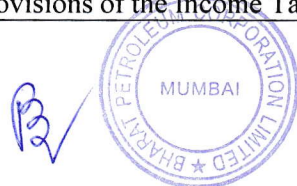


**10. SUMMARY TERM SHEET**

Security Name	BPCL Debentures 2017 – Series I
Issuer	Bharat Petroleum Corporation Limited
Issue Size	Rs. 550 Crores (Rs. 250 Crores with green shoe of Rs. 300 Crores aggregating to Rs. 550 Crores)
Objects of the issue	The funds raised through this issue will be utilized for, <i>inter alia</i> , funding of Capital Expenditure of the Company, including recoupment of expenditure already incurred
Type of Instrument	Secured, Redeemable, Non-Convertible, Non –Cumulative Taxable Bonds in the nature of Debentures
Nature of Instrument	Secured
Seniority	The claims of the Bondholders shall be superior to the claims of any unsecured creditors of the Company and subject to applicable statutory and/or regulatory requirements, rank <i>pari passu</i> inter se to the claims of other secured creditors of our Company having the same security
Mode of Issue	Private placement basis
Security	The Bonds will be secured by a first/ <i>pari passu</i> first charge on specified assets of the Company as may be mentioned in the Bond Trust Deed. The security will be created within the time stipulated (i.e. within 90 days from the date of allotment) as per the relevant statutory provisions. The Company shall at all times maintain a minimum security cover of 1.25 times of the Bonds proposed to be issued and interest accrued thereon. The Company reserves the right to create further charge on such asset cover for its present and future financial requirements or otherwise, without any prior consent of the Bondholders, or as provided for under the Bond Trust Deed, provided that minimum asset cover 1.25 times is maintained.
Credit Rating	Crisil AAA (Stable), Care AAA (Stable)
Face Value	Rs. 10 lakh per Bond
Premium on Issue	Nil
Discount on Issue	Nil
Issue Price	Rs 10 Lakh per bond
Premium/ discount on redemption	Nil
Redemption Amount	At par
Tenor	5 YEARS
Put option	NA
Call option	NA
Maturity	At par at the end of 5 years from deemed date of allotment
Redemption date	10 <sup>th</sup> March 2022
Coupon rate	7.35% p.a.
Step up/ step down of Coupon rate	None
Coupon payment frequency	Semi Annually
Coupon payment date	Semi Annually on 10 <sup>th</sup> September and 10 <sup>th</sup> March of each year till maturity of bonds
Coupon Type	Fixed
Minimum Application	100 Bonds (face value of Rs 10 crore) and in multiples of 50 Bonds (face value of Rs 5 crore).
Day Count Basis	Actual/ Actual
Interest on application Money	Interest on application money will be paid at 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) on face value of Bonds for the period starting from and including the date of realization of application money in Issuer's Bank Account upto one day prior to the Deemed Date of Allotment. To clarify, in case the deemed date of allotment and date of receipt of application money is same no interest on application money will be payable.
Listing	Proposed on National Stock Exchange of India Ltd and BSE Ltd. BSE is the designated stock exchange
Provisions related to Cross Default Clause	Not Applicable
Trustees	SBICAP Trustee Company Ltd. Apeejay House, 6th Floor, 3, Dinshaw Wachha Road, Churchgate, Mumbai 400020 Tel: 022-4302 5555, Fax: 022-4302 5500
Depository	CDSL/ NSDL
Registrars	Data Software Research Company Pvt Ltd
Settlement	Payment of interest and repayment of principal shall be made by way of cheque(s)/ interest warrant(s) / redemption warrant(s)/ demand draft(s)/ credit through direct credit/ NECS/ RTGS/ NEFT mechanism and any other electronic payment mode.
Business Days/ Working Days	All days excluding Sundays or a holiday when commercial banks are not open for business in Mumbai, except with reference to Record Date, where Working Days shall mean all days, excluding Sundays or holiday for depositories.
Record Date	Date falling 15 days prior to the relevant Coupon Payment Date or the Redemption Date on which interest amount or the Maturity Amount respectively, is due and payable.  In the event that the Record Date does not fall on a Working Day, the succeeding Working Day or a date notified by the Company to the stock exchanges shall be considered as the Record Date.
Effect of Holidays	If any Coupon Payment Date falls on a day that is not a Working Day, the payment shall be made on the immediately succeeding Working Day. However the calculation for payment of interest will be only till the "Coupon Payment Dates" which would have been the case if "Coupon Payment Dates" were not a holiday.  If the Redemption Date (also being the last Coupon Payment Date) of the Bonds falls on a day that is not a Working Day, the redemption proceeds (including coupon payment) shall be paid on the immediately preceding Working Day along with interest accrued on the Bonds until but excluding the date of such payment.
Mode of Subscription	Applicants shall make remittance of application money only through electronic transfer of funds through RTGS mechanism for credit of Issuer's designated bank account
Eligible Investors	The following categories are eligible to apply for this private placement of Bonds:  1. Qualified Institutional Buyers ("QIBs"): <ul style="list-style-type: none"> <li>• Public Financial Institutions as defined in Section 2(72) of the Companies Act 2013;</li> <li>• Alternative Investment Funds;</li> <li>• Scheduled commercial banks;</li> <li>• Mutual Funds registered with SEBI;</li> <li>• State industrial development corporations;</li> </ul>



	<ul style="list-style-type: none"> <li>• Insurance companies registered with the Insurance Regulatory and Development Authority;</li> <li>• Provident funds with a minimum corpus of Rs. 25 crore;</li> <li>• Pension funds with a minimum corpus of Rs. 25 crore;</li> <li>• The National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of the GoI, published in the Gazette of India;</li> <li>• Insurance funds set up and managed by the army, navy, or air force of the Union of India; and</li> <li>• Insurance funds set up and managed by the Department of Posts, India, subject to such being authorized to invest in the Bonds.</li> </ul> <p><b>2. Non QIBs:</b></p> <ul style="list-style-type: none"> <li>• Companies and Bodies Corporate authorized to invest in bonds/ debentures;</li> <li>• Other Banks authorized to invest in bonds/ debentures;</li> <li>• Gratuity Funds and Superannuation Funds;</li> <li>• Provident Funds and Pension Funds with corpus of less than Rs. 25.00 crore;</li> <li>• Societies authorized to invest in bonds/ debentures;</li> <li>• Registered Trusts authorized to invest in bonds/ debentures;</li> <li>• Statutory Corporations/ Undertakings established by Central/ State legislature authorized to invest in bonds/ debentures;</li> <li>• Resident Individual Investors;</li> <li>• Hindu Undivided Families through Karta;</li> <li>• Limited liability partnerships , Partnership firms formed under applicable laws in India in the name of the partners.</li> </ul> <p>Any other investor that are authorized to invest in Bonds by their respective constitutional and/or charter documents, subject to compliance with respective applicable laws, subject to confirmation from the issuer.</p> <p><b>Who are not eligible to apply for Bonds?</b> The following categories of persons, and entities, shall not be eligible to participate in the Issue and any applications from such persons and entities are liable to be rejected:</p> <ul style="list-style-type: none"> <li>• Minors without a guardian name (A guardian may apply on behalf of a minor. However, Applications by minors must be made through Application Forms that contain the names of both the minor Applicant and the guardian);</li> <li>• Non-resident investors including NRIs, FIIs, QFIs, FPIs and SWFs;</li> <li>• Venture Capital Fund and Foreign Venture Capital Investor;</li> <li>• Overseas Corporate Bodies; and</li> <li>• Person ineligible to contract under applicable statutory/regulatory requirements</li> </ul> <p>Also Refer 'who can apply' under the section Terms of Offer</p>
Transaction Documents	<p>The Company 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"> <li>1. Bond Trustee Agreement;</li> <li>2. Bond Trust Deed;</li> </ol>





	<p>3. Tripartite Agreement between the Issuer; Registrar and NSDL for issue of Bonds in dematerialized form;</p> <p>4. Tripartite Agreement between the Issuer, Registrar and CDSL for issue of Bonds in dematerialized form;</p> <p>5. Application to stock exchange for seeking in-principle approval for listing of Bonds;</p> <p>6. Consents from Banker to the issue, Registrar and Trustee</p>
Conditions precedent to subscription of Bonds	<p>The subscription from investors shall be accepted for allocation and allotment by the Company subject to the following:</p> <p>1. Rating letter(s) not being more than one month old from the issue opening date;</p> <p>2. Consent of Trustees;</p> <p>3. Application to Stock Exchange(s) for seeking its in-principle approval for listing of Bonds.</p>
Conditions subsequent to subscription of Bonds	<p>The Company shall ensure that the following documents are executed/ activities are completed as per permissible time frame:</p> <p>1. Credit of demat account(s) of the allottee(s) by number of Bonds allotted within 2 working days from the Deemed Date of Allotment;</p> <p>2. Making listing application to stock exchange(s) within 15 days from the Deemed Date of Allotment of Bonds and seeking listing permission within 20 days from the Deemed Date of Allotment of Bonds in pursuance of SEBI Debt Regulations;</p> <p>3. Execution of Bond Trust Deed for creation of security within time frame prescribed in the relevant regulations/ act/ rules etc and submitting the same with stock exchange(s) within 5 working days of execution for uploading on its website in pursuance of SEBI Debt Regulations.</p> <p>4. The Company shall, till the redemption of Bonds, submit its latest audited/ limited review half yearly consolidated (wherever available) and standalone financial information and auditor qualifications, if any, to the Trustees within the timelines as specified in SEBI (LODR). 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) and other existing Bondholder(s) within two working days of their specific request.</p> <p>Besides, the Company shall perform all activities, whether mandatory or otherwise, as applicable.</p>
Events of Default	<p>If the Company commits a default in making payment of any instalment of interest or repayment of principal amount of the Bonds on the respective due date(s), the same shall constitute an "Event of Default" by the Company. Excluding in cases of technical errors due to reasons beyond the control of company.</p>
Role and responsibilities of Trustees	<p>The Trustees shall protect the interest of the Bondholders in the event of default by the Company in regard to timely payment of interest and repayment of principal and shall take necessary action at the cost of the Company. No Bondholder shall be entitled to proceed directly against the Company unless the Trustees, having become so bound to proceed, fail to do so.</p> <p>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 Bond Trusteeship Agreement, the Bond Trust Deed, Disclosure Document and all other related transaction documents, with due care, diligence and loyalty.</p>



	The Trustees shall ensure disclosure of all material events on an ongoing basis and shall supervise the implementation of the conditions regarding creation of security for the Bonds.	
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 district courts of Mumbai.	
Additional Covenants	<p>1. <b>Default in Payment:</b> In the event of delay in the payment of interest amount and/ or principal amount on the due date(s), the Company shall pay additional interest of 2.00% per annum in addition to the respective Coupon Rate payable on the Bonds, on such amounts due, for the defaulting period i.e. the period commencing from and including the date on which such amount becomes due and upto but excluding the date on which such amount is actually paid.</p> <p>2. <b>Delay in Listing:</b> The Company shall complete all the formalities and seek listing permission from stock exchange(s) within 20 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 Company shall pay penal interest of 1.00% per annum over the respective Coupon Rate from the expiry of 30 days from the Deemed Date of Allotment till the listing of Bonds to the Bondholder(s).</p> <p>3. <b>Security Creation:</b> The Company undertakes that it shall obtain permission/ consent from the existing creditor(s) to create pari passu charge and execute the necessary documents for creation of the charge, including the Bond Trust Deed, within time frame (i.e. within 90 days from the date of allotment) prescribed in the relevant regulations/ act/ rules etc and submit with stock exchange(s) within five working days of execution of the same for uploading on its website. In case of delay in execution of Bond Trust Deed and/or other security documents, the Company will refund the subscription with agreed respective Coupon Rate or pay penal interest at the rate of 2.00% p.a. over the respective Coupon Rate till these conditions are complied with at the option of the investor.</p>	
Issue Schedule	<b>Issue opening date</b>	7th March 2017
	<b>Issue Closing date</b>	7 <sup>th</sup> March 2017
	<b>Pay in date</b>	10 <sup>th</sup> March 2017
	<b>Deemed date of allotment</b>	10 <sup>th</sup> March 2017
Validity of the Offer Letter	Till the date of closure of the issue	

\* BPCL reserves its sole and absolute right to modify (pre-pone/ postpone) the above issue schedule without giving any reasons or prior notice. In such a case, investors shall be intimated about the revised time schedule by BPCL. In case if the Issue Closing Date/ Pay in Dates is/are changed (pre-poned/ postponed), the Deemed Date of Allotment may also be changed (pre-poned/ postponed) by BPCL at its sole and absolute discretion. Consequent to change in Deemed Date of Allotment, the Coupon Payment Dates and/or Redemption Dates may also be changed at the sole and absolute discretion of BPCL.

  
**P. BALASUBRAMANIAN**  
 Director (Finance)

