

**Key Information Document: Private and Confidential**

This Key Information Document is neither a Prospectus nor a Statement in Lieu of Prospectus. This KID is issued by SIDBI in respect of and in conformity with Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, read with SEBI master circular dated November 11, 2024 (as Amended/modified/updated), the Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 and Reserve Bank of India (Commercial Paper and Non-Convertible Bonds of original or initial maturity up to one year) Directions, 2024 dated January 03, 2024, (as amended from time to time), for issuance of Non-Convertible Securities. KID Ref No.: **TRMV/02062026/OUT/76470** dated **June 02, 2026**; is issued with reference to GID Ref No.: SIDBI/TRMV/08072025/OUT/52397; dated: July 08, 2025.

**SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA (SIDBI)**

[The principal financial institution established under an Act of Parliament, The Small Industries Development Bank of India Act, 1989]

LEI: 3358003NTGA2D7D31E14; PAN: AABCS3480N, Date and Place of Incorporation: April 2, 1990, Lucknow

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

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](http://www.sidbi.in), Email: [rmd\\_mo@sidbi.in](mailto:rmd_mo@sidbi.in), & [treasury\\_frontoffice@sidbi.in](mailto:treasury_frontoffice@sidbi.in)

**KEY INFORMATION DOCUMENT (“KID”)**

THIS KEY INFORMATION DOCUMENT IS ISSUED BY SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA (“SIDBI” OR ‘ISSUER’) FOR PRIVATE PLACEMENT OF LISTED, UNSECURED, TAXABLE, REDEEMABLE, RATED, FULLY PAID-UP, NON-CONVERTIBLE, NON-PRIORITY SECTOR, FLOATING BONDS, OF THE FACE VALUE OF INR.1,00,000/- (RUPEES ONE LAKH ONLY) AGGREGATING UPTO INR 3,000 CRORE (RUPEES THREE THOUSAND CRORE) WITH A BASE ISSUE SIZE OF INR 1,000 CRORE (RUPEES ONE THOUSAND CRORES) INCLUDING GREEN SHOE OPTION TO RETAIN OVER SUBSCRIPTION UPTO INR 2,000 CRORE (RUPEES TWO THOUSAND CRORES) IN RELATION TO AND PURSUANT UPON GID DATED JULY 08, 2025, BEARING NO. SIDBI/TRMV/08072025/OUT/52397.

All the terms, conditions, information, and stipulations contained in the General Information Document and this Key Information Document issued pursuant thereto are incorporated herein by reference as if the same were set out herein, the Investors are advised to refer to the same. This Key Information Document must be read in conjunction with the General Information Document. All capitalized terms used but not defined herein shall have the meaning ascribed to such term in the General Information Document

**GENERAL RISK**

Investment in non-convertible securities is risky 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 the issuance. 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 of this Key information Document read with General Information Document. 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.

**CREDIT RATING**

Rating Agencies	Date	Instruments	Rating	Rating Actions
CARE Ratings Ltd.	May 20, 2026	NCD	CARE AAA, Stable	Reaffirmed
Crisil Ltd.	May 08, 2026	NCD	CRISIL, AAA/Stable	Reaffirmed

The ratings may be subject to revision or withdrawal at any time by the assigning rating agency and should be evaluated independently of any other ratings. The above ratings are not a recommendation to buy, sell or hold securities and investors should take their own decision. The Issuer hereby declares the aforesaid credit rating obtained by it in relation to the Bonds shall be valid on the date of Issue and on the date of listing of Bonds.

**ISSUE SCHEDULE**

Bid/issue opening date	Bid/issue closing date	Pay-in date	Date of earliest closing of issue, if any	Deemed date of allotment
02/06/2026	02/06/2026	04/06/2026	NA	04/06/2026

Company Secretary & Compliance Officer	Chief Financial Officer	Promoters	Statutory Auditor
<b>Shri Pankaj Kumar Sahu</b> H.O. SIDBI Tower, 15 Ashok Marg, Lucknow- 226001 Tel: (0522) 4259726 Email: <a href="mailto:pankaj@sidbi.in">pankaj@sidbi.in</a>	<b>Smt. Yalangi Munni Kumari</b> Swavalamban Bhavan, Plot No. C-11, G Block, Bandra - Kurla Complex, Bandra (East), Mumbai – 400051 Tel: (022) 67531100, Email: <a href="mailto:kumari@sidbi.in">kumari@sidbi.in</a>	<b>President of India</b> (On Behalf of Government of India) and institutions / public sector banks / insurance companies owned or controlled by the Gol.	<b>M/s J Kala &amp; Associates</b> 504 Rainbow Chambers Near Kandivali Telephone Exchange S. V. Road Kandivali (W) Mumbai-400 05567 Contact Person: Tel: (022) 28625129 Email: <a href="mailto:admin@jka.co.in">admin@jka.co.in</a>

DEBENTURE TRUSTEE	CREDIT RATING AGENCIES	REGISTRAR & TRANSFER AGENT
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<b>SBICAP Trustee Company Limited</b>  Mistry Bhavan, 4 <sup>th</sup> Floor 122 Dinshaw Vachha Road Churchgate, Mumbai – 400 020 Contact Person: Mr. Ardhendu Mukhopadhyay Tel: (022) 4325555 Email: <a href="mailto:dt@sbicaptrustee.com">dt@sbicaptrustee.com</a> / <a href="mailto:corporate@sbicaptrustee.com">corporate@sbicaptrustee.com</a> Website: <a href="https://sbicaptrustee.com">https://sbicaptrustee.com</a>	<b>CRISIL Ltd.</b> CRISIL House, Central Avenue, Hirandani Business Park, Powai, Mumbai – 400076 Contact Person: Mr. Lakshy Anand Tel: (022)-3342 3000 Email: <a href="mailto:Lakshy.Anand1@crisil.com">Lakshy.Anand1@crisil.com</a> Website: <a href="http://www.crisilratings.com">www.crisilratings.com</a> m	<b>CARE Ratings Ltd</b>  4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (E), Mumbai - 400022. Contact Person: Shri Jitendra Meghrajani, Tel:(022)- 67543456, Email: <a href="mailto:jitendra.Meghrajani@careedge.in">jitendra.Meghrajani@careedge.in</a> Website: <a href="http://www.careratings.com">www.careratings.com</a>	<b>MUFG Intime India Pvt. Ltd</b>  C-101, 247 Park, LBS Marg, Vikhroli West, Mumbai – 400083 Contact Person: Mr. Ganesh Jadhav Tel:(022)- 49186000, Email: <a href="mailto:debtca@linkintime.co.in">debtca@linkintime.co.in</a> Website: <a href="http://www.linkintime.co.in">www.linkintime.co.in</a>
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**LISTING**

The securities proposed to be issued will be listed on the wholesale debt market segment of the National Stock Exchange of India Limited (“NSE”) and in-principle approval received from NSE vide their letter dated July 09, 2025, bearing reference no. Ref. No: NSE/LIST/9291 (Copy enclosed with GID). NSE is the designated stock exchange for the issue.

**COMPLIANCE CLAUSE IN RELATION TO ELECTRONIC BOOK MECHANISM**

The offer of bonds / commercial papers shall be made on the Electronic Book Building Mechanism of NSE, in compliance with SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended from time to time. A copy of this GID along with relevant KID will be uploaded on the EBP platform of the respective stock exchanges as specified in the relevant KID.

**BIDDING PARAMETERS**

Bidding Type: Close Book Bidding at NSE-EBP, Allotment Type: Uniform Yield /price Allotment as per bids accepted, Bidding for coupon, Settlement: Through NSE Clearing, Listing on: NSE

**ISSUE HIGHLIGHTS**

Series	Coupon rate & Coupon Type	Coupon Payment Frequency (If Any)	Redemption Date	Redemption Amount
SIDBI FRB Series II of FY 2026-27	[3MTBILL + 1.74 %] p.a. (rounded off to nearest two decimals) / Floating Coupon with Quarterly Reset	Annual	04/06/2029	At Par

**UNDERWRITING**

The present issue is not underwritten

**NO SIDE LETTER**

The Issuer has no side letter with any debt securities. Any covenants later added shall be disclosed on the stock exchange website where the debt securities is listed.

**Issuer absolute responsibility:**

Issuer having made all reasonable enquiries, accepts responsibility for and confirms that this issue 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 issue 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.

**NOTICE TO INVESTORS / DISCLAIMERS & RISK FACTORS**

**1. GENERAL DISCLAIMER IN RESPECT OF KID:**

This Key Information Document has not been filed with or submitted to the SEBI. This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus. This Key Information Document is prepared in conformity with the extant SEBI Debt Regulations. The Issuer confirms that the disclosures made in this Key Information Document are in conformity with the SEBI Regulations. Further, the Issuer accepts no responsibility for statements made otherwise than in the Key Information Document or any other material issued by or at the instance of the Issuer and anyone placing reliance on any source of information other than this Key Information Document for investment in the Issue would be doing so at his own risk.

This Key Information Document together with relevant General Information Document issued by the issuer for each issuance/tranche does not constitute and shall not be deemed to constitute an offer or an invitation to the public to subscribe to the Debt Securities and is strictly issued on private placement basis. This Key Information Document is not intended to be circulated to any person other than an Eligible Investor. This Key Information Document has been prepared solely to provide key information about the Issuer to those investors who are specifically addressed ('**Eligible Investors**') to subscribe to the Debt Securities in respective issue documents. The person who has legitimate access to the Key Information Document shall maintain confidentiality regarding its contents and shall not reproduce or distribute in whole or part or make any announcement in public or to a third party regarding its contents, without the prior written consent of the Issuer, also that a selling investor has a responsibility to ensure that sale, if any, does not constitute an offer to the public under applicable law.

Neither this Key Information Document nor any other information supplied in connection with the Debt Securities is intended to provide the basis of any credit or other evaluation and any recipient of this Key Information Document should not consider such receipt a recommendation to purchase any Debt Securities. This Key Information Document does not purport to contain all the information that any Eligible Investor may require. Each Eligible Investor contemplating to purchase any Debt Securities should make its own independent investigation of the financial condition and affairs of the Issuer, and its own appraisal of the creditworthiness of the Issuer as well as the structure of the Issue. Each Eligible Investors should consult their own financial, legal, tax and other professional advisors as to the risks and investment considerations arising from an investment in the Debt Securities and should possess the appropriate resources to analyze such investment and the suitability of such investment to such investor's particular circumstances.

By subscribing to the Issue, Eligible Investors shall be deemed to have acknowledged that the Issuer does not owe them a duty of care in this respect. Accordingly, none of the Issuer's officers (including principal officer and/or its Directors) or employees shall be held responsible for any direct or consequential losses suffered or incurred by any recipient of this Key Information Document as a result of or arising from anything expressly or implicitly contained in or referred to in this Key Information Document or any information received by the recipient in connection with this Issue.

Any intermediaries to the issue and their agents or advisors associated with the Issue of Non-Convertible Securities have not verified the information contained in the Key Information Document and shall have not have any liability in relation to the information contained in this Key Information Document or any other information provided by the Issuer in connection with the Issue.

The Issuer confirms that, as of the date hereof, this Key Information Document (including the documents incorporated by reference herein, if any) contains material information in the context of the Issue and does not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements herein.

No person has been authorized to give any information or to make any representation not contained or incorporated by reference in this Key Information Document or in any material made available by the Issuer to any potential Eligible investor pursuant hereto and, if given or made, such information or representation must not be relied upon as having been authorized by the Issuer.

The Issuer does not undertake to update the Key Information Document to reflect subsequent events after the date of the Key Information Document and thus it should not be relied upon with respect to such subsequent events without first confirming its accuracy with the Issuer.

Neither the delivery of this Key Information Document nor any Issue made hereunder shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of the Issuer since the date hereof.

No invitation to subscribe to Debt Securities is being made to any persons other than the Eligible Investors to whom this Key Information Document has been sent. Any application by a person who has not been granted access by the issuer to the Key Information Document. Key Information Document and/or Application shall be rejected without assigning any reason.

The Issue of the Debt Securities will be under the electronic book mechanism as required in terms of the SEBI NCS Master Circular. This Key Information Document and the contents hereof are restricted only for the purpose of inviting bids on the NSE Bond-EBP Platform from the Eligible Investors.

Invitations, offers, and allotment of the Debt Securities shall only be made pursuant to this Key Information Document. Save and except as otherwise provided you are not authorized to (1) deliver this Key Information Document or any other information supplied in connection with this Key Information Document or the Debt Securities to any other person; or (2) reproduce in part *or* full, this Key Information Document in any manner whatsoever. Any distribution or reproduction of this Key Information Document in whole *or* in part or any public announcement or any announcement to third parties regarding the contents of this Key Information Document and other incidental document in respect of issuance of NCS by the issuer is unauthorized.

Any person who is in receipt of this Key Information Document, including the Eligible Investors, shall not reproduce or distribute in whole or part or make any announcement in public or to a third party regarding the contents without the consent of the Issuer. The recipient agrees to keep confidential all of such information provided (or made available hereafter), including, without limitation, the existence and terms of such transaction, any specific pricing information related to the transaction or the amount or terms of any fees payable to parties in connection with the Debt Securities. This Key Information Document may not be photocopied, reproduced, or distributed to others (other than the advisors of the Eligible Investors) at any time without the prior written consent of the Issuer.

## **2. DISCLAIMER IN RESPECT OF JURISDICTION:**

Issue of debt securities have been/will be made in India to eligible investors who have been/shall be specifically approached by the Issuer. The Key Information Document is not to be construed or constituted as an offer to sell or an invitation to subscribe for debt securities offered hereby to any person to whom it is not specifically addressed. Any person into whose possession this General Information Document and the Key Information Document comes is required to inform himself or herself about, and to observe, any such restrictions. Any disputes arising out of this Issue will be subject to the jurisdiction of the courts and tribunals at Mumbai, Maharashtra. This Key Information Document does not constitute an offer to sell or an invitation to subscribe to the Debt Securities herein, in any other jurisdiction or to any person to whom it is unlawful to make an offer or invitation.

## **3. DISCLAIMER IN RESPECT OF THE SECURITIES & EXCHANGE BOARD OF INDIA AND /OR STOCK EXCHANGES:**

Issuance of Debt Securities on private placement basis under this Key Information Document is proposed to be listed on the NSE and copy of this Key Information Document will be filed with the NSE in terms of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended from time to time. **IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE KEY INFORMATION DOCUMENT TO SEBI OR NSE SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED TO MEAN THAT THE**

**KEY INFORMATION DOCUMENT HAS BEEN CLEARED OR APPROVED BY NSE/ SEBI; NOR DOES IT IN ANY MANNER WARRANT, CERTIFY OR ENDORSE THE CORRECTNESS OR COMPLETENESS OF ANY OF THE CONTENTS OF THIS KEY INFORMATION DOCUMENT TO BE LISTED ON THE NSE; NOR DOES IT TAKE ANY RESPONSIBILITY FOR THE FINANCIAL OR OTHER SOUNDNESS OF THE ISSUER, ITS PROMOTERS, ITS MANAGEMENT.** Eligible Investor who desires to apply for or otherwise acquire Debt securities of the 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.

**4. DISCLAIMER OF THE ARRANGER TO THE ISSUE:**

This Key Information Document in respect of the Debt Securities proposed to be issued by the Issuer through EBP platform of the Stock Exchange, Issuer add arrangers registered with the Stock Exchange with a limited role of Arranger(s) for marketing, bidding for (wherever applicable and authorized) and placement of the Debt securities of the Issuer on the basis of this Key Information Document and relevant General Information Document. The Issuer has prepared this Key Information Document, and the Issuer is solely responsible for its contents and the truth, accuracy and completeness of all the information provided in this Key Information Document. Arrangers is not responsible for preparing, clearing, approving, scrutinizing, or vetting this Key Information Document, or the due diligence or for verification of the accuracy, truth, correctness, reliability, fairness or completeness of the contents of this Key Information Document. The Arrangers have neither scrutinized or vetted nor have they conducted any due diligence, review, or verification of or inquiry on the contents of this Key Information Document.

**5. DISCLAIMER IN RESPECT OF THE CREDIT RATING AGENCY:**

- A. CARE:** The ratings issued by CARE Ratings Limited are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. These ratings do not convey suitability or price for the investor. The agency does not constitute an audit on the rated entity. CARE Ratings Limited has based its ratings/outlooks based on information obtained from reliable and credible sources. CARE Ratings Limited does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions and the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE Ratings Limited have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE Ratings Limited or its subsidiaries/associates may also be involved with other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating /outlook assigned by CARE Ratings Limited is, inter-alia, based on the capital deployed by the partners/proprietor and the current financial strength of the firm. The rating/outlook may undergo a change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors. CARE Ratings Limited is not responsible for any errors and states that it has no financial liability whatsoever to the users of CARE Ratings Limited's rating. 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.
- B. CRISIL RATINGS LIMITED:** A rating by CRISIL Ratings reflects its 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. CRISIL 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 ratings 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 of its ratings under surveillance and ratings are revised as and when the circumstances so warrant. CRISIL Ratings is not responsible for any errors and specially states that it has no financial liability whatsoever to the subscriber /users/transmitter/ distributors of its ratings. CRISIL Ratings criteria are available without charge to the public on the website [www.crisiliratings.com](http://www.crisiliratings.com). CRISIL Ratings or its associates may have other commercial transactions with the company /entity.

**6. DISCLAIMER OF THE TRUSTEE:**

Investors should carefully read and note the contents of the Key Information Document. Each Eligible investor should make its own independent assessment of the merit of the investment in Debt Securities. Each Eligible investor should consult their own financial, legal, tax and other professional advisors as to the risks and investment considerations arising from an investment in Debt Securities and should possess the appropriate resources to analyze such investment and suitability of such investment to such investor's particular circumstance. Each Eligible investors are required to make their own independent evaluation and judgement before making the investment and are believed to be experienced in Investing in debt markets and are able to bear the economic risk of investing in such instruments. The Debenture Trustee does not guarantee the terms of payment regarding the issue as stated in this Key Information Document and/or relevant Key Information Document and shall not be held liable for any default of the Issuer. The Debenture Trustee ipso facto does not have the obligations of a borrower or a principal debtor or a guarantor as to the monies paid/invested by the subscribers to the Bonds.

**7. ISSUANCE ONLY IN DEMATERIALIZED FORM:**

The issuer shall issue Debt Securities in dematerialized form and has made necessary arrangements with National Securities Depository Limited (NSDL) / Centralized Depository Services Limited (CDSL) for the same. Investors shall hold the Bonds in dematerialized form and deal with the same as per the provisions of the 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 as applicable. SIDBI shall take necessary steps to credit the Bonds allotted to the Depository Account of the investor with the amount of bonds issued. The issuer will make allotment of Bonds to Investors in due course of the application on EBP, the accompanying documents and on realization 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.

**8. DISCLAIMER OF THE ISSUER:**

The Issuer has confirmed that the disclosures made in this Key Information Document and the relevant Key Information Document are in conformity with SEBI guidelines in force for the time being. This requirement is to facilitate Investors to take an informed decision for making an investment in the proposed Issue. The Issuer accepts no responsibility for statements made otherwise than in the Key Information Document and relevant Key Information Document or any other material issued by or at the instance of the Issuer in connection with the issue of the Debt Securities and that anyone placing reliance on any other source of information would be doing so at their own risk.

**9. EACH RECEIPT GETTING ACCESS TO THIS KEY INFORMATION DOCUMENT ACKNOWLEDGES THAT:**

The Eligible Investors AGREE and understand that they: (i) are knowledgeable and experienced in financial and business matters, have expertise in assessing credit, market and all other relevant risk and are capable of evaluating, and have evaluated, independently the merits, risks and suitability of purchasing the Debt Securities, (ii) understand that the Issuer has not provided, and will not provide, any material or other information regarding the Debt securities except as required in terms of the Transaction Documents, (iii) have not requested the Issuer to provide it with any such material or other information except as required in terms of the Transaction Documents, (iv) have not relied on any investigation that any person acting on their behalf may have conducted with respect to the Debentures, (v) have made their own investment decision regarding the Debt Securities based on their own knowledge (and information they have or which is publicly available) with respect to the Debt Securities or the Issuer, (vi) have had access to such information as deemed necessary or appropriate in connection with purchase of the Debt Securities, (vii) are not relying upon, and have not relied upon, any statement, representation or warranty made by any person, other than those as set out under the Transaction Documents, and (viii) understand that, by purchase or holding of the Debt Securities, they are assuming and are capable of bearing the risk of loss that may occur with respect to the Debt Securities, including the possibility that they may lose all or a substantial portion of their investment in the Debt Securities, and they will not look to the Debenture Trustee appointed for the Debentures for all or part of any such loss or losses that they may suffer.

Recipients shall not be entitled to use any of the information otherwise than to decide whether to invest in Debt securities. No person including any employee of the Issuer has been authorized to give any information or to make any representation not contained in this Key Information Document. Any information or representation not contained herein must not be relied upon as having been authorized by or on behalf of the Issuer. Neither the delivery of this Key Information Document at any time nor any statement made in connection with the offering of the Debt securities shall under the circumstances imply that any information/representation contained herein is correct at any time subsequent to the date of this Key Information Document. The distribution of this Key Information Document and the offer, sale, pledge or disposal of the Debt Securities may be restricted by Applicable Laws in certain jurisdictions. Persons into whose possession this Key Information Document comes are required by the Issuer to inform themselves about and observe any such restrictions. The sale or transfer of these Debt Securities outside India may require regulatory approvals in India, including without limitation, the approval of the RBI.

#### **10. CONFIDENTIALITY:**

The information and data contained herein is on a strictly private and confidential basis. By acquiring a copy of this Key Information Document, each recipient agrees that neither it nor any of its employees, agents or advisors will use the information contained herein for any purpose other than evaluating the transactions termed herein and shall not give away to any other party any such information. This Key Information Document must not be photocopied, reproduced, extracted or distributed in any manner whatsoever, in full or in part to any person other than the recipient without the prior written consent of the Issuer. If at any time any such reproduction or disclosure is made and Issuer suffers any loss, damage or incurs liability of any kind whatsoever arising out of or in connection with any such reproduction or disclosure, the recipient of this Key Information Document breaching the restriction on reproduction or disclosure agrees to hold harmless and indemnify Issuer from and against any such loss, damage, or liability.

#### **11. FORCE MAJEURE:**

Issuer reserves the right to withdraw the Issue at any time or any Tranche under the Issue prior to the closing date thereof in the event of any unforeseen development adversely affecting the economic and/or regulatory environment or otherwise. In such an event, the Issuer shall refund the application money, if any, collected in respect of that Tranche without assigning any reason.

#### **12. RISK FACTORS:**

- (a) Inflation risk: This arises when the rate of inflation increases. This will erode the value of your investment as the purchasing power of the bonds' coupons/ yield and principal falls.
- (b) Interest rate risk: Bond prices are inversely affected by interest rate movements. A rise in interest rates could see a fall in bond prices. If interest rates fall, buyers pay a higher price to receive a coupon that is higher than the prevailing market rates.
- (c) Call risk: Some bonds have a callable feature which gives the issuer an option to buy back (redeem) the bond before its maturity date at a predefined date. If a bond is called when prevailing interest rates are lower than at the time you bought it, you will be exposed to reinvestment risks.
- (d) Credit risk: Bonds are forms of debt, so bond prices will be affected by the perceived credit quality or probability of default of the bond issuer. When an issuer defaults, you may lose all or a substantial part of your investment.
- (e) Liquidity risk: Bonds are usually less liquid than equity. This may happen if the investors of a particular bond issue are largely buying to hold, so there are fewer buyers and sellers. This may make it harder to buy or sell the bonds. Even in cases where the bonds are listed or traded on an exchange, there is no certainty that a liquid secondary market will develop.
- (f) Market risk: A bond's price/ value will fluctuate with changing market conditions, including the forces of supply and demand and interest rate changes.
- (g) Reinvestment risk: In an environment of declining interest rates, investors may have to reinvest the income received and any return of principal at lower prevailing rates.

**DETAILS OF THE OFFER OF NON-CONVERTIBLE SECURITIES IN RESPECT OF WHICH THE KEY INFORMATION DOCUMENT IS BEING ISSUED**

**1. DISCLOSURE OF CASH FLOW WITH DATE OF INTEREST/DIVIDEND/ REDEMPTION PAYMENT AS PER DAY COUNT CONVENTION.**

The day count convention for dates on which the payments in relation to the non-convertible securities which need to be made, should be disclosed	Actual / Actual					
Procedure and time schedule for allotment and issue of securities should be disclosed	Please refer ISSUE Schedule in the front page of KID					
Cash flows emanating from the non-convertible securities shall be mentioned in the issue document, by way of an illustration. Cash flow of NCD assuming the coupon rate remains constant at <b>7.28% p.a.</b> for the entire tenure of NCD.						
<b>ILLUSTRATIVE CASH FLOW</b>						
Cash Flows	Record Date	Coupon Payment Date	Day	No of Days	Adjusted Coupon Payment Date	Amt (In Rs.)
1st Coupon	20-May-27	04-Jun-27	Friday	365.00	NA	7,280.00
2nd Coupon	19-May-28	04-Jun-28	Sunday	366.00	05-Jun-28	7,280.00
3 <sup>rd</sup> Coupon	18-May-29	04-Jun-29	Monday	365.00	NA	7,280.00
Principal	18-May-29	04-Jun-29	Monday	-	NA	1,00,000
				1096		

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

*\*The above cashflow is only an illustration as per initial coupon rate. The actual interest rate will be determined basis reset mechanism mentioned in "ISSUE DETAILS", section, due to floating nature of the interest rate.*

**2. ISSUE DETAILS: SUMMARY TERM SHEET**

SECURITY NAME & SERIES	SIDBI FRB Series II of FY 2026-27
ISSUER	Small Industries Development Bank of India (SIDBI)
TYPE OF INSTRUMENT	Unsecured, Redeemable, Non-Convertible, Taxable, Non-Priority Sector, Floating Bonds
NATURE OF INSTRUMENT (SECURED OR UNSECURED)	Unsecured
SENIORITY (SENIOR OR SUBORDINATED)	The bonds rank as senior debt on par with all the other borrowings of the Issuer.
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"> <li>➤ Scheduled Commercial Banks/ Commercial Bank</li> <li>➤ Urban / Central / State / District / Primary Co-operative Banks</li> <li>➤ Regional Rural Banks, Land Development Banks</li> <li>➤ Mutual Fund Houses</li> <li>➤ Insurance Companies</li> <li>➤ Public Financial Institutions</li> <li>➤ Non-Banking Financial Companies</li> <li>➤ Statutory Corporations, Companies, Body Corporates</li> <li>➤ Trusts including Port Trusts and Association of Persons which are authorized to Invest in bonds</li> <li>➤ Provident Funds, Pension Funds, Superannuation Funds and Gratuity Funds</li> <li>➤ Other Government / Non-Government Agencies / Boards</li> </ul>

	<p>/Institutions.</p> <ul style="list-style-type: none"> <li>➤ Individuals (excluding Minors &amp; NRIs) to whom this Disclosure Document is specifically addressed</li> <li>➤ Foreign Institutional Investors (FIIs) as per SEBI / RBI regulations</li> </ul> <p>Note: The above list is only illustrative and not exhaustive. Investors should check about their eligibility before making any investment</p>
LISTING (NAME OF STOCK EXCHANGE(S) WHERE IT WILL BE LISTED AND TIMELINE FOR 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 bidding.</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 be permitted to utilize the issue proceeds of its subsequent two privately placed issuances of securities only after receiving final listing approval from stock exchanges.</p>
RATING OF THE INSTRUMENT	Please refer front page of this KID
ISSUE SIZE	<p>Aggregate total issue size not exceeding Rs.3,000 crores with a base issue size of Rs.1,000 crores and a green-shoe option to retain oversubscription up to Rs.2,000 crores.</p> <p><b>[Issued Amount – Rs. 3,000 Crore]</b></p>
MINIMUM SUBSCRIPTION	INR 1 lakh only and in multiple of One Debt Securities thereafter. The entire subscription amount is required to be paid with the application, or as more particularly specified under issue details of this Key Information Document.
OPTION TO RETAIN OVERSUBSCRIPTION (AMOUNT)	Yes. Green-shoe option to retain oversubscription upto Rs.2,000 crores.
OBJECTS OF THE ISSUE/PURPOSE FOR WHICH THERE IS REQUIREMENT OF FUNDS	To utilize 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.
IN CASE THE ISSUER IS NBFC AND THE OBJECTS OF THE ISSUE ENTAIL LOAN TO ANY ENTITY WHO IS A GROUP COMPANY THAN DISCLOSURE TO BE MADE IN THE FOLLOWING FORMAT	Not Applicable
DETAILS OF THE UTILIZATION OF THE 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.
STEP UP/STEP DOWN COUPON RATE	Not Applicable
COUPON/DIVIDEND PAYMENT FREQUENCY	Annually as per cash flow schedule
COUPON/ <del>DIVIDEND</del> PAYMENT DATES	Annually as per cash flow schedule
CUMULATIVE / NON-CUMULATIVE, IN CASE OF <del>DIVIDEND</del>	Not Applicable
COUPON TYPE (FIXED, FLOATING OR OTHER STRUCTURE)	Floating (Floating Coupon with Quarterly Reset, Payable Annually)

DAY COUNT BASIS	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 from the deemed date of allotment
REDEMPTION DATE	June 04, 2029
REDEMPTION AMOUNT	At par
REDEMPTION PREMIUM /DISCOUNT	At par, on completion of the tenor of the instrument
FACE VALUE	INR 1,00,000 (Rupees One Lakh Only) per bond.
ISSUE PRICE	INR 1,00,000 (Rupees One Lakh Only) per bond.
COUPON /DIVIDEND RATE/TYPE	(3MTBILL+ 1.74 % Spread) p.a. (rounded off to nearest two decimals) / <b>Floating Coupon</b> with Quarterly Reset (Spread will remain constant during the life of the instrument) 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.
COUPON RESET FREQUENCY	Quarterly reset of coupon maintaining constant spread of 174 bps over Benchmark, Payable annually.
INITIAL COUPON RATE	The Initial Coupon rate as on June 04, 2026 shall be average of yields of 91 days T-Bill primary auctions on May 20, 2026, and May 27, 2026 + Spread i.e., 7.28% (5.54% + 1.74% spreads) (data source would be RBI's website).
COUPON RESET PROCESS	T-Bill Yield announced in the primary auction result as announced by Reserve Bank of India (RBI) on the RBI's website <a href="https://www.rbi.org.in/">https://www.rbi.org.in/</a> under the "Press Releases" menu or on such other part of the respective website as may be reorganized from time to time.  91 days T-Bill yield shall be calculated using <b>simple average of yields of two immediately preceding 91 days T-Bill primary auctions</b> (rounding to two decimal) prior to each coupon reset date (data source would be RBI's website).  In case, any one of the two immediately preceding 91 days T-Bill primary auction is cancelled, then single point average shall be considered. In case, two immediately preceding 91 days T-Bill auctions are cancelled, average of 3 Months T-bill (FBIL Benchmark) published by Financial Benchmarks India Pvt Ltd ("FBIL") on the FBIL's website <a href="http://www.fbil.org.in/">http://www.fbil.org.in/</a> under the "T-Bill Curve" menu or on such other part of the respective website as may be reorganized from time to time.  3 Months T-bill (FBIL Benchmark) yield shall be calculated using average closing yield of 5 working days (rounding to two decimal) prior to each coupon reset date (data source would be FBIL).

	<p><b>Note:</b> If 91 days T-Bill primary auction happens to be on the reset date, then the same shall be deemed to be included under the immediately two preceding 91 days T-Bill primary auctions.</p> <p><b><u>First Interest Payment - June 04, 2027</u></b>, the average of coupon on reset dates.  June 04, 2026 (Initial coupon rate)  September 04, 2026  December 04, 2026  March 04, 2027</p> <p><b><u>Second Interest Payment – June 04, 2028</u></b>, the average of coupon on reset dates.  June 04, 2027  September 04, 2027  December 04, 2027  March 04, 2028</p> <p><b><u>Third Interest Payment – June 04, 2029</u></b>, the average of coupon on reset dates.  June 04, 2028  September 04, 2028  December 04, 2028  March 04, 2029</p>
MANNER OF BIDDING IN THE ISSUE	Closed Bidding
MANNER OF ALLOTMENT	Uniform Yield Allotment
DISCOUNT AT WHICH SECURITY IS ISSUED AND THE EFFECTIVE YIELD AS A RESULT OF SUCH DISCOUNT/ PREMIUM.	Not Applicable
PREMIUM/DISCOUNT AT WHICH SECURITY IS REDEEMED AND THE EFFECTIVE YIELD AS A RESULT OF SUCH PREMIUM/DISCOUNT.	Not Applicable
PUT DATE	Not applicable
PUT PRICE	Not applicable
CALL DATE	Not applicable
CALL PRICE	Not applicable
PUT NOTIFICATION TIME (TIMELINES BY WHICH THE INVESTOR NEED TO INTIMATE ISSUER BEFORE EXERCISING THE PUT)	Not applicable
CALL NOTIFICATION TIME (TIMELINES BY WHICH THE INVESTOR NEED TO INTIMATE ISSUER BEFORE EXERCISING THE CALL)	Not applicable
MINIMUM APPLICATION AND IN MULTIPLES THEREAFTER	One bond/Debt Securities having face value of INR 1,00,000 (Rupees One Lakh Only) per bond and in multiples thereof.
ISSUE TIMING	Please refer front page of this KID
SETTLEMENT MODE OF THE INSTRUMENT	Through Clearing corporation by way of NEFT/RTGS

TRADING MODE OF THE INSTRUMENT	DEMAT
SETTLEMENT CYCLE	As prescribed under SEBI circular dated November 30, 2022.
DEPOSITORY	NSDL/CDSL
HOLIDAY CONVENTION	Please refer GID Dated July 08, 2025, Bearing No. SIDBI/TRMV/08072025/OUT/52397.
DAY COUNT CONVENTION	Actual/Actual. If a leap year (i.e. February 29) falls during the tenor of a security, then the number of days shall be reckoned as 366 days for the entire year, irrespective of whether the interest is payable annually, half yearly, quarterly or monthly. (SEBI/HO/DDHS/DDHSPoD/P/CIR/2025/0000000137 dated October 15, 2025)
DISCLOSURE OF INTEREST/ <del>DIVIDEND</del> /REDEMPTION DATE	Please refer Illustrative cash flow of this KID
RECORD DATE	15 Days prior to each Coupon / Redemption Due Date.
ALL COVENANTS OF THE ISSUE (INCLUDING SIDE LETTERS, ACCELERATED PAYMENT CLAUSE ETC.)	As per Debenture Trust Deed & (1) The issuer and the debenture trustee shall execute the trust deed within such timelines as may be specified by the Board. (2) Where an issuer fails to execute the trust deed within the period specified in the sub-regulation (1), without prejudice to any liability arising on account of violation of the provisions of the Act and these regulations, the issuer shall also pay interest of at least two percent per annum or such other rate, as specified by the Board to the holder of debt securities, over and above the agreed coupon rate, till the execution of the trust deed.
CREATION OF RECOVERY EXPENSE FUND	Recovery Expense Fund has been created with the NSE Ltd for INR 25,00,000/- on March 09, 2021.
DESCRIPTION REGARDING SECURITY (WHERE APPLICABLE) INCLUDING TYPE OF SECURITY (MOVABLE/ IMMOVABLE/ TANGIBLE ETC.), TYPE OF CHARGE (PLEDGE/ HYPOTHECATION/ MORTGAGE ETC.), DATE OF CREATION OF SECURITY/ LIKELY DATE OF CREATION OF SECURITY, MINIMUM SECURITY COVER, REVALUATION, REPLACEMENT OF SECURITY, INTEREST TO THE DEBENTURE HOLDER OVER AND ABOVE THE COUPON RATE AS SPECIFIED IN THE TRUST DEED AND DISCLOSED IN THE DISCLOSURE DOCUMENTS	Not Applicable
REPLACEMENT OF SECURITY, INTEREST TO THE DEBENTURE HOLDER OVER AND ABOVE THE COUPON RATE AS SPECIFIED IN THE TRUST DEED AND DISCLOSED IN THE ISSUE DOCUMENT	Not Applicable
TRANSACTION DOCUMENTS	The Issuer has executed/ shall execute the documents including but not limited to the following in connection with the Issue: (a) the Debenture Trust Deed, (b) the Debenture Trustee Agreement,

	(c) General Information Document (d) this Key Information Document and (e) any other document mutually designated as a 'Transaction Document' by the Trustee and the Issuer.
CONDITIONS PRECEDENT TO DISBURSEMENT	Not Applicable
CONDITION SUBSEQUENT TO DISBURSEMENT	Not Applicable
EVENT OF DEFAULT (INCLUDING MANNER OF VOTING /CONDITIONS OF JOINING INTER CREDITOR AGREEMENT)	<p>The occurrence of any one of the following events shall constitute an "Event of Default" by the Issuer:</p> <ul style="list-style-type: none"> <li>• Default shall have occurred in the Redemption of debentures together with redemption premium, if any, as and when the same shall have become due and payable.</li> <li>• Any default by the Issuer in the payment of any Coupon Rate of debentures, as and when the same shall have become due and payable.</li> <li>• Default shall have occurred in the performance of any material covenants, or any conditions or agreements on the part of the Issuer other than any payment defaults under this Deed or the other Transaction Documents or deeds entered into between the Issuer and debenture holder(s)/Beneficial Owner(s)/ Debenture Trustee, that have not been cured within thirty (30) Business Days of having been notified in writing.</li> <li>• Any default by the Issuer or its subsidiary Issuer caused by its inability to pay Financial Indebtedness, material breach of its obligations under the respective financing documents, will be considered an Event of Default.</li> <li>• Any information given by the Issuer in the Disclosure Documents, the Transaction Documents and/or other information furnished and/or the representations and warranties given/deemed to have been given by the Issuer to debenture holder(s)/ Beneficial Owner(s) for availing financial assistance by way of subscription to debentures is or proves to be materially misleading or incorrect in any material respect or is found to be incorrect and prejudicially impacts debenture holders.</li> <li>• It is or becomes unlawful for the Issuer to perform any of its material obligations under the Transaction Document relating to Debenture outstanding or if the Transaction Documents or any part thereof ceases, for any reason whatsoever, to be valid and binding or in full force and effect or is alleged by any party to it to be ineffective for any reason and the cessation individually or cumulatively materially and adversely affects the interests of debenture holders under the Transaction Documents;</li> <li>• Any Transaction Document once executed and delivered, ceases to be in full force and effect or becomes unlawful, invalid or unenforceable or fails to provide debenture Trustee and debenture holders/ Beneficial Owners with the interests in the Receivables intended to be created thereby.</li> </ul>
CONDITIONS FOR BREACH OF COVENANTS (AS SPECIFIED IN THE DEBENTURE TRUST DEED)	Default shall have occurred in the performance of any material covenants, or any conditions or agreements on the part of the Issuer other than any payment defaults under this Deed or the other Transaction Documents or deeds entered into between the Issuer and debenture holder(s)/Beneficial Owner(s)/ Debenture Trustee, that have not been cured within thirty (30) Business Days of having been notified in writing.
PROVISIONS RELATED TO CROSS DEFAULT CLAUSE	Not Applicable
ROLE AND RESPONSIBILITIES OF DEBENTURE TRUSTEE	Please refer to para 6.35 of the General Information Document read along with Debenture Trust Deed.
RISK FACTORS PERTAINING TO THE ISSUE	Please refer Risk Factor of the General Information document read along with Risk Factor in this Key Information Document
GOVERNING LAW AND JURISDICTION	The Debt Securities 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.

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 (Based on allotment): ₹ 100 crore Arrangership Fee: 0.03%	
	<b>Sr</b>	<b>Name</b>
	1	HDFC Bank Limited
	2	SBI Capital Markets Limited
	3	NUVAMA WEALTH MANAGEMENT LIMITED
	4	A.K. Capital Services Limited
	5	Tipsons Consultancy Services Pvt. Ltd.
	6	ICICI Bank Limited
	7	Trust Investment Advisors Private Limited
	8	ICICI Securities Primary Dealership Ltd
9	Kotak Mahindra Bank Limited	
	<b>Total</b>	<b>2097.61</b>
OTHER CONDITIONS	<ol style="list-style-type: none"> <li>Multiple bids by an investor: Investors are now permitted to place multiple bids in an issue.</li> <li>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.</li> <li>Pay-in of funds through clearing corporation of stock exchanges on T+2, where T is the issue day.</li> </ol>	

**3. EXPENSES OF THE ISSUE: EXPENSES OF THE ISSUE ALONG WITH A BREAKUP FOR EACH ITEM OF EXPENSE, INCLUDING DETAILS OF THE FEES PAYABLE TO SEPARATELY AS UNDER (IN TERMS OF AMOUNT, AS A PERCENTAGE OF TOTAL ISSUE EXPENSES AND AS A PERCENTAGE OF TOTAL ISSUE SIZE), AS APPLICABLE:**

Expense Head	Amount in Rs.	Percentage of total issue expenses	Percentage of total issue size
Depository (NSDL/CDSL)	11,800.00	0.09	0.00
EBP	76,700.00	0.57	0.00
R&T	5,900.00	0.04	0.00
SEBI Listing Fees	5,900.00	0.04	0.00
Stamp Duty	15,00,000.00	11.09	0.01
Arrangership fee	74,25,539.40	54.90	0.02
Core Settlement Guarantee fund	45,00,000.00	33.27	0.02
<b>Total</b>	<b>1,35,25,839.40</b>	<b>100.00</b>	<b>0.05</b>
Expense Head	Amount in Rs.	Percentage of total issue expenses	Percentage of total issue size
NSE	11,80,000.00		Charged on annual basis.
Credit Ratings	1,37,00,000.00		
Debenture Trustee fee	27,140.00		

Lead Manager Fees, underwriting commission, Brokerage Selling Commission & Upload Fees, Fees payable to legal advisors, Advertising and Marketing Expense, Printing and distribution expenses are not applicable. The same has been disclosed in the relevant GID Dated July 08, 2025, Bearing No. SIDBI/TRMV/08072025/OUT/52397. Those expenses which can be determined after closure of the bidding process shall be disclosed in the final KID.

The Issuer and DT have executed DTA dated 21-04-2026 including all terms and conditions of due diligence, fees charged, etc., Certain service provider charges on annual basis hence percentage of total issue expense/ size cannot be issue specific and shall be decided on later date.

**4. MATERIAL CHANGES IN RESPECT OF GID DATED JULY 08, 2025, BEARING NUMBER SIDBI/TRMV/08072025/OUT/52397; dated: July 08, 2025**

I	CHANGE OF DIRECTORS /KMPS, IF ANY	As indicated in sl (5)
II	OTHERS, IF ANY (PLEASE SPECIFY)	<ol style="list-style-type: none"> <li>1. Shri Manoj Muttathil Ayyappan, Director, has been appointed as Director of GIC of India Ltd.</li> <li>2. Shri Manikumar S, Director, has been appointed as Director of Online PSB Loans Ltd. &amp; Sahakar Sarathi Pvt. Ltd.</li> <li>3. Shri Prakash Kumar, DMD, has been ceased to be Director of India SME Asset Reconstruction Company Limited.</li> <li>4. Shri Manikumar S, ceased to be nominee director, on account of change in Nominee Director by NABARD.</li> </ol>
Note that disclosure in respect of other parameters like credit rating, latest financial statement, material default and litigations etc. forms part of this KID.		

**5. Change of Directors, If Any:**

Sr. No.	Name, Designation and DIN	Date Appointment / Resignation	Date of Cessation (in case of resignation)	Remarks (viz. Reasons for Change etc.)
1	Shri Anindya Sunder Paul SBI Nominee / Non-Executive/Independent Director DIN: 10272439	03-08-2023	23-10-2025	Cessation: Shri Anindya Sunder Paul, ceased to be nominee director, on account of change in Nominee Director by SBI.
2	Shri Gopal Jha Nominee Director – SBI (Directors nominated by three largest Shareholders)	23-10-2025	--	Nominated: Shri Gopal Jha, CGM (SME& SCF) of SBI has been appointed by SBI as Nominee Director in the Board of SIDBI.
3	Shri Manikumar S NABARD Nominee Director / Non Executive/Independent Director, DIN 08956660	01-01-2024	05-12-2025	Cessation: Shri Manikumar S, ceased to be nominee director, on account of change in Nominee Director by NABARD.
4	Dr K S Mahesh, CGM Nominee Director – NABARD	05-12-2025	--	Nominated: Dr K S Mahesh, CGM of NABARD has been appointed by NABARD as Nominee Director in the Board of SIDBI.
5	Shri Sudatta Mandal, DMD	03-05-2021	02-05-2026	Term of Shri Sudatta Mandal as Deputy Managing Director, SIDBI has ceased with effect from May 2, 2026.

6. **Change of Shareholding Pattern:** On account of capital infusion of Rs. 3,000 crores by the Department of Financial Services (DFS), shareholding pattern has undergone change. Revised shareholding pattern after the allotment of shares is given at annexure VIII.

**7. FINANCIAL STATEMENT (LIMITED REVIEW/AUDITE) DURING THE STUB PERIOD (AUDITED STATEMENT SHALL NOT BE MORE THAN SIX MONTHS OLD).**

A. Standalone Balance Sheet	30-Jun-25	30-Sep-25	31-Dec-25	31-Mar-26
<b>CAPITAL AND LIABILITIES</b>				
Capital	568.54	568.54	568.54	621.30
Reserves, Surplus and Funds	37,576.47	39,266.39	40,329.9	44,155.16
Deposits	2,02,285.23	1,96,514.52	1,97,056.85	2,05,036.80
Borrowings	3,04,626.68	3,26,151.27	3,57,635.68	3,61,559.54

Other Liabilities and Provisions	21,195.04	21,222.73	21,300.08	21,005.44
Deferred Tax Liability	0.00	0.00	0.00	-
<b>Total</b>	<b>566,251.96</b>	<b>5,83,723.45</b>	<b>6,16,891.05</b>	<b>6,32,378.24</b>
<b>ASSETS</b>				
Cash and Bank Balances	34,466.59	30,015.30	14,118.55	11,683.95
Investments	47,687.41	49,992.62	41,108.47	31,759.33
Loans & Advances	476,863.42	4,96,777.56	5,53,533.05	5,79,755.17
Fixed Assets	280.32	280.86	293.54	287.37
Other Assets	6,954.22	6,657.11	7,837.44	8,892.43
<b>Total</b>	<b>566,251.96</b>	<b>5,83,723.45</b>	<b>6,16,891.05</b>	<b>6,32,378.25</b>
<b>Contingent Liabilities</b>	<b>3,002.79</b>	<b>1,854.07</b>	<b>2,116.15</b>	<b>2,063.02</b>
<b>B. Standalone Profit &amp; Loss Account</b>				
<b>INCOME</b>				
Interest and Discount	10,306.87	20,489.60	30886.43	41,329.07
Other Income	127.10	286.08	430.52	610.44
<b>Total</b>	<b>10,433.97</b>	<b>20,775.68</b>	<b>31316.95</b>	<b>41,939.51</b>
<b>EXPENDITURE</b>				
Interest & Financial charges	7,846.32	15,439.88	23536.01	31,780.92
Operating Expenses	319.67	680.26	1035.49	1,619.02
Provisions & Contingencies	(21.25)	165.63	866.31	1,349.49
<b>Total</b>	<b>8,144.74</b>	<b>16,285.77</b>	<b>25437.81</b>	<b>34,749.43</b>
<b>Profit before Tax</b>	<b>2,289.23</b>	<b>4,489.91</b>	<b>5879.14</b>	<b>7,190.08</b>
Provision for Income Tax	526.33	1086.27	1581.61	2,025.00
Deferred Tax Adjustment [(Asset) / Liability]	20.85	(30.25)	(201.15)	(327.68)
Profit after Tax	<b>1,742.05</b>	<b>3,433.89</b>	<b>4498.68</b>	<b>5,492.76</b>
Profit brought forward	96.21	0.00	0.00	96.21
<b>Total Profit / (Loss)</b>	<b>1,838.26</b>	<b>3,433.89</b>	<b>4498.68</b>	<b>5,588.97</b>
<b>Appropriations</b>				
Transfer to General Reserve				5,102.94
Transfer to Special Reserve u/s 36(1)(viii) of The Income Tax Act, 1961				240.00
Others				
a) Transfer to Investment Fluctuation Reserve				0.00
Transfer to Staff Welfare Fund				22.26
Dividend on Shares				113.77
Tax on Dividend				0.00
Surplus in Profit & Loss account carried forward	1,838.26	3,433.89	4498.68	110.00
<b>Total</b>	<b>1,838.26</b>	<b>3,433.89</b>	<b>4498.68</b>	<b>5,588.97</b>
<b>C. Standalone Cash Flow Statement</b>				
<b>I. Cash Flow from Operating Activities</b>				
Net Profit before tax as per P & L Account		4,490.00		7,190.00
Adjustments for:				
Depreciation		10.00		46.00
Provision for net depreciation in investments		-		
Provisions made (net of write back)		255.00		1,701.00
Profit on sale of investments (net)		(113.00)		(65.00)
Profit on sale of fixed assets		-		
Dividend Received on Investments		(3.00)		(50.00)
<b>Cash generated from operations</b>		<b>4,639.00</b>		<b>8,822.00</b>
(Prior to changes in operating Assets and Liabilities)				
Adjustments for net changes in :				
Current assets		410.00	<b>Cash Flow Statement not</b>	(1,588)
Current liabilities		2,308.00	<b>not</b>	805
Bills of Exchange		(722.00)		1,976.00
Loans & Advances		19.00		(81,999.00)
Net Proceeds of Bonds and Debentures & other borrowings		8,887.00		44,295.00

Deposits received		915.00	<b>prepared for Quarter Ended December 31, 2025</b>	9,437.00
Payment of Tax		(1,055.00)		1,934.00
<b>Net Cash flow from operating Activities</b>		<b>15,401.00</b>		<b>(24,138.00)</b>
<b>2. Cash flow from Investing Activities</b>				
Net (Purchase)/Sale of fixed assets		(11.00)		(53.00)
Net (Purchase)/sale/redemption of Investments		(11,351.00)		25,606.00
Dividend Received on Investments		3.00		50.00
<b>Net cash used in Investing Activities</b>		<b>(11,359.00)</b>		<b>25,603.00</b>
<b>3. Cash flow from Financing Activities</b>				
Dividend on Equity Shares & tax on Dividend		(114.00)		(114.00)
Proceeds from issuance of share capital & share premium		-	<b>3,000.00</b>	
<b>Net cash used in Financing Activities</b>		<b>(114.00)</b>	<b>2,866.00</b>	
<b>4. Net increase/(decrease) in cash and cash equivalents</b>		<b>3,928.00</b>	<b>4,351.00</b>	
<b>5. Cash and Cash Equivalents at the beginning of the period</b>		<b>521.00</b>	<b>522.00</b>	
<b>6. Cash and Cash Equivalents at the end of the period</b>		<b>4,449.00</b>	<b>4,873.00</b>	

<b>Balance Sheet</b>	<b>30-Jun-25</b>	<b>30-Sep-25</b>	<b>31-Dec-25</b>	<b>31-Mar-26</b>
Net Fixed assets	280.32	280.86	293.54	287.37
Current assets	NA	NA	NA	NA
Non-current assets	NA	NA	NA	NA
Total assets	5,66,251.96	5,83,723.45	616891.05	6,32,378.25
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	37,576.47	39,266.39	40329.9	44,776.46
Total equity and liabilities	5,66,251.96	5,83,723.45	616891.05	6,32,378.25
<b>Profit and Loss</b>				
Total revenue	10,433.97	20,775.68	31316.95	41,939.51
From operations	10,306.87	20,489.60	30886.43	41,329.07
Other income	127.10	286.08	430.52	610.44
Total Expenses (including Provisions)	8,144.74	16,285.77	25437.81	34,749.43
Total comprehensive income	NA	NA	NA	NA
Profit / loss (before Tax)	2,289.23	4,489.91	5879.14	7,190.08
Other comprehensive income	NA	NA	NA	NA
Profit / loss after tax	1,742.05	3,433.89	4498.68	5,588.97
Earnings per equity share				
(a) basic and	30.64	60.40	79.13	96.56
(b) diluted	30.64	60.40	79.13	96.56
Continuing operations	NA	NA	NA	NA
Discontinued operations	NA	NA	NA	NA
Total Continuing and discontinued operations	NA	NA	NA	NA
<b>Cash Flow</b>				
Net cash generated from operating activities	<b>Cash Flow Statement not prepared for Quarter</b>	15,401.00	<b>Cash Flow Statement not prepared for Quarter</b>	(24,138.00)
Net cash used in / generated from investing activities		(11,359.00)		25,603.00
Net cash used in financing activities		(114.00)		2,886.00
Cash and cash equivalents		521.00		522.00

Balance as per statement of cash flows	Ended 30/06/2025	4,449.00	Ended 31/12/2025	4,873.00
<b>Additional information</b>				
Net worth	34,341	36,587.00	36,847	38,973
Cash and Cash Equivalents	34,466.59	30,015.30	14,118.55	11,683.95
Current Investments	NA	NA	NA	NA
Assets Under Management	NA	NA	NA	NA
Off Balance Sheet Assets	3,002.79	1,854.07	2116.15	2,063.02
Total Debts to Total assets*	0.54	0.56	0.58	
Debt Service Coverage Ratios	NA	NA	NA	NA
Interest Income including Discounts	10,306.87	20,489.60	30,886.00	41,329.07
Interest Expense	7,846.32	15,439.88	23,536.00	31,780.92
Interest service coverage ratio	NA	NA	NA	NA
Provisions & Contingencies	(21.25)	165.63	866.00	1,350.00
Bad debts to Account receivable ratio	NA	NA	NA	NA
Gross NPA (%)	0.07	0.08	0.11	0.12
Net NPA (%)	0.00	0.00	0.00	0.00
Tier I Capital Adequacy Ratio (%)	18.10%	17.53%	17.54%	19.04%
Tier II Capital Adequacy Ratio (%)	1.00%	0.98%	1.00%	1.03%

\*Debt denotes total Borrowings (excluding Deposits)

Annexure- I- Declaration

Annexure- II- Credit Ratings Letter

Annexure- III- Financial Statements

Annexure- IV- Fees letter to Debenture Trustee

Annexure- V- Consent Letter from Debenture Trustee

Annexure VI- Annexure A

Annexure VII- Details of the green shoe option of non-convertible securities

Annexure VIII- Revised Shareholding pattern




DECLARATION

[Private Placement of Floating, Listed, Unsecured, Taxable, Redeemable, Rated and Fully Paid up Non-Convertible Securities- Submission of Key Information Document for SIDBI 2030-Series II of FY 2026-27]

In terms of paragraph 3.3.37 (f) (iii) of Schedule I of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 as amended up to January 21, 2026, the Board of Directors of SIDBI have perused the contents of the Key Information Document, as contained in the Memorandum SIDBI B.No.45/2026-27 dated May 25, 2026.

For Small Industries Development Bank of India

 (Yalangi Munni Kumari) Chief financial officer	<p>PANKAJ KUMAR SAHU</p> <p>Digitally signed by PANKAJ KUMAR SAHU Date: 2026.05.29 13:15:32 +05'30'</p> <p>(Pankaj Kumar Sahu) Compliance Officer</p>
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Date: May 29, 2026

बैंक हिन्दी में पत्राचार का स्वागत करता है।

भारतीय लघु उद्योग विकास बैंक

स्वावलंबन भवन, सी-11, जी-ब्लॉक, बांद्रा-कुर्ला कॉम्प्लेक्स, बांद्रा (पूर्व), मुंबई-400051, दूरभाष 91 22-67531100 | फ़ैक्स 91 22 67221528

**SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA**

Swavalamban Bhavan, C-11, G-Block, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051, Tel. No.91 22 67531 100, Fax No.91 22 67531528

**No. CARE/HO/RL/2026-27/1402**

**Smt. Y Munni Kumari**  
**Chief Financial Officer**  
**Small Industries Development Bank of India**  
SME Development Centre, 4th Floor, Plot C - 11, G - Block,  
Bandra-Kurla Complex, Bandra East,  
Mumbai  
Maharashtra 400051



May 20, 2026

**Confidential**

Dear Madam,

**Credit rating for proposed Debt Issue / Unsecured Redeemable Bonds issue**

Please refer to our letter no. CARE/HO/RL/2026-27/1132 dated April 20, 2026, and your request for revalidation of the rating assigned to the Unsecured Redeemable Bonds issue of your company, for a limit of Rs.1,78,000.00 crore.

2. The following rating(s) have been reviewed:

Sr. No.	Instrument	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
1.	Unsecured Redeemable	1,78,000.00	CARE AAA; Stable	Reaffirmed

3. Please arrange to get the rating revalidated, in case the proposed issue is not made within **six months** from the date of this letter.

4. 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 Trustee/IPA	Details of top 10 investors
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<sup>1</sup>Complete definitions of the ratings assigned are available at [www.careratings.com](http://www.careratings.com) and in other CARE Ratings Ltd.'s publications.

CARE Ratings Limited

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CIN-L67190MH1993PLC071691

5. 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.
6. CARE Ratings Ltd. reserves the right to revise/reaffirm/withdraw the rating assigned 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 debt instruments, CARE Ratings Ltd. shall carry out the review on the basis of best available information throughout the life time of such instruments. 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 aforementioned rating actions in any manner considered appropriate by it, without reference to you.
7. 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.
8. Users of this rating may kindly refer our website [www.careratings.com](http://www.careratings.com) for latest update on the outstanding rating.
9. 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,



**Pranjal Mulekar**  
Analyst  
[pranjal.mulekar@careedge.in](mailto:pranjal.mulekar@careedge.in)



**Jitendra Meghrajani**  
Associate Director  
[jitendra.meghrajani@careedge.in](mailto:jitendra.meghrajani@careedge.in)

Encl.: As above

CARE Ratings Limited

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CIN-L67190MH1993PLC071691

## Small Industries Development Bank of India

March 24, 2026

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long-term bank facilities	77,500.00 (Enhanced from 54,500.00)	CARE AAA; Stable	Reaffirmed
Short-term bank facilities	87,500.00 (Enhanced from 85,500.00)	CARE A1+	Reaffirmed
Issuer rating	0.00	CARE AAA; Stable	Reaffirmed
Long-term instruments - RIDF deposits	2,34,000.00	CARE AAA; Stable	Reaffirmed
Unsecured redeemable bonds	1,78,000.00	CARE AAA; Stable	Reaffirmed
Fixed deposit	23,000.00	CARE AAA; Stable	Reaffirmed
Long-term / Short-term instrument- CP CD programme	1,40,000.00	CARE AAA; Stable / CARE A1+	Reaffirmed

Details of instruments/facilities in Annexure-1.

### Rationale and key rating drivers

CARE Ratings Limited (CareEdge Ratings) has reaffirmed Small Industries Development Bank of India's (SIDBI) ratings at 'CARE AAA; Stable / CARE A1+'. Ratings continue to factor SIDBI's role as the apex financial institution (FI) for promotion and development of the micro, small and medium enterprises (MSME) sector in India, healthy capitalisation levels, stable profitability metrics, strong resource profile, sound asset quality, and comfortable liquidity. Ratings also factor in Government of India's (GoI) and Reserve Bank of India's (RBI) support through budgetary allocations, continued access to the MSE Refinance Fund, equity contributions, past guarantees for foreign currency borrowings, and governance constrained by concentrated lending profile of SIDBI.

### 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: Standalone

CareEdge Ratings has adopted standalone approach for analysing SIDBI, factoring in expected support from GoI. Funding requirements of subsidiaries have also been taken into consideration.

### Outlook: Stable

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

### Detailed description of key rating drivers:

### Key strengths

<sup>1</sup>Complete definition of ratings assigned are available at [www.careratings.com](http://www.careratings.com) and other CARE Ratings Limited's publications.

### Strategic role in MSME development backed by GOI

Established in 1990 under an Act of Parliament, SIDBI serves as the apex financial institution for the promotion, financing, and development of the MSME sector in India. Designated as the nodal agency for MSME development, SIDBI benefits from sustained support from the GoI and RBI through budgetary allocations and access to the MSE Refinance Fund. Its major shareholders include the GoI (20.85%), State Bank of India (15.65%), Life Insurance Corporation of India (13.33%), and NABARD (9.36%), with remaining stake held by public sector banks. SIDBI plays a pivotal role in MSME financing through direct and indirect lending, refinancing to banks and non-banking financial companies (NBFCs), and implementation of key schemes such as SMILE, CGTMSE, MUDRA, and TReDS. It also facilitates digital financial inclusion via platforms such as Udyamimitra and the GST Sahay app. With government-nominated directors on its board, SIDBI is expected to continue receiving strong capital and strategic support to enhance formal credit access for MSMEs.

### Healthy capitalisation levels

SIDBI's capitalisation profile remains strong, supported by steady accretion to reserves through internal accruals. Standalone tangible net worth (TNW) increased to ₹33,999 crore as of March 31, 2025, from ₹30,040 crore a year earlier, and further to ₹38,709 crore as of December 31, 2025. Under the revised Basel III framework effective April 2024, SIDBI reported capital adequacy ratio (CAR) of 17.54%, Tier 1 ratio of 16.54%, and common equity tier 1 (CET1) ratio of 16.54%, comfortably above respective regulatory minimum requirements of 9%, 7%, and 5.5%. While the capital buffer over regulatory thresholds remains adequate, sustained balance sheet expansion may moderate these cushions in the medium term. Following regulatory changes, SIDBI is no longer subject to the earlier RBI-prescribed borrowing ceiling (18x of net owned funds) and is now permitted a leverage ratio of up to 24x of Tier 1 capital. As on March 31, 2025, overall leverage (including deposits) stood at 15.08x (FY24: 15.88x) and moderated further to 14.33x as of December 31, 2025.

A proposed capital infusion of ₹5,000 crore approved by the Union Cabinet is expected to further strengthen SIDBI's capital position. Infusion will be released in three tranches — ₹3,000 crore in FY26 and ₹1,000 crore each in FY27 and FY28. SIDBI's wholly owned subsidiaries are adequately capitalised and there is no anticipated requirement for capital support from the parent company in the near-to-medium term.

CareEdge Ratings expects timely and need-based capital support from GoI, including proposed equity infusion in phased tranches, which would provide additional headroom for growth and maintain capital buffers at prudent levels.

### Strong resource profile

SIDBI's resource profile remains strong, supported primarily by domestic borrowings, low-cost MSE Refinance Funds, and a marginal share of overseas borrowings. As on December 31, 2025, domestic borrowings constituted 63.93% of total resources (March 31, 2025: 61.63%; March 31, 2024: 56.06%), MSE Refinance Funds accounted for 31.72% (March 31, 2025: 34.41%; March 31, 2024: 39.65%), and overseas borrowings formed 0.55% (March 31, 2025: 0.23%; March 31, 2024: 0.66%). In FY25, SIDBI was allocated ₹50,000 crore under the MSE Refinance Fund, of which ₹48,767 crore was received in FY25, with the remaining received in Q1FY26. A similar level of priority sector lending (PSL) deposit allocation is anticipated in the next year. While MSE Fund allocation may decline, as banks meet PSL targets, SIDBI is expected to maintain access to competitive funding, leveraging its apex FI status. A declining interest rate environment is expected to further reduce its overall cost of funds.

### Stable profitability metrics

SIDBI's profitability profile continues to remain structurally moderated due to regulatory caps on lending margins in the MSE refinance segment and its historical reliance on concessional MSE funding lines. In 9MFY26, total advances grew by 19.27% year-on-year (FY25: ~8.83%), reflecting improved credit demand and disbursement momentum. However, the funding mix shifted towards relatively higher-cost market borrowings, partly replacing concessional refinance funds. While this supported balance sheet expansion, it exerted pressure on borrowing costs. Total income grew by 9.76% y-o-y in 9MFY26 (FY25: 20.57%), supported by steady interest income growth. Annualised yields remained broadly stable at 7.04% (FY25: 7.03%; FY24: 6.86%). However, cost of funds increased to 5.88% (FY25: 5.73%; FY24: 5.43%), resulting in a compression of net interest spreads to 1.16% from ~1.30% in FY25. Non-interest income moderated (0.10% of average total assets in 9MFY26 against 0.13% in 9MFY25), further constraining earnings. This was partly offset by a reduction in operating expenses (0.23% in 9MFY26 against 0.25% in 9MFY25) and lower credit costs (0.20% in 9MFY26 against 0.37% in 9MFY25), reflecting stable asset quality trends. Consequently, return on total assets (ROTA) improved to 1.02% in 9MFY26 (FY25: 0.89%) and remained broadly in line with 1.01% reported in 9MFY25.

While profitability remained stable, margin compression arising from evolving funding mix may keep spreads range-bound in the near term, with operating efficiency and credit cost control likely to remain key drivers for earnings performance.

**Strong asset quality metrics**

SIDBI's asset quality indicators remain strong in absolute terms, although there has been a noticeable uptick in recent periods. The gross non-performing assets (GNPA) ratio increased to 0.04% as of March 31, 2025, from 0.02% as of March 31, 2024. As of December 31, 2025, GNPA rose further to 0.11%, indicating some moderation in asset quality trends in FY26. In absolute terms, GNPA stood at ₹183 crore as of March 31, 2025, against a loan portfolio of ₹4,96,282 crore. The company maintains 100% provisioning on these assets, resulting in a net NPA (NNPA) ratio of 0.00% as of December 31, 2025. The high provision coverage mitigates immediate balance sheet risk, though the upward movement in GNPA warrants monitoring. Majority non-performing assets originate from the direct lending segment, which constitutes ~8% of the overall loan book. Asset quality in this segment is relatively weaker compared to the refinance portfolio, which benefits from diversified exposure and lower credit risk transmission. However, given the limited share of direct lending in the overall portfolio, its impact on consolidated asset quality metrics remains contained at present.

Going forward, continued monitoring of stress levels in the direct lending portfolio will be important, particularly in the context of portfolio growth and evolving macroeconomic conditions.

**Key weakness****Concentrated lending portfolio**

As on December 31, 2025, indirect financing constituted 91.66% (March 21, 2025: 91.80%; March 31, 2024: 93.65%) of the portfolio, slightly down from 92.71% a year earlier. Within this segment, refinancing to banks and financial institutions (FIs) and microfinance institutions (MFIs) declined, while refinancing to NBFCs increased. Refinancing to banks and FIs accounted for 78.85% (March 21, 2025: 77.64%) of the total portfolio, followed by NBFCs at 12.14% (March 21, 2025: 12.93%) and MFIs at 0.67% (March 21, 2025: 1.22%). Year-on-year refinancing to banks and MFIs decreased by 0.83% and 0.74% respectively (March 21, 2025: 1.98% and 0.70%), whereas refinancing to NBFCs and direct financing rose by 0.51% and 0.80% respectively (March 21, 2025: 0.82% and 1.85%), which is in line with SIDBI's thrust on Direct Finance to provide an able ecosystem for the development of MSMEs in India.

Top 10 exposures represented 57.48% of total exposure as of March 31, 2025, down from 63.21%. This concentration risk is mitigated by low credit risk associated with the bank refinance portfolio, which forms majority exposures. Overall, despite high concentration, portfolio diversification and predominance of low-risk counterparties provide comfort on credit risk.

**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 rural infrastructure development fund (RIDF) deposits and long-term borrowings of a similar maturity. However, asset and liability management (ALM) statement as on December 31, 2025, exhibits negative cumulative mismatches in 29 days to six-month bucket, which is expected to be filled through roll over of debts and line of credit. It also has investments that are highly liquid and can be called at any time.

As of December 31, 2025, liquid investments totalled ₹39,129 crore, including cash and bank balances (₹14,119 crore) and government securities (₹25,011 crore). This excludes scheduled collections of ₹1,09,377 crore, while scheduled debt obligations for the next six months stood at ₹2,07,194 crore. Due to its status as an apex financial institution, and that it is owned by GoI and its entities, SIDBI has strong access to capital market, which further strengthens its liquidity position.

**Applicable criteria**

[Definition of Default](#)

[Factoring Linkages Government Support](#)

[Rating Outlook and Rating Watch](#)

[Financial Ratios - Financial Sector](#)

[Withdrawal Policy](#)

[Short Term Instruments](#)

[Issuer Rating](#)

[Banks](#)

## About the company and industry

### Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Financial services	Financial services	Finance	Financial institution

In 1990, SIDBI was incorporated as a wholly owned subsidiary of IDBI Limited. Over the years, IDBI diluted its shareholding and as on December 31, 2025, majority SIDBI's shareholding is held by GoI (shareholding is 20.85%), SBI (15.65%), LIC (13.33%), and NABARD (9.36%).

SIDBI is the apex financial institution for the MSME sector and is the nodal agency for the MSME-oriented schemes of the GoI. It provides refinance to primary lending institutions such as banks (including SFBs), NBFCs, and MFIs, among others, which lend to units under the MSME sector. SIDBI also provides direct finance to the MSME sector through long-term loans, working-capital facilities, and discounting/rediscounting bills of exchange, among others.

As on December 31, 2025, SIDBI had three wholly owned subsidiaries, SIDBI Venture Capital Limited (SVCL), SIDBI Trustee Co Limited (STCL), and Micro Units Development and 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 lending to micro/small business entities engaged in manufacturing, trading and service activities. MUDRA would partner with state-level/regional-level coordinators to provide finance to last-mile financiers of small/micro business enterprises.

The FI has 16 regional offices, 141 branch offices (including extension branches), with one express loan service centre (ELSC).

### Standalone financials of SIDBI:

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)	9MFY26 (UA)
Total income	31,942	38,511	31,317
Profit after tax (PAT)	4,025	4,811	4,499
Total assets **	5,20,844	5,65,830	6,14,702
Net interest margin (NIM) (%)	1.83%	1.74%	1.66%*
Gross non-performing assets (NPA) (%)	0.02%	0.04%	0.11%
Net NPA (%)	0.00%	0.00%	0.00%
Capital adequacy ratio (CAR) (%)	15.94%	19.62%	17.54%

A: Audited UA: Unaudited; Note: these are latest available financial results

\*\* Per calculation of CareEdge Ratings

\*Annualised

**Status of non-cooperation with previous CRA:** Not applicable

**Any other information:** Not applicable

**Rating history for last three years:** Annexure-2

**Detailed explanation of covenants of rated instrument / facility:** Annexure-3

**Complexity level of instruments rated:** Annexure-4

**Lender details:** Annexure-5

**Annexure-1: Details of instruments/facilities**

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Bonds- Unsecured Redeemable	INE556F08KH1	22-05-2023	7.43	31-08-2026	5,000.00	CARE AAA; Stable
Bonds- Unsecured Redeemable	INE556F08KI9	09-06-2023	7.44	04-09-2026	6,000.00	CARE AAA; Stable
Bonds- Unsecured Redeemable	INE556F08KJ7	28-06-2023	7.55	22-09-2026	3,000.00	CARE AAA; Stable
Bonds- Unsecured Redeemable	INE556F08KK5	19-10-2023	7.79	19-04-2027	3,022.29	CARE AAA; Stable
Bonds- Unsecured Redeemable	INE556F08KL3	24-11-2023	7.83	24-11-2028	4,887.00	CARE AAA; Stable
Bonds- Unsecured Redeemable	INE556F08KM1	22-12-2023	7.79	14-05-2027	4,013.00	CARE AAA; Stable
Bonds- Unsecured Redeemable	INE556F08KN9	19-01-2024	7.75	10-06-2027	4,255.00	CARE AAA; Stable
Bonds- Unsecured Redeemable	INE556F08KO7	12-02-2024	7.68	09-07-2027	5,000.00	CARE AAA; Stable
Bonds- Unsecured Redeemable	INE556F08KP4	26-03-2024	7.68	10-08-2027	3,423.00	CARE AAA; Stable
Bonds- Unsecured Redeemable	INE556F08KQ2	25-06-2024	7.68	10-09-2027	2,123.10	CARE AAA; Stable
Bonds- Unsecured Redeemable	INE556F08KR0	05-09-2024	7.47	05-09-2029	5,000.00	CARE AAA; Stable
Bonds- Unsecured Redeemable	INE556F08KS8	26-09-2024	7.34	26-02-2029	8,000.00	CARE AAA; Stable
Bonds- Unsecured Redeemable	INE556F08KT6	24-10-2024	7.44	10-04-2028	5,922.25	CARE AAA; Stable
Bonds- Unsecured Redeemable	INE556F08KU4	27-11-2024	7.51	12-06-2028	4,918.00	CARE AAA; Stable
Bonds- Unsecured Redeemable	INE556F08KV2	24-12-2024	7.48	24-05-2029	3,700.00	CARE AAA; Stable
Bonds- Unsecured Redeemable	INE556F08KW0	12-02-2025	7.42	12-03-2029	6,000.00	CARE AAA; Stable
Bonds- Unsecured Redeemable	INE556F08KX8	28-02-2025	7.49	11-06-2029	4,593.00	CARE AAA; Stable
Bonds- Unsecured Redeemable	INE556F08KY6	21-03-2025	7.39	21-03-2030	6,000.00	CARE AAA; Stable
Bonds- Unsecured Redeemable	INE556F08KZ3	25-07-2025	6.66	25-10-2028	5,925.50	CARE AAA; Stable

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Bonds-Unsecured Redeemable	INE556F08LA4	27-11-2025	6.74	10-01-2029	5,935.00	CARE AAA; Stable
Bonds-Unsecured Redeemable	INE556F08LB2	14-01-2026	7.04	09-02-2029	6,000.00	CARE AAA; Stable
Bonds-Unsecured Redeemable	INE556F08LC0	13-02-2026	7.22	10-04-2029	7,866.00	CARE AAA; Stable
Bonds-Unsecured Redeemable	INE556F08KB4	17-08-2022	7.11	27-02-2026	0.00	Withdrawn
Bonds-Unsecured Redeemable	INE556F08KC2	08-09-2022	7.23	09-03-2026	0.00	Withdrawn
Bonds-Unsecured Redeemable (Proposed)	-	-	-	-	67,416.86	CARE AAA; Stable
LT/ST Instrument - CP / CD	INE556F14LT2	03-12-2025	6.28	03-06-2026	2,550.00	CARE AAA; Stable / CARE A1+
LT/ST Instrument - CP / CD	INE556F14LX4	19-12-2025	6.14	20-03-2026	5,575.00	CARE AAA; Stable / CARE A1+
LT/ST Instrument - CP / CD	INE556F14LY2	03-02-2026	6.7	27-03-2026	6,200.00	CARE AAA; Stable / CARE A1+
LT/ST Instrument - CP / CD	INE556F14LY2	04-02-2026	6.7	27-03-2026	3,800.00	CARE AAA; Stable / CARE A1+
LT/ST Instrument - CP / CD	INE556F14LZ9	06-02-2026	7.06	08-05-2026	2,350.00	CARE AAA; Stable / CARE A1+
LT/ST Instrument - CP / CD	INE556F14MA0	09-02-2026	7.06	11-05-2026	650.00	CARE AAA; Stable / CARE A1+
LT/ST Instrument - CP / CD	INE556F14MB8	17-02-2026	7.05	19-05-2026	2,425.00	CARE AAA; Stable / CARE A1+
LT/ST Instrument - CP / CD	INE556F14MC6	20-02-2026	7.05	22-05-2026	2,575.00	CARE AAA; Stable / CARE A1+
LT/ST Instrument - CP / CD	INE556F14MD4	06-03-2026	7.15	05-06-2026	3,715.00	CARE AAA; Stable / CARE A1+
LT/ST Instrument - CP / CD	INE556F16BE0	17-03-2025	7.69	17-03-2026	850.00	CARE AAA; Stable / CARE A1+
LT/ST Instrument - CP / CD	INE556F16BF7	25-03-2025	7.41	25-03-2026	910.00	CARE AAA; Stable / CARE A1+
LT/ST Instrument - CP / CD	INE556F16BG5	26-03-2025	7.41	26-03-2026	1,575.00	CARE AAA; Stable / CARE A1+
LT/ST Instrument - CP / CD	INE556F16BG5	26-03-2025	7.40	26-03-2026	1,410.00	CARE AAA; Stable / CARE A1+

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
LT/ST Instrument - CP / CD	INE556F16BH3	05-05-2025	6.79	05-05-2026	5,050.00	CARE AAA; Stable / CARE A1+
LT/ST Instrument - CP / CD	INE556F16BI1	20-05-2025	6.67	20-05-2026	5,000.00	CARE AAA; Stable / CARE A1+
LT/ST Instrument - CP / CD	INE556F16BJ9	09-07-2025	6.23	09-07-2026	2,100.00	CARE AAA; Stable / CARE A1+
LT/ST Instrument - CP / CD	INE556F16BK7	24-09-2025	6.40	24-09-2026	1,550.00	CARE AAA; Stable / CARE A1+
LT/ST Instrument - CP / CD	INE556F16BL5	13-10-2025	6.42	13-10-2026	4,425.00	CARE AAA; Stable / CARE A1+
LT/ST Instrument - CP / CD	INE556F16BM3	23-10-2025	6.49	23-10-2026	1,500.00	CARE AAA; Stable / CARE A1+
LT/ST Instrument - CP / CD	INE556F16BN1	27-10-2025	6.49	27-10-2026	2,535.00	CARE AAA; Stable / CARE A1+
LT/ST Instrument - CP / CD	INE556F16BO9	28-10-2025	6.49	28-10-2026	2,325.00	CARE AAA; Stable / CARE A1+
LT/ST Instrument - CP / CD	INE556F16BP6	03-11-2025	6.49	03-11-2026	525.00	CARE AAA; Stable / CARE A1+
LT/ST Instrument - CP / CD	INE556F16BQ4	06-11-2025	6.49	06-11-2026	4,045.00	CARE AAA; Stable / CARE A1+
LT/ST Instrument - CP / CD	INE556F16BR2	10-11-2025	6.49	10-11-2026	2,315.00	CARE AAA; Stable / CARE A1+
LT/ST Instrument - CP / CD	INE556F16BS0	04-12-2025	6.55	04-12-2026	1,925.00	CARE AAA; Stable / CARE A1+
LT/ST Instrument - CP / CD	INE556F16BT8	16-12-2025	6.68	16-12-2026	1,925.00	CARE AAA; Stable / CARE A1+
LT/ST Instrument - CP / CD	INE556F16BU6	18-12-2025	6.68	18-12-2026	1,300.00	CARE AAA; Stable / CARE A1+
LT/ST Instrument - CP / CD	INE556F16BV4	14-01-2026	6.95	14-01-2027	4,775.00	CARE AAA; Stable / CARE A1+
LT/ST Instrument - CP / CD	INE556F16BW2	28-01-2026	7.20	28-01-2027	7,500.00	CARE AAA; Stable / CARE A1+
LT/ST Instrument - CP / CD	INE556F16BX0	29-01-2026	7.25	29-01-2027	2,600.00	CARE AAA; Stable / CARE A1+
LT/ST Instrument - CP / CD	INE556F16BY8	04-02-2026	7.25	04-02-2027	6,400.00	CARE AAA; Stable / CARE A1+
LT/ST Instrument - CP / CD	INE556F16BZ5	05-02-2026	7.14	05-02-2027	800.00	CARE AAA; Stable / CARE A1+

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
LT/ST Instrument - CP / CD	INE556F16CA6	09-02-2026	7.00	09-02-2027	3,000.00	CARE AAA; Stable / CARE A1+
LT/ST Instrument - CP / CD	INE556F16CB4	18-02-2026	7.00	18-02-2027	9,775.00	CARE AAA; Stable / CARE A1+
LT/ST Instrument - CP / CD	INE556F16CC2	26-02-2026	7.02	26-02-2027	6,000.00	CARE AAA; Stable / CARE A1+
LT/ST Instrument - CP / CD – (Proposed)	-	-	-	-	28,045.00	CARE AAA; Stable / CARE A1+
Fixed Deposit	-	-	-	-	23,000.00	CARE AAA; Stable
Fund-based-Long Term	-	-	-	12-01-2027	59,500.00	CARE AAA; Stable
Fund-based-Long Term (Proposed)	-	-	-	-	18,000.00	CARE AAA; Stable
Fund-based-Short Term	-	-	-	16-04-2026	80,320.00	CARE A1+
Fund-based-Short Term (Proposed)	-	-	-	-	7,180.00	CARE A1+
Issuer Rating-Issuer Ratings	-	-	-	-	-	CARE AAA; Stable
MSE/RIDF Deposits	-	-	-	-	2,34,000.00	CARE AAA; Stable

### Annexure-2: Rating history for 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 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
1	LT/ST Instrument-CP / CD	LT/ST	140000.00	CARE AAA; Stable / CARE A1+	1)CARE AAA; Stable / CARE A1+ (16-Feb-26) 2)CARE AAA; Stable / CARE A1+ (07-Jul-25) 3)CARE AAA;	1)CARE AAA; Stable / CARE A1+ (09-Dec-24) 2)CARE AAA; Stable / CARE A1+ (05-Jul-24)	1)CARE AAA; Stable / CARE A1+ (29-Dec-23) 2)CARE AAA; Stable / CARE A1+ (04-Oct-23) 3)CARE AAA;	1)CARE AAA; Stable / CARE A1+ (28-Feb-23) 2)CARE AAA; Stable / CARE A1+ (29-Nov-22) 3)CARE AAA;

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
					Stable / CARE A1+ (07-Apr-25)		Stable / CARE A1+ (21-Jun-23)  4)CARE AAA; Stable / CARE A1+ (06-Jun-23)	Stable / CARE A1+ (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 (16-Feb-26) 2)CARE AAA; Stable (07-Jul-25) 3)CARE AAA; Stable (07-Apr-25)	1)CARE AAA; Stable (09-Dec-24) 2)CARE AAA; Stable (05-Jul-24)	1)CARE AAA; Stable (29-Dec-23) 2)CARE AAA; Stable (04-Oct-23) 3)CARE AAA; Stable (21-Jun-23) 4)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)
3	MSE/RIDF Deposits	LT	234000.00	CARE AAA; Stable	1)CARE AAA; Stable (16-Feb-26) 2)CARE AAA; Stable (07-Jul-25)	1)CARE AAA; Stable (09-Dec-24) 2)CARE AAA; Stable (05-Jul-24)	1)CARE AAA; Stable (29-Dec-23) 2)CARE AAA; Stable (04-Oct-23)	1)CARE AAA; Stable (28-Feb-23) 2)CARE AAA; Stable (29-Nov-22)

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
					3)CARE AAA; Stable (07-Apr-25)		3)CARE AAA; Stable (21-Jun-23) 4)CARE AAA; Stable (06-Jun-23)	3)CARE AAA; Stable (07-Jul-22)
4	Issuer Rating-Issuer Ratings	LT	0.00	CARE AAA; Stable	1)CARE AAA; Stable (16-Feb-26) 2)CARE AAA; Stable (07-Jul-25) 3)CARE AAA; Stable (07-Apr-25)	1)CARE AAA; Stable (09-Dec-24) 2)CARE AAA; Stable (05-Jul-24)	1)CARE AAA; Stable (29-Dec-23) 2)CARE AAA; Stable (04-Oct-23) 3)CARE AAA; Stable (21-Jun-23) 4)CARE AAA; Stable (06-Jun-23)	1)CARE AAA; Stable (28-Feb-23) 2)CARE AAA; Stable (26-Dec-22) 3)CARE AAA (Is); Stable (29-Nov-22) 4)CARE AAA (Is); Stable (07-Jul-22)
5	Bonds-Unsecured Redeemable	LT	178000.00	CARE AAA; Stable	1)CARE AAA; Stable (16-Feb-26) 2)CARE AAA; Stable (07-Jul-25)	1)CARE AAA; Stable (09-Dec-24) 2)CARE AAA; Stable (05-Jul-24)	1)CARE AAA; Stable (29-Dec-23) 2)CARE AAA; Stable (04-Oct-23)	1)CARE AAA; Stable (28-Feb-23) 2)CARE AAA; Stable (29-Nov-22)

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
					3)CARE AAA; Stable (07-Apr-25)		3)CARE AAA; Stable (21-Jun-23) 4)CARE AAA; Stable (06-Jun-23)	3)CARE AAA; Stable (07-Jul-22)
6	Fund-based-Short Term	ST	6500.00	CARE A1+	1)CARE A1+ (16-Feb-26) 2)CARE A1+ (07-Jul-25) 3)CARE A1+ (07-Apr-25)	1)CARE A1+ (09-Dec-24) 2)CARE A1+ (05-Jul-24)	1)CARE A1+ (29-Dec-23) 2)CARE A1+ (04-Oct-23) 3)CARE A1+ (21-Jun-23) 4)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)
7	Fund-based-Short Term	ST	81000.00	CARE A1+	1)CARE A1+ (16-Feb-26) 2)CARE A1+ (07-Jul-25) 3)CARE A1+ (07-Apr-25)	1)CARE A1+ (09-Dec-24) 2)CARE A1+ (05-Jul-24)	1)CARE A1+ (29-Dec-23) 2)CARE A1+ (04-Oct-23) 3)CARE A1+ (21-Jun-23) 4)CARE A1+	1)CARE A1+ (28-Feb-23) 2)CARE A1+ (29-Nov-22) 3)CARE A1+ (06-Sep-22) 4)CARE A1+

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
							(06-Jun-23)	(07-Jul-22)
8	Fund-based-Long Term	LT	77500.00	CARE AAA; Stable	1)CARE AAA; Stable (16-Feb-26) 2)CARE AAA; Stable (07-Jul-25) 3)CARE AAA; Stable (07-Apr-25)	1)CARE AAA; Stable (09-Dec-24) 2)CARE AAA; Stable (05-Jul-24)	1)CARE AAA; Stable (29-Dec-23) 2)CARE AAA; Stable (04-Oct-23) 3)CARE AAA; Stable (21-Jun-23) 4)CARE AAA; Stable (06-Jun-23)	1)CARE AAA; Stable (28-Feb-23)

LT: Long term; ST: Short term; LT/ST: Long term/Short term

### Annexure-3: Detailed explanation of covenants of rated instruments/facilities

Not applicable

### Annexure-4: Complexity level of instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Bonds-Unsecured Redeemable	Simple
2	Fixed Deposit	Simple
3	Fund-based-Long Term	Simple
4	Fund-based-Short Term	Simple
5	LT/ST Instrument-CP / CD	Simple
6	MSE/RIDF Deposits	Simple

### Annexure-5: Lender details

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

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

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RL/SIDBILT/385999/NCD/0526/146899/168552649  
May 08, 2026

**Shri K R Satyanarayana**  
Deputy 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 City - 400051



Dear Shri K R Satyanarayana,

**Re: Crisil rating on the Rs.140000 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 letter dated April 08, 2026 bearing Ref. no: RL/SIDBILT/385999/NCD/0426/144128/168552649

Rating outstanding on the captioned debt instruments is "Crisil AAA/Stable" (pronounced as "Crisil triple A rating" with Stable outlook). Securities with this rating are considered to have the highest degree of safety regarding timely servicing of financial obligations. Such securities carry lowest credit risk.

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](http://www.crisilratings.com) and search with the name of the rated entity to access the latest rating/s.

As per the latest 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](mailto: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 for any clarifications you may have at [debtissue@crisil.com](mailto:debtissue@crisil.com)

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Should you require any clarifications, please feel free to contact us.

With warm regards,

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Yours sincerely,



 Sonica Gupta  
 Associate Director - Crisil Ratings



 Nivedita Shibu  
 Director - Crisil Ratings

**Annexure: List of instruments and names of regulators of the instruments**

As required by SEBI CRA Circular dated Feb 10, 2026, a list of activities or instruments falling under the purview of various FSRs, along with the names of respective FSRs, is being disclosed below:

**A. Rating activities**

Sr. No.	Instrument / activity Name	Regulator of the instruments
1	Listed/Proposed to be listed bonds/debentures/preference share (all securities)	SEBI
2	Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities)	MCA
3	Listed PTCs / Securitisation Notes (originated by entities regulated by RBI)*	SEBI
4	Listed PTCs / Securitisation Notes (originated by entities not regulated by RBI)*	SEBI
5	Unlisted PTCs / Securitisation Notes (originated by entities regulated by RBI)*	RBI
6	Listed Commercial Paper and NCDs with original maturity less than 1 year	RBI
7	Unlisted Commercial Paper and NCDs with original maturity less than 1 year	RBI
8	Loan Facilities (Fund/Non-Fund Based) from Bank/NBFCs/NHB/FIs ^	RBI
9	External Commercial Borrowings and other similar borrowings	RBI
10	Certificates of Deposit	RBI
11	Fixed Deposits raised by NBFC's, Banks, HFCs, Fis	RBI
12	Fixed Deposits raised by corporates other than NBFCs, Banks, HFCs, Fis	MCA
13	Inter Corporate Deposits/Loans extended by Corporates	MCA
14	Borrowing programme ~	-
15	Issuer Ratings #	-
16	Credit Ratings for Capital Protection Oriented Schemes (by Mutual Funds and AIFs)	SEBI
17	Credit quality ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
18	Listed Security Receipts	SEBI
19	Unlisted Security Receipts	RBI
20	Independent Credit Evaluation (ICE)	RBI
21	Expected Loss Ratings (for Loan Facilities (Fund/Non-Fund Based) from Bank/NBFCs/NHB/Fis)	RBI
22	Expected Loss Ratings (Listed/Proposed to be listed bonds/debentures/preference share (all securities))	SEBI
23	Expected Loss Ratings (Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities))	MCA
24	Unlisted PTCs / Securitisation Notes (originated by entities not regulated by RBI) *	Investor-side regulator such as IRDAI, PFRDA @

\* Includes securitisation transactions involving assignee payout, acquirer's payout.

~ The rated instrument may involve issuance of different instruments such as debt securities (listed or otherwise), bank loans, commercial paper (listed or otherwise), etc. The regulator of the instrument may accordingly be SEBI, RBI or MCA and can only be determined upon issuance. In PRs subsequent to issuance(s), Crisil Ratings Limited shall separately capture the rated quantum details along with names of respective regulators.

^ Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.

# There is no instrument being rated and hence, Regulator of the Instrument is not applicable. The rating scale and definitions are being followed as stipulated in SEBI Master Circular for CRAs.

@ These ratings were assigned during regulatory regime prior to introduction of SEBI CRA Circular dated Feb 10, 2026 and the investor side regulators have accordingly been included.

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Note: Kindly note that for activities or instruments falling under the purview of FSRs other than SEBI, the grievance/dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

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a company of **S&P Global**

## Rating Rationale

January 08, 2026 | Mumbai

### Small Industries Development Bank of India

Ratings reaffirmed at 'Crisil AAA/Stable/Crisil A1+'; Rated amount enhanced for Commercial Paper

#### Rating Action

Total Bank Loan Facilities Rated	Rs.140000 Crore
Long Term Rating	Crisil AAA/Stable (Reaffirmed)
Rs.220000 Crore Rural Infrastructure Development Fund Deposit (MSE/PSL Deposit)	Crisil AAA/Stable (Reaffirmed)
Rs.70000 Crore Long-term certificate of deposits programme <sup>&amp;</sup>	Crisil AAA/Stable (Reaffirmed)
Rs.25000 Crore Fixed Deposits	Crisil AAA/Stable (Reaffirmed)
Fixed Deposits	Crisil AAA/Stable (Reaffirmed)
Rs.35000 Crore Non Convertible Debentures	Crisil AAA/Stable (Reaffirmed)
Rs.35000 Crore Non Convertible Debentures	Crisil AAA/Stable (Reaffirmed)
Non Convertible Debentures Aggregating Rs.70000 Crore	Crisil AAA/Stable (Reaffirmed)
Corporate Credit Rating	Crisil AAA/Stable (Reaffirmed)
Rs.70000 Crore Short-term certificate of deposits programme <sup>^</sup>	Crisil A1+ (Reaffirmed)
Rs.75000 Crore (Enhanced from Rs.50000 Crore) Commercial Paper	Crisil A1+ (Reaffirmed)

*&The amount outstanding under both the long term and short term certificate of deposit programme will not exceed Rs 70,000*

*^The amount outstanding under both the long term and short term certificate of deposit programme will not exceed Rs 70,000*

*Note: None of the Directors on Crisil Ratings Limited's Board are members of rating committee and thus do not participate in discussion or assignment of any ratings. The Board of Directors also does not discuss any ratings at its meetings.*

*1 crore = 10 million*

*Refer to annexure for Details of Instruments & Bank Facilities*

#### Detailed Rationale

Crisil Ratings has reaffirmed its 'Crisil AAA/Stable/Crisil A1+' ratings on existing debt instruments and bank facilities of Small Industries Development Bank of India (SIDBI).

The ratings continue to reflect the support that the bank receives from the government of India (GoI) because its pivotal public policy role in India's micro, small and medium enterprises (MSME) sector. The ratings also factor in the bank's robust capitalisation and healthy resource profile. The asset quality in the direct finance portfolio, though improving, remains weaker than that of the refinance book.

The bank's portfolio grew to Rs 5,23,038 crore as on March 31, 2025 from Rs 4,84,933 crore a year earlier, marking a year-on-year (y-o-y) growth of 8%, on a consolidated basis. Indirect finance book accounted for 92% of this overall portfolio (78% refinanced to Banks, SFBs and FIs; 13% refinanced to NBFC's and 1% refinanced to MFI's) and direct finance accounted for the remaining 8%. On a standalone basis, the loan portfolio stood at Rs 4,96,282 crore as on March 31, 2025, as against Rs 4,56,015 crore a year earlier. As of September 30, 2025, the loan book stood at Rs 4,96,777 crore, marking a modest expansion over the preceding nine-month period.

#### 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 - Strengths

##### Continuation of strong support from the government given SIDBI's key public policy role in India's MSME sector

SIDBI plays an important role in channeling 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 46,000 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. Subsequently, SIDBI has been instrumental in implementing schemes like EVOLVE, cluster development scheme, PM Vishwakarma, PM Swanidhi and others which were launched with the objective of supporting the growth, expansion and formalisation of the MSME sector.

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

### **Robust capitalisation**

Capitalisation is supported by sizeable standalone networth of Rs 36,587 crore as on September 30, 2025, and Rs 32,330 crore as on March 31, 2025. On a consolidated basis, networth was Rs 39,620 crore as on March 31, 2025. Standalone overall capital adequacy ratio (CAR) was healthy at 18.5% as on September 30, 2025 (19.6% as on March 31, 2025). On a consolidated basis, the overall capital adequacy ratio was 21.3% as on March 31, 2025. Asset-side risks were adequately covered, with nil networth to net non-performing assets (NPAs) ratio as on March 31, 2025 (as net NPAs were negligible) on a consolidated basis.

Subsequent to implementation of BASAL III guidelines from RBI with effect to April 1 2024, the minimum leverage ratio prescribed is 4 times which translates to around 24 times of Tier 1 capital, vis-à-vis earlier approved limited of 18 times of NOF (net own funds) by RBI for SIDBI. On March 31, 2025, the leverage ratio (including deposits) stood at 5.86% on a consolidated basis and 5.39% on a standalone basis whereas on September 30, 2025, leverage was 5.39% on a standalone basis.

### **Healthy and diversified resource profile**

Borrowings (including deposits), on a consolidated basis, were Rs 5,42,015 crore as on March 31, 2025 (Rs 5,11,961 crore as on March 31, 2024), of which deposits and bonds/debentures formed 40% and 21%, respectively. On September 30, 2025, borrowings (including deposits) were Rs 5,22,665 crore. The bank has access to funds at low interest rates under the special refinance schemes of the RBI. Resource profile has remained supported by stable traction in deposits allocated under the MSE refinance fund of SIDBI.

On a consolidated basis, cost of borrowings for the bank was 5.6% (based on average of year-end numbers) in fiscal 2025 against 5.2% in fiscal 2024.

### **Key Rating Drivers - Weaknesses**

#### **Asset quality for the direct finance portfolio, though improving, remains a monitorable**

Asset quality metrics of direct finance portfolio were impacted in prior years owing to slippage of a few large ticket exposures. However, SIDBI wrote off these legacy stressed accounts in fiscal 2022 and since then, NPAs from the direct finance portfolio have been stable and low. At an overall level, GNPA stood at 0.08% on September 30, 2025 as against 0.04% on March 31, 2025.

#### **Liquidity Superior**

The asset liability maturity profile as on September 30, 2025, is well matched across most buckets except the 3-6 months bucket where there is a negative cumulative gap. This gap is expected to be covered by uninterrupted rollover of liabilities during those respective time buckets.

Liquidity profile is comfortable with total current liquidity of Rs 70,310 crore as on December 24, 2025 (including cash and cash equivalents of Rs 21,200 crore, Liquid Investments of Rs. 37,410 crore and unutilized lines of Rs 11,701 crore). This balance excludes the benefit of inflows through scheduled collections. Excluding the unutilized bank lines, the liquidity cover is still adequate for 1 month. Against this, the scheduled debt obligations for the succeeding 3 months (January 2026 to March 2026) were Rs 1,31,368 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 Company**

SIDBI was incorporated as a wholly owned subsidiary of IDBI Ltd in 1990. It is the apex financial institution for the MSME sector. Government of India (20.85%), State Bank of India (15.65%), Life Insurance Corporation of India (13.33%) and National Bank for Agriculture and Rural Development (9.36%) 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/rediscouting bills of exchange. As on September 30, 2023, 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, on a consolidated basis, reported lower profit after tax (PAT) of Rs 5,596 crore on total income (net of interest expense) of Rs 11,243 crore in fiscal 2025, compared with Rs 5,767 crore on total income (net of interest expense) of Rs

10,332 crore in the previous fiscal. Return on assets (RoA) for fiscal 2025 stood at 1.0% (the same as that in fiscal 2024).

Growth in the asset book benefited profitability, resulting in higher PAT for half year ending September 30, 2025, at Rs 3,434 crore against Rs 4,811 crore of PAT for fiscal 2025, on a standalone basis. RoA stood at 1.2% and 0.9% for the respective periods.

**Key Financial Indicators: SIDBI (consolidated)**

As on / for the period ended March 31	Unit	FY 25	FY 24	FY 23
Total assets	Rs crore	6,00,912	560,586	4,39,252
Total income (net of interest expense)	Rs crore	11,243	10,332	6,845
Reported PAT	Rs crore	5,596	5,767	3,931
GNPAs	%	0.03	0.03	0.01
Overall CAR	%	21.3	17.9	21.1
RoA	%	1.0	1.0	1.1

**Key Financial Indicators: SIDBI (standalone)**

As on / for the period ended March 31	Unit	H1 FY26	FY 25	FY 24	FY 23
Total assets	Rs crore	5,83,723	5,68,239	5,22,521	4,02,383
Total income (net of interest expense)	Rs crore	5,336	10,160	9,061	6,079
Reported PAT	Rs crore	3,434	4,811	4,026	3,344
GNPAs	%	0.08	0.04	0.02	0.01
Overall CAR	%	18.51	19.60	15.9	19.3
RoA	%	1.2	0.9	0.9	1.0

**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](http://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 Levels	Rating Outstanding with Outlook
INE556F08KQ2	Bond	25-Jun-24	7.68	10-Sep-27	2123.10	Simple	Crisil AAA/Stable
INE556F08KR0	Bond	05-Sep-24	7.47	05-Sep-29	5000.00	Simple	Crisil AAA/Stable
NA	Commercial Paper	NA	NA	7-365 Days	75000.00	Simple	Crisil A1+
NA	Fixed Deposits	NA	NA	NA	25000.00	Simple	Crisil AAA/Stable
NA	Fixed Deposits Programme	NA	NA	NA	NA	Simple	Crisil AAA/Stable
NA	Long-term certificate of deposits programme <sup>&amp;</sup>	NA	NA	NA	70000.00	Simple	Crisil AAA/Stable
INE556F08KG3	Non Convertible Debentures	18-Jan-23	7.59	10-Feb-26	5000.00	Simple	Crisil AAA/Stable
INE556F08KH1	Non Convertible Debentures	22-May-23	7.43	31-Aug-26	5000.00	Simple	Crisil AAA/Stable
INE556F08KI9	Non Convertible Debentures	09-Jun-23	7.44	04-Sep-26	6000.00	Simple	Crisil AAA/Stable
INE556F08KJ7	Non Convertible Debentures	28-Jun-23	7.55	22-Sep-26	3000.00	Simple	Crisil AAA/Stable
INE556F08KK5	Non Convertible Debentures	19-Oct-23	7.79	19-Apr-27	3022.00	Simple	Crisil AAA/Stable

INE556F08KL3	Non Convertible Debentures	24-Nov-23	7.83	24-Nov-28	4887.00	Simple	Crisil AAA/Stable
INE556F08KM1	Non Convertible Debentures	22-Dec-23	7.79	14-May-27	4013.00	Simple	Crisil AAA/Stable
INE556F08KN9	Non Convertible Debentures	19-Jan-24	7.75	10-Jun-27	4255.00	Simple	Crisil AAA/Stable
INE556F08KO7	Non Convertible Debentures	12-Feb-24	7.68	09-Jul-27	5000.00	Simple	Crisil AAA/Stable
INE556F08KP4	Non Convertible Debentures	26-Mar-24	7.68	10-Aug-27	3423.00	Simple	Crisil AAA/Stable
INE556F08KS8	Non Convertible Debentures	26-Sep-24	7.34	26-Feb-29	8000.00	Simple	Crisil AAA/Stable
INE556F08KT6	Non Convertible Debentures	24-Oct-24	7.44	10-Apr-28	5922.25	Simple	Crisil AAA/Stable
INE556F08KU4	Non Convertible Debentures	27-Nov-24	7.51	12-Jun-28	4918.00	Simple	Crisil AAA/Stable
INE556F08KV2	Non Convertible Debentures	24-Dec-24	7.48	24-May-29	3700.00	Simple	Crisil AAA/Stable
INE556F08KW0	Non Convertible Debentures	12-Feb-25	7.42	12-Mar-29	6000.00	Simple	Crisil AAA/Stable
INE556F08KX8	Non Convertible Debentures	28-Feb-25	7.49	11-Jun-29	4593.00	Simple	Crisil AAA/Stable
INE556F08KY6	Non Convertible Debentures	21-Mar-25	7.39	21-Mar-30	6000.00	Simple	Crisil AAA/Stable
NA	Non Convertible Debentures <sup>#</sup>	NA	NA	NA	35000.00	Simple	Crisil AAA/Stable
NA	Non Convertible Debentures <sup>#</sup>	NA	NA	NA	15143.65	Simple	Crisil AAA/Stable
NA	Rural Infrastructure Development Fund Deposit (MSE/PSL Deposit) <sup>#</sup>	NA	NA	NA	220000.00	Simple	Crisil AAA/Stable
NA	Short-term certificate of deposits programme <sup>^</sup>	NA	NA	NA	70000.00	Simple	Crisil A1+
NA	Proposed Long Term Bank Loan Facility	NA	NA	NA	140000.00	NA	Crisil AAA/Stable

#Yet to be issued

&amp;The amount outstanding under both the long term and short term certificate of deposit programme will not exceed Rs 70,000

<sup>^</sup>The amount outstanding under both the long term and short term certificate of deposit programme will not exceed Rs 70,000**Annexure – List of Entities Consolidated**

Names of Entities Consolidated	Extent of Consolidation	Rationale for Consolidation
Micro Units Development & Refinance Agency Ltd (MUDRA)	Full	Subsidiary
SIDBI Venture Capital Ltd (SVCL)	Full	Subsidiary
SIDBI Trustee Co Ltd (STCL)	Full	Subsidiary

**Annexure - Rating History for last 3 Years**

Instrument	Current			2026 (History)		2025		2024		2023		Start of 2023
	Type	Outstanding Amount	Rating	Date	Rating	Date	Rating	Date	Rating	Date	Rating	Rating
Fund Based Facilities	LT	140000.0	Crisil AAA/Stable		--	25-04-25	Crisil AAA/Stable		--		--	--
Corporate Credit Rating	LT	0.0	Crisil AAA/Stable		--	25-04-25	Crisil AAA/Stable		--		--	--
Commercial Paper	ST	75000.0	Crisil A1+		--	25-04-25	Crisil A1+	02-12-24	Crisil A1+	11-12-23	Crisil A1+	Crisil A1+
			--		--		--		--	11-01-23	Crisil A1+	--

<b>Fixed Deposits</b>	LT	25000.0	Crisil AAA/Stable	--	25-04-25	Crisil AAA/Stable	02-12-24	Crisil AAA/Stable	11-12-23	Crisil AAA/Stable	Crisil AAA/Stable
			--	--		--		--	11-01-23	Crisil AAA/Stable	--
<b>Long-term certificate of deposits programme</b>	LT	70000.0	Crisil AAA/Stable	--	25-04-25	Crisil AAA/Stable		--		--	--
<b>Non Convertible Debentures</b>	LT	140000.0	Crisil AAA/Stable	--	25-04-25	Crisil AAA/Stable	02-12-24	Crisil AAA/Stable	11-12-23	Crisil AAA/Stable	--
			--	--		--		--	11-01-23	Crisil AAA/Stable	--
<b>Short-term certificate of deposits programme</b>	ST	70000.0	Crisil A1+	--	25-04-25	Crisil A1+		--		--	--
<b>Rural Infrastructure Development Fund Deposit (MSE/PSL Deposit)</b>	LT	220000.0	Crisil AAA/Stable	--	25-04-25	Crisil AAA/Stable		--		--	--

All amounts are in Rs.Cr.

#### Annexure - Details of Bank Lenders & Facilities

Facility	Amount (Rs.Crore)	Name of Lender	Rating
<b>Proposed Long Term Bank Loan Facility</b>	<b>140000</b>	<b>Not Applicable</b>	<b>Crisil AAA/Stable</b>

#### Criteria Details

<b>Links to related criteria</b>
<a href="#">Basics of Ratings (including default recognition, assessing information adequacy)</a>
<a href="#">Criteria for factoring parent, group and government linkages</a>
<a href="#">Criteria for Banks and Financial Institutions (including approach for financial ratios)</a>
<a href="#">Criteria for consolidation</a>

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**Independent Auditors' Report on Audited Standalone Financial Results of Small Industries Development Bank of India (SIDBI) for the quarter and year ended March 31, 2026 pursuant to Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 (as amended)**

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

**Report on the Audit of the Standalone Financial Results**

**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 March 31, 2026 (hereinafter referred to as the "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") except for the disclosures relating to "Pillar 3 under Basel III Capital Regulations" which has been disclosed on the Bank's website and in respect of which a link has been provided in the aforesaid Standalone Financial Results and have not been audited by us.
2. In our opinion and to the best of our information and according to explanations given to us, the aforesaid statement:
  - a) is presented in accordance with the requirements of Regulation 52 read with Regulation 63(2) of the Listing Regulations in this regard except for the disclosures relating to "Pillar 3 under Basel III Capital Regulations" which has been disclosed on the Bank's website and in respect of which a link has been provided in the aforesaid Standalone Financial Results and have not been audited by us and



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- b) gives 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 March 31, 2026.

**Basis for Opinion**

3. We conducted our audit of the Standalone financial results in accordance with the Standards of Auditing ("SAs") issued by the Institute of Chartered Accountants of India ("the ICAI"). Our responsibilities under those 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 ICAI together with the ethical requirements that are relevant to our audit of the Standalone Financial Results under the provision of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion on the standalone financial results.

**Emphasis of Matter**

4. We invite attention to Note No. 5 to the Standalone financial results which describes the additional provision on standard advances at rates higher than minimum stipulated under IRAC norms, as per Board approved Accelerated Provisioning Policy.

Our opinion is not modified in respect of above matter.

**Management's responsibilities for the Standalone Financial Results**

5. The Standalone Financial Results have been prepared on the basis of the Audited Standalone Annual Financial Statements. The Bank's Management are responsible for the preparation of these Standalone Financial Results that give 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 issued by ICAI, the circulars, guidelines and directions



issued by the RBI from time to time ("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 judgements and estimate 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 true and fair view and are free from material misstatement, whether due to fraud or error.

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 Management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

Bank's Management is also responsible for overseeing the Bank's financial reporting process.

**Auditors' Responsibilities for the Audit of the Standalone Financial Results**

6. 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.



7. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism 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,
  - 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.
8. 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.



9. 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**

10. These standalone Financial Results incorporate the relevant returns of 34 Branches visited/audited by us including Head office which covers 95.64% of Advances, 97.67% of deposits, 100% of Borrowings as on March 31, 2026 and 95.43% of Interest income on advances, 96.58% of interest expense on deposits and 99.75% of interest expense on borrowings for the year ending March 31, 2026. These branches have been selected in consultation with the management of the bank. In conduct our audit, we have relied upon various information and returns received from remaining branches of the Bank not visited by us, generated through centralised database at Head Office.
11. The standalone financial results for the quarter ended March 31, 2026 being the derived balancing figures between the standalone audited figures in respect of full financial year ended 31<sup>st</sup> March 2026 and published standalone unaudited year to date figures up to the end of the third quarter of the relevant financial year. The figures up to the end of the third quarter i.e. nine month ended 31<sup>st</sup> December 2025, are reviewed and not subjected to audit by us.

Our opinion is not modified in respect of above matters.

**For J. Kala & Associates**  
Chartered Accountants  
**FRN: 118769W**

JAYESH  
UMAIMMAL KALA

**(Jayesh Kala)**  
Partner  
M. No.: 101686  
UDIN:26101686ECULCK8906



**Date: May 14, 2026**

**Place: New Delhi**



**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, 2026**

(₹ in crore)

Particulars	Quarter Ended			Year Ended	
	31.03.2026	31.12.2025	31.03.2025	31.03.2026	31.03.2025
	[Audited]	[Reviewed]	[Audited]	[Audited]	[Audited]
<b>1. Interest earned (a)+(b)+(c)+(d)</b>	<b>10,443</b>	<b>10,396</b>	<b>9,810</b>	<b>41,330</b>	<b>37,831</b>
(a) Interest/disc. on advances/ bills	9,726	9,263	8,670	36,818	33,042
(b) Income on investments	389	545	628	2,290	2,449
(c) Interest on balances with Reserve Bank of India and other inter bank funds	328	588	512	2,222	2,340
(d) Others	-	-	-	-	-
2. Other Income	180	145	169	610	680
<b>3. Total Income (1+2)</b>	<b>10,623</b>	<b>10,541</b>	<b>9,979</b>	<b>41,940</b>	<b>38,511</b>
4. Interest Expended	8,245	8,096	7,574	31,781	28,351
<b>5. Operating Expenses (i)+(ii)</b>	<b>584</b>	<b>355</b>	<b>455</b>	<b>1,619</b>	<b>1,430</b>
(i) Employees cost	349	220	214	986	773
(ii) Other operating expenses	235	135	241	633	657
<b>6. Total Expenditure (4+5) excluding provisions and contingencies</b>	<b>8,829</b>	<b>8,451</b>	<b>8,029</b>	<b>33,400</b>	<b>29,781</b>
<b>7. Operating Profit before Provisions and Contingencies (3-6)</b>	<b>1,794</b>	<b>2,090</b>	<b>1,950</b>	<b>8,540</b>	<b>8,730</b>
8. Provisions (other than tax) and Contingencies [Net of write back]	484	701	865	1,350	2,332
9. Exceptional Items	-	-	-	-	-
<b>10. Profit (+)/ Loss (-) from Ordinary Activities before tax (7-8+9)</b>	<b>1,311</b>	<b>1,389</b>	<b>1,085</b>	<b>7,190</b>	<b>6,398</b>
11. Tax expense [Net of DTA/DTL]	317	324	281	1,697	1,587
<b>12. Net Profit(+)/ Loss(-) from Ordinary Activities after tax (10-11)</b>	<b>994</b>	<b>1,065</b>	<b>804</b>	<b>5,493</b>	<b>4,811</b>
13. Extraordinary items (net of tax expense)	-	-	-	-	-
<b>14. Net Profit (+)/ Loss (-) for the period (12-13)</b>	<b>994</b>	<b>1,065</b>	<b>804</b>	<b>5,493</b>	<b>4,811</b>
15. Paid-up equity share capital (Face Value ₹10 each)	621	569	569	621	569
16. Reserves excluding Revaluation Reserves	43,812	40,006	35,508	43,812	35,508
<b>17. Analytical Ratios</b>					
(i) Percentage of shares held by Government of India	27.57%	20.85%	20.85%	27.57%	20.85%
(ii) Capital Adequacy Ratio (BASEL III)	20.07%	17.54%	19.62%	20.07%	19.62%
(iii) Earnings Per Share (Basic & Diluted) (EPS)	17.47#	18.73#	14.14#	96.56	84.62
(iv) NPA Ratios					
a) Amount of Gross NPA	684	625	183	684	183
b) Amount of Net NPA	0.00	0.00	0.00	0.00	0.00
c)% of Gross NPA	0.12	0.11	0.04	0.12	0.04
d)% of Net NPA	0.00	0.00	0.00	0.00	0.00
(v) Return on Assets (after Tax) (annualised)	0.64%	0.70%	0.63%	0.92%	0.89%
(vi) Net Worth	38,973	36,847	32,330	38,973	32,330
(vii) Outstanding Redeemable Preference Shares	-	-	-	-	-
(viii) Capital Redemption Reserve	-	-	-	-	-
(ix) Debenture Redemption Reserve	-	-	-	-	-

(x) Operating Margin	16.89%	19.82%	19.54%	20.36%	22.67%
(xi) Net Profit Margin	9.36%	10.10%	8.06%	13.10%	12.49%
(xii) Debt - Equity Ratio *	9.28	9.71	9.81	9.28	9.81
(xiii) Total Debts to Total Assets (%) *	57.17	57.97	55.83	57.17	55.83

# Not annualised

\*Debt denotes total Borrowings (excluding Deposits)

**Statement of Assets and Liabilities:**

(₹ in crore)

Particulars	As at 31.03.2026 [Audited]	As at 31.03.2025 [Audited]
<b>CAPITAL AND LIABILITIES</b>		
Capital	621	569
Reserves, Surplus and Funds	44,155	35,839
Deposits	2,05,037	1,95,600
Borrowings	3,61,560	3,17,264
Other Liabilities and Provisions	21,005	18,967
Deferred Tax Liability	-	-
<b>Total</b>	<b>6,32,378</b>	<b>5,68,239</b>
<b>ASSETS</b>		
Cash and Bank Balances	11,684	17,672
Investments	31,759	46,938
Loans & Advances	5,79,755	4,96,282
Fixed Assets	287	280
Other Assets	8,893	7,067
<b>Total</b>	<b>6,32,378</b>	<b>5,68,239</b>

**Statement of Cash flow:**

(₹ in crore)

Particulars	31.03.2026	31.03.2025
	Audited	Audited
1. Cash Flow from Operating Activities		
Net Profit before tax as per P & L Account	7,190	6,398
Adjustments for :		
Depreciation	46	22
Provision for net depreciation in investments	-	-
Provisions made (net of write back)	1,701	2,507
Profit on sale of investments (net)	(65)	(154)
Profit on sale of fixed assets	-	-
Income Received on Investments	(50)	(46)
Cash generated from operations	<b>8,822</b>	<b>8,727</b>
(Prior to changes in operating Assets and Liabilities)		
Adjustments for net changes in :		
Current assets	(1,588)	175
Current liabilities	805	2,611
Bills of Exchange	(1,976)	(742)
Loans & Advances	(81,999)	(39,608)
Net Proceeds of Bonds and Debentures & other borrowings	44,295	46,719
Deposits received	9,437	(10,784)
	<b>(31,026)</b>	<b>(1,629)</b>
Payment of Tax	(1,934)	(2,328)
<b>Net Cash flow from operating Activities</b>	<b>(24,138)</b>	<b>4,770</b>
2. Cash Flow from Investing Activities		
Net (Purchase)/Sale of fixed assets	(53)	(16)
Net (Purchase)/sale/redemption of Investments	25,606	(7,777)
Income Received on Investments	50	46
<b>Net cash used in Investing Activities</b>	<b>25,603</b>	<b>(7,747)</b>
3. Cash flow from Financing Activities		
Dividend on Equity Shares & tax on Dividend	(114)	(114)
Proceeds from issuance of share capital & share premium	3,000	

<b>Net cash used in Financing Activities</b>	<b>2,886</b>	<b>(114)</b>
4. <b>Net increase/(decrease) in cash and cash equivalents</b>	<b>4,351</b>	<b>(3,091)</b>
5. <b>Cash and Cash Equivalents at the beginning of the period</b>	<b>522</b>	<b>3,613</b>
6. <b>Cash and Cash Equivalents at the end of the period</b>	<b>4,873</b>	<b>522</b>
7. <b>Cash and cash equivalents at the end of the period includes</b>		
Cash in Hand	0	0
Current account balance with Bank	426	237
Mutual Funds	0	0
Deposits	4,447	285

**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, 2025.
- 2) The above results have been approved by the Board of Directors at their meeting held on May 14, 2026.
- 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, 2026 have been arrived at, after considering provisions for Non-performing assets, Standard Assets, depreciation on Fixed Assets, amortization of discount, Income on investments/ bond issue expenses 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 at the year-end.
- 5) The Bank is making an additional provision on standard advances at rates higher than minimum stipulated under IRAC norms, as per the Board approved Accelerated Provisioning Policy. Accordingly, the Bank holds additional provision on standard advances (including restructured accounts) of ₹ 4187.30 crore on March 31, 2026.
- 6) Details of resolution plan implemented under the Resolution Framework for COVID-19-related Stress as per RBI circular dated August 06, 2020 (Resolution Framework 1.0) and May 05, 2021 (Resolution Framework 2.0) as at March 31, 2026 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 September 30, 2025 (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 March 31, 2026
Personal Loans	---	---	---	---	---
Corporate persons	4.70	0.00	0.00	(1.38)	3.32
<i>Of which MSMEs</i>	4.70	0.00	0.00	(1.38)	3.32
Others	---	---	---	---	---
<b>Total</b>	<b>4.70</b>	<b>0.00</b>	<b>0.00</b>	<b>(1.38)</b>	<b>3.32</b>

\$Represents net movement in balance outstanding.

- 7) Details of loans transferred / acquired during the year ended March 31, 2026, under the RBI circular no. RBI/DOR/2025-26/334 DOR.ACC.REC.No.253/21.04.018/2025-26 dated November 28, 2025, are given below:

Transfer of Loans:

- i. Details of non-performing assets (NPAs) transferred:

(₹ in crore)			
Particulars	To ARCs	To permitted transferees	To other transferees
No: of accounts	1	-	-
Aggregate principal outstanding of loans transferred	5.44	-	-
Weighted average residual tenor of the loans transferred	NA	-	-
Net book value of loans transferred (at the time of transfer)	-	-	-
Aggregate consideration	3.43	-	-
Additional consideration realized in respect of accounts transferred in earlier years	-	-	-

During the year ended March 31, 2026, no investment made in Security Receipts (SRs). All the Security Receipts held are provided for and hence the net book value is nil. No excess provisions were reversed to the profit & loss account on account of the sale of stressed loans.

ii. The Bank has not transferred any loans not in default / Special Mention Accounts (SMA).

Purchase of Loans:

iii. The Bank has not acquired any stressed loan.

iv. Details of loans not in default acquired during year ended March 31, 2026, through assignment are given below:

Particulars	₹ in crore	
	2025-26 (FY)	2024-25 (FY)
Aggregate amount of loans acquired (₹ in crore)	774.23	1,157.11
Weighted average residual maturity (in months)	114.86	127.48
Weighted average holding period by the originator (in months)	10.39	10.43
Retention of beneficial economic interest by the originator	15.59%	20%
Tangible security coverage	198.70%	216.75%
Rating-wise distribution of rated loans	Not Applicable	Not Applicable

8) Details of Project Loans for the period ended March 31, 2026, in terms of RBI circular no. RBI/DOR/2025-26/334 DOR.ACC.REC.No.253/21.04.018/2025-26 dated November 28, 2025 on Reserve Bank of India (All India Financial Institutions – Financial Statements: Presentation and Disclosures) Directions, 2025 are given below:

Sr. No.	Item Description	Number of accounts	Total outstanding (in ₹ crore)
1	Projects under implementation accounts at the beginning of the quarter.	1641	5,156.00
2	Projects under implementation accounts sanctioned during the quarter.	1272	2,930.89
3	Projects under implementation accounts where DCCO has been achieved during the quarter	529	1,469.99
4	Projects under implementation accounts at the end of the quarter. (1+2-3)	2384	6,616.90
5	Out of '4' – accounts in respect of which resolution process involving extension in original/extended DCCO, as the case may be, has been invoked.	567	2,174.20
5.1	Out of '5' – accounts in respect of which Resolution plan has been implemented.	567	2,174.20
5.2	Out of '5' – accounts in respect of which Resolution plan is under implementation.	0	0
5.3	Out of '5' – accounts in respect of which Resolution plan has failed.	0	0
6	Out of '5', accounts in respect of which resolution process involving extension in original/extended DCCO, as the case may be, has been invoked due to change in scope and size of the project.	13	32.07
7	Out of '5', account in respect of which cost overrun associated with extension in original/extended DCCO, as the case may be, was funded	0	0
7.1	Out of '7', accounts where SBCF was sanctioned during financial closure and renewed continuously	0	0
7.2	Out of '7', accounts where SBCF was not pre-sanctioned or renewed continuously	0	0
8	Out of '4' – accounts in respect of which resolution process not involving extension in original/extended DCCO, as the case may be, has been invoked.	0	0
8.1	Out of '8' – accounts in respect of which Resolution plan has been implemented.	0	0
8.2	Out of '8' – accounts in respect of which Resolution plan is under implementation.	0	0
8.3	Out of '8' – accounts in respect of which Resolution plan has failed.	0	0

9) Disclosure on Co-Lending Arrangements for the period ended March 31, 2026, in terms of Reserve Bank of India (All India Financial Institutions – Transfer and Distribution of Credit Risk) Directions, 2025 and RBI circular no. RBI/DOR/2025-26/334 DOR.ACC.REC.No.253/21.04.018/2025-26 dated November 28, 2025 on Reserve Bank of India (All India Financial Institutions – Financial Statements: Presentation and Disclosures) Directions, 2025 are given below:

Particulars	FY 2025-26
Quantum of CLAs (₹ in crore)	No CLA Arrangement made effective during FY2025-26 as per Reserve Bank of India (All India Financial Institutions – Credit Facilities) Directions, 2025 dated November 28, 2025
Weighted average rate of interest	
Fees charged / paid	
Broad sectors in which CLA was made	
Performance of loans under CLA	
Default loss guarantee,	

- 10) Income includes prior period income of ₹57 crore related to capital gain and deemed dividend on account of merger of an investee company, viz. Fincare Business Services Ltd., with AU Small Finance Bank and concomitant swap of shares.
- 11) Based on the new Labour Codes, the Bank has recognised an essential incremental impact of approximately ₹2.50 crore under Employee cost in profit and loss account during the quarter and year ended 31st March 2026, considering the information available. The Bank continues to monitor the finalisation of Central and State Rules and clarifications from the Government on the new Labour Codes and would provide appropriate accounting effect based on such development, as needed.
- 12) Floating provision is not considered for computation of net NPAs.
- 13) Status of Investors' Complaints: As on 1st April, 2025 the Bank had "Nil" pending investors' complaints for disposal. During the current financial year "10" complaints were received from Investors and "10" complaints were disposed off during the year. Accordingly, "Nil" complaint was pending for disposal as on March 31, 2026
- 14) Previous period's figures have been regrouped / reclassified wherever necessary to conform to current period classification.
- 15) As per RBI's letter dated May 15, 2019, implementation of IND-AS has been deferred for AIFs until further notice.
- 16) In terms of RBI Circular no. RBI/DOR/2025-26/138 DOR.STR.REC.43/21.04.048/2025-26 dated July 29, 2025- Reserve Bank of India (Investment in AIF) Directions, 2025, Bank has reassessed the impact and continue to hold provision of ₹8.57 crore for the year ended March 31, 2026.
- 17) In terms of RBI circular no. RBI/DoR/2023-24/105 DoR.FIN.REC.40/01.02.000/2023-24 dated September 21, 2023, AIFs are required to disclose capital adequacy ratio and applicable Pillar 3 disclosures under BASEL III capital regulations from quarter ended June 30, 2024. Pillar 3 disclosures under BASEL III capital regulations are being made available on Bank's website i.e. <https://www.sidbi.in/listing-disclosure>. These disclosures have not been subjected to Audited by the Statutory Auditors.
- 18) The above results have been subjected to Audit by the Statutory Auditors.

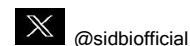
By order of the Board

Dated: May 14, 2026  
Place: New Delhi

Sd/-  
**[ Manoj Mittal ]**  
Chairman and Managing Director



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**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

**Consolidated Financial Results for the Year Ended March 31, 2026**

(₹ crore)

	Particulars	Year Ended	Year Ended
		31.03.2026 [Audited]	31.03.2025 [Audited]
<b>1.</b>	<b>Interest earned (a)+(b)+(c)+(d)</b>	<b>43,480</b>	<b>40,102</b>
	(a) Interest/disc. on advances/ bills	38,568	34,600
	(b) Income on investments	2,667	2,453
	(c) Interest on balances with Reserve Bank of India and other inter bank funds	2,222	3,049
	(d) Others	23	-
2.	Other Income	588	651
<b>3.</b>	<b>Total Income (1+2)</b>	<b>44,068</b>	<b>40,753</b>
4.	Interest Expended	33,286	29,510
<b>5.</b>	<b>Operating Expenses (i)+(ii)</b>	<b>1,650</b>	<b>1,460</b>
	(i) Employees cost	993	781
	(ii) Other operating expenses	657	679
<b>6.</b>	<b>Total Expenditure (4+5) excluding provisions and contingencies</b>	<b>34,936</b>	<b>30,970</b>
<b>7.</b>	<b>Operating Profit before Provisions and Contingencies (3-6)</b>	<b>9,132</b>	<b>9,783</b>
8.	Provisions (other than tax) and Contingencies [Net of write back]	1,355	2,312
9.	Exceptional Items	-	-
<b>10.</b>	<b>Profit (+)/ Loss (-) from Ordinary Activities before tax (7-8+9)</b>	<b>7,777</b>	<b>7,471</b>
11.	Tax expense [Net of DTA/DTL]	1,895	1,875
<b>12.</b>	<b>Net Profit(+)/ Loss(-) from Ordinary Activities after tax (10-11)</b>	<b>5,882</b>	<b>5,596</b>
13.	Extraordinary items (net of tax expense)	-	-
13.1	Profit/ (Loss) from Associates	30	0
<b>14.</b>	<b>Net Profit (+)/ Loss (-) for the period (12+13.1)</b>	<b>5,912</b>	<b>5,596</b>
15.	Paid-up equity share capital (Face Value ₹10 each)	621	569
16.	Reserves excluding Revaluation Reserves	47,589	37,984
<b>17.</b>	<b>Analytical Ratios</b>		
	(i) Percentage of shares held by Government of India	27.57%	20.85%
	(ii) Capital Adequacy Ratio (BASEL III)	21.79%	21.33%
	(iii) Earnings Per Share (Basic and Diluted) (EPS)	103.99	98.43
	(iv) NPA Ratios		
	a) Amount of Gross NPA	684.11	183
	b) Amount of Net NPA	0.00	0.00
	c)% of Gross NPA	0.11	0.03
	d)% of Net NPA	0.00	0.00
	(v) Return on Assets (after Tax) (annualised)	1.24%	0.98%
	(vi) Net Worth	42,656	35,472
	(vii) Outstanding Redeemable Preference Shares	-	-
	(viii) Capital Redemption Reserve	-	-

(ix) Debenture Redemption Reserve	-	-
(x) Operating Margin	20.72%	24.01%
(xi) Net Profit Margin	13.42%	13.73%
(xii) Debt - Equity Ratio *	8.65	8.94
(xiii) Total Debts to Total Assets (%) *	55.56	52.76

\*Debt denotes total Borrowings (excluding Deposits)

**Statement of Consolidated Assets and Liabilities:**

Particulars	(₹ crore)	
	As at 31.03.2026 [Audited]	As at 31.03.2025 [Audited]
<b>CAPITAL AND LIABILITIES</b>		
Capital	621	569
Reserves, Surplus and Funds	47,935	39,051
Deposits	2,25,165	2,24,751
Borrowings	3,69,119	3,17,037
Other Liabilities and Provisions	21,477	19,504
Deferred Tax Liability	-	-
<b>Total</b>	<b>6,64,317</b>	<b>6,00,912</b>
<b>ASSETS</b>		
Cash and Bank Balances	13,364	24,975
Investments	30,204	45,354
Loans & Advances	6,11,318	5,23,038
Fixed Assets	288	280
Other Assets	9,143	7,265
<b>Total</b>	<b>6,64,317</b>	<b>6,00,912</b>

**Statement of Consolidated Cash flow:**

Particulars	(₹ crore)	
	As at 31.03.2026 [Audited]	As at 31.03.2025 [Audited]
<b>1. Cash Flow from Operating Activities</b>		
Net Profit before tax as per P & L Account	7,777	7,471
Adjustments for :		
Depreciation	46	22
Provision for net depreciation in investments	4	0
Provisions made (net of write back)	1,704	2,487
Profit on sale of investments (net)	(82)	(158)
Profit on sale of fixed assets	0	0
Income Received on Investments	(392)	(721)
<b>Cash generated from operations</b>	<b>9,057</b>	<b>9,101</b>
(Prior to changes in operating Assets and Liabilities)		
Adjustments for net changes in:		
Current assets	(1,632)	506
Current liabilities	3,315	(2,251)
Bills of Exchange	(1,976)	(742)
Loans & Advances	(85,759)	(39,955)
Net Proceeds of Bonds and Debentures & other borrowings	39,433	52,956
Deposits received	9,437	(15,814)
	<b>(37,182)</b>	<b>(5,300)</b>
Payment of Tax	(2,141)	(2,563)
<b>Net Cash flow from operating Activities</b>	<b>(30,266)</b>	<b>1,237</b>
<b>2. Cash Flow from Investing Activities</b>		
Net (Purchase)/Sale of fixed assets	(53)	(16)
Net (Purchase)/sale/redemption of Investments	30,318	(3,920)
Income Received on Investments	(124)	728

<b>Net cash used in Investing Activities</b>	<b>30,141</b>	<b>(3,208)</b>
<b>3. Cash flow from Financing Activities</b>		
Proceeds from issuance of share capital & share premium	3,000	-
Dividend on Equity Shares & tax on Dividend	39	(114)
<b>Net cash used in Financing Activities</b>	<b>3,039</b>	<b>(114)</b>
<b>4. Net increase/(decrease) in cash and cash equivalents</b>	<b>2,914</b>	<b>(2,085)</b>
<b>5. Cash and Cash Equivalents at the beginning of the period</b>	<b>3,209</b>	<b>5,294</b>
<b>6. Cash and Cash Equivalents at the end of the period</b>	<b>6,123</b>	<b>3,209</b>
<b>7 Cash and cash equivalents at the end of the period includes</b>		
Cash in Hand	0	0
Current account balance with Bank	435	237
Mutual Funds		-
Deposits	5,688	2,972

**Notes:**

- 1) The above consolidated financial results include financial results of the Bank and 3 subsidiaries viz. Micro Units Development & Refinance Agency Limited (MUDRA), SIDBI Venture Capital Limited (SVCL) and SIDBI Trustee Company Limited (STCL) and 4 associates viz. Acuite Ratings Pvt Ltd (Erstwhile SMERA), India SME Technology Services limited (ISTSL), Receivables Exchange of India Limited (RXIL) and KITCO Limited.
- 2) The above financial results have been approved by the Board of Directors at their meeting held on May 14, 2026.
- 3) 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, 2025.
- 4) The financial results for the year ended March 31, 2026 have been arrived at, after considering provisions for Non-performing assets, Standard Assets, depreciation on Fixed Assets, amortization of discount, Income on investments/ bond issue expenses 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 at the year-end.
- 5) The Bank is making 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 (including restructured accounts) of ₹4187.30 crore as at March 31, 2026.
- 6) Floating provision is not considered for computation of net NPAs.
- 7) Previous period's figures have been regrouped / reclassified wherever necessary to conform to current period classification.
- 8) As per RBI's letter dated May 15, 2019, implementation of IND-AS has been deferred for AIFs until further notice.
- 9) In terms of RBI circular no. RBI/DoR/2023-24/105 DoR.FIN.REC.40/01.02.000/2023-24 dated September 21, 2023, AIFI's are required to disclose capital adequacy ratio and applicable Pillar 3 disclosures under BASEL III capital regulations from quarter ended June 30, 2024. Pillar 3 disclosures under BASEL III capital regulations are being made available on Bank's website i.e. <https://www.sidbi.in/listing-disclosure>. These disclosures have not been subjected to Audit by the Statutory Auditors.
- 10) Income includes prior period income of ₹57 crore related to capital gain and deemed dividend on account of merger of an investee company, viz. Fincare Business Services Ltd., with AU Small Finance Bank and concomitant swap of shares
- 11) Based on the new Labour Codes, the Bank has recognised an essential incremental impact of approximately ₹2.50 crore under Employee cost in profit and loss account during the quarter and year ended 31st March 2026, considering the information available. The Bank continues to monitor the finalisation of Central and State Rules and clarifications from the Government on the new Labour Codes and would provide appropriate accounting effect based on such development, as needed.
- 12) The above results have been subjected to Audit by the Statutory Auditors.

By order of the Board

Sd/-

**[Manoj Mittal]**

**Chairman and Managing Director**

Dated: May 14, 2026

Place: New Delhi



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# SBI Trustee

Ref No. 0039/2026-2027/CL - 8425

Date: 20th April, 2026.

To,  
Small Industries Development Bank of India (SIDBI)  
MSME Development Centre,  
C-11, G Block,  
Bandra Kurla Complex  
Bandra (East)  
MUMBAI - 400051

**Sub: - Commercial Consent to act as Debenture Trustee for issue of Listed, Unsecured, Non-Convertible Debentures aggregating to 1,00,0000 Cr for each Financial Year by Small Industries Development Bank of India (SIDBI)**

Dear Sir,

This has reference to email communication, and the discussions had on the captioned subject. Pursuant thereto, We SBICAP Trustee Company Limited are pleased to give our consent to act as the Debenture Trustee for the captioned issue on the following terms and conditions.

In this connection, we hereby give our consent to act as Debenture Trustee on the following terms and the terms & conditions as mentioned in the Debenture Trustee Agreement:

Sr No	Particular	Amount (₹)		
		FY 2027	FY 2028	FY 2029
1	Initial Acceptance Fee	32,450	-	-
2	Annual Trusteeship Fee	27,140	27,140	27,140
3	Other Charges#	5,000	5,000	5,000
<b>Total</b>		<b>64,590</b>	<b>32,140</b>	<b>32,140</b>

The prices include all costs, taxes, duties, GST etc.

# Other Expenses to be out of pocket expenses if any, incurred specifically on travel and will be charged on actual basis and will not be over 5,000 per annum.

Trust Settlement Fees of 1,000 would be charged, which shall be refunded after the satisfaction of all bonds. And enforcement Charges (in case of default) shall be chargeable separately in case of enforcement.

You are requested to kindly countersign the copy of this letter.

With warm regards,

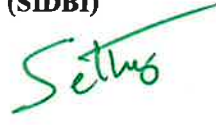
Yours faithfully,

**For SBICAP Trustee Company Limited**

  
Authorized Signatory  
(Signature with stamp)



We accept the above terms  
For Small Industries Development Bank of  
India (SIDBI)

  
Authorized Signatory  
(Signature with stamp)



**SBICAP Trustee Company Ltd.**

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@sbicaptrustee.com CIN : U65991MH2005PLC158386

UDYAM REGISTRATION NUMBER (SMALL ENTERPRISE Under MSME Act, 2006) - UDYAM-MH-19-0111411

🌐 www.sbicaptrustee.com

*A Group Company of SBI*

To,  
**Small Industries Development Bank of India**  
Swavalamban Bhavan, Avenue 3,  
Lane 2, C-11, G-Block,  
Bandra Kurla Complex, Bandra (E),  
Mumbai 400051.

Dear Sir,

**Sub: CONSENT TO ACT AS DEBENTURE TRUSTEE FOR PRIVATE PLACEMENT OF LISTED, UNSECURED, TAXABLE, REDEEMABLE, RATED, FULLY PAID-UP, NON-CONVERTIBLE, NON-PRIORITY SECTOR, FLOATING BONDS, OF THE FACE VALUE OF INR.1,00,000/- (RUPEES ONE LAKH ONLY) AGGREGATING UPTO INR 3,000 CRORE (RUPEES THREE THOUSAND CRORE) WITH A BASE ISSUE SIZE OF INR 1,000 CRORE (RUPEES ONE THOUSAND CRORES) INCLUDING GREEN SHOE OPTION TO RETAIN OVER SUBSCRIPTION UPTO INR 2,000 CRORE (RUPEES TWO THOUSAND CRORES) IN (THE "ISSUE") (HEREINAFTER REFERRED TO AS "DEBENTURES") BY SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA (THE "COMPANY") OR ("ISSUER").**

We refer to your email dated 13<sup>th</sup> April 2026 appointing SBICAP Trustee Issuer Limited as Debenture Trustee for issuance of Bonds from FY 2026 to FY 2027. **In this connection, we hereby give our consent to act as Debenture / Bond Trustee for FY- 2026-27 and confirm our acceptance to the assignment.**

We are aggregable for inclusion of our name as Trustee in the Private Placement Memorandum / Information Memorandum/GID & KID 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 Issuer has entered into a written Debenture Trustee Agreement (DTA) dated April 21, 2026, for the said issue before the opening of the issue /subscription list for issue debentures. The Debenture Trust Deed shall be executed by the Issuer within a period of 3 days from the date of closure of issue. Further, the Issuer 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 should create and perfect security as per the Private Placement Memorandum / Information Memorandum/ GID & KID.
3. 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.
4. 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 bearing reference no.0039/2026-2027/CL – 8425 dated April 20, 2026.

**SBICAP Trustee Company Ltd.**



**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@sbicaptrustee.com CIN : U65991MH2005PLC158386**

UDYAM REGISTRATION NUMBER (SMALL ENTERPRISE Under MSME Act, 2006 ) - UDYAM-MH-19-0111411

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5. 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).
6. The Company confirms that all necessary disclosures shall be made in the Private Placement Memorandum / Information Memorandum/ GID & KID including but not limited to statutory and other regulatory disclosures.
7. The Debenture Trustee & Company confirms to comply with regulation 13A of SEBI (DT) Regulations, 1993 and all amendments thereto and other applicable provisions and shall be effective on and from the date first hereinabove written and shall be in force till the monies in respect of the Debentures have been fully paid-off and the requisite formalities for redemption in all respects, have been complied with.
8. The Debenture Trustee undertakes and confirms that it has not lent or is proposing to lend money to the Issuer / Company.
9. Investor 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.
10. 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**

  
Authorised Signatory



Ref No: 1476/STCL/DT/2026-27/CL-8425-Series II

Date: May 26, 2026

To,  
NSE Limited,  
Exchange Plaza,  
Bandra Kurla Complex, Bandra (East),  
Mumbai- 400051

Dear Sir / Madam,

**Sub: PRIVATE PLACEMENT OF LISTED, UNSECURED, TAXABLE, REDEEMABLE, RATED, FULLY PAID-UP, NON-CONVERTIBLE, NON-PRIORITY SECTOR, FLOATING BONDS, OF THE FACE VALUE OF INR.1,00,000/- (RUPEES ONE LAKH ONLY) AGGREGATING UPTO INR 3,000 CRORE (RUPEES THREE THOUSAND CRORE) WITH A BASE ISSUE SIZE OF INR 1,000 CRORE (RUPEES ONE THOUSAND CRORES) INCLUDING GREEN SHOE OPTION TO RETAIN OVER SUBSCRIPTION UPTO INR 2,000 CRORE (RUPEES TWO THOUSAND CRORES) IN (THE "ISSUE") (HEREINAFTER REFERRED TO AS "DEBENTURES") BY SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA (THE "COMPANY") OR ("ISSUER").**

We, the Debenture Trustee (s) to the above-mentioned forthcoming issue state as follows:

- (1) We have examined documents pertaining to the said issue and other such relevant documents, reports and certifications.
- (2) On the basis of such examination and of the discussions with the issuer, its directors and other officers, other agencies and of independent verification of the various relevant documents, reports and certifications, WE CONFIRM that:
  - (a) All disclosures made in the offer document with respect to the debt securities are true, fair and adequate to enable the investors to make a well-informed decision as to the investment in the proposed issue.
  - (b) Issuer has disclosed all covenants proposed to be included in debenture trust deed (including any side letter, accelerated payment clause etc.), offer document/ placement memorandum.
  - (c) Issuer has given an undertaking that the debenture trust deed shall be executed before the filing of listing application.

For: SBICAP Trustee Company Ltd





Authorized Signatory

Place: Mumbai

**SBICAP Trustee Company Ltd.**

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@sbicaptrustee.com CIN : U65991MH2005PLC158386

UDYAM REGISTRATION NUMBER (SMALL ENTERPRISE Under MSME Act, 2006) - UDYAM-MH-19-0111411

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**DETAILS OF THE GREEN SHOE OPTION OF NON-CONVERTIBLE SECURITIES**

<b>Disclosure of Issue-wise green shoe usage in issuance of prior financial year i.e. 2025-26</b>			
<b>Series</b>	<b>Base Issue Size</b>	<b>Green Shoe Option</b>	<b>Amount Accepted</b>
Series I	₹1500 crore	₹4500 crore	Base Amount- ₹1500 crore Green Shoe- ₹4425.50 crore <b>Total- ₹5925.50 crore</b>
Series II	₹2000 crore	₹4000 crore	Base Amount- ₹2000 crore Green Shoe- ₹3935 crore <b>Total- ₹5935 crore</b>
Series III	₹2000 crore	₹6000 crore	Base Amount- Nil Green Shoe- Nil <b>Total- Nil (issue was withdrawn)</b>
Series IV	₹2000 crore	₹4000 crore	Base Amount- ₹2000 crore Green Shoe- ₹4000 crore <b>Total- ₹6000 crore</b>
Series V	₹2000 crore	₹6000 crore	Base Amount- ₹2000 crore Green Shoe- ₹5866 crore <b>Total- ₹7866 crore</b>
Series VI	₹2000 crore	₹6000 crore	Base Amount- Nil Green Shoe- Nil <b>Total- Nil (issue was withdrawn)</b>
Series VII	₹1500 crore	₹4500 crore	Base Amount- Nil Green Shoe- Nil <b>Total- Nil (issue was withdrawn)</b>
<b>Disclosure of Issue-wise green shoe usage in issuance of current financial year i.e. 2026-27</b>			
Series I	₹2000 crore	₹4000 crore	Base Amount- ₹2000 crore Green Shoe- ₹1025 crore <b>Total- ₹3025 crore</b>

**Annexure VIII**

<b>Shareholding pattern of SIDBI</b>					
		<b>Shareholding prior to equity infusion of ₹3,000 Crore</b>		<b>Shareholding Post equity Infusion of ₹ 3000 crore by GoI</b>	
<b>Sl. No.</b>	<b>Name of the Shareholder</b>	<b>No of existing shares held</b>	<b>% of Existing Shareholding</b>	<b>No of shares post equity infusion by GoI</b>	<b>Shareholding Post equity Infusion of by GoI</b>
1	Government of India	11,85,41,169	20.85%	17,12,97,698	27.57%
2	State Bank of India	8,90,00,000	15.65%	8,90,00,000	14.32%
3	Life Insurance Corporation of India	7,57,98,889	13.33%	7,57,98,889	12.20%
4	National Bank for Agriculture & Rural Development	5,31,92,203	9.36%	5,31,92,203	8.56%
5	Punjab National Bank	3,39,00,000	5.96%	3,39,00,000	5.46%
6	Bank of Baroda	2,88,59,610	5.08%	2,88,59,610	4.65%
7	Canara Bank	2,56,59,610	4.51%	2,56,59,610	4.13%
8	Union Bank of India	2,06,00,000	3.62%	2,06,00,000	3.32%
9	Bank of India	1,51,00,000	2.66%	1,51,00,000	2.43%
10	Central Bank of India	1,27,00,000	2.23%	1,27,00,000	2.04%
11	Export Import Bank of India	79,00,000	1.39%	79,00,000	1.27%
12	Indian Bank	63,00,000	1.11%	63,00,000	1.01%
13	General Insurance Corporation of India	63,00,000	1.11%	63,00,000	1.01%
14	National Housing Bank	2,60,00,000	4.57%	2,60,00,000	4.18%
15	United India Insurance Company Limited	83,00,000	1.46%	83,00,000	1.34%
16	IDBI Bank	70,89,688	1.25%	70,89,688	1.14%
17	National Insurance Company Limited	63,00,000	1.11%	63,00,000	1.01%
18	New India Assurance Company Limited	63,00,000	1.11%	63,00,000	1.01%
19	Oriental Insurance Company Limited	63,00,000	1.11%	63,00,000	1.01%
20	Indian Overseas Bank	48,00,000	0.84%	48,00,000	0.77%
21	Bank of Maharashtra	32,00,000	0.56%	32,00,000	0.52%
22	Punjab & Sind Bank	32,00,000	0.56%	32,00,000	0.52%
23	UCO Bank	32,00,000	0.56%	32,00,000	0.52%
<b>Grand Total</b>		<b>56,85,41,169</b>	<b>100.00%</b>	<b>62,12,97,698</b>	<b>100.00%</b>