

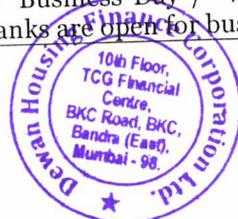
Date: September 26, 2017

Term Sheet

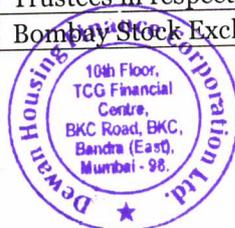
Issuer	Dewan Housing Finance Corporation Limited (the "Issuer / DHFL/Company")
Instrument	Secured Redeemable Rated Listed Partly Paid Non-Convertible Bonds in the nature of Debentures (NCD)
Nature of Instrument	Secured
Amount	Rs. 500 Crores (Rupees Five Hundred Crores Only)
Option to retain oversubscription (Amount)	Greenshoe option of Rs. 500 Crores (Rupees Five Hundred Crores Only)
Mode of Issue	Private Placement
Eligible Investors	<ul style="list-style-type: none"> • Scheduled Commercial Banks; • Financial Institutions; • Insurance Companies; • Primary/ State/ District/ Central Co-operative Banks (subject to permission from RBI); • Regional Rural Banks; • Mutual Funds; • Foreign Institutional Investors (FIIs);/Foreign Portfolio Investors • Companies, Bodies Corporate authorized to invest in Debentures; • Provident Funds, Gratuity, Superannuation & Pension Funds, subject to their Investment guidelines; • Trusts; or <p>Any other investor category eligible to invest subject to current applicable rules, act, laws etc.</p>
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; Stable by CARE Ratings & BWR AAA; Stable by Brickwork Ratings
Tenor	1094 Days
Put Option	Put option at the end of 1 Year 1 Day from Deemed date of Allotment Company to fully redeem the Instrument at the Put Option Price
Put Option Date	Friday 28 th September 2018
Put Option Price	Rs. 50,000 per NCD
Put Option Notification Date	<ul style="list-style-type: none"> ○ Friday 14th September 2018 (15 Calendar Days before the Put Option Date). ○ In case Put Notification Date is designated as a Holiday, immediately succeeding date
Call Option	NA
Coupon Rate	7.25% p.a. (Payable Annually)
Step up in Coupon Rate	Coupon Rate to be stepped up to 7.55% p.a. in 2 nd Year (at the end of 1 Year & 1 Day) & 3 rd Year from the Deemed Date of Allotment



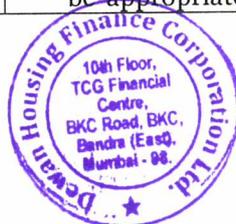

Step Down in Coupon Rate	Not Applicable
Coupon Payment Frequency	Annually & At Maturity
Coupon Payment Period	<ul style="list-style-type: none"> ○ On the Initial Subscription Amount, first Coupon Payment Period to be calculated from the Deemed Date Of Allotment to the next Coupon Payment Date and subsequent coupon payment periods from the previous Coupon Payment Date to the next Coupon Payment Date ○ On the Additional Subscription Amount, first Coupon Payment Period to be calculated from Additional Subscription Date to the next Coupon Payment Date and subsequent coupon payment periods to be calculated from the previous Coupon Payment Date to the next Coupon Payment Date
Coupon Payment Dates	As per appended Cash Flows
Redemption Date	September 25, 2020
Face Value	Rs 10 lakh per NCD
Day Count Basis	Actual/ Actual
Issue & Redemption Price	At Par
Initial Subscription Amount	5% of Face Value of Debentures i.e. Rs. 50,000 per NCD
Additional Subscription Amount	95% of Face Value of Debentures i.e. Rs. 9,50,000 per NCD payable on Additional Subscription Date However, the Investors will not be required to pay the Additional Subscription Amount if any of the following events have occurred or are subsisting: <ul style="list-style-type: none"> a) Occurrence of Event of Default; or b) Put Option being exercised by the Investor(s)
Additional Subscription Amount Payment Date	28 th September 2018 If Additional subscription date falls on a holiday, the next business day will be considered as Additional Subscription Amount Payment Date
Security	<ul style="list-style-type: none"> • First Pari-passu charge on the business assets including receivables, Investments and assets of the Company with minimum asset cover of 1.10 times over Principal & Coupon at all times. • Secured by a pari-passu charge over an immovable property. • 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 with a minimum asset cover ratio of 1.10 times at all times • 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 Amount with accrued Coupon, or will pay penal interest of 2% p.a. over & above the Coupon Rate till these conditions are complied with, at the option of the investors.
Holiday Convention	A "Business Day"/ "Working Day" shall be a day on which commercial banks are open for business in the city of Mumbai.

	<p>If any Coupon Payment Date (except Coupon falling due on the Redemption Date) falls on a day that is not a Business Day, the payment shall be made by the Issuer on the immediately succeeding Business Day and the interest amount will be the interest accrued on the NCDs until but excluding the Coupon Payment Date originally stipulated. However, the next interest period will continue to commence from the Coupon Payment Dates original stipulated.</p> <p>If the Redemption Date (also being the last Coupon Payment Date) of the NCDs falls on a day that is not a Business Day, the redemption proceeds shall be paid by the Issuer on the immediately preceding Business Day.</p> <p>In the event the Record Date falls on a day which is not a Business Day, the immediately preceding Business Day will be considered as the Record Date.</p>
Issue opening date	September 27, 2017
Closing Date	September 27, 2017
Pay in date	September 27, 2017
Deemed Date of Allotment	September 27, 2017
Interest on Application Money	At Coupon rate, i.e., 7.25% p.a.
Record Date	15 days prior to each Coupon Payment / Redemption date
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	<p>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. 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"> 1. Annual Reports for the last three years 2. Shelf Disclosure Document / Private Placement Offer Letter (complying with SEBI guidelines and Companies Act, 2013) and certified by the Issuer 3. Trustees ' consent letter 4. Rating letter and rationale (Rating letter not older than 1 month) 5. In-principle letter from stock exchange to list the NCDs 6. Board resolution 7. Shareholders ' resolution under Section 42 of Companies Act, 2013
Trustees	Catalyst Trusteeship Ltd. (formerly GDA Trusteeship Ltd).
Role and Responsibilities of Debenture Trustee	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.
Listing	Bombay Stock Exchange (BSE)

	<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> <p>In case of FII/ FPI, listing is to be done in 15 days from the deemed date of allotment. In case listing is not done in 15 days from issue, company shall buy back the debentures at par</p>
Default Interest Rate	2% pa over & above the Coupon Rate will be payable by the Company until the default has been waived, in writing, by 66.7% majority Investors or the Instrument has been redeemed in full
Events of Default	<ul style="list-style-type: none"> ○ Withdrawal or Suspension of the Rating of the Instrument ○ The Company is unable to, or has admitted in writing its inability to pay its debt as and when due ○ Delay/Default in payment of any amount due on agreed payment dates from the Issuer to the investor ○ Cross default with any other financial indebtedness of the Issuer; ○ Any Material Adverse Effect ○ All other Events Of Default customary to deals of this nature ○ 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 ○ Failure to maintain Security Cover of 1.10 times on Principal & Coupon at all times during the currency of NCDs ○ 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. <p>Consequences of Events of Default</p> <ul style="list-style-type: none"> ○ Default Interest Rate will be applicable ○ 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.
Jurisdiction	Courts of Mumbai, India
Terms and Conditions	As per term sheet. In case of any conflict among Transaction Documents, provisions of term sheet shall prevail.

Illustrative Cash Flows per Debenture

A. In Case Put Option is Exercised

Cash Flows Per Debenture	Date	Applicable Coupon Rate	No. of days in Coupon Period	Amount (Rs.)
Deemed Date of Allotment	Wednesday September 27, 2017		-	(50,000)
Coupon Payment Date	Thursday, September 27, 2018	7.25%	365	3,625
Coupon Payment Date	Friday, September 28, 2018	7.25%	1	10
Principal	Friday, September 28, 2018	-	-	50,000

B. In Case Put Option is not exercised

Cash Flows Per Debenture	Date	Applicable Coupon Rate	No. of days in Coupon Period	Amount (Rs.)
Deemed Date of Allotment	Wednesday September 27, 2017		-	(50,000)
Coupon Payment Date	Thursday, September 27, 2018	7.25%	365	3,625
Coupon Payment Date	Friday, September 28, 2018	7.25%	1	10
Balance Subscription Amount Payment	Friday, September 28, 2018			(9,50,000)
Coupon Payment Date	Friday, September 27, 2019	7.55%	364	75,293
Coupon Payment Date	Friday, September 25, 2020	7.55%	364	75,087
Principal	Friday, September 25, 2020		-	10,00,000

For Dewan Housing Finance Corporation Ltd



Authorized Signatory



Dewan Housing Finance Corporation Ltd.

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