


**TATA Realty and Infrastructure Ltd.**

Date: February 15, 2018

**Non-Convertible Debentures - Terms and Conditions**

These terms and conditions do not constitute a legally binding commitment or offer by Kotak Mahindra Bank (Arranger). These terms are subject to the internal underwriting and credit approvals and full due diligence. The purpose of these indicative terms and conditions is to facilitate further discussions and negotiations between the Arranger, prospective lenders and the Issuer, and these indicative terms and conditions are subject to change. This term sheet is not meant to be and should not be construed as a commitment to invest or underwrite nor is it an attempt to define all of the terms and conditions of the facility. Rather, it is intended to outline certain basic points of business discussion upon which the facility contemplated herein would proceed.

Issuer	Tata Realty and Infrastructure Ltd ("the Issuer" / "Company" / "TRIL")
Arranger	Kotak Mahindra Bank Limited
Type of Instrument	Unsecured, Unlisted, Rated, Redeemable, Zero Coupon Non-Convertible Debentures ("NCDs" / "Debentures")
Rating	CRISIL AA (Double A)
Issue Amount	Rs. 325 crores
Purpose	To meet capital expenditure, refinancing of existing debt and other business purposes however specifically excluding investment in capital markets for speculative purpose
Principal Repayment	Bullet at Maturity Date of respective series
Tenor	3 years and 2 months from the Deemed Date of Allotment
Yield	8.574% p.a. payable at maturity
Redemption Amount	Rs. 421,63,20,497 which is the sum of the following: <ul style="list-style-type: none"> <li>• Face Value of the Issue: Rs. 325,00,00,000</li> <li>• Redemption Premium: Rs. 96,63,20,497</li> </ul>
Deemed Date of Allotment and Pay-in Date	20 <sup>th</sup> Feb 2018
Maturity Date	20 <sup>th</sup> April 2021
Coupon Frequency	Zero Coupon
Seniority	The Debentures shall rank pari passu to other senior debt in terms of repayment.
Eligible Investors	Only the following categories of investors, when specifically contacted, are eligible to invest in these NCDs: <ol style="list-style-type: none"> <li>a. Companies</li> <li>b. Scheduled Commercial Banks</li> <li>c. Co-operative Banks</li> <li>d. Financial Institutions including NBFCs</li> <li>e. Mutual Funds</li> <li>f. Insurance Companies</li> <li>g. Any body corporate</li> </ol>

**Kotak Mahindra Bank Limited**

 CIN L65110MH1985PLC038137 T +91 22 61660001  
 Registered Office: F +91 22 67132410  
 278KC, C 27, G Block, 5th Floor www.kotak.com  
 Bandra Kurla Complex  
 Bandra (E), Mumbai - 400 051  
 India.








	h. Any other investor authorized to invest in these NCDs
Face Value	Rs. 10,00,000/- (Rs. 10 lakhs per Debenture)
Default / Penal Rate	Amounts unpaid on due date will attract additional interest and therefore the Yield shall stand increased by 2% per annum, from the date on which such payment is actually due to the date on which the relevant overdue amounts are repaid.
Covenants	<ul style="list-style-type: none"> <li>• The Yield shall stand increased by 0.25% (Zero Decimal Point Two Five Percent) if the rating of the Debentures is downgraded by the Rating Agency to A+ and a further increase of 0.25% (Zero Decimal Point Two Five Percent) for every notch of downgrade thereafter. The Yield shall be restored back to earlier levels if the rating is upgraded by the Rating Agency back to earlier respective levels. The revised coupon rate shall be applicable from the date of press release announcing the change in rating by the Rating Agency.</li> <li>• If rating of TRIL falls below A-, the debenture holders shall reserve the right to accelerate its outstanding principal amount along with all other monies/ accrued Yield due in respect thereof with a notice period of 30 days</li> <li>• For the period of the NCDs, Tata Sons Limited will not dilute shareholding in TRIL below 51% and maintain management control</li> <li>• The Issuer shall not remove the "Tata" name from the Name registered with the MCA.</li> </ul>
Mode of Placement	Private Placement
Dematerialized	Yes
Issue Price	At Par
Day Count Basis	Actual / Actual
Transaction Documents	<ol style="list-style-type: none"> <li>1. Information Memorandum</li> <li>2. Debenture Trust Deed</li> <li>3. Rating Letter and Rating Rationale</li> <li>4. Debenture Trustee Agreement</li> <li>5. Letter of appointment of Registrar &amp; Transfer Agent</li> <li>6. Consent Letter from Debenture Trustee</li> <li>7. Any other document as agreed between the Issuer and the Debenture Trustee</li> </ol>
Business Days	Mumbai
Debenture Trustee	IDBI Trusteeship Services Ltd.
Interest on Application/Subscription	At the Yield, (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 in case the Deemed Date of Allotment is after the pay-in-date.
Pre-disbursement Conditions	<ul style="list-style-type: none"> <li>• Board Resolution and Shareholder's Resolution as required under the Companies Act with respect to the borrowing by the Company and issue of Debentures.</li> <li>• Issuance of the Information Memorandum</li> <li>• Execution of the Debenture Trustee Agreement</li> <li>• Valid rating letter and rating rationale shall have been obtained</li> <li>• Appointment of Debenture Trustee</li> <li>• No Event of Default or potential Event of Default has occurred and is continuing and no such event or circumstance will result as a consequence of the Issuer performing any</li> </ul>







	obligation contemplated under the transaction documents.
Representations & Warranties	<p>Representations and warranties appropriate for the issue of such nature, including but not limited to:</p> <ol style="list-style-type: none"> <li>1. Status, binding obligation, power and authority</li> <li>2. Non-conflict with other obligations</li> <li>3. Validity and admissibility evidence</li> <li>4. Insolvency</li> <li>5. No misleading information</li> <li>6. No material adverse change or event of default</li> <li>7. Compliance with applicable law</li> </ol>
Events of Default	<p>Events of Default appropriate for an issue of this nature including but not limited to:</p> <ol style="list-style-type: none"> <li>1. Failure to pay the amounts due under the NCDs</li> <li>2. Unlawfulness or Unenforceability of transaction documents or the Issue</li> <li>3. Cross default – Other than default under the present issue, if the issuer is in default under the terms and conditions of any issuances/obligations under other facilities constituting a default of more than Rs. 10 Cr and receives such notice of event of default from such lender/investor, then that shall also constitute an event of default under the present issue as well</li> <li>4. Breach of any representations and warranties</li> <li>5. Breach of any covenants or other terms and conditions set out under the Transaction Documents</li> <li>6. Any action, voluntary or involuntary, taken under the Insolvency and Bankruptcy Code, 2016 (or any analogous law) against the Issuer, including any application/petition is filed for corporate insolvency resolution against/by the Issuer</li> <li>7. Any material adverse event</li> <li>8. If the Issuer commences a voluntary proceeding under any applicable bankruptcy, insolvency, winding up or other similar law now or hereafter in effect, or admits inability to pay its respective debts as they fall due, or consents to the entry of an order for relief in an involuntary proceeding under any such law, or consents to the appointment of or the taking of possession by a receiver, liquidator, assignee (or similar official) for any or a substantial part of its respective property;</li> <li>9. If the Issuer voluntarily or compulsorily goes into liquidation or ever has a receiver appointed in respect of its assets or refers itself to the Board for Industrial and Financial Reconstruction or under any other law providing protection as a relief undertaking;</li> <li>10. If a petition is filed for the winding up of the issuer and the same is admitted, and such petition is not dismissed or stayed within a period of 30 (thirty) days of such petition being admitted;</li> <li>11. If the Issuer is declared a sick undertaking under the provisions of the Sick Industrial Undertakings (Special Provisions) Act, 1985 ("SICA") or if a reference has been made to BIFR (as defined under SICA) by a creditor under SICA and the Issuer has not resolved the complaint or is nationalized or is under the management of the Central Government</li> </ol>
Documentation	The Issuer shall also have to comply with customary covenants such as Financial Covenants,







	Representation and Warranties from the Issuer, Conditions Precedent to the effectiveness of the NCDs and condition precedents to each disbursement, Affirmative covenants by Issuer, Negative covenants, Additional Covenants, Information Covenants, Events of Defaults by the Issuer and the consequences of the Event of Default, RBI disclosure norms, as applicable etc. All other standard terms and conditions of the Debenture Holders will also be applicable.
Taxes duties cost and expenses	Relevant taxes, duties and levies are to be borne by the Issuer. All charges / fees and any amounts payable under these NCDs by the Issuer to the Debenture Holders as mentioned herein do not include any applicable taxes, levies including service tax etc. and all such impositions shall be borne by the Issuer additionally.
Governing Law	This Term Sheet and the Transaction Documents for the NCDs shall be governed by Indian Law and shall be subject to the jurisdiction of courts of Mumbai.
Record Date	The date which will be used for determining the Debenture Holders who shall be entitled to receive the amounts due on any Due Date, which shall be the date falling 15 days prior to any Due Date.
Holiday Convention	Should the due date for any payment fall on a public holiday/non- working day/Saturday / Sunday the said payment date will be construed to be the previous working day unless specified otherwise here in above.
Force Majeure	The Issuer understands that this term sheet is contingent on the assumption that from the date of the provision of this term sheet to the Deemed Date of Allotment, there is no material adverse change in the financial conditions of the Issuer or in the condition of the Indian credit and debt markets which in the reasonable opinion of the Arranger would make it inadvisable to proceed with the issue. In case of such material adverse change, the terms may be renegotiated to the mutual satisfaction of the Arranger and the Issuer.
Clear Market	During the period from the acceptance of this Term Sheet up to February 28, 2018, the Issuer shall not raise or attempt to raise NCD without the prior written consent from the Arranger
Market Flex	During the period from the date of the Term Sheet to the Deemed Date of Allotment, the Arrangers shall be entitled after consultation and agreement with the Issuer to change the structure, pricing (interest margin or fees) and terms of the Issue if the Arrangers determine that such changes are advisable in order to enhance the prospects of successful allotment of the Issue. Further, the Arrangers may in consultation and agreement with the Issuer change the structure, pricing (interest margin or fees) and terms of the Issue if the Arrangers feel that there has been such a change in national financial including Indian debt markets, political or socio-economic conditions as would in their view be likely to prejudice materially the success of offering and distribution of the Transaction or dealing in the NCDs in the secondary market.
Information Provision	The Issuer undertakes to provide information pertinent to a credit assessment of the company by the investor in a timely fashion. This information will include, but not be limited to, latest financial information, rating letter and rating rationale, copies of the resolutions authorizing the borrowing and the latest company profile.
Validity	Issuer to accept the term sheet within 4 days from the date of issuance of this Term sheet

<b>For and on Behalf of:</b>	<b>Accepted For and on Behalf of:</b>
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<b>For and on Behalf of:</b>  <b>Kotak Mahindra Bank Ltd</b>	<b>Accepted For and on Behalf of:</b>  <b>Tata Realty and Infrastructure Ltd.</b>
	 
Arafat Khan Vice President - Debt Capital Markets,	Rahul Somani, Authorised Signatory

