

B. Issue Details**a. Summary term sheet:**

| | |
|-----------------------------|--|
| Security Name | 7.85% - NCDC 2023 |
| Series | Series -IV |
| Issuer | National Cooperative Development Corporation |
| Type of Instrument | Non-Convertible, Non-Cumulative, Redeemable, Secured, Taxable Bonds in the nature of Debentures of face value of Rs. 10 lacs |
| Nature of Instrument | Secured by 1.25 times of the total principal amount of NCDs outstanding at any times through sharing first paripassu charge over receivables of the Corporation |
| Seniority of the instrument | Senior |
| Mode of Issue | Private Placement |
| Eligible Investors | <p>All QIBs, and any non-QIB Investors specifically mapped by the Issuer on the NSE BOND - EBP Platform, are eligible to bid / invest / apply for this Issue.</p> <p>All investors are required to comply with the relevant regulations/ guidelines applicable to them for investing in this Issue.</p> <p>The following class of investors are eligible to participate in the offer:</p> <ul style="list-style-type: none"> a Indian Mutual Funds registered with SEBI; b Public Financial Institutions as defined in section 2 (72) of the Companies Act, 2013; c Scheduled Commercial Banks; d State Industrial Development Corporations; e Insurance Companies registered with the Insurance Regulatory and Development Authority; f Provident Funds, Pension Funds, Gratuity Funds and Superannuation Funds authorized to invest in the issue; g National Investment Funds set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India; h Insurance Funds set up and managed by army, navy or air force of the Union of India; i Companies and Bodies Corporate authorized to invest in bonds/debentures; j Co-operative Banks and Regional Rural Banks authorized to invest in bonds/debentures; k Societies authorized to invest in bonds/debentures; l Trusts authorized to invest in bonds/debentures; m Foreign Institutional Investors and sub-accounts registered with SEBI or Foreign Portfolio Investors (not being an individual or family offices and n Statutory corporations/ Undertakings established by Central/ State legislature authorized to invest in bonds/debentures |
| Listing | <p>Proposed on the Wholesale Debt Market (WDM) Segment of National Stock Exchange of India Limited</p> <p>SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 (1) The issuer or the issuing company, as the case may be, shall Complete the pre-listing formalities within the time lines specified by the</p> |

| | |
|--|--|
| | <p>Board from time to time.</p> <p>(2) The issuer or the issuing company, as the case may be, shall, make an application for listing, within twenty days from the date of allotment, to one or more recognized stock exchange(s) along with the documents specified by stock exchange(s) from time to time.</p> <p>In case of FII/FPI as an investor, listing shall be done within 15 days of the allotment of the securities, as per RBI circular no 89 dated 1 March 2012 “Foreign Institutional Investor (FII) investment in ‘to be listed’ debt securities”</p> |
| Rating of the Instrument | Rating of “IND AA+ (Stable)” by India Ratings & Research Pvt. Ltd., and “CARE AA (Stable)” by CARE Ltd. |
| Trustees to the Issue | M/s IDBI Trusteeship Services Ltd. |
| Registrars of the Issue | M/s. MCS Share Transfer Agent Limited |
| Issue Size | Rs. 200 crores |
| Option to retain oversubscription | Rs. 350 crores |
| Objects of the Issue | The funds would be used for enhancing its long-term resources |
| Details of the utilization of the proceeds | The proceeds of the issue are being raised for enhancing long term resources of the Corporation and not for financing any particular project. The proceeds of issue shall be utilized for its regular business activities. |
| Tenure | 3 years & 3 months |
| Coupon Rate | 7.85% p.a. |
| Step Up/Step Down Coupon Rate | Not Applicable |
| Coupon Payment Frequency | Annual |
| Coupon Payment Dates | <p>First Interest payment on 27th February, 2021 (Saturday), so paid on 1st March 2021 (Monday)</p> <p>Second Interest payment on 27th February, 2022 (Sunday); so paid on 28th February 2022 (Monday)</p> <p>Third Interest payment on 27th February, 2023 (Monday); and last interest payment on 27th May 2023 (Saturday), so paid on 26th May 2023 (Friday) with final redemption of bonds subject to business day convention.</p> |
| Coupon Type | Fixed Rate |
| Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc.) | Not Applicable |
| Day Count Basis | <p>Interest for each of the interest periods shall be computed as per Actual / Actual day count conversion on the face value of principal outstanding at the coupon rate rounded off to the nearest rupee.</p> <p>Interest Period means each period beginning on (and including) the deemed date of allotment(s) or any coupon payment date and ending on (but excluding) the next</p> |

| | |
|---|--|
| | coupon payment date. |
| Business day convention/ Effect of Holiday/ | <p>If any Coupon Payment Date falls on a day that is not a Working Day/ Business Day, the payment shall be made by the Issuer on the following Working Day/ Business Day in line with SEBI Circular No. CIR/IMD/DF-1/122/2016 dated November 11, 2016. However, the dates of the future coupon payments would be as per the schedule originally stipulated at the time of issuing the security. Further, interest will not be paid for the extended period.</p> <p>If the Redemption Date (also being the last Coupon Payment Date) of the Bonds falls on a day that is not a Business Day, the redemption proceeds shall be paid by the Issuer on the previous Working Day/ Business Day along with interest accrued on the Bonds until but excluding the date of such payment.</p> <p>In the event the record date falls on a Saturday, Sunday or holiday of depositories, the immediately succeeding working day or a date notified by company to the stock exchange(s) shall be considered as the record date.</p> |
| Interest on Application Money | Interest at the coupon rate (subject to deduction of income tax/withholding 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. |
| Default Interest Rate | Not Applicable |
| Maturity / Tenor | 3 year & 3 months |
| Redemption Date | May 26, 2023 |
| Redemption Amount | At par (Rs.10 lacs per Bond) |
| Premium/Discount on Redemption | Nil |
| Issue Price | At par (Rs.10 lacs per Bond) |
| Premium/ Discount on Issue | Nil |
| Put Option | Not Applicable |
| Put Option Price | Not Applicable |
| Put Option Date | Not Applicable |
| Put Notification Time | Not Applicable |
| Call Option | Not Applicable |
| Call Option Price | Not Applicable |
| Call Option Date | Not Applicable |
| Call Notification Time | Not Applicable |

| | |
|--|--|
| Face Value | Rs. 10 lacs per Bond |
| Minimum Application | 1 (One) Bonds and in multiples of 1 (One) Bond thereafter. i.e. 10 Lakhs and in multiple of 10 lakhs thereafter. |
| Issue Timing: | |
| Issue Opening Date | Tuesday, February 25, 2020 (Bidding Start Time: 11:00 AM) |
| Issue Closing Date | Tuesday, February 25, 2020 (Bidding End Time: 01:00 PM) |
| Pay-in Date | Thursday, February 27, 2020 (T+2) |
| Deemed Date of Allotment | Thursday, February 27, 2020 (T+2) |
| Issuance mode | In Demat mode only |
| Trading Mode | In Demat mode only |
| Settlement | Payment of interest and repayment of principal shall be made by way of cheque(s)/interest/ redemption warrant(s)/ demand draft(s)/ credit through direct credit/ NECS/RTGS/ NEFT mechanism in INR |
| Depository | National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) |
| Record Date | 15 days prior to each Coupon Payment Date, and Redemption Date |
| Security | The bonds would be secured by 1.25 times of the total principal amount of NCDs outstanding at any times through a first pari-passu charge on present and future receivables of the Corporation. |
| Transaction Documents | NCDC has executed/ shall execute the documents including but not limited to the following in connection with the Issue: <ul style="list-style-type: none"> a) Debenture Trustee consent letter b) Debenture Trusteeship Agreement c) Letter appointing Registrar d) Rating Letters from IRRPL and CARE e) Tripartite Agreement between the Issuer; Registrar and NSDL for issue of Bonds in dematerialized form f) Tripartite Agreement between the Issuer, Registrar and CDSL for issue of Bonds in dematerialized form g) Listing Agreement with NSE. |
| Conditions precedent to subscription of Bonds | The subscription from applicants shall be accepted for allocation and allotment by the Bank, subject to the following: <ul style="list-style-type: none"> a) Rating Letters from IRRPL and CARE b) Consent Letter from the Trustees to act as Trustee to the Bondholder(s) c) Execution of Debenture Trusteeship Agreement d) Execution of Tripartite Agreement between the Issuer, Registrar and CDSL for issue of Bonds in dematerialized form e) Execution of Tripartite Agreement between the Issuer; Registrar and NSDL for issue of Bonds in dematerialized form |
| Conditions subsequent to subscription of Bonds | NCDC shall ensure that the following documents are executed/ activities are completed as per terms of this Disclosure Document: |

| | |
|--|--|
| | <ul style="list-style-type: none"> a) Credit of Demat Account(s) of the Allottee (s) by number of Bonds allotted within 2 working days from the Deemed Date of Allotment b) Making application to NSE within 15 working days from the Deemed Date of Allotment to list the Bonds and seek listing permission within 20 days from the Deemed Date of Allotment c) Execution of Transaction documents |
| Events of Default | As specified the Bond Trust Deed |
| Cross Default | Not Applicable |
| Role and Responsibilities of Trustees to the Issue | 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. |
| Governing Law and Jurisdiction | The Bonds are governed by and shall be construed in accordance with the laws of India, as modified or amended from time to time. Any dispute arising thereof shall be subject to the jurisdiction of the appropriate Courts of New Delhi. |
| Additional Covenants | <ul style="list-style-type: none"> i. Security Creation (where applicable): In case of delay in execution of Trust Deed and Charge documents, the Company will refund the subscription with agreed rate of interest or will pay penal interest of atleast 2% p.a. over the coupon rate till these conditions are complied with at the option of the investor. ii. Default in Payment: In case of default in payment of Interest and/or principal redemption on the due dates, additional interest of atleast @ 2% p.a. over the coupon rate will be payable by the Company for the defaulting period iii. Delay in Listing: In case of delay in listing of the debt securities beyond 20 days from the deemed date of allotment, the Company will pay penal interest of atleast 1 % p.a. over the coupon rate from the expiry of 30 days from the deemed date of allotment till the listing of such debt securities to the investor. <p>The interest rates mentioned in above three cases are the minimum interest rates payable by the Company and are independent of each other.</p> |
| Lock-in-Period | Not Applicable |
| Payment Mode | Successful bidders should ensure to do the funds pay-in from their same bank account which is updated by them in the NSE - EBP Platform while placing the bids. Payment should be made by the deadline specified by the NSE. Successful bidders should do the funds pay-in to the bank accounts of the NSE clearing limited (NCL) (" Designated Bank Account ") as displayed in EBP Platform at time of bidding. |
| Manner of Bidding | Close Book Bidding |

| | |
|---------------------------------------|--------------|
| Mode of Allotment/ Allocation option: | Single Yield |
|---------------------------------------|--------------|

Illustration: Cash Flow per bond based on the normative assumption

Set forth below is an illustration for guidance in respect of the day count convention and effect of holidays on payments. Investors should note that this example is solely for illustrative purposes. We have not considered the effect of public holidays as it is difficult to ascertain for future dates.

| | |
|--|---|
| Company | National Cooperative Development Corporation |
| Tenure | 3 years & 3 months |
| Face Value (per security) | Rs. 10 lac per bond |
| Deemed Date of Allotment | February 27, 2020 |
| Redemption | May 26, 2023 |
| Coupon Rate | 7.85% p.a. |
| Frequency of the interest payment with specified dates | Annually on February 27, of each year till maturity of Bonds |
| Day count Convention | Actual/ Actual Coupon shall be computed on an "actual/actual basis". Where the coupon period (start date to end date) includes February 29, interest shall be computed on 366 days-a-year basis |

Cash Flows

| Coupon Payment | Actual Dates | Revised Dates | No. of days | Amount per Bond payable (in Rs.) |
|-----------------|------------------------|------------------------|-------------|----------------------------------|
| 1st year | Sat, February 27, 2021 | Mon, March 01, 2021 | 366 | 78500 |
| 2nd year | Sun, February 27, 2022 | Mon, February 28, 2022 | 365 | 78500 |
| 3rd year | Mon, February 27, 2023 | Mon, February 27, 2023 | 365 | 78500 |
| 4th Year | Sat, May 27, 2023 | Friday, May 26, 2023 | 88 | 18926 |
| Redemption Date | Sat, May 27, 2023 | Friday, May 26, 2023 | | 1000000 |

Assumptions and Notes:

1. The aggregate coupon payable to each Bondholder shall be rounded off to the nearest rupee as per the Fixed Income Money Market and Derivatives Association handbook on market practices.
2. Under the SEBI circular no. CIR/IMD/DF-1/122/2016 dated November 11, 2016 as amended, if the Coupon Payment Date falls on a holiday or Sunday, the payment may be made on the following working day without including the interest for holiday or Sunday and the dates of the future coupon payments would be as per the schedule originally stipulated at the time of issuing the security.
3. Under the SEBI circular no. CIR/IMD/DF/18/2013 dated October 29, 2013, as amended, if the redemption date falls on a holiday or Sunday, then such payment shall be made on the previous working date along with interest is required to be paid till the redemption date.
3. For the purposes of the above illustration, non-business days i.e. Saturdays and Sundays have not been considered. Actual Interest/Maturity payment will be decided in accordance with SEBI regulation.

C. DECLARATION

The Issuer undertakes that this Disclosure Document contains full disclosures in accordance with Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 issued vide Circular No. LAD-NRO/GN/2008/13/127878 dated June 06, 2008, as amended from time to time.

The Issuer also confirms that to the best of its knowledge and beliefs this Disclosure Document does not omit disclosure of any material fact which may make the statements made therein, in light of the circumstances under which they are made, misleading. The Disclosure Document also does not contain any false or misleading statement.

The Issuer accepts no responsibility for the statement made otherwise than in the Disclosure Document or in any other material issued by or at the instance of the Issuer and that anyone placing reliance on any other source of information would be doing so at his own risk.

Signed pursuant to internal authority granted;

For National Cooperative Development Corporation



Authorized Signatory

Place: New Delhi

Date: February 25, 2020

ललित गोयल / LALIT GOEL
निदेशक / Director
राष्ट्रीय सहकारी विकास निगम
National Co-op. Dev. Corporation
4, सीरी इन्स्टीट्यूशनल एरिया, हाज खास
4, Siri Institutional Area, Hauz Khas,
नई दिल्ली / New Delhi - 110016