VIII. SUMMARY TERM SHEET

Security Name	8.64% VIJAYA BANK 2026
Issuer	Vijaya Bank (the "Bank"/ the "Issuer")
Issue Size	Rs. 450 crore
Option to retain oversubscription (Amount)	Not Applicable
Objects of the Issue	Augmenting Tier 2 Capital and overall capital of the Bank for strengthening its capital adequacy and for enhancing its long-term resources
Type of Instrument	Non-Convertible Redeemable Unsecured Basel III compliant Tier 2 Bonds (SERIES XI) in the nature of Debentures ("Bonds")
Nature and status of Bonds	Claims of the Bondholders shall be (i) senior to the claims of investors in instruments eligible for inclusion in Tier 1 capital (ii) subordinate to the claims of all depositors and general creditors of the Bank and (iii) the Bonds shall neither be secured nor covered by a guarantee of the Issuer or its related entity or other arrangement that legally or economically enhances the seniority of the claim vis-à-vis creditors of the Bank
Issuance Mode	In Demat mode only
Convertibility	Non-Convertible
Trading Mode	In Demat mode only
Credit Rating	"ICRA AA+ (hyb) with stable outlook by ICRA Ltd. "CARE AA+" by CARE Ltd.
Mode of Issue	Private Placement
Seniority	The Bonds are to be issued in the form of Unsecured Basel III Compliant Tier 2 Bonds (Series XI) in the nature of Debentures of face value of Rs. 10 lakhs each. The claims of the Bondholders shall be (i) Senior to the claims of investors in instruments eligible for inclusion in Tier 1 capital of the Bank (ii) Subordinate to the claims of all depositors , general creditors of the Bank and sub-ordinated debt of the Issuer other than Sub-ordinated debt qualifying as Tier –II capital (as the term is defined in the Basel III guidelines of the Reserve Bank of India) of the Issuer and (iii) Pari-Passu without preference amongst themselves and other debt instruments classified as Tier 2 Capital in terms of Basel III guidelines; and (iv) To the extent permitted by the Basel III guidelines, Pari-Passu with Sub-ordinated obligation eligible for inclusion in Tier 2 capital under the then prevailing Basel III guidelines, if any (v) is neither secured nor covered by a guarantee of the issuer or related entity or other arrangement that legally or economically enhances the seniority of the claim vis-à-vis bank creditors. *Bond holders will not be entitled to receive notice of , or attend vote at, any meeting of share holders of the issuer or participate in the management of the issuer.*

Security	Unsecured and sub-ordinate
Loss Absorbency	The bonds (including all claims, demands on the bonds and interest there on, where accrued on contingent) are issued subject to loss absorbency features applicable for non-equity capital instruments in terms of DBR.No.BP.BC.1/21.06.201/2015-16 dated July 01, 2015 on Basel III capital Regulations in India, including in compliance with the requirement of Annex 5 thereof and are subject to certain loss absorbency features as described herein and required of Tier 2 Instruments at the Point of Non Viability ("PONV") as provided for in Annex 16 of the aforesaid circular. Accordingly, the instrument and any claims or demands of any holder thereof or any other person claiming for or on behalf of or through such holder of the instrument, against us or any of our assets, where ever situated, may at the option of RBI capital be permanently written-off, in whole or in part, up on the occurrence of the trigger even called the Point of Non Viability (PONV"). A write-off of the bonds may have the following effects: I. Reduce the claim of the Bond (up to nil) in liquidation: II. Reduce the amount to be re-paid on the Bond when call is exercised (up to nil)"; II. Partially or fully reduce coupon payments on the Bond (up to nil coupon). PONV trigger event shall be as defined in the aforesaid RBI Capital Circular and shall be determined by the RBI. RBI may in its imminence alter or modify the PONV Capital trigger whether generally or in relation to us or otherwise. In any case it should be noted that following writing – off of the instruments and claims and demands as noted above, neither us, nor any other person on our behalf shall be required to compensate or provide any relief, whether absolutely or contingently, to the holders of the instruments or any other person claiming for, or on behalf of ,or through such holder and all claims and demands of such persons, whether under law, contract or equity, shall stand permanently and irrevocably extinguished and terminated. Unless otherwise specified in this Information Memorandum, the write-off of any common equity or any other regulatory capital (as understood in terms of aforesaid circular or any replacement / amendment thereof), whether Senior or Pari-passu or Subordinate, and whether Tier 1 capital or otherwise, shall not be required before the write – off of any of the instruments issued in terms of Information Memorandum and there is no right available to the holder thereof, or any other person claiming for or on behalf of or through such holder to demand or seek that any other regulatory capital be subject to prior or simultaneous write-off or that the treatment offered to holders of such other regulatory capital be also offered to the holders of the instruments issued pursuant to this Information Memorandum. .
Treatment in Bankruptcy/ Liquidation	The Bond holders shall have no rights to accelerate the repayment of future scheduled payments (coupon or principal) except in bankruptcy and liquidation

PONV	The Bonds (including all claims, demands on the Bonds and interest thereon, whether accrued or (contingent), at the option of RBI, can be written down upon the occurrence of the trigger event, called “ Point of Non-Viability Trigger” (PONV Trigger) The PONV Trigger event is the earlier of: • a decision that a permanent write-off without which the Bank would become non-viable, as determined by the Reserve Bank of India and • the decision to make a public sector injection of capital, or equivalent support, without which the Issuer would have become non-viable, as determined by relevant authority. The amount of non-equity capital to be written-off will be determined by RBI. The write-off of any Common Equity Tier 1 Capital shall not be required before the write-off of any Non-equity (Additional Tier 1 and Tier 2) regulatory capital instrument. The order of write-off of the Bonds shall be as specified in the order of seniority as per this Information Memorandum and any other regulatory norms as may be stipulated by the RBI from time to time. Such a decision would invariably imply that the write-off consequent upon the trigger event must occur prior to any public sector injection of capital so that the capital provided by the public sector is not diluted. The holders of the Bonds shall not have any residual claims on the Bank (including any claims which are senior to ordinary shares of the Bank), following any trigger event. In any case it should be noted that following writing-off of the instruments and claims and demands as noted above neither the Bank, nor any other person on the Bank’s behalf shall be required to compensate or provide any relief, whether absolutely or contingently, to the holder of the instrument of any other person claiming for or on behalf of through such holder and all claims and demands of such persons, whether under law, contract or equity, shall stand permanently and irrevocably extinguished and terminated. Unless otherwise specified in this Information Memorandum, the write-off of any common equity or any other regulatory capital(as understood in terms of the aforesaid circular or any replacement/amendment thereof), whether senior or Pari-Passu or subordinate, and whether a Tier1 Capital or otherwise shall not be required before the write-off of any of the instruments issued in terms of this Information Memorandum and there is no right available to the holder hereof or any other person claiming of or on behalf of or through such holder to demand or seek that any other regulatory capital be subject to prior or simultaneous write-off or that the treatment offered to holders of such other regulatory capital be also offered to the holder of the instruments issued pursuant to this Information Memorandum. For these purposes, the Bank may be considered as non-viable if: The Bank which, owing to its financial and other difficulties,

	no longer remain a going concern on its own in the opinion of Reserve Bank unless appropriate measures are taken to revive its operations and thus, enable it to continue as a going concern. The difficulties faced by the Bank, should be such that these are likely to result in financial losses and raising the Common Equity Tier 1 capital of the Bank should be considered as the most appropriate way to prevent the bank from turning non viable. Such measures would include write off/conversion of non- equity regulatory capital into common shares in combination with or without measures as considered appropriate by the Reserve Bank. The Bank facing financial difficulties and approaching PONV will be deemed to achieve viability if within a reasonable time in the opinion of the Reserve Bank, it will be able to come out of the present difficulties if appropriate measures are taken to revive it. The measures including augmentation of equity capital through write-off/conversion/public sector injection of funds are likely to: Restore depositors' / investors' confidence; Improve rating / credit worthiness of the Bank and thereby improve its borrowing capacity and liquidity and reduce cost of funds; and Augment the resource base to fund balance sheet growth in the case of fresh injection of fund.
Face Value	Rs. 10.00 lakhs per Bond
Premium/ Discount on Issue	Nil
Issue Price	At par (Rs.10.00 lakhs per Bond)
Premium/ Discount on redemption	Nil
Tenore	Redeemable after 120 months from the Deemed Date of Allotment
Redemption/ Maturity Date	22-01-2026
Lock-in-Period	Not Applicable
Minimum Application	1 Bonds and in multiples of 1Bond thereafter
Put Option	None
Call Option	None
Call Option Price	Not applicable
Call Notification Time	Not applicable
Coupon Rate	**8.64% p.a.**
Step Up/ Step Down Coupon Rate	None
Coupon Payment Frequency	Annual
Coupon / Interest Payment Date	The date, in case of the first coupon/ interest payment shall be March 31st , 2016 and for subsequent financial years the coupon/ interest payment date shall be on March 31st of every financial year. The last interest payment shall be made on the Redemption Date on pro rata basis
Coupon Type	Fixed
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc)	Not Applicable
Default Interest Rate	In case of default in payment of Interest and/or principal redemption on the due dates, additional interest of 2% p.a. over the coupon rate will be payable by the Bank for the defaulting period. However, any non-payment of interest and/ or principal on account of RBI Guidelines on Basel III capital regulations and other provisions of this Summary Term sheet, no such default interest shall be payable.

<table>
<tr><td>Day Count Basis</td><td>Actual/ Actual</td></tr>
<tr><td>Interest on Application Money</td><td>Interest at the coupon rate (subject to deduction of income tax under the provisions of the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof, as applicable) will be paid to the applicants on the application money for the Bonds for the period starting from and including the date of realization of application money in Issuer’s Bank Account up to one day prior to the Deemed Date of Allotment.

Provided that, not withstanding anything contained hereinabove, bank shall not be liable to pay any interest on monies liable to be refunded in case of invalid applications or applications liable to be rejected.</td></tr>
<tr><td>Listing</td><td>Proposed on the Wholesale Debt Market (WDM) segment of National Stock Exchange of India Limited (“NSE”)</td></tr>
<tr><td>Trustees</td><td>GDA Trusteeship Ltd.</td></tr>
<tr><td>Depository</td><td>National Securities Depository Limited (“NSDL”) and Central Depository Services (India) Limited (“CDSL”)</td></tr>
<tr><td>Registrars</td><td>Link Intime India Private Limited</td></tr>
<tr><td>Settlement</td><td>Payment of interest/ repayment of principal shall be made by way of cheque(s) / interest/ redemption warrant(s)/ demand draft(s)/ credit through direct credit/ NECS/ RTGS/ NEFT mechanism</td></tr>
<tr><td>Business Day Convention</td><td>‘Business Day’ shall be a day on which commercial banks are open for business in the city of Bangalore, Karnataka. If any coupon payment date falls on a day which is not a business day, payment of interest amount shall be made on the next business day without liability for making payment of interest for the delayed period and if the maturity date of the debt securities falls on a day which is not a business day, payment of redemption proceeds shall be made on the previous business day</td></tr>
<tr><td>Record Date</td><td>Reference date for payment of interest/ repayment of principal which shall be the date falling 15 days prior to the relevant Interest Payment Date on which interest or the Redemption/ Maturity Date on which the Maturity Amount is due and payable. In the event the Record Date falls on a day which is not a business day, the next business day will be considered as the Record Date.</td></tr>
<tr><td>Payment Mode</td><td>The remittance of application money can be made out of any of the following two modes:
<table>
<tr><td>i.</td><td>Through cheque(s) / demand draft(s) payable in favor of “Vijaya Bank A/c – Bonds Issue” and crossed “Account Payee” only deposited at any of the branches of the Bank.</td></tr>
<tr><td colspan="2">Or</td></tr>
<tr><td>ii.</td><td>Electronic transfer of funds through RTGS mechanism for credit as per details given hereunder:
<table>
<tr><td>Name of the Banker</td><td>Vijaya Bank</td></tr>
<tr><td>Account Name</td><td>RTGS CBS ACCOUNT</td></tr>
<tr><td>Credit into A/c No.</td><td>900100036516001</td></tr>
<tr><td>IFSC Code</td><td>VIJB0009001</td></tr>
<tr><td>Address of the Branch</td><td>Central Accounts Dept., VIJAYA BANK M.G. Road .Blore-1</td></tr>
<tr><td>Narration</td><td>Application Money for the Bond Issue</td></tr>
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<tr><td>Eligible Investors</td><td>Mutual Funds, Public Financial Institutions as defined under</td></tr>
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	section 2(72) of the Companies Act,2013, Scheduled Commercial Banks, Insurance Companies, Provident Funds, Gratuity Funds, Superannuation Funds and Pension Funds, Co-operative Banks, Regional Rural Banks authorized to invest in bonds/ debentures, Companies and Bodies Corporate authorized to invest in bonds/ debentures, Trusts authorized to invest in bonds/ debentures, Statutory Corporations/ Undertakings established by Central/ State legislature authorized to invest in bonds/ debentures, Resident Individual Investors etc.
Non-Eligible classes of Investors	Qualified Foreign Investors, Foreign Nationals, Persons resident outside India, Venture Capital Funds, Alternative Investment Funds, Overseas Corporate Bodies, Partnership firms formed under applicable laws in India in the name of the partners, Hindu Undivided Families through Karta, Person ineligible to contract under applicable statutory/ regulatory requirements etc.
Transaction Documents	The Issuer has executed/ shall execute the documents including but not limited to the following in connection with the Issue: a. Letter appointing Trustee to the Bondholders; b. Debenture Trusteeship Agreement; c. Letter appointing Arrangers to the Issue; d. Letter appointing Registrar and Agreement entered into between the Issuer and the Registrar; e. Rating Agreement with ICRA Ltd; f. Rating Agreement with CARE; g. Tripartite Agreement between the Issuer; Registrar and NDSL for issue of Bonds in dematerialized form; h. Tripartite Agreement between the Issuer; Registrar and CDSL for issue of Bonds in dematerialized form; i. Application made to NSE for seeking its in-principle approval for listing of Bonds; j. Listing Agreement with NSE.
Conditions precedent to subscription of Bonds	The subscription from applicants shall be accepted for allocation and allotment by the Issuer subject to the following: a. Rating letter from ICRA and CARE not being more than one month old from the issue opening date; b. Consent letter from the Trustees to act as Trustee to the Bondholder(s); c. Letter from NSE conveying in-principle approval for listing & trading of Bonds.
Conditions subsequent to subscription of Bonds	The Issuer shall ensure that the following documents are executed/ activities are completed as per terms of this Disclosure Document: a. Credit of demat account(s) of the Allottee(s) by the number of Bonds allotted within 2 working days from the Deemed Date of Allotment; b. Making application to NSE within 15 days from the Deemed Date of Allotment to list the Bonds and seek listing permission within 20 days from the Deemed Date of Allotment in terms of sub-section (1) of Section 73 of the Companies Act, 1956 (1 of 1956): c. Neither the Bank nor any related party over which the Bank exercises control or significant influence (as defined under relevant Accounting Standards) shall purchase the Bonds, nor would the Bank directly or indirectly fund the purchase of the Bonds. The Bank shall also not grant advances against the security of the Bonds issued by it.

	d. Besides, the Issuer shall perform all activities, whether mandatory or otherwise, as mentioned elsewhere in this Disclosure Document.
Cross Default	Not Applicable
Role and Responsibilities of Trustees	The Trustees shall perform its duties and obligations and exercise its rights and discretions, in keeping with the trust reposed in the Trustees by the holder(s) of the Bonds and shall further conduct itself, and comply with the provisions of all applicable laws, provided that, the provisions of Section 20 of the Indian Trusts Act, 1882, shall not be applicable to the Trustees. The Trustees shall carry out its duties and perform its functions as required to discharge its obligations under the terms of SEBI Debt Regulations, the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, the Debenture Trusteeship Agreement, Disclosure Document and all other related transaction documents, with due care, diligence and loyalty. The Trustees shall be vested with the requisite powers for protecting the interest of holder(s) of the Bonds including but not limited to the right to appoint a nominee director on the Board of the Issuer in consultation with institutional holders of such Bonds. The Trustees shall ensure disclosure of all material events on an ongoing basis. The Issuer shall, till the redemption of Bonds, submit its latest audited/ limited review half yearly consolidated (wherever available) and standalone financial information such as Statement of Profit & Loss, Balance Sheet and Cash Flow Statement and auditor qualifications, if any, to the Trustees within the timelines as mentioned in Simplified Listing Agreement issued by SEBI vide circular No. SEBI/IMD/BOND/1/2009/11/05 dated May 11, 2009 as amended. Besides, the Issuer shall within 180 days from the end of the financial year, submit a copy of the latest annual report to the Trustees and the Trustees shall be obliged to share the details so submitted with all 'Qualified Institutional Buyers' (QIBs) within two working days of their specific request.
Governing Law and Jurisdiction	The Bonds are governed by and shall be construed in accordance with the existing laws of India. Any dispute arising thereof shall be subject to the jurisdiction of High Court of Karnataka, Bangalore.
Additional Covenants	Delay in Listing: The Issuer shall complete all formalities and seek listing permission within 15 days from the Deemed Date of Allotment. In the event of delay in listing of Bonds beyond 20 days from the Deemed Date of Allotment, the Issuer shall pay penal interest of 1.00% per annum over the Coupon Rate from the expiry of 30 days from the Deemed Date of Allotment till the listing of Bonds to the Bondholder(s). Refusal of Listing: If listing permission is refused before the expiry of the 20 days from the Deemed Date of Allotment, the Issuer shall forthwith repay all monies received from the applicants in pursuance of the Disclosure Document along with penal interest of 1.00% per annum over the Coupon Rate from the expiry of 20 days from the Deemed Date of Allotment. If such monies are not repaid within 8 days after the Issuer becomes liable to repay it (i.e. from the date of refusal or 20 days from the Deemed Date of Allotment,

	whichever is earlier), then the Issuer and every director of the Issuer who is an officer in default shall, on and from the expiry of 8 days, will be jointly and severally liable to repay the money, with interest at the rate of 15 per cent per annum on application money, as prescribed under Section 73 of the Companies Act, 1956 and section 40 of the companies act 2013.
Applicable RBI Guidelines	The present issue of Bonds is being made in pursuance of Master Circular No. DBR.No.BP.BC.1/21.06.201/2015-16 dated July 01, 2015 issued by the Reserve Bank of India on Basel III capital regulations covering criteria for inclusion of debt capital instruments as Tier II capital (Annex 5) and minimum requirements to ensure loss absorbency of additional Tier 1 instruments at pre-specified trigger and of all non-equity regulatory capital instruments at the PONV(Annex 16)
Order of claim of Tier II instruments	The order of claim of various types of Regulatory capital instruments issued by the Bank and that may be issued in future shall be as under: Tier II instruments shall be superior to the claims of investors in instruments eligible for inclusion in Tier 1 Capital and subordinate to the claims of all depositors and general Creditors of the Bank. Tier II debt instruments will rank Pari-Passu without preference amongst themselves and other debt instruments irrespective of the date of issue classifying as Tier II Capital in terms of Basel – III guidelines. Unless the terms of any subsequent issuance of bonds / debentures by the Bank specifies that the claims of such subsequent bond holders are senior or subordinate to the Bonds issued under this Information Memorandum or unless the RBI specifies otherwise in its guidelines, the claims of the Bond holders shall be Pari-Passu with claims of holders of such subsequent debentures / bond issuance; and shall be on pari-passu ranking with holders of other Tier II instruments issued by the Bank. However, the claims of the Bond holders shall be subject to the provisions of Loss Absorbency and Other Events mentioned above.
Prohibition on Purchase/ Funding of Bonds	Neither the Bank nor a related party over which the Bank exercises control or significant influence (as defined under relevant Accounting Standards) shall purchase the Bonds, nor shall the Bank directly or indirectly fund the purchase of the Bonds. The Bank shall also not grant advances against the security of the Bonds issued by it.
Issue Opening Date	18-01-2016
Issue Closing Date	22-01-2016
Pay In Dates	18-01-2016 to 22-01-2016
Date of Allotment	22-01-2016