

Annexure A

Term Sheet

TERMS & CONDITIONS OF NCD	
Security Name	SAMASTA-DP600-111121-MLD-2021
Product Code	DP600-111121
Issuer	SAMASTA MICROFINANCE LIMITED
Type of Instrument	Principal Protected – Market Linked Redeemable Non-Convertible Debenture
Nature of Instrument	Secured
Seniority	Senior
Principal Protection	Principal is protected at Maturity
Underlying/ Reference Security	Nifty50
Mode of Issue	Private Placement
Eligible Investors	<p>The following categories of investors, when specifically approached, are eligible to apply for this private placement of Debentures:</p> <ul style="list-style-type: none">• Resident Individuals,• Hindu Undivided Family,• Trust,• Limited Liability Partnerships, Partnership Firm(s),• Portfolio Managers and Foreign Institutional Investors (FII) registered with SEBI,• Association of Persons,• Companies and Bodies Corporate including Public Sector Undertakings.• Commercial Banks, Regional Rural Banks, Financial Institutions,• Insurance Companies,• Mutual Funds/ Alternative Investment Fund (AIF), and any other investor eligible to invest in these Debentures
Issue Size (Rs.)	140,000,000
Option to Retain Oversubscription	Not Applicable
Minimum Application Size	25 debentures and in multiples of 1 debenture thereafter
Face Value	Rs. 100,000/- Per Debenture
Issue Price	Rs. 100,000/- Per Debenture
Discount at which security is issued and the effective yield because of such discount.	NA
Purpose and objects of the Issue	General corporate purposes and onward lending
Details of the Utilization of the	The Issuer proposes to augment its resources to meet its requirements of funds to carry on

proceeds	its business operations. The proceeds of the issue of Debentures would be utilized for general corporate purposes and onward lending.
Tenor in Days	1340 Days from the Deemed Date of Allotment
Issue Opening Date	13-Jul-18
Issue Closing Date	13-Jul-18
Initial Fixing Date	13-Jul-18
Initial Fixing Level	Official Closing Level of Nifty 50 Index as on Initial Fixing Date
Final Fixing Date	24-June-21
Final Fixing Level	Official Closing Level of Nifty 50 Index as on Final Fixing Date
Redemption Date	14-Mar-22
Redemption Value	Face Value*(1+Coupon)
Pay-in-Date	13-Jul-18
Deemed Date of Allotment	13-Jul-18
Underlying Performance	(Final Fixing Level / Initial Fixing Level) – 1
Participation Rate (PR)	100%
Coupon	Max (23.85%, PR*Nifty Performance)
Step up/Step down coupon rate	Not Applicable.
Coupon payment frequency	Coupon, if any will be paid on Redemption Date
Coupon payment dates	Coupon, if any will be paid on Redemption Date
Coupon type	Coupon linked to Underlying / Reference Index.
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc).	Not Applicable
Day Count Basis	Actual / Actual
Default interest rate	In case of default in payment of Coupon and/or principal redemption on the Redemption date, additional interest @ 2% p.a. over the Coupon will be payable by the Company for the defaulting period.
Proposed time schedule for which the Disclosure Document is valid	Till redemption
Redemption Premium/Discount	Not Applicable
Put Option	None

Put Option Date	Not Applicable
Put Option Price	Not Applicable
Put Notification Time	Not Applicable
Call Option	None
Call Option Date	Not Applicable
Call Option Price	Not Applicable
Call Notification Time	Not Applicable
Listing	The Company proposes to list these Debentures on the BSE WDM segment. The Issuer confirms that the Debentures would be listed within 20 days from the Deemed Date of Allotment.
Issuance mode of Debenture	DEMAT form
Settlement mode of the Instrument	RTGS
Provisions related to Cross Default Clause	N.A.
Trading mode of the Debenture	DEMAT form only
Depository	NSDL and CDSL
Security	Debentures shall be secured by: - a) pari passu mortgage and charge over the Company's Identified Immovable Property; and b) charge on present and future receivables to the extent equal to the principal and interest amount of the Debentures outstanding at any point of time.
Rating	"CRISIL PP-MLD Ar" with stable outlook
Contribution by Promoters or Director either as part of this offer or separately in furtherance of the objects of the Issue	Nil
Business Day Convention	Unless otherwise stated, Modified Following Business Day Convention

Settlement	BRANCH	Prestige Towers Branch, Bangalore
	ADDRESS	THE RATNAKAR BANK LTD, G-13, G-14, G-15 & G-17 PRESTIGE TOWERS,99 & 100 RESIDENCY ROAD, BANGALORE - 560025
	Bank A/C Name	Samasta Microfinance Limited
	Bank A/C No	409000839892
	RTGS/NEFT IFSC	RATN0000156
Right to Re-purchase Debentures	The Company will have power, exercisable at its sole and absolute discretion from time to time, to re-purchase a part or all of its Debentures from the secondary markets at Fair Market Value or otherwise, at any time prior to the Redemption Date, subject to applicable law and in accordance with the applicable guidelines/regulations	
Record Date	The date, as may be fixed by the Company, which will be 15 days prior to the redemption date on which the determination of the persons entitled to receive coupon/redemption amount in respect of the Debentures (i.e., persons whose names are registered in the register of Debenture Holders or NSDL/CDSL record) shall be made.	
Interest on Application Money	This issue does not contemplate any interest on application money till allotment of Debentures.	
Transaction Documents	<ul style="list-style-type: none"> • Memorandum and Articles of Association of the Company. • Resolution passed by shareholders in the general meeting dated April 28, 2018 for increase in overall borrowing limits of the company. • Resolution passed by shareholders in the general meeting dated February 22, 2018 for issuance of debentures on private placement basis. • Resolution passed by the Allotment Committee of the Board of Directors dated July 13, 2018 for issuance of debentures on private placement basis. • Consent Letter from Vistra ITCL (India) Private Limited for acting as Debenture Trustee for and on behalf of the holder(s) of the Debentures. • Letter from CRISIL Limited conveying the credit rating for the Debentures of the Company and the rating rationale pertaining thereto. • Debenture Trust deed executed between Company and Vistra ITCL (India) Private Limited. 	
Conditions Precedent to Disbursement	Nil	
Conditions Subsequent to Disbursement	Nil	
Events of Default	As per Debenture Trust Deed	
Roles and Responsibilities of Debenture Trustee	As per Debenture Trust Deed	
Governing Law and Jurisdiction	The Debentures offered are subject to provisions of the Companies Act, 2013 as may be applicable, Securities Contract Regulation Act, 1956, Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulations, 2015 in terms of this Disclosure Document, Instructions contained in the Application Form and other terms and conditions as may be incorporated in the Trustee Agreement and the Trust Deed and such other laws as may be applicable, guidelines, notifications and regulations relating to the issue and allotment of securities issued from time to time by the Government of India, Reserve Bank of India (RBI), and, or any other authorities and other documents that may be executed	

	in respect of the these Debentures. The Debenture holders, by purchasing the Debentures, agree that the Mumbai High Court shall have exclusive jurisdiction with respect to matters relating to the Debentures.
Other Terms	<p><u>Default in Payment:</u></p> <p>In case of default in payment of Coupon and/or principal redemption on the Redemption Date, additional interest @ 2% p.a. over the Coupon will be payable by the Company for the defaulting period.</p> <p><u>Delay in Listing:</u></p> <p>In case of delay in listing of the Debentures beyond 20 days from the Deemed Date of Allotment, the Company will pay penal interest @ 1 % p.a. over the Coupon from the expiry of 30 days from the Deemed Date of Allotment till the listing of such Debentures to the investor.</p> <p>The interest rates mentioned in above are independent of each other.</p>
Valuation Agency Fees	Fees paid to Valuation Agent by the Issuer shall be in the range of 3 bps p.a. to 8 bps p.a. on the face value of the outstanding Debentures.
Valuation Agency	<p>Name of Agency: CARE</p> <p>Address: 4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (East), Mumbai - 400 022</p>
Risk Factors associated with Market Linked Debentures	<p>The securities are created based on complex mathematical models involving multiple derivative exposures which may or may not be hedged and the actual behavior of the securities selected for hedging may significantly differ from the returns predicted by the mathematical models.</p> <p>The principal amount is subject to the credit risk of the issuer whereby the investor may or may not recover all or part of the funds in case of default by the Issuer.</p>
Premature Exit	<p>At the request of an Investor, the Company shall at its discretion and without being obliged to do so, arrange for the buyback ("Premature Exit") of such number of Debentures as the Investor shall request.</p> <p>A request for Premature Exit by an Investor shall not be considered if made within 3 months from the Deemed Date of Allotment.</p>
Distribution Fee	The Issuer will pay the distributor a distribution fee which shall not exceed 5% of the amount collected through them

Illustration of Cash Flows:

Company	SAMASTA MICROFINANCE LIMITED (the "Issuer")
Tenure	1340 Days from the Deemed Date of Allotment
Face Value	Rs. 100,000 Per Debenture
Issue Price	Rs. 100,000 Per Debenture
Date of Allotment	13-Jul-18
Redemption	1340 Days from the Deemed Date of Allotment
Coupon Rate	Max (23.85%,Nifty Performance))

Frequency of the interest payment with specified dates	Coupon if any, will be paid on Redemption Date
Day count Convention	Not Applicable

Cash Flows	Date	No. of days in Coupon Period	Amount (in Rupees)
Coupon on Redemption, if any	13-Jul-18	1340 Days from the Deemed Date of Allotment	Coupon linked to Underlying / Reference Index.

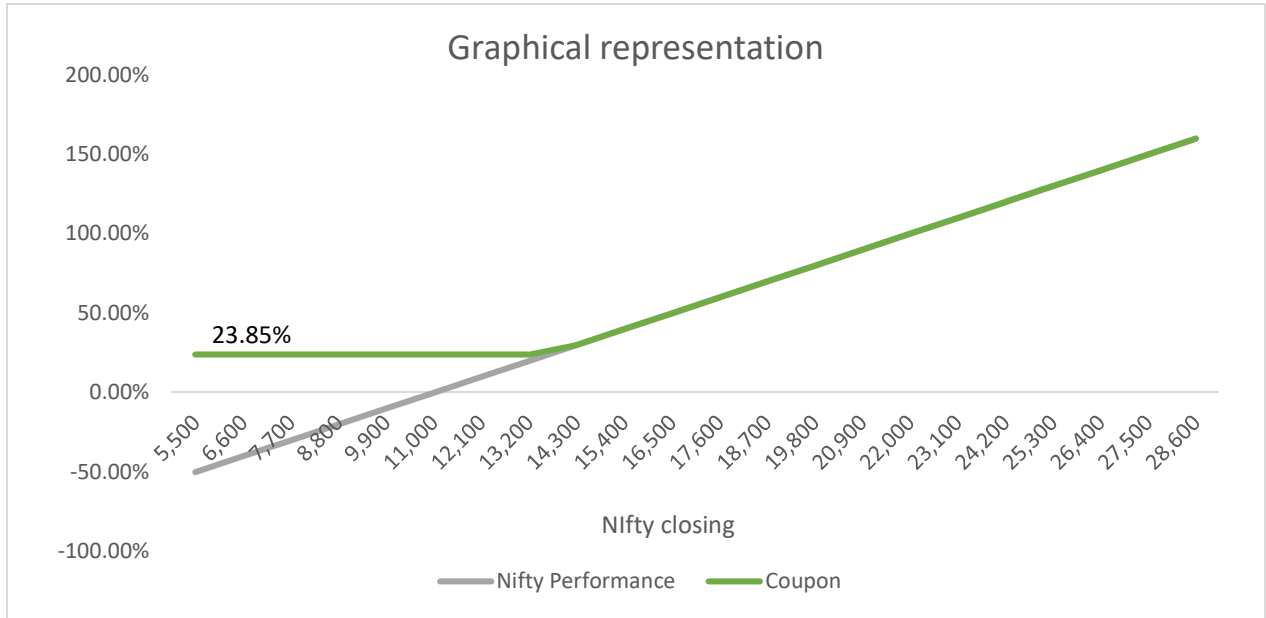
Scenario Analysis

Tabular Representation

The following table shows the value of the Debenture at maturity under different market conditions

Initial Level	Assumed Final Level	Underlying Performance (From Initial Level)	Issue Price	Maturity Value	Annualized Pre-Tax Return (Re-Issue Investor)
11000	27,500.00	150.00%	1,00,000.00	2,50,000.00	28.35%
11000	22,000.00	100.00%	1,00,000.00	2,00,000.00	20.78%
11000	18,700.00	70.00%	1,00,000.00	1,70,000.00	15.55%
11000	14,300.00	30.00%	1,00,000.00	1,30,000.00	7.41%
11000	12,100.00	10.00%	1,00,000.00	1,23,850.00	6.00%
11000	11,550.00	5.00%	1,00,000.00	1,23,850.00	6.00%
11000	11,110.00	1.00%	1,00,000.00	1,23,850.00	6.00%
Initial Level	Assumed Final Level	Underlying Performance (From Initial Level)	Issue Price	Maturity Value	Annualized Pre-Tax Return (Re-Issue Investor)
11000	11,000.00	0.00%	1,00,000.00	1,23,850.00	6.00%
Initial Level	Assumed Final Level	Underlying Performance (From Initial Level)	Issue Price	Maturity Value	Annualized Pre-Tax Return (Re-Issue Investor)
11000	9,900.00	-10.00%	1,00,000.00	1,23,850.00	6.00%
11000	8,800.00	-20.00%	1,00,000.00	1,23,850.00	6.00%
11000	5,500.00	-50.00%	1,00,000.00	1,23,850.00	6.00%
11000	3,300.00	-70.00%	1,00,000.00	1,23,850.00	6.00%
11000	2,750.00	-75.00%	1,00,000.00	1,23,850.00	6.00%
11000	1,100.00	-90.00%	1,00,000.00	1,23,850.00	6.00%
11000	0.00	-100.00%	1,00,000.00	1,23,850.00	6.00%

Graphical Representation



This scenario analysis is provided for illustrative purposes only and does not represent actual termination or unwind prices, nor does it present all possible outcomes or describe all factors that may affect the value of your investment.