

TARC LIMITED

(Formerly Anant Raj Global Limited)

CIN: L70100DL2016PLC390526

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ISSUE DETAILS

1.	Security Name	6.0% TARC Limited Senior, Secured, redeemable, rated, listed non-convertible debentures 2027
2.	Issuer	TARC Limited
3.	Type of Instrument	Secured, redeemable, rated, listed non-convertible debentures
4.	Nature of Instrument	Secured
5.	Seniority	Senior
6.	Eligible Investors	(a) Trust; (b) portfolio managers registered with SEBI; (c) association of persons; (d) companies and bodies corporate including public sector undertakings; (e) commercial banks; (f) financial institutions; (g) insurance companies; (h) mutual funds; (i) foreign portfolio investors; (j) other foreign entities allowed by SEBI and RBI; (k) alternate investment funds; (k) any other investor eligible to invest in these Debentures in accordance with applicable law.
7.	Listing	<p>Proposed to be listed on the WDM segment of BSE. The Issuer will ensure that the Debentures are listed on the BSE within 4 (four) Trading Days from the Issue Closing Date or such other period as may be prescribed under applicable law.</p> <p>The Stock Exchange(s) shall list the debt securities only upon receipt of a due diligence certificate as per format specified in Annexure H of the SEBI Due Diligence Circular from the Debenture Trustee confirming creation of charge and execution of the Debenture Trust Deed.</p>
8.	Rating of the Debentures	BBB- Stable by Acuité Ratings & Research Limited
9.	Issue Size	11,300 debentures of a face value of INR 10,00,000 each aggregating to INR 1,130 Crores (Rupees One Thousand One hundred and Thirty Crores)
10.	Minimum subscription	1 Debenture
11.	Option to retain oversubscription amount (Amount)	Not applicable
12.	Objects of the issue / purpose for which there is requirement of funds	The proceeds shall be utilised for the following:

		<ul style="list-style-type: none"> the repayment in full of the existing facilities; (~89%) funding the costs and expenses incurred by any Secured Party in relation to the issue of Debentures, including the legal fees, arranger's fee, diligence costs and payment of stamp duty of costs; (~4%) funding corporate expenses of the Group including the payment of statutory dues, and Taxes that may be incurred by any member of the Group as may be approved by the Debenture Trustee in writing; (~6%) the payment of liabilities of the Group as may be approved by the Debenture Trust in writing, (~2%) <p>The details of the purpose for which the proceeds may be utilised are further set out in Clause 11.1 of the Debenture Trust Deed.</p>
13.	Details of the utilization of the Proceeds	As detailed in the objects of the issue
14.	Coupon Rate	6% per annum
15.	Step Up/Step Down Coupon Rate	Not applicable
16.	Coupon Payment Frequency	Annual
17.	Coupon payment dates	31 st March 2023 31 st March 2024 31 st March 2025 31 st March 2026 31 st March 2027 Final Redemption Date April 29, 2027
18.	Coupon Type	Fixed
19.	Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc.)	Not applicable
20.	Day Count Basis	Actual/ Actual
21.	Interest on Application	Not applicable
22.	Default Interest Rate	<p>The Default Interest Rate payable is captured under the definition of 'Rate of Return' under the Debenture Trust Deed.</p> <p>At any time on or after the occurrence of an Event of Default 23.20%. In the event of a Milestone Breach, or the occurrence of a Trigger Event, a rate of 2% over and above the Rate of Return, subject to a maximum rate of 23.20%.</p> <p>In the case of a delay in the execution of the Debenture Trust Deed, without prejudice to any liability arising on account of violation of the provisions of the SEBI Act and the SEBI NCS Regulations, the Issuer also pay interest of at least 2% p.a. (two percent per annum) or such other rate, as specified by SEBI to the Debenture Holders, over and above the Coupon Rate, till the execution of the Debenture Trust Deed.</p>

23.	Additional Default Interest Rate	<p>Without prejudice to the other rights of the Debenture Trustee</p> <p>a) In case of default of payment of interest and / or principal redemption on the due date, additional interest @ 5% p.a. over the coupon rate will be payable by the Issuer from the date of the occurrence of such default until the default is cured or the Debentures are redeemed pursuant to such default, as applicable;</p> <p>b) In case of delay in listing of the debt securities beyond 4 days from the Deemed Date of Allotment, the Issuer will pay additional interest @ 1% p.a. over the coupon rate from the Deemed Date of Allotment till due listing of such MLDs</p>
24.	Tenor	60 Months
25.	Redemption Date	<ul style="list-style-type: none"> • December 31, 2023 • June 30, 2024 • December 31, 2024 • June 30, 2025 • December 31, 2025 • June 30, 2026 • December 31, 2026 • Final Redemption Date April 29, 2027
26.	Redemption Amount	as set out in Schedule 12 of the Debenture Trust Deed
27.	Redemption Premium	<p>On any date in respect of any Debenture, an amount which would result in an annualised internal rate of return on the nominal value of that Debenture being equal to the Rate of Return from the Deemed Date of Allotment for that Debenture to that date as calculated using the Excel Spreadsheet “XIRR” function and taking into account the principal amount and accrued Coupon and Premium already paid in respect of that Debenture prior to that date, but without taking into account any amounts paid or payable as Advance Coupon, Overdue Interest (if any), any gross-up amounts, costs, fees, expenses, reimbursements, indemnities, or any other amounts payable by the Obligors (x) pursuant to the Finance Documents to the Secured Parties or (y) otherwise to any third party consultants or advisors.</p> <p>Rate of Return means at any time prior to the occurrence of an Event of Default, 18.20%; and at any time on or after the occurrence of an Event of Default 23.20%.</p> <p>In the event of a Milestone Breach, or the occurrence of a Trigger Event, a rate of 2% over and above the Rate of Return, subject to a maximum rate of 23.20%.</p>
28.	Issue Price	10,00,000 per Debenture, aggregating to INR

		1130,00,00,000
29.	Discount at which security is issued and the effective yield as a result of such discount.	Not applicable
30.	Put Date	Not applicable
31.	Put Price	Not applicable
32.	Call Date	Not applicable
33.	Call Price	Not applicable
34.	Put Notification Time (Timelines by which the investor need to intimate Issuer before exercising the put)	Not applicable
35.	Call Notification Time (Timelines by which the Issuer need to intimate investor before exercising the call)	Not applicable
36.	Mandatory redemption event	<ul style="list-style-type: none"> • an Excess Cash Event; • an Illegality – Mandatory Redemption Event; • any Change of Control; • the receipt of Insurance Proceeds by any Obligor; • the receipt of Disposal Proceeds by any Obligor; • the receipt of Expropriation Proceeds by any Obligor; and • an Acceleration Event.
37.	Face Value	10,00,000/- per Debenture
38.	Minimum Application and in multiples of thereafter	1 Debenture and in multiples of 1 thereafter
39.	Issue Timing	Issue Opening Date: [April 28 th , 2022] Issue Closing Date: [April 28 th , 2022] Pay in Date: [April 29 th , 2022] Deemed Date of Allotment: [April 29 th , 2022]
40.	Date of earliest closing of the Issue, if any	[April 28 th , 2022]
41.	Settlement mode of the Instrument	Dematerialised form only
42.	Depository	National Securities Depositories Limited
43.	Disclosure of Coupon / redemption dates	Coupon payment dates: <ul style="list-style-type: none"> • 31st March 2023 • 31st March 2024 • 31st March 2025 • 31st March 2026 • 31st March 2027 • Final Redemption Date Redemption Dates: <ul style="list-style-type: none"> • December 31, 2023 • June 30, 2024

		<ul style="list-style-type: none"> • December 31, 2024 • June 30, 2025 • December 31, 2025 • June 30, 2026 • December 31, 2026 • Final Redemption Date April 29, 2027
44.	Record date	<p>Date falling 15 days prior to the due date on which that payment is to be paid by the Company to the Debenture Holders.</p> <p>Payment to investors- Pro-rata</p>
45.	All covenants of the issue (including side letters, accelerated payment clause, etc.)	<p>Refer to Schedule 7 of the Debenture Trust Deed for customary undertakings for a financing of this nature including but not limited to:</p> <ul style="list-style-type: none"> • The obligors shall not raise any secured/ unsecured loans, financing or borrowings against any of the Secured Assets without prior written consent of the investor. • The definitive agreements shall also set out the terms and conditions in relation to operating bank accounts of the obligors in relation to the Secured Assets only. • Cross-default with any other financial indebtedness of the Obligors. • New security acceptable to the investor, to be provided by Company / obligors / promoter, if LTV goes above 50%, i.e. cover falls below 2x. • Refer to the definition of Milestones, and Schedule 15 of the Debenture Trust Deed for performance covenants including sales and construction milestones, other approval and development related milestones. • No Obligors shall not enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to sell, lease, transfer or otherwise dispose of any of its assets without the prior written consent of the investors. • The Obligors shall not create or permit to subsist any Encumbrance over any of its assets without the prior written consent of the investors. • The investors shall have the right to appoint a Nominee Director on the Board of any Obligors at any time until the Final Settlement Date.
46.	Debenture Trustee's diligence	<p>The Company shall furnish the following to the Debenture Trustee:</p> <p>(a) such information in relation to the Secured Assets that the Debenture Trustee may reasonably request (in a format which shall be provided by the Debenture Trustee from time to time) for the purpose of quarterly diligence by the Debenture Trustee to monitor the security coverage ratio and</p>

		<p>shall also submit to the Debenture Trustee a certificate from the director/ managing director of the Company on half-yearly basis, certifying the value of the identified receivables as agreed in the Finance Documents;</p> <p>(b) all information/ documents required to be submitted to the Debenture Trustee, to enable it to carry out the due diligence in terms of SEBI 03 November Circular; and necessary reports / certificates to the stock exchanges / SEBI and make the necessary disclosures on its website, in terms of the SEBI circular dated 12 November 2020 and bearing number SEBI/ HO/ MIRSD/ CRADT/ CIR/ P/ 2020/230.</p> <p>(c) The Company shall create the security set out in this Deed above prior to listing application of any Debentures. Further, the charge created by Company shall be registered with Sub-registrar, Registrar of Companies, CERSAI, Depository etc., as applicable, within 30 days of creation of such charge. In case the charge is not registered anywhere or is not independently verifiable, then the same shall be considered a breach of covenants/ terms of the issue by the Company.</p> <p>(d) The Company shall promptly disclose and furnish to the Debenture Trustee, all documents/ information about or in relation to the Company or any of the Obligor or the Debentures, as requested by the Debenture Trustee to fulfill its obligations hereunder or to comply with any Applicable Law, including in relation to filing of its reports/ certification to stock exchange within the timelines prescribed under Applicable Law.</p> <p>(e) Due diligence on continuous basis</p> <p>(i) The Debenture Trustee shall carry out due diligence on continuous basis to ensure compliance by the Company, with the provisions of the Companies Act, SEBI LODR Regulations, SEBI NCS Regulations, SEBI (Debenture Trustee) Regulations, 1993, the listing agreement of the stock exchange(s) where the Listed Debentures are listed, this Deed and any other regulations issued by SEBI pertaining to debt issuance.</p> <p>(ii) For the purpose of carrying out the due diligence as required in terms of the SEBI Debenture Circulars, the Debenture Trustee, either through itself or its agents /advisors/consultants, shall have the power to examine the books of account of the Company and to have the Company's assets inspected by its officers and/or external auditors/ valuers/ consultants/</p>
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		<p>lawyers/ technical experts/ management consultants appointed by the Debenture Trustee.</p> <p>(iii) The Company shall promptly disclose and furnish to the Debenture Trustee, all documents/ information about or in relation to the Company or the Debentures, as requested by the Debenture Trustee to fulfill its obligations hereunder or to comply with any Applicable Law, including in relation to filing of its reports/ certification to stock exchange within the prescribed timelines.</p> <p>(iv) The Company shall submit documents/ information as the Debenture Trustee may require to conduct continuous and periodical due diligence and monitoring of Security created/assets on which security interest/ charge is created, which shall, <i>inter alia</i>, include –</p> <p>(A) periodical status/ performance reports from the Company within 7 days of the relevant board meeting of the Company or within 45 days of the respective quarter, whichever is earlier;</p> <p>(B) details with respect to defaults, if any, with regard to payment of interest or redemption of Debentures;</p> <p>(C) details with respect to the implementation of the conditions regarding creation of Security for the Debentures, debenture redemption reserve and Recovery Expense Fund;</p> <p>(D) details with respect to the assets of the Company and of the guarantors, if any, to ensure that they are sufficient to discharge the interest and principal amount at all times and that such assets are free from any other encumbrances except those which are specifically agreed to by the debenture holders;</p> <p>(E) reports on the utilization of funds raised by the issue of Debentures;</p> <p>(F) details with respect to conversion or redemption of the Debentures;</p> <p>(G) details with respect to dispatch of the debenture certificates and interest warrants, credit of the debentures in the demat account of the debenture holders and payment</p>
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		<p>of monies upon redemption of Debentures to the debenture holders due to them within the stipulated time period in accordance with the Applicable Law;</p> <p>(H) reports from the lead bank regarding the progress of the project;</p> <p>(I) details regarding monitoring of utilisation of funds raised in the issue of Debentures;</p> <p>(J) certificate from the statutory auditors of the Company:</p> <ol style="list-style-type: none"> (1) in respect of utilisation of funds during the implementation period of the project; and (2) in the case of debentures issued for financing working capital, at the end of each accounting year. <p>(K) such other documents or information as may be required by the Debenture Trustee in accordance with the Applicable Law.</p> <p>(v) The Company shall –</p> <ol style="list-style-type: none"> (A) provide such documents/information and assistance to the Debenture Trustee as required by the Debenture Trustee to carry out the necessary due diligence and monitor the asset cover on a quarterly basis in the manner as may be specified by SEBI from time to time; (B) submit a certificate from the statutory auditor on a half-yearly basis, giving the value of receivables/book debts, and maintenance of asset cover as per the terms of Offer Document/ Information Memorandum and/or this Deed including compliance with the covenants of the Offer Document/Information Memorandum in the manner as may be specified by the Board from time to time. <p>(vi) The Company shall submit the following reports/ certification to the Debenture Trustee within the timelines mentioned</p>
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below:		
Reports/Certificates	Timelines for submission Requirements to Debenture Trustee	TimeLine for submission of reports/ certifications by Debenture Trustee
Asset cover certificate	Quarterly basis within 30 days from end of each quarter or within such timelines as prescribed under Applicable Law	Quarterly basis within 60 days from end of each quarter or within such timelines as prescribed under Applicable Law
A statement of value of pledged securities		
A statement of value for debt service reserve account or any other form of security offered		
Net worth certificate of guarantor (secured by way of personal guarantee)	Half yearly basis within 30 days from end of each half-year or within such timelines as prescribed under Applicable Law	Half yearly basis within 60 days from end of each half-year or within such timelines as prescribed under Applicable Law.
Financials/value of guarantor prepared on basis of audited financial statement etc. of the guarantor (secured by way of corporate guarantee)	Annual basis within 45 days from end of each financial year or within such timelines as prescribed under Applicable Law.	Annual basis within 75 days from end of each financial year or within such timelines as prescribed under Applicable Law.

		Valuation report and title search report for the immovable/movable assets, as applicable		
		<p>(vii) The Debenture Trustee may at any time through its authorised representatives and agents, inspect books of account, records, registers of Company and the trust property to the extent necessary for discharging its obligations and the Company shall provide full and unimpeded access to the records, registers and books of accounts and facilitate in the inspection and due diligence process. Any fees, costs expenses incurred in conducting such inspection/due diligence process shall be fully borne by the Company. In the event, any fees, costs expenses are borne by the Debenture Trustee, it shall be reimbursed forthwith by the Company upon request.”</p> <p>(f) Forensic Audit In case of initiation of forensic audit (by whatever name called) in respect of the Company, the Company shall provide following information and make requisite disclosures to the stock exchanges:</p> <p>(i) the fact of initiation of forensic audit along-with name of entity initiating the audit and reasons for the same, if available; and</p> <p>(ii) final forensic audit report (other than for forensic audit initiated by regulatory / enforcement agencies) on receipt by the Company along with comments of the management, if any.</p> <p>(g) The Company shall provide intimation regarding:</p> <p>(i) any default in timely payment of interest or redemption or both in respect of the non-convertible debt securities; and</p> <p>(ii) all covenants of the issue (including side letters, Event of Default clause, etc).</p>		
47.	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	The following Security is required to be created in line with the timelines provided in the Debenture Trust Deed:		
		(a) a first-ranking mortgage and charge over the Mortgaged Properties in favour of the Debenture Trustee, in accordance with the terms of the relevant Mortgage Documents within 2 Business Days from the Pay-in Date, except for the charge to be created over the Chand Cinema Property which is to be created within 30 days from the Pay-in		

	cover, revaluation, replacement of security interest to the debenture holder over and above the coupon rate as specified in the Debenture Trust Deed and disclosed in the Information Memorandum	<p>Date;</p> <p>(b) a first-ranking charge by way of hypothecation over the Hypothecated Properties in favour of the Debenture Trustee, in accordance with the terms of the Deed of Hypothecation;</p> <p>(c) a first-ranking pledge over 100% of the equity share capital of each Obligor (other than the Company and the Personal Guarantors), on a fully diluted basis, in favour of the Debenture Trustee in accordance with the terms of the Share Pledge Agreement within 5 Business Days from the Pay-in Date;</p> <p>(d) irrevocable and unconditional demand guarantees from each Guarantor in favour of the Debenture Trustee, in accordance with the terms of the Deed of Guarantee;</p> <p>(e) irrevocable and unconditional demand guarantees from each of the Personal Guarantors in favour of the Debenture Trustee, in accordance with the terms of the Personal Guarantee;</p> <p>(f) any post-dated cheques which may be issued by the Personal Guarantors for the Secured Obligations as required by the Debenture Trustee; and</p> <p>(g) a first-ranking charge over such other assets of the Group as may be required by the Debenture Trustee in writing.</p> <p>The list of immovable properties being mortgaged are provided in Annexure, and are more particularly described in Schedule 16 of the Debenture Trust Deed.</p>
48.	Finance Documents	<ul style="list-style-type: none"> • Debenture Trust Deed; • the Debenture Trustee Agreement; • the Disclosure Documents; • the Personal Guarantee; • the Deed of Guarantee; • the Accounts Agreement; • each Mortgage Document; • the Deed of Hypothecation and the related powers of attorney; • each Share Pledge Agreement and the related powers of attorney; • each Disposal Power of Attorney; • the Disclosure Letter; • the Subordination Deed; • the Commitment Fee Letter; • the Accounts Confirmation Letter; and • any other document that may be designated as a Finance Document by the Debenture Trustee and the Company.
49.	Conditions Precedent to Disbursement	Refer to Schedule 3 of the Debenture Trust Deed
50.	Condition Subsequent to Disbursement	Refer to Schedule 5 of the Debenture Trust Deed

51.	Event of Default (including manner of voting /conditions of joining Inter Creditor Agreement)	Refer to Schedule 8 of the Debenture Trust Deed
52.	Creation of recovery expense fund	<p>The Company shall create and maintain the Recovery Expense Fund in relation to the Listed Debentures up to the amounts prescribed under the SEBI REF Circular, in accordance with and within the timelines prescribed in the SEBI REF Circular.</p> <p>SEBI REF Circular means the circular no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/207 dated 22 October 2020 on ‘Contribution by Issuers of listed or proposed to be listed debt securities towards creation of ‘Recovery Expense Fund’ issued by SEBI.</p>
53.	Conditions for breach of covenants (as specified in Debenture Trust Deed)	Breach of any covenant under the Debenture Trust Deed is an Event of Default. Refer to paragraph 3 of Schedule 8 of the Debenture Trust Deed
54.	Provisions related to Cross Default Clause	Refer to paragraph 5 of Schedule 8 of the Debenture Trust Deed
55.	Role and Responsibilities of Debenture Trustee	The Issuer has appointed Catalyst Trusteeship Limited registered with SEBI, as Debenture Trustee for the benefit of Debenture Holders (hereinafter referred to as “ Debenture Trustee ”). The Debenture Trustee has given its consent to the Issuer for its appointment and has entered into a Debenture Trustee Appointment Agreement with the Issuer. The Issuer has entered into the Debenture Trust Deed, <i>inter alia</i> , specifying the terms and conditions of the Debentures and the powers, authorities and obligations of the Issuer and the Debenture Trustee in respect of the Debentures.
56.	Risk factors pertaining to the Issue	As set out in this Information Memorandum
57.	Governing Law and Jurisdiction	In any proceedings in relation to any Finance Documents, the choice of Indian law as the governing law of the Finance Documents and any judgment obtained in India will be recognised and enforced.

Notes:

- (a) *If there is any change in Coupon Rate pursuant to any event including lapse of certain time period or downgrade in rating, then such new Coupon Rate and events which lead to such change should be disclosed.*
- (b) *The list of documents which has been executed in connection with the issue and subscription of the Debentures shall be annexed.*
- (c) *While the debt securities are secured to the tune of 100% of the principal and interest amount or as per the terms of this Information Memorandum, in favour of Debenture Trustee, it is the duty of the Debenture Trustee to monitor that the security is maintained.*

- (d) *The Issuer shall provide granular disclosures in their placement memorandum, with regards to the "Object of the Issue" including the percentage of the issue proceeds earmarked for each of the "object of the issue".*