



**ANDHRA PRADESH CAPITAL REGION DEVELOPMENT AUTHORITY
VIJAYAWADA::ANDHRA PRADESH**

PART B – ISSUE DETAILS

I. SUMMARY TERM SHEET

Issuer	Andhra Pradesh Capital Region Development Authority (“APCRDA”/ the “Authority”/ the “Issuer”)				
Security Name	Unsecured, Rated, Listed, Govt. Guaranteed, Redeemable, Taxable, Non-Convertible Debentures in the nature of Bonds to be issued in the form of Separately Transferable Redeemable Principal Parts				
Type of Instrument	Unsecured, Rated, Listed, Redeemable, Taxable, Non-Convertible Bonds in the nature of to be issued in the form of Separately Transferable Redeemable Principal Parts (STRPPs)				
Nature of Instrument	Unsecured				
Mode of Issue	Private Placement				
Eligible Investor	With regard to eligible investors, kindly refer to the relevant provisions of the Disclosure Document. All investors are required to comply with the relevant regulations/ guidelines applicable to them for investing in this issue of Bonds.				
Issue Size	Rs. 1300.00 crore with Green shoe option such that the final issue size is Rs. 2000 crore				
Objects of the Issue	Support identified Infrastructure Development Projects in Capital City Amaravati				
Utilization of Issue Proceeds	To finance identified Infrastructure Development Projects in Capital City Amaravati				
Issuance Mode	In demat mode only				
Trading Mode	In demat mode only				
Credit Rating	“AA- (SO)” by BRICKWORK RATINGS , “AA- (SO)” by ACUITE Ratings & “A+ (SO)” by CRISIL Ratings				
Seniority	Senior				
Security	The bonds shall be unsecured				
State Government Guarantee	Govt of Andhra Pradesh has provided an Unconditional and Irrevocable guarantee for payment of Principal and interest				
Face Value	Rs. 10 lacs per Bond Each bond would comprise of 5 STRPPs of Rs. 2,00,000 each				
Issue Price	At par (Rs. 10 lacs) per Bond				
Premium/ Discount on redemption	Nil				
Redemption Amount	At par (Rs. 10 lacs) per Bond				
Minimum Application	[1] Bond and in multiples of [1] Bond thereafter				
Tenor	STRPPs A	STRPPs B	STRPPs C	STRPPs D	STRPPs E
	6 Years	7 Years	8 Years	9 Years	10 Years
	16-August-2024	16-August-2025	16-August-2026	16-August-2027	16-August-2028
Put Option	N.A.				
Put Option Price	N.A.				

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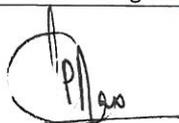
Put Option Date	N.A.				
Put Notification Time	N.A.				
Call Option	N.A.				
Call Option Price	N.A.				
Call Option Date	N.A.				
Call Notification Time	N.A.				
Redemption/ Maturity	STRPPs A	STRPPs B	STRPPs C	STRPPs D	STRPPs E
	6 Years	7 Years	8 Years	9 Years	10 Years
	16-August-2024	16-August-2025	16-August-2026	16-August-2027	16-August-2028
Credit Enhancement Measures	<ol style="list-style-type: none"> 1. Structured Payment Mechanism 2. Upfront DSRA of 6 months debt servicing 3. Government Guarantee 				
Escrow account	<p>The issuer will be required to open a designated Escrow Account – APCRDA Bond Servicing account for the benefit and lien marked to debenture trustee</p> <p>The issuer will also be required to open a designated DSRA Account –for the benefit and lien marked to debenture trustee for maintenance of the Debt Service Reserve Amount</p>				
Structured payment mechanism	<p>APCRDA undertakes to transfer 1.5 times the amount of debt servicing requirement for the ensuing quarter and transfer any amounts due but unpaid on the bonds in respect of any previous quarter/ period at the start of each quarter to APCRDA Bonds Servicing Account. The amount to be transferred will be from its own revenue sources.</p> <p>APCRDA undertakes to transfer to the DSRA Account, any amounts required for replenishment of the DSRA from its own revenue sources on and from the start of each quarter</p> <p>The debenture trustee should independently monitor the adequacy of collection (interest and principal) in APCRDA Bond Servicing account on T-15th day and intimate the issuer in case of any shortfall. If the shortfall is not made good by T-7th day, the Debenture Trustee shall utilize funds from DSRA account to meet the shortfall.</p>				
Debt service reserve account	<p>An amount equivalent to total debt servicing obligation of the outstanding bonds for the next 2 quarters to be maintained by the issuer in the DSRA account on rolling basis.</p> <p>Issuer to create and fund DSRA account upfront.</p> <p>The DSRA would be in the form of Cash or invested in permitted investment defined in transaction documents.</p>				
Remedy in case of utilization of DSRA	<p>In case there is a shortfall in DSRA account due to utilization of funds, issuer undertakes to restore DSRA account within 5 working days.</p>				
Government Guarantee	<p>The debentures would have further collateral support by way of Unconditional & Irrevocable guarantee for principal and interest as a continuing obligation by the Government of Andhra Pradesh.</p> <p>In case if authority fails to replenish DSRA within 120 days from the first interest payment date or in the event that any amounts due by the authority are not paid on the relevant due dates, then trustee shall invoke the state government guarantee for the entire principal outstanding and interest due thereon</p>				
Final Redemption Date	<p>To further elaborate, following will be the repayment schedule-</p>				


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	STRP P	Repayment Year	Quarterly Repayment							
			Amt	Date	Amt	Date	Amt	Date	Amt	Date
	A	6	100	16-Nov-2023	100	16-Feb-2024	100	16-May-2024	100	16-Aug-2024
	B	7	100	16-Nov-2024	100	16-Feb-2025	100	16-May-2025	100	16-Aug-2025
	C	8	100	16-Nov-2025	100	16-Feb-2026	100	16-May-2026	100	16-Aug-2026
	D	9	100	16-Nov-2026	100	16-Feb-2027	100	16-May-2027	100	16-Aug-2027
	E	10	100	16-Nov-2027	100	16-Feb-2028	100	16-May-2028	100	16-Aug-2028
Coupon Rate	10.32% p.a. payable quarterly									
Step Up/Step Down Coupon Rate	None									
Default Interest Rate	<ul style="list-style-type: none"> In case of default in payment of Interest and/or principal redemption on the due dates, additional interest @ 2% p.a. over the coupon rate will be payable by the Company for the defaulting period. 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 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(s) Security Creation: In the event of delay in execution of Trust Deed and/or other security document(s) within sixty days of Deemed Date of Allotment of the Bonds, the Company shall refund the subscription with the Coupon Rate or pay penal interest at the rate of 2.00% p.a. over the Coupon Rate till these conditions are complied with, at the option of the Bondholder(s). 									
Coupon Payment Frequency	Quarterly i.e. on 16 th Nov, 16 th Feb, 16 th May, 16 th Aug every year & and on Redemption									
Coupon Type	Fixed									
Day Count Basis	Actual/ Actual Interest shall be computed on an "actual/actual basis". Where the interest period (start date to end date) includes February 29, interest shall be computed on 366 days-a-year basis									
Interest on Application Money	Interest for each of the interest periods shall be computed on Actual/Actual day convention on the outstanding bond amount at the coupon rate.									
Listing	Proposed on the Wholesale Debt Market (WDM) segment of BSE Limited ("BSE")									
Trustees	Catalyst Trusteeship Limited									
Arranger	M/s A.K. Capital Services Limited as a sole arranger to the issue									
Depository	National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL")									
Registrars	Karvy Computershare Pvt Ltd									
Settlement	Payment of interest and repayment of principal shall be made by way of credit through direct credit/ RTGS/ NEFT mechanism.									
Business Day/ Working Day Convention	"Business Days"/ "Working Days" shall be all days on which money market is functioning in Mumbai. If any Coupon Payment Date falls on a day that is not a Business Day, the payment shall be made by the Issuer on the following working day in line with SEBI circular No CIR/IMD/DF-1/122/2018 dated November 11, 2016. 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 preceding Business Day along with interest accrued on the Bonds until but excluding the date of such payment. In the event the									

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	<p>Record Date falls on a day which is not a Business Day, the immediately succeeding Business Day will be considered as the Record date.</p> <p>If the interest payment date falls on a holiday, the payment may be made on the following working day however the dates of the future coupon payments would be as per the schedule originally stipulated at the time of issuing the security. In other words, the subsequent coupon schedule would not be disturbed merely because the payment date in respect of one particular coupon payment has been postponed earlier because of it having fallen on a holiday</p>
Record Date	15 days (both dates exclusive)
Transaction Documents	<p>The Issuer has executed/ shall execute the documents including but not limited to the following in connection with the Issue:</p> <ol style="list-style-type: none"> 1. RTA Agreement 2. Debenture Trusteeship Agreement; 3. Accounts Agreement 4. Guarantee Agreement with State Government; 5. Disclosure Document; 6. Rating letter with Brickwork Ratings; 7. Rating letter with SMERA Ratings; 8. Rating letter with CRISIL ratings 9. Tripartite Agreement between the Issuer; Registrar and NSDL for issue of Bonds in dematerialized form; 10. Tripartite Agreement between the Issuer, Registrar and CDSL for issue of Bonds in dematerialized form; 11. Consent letter from RTA, Banker to the issue and Debenture Trustee 12. Application made to BSE for seeking its in-principle approval for listing of Bonds; 13. Listing Agreement with BSE; 14. Debenture Trust deed (to be executed).
Events of Default	<p>Notwithstanding anything to the contrary herein contained, each of the events set out below is an Event of Default (such determination being at the sole discretion of Debenture Trustee):</p> <ol style="list-style-type: none"> (a) If any payments are not made to the Debenture Holders, when such payments are due and payable under the Transaction Documents. (b) Default is committed by the Authority in the performance or observance of any material covenant, condition or provision contained in these presents or in the Transaction Documents including but not limited to non-listing of Bonds or in any reports or other information furnished by the Authority and any warranties given or deemed to have been given by the Authority to the Debenture Trustee being inaccurate, false or misleading. (c) The Authority has voluntarily or involuntarily become the subject of proceedings under the Insolvency and Bankruptcy Code, 2016 or any bankruptcy or insolvency law or the Authority is voluntarily or involuntarily dissolved, a resolution professional or a receiver or a liquidator has been appointed or allowed to be appointed of all or any part of the undertaking of the Authority or the Authority ceases or threatens to cease to carry on its business or gives notice of its intention to do so. (d) If any legal proceedings are initiated against the Authority by any of its lenders, in respect of any financial indebtedness availed of by the Authority from such lenders.
Remedies	<p>Upon the occurrence of any of the Events of Default, the Trustees shall on instructions from majority Bondholder(s), invoke government guarantee of the state of Andhra Pradesh for the entire Principal outstanding and interest due thereon</p>



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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 the competent court of Andhra Pradesh, India
Conditions Precedent to Disbursement	<ul style="list-style-type: none"> • Resolution passed by the Board of Members at the meeting for the issue of bonds. • Unconditional & Irrevocable Govt. Guarantee Letter/ Deed • Credit Rating Letters and Rating Rationales issued by Credit Rating Agencies • In-principal approval from the Bombay Stock Exchange Limited (BSE) for listing • Disclosure Document
Condition Subsequent to Disbursement	<ul style="list-style-type: none"> • To forward Listing application of Bonds/ Debt securities to BSE within stipulated timelines from the deemed date of allotment. • To take appropriate steps to Allot & Credit the Bonds in Demat account of subscribers within stipulated time.
Provisions related to Cross Default Clause	As set out in the row titled 'events of default'
Role and Responsibilities of Debenture Trustee	The Company has received the consent of Catalyst Trusteeship Ltd to act as the trustees on behalf of the Debenture holders. Responsibilities, Role and powers of the debenture trustee have been elaborate further in the Debenture Trust Deed
Issue Timing & Amount Issue Opening Date Issue Pay-In Date Issue Closing Date Issue Deemed Date of Allotment	<p>August 14, 2018</p> <p>August 14, 2018</p> <p>August 16, 2018</p> <p>August 16, 2018</p>

Timelines to be followed for structured payment mechanism,

Trigger Date	Action Point
(T-15 th) day	The debenture trustee should independently monitor the adequacy of collection (interest and principal) in APCRDA Bond Servicing account on T-15th day and intimate the issuer in case of any shortfall.
(T-7 th Day)	If the shortfall is not made good by T-7 th day, the Debenture Trustee shall utilize funds from DSRA account to meet the shortfall.
T	Debt Servicing date
(T + 5 Days)*	In case there is a shortfall in DSRA account due to utilization of funds, issuer undertakes to restore DSRA account within 5 working days.
(T + 10) th day*	In case Issuer fails to replenish the DSRA, trustees to inform the GOAP in writing regarding the shortfall in DSRA account so that necessary arrangements shall be made for replenishment of DSRA by the issuer or GoAP.
(T + 15) th day*	The DSRA to be replenished by APCRDA/GoAP to the tune defined in above mentioned structured payment mechanism
(T + 30) th day*	If the DSRA is not replenished to the requisite extent by T+30 th day, the Trustees shall send soft notice to GoAP intimating that Government shall be invoked, if Government fails to replenish the DSRA
(T + 75) th day*	The debenture trustee should independently monitor the adequacy of collection (interest and principal) in APCRDA Bond Servicing account on T1-15th (I.e. 15 days prior to next debt servicing date) day and intimate the issuer in case of any shortfall.
(T + 83) th day*	If the shortfall is not made good by T1-7 th day, the Debenture Trustee shall utilize funds from DSRA account to meet the shortfall.

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(T + 90) th day*	<ol style="list-style-type: none"> 1. Debt Servicing 2. Trustee shall send notice to GoAP to replenish full DSRA of two quarter within 30 days
(T + 120) th day*	Final Notice by trustees to GoAP of invocation of Government Guarantee
(T + 130) th day*	Last date by which GOAP shall transfer requisite funds in the Designated ESCROW Account as per the Notice of Invocation served by the Trustees.

**In the event of the mentioned day not being a business day as per the convention followed in the Mumbai city and Vijayawada city, it would be taken to indicate the last business day prior to the mentioned day and interest would be paid*

The Issuer reserves its sole and absolute right to modify (pre-pone/ postpone the issue closing, issue opening date, payin dates without giving any reasons or prior notice. In such a case, investors shall be intimated about the revised schedule by the Issuer.

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