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**DEWAN HOUSING FINANCE CORPORATION LIMITED**

Corporate identity number (CIN) - L65910MH1984PLC032639

(Originally Incorporated as "Dewan Housing Finance & Leasing Company Ltd." on 11<sup>th</sup> April 1984 under the Companies Act, 1956. The name was subsequently changed to "Dewan Housing Development Finance Ltd." on the 26<sup>th</sup> September 1984 and later to "Dewan Housing Finance Corporation Ltd." on 25<sup>th</sup> August 1992.)

**Registered Office:** Warden House, Sir P M Road, Fort, Mumbai - 400 001;

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**Corporate Office:** "TCG Financial Centre", 10th Floor, BKC Road, Bandra Kurla Complex, Bandra (E),  
Mumbai -400098;

Tel: 022-66006999; Fax: 022-66006998; E-mail: [info@dhfl.com](mailto:info@dhfl.com); Website: [www.dhfl.com](http://www.dhfl.com)

**TERM SHEET**

**(Addendum to disclosure document dated 24.07.2017)**

Issuer	Dewan Housing Finance Corporation Limited (the "Issuer / DHFL/Company")
Series	Series 21
Instrument	Secured Non-Convertible Redeemable Bonds in the nature of Debentures
Nature of Instrument	Secured
Amount	Rs 100 Crores (Rupees One Hundred Crores Only)
Option to retain oversubscription (Amount )	Greenshoe option of Rs. 100 Crores (Rupees One Hundred Crores Only)
Mode of Issue	Private placement
Objects of the Issue	For the purpose of onward lending, financing and repayment/prepayment of principal and interest of existing borrowings and/or General Corporate Purposes
Rating of the Instrument	CARE AAA by CARE
Tenor	3 Years and 1 Month
Put / Call Option	None
Coupon Rate	7.6995% p.a. (Compounded Annually & Payable at maturity such that XIRR is 7.70%)
Redemption Date	August 26, 2020
Step up/ Step Down in Coupon Rate	Not Applicable
Interest Payment Frequency	At Maturity

Face Value	Rs 10 lakh per NCD
Day Count Basis	Actual/ Actual
Issue & Redemption Price	At Par
Security	<p>First Paripassu charge on the business assets including receivables , investments and assets of the Company with minimum asset cover of 1.10 times at all times.</p> <p>Also secured by a pari-passu charge over an immovable property.</p> <p>The Receivables to be charged are the current and future receivables of the Company. The value of receivables is determined based on the net exposure outstanding and be reviewed on a quarterly basis. The value of receivables is determined based on the net exposure outstanding with a minimum asset cover ratio of 1.10 times at all times</p> <p>The company shall execute the Debenture Trust Deed and create charge within 3 months or any other extended period given by the debenture trustee/regulatory authorities from the issue closure date. In case of delay in execution of trust deed and creation of charge, the company will refund the subscription with agreed rate of interest, or will pay penal interest of 2% p.a. over the coupon rate till these conditions are complied with at the option of the investors.</p>
Holiday Convention	<p>If any interest payment date is not a Business Day in Mumbai , interest will be payable on the next Business day in Mumbai which shall be the interest payment date.</p> <p>If any Principal payment date is not a Business Day in Mumbai, principal will be payable on the previous Business day in Mumbai which shall be the principal payment date. Business Day means a day which is not a Saturday, Sunday or a public holiday and on a day when there is RTGS/NEFT/ECS clearing facility in Mumbai</p>
Issue opening date	July 26, 2017
Closing Date	July 26, 2017
Pay in date	July 26, 2017
Deemed Date of Allotment	July 26, 2017
Interest on Application Money	At Coupon rate, i.e., 7.6995% p.a.
Form of issuance	Demat only
Letter of Allotment	The Issuer should ensure the Demat Credit is issued to investors within 2 working days from the deemed date of allotment of the NCDs.
Documentation	After receiving the in-principle approval from investors the company should ensure that all the consents and resolution required to issue the NCDs are in place.

	<p>The Issuer should also ensure that any and all regulations pertaining to this are complied with.</p> <p>Main documents:</p> <ol style="list-style-type: none"> <li>1. Annual Reports for the last three years</li> <li>2. Shelf Disclosure Document / Private Placement Offer Letter (complying with SEBI guidelines and Companies Act, 2013) and certified by the Issuer</li> <li>3. Trustees ' consent letter</li> <li>4. Rating letter and rationale (Rating letter not older than 1 month)</li> <li>5. In-principle letter from stock exchange to list the NCDs</li> <li>6. Board resolution</li> <li>7. Shareholders ' resolution under Section 42 of Companies Act, 2013</li> </ol>
Trustees	<p>Catalyst Trusteeship Ltd. (formerly GDA Trusteeship Ltd).</p> <p>The Company shall enter into a Trustee Agreement / Trust Deed , inter-alia specifying the powers , authorities and obligations of the Company and the Trustees in respect of the Debentures</p>
Role and Responsibilities of Debenture Trustee	<p>The Company will enter into a Trustee Agreement/Trust Deed, inter-alia, specifying the powers, authorities and obligations of the Company and the Trustees in respect of the Debentures.</p>
Listing	<p>National Stock Exchange (NSE)</p> <p>NCDs will be listed within 20 days from deemed date of allotment on WDM segment</p> <p>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 2% pa over the coupon rate from the expiry of 30 days from the deemed date of allotment till the date of listing</p>
Default Interest Rate	<p>2% pa over the coupon rate will be payable by the Company over the defaulting period</p>
Covenants	<p>Customary covenants as described in the Transaction Documents.</p> <p>Specific covenants:</p> <ul style="list-style-type: none"> <li>• Promoters to maintain 26% equity share holding and also maintain Control in the Issuer throughout the tenor of NCDs. For the purpose of this clause 'Control' means: <ol style="list-style-type: none"> <li>(i) the right to appoint majority of the directors; and</li> <li>(ii) to control the management or policy decisions;</li> </ol> exercisable by a person or persons acting individually or in concert, directly or indirectly, including by virtue of their shareholding or management rights or shareholders agreements or voting agreements or in any other manner. </li> </ul>

	<p>Provided that a director or officer of a target company shall not be considered to be in control over such target company, merely by virtue of holding such position.</p>
Early Redemption Event	<p>On Assignment/Downgrade of credit rating to A+ or below by any Rating Agency (CRISIL/ICRA/India Ratings/CARE/Brickwork) for NCDs., the Investor shall have an option for an early redemption of NCDs.</p>
Events of Default	<ul style="list-style-type: none"> <li>• The Company is unable to or has admitted in writing its inability to pay its debt as they mature</li> <li>• Delay/Default in payment of any amount due on agreed payment dates from the issuer to the investor</li> <li>• Cross default with any other financial indebtedness of the Issuer;</li> <li>• Any Material Adverse Effect</li> <li>• All other events of default customary to the deal of this nature</li> <li>• Default is committed in the performance or observance of any covenant, condition or provision contained in these presents and/or the financial Covenants and Conditions (other than the obligation to pay principal and interest) and, except where the Trustees certify that such default is in their opinion incapable of remedy (in which case no notice shall be required), such default continues for 30 days after written notice has been given thereof by the Trustees to the Company requiring the same to be remedied <ul style="list-style-type: none"> <li>• Any information given by the company in its applications to the Debenture holders, in the reports and other information furnished by the Company and the warranties given/deemed to have been given by it to the Debenture holders/trustees is misleading or incorrect in any material respect.</li> <li>• Breach of any of the covenants including financial covenants</li> <li>• Failure to maintain Security Cover of 1.1 times at all times during the currency of NCDs.</li> <li>• A receiver or a liquidator has been appointed or allowed to be appointed of all or any part of the undertaking of the Company and such appointment is not dismissed within 60 days of appointment. The Company ceases to carry on its business.</li> <li>• If Issuer does not redeem the NCDs within 30 calendar days from receipt of early redemption notice subsequent to Early Redemption Event.</li> </ul> </li> </ul> <p><b><u>Consequences of Events of Default</u></b></p> <p>Upon the happening of any Event of Default all outstanding amounts on the Instrument shall stand accelerated and the Debenture Trustee will, at the request of the investor, give notice (unless instructed otherwise by the Investors in writing) to the Issuer to pay the outstanding amounts within seven Business Days of the happening of any Event of Default. If the Issuer fails to make such payments, the Debentures Trustee shall be entitled to enforce the security (in accordance with the terms of the Transaction Documents). In case of non receipt of monies, from the Issuer, which is adequate to make payment of the outstanding amount, the Debenture Trustee will enforce the Security (unless instructed otherwise by the Investors in writing) and the proceeds from the enforcement of such Security will be appropriated by the Debenture Trustee towards the payment of outstanding amount to the Investors, in terms of the Transaction Documents and the balance if any shall be returned to the Issuer</p>
Jurisdiction	Courts of Mumbai, India

Terms and Conditions, covenants, Early Redemption Event, if any	As per term sheet. In case of any conflict among Transaction Documents, provisions of term sheet shall prevail.
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**Illustrative Cash Flows**

<b>Cash Flows</b>	<b>Date</b>	<b>No. of days in Coupon Period</b>	<b>Amount (Rs)</b>
Coupon	Wednesday, 26 <sup>th</sup> August 2020	1127	2,57,395
Principal	Wednesday, 26 <sup>th</sup> August 2020		10,00,000
<b>Total</b>			<b>12,57,395</b>

for **Dewan Housing Finance Corporation Limited**

Sd/-

P. K. Kumar- Sr. Chief Manager Secretarial  
Place: Mumbai

Date : July 24, 2017