

**A. Issue Details****Summary Term Sheet:**

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| Security Name        | 5.83% SBI 2020  |
| Series               | Series III  |
| Issuer/Bank          | State Bank of India   |
| Type of Instrument   | Non-convertible, Taxable, Redeemable, Subordinated, Unsecured, fully paid-up Basel III compliant Tier 2 Bonds in the nature of debentures of Rs.10 lacs each  |
| Nature of Instrument | Unsecured Basel III Tier 2 Bonds  |
| Seniority            | <p>The claims of the Bondholders shall–</p> <ul style="list-style-type: none"> <li>(i) be senior to the claims of investors in instruments eligible for inclusion in Tier 1 Capital issued by the Bank;</li> <li>(ii) be subordinated to the claims of all depositors and general creditors of the Bank;</li> <li>(iii) neither be secured nor covered by any guarantee of the Issuer or its related entity or other arrangement that legally or economically enhances the seniority of the claim <i>vis -à-vis</i> creditors of the Bank;</li> <li>(iv) unless the terms of any subsequent issuance of bonds/debentures by the Bank specifies that the claims of such subsequent bond holders are senior or subordinate to the Bonds issued under this Disclosure Document or unless the RBI specifies otherwise in its guidelines, the claims of the Bondholders shall be pari passu with claims of holders of such subsequent debentures/bond issuances of the Bank; and</li> <li>(v) rank pari passu without preference amongst themselves and other subordinated debt eligible for inclusion in Tier 2 Capital.</li> </ul> <p>Tier 1 Capital and Tier 2 Capital shall have the meaning ascribed to such terms under Basel III Guidelines.</p> <p>Notwithstanding anything to the contrary stipulated herein, the claims of the Bondholders shall be subject to the provisions of “Loss Absorbency”, “Write-down on PONV Trigger Event”, and “Other Events” mentioned in this disclosure document (the “<b>Disclosure Document</b>”) and this Summary Term Sheet.</p> |
| Mode of Issue        | Private Placement through EBP platform  |
| Type of Bidding      | Closed Bidding  |
| Manner of Allotment  | Uniform Yield   |
| Eligible Investors   | <p>The following class of investors are eligible to participate in the offer (being “<b>Eligible Investors</b>”):</p> <ul style="list-style-type: none"> <li>(i) Mutual Funds,</li> <li>(ii) Public Financial Institutions as defined in section 2(72) of the Companies Act, 2013;</li> </ul>   |

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|  | <ul style="list-style-type: none"> <li>(iii) Scheduled Commercial Banks;</li> <li>(iv) Insurance Companies;</li> <li>(v) Provident Funds, Gratuity Funds, Superannuation Funds and Pension Funds;</li> <li>(vi) Co-operative Banks;</li> <li>(vii) Regional Rural Banks authorized to invest in bonds/ debentures;</li> <li>(viii) Companies and Bodies Corporate authorized to invest in bonds/ debentures;</li> <li>(ix) Societies authorized to invest in bonds/ debentures;</li> <li>(x) Trusts authorized to invest in bonds/ debentures;</li> <li>(xi) Statutory Corporations/ Undertakings established by Central/ State legislature authorized to invest in bonds/ debentures;</li> <li>(xii) Foreign Portfolio Investors (“<b>FPIs</b>”) *; and</li> <li>(xiii) Any other person eligible to invest in the issue.</li> </ul> <p>The following class of investors are not eligible to participate in the offer:</p> <ul style="list-style-type: none"> <li>(i) Resident Individual Investors;</li> <li>(ii) Foreign Nationals;</li> <li>(iii) any related party over which the Bank exercises control or significant influence (as defined under the relevant accounting standards (“<b>Accounting Standards</b>”));</li> <li>(iv) Persons resident outside India, other than FPIs;</li> <li>(v) Venture Capital Funds, Alternative Investment Funds, Overseas Corporate Bodies;</li> <li>(vi) Partnership firms formed under applicable laws in India in the name of the partners;</li> <li>(vii) Hindu Undivided Families through Karta; and</li> <li>(viii) Person ineligible to contract under applicable statutory/ regulatory requirements.</li> </ul> <p>*Investment by FPIs in Tier 2 instruments raised in Indian Rupees shall be subject to a separate ceiling of USD 500 million.</p> <p>Investment by foreign portfolio investors (<b>FPIs</b>) in these Bonds raised in Indian Rupees shall be subject to compliance with terms and conditions stipulated by the Securities and Exchange Board of India (<b>SEBI</b>)/other regulatory authorities on investment in these instruments.</p> <p>The issuance being a private placement through the Electronic Bidding Platform of NSE and/or BSE, the investors who have bid on its own account or through arrangers, if any, appointed by Issuer, in the issue through the said platform and in compliance with SEBI circulars on the above subject and NSE and/or BSE operating guidelines are only eligible to apply. Any other application shall be at the sole discretion of the Issuer.</p> |
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|                                   | <p>Further, notwithstanding anything contained above, only eligible investors who have been addressed through the application form are eligible to apply.</p> <p>Prior to making any investment in these Bonds, each Eligible Investor should satisfy and assure himself/herself/itself that he/she/it is authorized and eligible to invest in these Bonds. The Bank shall be under no obligation to verify the eligibility/authority of the Eligible Investor to invest in these Bonds. Further, mere receipt of this Disclosure Document (and/or any Transaction Document in relation thereto and/or any draft of the Transaction Documents and/or this Disclosure Document) by a person shall not be construed as any representation by the Bank that such person is authorized to invest in these Bonds or eligible to subscribe to these Bonds. If after applying for subscription to these Bonds and/or allotment of Bonds to any person, such person becomes ineligible and/or is found to have been ineligible to invest in/hold these Bonds, the Bank shall not be responsible in any manner.</p> <p>Notwithstanding any acceptance of bids by the Bank on and/or pursuant to the bidding process on the Electronic Book Platform, (a) if a person, in the Bank's view, is not an Eligible Investor, the Bank shall have the right to refuse allotment of Bonds to such person and reject such person's application; (b) if after applying for subscription to these Bonds and/or allotment of Bonds to any person, such person becomes ineligible and/or is found to have been ineligible to invest in/hold these Bonds, the Issuer shall not be responsible in any manner.</p> |
| Listing                           | <p>Proposed on the Wholesale Debt Market (WDM) Segment of NSE and/or BSE.</p> <p>Designated Stock Exchange for the issue is: NSE</p>  |
| Rating                            | <p>"CRISIL AAA/Stable" by CRISIL, "IND AAA/Stable" by IRRPL and "[ICRA]AAA(hyb)(Stable)" by ICRA</p>  |
| Issue Size                        | <p>Aggregate total issue size not exceeding Rs. 5,000 crores with a base issue size of Rs. 2,000 crores and a green-shoe option to retain oversubscription upto Rs. 3,000 crores.</p>   |
| Option to retain oversubscription | <p>Yes. Green-shoe option to retain oversubscription upto Rs. 3,000 crores.</p>   |
| Objects of the Issue              | <p>Augmenting Tier 2 Capital and overall capital of the Bank for strengthening its capital adequacy and for enhancing its long-term resources.</p> <p>The funds being raised by the Bank through this issue are not meant for financing any particular project. The Bank shall utilise the proceeds of the issue for its regular business activities.</p>   |
| Details of Utilization of funds   | <p>The Bank shall utilize the proceeds of the issue for augmenting Tier 2 Capital and overall capital of the Bank for strengthening its capital adequacy and for enhancing its long-term resources.</p>   |
| Coupon Rate                       | <p>5.83% p.a. subject to "Loss Absorbency", "Write-down on PONV Trigger Event" and "Other Events" mentioned in this Summary Term Sheet.</p>   |
| Step Up/Step Down Coupon Rate     | <p>Not Applicable</p>   |

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| Coupon Payment Frequency   | Annual   |
| Coupon Payment Dates   | First coupon payment shall be made on 26 <sup>th</sup> October 2021 and every year thereafter till redemption of bonds.  |
| Coupon Type  | Fixed  |
| Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc.) | Not Applicable   |
| Day Count Basis  | <p>The Coupon for each of the interest periods shall be computed as per Actual / Actual day count convention (as per the SEBI Circular dated October 29, 2013 bearing reference CIR/IMD/DF/18/2013) and SEBI Circular dated November 11, 2016 bearing reference CIR/IMD/DF-1/122/2016) on the face value/principal outstanding after adjustments and write-off on account of “Loss Absorbency”, “Write-down on PONV Trigger Event” and “Other Events” mentioned in this Summary Term Sheet, at the Coupon Rate rounded off to the nearest Rupee.</p> <p>The Interest Period means each period beginning on (and including) the Deemed Date of Allotment(s) or any Coupon Payment Date and ending on (but excluding) the next Coupon Payment Date/ Call Option Date (if exercised). It is clarified that in case of Coupon payment in a leap year, the same shall be calculated taking the number of days as 366 (three hundred and sixty six) days (per the SEBI Circular dated November 11, 2016 bearing reference CIR/IMD/DF-1/122/2016).</p> <p>Sample interest calculation is provided in this Disclosure Document in Annexure V.</p>  |
| Business Day Convention/ Effect of Holidays  | <p>‘Business Day’ shall be a day on which commercial banks are open for business in the city of Mumbai, Maharashtra and when the money market is functioning in Mumbai. If the date of payment of interest/redemption of principal does not fall on a Business Day, the payment of interest/principal shall be made in accordance with SEBI Circular CIR/IMD/DF-1/122/2016 dated November 11, 2016.</p> <p>If any of the Coupon Payment Date(s), other than the ones falling on the redemption date, falls on a day that is not a Business Day, the payment shall be made by the Issuer on the immediately succeeding Business Day, which becomes the coupon payment date for that coupon. However, the future coupon payment date(s) would be as per the schedule originally stipulated at the time of issuing the debentures. In other words, the subsequent coupon payment date(s) would not be changed merely because the payment date in respect of one particular coupon payment has been postponed earlier because of it having fallen on a non-Business Day.</p> <p>If the redemption date of the Bonds falls on a day that is not a Business Day, the redemption amount shall be paid by the Issuer on the immediately preceding Business Day which becomes the new</p> |

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|                               | redemption date, along with interest accrued on the debentures until but excluding the date of such payment.   |
| Interest on Application Money | <p>Interest at the Coupon Rate (subject to deduction of income tax under the provisions of the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof, as applicable) will be paid to the applicants on the application money for the Bonds for the period starting from and including the date of realization of application money in the Issuer's bank account up to one day prior to the Deemed Date of Allotment.</p> <p>The Bank shall not be liable to pay any interest in case of invalid applications or applications liable to be rejected including applications made by person who is not an Eligible Investor. If the Pay-In Date and the Deemed Date of Allotment fall on the same date, interest on application money shall not be applicable. Further, no interest on application money will be payable in case the issue is withdrawn by the Issuer in accordance with the Operational Guidelines</p>   |
| Default Interest Rate         | <p>In case of default in payment of Interest and/or principal redemption on the due dates, additional interest at 2% p.a. over the Coupon Rate will be payable by the Issuer for the defaulting period.</p> <p>In case of delay in listing of Bonds beyond 20 days from the Deemed Date of Allotment, the Bank shall pay penal interest of 1% p.a. over the coupon rate after the expiry of 30 days from the deemed date of allotment till the listing of such Bonds to the investor.</p> <p>If the Bank fails to execute the trust deed within three months of the closure of the issue, the Bank shall also pay interest of 2% p.a. to the debenture holder, over and above the agreed coupon rate, till the execution of the trust deed</p> <p>However, any non-payment of interest and / or principal on account of RBI guidelines on Basel III capital regulations, Loss Absorbency, "Write-down on PONV Trigger Event" and Other Events of this Summary Term Sheet, no such default interest shall be payable.</p> |
| Tenor                         | Redeemable after 10 years from the Deemed Date of Allotment.   |
| Redemption Date               | <p>26<sup>th</sup> October 2030, subject to Issuer Call, Tax Call and Regulatory Call, if any and provided that the Bonds have not been written-off on account of PONV and/or any other event on account of RBI guidelines.</p> <p>In case of exercise of call option, redemption shall be made on Call Option Date.</p>   |
| Redemption Amount             | <p>At par along with interest accrued till one day prior to the Redemption Date subject to adjustments and write-off on account of "Loss Absorbency", "Write-down on PONV Trigger Event" &amp; "Other Events" mentioned in this Summary Term Sheet.</p> <p>In case of redemption due to exercise of call option or otherwise in accordance with RBI guidelines, the Bonds shall be redeemed at par along with interest accrued till one day prior to the Call Option Date subject to adjustments and/or write-off on account of "Loss Absorbency",</p>   |

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|                                | "Write-down on PONV Trigger Event" & "Other Events" as mentioned in this Summary Term Sheet.   |
| Premium/Discount on redemption | Nil  |
| Issue Price                    | At par (Rs.10 lacs per Bond)   |
| Discount or premium on Issue   | Nil  |
| Put Option                     | Not Applicable   |
| Put Option Date                | Not Applicable   |
| Put Option Price               | Not Applicable   |
| Issuer Call Option             | The Bank may, at its sole discretion but subject to the "Condition for exercise of Call Option", elect to exercise a call on the Bonds (in whole) on 26 <sup>th</sup> October 2025 [being the 5 <sup>th</sup> anniversary of the Deemed Date of Allotment] or any anniversary date thereafter (the " <b>Issuer Call Date</b> ")  |
| Tax Call                       | <p>If there is any change in, or amendment to, the laws affecting taxation (or regulations or rulings promulgated thereunder) in India or any change in the official application of such laws, regulations or rulings (a "<b>Tax Event</b>") Issuer may, at its option, redeem the Bonds, in whole at a redemption price equal to outstanding principal amount subject to adjustment on account of "Loss Absorbency", "Write-down on PONV Trigger Event" and "Other Events" mentioned in this Summary Term Sheet, together with any accrued but unpaid interest to (but excluding) the date fixed for exercising call option on such Bonds. Any redemption upon the occurrence of a Tax Event will be subject to the provisions described under "Call Notification Time" and conditions (ii) and (iii) enumerated under "Condition for exercise of Call Option".</p> <p>RBI may permit the Issuer to exercise the Tax Call only if the RBI is convinced that the Issuer was not in a position to anticipate the Tax Event at the time of issuance of the Bonds and if the Bank demonstrates to the satisfaction of RBI that the Bank's capital position is well above the minimum capital requirements after the call option is exercised.</p> |
| Regulatory Call                | <p>If there is a change in the regulatory classification of the Bonds that occurs on or after the issue date of the Bonds (a "<b>Regulatory Event</b>"), Issuer may, at its option, redeem the Bonds, in whole at a redemption price equal to outstanding principal amount subject to adjustment on account of "Loss Absorbency" and "Other Events" mentioned in this Summary Term Sheet, together with any accrued but unpaid interest to (but excluding) the date fixed for exercising call option on such Bonds. Any redemption upon the occurrence of a Regulatory Event will be subject to the provisions described under "Call Notification Time" and conditions (ii) and (iii) enumerated under "Condition for exercise of Call Option".</p> <p>RBI may permit the Issuer to exercise the Regulatory Call only if the RBI is convinced that the Issuer was not in a position to anticipate the Regulatory Event at the time of issuance of the Bonds and if the Bank demonstrates to the satisfaction of RBI that the Bank's capital position is well above the minimum capital requirements after the Call Option is exercised.</p>  |

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| Condition for exercise of Call Option                    | <p>Exercise of Issuer call option by the Bank will be subject to the conditions mentioned below:</p> <ul style="list-style-type: none"> <li>(i) The call option can be exercised only after a minimum of five years from the Deemed Date of Allotment;</li> <li>(ii) To exercise a call option the Bank shall require prior approval of RBI; and</li> <li>(iii) Bank shall not exercise a call unless: <ul style="list-style-type: none"> <li>a) The Bond is replaced with capital of the same or better quality and the replacement of this capital is done at conditions which are sustainable for the income capacity of the bank; or</li> <li>b) The Bank demonstrates that its capital position is well above the minimum capital requirements after the call option is exercised.</li> </ul> </li> </ul> |
| Call Option Date   | <p>26<sup>th</sup> October 2025, or any anniversary date thereafter, subject to Tax Call / Regulatory Call.</p> <p>In case of Tax Call or Regulatory Call, the date may be as specified in the notice to debenture trustee.</p>  |
| Call Option Price  | At par, along with interest accrued till one day prior to the Call Option Date subject to adjustments and/ or write-off on account of "Loss Absorbency", "Write-down on PONV Trigger Event" & "Other Events" mentioned in this Summary Term Sheet.   |
| Put Notification Time                                    | Not Applicable.  |
| Call Notification Time                                   | Any redemption of the Bonds on account of exercise of Call Option i.e. Issuer Call, Tax call and Regulatory Call shall be subject to the Issuer giving not less than twenty-one (21) calendar days prior notice to the Bondholders and Debenture Trustee.  |
| Face Value   | Rs. 10 Lacs per Bond.  |
| Minimum Application and in multiples of Bonds thereafter | 1 Bond and in multiples of 1 Bond thereafter.  |
| Issue Timing:  |  |
| 1. Bid Opening/ Closing Date                             | 22 <sup>nd</sup> October 2020  |
| 2. Issue Opening/ Closing Date                           | 26 <sup>th</sup> October 2020  |
| 3. Pay-in Date   | 26 <sup>th</sup> October 2020  |
| 4. Deemed Date of Allotment                              | 26 <sup>th</sup> October 2020  |
| Issuance mode  | In Demat mode only.  |
| Trading Mode   | In Demat mode only.  |
| Settlement   | Payment of interest and repayment of principal shall be made by way of credit through direct credit/ National Electronic Clearing Service/ RTGS/ NEFT mechanism or any other permitted method at the discretion of the Issuer.   |

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| Settlement Cycle for EBP   | T+2 (issuance)  |
| Depository   | National Securities Depository Limited and Central Depository Services (India) Limited.   |
| Record Date  | 15 calendar days prior to each Coupon Payment Date / Call Option Date or the Redemption Date (as the case may be). In the event the Record Date falls on a day which is not a Business Day, the succeeding Business Day will be considered as Record Date.  |
| All Covenants of the Issue (including side letters, accelerated payment clause etc.) | Other than as mentioned in this summary term sheet, there are no additional covenants of the issue<br><br>The Bondholders shall have no rights to accelerate the repayment of future scheduled payments (coupon or principal) except in bankruptcy and liquidation of the Issuer.   |
| Description regarding Security   | Unsecured   |
| Undertaking on creation of Security  | Not Applicable. The Bonds are unsecured in nature and hence no permission or consent for security creation is required from any earlier creditor.   |
| Transaction documents  | The Issuer has executed/ shall execute the documents including but not limited to the following in connection with the issue:<br><br><ol style="list-style-type: none"> <li>1. Letter appointing IDBI Trusteeship Services Limited. as Trustees to the Bondholders;</li> <li>2. Debenture Trusteeship Agreement/ Bond Trustee Agreement / Debenture Trust Deed (as required);</li> <li>3. Rating Letter from rating agency CRISIL, IRRPL and ICRA;</li> <li>4. Tripartite agreement between the Issuer, Registrar and NSDL for issue of Bonds in dematerialized form;</li> <li>5. Tripartite agreement between the Issuer, Registrar and CDSL for issue of Bonds in dematerialized form;</li> <li>6. Listing Agreement with BSE and/or NSE; and</li> <li>7. The disclosure document with the application form.</li> </ol> |
| Conditions precedent to subscription of Bonds  | The subscription from applicants shall be accepted for allocation and allotment by the Bank, subject to the following:<br><br><ol style="list-style-type: none"> <li>a) Rating Letters from CRISIL, IRRPL and ICRA not more than one month old from the Issue Opening Date; and</li> <li>b) Consent Letter from the Trustees to act as Trustee to the Bondholder(s);</li> </ol>   |
| Conditions subsequent to subscription of Bonds                                       | The Bank shall ensure that the following documents are executed/ activities are completed as per terms of this Disclosure Document:<br><br><ol style="list-style-type: none"> <li>a) Credit of Demat Account(s) of the Allottee(s) by number of Bonds allotted within 2 working days from the Deemed Date of Allotment;</li> <li>b) Making application to BSE and/ or NSE within 15 days from the Deemed Date of Allotment to list the Bonds and seek listing permission within 20 days from the Deemed Date of Allotment</li> </ol>  |



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| <p>Events of Default</p> <p>(including manner of voting / conditions for joining Inter Creditor Agreement)</p> | <p>The Bondholders shall have no rights to accelerate the repayment of future scheduled payments (coupon or principal) except in bankruptcy and liquidation of the Issuer.</p> <p>The Issuer or the Debenture Trustee may call for meeting of Bondholders as per the terms of the Debenture Trust Deed (to be executed). E-voting facility may be provided, if applicable subject to compliance with regulatory guidelines. In case of any decision that requires a special resolution at a meeting of the Bondholders duly convened and held in accordance with provisions contained in Debenture Trust Deed (to be executed) and applicable law, the decision shall be passed by a majority consisting of not less than three-fourths of the persons voting thereat upon a show of hands or if a poll is demanded or e-voting facility is used, by a majority representing not less than three-fourths in value of the votes cast on such poll. Notwithstanding anything contained above, if any regulations/ circular/ guidelines issued by SEBI/RBI or any other relevant regulator require the voting to be held in a particular manner, the provisions contained in such regulations/ circular/ guidelines shall prevail. The Debenture Trust Deed (to be executed) shall contain the provisions for the meetings of the Bondholders and manner of voting. Subject to applicable law and regulatory guidelines, a meeting of the Bondholders, may consider the proposal for joining the Inter Creditor Agreement, if applicable, and the conditions for joining such Inter Creditor Agreement, if applicable, will be made part of the meeting agenda and the Trustee will follow the process laid down vide SEBI circular SEBI/HO/MIRSD/CRADT/CIR/P/2020/203 dated October 13, 2020.</p> |
| <p>Creation of Recovery Expense Fund</p>   | <p>The Issuer shall create a recovery expense fund in the manner and use it for the purpose as maybe specified by SEBI from time to time.</p>   |
| <p>Conditions for breach of covenants</p>  | <p>The Bondholders shall have no rights to accelerate the repayment of future scheduled payments (coupon or principal) except in bankruptcy and liquidation of the Issuer.</p>  |
| <p>Prohibition on Purchase / Funding of Bonds</p>  | <p>Neither the Bank nor any related party over which the Bank exercises control or significant influence (as defined under relevant Accounting Standards) shall purchase the Bonds, nor shall the Bank directly or indirectly fund the purchase of the Bonds. The Bank shall also not grant advances against the security of the Bonds issued by it.</p>  |
| <p>Cross Default</p>   | <p>Not Applicable</p>   |
| <p>Role and Responsibilities of Trustee to the Issue</p>   | <p>The Trustee shall perform its duties and obligations and exercise its rights and discretions, in keeping with the trust reposed in the Trustee by the holder(s) of the Bonds and shall further conduct itself, and comply with the provisions of all applicable laws, provided that, the provisions of Section 20 of the Indian Trusts Act, 1882, shall not be applicable to the Trustee. The Trustee shall carry out its duties and perform its functions as required to discharge its obligations under the terms of the SEBI (Issue and Listing of Debt Securities) Regulations, 2008, the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, as amended from time to time, the Debenture Trusteeship Agreement, Disclosure Document and all other related Transaction Documents, with due care, diligence and loyalty.</p>   |
| <p>Risk factors pertaining to the Issue</p>  | <p>The Bonds issued are subject to the provisions of “Loss Absorbency”, “Write-down on PONV Trigger Event”, and “Other Events” mentioned in this Summary Term Sheet and the Disclosure Document.</p>  |

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|  | Please refer to the section on Risk Factors on page 20 of the Disclosure Document for risks related to this issue of Bonds  |
| Loss Absorbency  | <p>The Bonds (including all claims, demands on the Bonds and interest thereon, whether accrued or contingent) are issued subject to loss absorbency features applicable for non-equity capital instruments issued in terms of Basel III Guidelines including in compliance with the requirements of Annex 5 thereof and are subject to certain loss absorbency features as described herein and required of Tier 2 instruments at the Point of Non Viability as provided for in Annex 16 of the aforesaid circular as amended from time to time.</p> <p>Accordingly, the Bond and the Bondholders claim, if any, against Bank, wherever situated, may at the option of RBI be permanently written-off, in whole or in part, upon the occurrence of the trigger event called Point of Non-Viability (“<b>PONV</b>”).</p> <p>PONV trigger event shall be as defined in the aforesaid Basel III Guidelines and shall be determined by the RBI.</p> <p>RBI may in its imminence alter or modify the PONV trigger whether generally or in relation to the Bank or otherwise. In any case it should be noted that following writing-off of the Bonds and claims and demands as noted above neither the Bank, nor any other person on the Bank's behalf shall be required to compensate or provide any relief, whether absolutely or contingently, to the Bondholder or any other person claiming for or on behalf of or through such holder and all claims and demands of such persons, whether under law, contract or equity, shall stand permanently and irrevocably extinguished and terminated.</p> <p>Unless otherwise specified in this Disclosure Document, the write-off of any common equity or any other regulatory capital (as understood in terms of the aforesaid circular or any replacement/amendment thereof), whether senior or pari passu or subordinate, and whether a Tier 1 capital or otherwise shall not be required before the write-off of any of the Bonds and there is no right available to the Bondholder hereof or any other person claiming for or on behalf of or through such holder to demand or seek that any other regulatory capital be subject to prior or simultaneous write-off or that the treatment offered to holders of such other regulatory capital be also offered to the Bondholders.</p> |
| Write-down on Point of Non-Viability (“ <b>PONV</b> ”) Trigger | <p>The Bonds are issued subject to Basel III Guidelines on PONV as amended from time to time (including all claims, demands on the Bonds and interest thereon, whether accrued or contingent), and at the option of the RBI, can be permanently written down upon the occurrence of the trigger event, called “Point of Non-Viability Trigger” (“<b>PONV Trigger</b>”).</p> <p>The PONV Trigger event is the earlier of:</p> <ol style="list-style-type: none"> <li>a decision that a permanent write-off without which the Bank would become non-viable, is necessary, as determined by the Reserve Bank of India; and</li> </ol>  |

- b. the decision to make a public sector injection of capital, or equivalent support, without which the Bank would have become non-viable, as determined by the relevant authority.

The amount of non-equity capital to be written-off will be determined by RBI.

The write-off of any Common Equity Tier 1 capital shall not be required before the write-off of any Non-equity (Additional Tier 1 and Tier 2) regulatory capital instrument. The order of write-off of the Bonds shall be as specified in the order of seniority as per this Disclosure Document and any other regulatory norms as may be stipulated by the RBI from time to time.

The Bonds can be written-down multiple times in case the Bank hits the PONV Trigger Level subsequent to the first write-down. The Bonds which has been written off shall not be written up.

Such a decision would invariably imply that the write-off consequent upon the trigger event must occur prior to any public sector injection of capital so that the capital provided by the public sector is not diluted. The Bondholders shall not have any residual claims on the Bank (including any claims which are senior to ordinary shares of the Bank), following any trigger event.

In any case it should be noted that following writing-off of the Bonds and claims and demands as noted above neither the Bank, nor any other person on the Bank's behalf shall be required to compensate or provide any relief, whether absolutely or contingently, to the Bondholder or any other person claiming for or on behalf of or through such holder and all claims and demands of such persons, whether under law, contract or equity, shall stand permanently and irrevocably extinguished and terminated. Unless otherwise specified in this Disclosure Document, the write-off of any common equity or any other regulatory capital (as understood in terms of the aforesaid circular or any replacement/amendment thereof), whether senior or *pari passu* or subordinate, and whether a Tier 1 capital or otherwise shall not be required before the write-off of any of the Bonds and there is no right available to the Bondholder hereof or any other person claiming for or on behalf of or through such holder to demand or seek that any other regulatory capital be subject to prior or simultaneous write-off or that the treatment offered to holders of such other regulatory capital be also offered to the Bondholders.

For these purposes, the Bank may be considered as non-viable if:

The Bank which, owing to its financial and other difficulties, may no longer remain a going concern on its own in the opinion of the RBI unless appropriate measures are taken to revive its operations and thus, enable it to continue as a going concern. The difficulties faced by the Bank should be such that these are likely to result in financial losses and raising the Common Equity Tier 1 capital of the Bank should be

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|              | <p>considered as the most appropriate way to prevent the Bank from turning non-viable. Such measures would include write-off / conversion of non-equity regulatory capital into common shares in combination with or without other measures as considered appropriate by the RBI.</p> <p>The Bank facing financial difficulties and approaching a PONV will be deemed to achieve viability if within a reasonable time in the opinion of RBI, it will be able to come out of the present difficulties if appropriate measures are taken to revive it. The measures including augmentation of equity capital through write off of Bonds/ public sector injection of funds are likely to:</p> <ul style="list-style-type: none"> <li>a. Restore depositors'/investors' confidence;</li> <li>b. Improve rating /creditworthiness of the Bank and thereby improve its borrowing capacity and liquidity and reduce cost of funds; and</li> <li>c. Augment the resource base to fund balance sheet growth in the case of fresh injection of funds.</li> </ul> <p><b>The trigger at PONV will be evaluated both at consolidated and solo level and breach at either level will trigger write-off.</b></p>   |
| Other Events | <p><i>Treatment of Bonds in the event of Winding-Up:</i></p> <p>Subject to the provisions of The State Bank of India Act, 1955 as amended from time to time</p> <ul style="list-style-type: none"> <li>a) If the Bank goes into liquidation before the Bonds have been written-down, the Bonds will absorb losses in accordance with the order of Seniority as specified in the Disclosure Document and as per usual legal provisions governing priority of charges.</li> <li>b) If the Bank goes into liquidation after the Bonds have been written-down, the holders of these instruments will have no claim on the proceeds of liquidation.</li> </ul> <p><i>Amalgamation of a banking company: (Section 44 A of Banking Regulation Act, 1949)</i></p> <p>Subject to the provisions of the State Bank of India Act, 1955 and/or Banking Regulation Act, 1949 as amended from time to time</p> <ul style="list-style-type: none"> <li>(a) If the Bank is amalgamated with any other bank before the Bonds have been written-down, the Bonds will become part of the corresponding categories of regulatory capital of the new bank emerging after the merger.</li> <li>(b) If the Bank is amalgamated with any other bank after the Bonds have been written-down permanently, these Bonds cannot be written up by the amalgamated entity.</li> </ul> |

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|                                      | <p><i>Scheme of reconstitution or amalgamation of a banking company</i></p> <p>Subject to the provisions of the State Bank of India Act, 1955 and/or Banking Regulation Act, 1949 as amended from time to time:</p> <p>If the relevant authorities decide to reconstitute the Bank or amalgamate the Bank with any other bank under the Section 45 of Banking Regulation Act, 1949, the Bank will be deemed as non-viable or approaching non-viability and both the pre-specified trigger and the trigger at the point of non-viability for write-down of AT1/Tier 2 instruments will be activated. Accordingly, the Bonds may be written-down permanently before amalgamation / reconstitution in accordance with these rules.</p>   |
| Order of claim of Tier 2 instruments | <p>The order of claim of various types of Regulatory capital instruments issued by the Bank and that may be issued in future shall be as under:</p> <p>Tier 2 instruments shall be superior to the claims of investors in instruments eligible for inclusion in Tier 1 Capital and subordinate to the claims of all depositors and general Creditors of the Bank. Tier 2 debt instruments will rank pari passu without preference amongst themselves and other debt instruments irrespective of the date of issue classifying as Tier 2 Capital in terms of Basel III Guidelines. Unless the terms of any subsequent issuance of bonds/debentures by the Bank specifies that the claims of such subsequent bond holders are senior or subordinate to the Bonds issued under this Disclosure Document or unless the RBI specifies otherwise in its guidelines, the claims of the Bond holders shall be pari passu with claims of holders of such subsequent debentures/bond issuances; and shall be on pari-passu ranking with holders of other Tier 2 instruments issued by the Bank.</p> <p>However, the claims of the Bondholders shall be subject to the provisions of Loss Absorbency, Write-down on PONV Trigger Event and Other Events mentioned above.</p> |
| Re-capitalization                    | Nothing contained in this Summary Term Sheet or in any other Transaction Documents shall hinder re-capitalization by the Bank.  |
| Governing Law and Jurisdiction       | The Bonds are governed by and shall be construed in accordance with the existing laws of India. Any dispute arising thereof shall be subject to the jurisdiction of courts of Mumbai, Maharashtra.  |

\*Note: The Bank reserves its sole and absolute right to modify (pre -pone/ postpone) the above issue schedule without giving any reasons or prior notice. The Bank also reserves its sole and absolute right to change the Deemed Date of Allotment of the above issue without giving any reasons or prior notice. Consequent to change in Deemed Date of Allotment, the Coupon Payment Dates and/or Call Option Date, if any may also be changed at the sole and absolute discretion of the Issuer. The Bank reserves the right to close the issue earlier than the stipulated issue closing date and it is further clarified that the Bank need not wait for any minimum subscription amount to the Bonds before closing the issue.