

## Term Sheet

1.	Issuer	The Tata Power Company Limited (TPCL)
2.	Security Name	TPCL_Unsecured Debentures_Apr 2020
3.	Sole Arranger	HDFC Bank Limited
4.	Seniority	Senior
5.	Instrument	Unsecured, Redeemable, Rated, Listed, Taxable, Non-Convertible Debentures (NCDs / Debentures)
6.	Mode of Placement	Private placement basis to all Eligible Investors
7.	Mode of Issue	Private placement under the electronic book mechanism of NSE
8.	Purpose/ Details of the utilization of the Proceeds	The Issuer shall utilise the proceeds of the Issue for <i>bona fide</i> purposes in the normal course of business of the Issuer. However, the Issuer shall not use the issue proceeds towards investment in capital markets and real estate and any other purposes ineligible for bank finance by the RBI.
9.	Issue Amount	Rs. 1000 Crores (plus green shoe option of upto Rs.2,000 crores)
10.	Option to retain oversubscription amount	Green shoe option of upto Rs.2,000 crores to retain oversubscription
11.	Face Value	Rs.10,00,000/- (Rupees Ten Lakhs Only)
12.	Tenor	2 years and 364 days
13.	Greenshoe Amount	Rs. 2,000 Crores
14.	Coupon Rate	The Coupon Rate for the Debentures shall be the sum of the Benchmark Rate and the Spread. The initial Coupon Rate would be: Benchmark Rate of 4.40% + Spread of 3.20% = 7.60% p.a
15.	Benchmark Rate	Benchmark Rate is the policy Repo Rate as announced by the RBI from time to time which is currently 4.40% p.a.
16.	Benchmark Frequency Reset	Monthly, on the 10th of every month. To clarify, if the Repo Rate is changed announced by RBI on 15th day of a particular month, the interest in that month will be calculated on the previous / old Repo Rate till 10th of the next month, the revised rate will come into effect from 11th of that month)
17.	Spread	The Spread is 3.20% per annum. The Spread will be fixed over the

		tenure of the NCDs
18.	Step Up/Step Down Coupon Rate	(a) 25 bps increase in Coupon Rate upon every notch rating downgrade of the Debentures by India Ratings.  (b) 25 bps decrease in Coupon Rate upon every notch rating upgrade of the Debentures by India Ratings.
19.	Final Redemption Date	2 years and 364 days from the Deemed Date of Allotment which is April 28, 2023
20.	Coupon Type	Floating
21.	Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc).	Coupon Rate: The Coupon Rate will be reset basis the Benchmark since the Spread will remain fixed for the entire tenor of the Debentures. The Benchmark will be reset on the 10th of every month. To clarify, if the Repo Rate is changed announced by RBI on 15th day of a particular month, the interest in that month will be calculated on the previous / old Repo Rate till 10th of the next month, the revised rate will come into effect from 11th of that month)  The Spread is fixed at 3.20% per annum  Further:  (a) 25 bps increase in Coupon Rate upon every notch rating downgrade of the Debentures by India Ratings.  (b) 25 bps decrease in Coupon Rate upon every notch rating upgrade of the Debentures by India Ratings.
22.	Coupon Payment Frequency	First Coupon Payment on April 29, 2021, then on April 29, 2022 and then April 28, 2023



23.	Coupon Payment Dates	April 29, 2021 April 29, 2022 April 28, 2023
24.	Redemption Date	April 28, 2023
25.	Redemption Amount	Rs 10,00,000 per Debenture
26.	Redemption Premium/ Discount	Not Applicable
27.	Put/Call Option	Not Applicable
28.	Put / Call Notification time	Not Applicable
29.	Put Date/ Call Date	Not Applicable
30.	Put Price/ Call Price	Not Applicable
31.	Minimum Application	One Debenture of Rs 10,00,000/-



32.	Security	Unsecured
33.	Credit Rating	'IND AA/Stable by India Ratings'
34.	Credit Covenants Rating	<p>If the credit rating of Debentures is downgraded to A- or below, each Debentureholder shall have an option to require the Issuer to redeem the Debentures held by such Debentureholder by providing a notice to the Issuer within a period of 30 (thirty) days from the announcement of such downgrade by the Credit Rating Agency(ies) ("<b>Notice of Redemption</b>").</p> <p>Upon any Debentureholder providing a Notice of Redemption, the Issuer must redeem the Debentures, held by such Debentureholder, on or prior to 60 (sixty) calendar days from the date of the Notice of Redemption. The Issuer must repay all the Outstanding Amounts, whether due or not in respect of relevant the Debentures held by such Debentureholder, including principal, Coupon accrued and not paid, any penal interest, if any.</p> <p>No prepayment penalty, early redemption cost or break cost will be applicable on such prepayment.</p>
35.	Record Date	15 (fifteen) days prior to each Coupon Payment Date and Redemption Date
36.	Issue Timing	<p>Issue Opening Date: April 28, 2020</p> <p>Issue Closing Date: April 28, 2020</p> <p>Pay in Date: April 29, 2020 [T+1 settlement]</p> <p>Deemed Date of Allotment: April 29, 2020</p>
37.	Default Interest / Penal Rate	<p>If:</p> <p>(a) an Event of Default occurs, then the Issuer shall pay Coupon on the Debentures at a rate which is 2% (two per cent) over and above the applicable Coupon Rate for the period until such Event of Default ceases to exist or is cured to the satisfaction of the</p>

		<p>Trustee (acting on the instructions of the Debentureholders);</p> <p>(b) the Company fails to list the Debentures on the NSE within 20 (twenty) days from the Deemed Date of Allotment, then the Company shall pay Coupon on the Debentures at a rate which is 1% (one per cent) over and above the applicable Coupon Rate for the period from the expiry of 20 (twenty) days from the Deemed Date of Allotment till the final listing approval of Debentures is obtained from the NSE; and</p> <p>(c) the Company fails to execute the Debenture Trust Deed within 60 (sixty) days from the Deemed Date of Allotment, then the Issuer shall pay Coupon on the Debentures at a rate which is 2% (two per cent) over and above the applicable Coupon Rate for the period from the expiry of 60 (sixty) days from the Deemed Date of Allotment till the Debenture Trust Deed is executed to the satisfaction of the Trustee (acting on the instructions of the Debentureholders).</p> <p>The default interest payable in accordance with this Clause will remain immediately due and payable. The Company agrees that the default interest is a genuine pre-estimate of the loss likely to be suffered by the Debentureholders on account of any default by the Company.</p>
38.	Outstanding Amounts	shall mean all amounts outstanding, whether due or not, in respect of the NCDs, including principal outstanding, accrued Coupon, default interest and other charges, if any, payable in accordance with the terms of the Transaction Documents.
39.	Listing	Proposed to be listed on the WDM segment of NSE. The Issuer will ensure that the NCDs are listed on the exchange within 20 (twenty) days from the Deemed Date of Allotment.
40.	Dematerialized	Yes
41.	Issue of Debentures	The Issuer will issue the Debentures / Letters of Allotment in dematerialized form within 2 (two) business days from the Deemed Date of Allotment.
42.	Depositories	Applications will be made for the Debentures to be deposited with NSDL and/or CDSL
43.	Issue Price	At Par
44.	Discount at which security is issued and the effective yield as a	At Par



	result of such discount	
45.	Redemption Price	At Par
46.	Day Count Basis	Actual / Actual
47.	Business Days	Means all days on which the money market is functioning in the city of Mumbai, Maharashtra, India.
48.	Interest on Application/Subscription	At the coupon rate, (subject to deduction of tax of source, as applicable) from the date of realization cheque(s) / demand draft(s) / date of receipt of funds up to one day prior to the Deemed Date of Allotment.
49.	Debenture Trustee	SBICAP Trustee Company Limited
50.	Transaction Documents	<p>(a) Information Memorandum and Private Placement Offer Letter (Form PAS-4)</p> <p>(b) Debenture Trustee Agreement and Consent Letter from Debenture Trustee</p> <p>(c) Debenture Trust Deed within 60 (sixty) days from Deemed Date of Allotment</p> <p>(d) Rating letter from India Ratings</p> <p>(e) Letter of appointment of Registrar &amp; Transfer Agent</p> <p>(f) Listing agreement with NSE</p> <p>(g) Tripartite agreement between the Issuer, Registrar and NSDL &amp; CDSL for issue of NCDs in dematerialized form</p>
51.	Conditions Precedent	<p>The Company shall ensure that all the consents required from any Governmental Authority or any third party and resolutions required in relation to the Issue have been obtained prior to the Deemed Date of Allotment. The Issuer shall also comply with all Applicable Law in relation to the Issue, including the Companies Act and the SEBI Debt Regulations.</p> <p>Approvals and documents including but not limited to:</p> <p>(a) Copy of the constitutional documents of the Issuer</p> <p>(b) Copy of the shareholders resolution under Section 180(1)(c) of the Companies Act</p> <p>(c) Copy of the resolutions passed by the Board of Directors of the Issuer approving the Issue</p>

		<p>(d) Copy of the resolution passed by Committee of Directors of the Issuer in relation to the issue of the Debentures, the appointment of the Debenture Trustee and the execution of necessary documents in connection therewith</p> <p>(e) Issuance of this Information Memorandum (in compliance with the disclosure by SEBI) PAS-4 (as included in this Information Memorandum) signed and certified by the Issuer</p> <p>(f) Credit Rating Letter from India Ratings (not older than 1 (one) month)</p> <p>(g) In-principle approval from NSE for listing of NCDs</p> <p>(h) Consent Letter from the Debenture Trustee</p> <p>(i) Consent Letter from the Registrar to the Issue</p> <p>(j) Executed copy of the tripartite agreement between the Issuer, Registrar and NSDL and/ CDSL for issue of Debentures in dematerialized form</p> <p>(k) Authorized Signatory List with specimen signatures</p> <p>(l) Undertaking from the Issuer that each of the Representations and Warranties made by the Issuer are true and correct to its best possible knowledge;</p> <p>(m) Undertaking from the Issuer that no Event of Default has occurred and is continuing and no such event or circumstance will result as a consequence of the Borrower performing any obligation contemplated under the transaction documents.</p> <p>(n) Undertaking from the Issuer that there is no Material Adverse Effect and there are no circumstances existing which could give rise, with the passage of time or otherwise, to a material adverse effect on the Issuer.</p>
52.	Conditions Subsequent	<p>(a) Issue of Letter of Allotment on the Deemed Date of Allotment</p> <p>(b) Listing within 20 (twenty) days from the Deemed Date of Allotment</p> <p>(c) Issue of Debentures in Dematerialized form</p> <p>(d) Execution of Debenture Trust Deed within 60 (sixty) days from the Deemed Date of Allotment.</p> <p>(e) The Issuer shall get the credit rating of the Debentures from India Ratings reviewed and published at least once within a maximum period of 1 (one) year from the immediately previous review of the credit rating by India Ratings.</p>
53.	Representation & Warranties	<p>(a) The Company is a public listed company, which has been duly incorporated and is validly existing under the Companies Act.</p>





		<p>(b) The Company has all Authorisations required to carry on its business as it is conducted from time to time.</p> <p>(c) The obligations expressed to be assumed by the Company in each Transaction Document are legal, valid, binding and enforceable obligations.</p> <p>(d) The entry into and performance by the Company of, and the transactions contemplated by, the Transaction Documents do not and will not conflict with (i) any Applicable Law; (ii) its memorandum of association and articles of association; or (iii) any agreement or instrument binding upon it or any of its assets.</p> <p>(e) The Company has the power to enter into, perform and deliver, and has taken all necessary corporate action to issue the Debentures, authorize their entry into, performance and delivery of, the Transaction Documents and the transactions contemplated by those Transaction Documents.</p> <p>(f) All Authorisations required (i) to enable the Company to issue the Debentures, (ii) to lawfully enter into and comply with its obligations in the Transaction Documents; (iii) to enable the Company to carry on its business as it is being conducted from time to time; and (iv) to make the Transaction Documents admissible in evidence in its jurisdiction of incorporation, have been obtained or effected and are in full force and effect.</p> <p>(g) issuance of Debentures is in compliance with all applicable laws.</p> <p>(h) no consent is required from any person or any Governmental Authority for the issue of Debentures.</p> <p>(i) The Transaction Documents are legal, valid and binding and constitute legal, valid and binding obligations of the Company.</p> <p>(j) There are no outstanding defaults, material litigation, violation of law or any material agreement.</p> <p>(k) The financial statements and other information shared with investors/ arranger are complete and accurate in all respects.</p>
54.	Events of Default	<p>As set out in the Debenture Trust Deed and including, but not limited to:</p> <p>(a) the Company fails to pay the Redemption Amount on any Redemption Date, the Coupon on the Coupon Payment Date and/or any other amounts due and payable to any of the Secured Parties in terms of this Information Memorandum or the other Transaction Documents, on respective dates on which such</p>



		<p>amounts are payable in accordance with the Transaction Documents;</p> <p>(b) the Company does not perform or comply with one or more of its other obligations in relation to the proposed Debentures or the Transaction Documents and the same is not remedied within 90 (ninety) days after written notice of such default shall have been given to the Company by the Debenture Trustee;</p> <p>(c) the Company commences a voluntary proceeding under any applicable bankruptcy, insolvency, winding up or other similar law now or hereafter in effect (including by way of filing of any application for initiation of corporate insolvency resolution process under the Insolvency and Bankruptcy Code, 2016 as amended from time to time), or consents to the entry of an order for relief in an involuntary proceeding under any such law, or consents to the appointment or taking possession by a receiver, insolvency professional, liquidator, assignee (or similar official) for any or a substantial part of its property or take any action towards its reorganization, liquidation or dissolution;</p> <p>(d) a financial creditor of the Company taking any action or commencing any legal proceedings or filing any petition or application, for winding-up, initiation of corporate insolvency resolution process, liquidation, or dissolution of the Issuer, under the Insolvency and Bankruptcy Code, 2016 as amended from time to time (“Code”) or any other applicable law for the time being in force;</p> <p>(e) an operational creditor taking any action or commencing any legal proceedings or filing any petition or application, for winding-up, initiation of corporate insolvency resolution process, liquidation, or dissolution of the Issuer, under the Code or any other applicable law for the time being in force and such action is not stayed or dismissed by a competent authority within 60 (sixty) days;</p> <p>(f) breach of any representations, warranties, covenants and other terms of the Transaction Documents, other than those which have specifically been mentioned as Events of Defaults herein, which has not been remedied within 90 (ninety) days of the occurrence of the default;</p>
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		<p>(g) the Company, without consent of the Debenture Trustee, ceases to carry on its business or gives notice of its intention to do so;</p> <p>(h) it is or becomes unlawful for the Company to perform its obligations with respect to proposed Debentures under any Transaction Documents;</p> <p>(i) subject to clause (d) and (e) above, an order is made (other than an order successfully appealed or permanently stayed within 90 (ninety) days) or a resolution is passed, as the case may be, for the winding up or dissolution, judicial management or administration of the Company, or the Company ceases or threatens to cease to carry on all or substantially all of its business or operations, except for the purpose of and followed by a reconstruction, amalgamation, reorganization, merger or consolidation on terms approved by an extraordinary resolution of the holders of the proposed Debentures;</p> <p>(j) subject to clause (d) and (e) above, the appointment of an insolvency professional, liquidator, receiver, administrative receiver, administrator, compulsory manager, provisional supervisor or other similar officer in respect of the Company or any of its assets and such appointment is not stayed, quashed or dismissed by any Court within 90 (ninety) days of such appointment;</p> <p>(k) any step is taken by Governmental Authority or agency or any other competent authority, with a view to the seizure, compulsory acquisition, expropriation or nationalization of all or (in the opinion of the Debenture Trustee) a material part of the assets of the Company which is material to the Company; and such action of the agency / authority is not stayed, quashed or dismissed by any Court within 90 (ninety) days;</p> <p>(l) execution, distress, attachment or other legal process is enforced, levied or sued out on or against the whole or any material part of the property, assets or revenues of the Company and any order relating thereto is not discharged or stayed within a period of 90 (ninety) days from the date of enforcement or levy; and</p>
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		<p>(m) The occurrence of Material Adverse Effect and if the same is not cured within 90 (ninety) days;</p> <p>(n) If the transactions contemplated under this Issue become illegal or unlawful or unenforceable, or if any of the documents entered into in relation to the Debentures or any part thereof ceases, for any reason, to be valid and binding or in full force and effect;</p> <p>(o) If it becomes unlawful for the Issuer to perform any of its obligations under the Transaction Documents, or if the Transaction Documents or any part thereof ceases, for any reason whatsoever, to be valid and binding or in full force and effect;</p> <p>(p) Termination of Transaction Documents;</p> <p>(q) Any material act of fraud, embezzlement, misstatement, misappropriation or siphoning off funds or revenues or any other act having a similar effect being committed by the Key Management Personnel or a Director of the Issuer;</p> <p>(r) The Issuer is unable to or has admitted in writing its inability to pay its debts as they mature;</p> <p>(s) The Issuer or any of their promoter directors are included in RBI's wilful defaulters; and</p> <p>(t) Delisting of Debentures: The listing of the Debentures ceases or is suspended at any point of time prior to the Debentures being fully redeemed.</p> <p>In case of event of default, Debenture holders / Debenture Trustees may:</p> <p>(a) Accelerate the redemption of NCDs;</p> <p>(b) Initiate recovery proceedings / exercise rights available to recover the outstanding amounts;</p> <p>(c) Exercise any rights available under the Transaction Documents; and</p> <p>(d) Exercise such other rights as may be available to the Debenture Trustee under Applicable Law.</p>
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