its letter dated October 12, 2023 or hosting the same on the website of NSE in terms of Securities and Exchange Board of*





India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 as amended from time to time, should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer. Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

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Annexure

UNDERTAKINGS BY THE ISSUER

'Issuer's Absolute Responsibility'

"The issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this offer document contains all information with regard to the issuer and the issue which is material in the context of the issue, that the information contained in the offer document is true and correct in all material aspects and is not misleading, that the opinions and intentions expressed herein are honestly stated and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading."

'General Risk

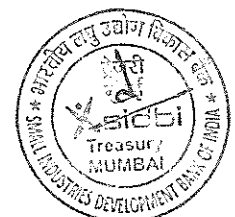
"Investment in debt securities/non-convertible redeemable preference shares involve a degree of risk and investors should not invest any funds in such securities unless they can afford to take the risk attached to such investments. Investors are advised to take an informed decision and to read the risk factors carefully before investing in this offering. For taking an investment decision, investors must rely on their examination of the issue including the risks involved in it. Specific attention of investors is invited to statement of risk factors contained in this offer document. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the debt securities/non-convertible redeemable preference shares or investor's decision to purchase such securities."

"Investors are advised to read the risk factors carefully before taking an investment decision in this issue. For taking an investment decision, investors must rely on their own examination of the issuer and the offer including the risks involved. The securities have not been recommended or approved by any regulatory authority in India, including the Securities and Exchange Board of India (SEBI) nor does SEBI guarantee the accuracy or adequacy of this document. Specific attention of investors is invited to the statement of 'Risk factors' given under the section 'General Risks'."

The Issuer, having made all reasonable inquiries, accepts responsibility for, and confirms that this Offer Document contains all information with regard to the issuer and the issue, that the information contained in the offer document is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect."

"The issuer has no side letter with any debt securities holder except the one(s) disclosed in the offer document/offer document. Any covenants later added shall be disclosed on the stock exchange website where the debt is listed."

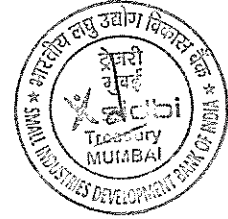
The issuer is in compliance with the provisions of Securities Contracts (Regulation) Act, 1956 and the Securities and Exchange Board of India Act, 1992, and the rules and regulations made thereunder. The compliance with the Act and the rules does not imply that payment of dividend or interest or repayment of non-convertible securities, is guaranteed by the Central Government.





The Issuer undertakes that the monies received under the offer shall be used only for the purposes and objects indicated in the Offer document. The Issuer undertakes that whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the SIDBI Act, 1989.

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The directors in case of a body corporate and such authorized persons in case the issuer is not a body corporate shall attest that:

- the issuer is in compliance with the provisions of Securities Contracts (Regulation) Act, 1956 and the Securities and Exchange Board of India Act, 1992, Companies Act and the rules and regulations made thereunder;
- the compliance with the Act and the rules does not imply that payment of dividend or interest or repayment of non-convertible securities, is guaranteed by the Central Government;
- the moneys received under the offer shall be used only for the purposes and objects indicated in the Offer document;
- whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association.

"Investment in non-convertible securities involves a degree of risk and investors should not invest any funds in such securities unless they can afford to take the risk attached to such investments. Investors are advised to take an informed decision and to read the risk factors carefully before investing in this offering. For taking an investment decision, investors must rely on their examination of the issue including the risks involved in it. Specific attention of investors is invited to statement of risk factors contained in Term Sheet of this placement memorandum. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the non-convertible securities or investor's decision to purchase such securities."

Extract of the Delegation of Powers approved and reported to the 217th meeting of Board of Directors held on February 06, 2023 at Varanasi

(Delegation of Powers effective from January 18, 2023)

Part A

Matters related to both Resource and Treasury Management (Page 3)

| S No | Particulars | Delegated Authority |
|------|---|---------------------|
| 1 | Execution of Agreements, etc. | |
| a | Execution of Agreements, Documents, etc with any of the Domestic Lending Agencies including GEL, RBI, FIs, Commercial Banks and Credit Rating Agencies, Merchant Bankers, Advertising Agencies, Registrar and Transfer Agents, Trustees for Debenture Holders, Bankers, Stock Exchanges, Depositories, etc. | DSM |

The declaration has been signed as per the delegation of power approved as above.

सूची भारतीय लघु उद्योग विकास बैंक
For Small Industries Development Bank of India

[Signature]

प्रमाणित, हस्ताक्षरकर्ता / Authorized Signatory



बैंक हिन्दी में पत्राचार का स्वागत करता है।

भारतीय लघु उद्योग विकास बैंक

याचमंदन भवन, एचएच - 3, लेन -2, सी-11, जी ब्लॉक, बान्द्रा कुर्ना कॉम्प्लेक्स, बान्द्रा (पूर्व), मुंबई - 400 051. दूरभाष: +91 22 67531100 | फ़ैक्स: +91 22 67221520

SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA

Swavalamban Bhavan, Avenue 3, Lane 2, C-11, G-Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400051. Tel: +91 22 6753 1100 | Fax: +91 22 6722 1520

Toll Free No.: 1800 22 6753 | टोल फ्री नं.: 1800 22 6753

www.sidbi.in | www.udyamimitra.in

sidbiofficial SIDBIOfficial sidbiofficial SIDBI(Small Industries Development Bank of India) SIDBI Official

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Rating Letters

1 – Care Rating

CareEdge

RATINGS

No. CARE/HO/RL/2023-24/2649

Shri Ajit Nath Jha
General Manager
Small Industries Development Bank of India
SME Development Centre, 4th Floor, Plot C - 11, G - Block,
Bandra-Kurla Complex, Bandra East,
Mumbai
Maharashtra 400051



September 27, 2023

Confidential

Dear Sir,

Credit rating for Unsecured redeemable bonds

On the basis of recent developments including operational and financial performance of your Company for FY23 (Audited) and Q1FY24 (Unaudited), our Rating Committee has reviewed the following ratings:

| Sr. No. | Instrument | Amount (Rs. crore) | Rating ¹ | Rating Action |
|---------|----------------------------|---|---|---------------|
| 1. | Unsecured Redeemable Bonds | 1,12,565.00 (Reduced from 1,13,065.00) | CARE AAA; Stable (Triple A; Outlook: Stable) | Reaffirmed |
| | Total Instruments | 1,12,565.00 (Rs. One Lakhs Twelve Thousand Five Hundred Sixty-Five Crore Only) | | |

2. Please inform us the below-mentioned details of issue immediately, but not later than 7 days from the date of placing the instrument:

| Instrument type | ISIN | Issue Size (Rs cr) | Coupon Rate | Coupon Payment Dates | Terms of Redemption | Redemption date | Name and contact details of Debenture Trustee | Details of top 10 investors |
|-----------------|------|--------------------|-------------|----------------------|---------------------|-----------------|---|-----------------------------|
|-----------------|------|--------------------|-------------|----------------------|---------------------|-----------------|---|-----------------------------|

3. The rationale for the rating will be communicated to you separately. A write-up (press release) on the above rating is proposed to be issued to the press shortly, a draft of which will be shared with you. We request you to peruse the annexed document and offer your comments if any. We are doing this as a matter of courtesy to our clients and with a view to ensure that no factual inaccuracies have inadvertently crept in. Kindly revert as early

¹Complete definitions of the ratings assigned are available at www.careedge.in and in other CARE Ratings Ltd.'s publications.



CARE Ratings Limited

4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Gion (East), Mumbai
Phone: +91-22-6754 3456 • www.careedge.in

CIN:L67190MH1993PLC071691






CareEdge

RATINGS

as possible. In any case, if we do not hear from you by October 04, 2023, we will proceed on the basis that you have no any comments to offer.

4. CARE Ratings Ltd. reserves the right to undertake a surveillance/review of the rating from time to time, based on circumstances warranting such review, subject to at least one such review/surveillance every year.
5. CARE Ratings Ltd. reserves the right to revise/reaffirm/withdraw the rating assigned as also revise the outlook, as a result of periodic review/surveillance, based on any event or information which in the opinion of CARE Ratings Ltd. warrants such an action. In the event of failure on the part of the entity to furnish such information, material or clarifications as may be required by CARE Ratings Ltd. so as to enable it to carry out continuous monitoring of the rating of the bank facilities, CARE Ratings Ltd. shall carry out the review on the basis of best available information throughout the life time of such bank facilities. In such cases the credit rating symbol shall be accompanied by "ISSUER NOT COOPERATING". CARE Ratings Ltd. shall also be entitled to publicize/disseminate all the afore-mentioned rating actions in any manner considered appropriate by it, without reference to you.
6. Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.
7. Users of this rating may kindly refer our website www.careedge.in for latest update on the outstanding rating.
8. CARE Ratings Ltd. ratings are not recommendations to buy, sell, or hold any securities.

If you need any clarification, you are welcome to approach us in this regard.

Thanking you,

Yours faithfully,

Khyati Shah
Lead Analyst
khyati.shah@careedge.in

Shweta Sumeet Agrawal
Associate Director
shweta.agrawal@careedge.in

Encl: As above



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CIN-L67190MH1993PLC071691

Page 2 of 3



Small Industries Development Bank of India
October 04, 2023

| Facilities/Instruments | Amount (₹ crore) | Rating ¹ | Rating Action |
|----------------------------|---|-----------------------------|---------------|
| Long-term bank facilities | 27,500.00 (Enhanced from 13,500.00) | CARE AAA; Stable | Reaffirmed |
| Short-term bank facilities | 81,000.00 (Reduced from 95,000.00) | CARE A1+ | Reaffirmed |
| Issuer rating | 0.00 | CARE AAA; Stable | Reaffirmed |
| RIDF deposit programme | 212,000.00 | CARE AAA; Stable | Reaffirmed |
| Unsecured redeemable bonds | 112,565.00 ^ (Reduced from 113,065.00) | CARE AAA; Stable | Reaffirmed |
| Fixed deposit | 23,000.00 | CARE AAA; Stable | Reaffirmed |
| CP/CD programme | 116,000.00 | CARE AAA; Stable / CARE A1+ | Reaffirmed |

Details of instruments/facilities in Annexure-1.
^ Reduction on account of redemption on bonds.

Rationale and key rating drivers

The ratings assigned to the facilities and instruments of Small Industries Development Bank of India (SIDBI) consider its position as the apex financial institution (FI) for the promotion and development of the micro, small and medium enterprises (MSME) sector in India. Furthermore, the ratings also consider SIDBI's healthy capitalisation levels, strong resource base, comfortable liquidity profile, sound asset quality and improving profitability. In addition, the ratings factor-in Government of India's (GOI) and Reserve Bank of India (RBI) support in the form of budgetary allocation and continued access to the MSE Refinance Fund ([RIDF] Rural Infrastructure Development Fund) for strengthening the bank's refinancing capabilities. The support from GOI is also in the form of equity contribution, guarantee for foreign currency borrowings, and governance (GOI has the power to appoint the Chairman and Managing Director [CMD], two whole-time directors, and two nominated directors on the Board of SIDBI).

The continuation of SIDBI's position as the apex financial institution for the MSME sector, support from GOI and RBI, and the ownership with public sector entities are the key rating sensitivities. Also, SIDBI's healthy capitalisation levels and strong asset quality will remain key rating monitorable.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors: Factors that could individually or collectively lead to positive rating action/upgrade: Not applicable.

Negative factors: Factors that could individually or collectively lead to negative rating action/downgrade:

- Any material changes in the government support and/or strategic role played by SIDBI in supporting the MSME sector.
- Significant dilution in the ownership by GOI and public sector entities.
- Deterioration in SIDBI's asset quality with gross non-performing asset (GNPA) ratio increasing to more than 3% of the total advances.
- Deterioration in SIDBI's standalone credit profile, including its profitability, liquidity and/or capitalisation metrics.

Analytical approach:

While CARE Ratings Limited (CARE Ratings) has adopted the standalone approach for analysing SIDBI's profile, the assessment also factors-in the expectation of support from GOI.

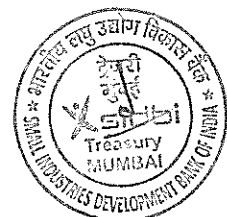
Outlook: Stable

Stable outlook factors in the continued support from the GOI, and that SIDBI will maintain healthy capitalisation and resource profile going forward.

Detailed description of the key rating drivers:

Key strengths

¹Complete definition of the ratings assigned are available at www.careratings.com and other CARE Ratings Ltd.'s publications.

Government support and ownership by public sector entities

SIDBI, being a nodal agency for the development of MSMEs in the country, receives continuous support from the GOI and the RBI in the form of budgetary allocation and access to the MSE Refinance Fund from shortfall in priority sector lending (PSL) by the banks. It is owned by public sector banks, financial institutions, and the GOI, with the State Bank of India (SBI: 15.65%), GOI (20.95%), the Life Insurance Corporation of India (LIC: 13.33%), and the National Bank for Agriculture and Rural Development (NABARD: 9.36%), being the major shareholders.

The GOI has appointed Sivasubramanian Ramann as the Chairman and Managing Director of SIDBI and nominated Dr Rajneesh (Additional Secretary & Development Commissioner [MSME], Ministry of MSME) and Bhushan Kumar Sinha (Joint Secretary Department of Financial Services, Ministry of Finance) as the nominee directors. CARE Ratings expects that SIDBI will continue to receive capital and managerial support from the GOI to bolster the credit to MSME sector.

Healthy capitalisation levels

The capital adequacy parameters of SIDBI remained strong, with the bank reporting an overall capital adequacy ratio (CAR) of 19.91% and Tier-I CAR of 18.81% as on March 31, 2023, above the regulatory guideline of 9% and 7%, respectively. During FY23 (refers to the period April 1 to March 31), SIDBI has increased its advances base by 76.24%, thereby resulting in an increase in the risk weighted assets (RWA). However, RWA to total assets declined to 32.40% as on March 31, 2023, from 37.69% as on March 31, 2022, indicating increase in the exposure of lower risk weighted assets. As on June 30, 2023, CAR and Tier I CAR stood comfortable at 15.63% and 15.21%, respectively.

The overall gearing increased from 9.05x as on March 31, 2022, to 14.02x as on March 31, 2023, owing to increase in the borrowings done to fund the growth in advances. Gearing further increased to 15.95x as on June 30, 2023 with increase in borrowings to facilitate the increasing refinancing book. The RBI has extended the borrowing limit of SIDBI to 19x of its net-owned funds (NOF) until March 31, 2024. It has also received approval from RBI for an umbrella limit of 500% of NOF up to March 31, 2024. The 'umbrella limit' consists of five instruments, viz., term deposits, term money borrowings, certificates of deposits (CDs), commercial papers (CPs) and inter-corporate deposits (ICDs).

CARE Ratings notes that while SIDBI has been mandated to implement Basel norms III effective from April 01, 2024, which will result to a change in the computation method of the risk-weighted assets. However, no significant impact is anticipated on the capitalisation metrics post implementation of Basel norms III. Furthermore, SIDBI has received approval from Department of Financial Services and Parliament for capital infusion of ₹10,000 crore through rights issue, which will be carried out in two tranches of ₹5,000 crore. Therefore, CARE Ratings expects the overall capitalisation profile to remain strong going forward as well.

Strong resource profile

SIDBI has a very strong resource profile, consisting primarily of domestic and marginally overseas borrowings. Overseas borrowings of SIDBI are guaranteed by the GOI. It also has access to the low-cost MSE Refinance Fund from scheduled commercial banks due to their shortfall in PSL targets, which forms a large portion of its resource profile. Since the onset of Covid-19, the RBI had allotted ₹46,000 crore under three tranches of SLF to support MSMEs affected by pandemic which has now been repaid. As on June 30, 2023, domestic market borrowings constituted 58.76% (FY23: 53.71%), MSE (RIDF) deposits constituted 33.04% (FY22: 42.76%) of the total borrowings, respectively, with overseas borrowings constituting 0.88% (FY22: 1.16%).

SIDBI has been allotted MSE Refinance Funds of ₹75,000 crore for FY24, up from ₹65,000 crore in FY23. During Q2FY24, SIDBI received the balance ₹9,000 crore (approximately) that were allocated but not received in FY23. Allocation of MSE Refinance funds will be critical for sustaining competitive cost of funds as well as for building its refinancing business. As schedule commercial banks gradually meet their PSL targets, the overall allocation under MSE refinance funds could drop, thereby affecting the growth prospects in the long term. Also, there is competition from other financial institutions to access such low cost funds. However, being apex financial institution, CARE Ratings expects SIDBI to have continued access to funds from various sources at competitive rates.

Stable profitability and improving spreads

During FY23, the bank's total income doubled on the back of significant rise in the interest income from ₹17,954 crore in FY23 to ₹8,715 crore in FY22. The interest income increased owing to increase in the lending rate resulting in higher yields along with growth in the average loan book. Furthermore, during FY22, the bank had made higher disbursements in the last quarter, the interest of which is reflected in FY23. Thus, as a result, yields increased from 4.02% in FY22 to 5.60% in FY23. Finance costs doubled in FY23 over FY22 on the back of increase in the borrowings as well as increase in the interest rates. Since increase in



yields outpaced the increase in cost of funds, interest spread improved from 1.02% in FY22 to 1.34% in FY23. Correspondingly, the net interest income (NII) was 84% higher at ₹5,548 crore in FY23. Overall, the spread in the lending activity is low due to the cap on the margin that SIDBI can charge for lending to banks and financial institutions (FIs) against MSE Refinance Funds. Resultantly, the overall profitability remained stable with return of total assets (ROTA) at 1.03% in FY23 as against 0.92% in FY22.

During Q1FY24, overall profitability declined with ROTA decreasing to 0.74%, which is primarily on account of increase in the interest expenses and rise in operating expenses primarily due to employee hiring and ₹500 crore of contribution made towards CGTMSE. Given the cap on the lending margins, the earnings profile in terms of ROTA is likely to remain modest.

Strong asset quality

The asset quality of SIDBI has been improving over the years. Currently, majority of its lending portfolio comprises indirect financing, constituting high-rated banks and other finance companies, including non-banking finance companies (NBFCs). Indirect finance constituted 94.41% (FY23: 94.40%) of the total portfolio as on June 30, 2023, while direct financing stood at 5.59% (FY23: 5.60%). Of the indirect finance portfolio, refinance to banks (including SFBs) constituted 82.45% (FY23: 83.65%) of the total portfolio of the bank, assistance to NBFCs constituted 10.43% (FY23: 9.37%) of the total portfolio, while assistance to MFIs (including SFCs) constituted 1.53% (FY22: 1.37%). The concentration of the top 10 exposures in the total exposure remained high at 67.85% as on March 31, 2023 (70.39 % as on March 31, 2022); however, the risk is mitigated as these exposures are to the banks.

SIDBI's GNPA's have improved from ₹218 crore in FY22 to ₹33 crore in FY23 on the back of write-offs and lower incremental slippages. This, in conjunction with significant growth in the advances improved the GNPA ratio and the net NPA (NNPA) ratio to 0.01% and 0.00%, respectively, as on March 31, 2023. As on March 31, 2023, total number of restructured accounts were 1,124 and in value stood at ₹803.33 crore, which formed 0.23% of the total loans and advances. The asset quality metrics in the direct lending book is comparatively weaker than the refinance book, although the impact on the overall asset quality metrics has been limited with GNPA and NNPA of 0.02% and 0.01%, respectively, as on June 30, 2023.

CARE Ratings expects SIDBI's asset quality to remain strong as its exposure is primarily in indirect finance majorly, which comprises banks and high-rated NBFCs, and the exposure in the direct financing segment is marginal.

Liquidity: Strong

SIDBI's liquidity profile is strong as major portion of its loan book comprises refinance book with average period being 1-1.5 year, which is largely funded through RIDF deposits and long-term borrowings of a similar maturity. Consequently, the asset liability maturity (ALM) statement as on June 30, 2023, exhibits positive cumulative mismatches across all time buckets. As on June 30, 2023, it had undrawn lines of around ₹8,205 crore from banks and undrawn RIDF allocations of ₹75,000 crore. Access to capital market due to its status as an apex financial institution and owned by GoI and its entities, further strengthens its liquidity position.

Applicable criteria

- [Policy on default recognition](#)
- [Sectoring Linkages Government Support](#)
- [Financial Ratio - Financial Sector](#)
- [Issuer Rating](#)
- [Rating Outlook and Credit Watch](#)
- [Short Term Instruments](#)
- [Bank](#)
- [Policy on Withdrawal of Ratings](#)

About the company and industry

Industry classification

| Macro-economic Indicator | Sector | Industry | Basic Industry |
|--------------------------|--------------------|----------|-----------------------|
| Financial Services | Financial Services | Finance | Financial Institution |

SIDBI is the apex financial institution for the MSME sector and is the nodal agency for the MSME-oriented schemes of the GOI. As on June 30, 2023, SEI (15.65%), GOI (20.85%), LIC (13.33%) and NABARD (9.36%) are the major shareholders. SIDBI provides refinance to primary lending institutions like banks (including SFBs), NBFCs, MFIs, etc, which in turn, lend to units under




the MSME sector. SIDBI also provides direct finance to the MSME sector by way of long-term loans, working-capital facilities, discounting/rediscounting bills of exchange, etc.

As on June 30, 2023, SIDBI had three wholly-owned subsidiaries, viz., SIDBI Venture Capital Limited (SVCL), SIDBI Trustee Co Limited (STCL) and Micro Units Development & Refinance Agency Limited (MUDRA). MUDRA has been set-up by GOI through a statutory enactment and is responsible for developing and refinancing all institutions that are in the business of lending to micro/small business entities engaged in the manufacturing, trading and service activities. MUDRA would partner with state-level/regional-level coordinators to provide finance to the last mile financiers of small/micro business enterprises.

| Brief Financials (₹ crore) | March 31, 2022 (A) | March 31, 2023 (A) | Q1FY24 (UA) |
|----------------------------|--------------------|--------------------|-------------|
| Total operating income | 9,139 | 10,405 | 6,600 |
| PAT | 1,958 | 3,344 | 792 |
| Interest coverage (times) | 1.42 | 1.35 | 1.22 |
| Total assets | 2,47,379 | 4,02,382 | 4,52,429 |
| Net NPA (%) | 0.07 | 0.00 | 0.01 |
| ROTA (%) | 0.89 | 1.03 | 0.74 |

A: Audited UA: Unaudited; Note: 'the above results are latest financial results available'

Status of non-cooperation with previous CRA:
None

Any other information:
Not applicable

Rating history for last three years: Please refer Annexure-2

Covenants of rated instrument / facility: Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-3

Complexity level of various instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

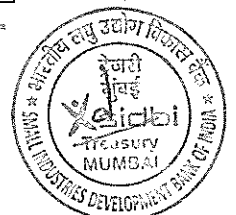
| Name of the Instrument | ISIN | Date of Issuance | Coupon Rate (%) | Maturity Date | Size of the Issue (₹ crore) | Rating Assigned along with Rating Outlook |
|-----------------------------|--------------|------------------|-----------------|---------------|-----------------------------|---|
| Bonds- Unsecured redeemable | INE556F08JR2 | 17-Dec-20 | 4.58% | 18-Dec-23 | 250.00 | CARE AAA; Stable |
| Bonds- Unsecured redeemable | INE556F08J50 | 26-Mar-21 | 5.24% | 26-Mar-24 | 1,900.00 | CARE AAA; Stable |
| Bonds- Unsecured redeemable | INE556F08JT8 | 17-Jun-21 | 4.97% | 17-Jun-24 | 550.00 | CARE AAA; Stable |
| Bonds- Unsecured redeemable | INE556F08JU6 | 21-Feb-22 | 5.59% | 21-Feb-25 | 2,500.00 | CARE AAA; Stable |



| | | | | | | |
|---|--------------|-----------|-------|-----------|-----------|---------------------|
| Bonds- Unsecured redeemable | INE556F08JV4 | 02-Mar-22 | 5.57% | 03-Mar-25 | 2,500.00 | CARE AAA; Stable |
| Bonds- Unsecured redeemable | INE556F08JW2 | 16-Mar-22 | 5.40% | 17-Mar-25 | 1,525.00 | CARE AAA; Stable |
| Bonds- Unsecured redeemable | INE556F08JX0 | 28-Mar-22 | 5.70% | 28-Mar-25 | 1,625.00 | CARE AAA; Stable |
| Bonds- Unsecured redeemable | INE556F08JY8 | 31-May-22 | 7.15% | 02-Jun-25 | 2,500.00 | CARE AAA; Stable |
| Bonds- Unsecured redeemable | INE556F08JZ5 | 10-Jul-22 | 7.15% | 21-Jul-25 | 3,000.00 | CARE AAA; Stable |
| Bonds- Unsecured redeemable | INE556F08KA6 | 28-Jul-22 | 7.25% | 31-Jul-25 | 3,905.00 | CARE AAA; Stable |
| Bonds- Unsecured redeemable | INE556F08KB4 | 17-Aug-22 | 7.11% | 27-Feb-26 | 4,000.00 | CARE AAA; Stable |
| Bonds- Unsecured redeemable | INE556F08KC2 | 08-Sep-22 | 7.23% | 09-Mar-26 | 4,000.00 | CARE AAA; Stable |
| Bonds- Unsecured redeemable | INE556F08KDO | 14-Oct-22 | 7.75% | 27-Oct-25 | 4,000.00 | CARE AAA; Stable |
| Bonds- Unsecured redeemable | INE556F08KE8 | 15-Nov-22 | 7.47% | 25-Nov-25 | 4,000.00 | CARE AAA; Stable |
| Bonds- Unsecured Redeemable | INE556F08KF5 | 02-Dec-22 | 7.54% | 12-Jan-26 | 5,000.00 | CARE AAA; Stable |
| Bonds- Unsecured Redeemable | INE556F08KG3 | 10-Jan-23 | 7.59% | 10-Feb-26 | 5,000.00 | CARE AAA; Stable |
| Bonds- Unsecured Redeemable | INE556F08KH1 | 22-May-23 | 7.43% | 31-Aug-26 | 5,000.00 | CARE AAA; Stable |
| Bonds- Unsecured Redeemable | INE556F08KI9 | 09-Jun-23 | 7.44% | 04-Sep-26 | 6,000.00 | CARE AAA; Stable |
| Bonds- Unsecured Redeemable | INE556F08KJ7 | 28-Jun-23 | 7.75% | 22-Sep-26 | 3,000.00 | CARE AAA; Stable |
| Bonds- Unsecured Redeemable (Proposed) | - | - | - | - | 52,310.00 | CARE AAA; Stable |
| Bonds- Unsecured redeemable | INE556F08JK4 | 18-Aug-20 | 4.90% | 18-Aug-23 | 0.00 | Withdrawn |
| Fixed deposit | - | - | - | - | 23,000.00 | CARE AAA; Stable |
| Fund-based- Long-term bank facilities | - | - | - | 23-Aug-25 | 23,500.00 | CARE AAA; Stable |



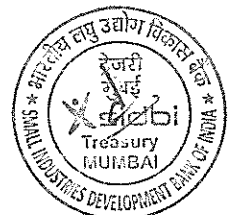

| | | | | | | |
|--|--------------|-----------|-------|-----------|-----------|-----------------------------|
| Fund-based-Long-term bank facilities (Proposed) | - | - | - | - | 4,000.00 | CARE AAA; Stable |
| Fund-based-Short-term bank facilities | - | - | - | 23-Aug-25 | 63,290.00 | CARE A1+ |
| Fund-based-Short-term bank facilities (Proposed) | - | - | - | - | 17,710.00 | CARE A1+ |
| Issuer rating-Issuer ratings | - | - | - | - | 0.00 | CARE AAA; Stable |
| LT/ST instrument-CP / CD | INE556F14JB4 | 31-Mar-23 | 7.75% | 15-Mar-24 | 2,000.00 | CARE AAA; Stable / CARE A1+ |
| LT/ST instrument-CP / CD | INE556F14JF5 | 24-May-23 | 7.28% | 20-Nov-23 | 4,000.00 | CARE AAA; Stable / CARE A1+ |
| LT/ST instrument-CP / CD | INE556F14JJ7 | 21-Jun-23 | 7.25% | 18-Dec-23 | 2,600.00 | CARE AAA; Stable / CARE A1+ |
| LT/ST instrument-CP / CD | INE556F14JK5 | 23-Jun-23 | 6.95% | 22-Sep-23 | 4,750.00 | CARE AAA; Stable / CARE A1+ |
| LT/ST instrument-CP / CD | INE556F14JL3 | 19-Jul-23 | 7.24% | 15-Feb-23 | 3,775.00 | CARE AAA; Stable / CARE A1+ |
| LT/ST instrument-CP / CD | INE556F14JM1 | 28-Jul-23 | 6.97% | 26-Oct-23 | 5,100.00 | CARE AAA; Stable / CARE A1+ |
| LT/ST instrument-CP / CD | INE556F14JN9 | 23-Aug-23 | 7.10% | 22-Nov-23 | 5,425.00 | CARE AAA; Stable / CARE A1+ |
| LT/ST instrument-CP / CD | INE556F14JQ7 | 29-Aug-23 | 7.10% | 28-Nov-23 | 4,175.00 | CARE AAA; Stable / CARE A1+ |
| LT/ST instrument-CP / CD | INE556F14JP4 | 07-Sep-23 | 7.08% | 07-Dec-23 | 6,050.00 | CARE AAA; Stable / CARE A1+ |
| LT/ST instrument-CP / CD | INE556F14JQ2 | 15-Sep-23 | 7.15% | 15-Dec-23 | 5,475.00 | CARE AAA; Stable / CARE A1+ |
| LT/ST instrument-CP / CD | INE556F16AB3 | 21-Nov-22 | 7.55% | 21-Nov-23 | 950.00 | CARE AAA; Stable / CARE A1+ |
| LT/ST instrument-CP / CD | INE556F16AD4 | 06-Dec-22 | 7.60% | 06-Dec-23 | 2,000.00 | CARE AAA; Stable / CARE A1+ |
| LT/ST instrument-CP / CD | INE556F16AE2 | 11-Jan-23 | 7.70% | 11-Jan-24 | 4,000.00 | CARE AAA; Stable / CARE A1+ |
| LT/ST instrument-CP / CD | INE556F16AF9 | 31-Jan-23 | 7.72% | 31-Jan-24 | 2,400.00 | CARE AAA; Stable / CARE A1+ |

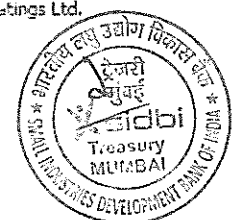
| | | | | | | |
|-------------------------------------|--------------|-----------|-------|-----------|-------------|-----------------------------|
| LT/ST instrument-CP / CD | INE556F16AG7 | 14-Mar-23 | 7.88% | 14-Mar-24 | 2,035.00 | CARE AAA; Stable / CARE A1+ |
| LT/ST instrument-CP / CD | INE556F16AH5 | 27-Mar-23 | 7.72% | 27-Mar-24 | 2,700.00 | CARE AAA; Stable / CARE A1+ |
| LT/ST instrument-CP / CD | INE556F16AI3 | 24-Apr-23 | 7.50% | 24-Apr-24 | 2,750.00 | CARE AAA; Stable / CARE A1+ |
| LT/ST instrument-CP / CD | INE556F16AJ1 | 29-May-23 | 7.34% | 29-May-24 | 2,275.00 | CARE AAA; Stable / CARE A1+ |
| LT/ST instrument-CP / CD | INE556F16AK9 | 06-Jun-23 | 7.40% | 06-Jun-24 | 5,500.00 | CARE AAA; Stable / CARE A1+ |
| LT/ST instrument-CP / CD | INE556F16AL7 | 21-Jun-23 | 7.45% | 21-Jun-24 | 2,850.00 | CARE AAA; Stable / CARE A1+ |
| LT/ST instrument-CP / CD | INE556F16AC6 | 01-Dec-22 | 7.66% | 14-Feb-24 | 1,600.00 | CARE AAA; Stable / CARE A1+ |
| LT/ST instrument-CP / CD (Proposed) | - | - | - | - | 43,690.00 | CARE AAA; Stable / CARE A1+ |
| MSE/RIDF deposits | - | - | - | - | 2,12,000.00 | CARE AAA; Stable |

Annexure-2: Rating history for the last three years

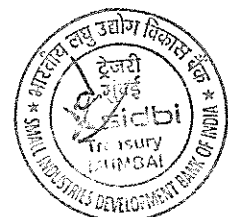
| Sr. No. | Name of the Instrument/Bank Facilities | Current Ratings | | | Rating History | | | |
|---------|--|-----------------|------------------------------|-----------------------------|--|--|---|---|
| | | Type | Amount Outstanding (₹ crore) | Rating | Date(s) and Rating(s) assigned in 2023-2024 | Date(s) and Rating(s) assigned in 2022-2023 | Date(s) and Rating(s) assigned in 2021-2022 | Date(s) and Rating(s) assigned in 2020-2021 |
| 1 | LT/ST instrument-CP / CD | LT/ST | 116000.00 | CARE AAA; Stable / CARE A1+ | 1) CARE AAA; Stable / CARE A1+ (21-Jun-23) 2) CARE AAA; Stable / CARE A1+ (06-Jun-23) | 1) CARE AAA; Stable / CARE A1+ (28-Feb-23) 2) CARE AAA; Stable / CARE A1+ (29-Nov-22) 3) CARE AAA; Stable / CARE A1+ | 1) CARE AAA; Stable / CARE A1+ (02-Sep-21) | 1) CARE AAA; Stable / CARE A1+ (04-Sep-20) |

| | | | | | | | | |
|---|------------------------------|---------------|-----------|------------------|--|--|--|--|
| | | | | | | (06-Sep-22) 4)CARE AAA; Stable / CARE A1+ (07-Jul-22) | | |
| 2 | Fixed deposit | LT | 23000.00 | CARE AAA; Stable | 1)CARE AAA; Stable (21-Jun-23) 2)CARE AAA; Stable (06-Jun-23) | 1)CARE AAA; Stable (28-Feb-23) 2)CARE AAA; Stable (29-Nov-22) 3)CARE AAA; Stable (07-Jul-22) | 1)CARE AAA (FD); Stable (28-Feb-22) 2)CARE AAA (FD); Stable (02-Sep-21) | 1)CARE AAA (FD); Stable (04-Sep-20) |
| 3 | MSE/RIDF deposits | LT | 212000.00 | CARE AAA; Stable | 1)CARE AAA; Stable (21-Jun-23) 2)CARE AAA; Stable (06-Jun-23) | 1)CARE AAA; Stable (28-Feb-23) 2)CARE AAA; Stable (29-Nov-22) 3)CARE AAA; Stable (07-Jul-22) | 1)CARE AAA; Stable (02-Sep-21) | 1)CARE AAA; Stable (28-Sep-20) 2)CARE AAA; Stable (04-Sep-20) |
| 4 | Issuer rating-Issuer ratings | Issuer rating | 0.00 | CARE AAA; Stable | 1)CARE AAA; Stable (21-Jun-23) 2)CARE AAA; Stable (06-Jun-23) | 1)CARE AAA; Stable (28-Feb-23) 2)CARE AAA; Stable (26-Dec-22) | 1)CARE AAA (Is); Stable (02-Sep-21) | 1)CARE AAA (Is); Stable (04-Sep-20) |

| | | | | | | | | |
|---|----------------------------|----|-----------|------------------|--|--|--|--|
| | | | | | | 3)CARE AAA (Is); Stable (29-Nov-22) | | |
| | | | | | | 4)CARE AAA (Is); Stable (07-Jul-22) | | |
| 5 | Bonds-Unsecured redeemable | LT | 112565.00 | CARE AAA; Stable | 1)CARE AAA; Stable (21-Jun-23) 2)CARE AAA; Stable (06-Jun-23) | 1)CARE AAA; Stable (28-Feb-23) 2)CARE AAA; Stable (29-Nov-22) 3)CARE AAA; Stable (07-Jul-22) | 1)CARE AAA; Stable (28-Feb-22) 2)CARE AAA; Stable (02-Sep-21) | 1)CARE AAA; Stable (04-Sep-20) |
| 6 | Fund-based-Short term | ST | 6500.00 | CARE A1+ | 1)CARE A1+ (21-Jun-23) 2)CARE A1+ (06-Jun-23) | 1)CARE A1+ (28-Feb-23) 2)CARE A1+ (29-Nov-22) 3)CARE A1+ (06-Sep-22) 4)CARE A1+ (07-Jul-22) | 1)CARE AAA; Stable (28-Feb-22) 2)CARE AAA; Stable (02-Sep-21) | 1)CARE AAA; Stable (28-Sep-20) 2)CARE AAA; Stable (04-Sep-20) |
| 7 | Fund-based-Short term | ST | 74500.00 | CARE A1+ | 1)CARE A1+ (21-Jun-23) 2)CARE A1+ (06-Jun-23) | 1)CARE A1+ (28-Feb-23) 2)CARE A1+ (29-Nov-22) | 1)CARE A1+ (28-Feb-22) 2)CARE A1+ (02-Sep-21) | 1)CARE A1+ (28-Sep-20) |



| | | | | | | | | |
|---|----------------------|----|----------|------------------|--|--------------------------------|---|---|
| | | | | | | 3)CARE A1+ (06-Sep-22) | | |
| | | | | | | 4)CARE A1+ (07-Jul-22) | | |
| 3 | Fund-based-Long term | LT | 27500.00 | CARE AAA; Stable | 1)CARE AAA; Stable (21-Jun-23) 2)CARE AAA; Stable (06-Jun-23) | 1)CARE AAA; Stable (28-Feb-23) | - | - |

Long term/Short term.

Annexure-3: Detailed explanation of covenants of the rated instruments/facilities: Not applicable

Annexure-4: Complexity level of the various instruments rated

| Sr. No. | Name of the Instrument | Complexity Level |
|---------|---------------------------------------|------------------|
| 1 | Bonds-Unsecured redeemable | Simple |
| 2 | Fixed deposit | Simple |
| 3 | Fund-based-Long-term bank facilities | Simple |
| 4 | Fund-based-Short-term bank facilities | Simple |
| 5 | LT/ST instrument-CP / CD programme | Simple |
| 6 | MSE/RIDF deposits | Simple |
| 7 | Issuer rating | Not applicable |

Annexure-5: Lender details

To view the lender wise details of bank facilities please [click here](#)

Note on the complexity levels of the rated instruments: CARE Ratings has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.




Contact us

| | |
|---|--|
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|---|--|

About us:

Established in 1993, CARE Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the RBI. With an equitable position in the Indian capital market, CARE Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CARE Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by the methodologies congruent with the international best practices. CARE Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit.

Disclaimer:

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CRISIL
Ratings

CONFIDENTIAL

RL/SIDBILT/309893/NCD/0123/50574/138691294/9
October 12, 2023

Mr. Ajit Nath Jha
General Manager
Small Industries Development Bank of India
SIDBI, C-11, Z Block, 4th Floor,
Near Bank of Baroda, Bandra Kurla Complex,
Bandra (E)
Mumbai - 400 051



Dear Mr. Ajit Nath Jha,

Re: CRISIL Rating on the Rs.35000 Crore Non Convertible Debentures of Small Industries Development Bank of India

All ratings assigned by CRISIL Ratings are kept under continuous surveillance and review.
Please refer to our rating letters dated September 14, 2023 bearing Ref. no.:
RL/SIDBILT/309893/NCD/0123/50574/138691294/8

Please find in the table below the rating outstanding for your company.

| S.No. | Instrument | Rated Amount (Rs. in Crore) | Rating Outstanding |
|-------|----------------------------|-----------------------------|--------------------|
| 1 | Non Convertible Debentures | 35000 | CRISIL AAA/Stable |

In the event of your company not making the issue within a period of 180 days from the above date, or in the event of any change in the size or structure of your proposed issue, a fresh letter of revalidation from CRISIL Ratings will be necessary.

As per our Rating Agreement, CRISIL Ratings would disseminate the rating along with outlook through its publications and other media, and keep the rating along with outlook under surveillance for the life of the instrument. CRISIL Ratings reserves the right to withdraw, or revise the rating / outlook assigned to the captioned instrument at any time, on the basis of new information, or unavailability of information, or other circumstances which CRISIL Ratings believes may have an impact on the rating. Please visit www.crisilratings.com and search with the name of the rated entity to access the latest rating/s.

As per SEBI circular (reference number: CIR/IMD/DF/17/2013; dated October 22, 2013) on centralized database for corporate bonds/debentures, you are required to provide international securities identification number (ISIN; along with the reference number and the date of the rating letter) of all bond/debenture issuances made against this rating letter to us. The circular also requires you to share this information with us within 2 days after the allotment of the ISIN. We request you to mail us all the necessary and relevant information at debtissue@crisil.com. This will enable CRISIL Ratings to verify and confirm to the depositories, including NSDL and CDSL, the ISIN details of debt rated by us, as required by SEBI. Feel free to contact us at debtissue@crisil.com for any clarification you may need.

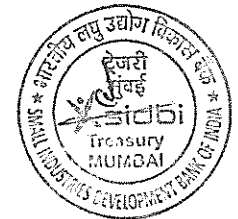
Should you require any clarification, please feel free to get in touch with us.

With warm regards,

Yours sincerely,

Subhasri Narayanan
Director - CRISIL Ratings

Nivedita Shibu
Associate Director - CRISIL Ratings



Disclaimer: A rating by CRISIL Ratings reflects CRISIL Ratings' current opinion on the likelihood of timely payment of the obligations under the rated instrument, and does not constitute an audit of the rated entity by CRISIL Ratings. Our ratings are based on information provided by the issuer or obtained by CRISIL Ratings from sources it considers reliable. CRISIL Ratings does not guarantee the completeness or accuracy of the information on which the rating is based. A rating by CRISIL Ratings is not a recommendation to buy / sell or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. CRISIL Ratings has a practice of keeping all its ratings under surveillance and ratings are revised as and when circumstances so warrant. CRISIL Ratings is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of its ratings. CRISIL Ratings' criteria are available without charge to the public on the web site, www.crisilratings.com. CRISIL Ratings or its associates may have other commercial transactions with the company/entity. For the latest rating information on any instrument of any company rated by CRISIL Ratings, please visit www.crisilratings.com or contact Customer Service Helpdesk at CRISILratingsdesk@crisil.com or at 1800-267-1301

CRISIL Ratings Limited
A subsidiary of CRISIL Limited an ICP Global Company
Corporate Identity Number: L6-10901H2019PLC32524

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www.crisilratings.com

Rating Rationale
January 11, 2023 | Mumbai

Small Industries Development Bank of India
'CRISIL AAA/Stable' assigned to Non Convertible Debentures

| Rating Action | |
|---|--------------------------------|
| Rs.35000 Crore Non Convertible Debentures | CRISIL AAA/Stable (Assigned) |
| Fixed Deposits | CRISIL AAA/Stable (Reaffirmed) |
| Rs.2000 Crore Commercial Paper | CRISIL A1+ (Reaffirmed) |

Note: None of the Directors on CRISIL Ratings Limited's Board are members of rating committees and thus do not participate in discussion or assignment of any ratings. The Board of Directors also does not discuss any ratings of its issuers.
 *Scope & Revision:
 Refer to Annexure for Details of Instruments & Bank Facilities

Detailed Rationale

CRISIL Ratings has assigned 'CRISIL AAA/Stable' ratings to Rs.35,000 crore of non convertible debentures of Small Industries Development Bank of India (SIDBI) and reaffirmed its 'CRISIL AAA/Stable/CRISIL A1+' ratings on the existing debt instruments.

The ratings continue to reflect the support the bank receives from the government of India (GoI) because of the key public policy role it plays in India's micro, small and medium enterprises (MSME) sector. The ratings also factor in the robust capitalisation and healthy resource profile. The asset quality in the direct finance portfolio while weaker than refinancing book, has seen improvement over the year.

The Reserve Bank of India (RBI) had allotted Rs 15,000 crore to SIDBI under the additional special liquidity facility (SLF) – 1 for on-lending and refinancing to banks and financial entities that sanction loans to MSMEs. Furthermore, the RBI allotted Rs 15,000 crore under SLF-2 to support the liquidity of intermediaries in fiscal 2022 and another Rs 16,000 crore under SLF-3 for innovative schemes to support the short- and medium-term needs of small MSMEs in credit-deficient and aspirational districts.

Analytical Approach

CRISIL Ratings has combined the business and financial risk profiles of SIDBI and its subsidiaries given the operational, managerial and financial linkages among the entities. Furthermore, the ratings continue to factor in the expectation of strong support from the government.

Please refer Annexure – list of entities consolidated, which captures the list of entities considered and their analytical treatment of consolidation.

Key Rating Drivers & Detailed Description

Strengths:

Continued strong support from the government given SIDBI's key public policy role in India's MSME sector. SIDBI plays an important role in channelling finance to MSMEs and implements government initiatives for MSMEs, which is a major driver for India's manufacturing output. In addition, Micro Units Development and Refinance Agency (MUDRA), which lends to micro-small business entities, has been set up as a wholly owned subsidiary of SIDBI.

SIDBI played a pivotal role in implementing the different schemes of the government and the RBI to support the MSME sector after the pandemic. Since the onset of Covid-19, the RBI has allotted Rs 45,000 crore under three tranches of SLF to support MSMEs. Furthermore, SIDBI enhanced the scope of its current schemes, such as SIDBI Make in India Soft Loan Fund for Micro Small and Medium Enterprises and SIDBI Assistance to Facilitate Emergency response against Coronavirus, to support the MSMEs affected by pandemic-induced lockdowns.

The government is likely to continue to support SIDBI given its role as the nodal agency for implementing public policies and channelling credit in the MSME sector.

Robust capitalisation

Capitalisation is supported by sizeable standalone network of Rs 26,045 crore as on September 30, 2022, and Rs 24,583 crore as on March 31, 2022. Network, on a consolidated basis, was Rs 22,132 crore as on March 31, 2021. Standalone capital adequacy ratio (CAR) was healthy at 20.6% as on September 30, 2022 (24.3% as on March 31, 2022). Asset-side risks were adequately covered, with network to net non-performing assets (NPAs) ratio at 208 times as on September 30, 2022 (196 times as on March 31, 2022).

With growth in asset base, borrowings (including deposits) have increased against which the RBI has allowed to increase the leverage to 18 times as on March 31, 2023, from 14 times earlier to meet the refinancing requirement. Gearing⁽¹⁾ remains within the regulatory requirement and stood at 12.4 times as on September 30, 2022 (8.6 times as on March 31, 2022).

Healthy and diversified resource profile

Borrowings (including deposits) were Rs 319,381 crore as on September 30, 2022 (Rs 216,590 crore as on March 31, 2022), of which deposits and bonds/debentures formed 46% and 5%, respectively. The bank has access to funds at low interest rates under the special refinancing schemes of the RBI. Resource profile has been driven by increase in deposits allocated under the MSME refinancing fund of SIDBI. Cost of borrowings for the bank stood at 3.41% (based on average of year-end numbers) in fiscal 2022 against 4.0% in fiscal 2021. While there was a slight uptick to 4.6% for the six months ended September 30, 2022, SIDBI continues to mobilise funds at competitive rates.

Weakness:

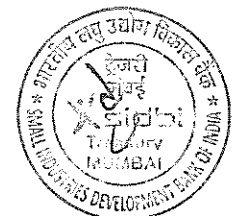
Average asset quality in the direct finance portfolio

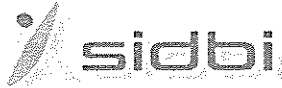
Asset quality metrics of direct finance portfolio was impacted in prior years, however SIDBI has seen improving trends on the back of write offs and lower incremental NPA in this segment. Consequently, GNPA's stood at 1.27% and 1.33% as on September 30 and March 31, 2022, respectively, compared with 2.41% in March 2021.

Overall GNPA's and net NPAs remained low at 0.07% and 0.04%, respectively, as on September 30, 2022, against 0.11% and 0.07%, respectively, as on March 31, 2022 (0.16% and 0.11%, respectively, as on March 31, 2021).

⁽¹⁾As per CRISIL Ratings calculation

Liquidity: Superior



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Rating Rationale

The asset liability maturity profile as on September 30, 2022, is well matched across most buckets, with negative cumulative gap in 3 and 6 months buckets. These are expected to be met by rollover of liabilities in those buckets. As on September 30, 2022, SIDBI had total liquid investments of Rs 53,455 crore in the form of cash and bank balance (Rs 22,411 crore), investment in government securities (Rs 10,593 crore) and other investments of Rs 30,454 crore.

Outlook: Stable

SIDBI is likely to continue to receive operational and funding support from the government and will maintain healthy capitalisation and resource profile over the medium term.

Rating Sensitivity factors

Downward factors

- Any change in the support philosophy of the GoI or decrease in government shareholding, directly or indirectly (through quasi-government entities), below 51%
- Sharp weakening of the asset quality affecting profitability and capital levels

About the Bank

SIDBI was incorporated as a wholly owned subsidiary of IDBI Ltd in 1990. It is the apex financial institution for the MSME sector. State Bank of India (15.65%), Government of India (20.85%), Life Insurance Corporation of India (13.33%) and National Bank for Agriculture and Rural Development (9.35%) are its majority shareholders.

SIDBI provides refinance to banks, state financial corporations and state industrial development corporations that lend to units in the MSME sector. SIDBI also provides direct finance to the MSME sector by way of long-term loans, working capital facilities and discounting/re-discounting bills of exchange. As on September 30, 2022, SIDBI had three wholly owned subsidiaries: SIDBI Venture Capital Ltd (SVCL), SIDBI Trustee Co Ltd (STCL) and MUDRA. MUDRA was established by the government through a statutory enactment and is responsible for developing and refinancing all institutions that lend to micro/small business entities engaged in manufacturing, trading and service activities.

SIDBI reported lower profit after tax (PAT) of Rs 1,563 crore on total income (net of interest expense) of Rs 3,243 crore in fiscal 2022, compared with Rs 2,393 crore on total income (net of interest expense) of Rs 4,623 crore in the previous fiscal, on the back of lower net interest margins. Return on assets (RoA) for fiscal 2022 stood at 0.9% (1.3% in fiscal 2021).

Growth in the asset book as well as a rising interest rate cycle benefited profitability, resulting in higher PAT for the six months ended September 30, 2022, at Rs 1,455 crore, against Rs 945 crore in the corresponding period previous fiscal. RoA remained stable at 1.0% for the respective periods.

Key Financial Indicators: SIDBI

| As on/for the period ended September 30 | Unit | 2022 | 2021 |
|---|----------|----------|----------|
| Total assets | Rs crore | 3,52,589 | 1,79,746 |
| Total income (net of interest expense) | Rs crore | 2,898 | 1,458 |
| Reported PAT | Rs crore | 1,455 | 945 |
| GNPAs | % | 0.07 | 0.20 |
| Overall CAR | % | 20.6 | 30.3 |
| RoA | % | 1.0 | 1.1 |

Any other information: Not applicable

Note on complexity levels of the rated instrument:

CRISIL Ratings' complexity levels are assigned to various types of financial instruments and are included (where applicable) in the 'Annexure - Details of instrument' in this Rating Rationale.

CRISIL Ratings will disclose complexity level for all securities - including those that are yet to be placed - based on available information. The complexity level for instruments may be updated, where required, in the rating rationale published subsequent to the issuance of the instrument when details on such features are available.

For more details on the CRISIL Ratings' complexity levels please visit www.crisilratings.com. Users may also call the Customer Service Helpdesk with queries on specific instruments.

Annexure - Details of Instrument(s)

| ISIN | Name of instrument | Date of allotment | Coupon rate (%) | Maturity date | Issue size (Rs.Crore) | Complexity level | Rating outstanding with outlook |
|------|----------------------------|-------------------|-----------------|---------------|-----------------------|------------------|---------------------------------|
| NA | Fixed deposit programme | NA | NA | NA | NA | Simple | CRISIL AAA/Stable |
| NA | Commercial paper programme | NA | NA | 7-365 Days | 2000 | Simple | CRISIL A1+ |
| NA | Non convertible debenture* | NA | NA | NA | 35,000 | Simple | CRISIL AAA/Stable |

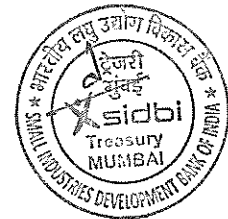
Annexure - List of Entities Consolidated

| Name of Entities Consolidated | Extent of Consolidation | Rationale for Consolidation |
|-------------------------------|-------------------------|-----------------------------|
| MUDRA | Full | Subsidiary |
| SVCL | Full | Subsidiary |
| STCL | Full | Subsidiary |

Annexure - Rating History for last 3 Years

| Instrument | Type | Current Outstanding Amount | Current Rating | 2022 (History) | | 2021 | | 2020 | | Start of 2020 |
|----------------------------|------|----------------------------|-------------------|----------------|-------------------|----------|------------|----------|------------|-------------------|
| | | | | Date | Rating | Date | Rating | Date | Rating | |
| Bond | LT | - | - | - | - | - | - | 25-12-20 | Whithdrawn | CRISIL AAA/Stable |
| Commercial Paper | ST | 2000.0 | CRISIL A1+ | 28-12-22 | CRISIL A1+ | 28-12-21 | CRISIL A1+ | 28-12-20 | CRISIL A1+ | CRISIL A1+ |
| | | | | 24-08-22 | CRISIL A1+ | | | | | |
| Fixed Deposits | LT | 0.0 | CRISIL AAA/Stable | 28-12-22 | CRISIL AAA/Stable | 28-12-21 | AAA/Stable | 25-12-20 | AAA/Stable | AAA/Stable |
| | | | | 24-08-22 | CRISIL AAA/Stable | | | | | |
| Non-Convertible Debentures | LT | 35000.0 | CRISIL AAA/Stable | - | - | - | - | - | - | - |

All amounts are in Rs Cr



LUX

Criteria Details

| Link to related criteria Rating Criteria for Banks and Financial Institutions CRISIL's criteria for rating fixed deposit programmes CRISIL's Criteria for rating short term debt Criteria for Notching up Stand Alone Ratings of Entities Based on Government Support CRISIL's Criteria for Consolidation | | |
|--|--|--|
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Rating Rationale

Note for Media

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Contact with us: CRISIL@crisilratings.com or [+912240000000](tel:+912240000000)

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Rating Rationale

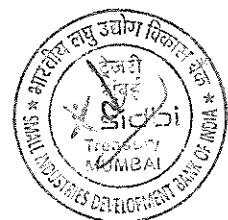
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Consent Letter from the Debenture Trustee



SBICAP Trustee Company Ltd.

Ref No.: 5207/2023-2024/CL - 4772

Date: October 12, 2023

Small Industries Development Bank of India
Swavalamban Bhavan, Avenue 3,
Lane 2, C-11, G-Block,
Bandra Kurla Complex, Bandra (E),
Mumbai 400 051

Dear Sir,

Sub: - Consent to act as Debenture Trustee for Private Placement of Listed, Unsecured NCDs aggregating up to Rs. 5,000 crores for Series IV/FY- 2023-24.

We refer your letter Ref No. TRMV/LOO1289721/Bonds/DT dated 27th March, 2023 appointing SBICAP Trustee Company Limited as Debenture Trustee for issuance of Bonds during FY 2024 to FY 2026. In this connection, we hereby give our consent to act as Debenture / Bond Trustee for Series IV/FY- 2023-24 and confirm our acceptance to the assignment.

We are aggregable for inclusion of our name as Trustee in the Private Placement Memorandum / Information Memorandum to be issued by the Company on private placement basis to the certain identified person in terms of the Companies Act, 2013, as required subject to following conditions: -

1. The Company shall enter into the written Debenture Trustee Agreement (DTA) for the said issue before the opening of the issue /subscription list for issue debentures. The Debenture Trust Deed shall be executed by the Company within a period of 3 days from the date of closure of issue. Further, the Company shall also list the debentures on the Stock Exchange within a period of 3 working days from the date of closure of debenture issue.
2. The Company agrees and undertakes that it shall comply with the provisions of the SEBI regulations /Companies Act, 2013 read with the rules and regulations framed thereunder and the applicable provisions of the rules and regulations framed under the Reserve Bank of India Act, till the final redemption of the NCD being issued by the Company.
3. The Company agrees and undertakes to pay to the debenture trustee so long as they hold the office of debenture trustee, remuneration as stated in the fee letter dated 10th April, 2023.
4. Any payment in respect of debentures required to be made by the debenture trustee to debenture holder (who is FII Entity) at the time / post enforcement would, if required by applicable law, be subject to the prior approval of RBI for such remittance through an Authorized Dealer only. The Company / Investor / Debenture Holders shall obtain all such approvals from RBI, if required, to ensure prompt and timely payments to the said debenture holders. Such remittance shall not exceed the total investment (and interest provided herein) made by the debenture holder (who is FPI).

Registered & Corporate Office : 4th Floor, Mistry Bhavan, 122, Dinshaw Vachha Road, Churchgate, Mumbai. Pin - 400 020.
☎ +91 22 4302 5566 / +91 22 4302 5555 ✉ corporate@ebicaptrustee.com CIN : U65991MH2005PLC150386
UDYAM REGISTRATION NUMBER (SMALL ENTERPRISE Under MSME Act, 2008) - UDYAM-MH-19-0111411
🌐 www.sb-captrustee.com

A Group Company of SBI



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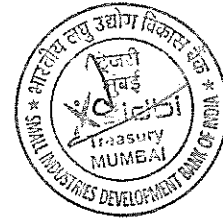
5. The Company confirms that all necessary disclosures shall be made in the Private Placement Memorandum / Information Memorandum including but not limited to statutory and other regulatory disclosures. Investors should carefully read and note the contents of the Private Placement Memorandum / Information Memorandum. Each prospective investor should make its own independent assessment of the merits of the investment in NCDs and the Issuer Company. 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 NCDs and should possess the appropriate resources to analyze such investment and suitability of such investment to such investor's particular circumstance. Prospective investors are required to make their own independent evaluation and judgment before making the investment and are believed to be experienced in investing in debt market and are able to bear the economic risk of investing in such instruments.
6. The Trustee, "ipso facto" do not have the obligations of a borrower or a Principal Debtor or a Guarantor as to the monies paid / invested by the investors for the debentures being issued by the issuer Company.

Looking forward to a fruitful association with you and assuring you of our best professional services at all times.

With warm regards,
Yours faithfully,

For SBICAP Trustee Company Limited


Authorized Signatory
12/10/23







Board Resolution for Borrowing – FY 2023-24



CERTIFIED TRUE COPY OF THE RESOLUTION PASSED AT THE 218TH MEETING OF THE BOARD OF DIRECTORS OF SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA AT ITS MEETING HELD ON FRIDAY, MAY 12, 2023 AT 10.00 AM, AT MUMBAI

[Resource Plan for Financial Year 2024]

“RESOLVED that the Resource Plan for FY 2024, as contained in the Memorandum SIDBI B.No-9/2023-24 dated May 4, 2023, for raising a sum of ₹3,41,000 crore (excluding short term resources raised and repaid during the year) through various instruments, including private placement of unsecured bonds, be and is hereby approved

Small Industries Development Bank of India
Mumbai
Authorised Signatory

Small Industries Development Bank of India
Mumbai
Authorised Signatory

Small Industries Development Bank of India
Mumbai
Authorised Signatory

Handwritten signature



Illustration regarding Cash Flows

7.79% SIDBI 2027-Series IV of FY 2023-24

| | |
|---|--|
| Face Value (per security) | ₹1,00,000 |
| Bid open / close Date | October 17, 2023 |
| Deemed Date of Allotment / Pay-in Date | October 19, 2023 |
| Redemption Date | April 19, 2027 |
| Coupon Rate | 7.79% p.a. 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 in the issue | Uniform Price Allotment |
| Frequency of the Interest Payment with specified dates (if put/call option exercised) | Not Applicable |
| Frequency of the Interest Payment with specified dates | Annual |
| Day Count Convention | Actual / Actual |
| Put/Call Option Date | Not applicable |

| Illustrative Cash Flow | | | | | |
|---|----------------------------|----------|------------|------------------------------|-------------|
| Cash Flows | Annual coupon payment Date | Day | No of Days | Adjusted Coupon Payment Date | Amt (in ₹) |
| 1st Coupon ## | October 19, 2024 | Saturday | 366.00 | October 21, 2024 | 7790.00 |
| 2nd Coupon | October 19, 2025 | Sunday | 365.00 | October 20, 2025 | 7790.00 |
| 3rd Coupon | October 19, 2026 | Monday | 365.00 | -- | 7790.00 |
| 4th Coupon payment with principal repayment | April 19, 2027 | Monday | 182.00 | -- | 1,03,884.33 |

The settlement dates may be changed, as per the Negotiable Instruments Act.
The coupon will have a leap year denominator




**Term Sheet for Private Placement of Unsecured, Redeemable,
Non-Convertible Debentures of Face Value ₹1 lakh each aggregating ₹2000
crore with Greenshoe Option up to ₹3000 Crore**



SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA

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

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

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

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

Tel (022) 67531100 Fax (022) 26505790

Website: www.sidbi.in

email: rmd_mho@sidbi.in & treasury_frontoffice@sidbi.in

CREDIT RATING: "CARE AAA" by CARE Ratings Limited and "CRISIL AAA" by CRISIL Limited. Instruments with this rating are considered to have the highest degree of safety regarding timely servicing of financial obligations. Such instruments carry lowest credit risk. The rating is not a recommendation to buy, sell or hold securities and investors should take their own decisions. The rating may be subject to revision or withdrawal at any time by the assigning Rating Agency on the basis of new information.

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



INFORMATION RELATING TO THE TERMS OF OFFER OR PURCHASE

| | |
|-----------------------------|---|
| Security Name | 7.79% SIDBI 2027-Series IV of FY 2023-24 |
| 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>Delay in listing : In case the bonds are not listed within the said limit, SIDBI shall pay penal interest of 1% p.a. over the coupon rate for the period of delay to the investor (i.e. from the date of allotment to the date of listing); and</p> <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.</p> |
| Rating | "CRISIL AAA" by CRISIL Limited dated October 12, 2023 |



| | |
|--|--|
| | "CARE AAA" by CARE Ratings Limited dated September 27, 2023 |
| Issue Size | ₹2000 crore with Green Shoe Option upto ₹3000 crore (Total accepted amount ₹3022.29 crore) |
| 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 | 7.79% 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 and 6 Months from the deemed date of allotment |
| Redemption Date | April 19, 2027 |
| 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 | October 17, 2023 |
| | Issue Closing Date | October 17, 2023 |
| | Pay-in Date | October 19, 2023 |
| | Deemed Date of Allotment | October 19, 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 any coupon payment date falls on a day that is a not a Business Day (Saturday / Sunday / Holiday) in Mumbai, the payment shall be made by the Issuer on the immediately succeeding Business Day. Interest will not be paid upto the date of payment extended.</p> <p>If the Redemption Date (as also the last coupon date) of the Bond 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 alongwith interest accrued on the bonds until but excluding the date of payment. In the event the record date falls on a day which is not a Business Day, the immediately preceding Business Day will be considered as the Record Date.</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</p> | |



| | |
|--|---|
| | denominator; for quarterly interest, four times and for monthly interest payment, twelve times. |
| Record Date | 15 calendar days prior to each Coupon Payment / Redemption Date |
| All Covenants of the issue (including side letters, accelerated payment clause, etc.) | None |
| 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. The recovery of 100% of outstanding amount shall depend on the market scenario prevalent at the time of enforcement of the Bonds pursuant to Event of Default. |
| Events of Default (including manner of voting/ conditions of joining Inter Creditor Agreement) | Refer Information Memorandum (IM) of the issue. |
| Security | Not Applicable (Unsecured Instrument) |
| Governing law and jurisdiction | The Bonds are governed by and shall be construed in accordance with the existing laws of India. Any dispute arising in respect thereof will be subject to the exclusive jurisdiction of the courts and tribunals in the State of Maharashtra. |
| Debenture Trustee | SBICAP Trustee Company Limited Mistry Bhavan, 4 th Floor 122 Dinshaw Vachha Road Churchgate Mumbai – 400 020 T: (91) (22) 4325555. https://sbicaptrustee.com |
| Arrangers of the Issue | Through Electronic Bidding Platform (EBP) of NSE As per SIDBI's Arranger Policy uploaded on EBP for current issue Minimum Quantum for Arrangership: ₹ 100 crore Arrangership Fee: 0.03% |



| Sr | Name | Amt (₹cr) |
|----|---|--------------|
| 1 | HDFC Bank Limited | 785 |
| 2 | Axis Bank Limited | 215 |
| 3 | Kotak Mahindra Bank Limited | 186.29 |
| 4 | ICICI Bank Limited | 185 |
| 5 | PNB GILTS LTD | 130 |
| 6 | Tipsons Consultancy Services Pvt. Ltd. | 100 |
| 7 | Trust Investment Advisors Private Limited | 100 |
| 8 | Yes Bank Limited | 100 |
| 9 | BOI Merchant Bankers Limited | 100 |
| 10 | IDBI CAPITAL MARKETS & SECURITIES Ltd. | 100 |
| 11 | ICICI SECURITIES PRIMARY DEALERSHIP LIMITED | 100 |

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.



7.79% SIDBI 2027-Series IV of FY 2023-24

| | |
|--|--|
| Face Value (per security) | ₹1,00,000 |
| Bid open / close Date | October 17, 2023 |
| Deemed Date of Allotment / Pay-in Date | October 19, 2023 |
| Redemption Date | April 19, 2027 |
| Coupon Rate | 7.79% p.a. 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 in the issue | Uniform Price Allotment |
| Frequency of the Interest Payment with specified dates | Annual |
| Day Count Convention | Actual / Actual |
| Put/Call Option Date | Not Applicable |

Illustrative Cash Flow

| Cash Flows | Annual coupon payment Date | Day | No of Days | Adjusted Coupon Payment Date | Amt (in ₹) |
|---|----------------------------|----------|------------|------------------------------|-------------|
| 1st Coupon ## | October 19, 2024 | Saturday | 366.00 | October 21, 2024 | 7790.00 |
| 2nd Coupon | October 19, 2025 | Sunday | 365.00 | October 20, 2025 | 7790.00 |
| 3rd Coupon | October 19, 2026 | Monday | 365.00 | -- | 7790.00 |
| 4th Coupon payment with principal repayment | April 19, 2027 | Monday | 182.00 | -- | 1,03,884.33 |

The settlement dates may be changed, as per the Negotiable Instruments Act.

The coupon will have a leap year denominator

