



Magma Fincorp Limited
 Regd. Office
 Magma House
 24 Park Street, Kolkata 700 016
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 CIN : U51909WB1978PLC001619
 Web : www.magma.co.in



Date: 2nd March 2017

**TERM SHEET FOR UNSECURED REDEEMABLE NON CONVERTIBLE SUBORDINATED DEBENTURES ON A PRIVATE PLACEMENT BASIS
 (TRANCHE I)**

Issue of Debentures as per the terms of the Shelf Disclosure Document dated 3rd February 2017 and the trustee consent letter dated 3rd February 2017.

We refer to the captioned Shelf Disclosure Document. Capitalized terms used herein shall bear the meaning ascribed to them under the offer letter. Pursuant to the terms of the offer letter, we have issued the Debentures under this tranche as per the details mentioned herein below:

Security Name	10.25% MFL Mar 2027
Issuer	Magma Fincorp Limited
Type of Instrument	Unsecured Redeemable Non-Convertible Subordinated debentures
Seniority	Unsecured
Mode of Issue	Private Placement
Validity of this document	Valid till issue closing date
Eligible Investors	Only the person who are specifically addressed through a communication are eligible to apply for debentures No other person shall apply
Listing	The NCDs are proposed to be listed on WDM segment of BSE Limited. The Company shall forward the listing application to the BSE Limited within 15 days from the deemed date of allotment(s). 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 1 % p.a. over the coupon rate from the expiry of 30 days from the deemed date of allotment till the listing of such debt securities to the investor.
Rating of the instrument	BWR AA & SMERA AA
Issue Size	Rs. 15 crs
Option to retail oversubscription	Not applicable
Objects of the issue	Enhancement of Capital Adequacy and Long term augmentation of funds.
Details of the utilization of the proceeds	The proceeds of the Issue would be utilized for enhancing the Capital Adequacy of the Company and for general business purposes of the Issuer.
Coupon/Interest Rate	10.25% p.a.
Step Up/Step Down Coupon Rate	Not Applicable
Coupon Payment Frequency	Annually and on maturity
Coupon Payment Dates	Annually on 2nd Mar 18, 1 st Mar 19, 3 rd Mar 20, 3 rd Mar 21, 3 rd Mar 22, 3 rd Mar 23, 1 st Mar 24, 3 rd Mar 25, 3 rd Mar 26, 3 rd Mar 27
Coupon Type	Fixed
Coupon Reset Process	None
Day Count basis	Actual/Actual
Interest on Application Money	At the respective Coupon rate (subject to deduction of tax at source, as applicable.) from the date of realization of cheque (s)/ demand draft(s)/ RTGS upto one day prior to the Deemed date of allotment
Default Interest rate	2% p.a over the coupon rate will be payable by the company for defaulting period
Tenor	10 years
Redemption Date	3 rd March 2027





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Redemption Amount	At Par
Redemption Premium/Discount	Not Applicable
Issue Price	At Face Value, i.e., Rs. 10,00,000/- (Rs, Ten Lakh) per debenture
Premium on Issue Price	Nil
Justification for the issue price	Not applicable
Discount at which security is issued and the effective yield as a result of such discount	Not Applicable
Put Option Date	Not Applicable
Put Option Price	Not Applicable
Call Option Date	Not Applicable
Call Option Price	Not Applicable
Put Notification Time	Not Applicable
Call Notification Time	Not Applicable
Face Value of each Debenture	Rs. 10,00,000/- (Rs, Ten Lakh)
Minimum Subscription	10 debentures and in multiple of 1 debenture thereafter.
Issue Timing as below:	
Issue Opening Date	02-Mar-17
Issue Closing Date	03-Mar-17
Pay in Date	03-Mar-17
Deemed Date of Allotment	03-Mar-17
Issuance mode of instrument	In Dematerialised Mode
Trading mode of the instrument	In Dematerialised Mode
Settlement mode of the instrument	Payment will be made by way of direct credit through Electronic Clearing Service (ECS), Real Time Gross Settlement (RTGS) or National Electronic Funds Transfer (NEFT)
Depository	NSDL & CDSL
Business Day Convention	<p>Means a day (other than a Saturday or Sunday) on which money markets are operational in Mumbai</p> <p>If any interest payment date falls on a day which is not a Business Day ('Business Day' being a day excluding Saturdays, Sundays or a public holiday on which money markets are operational in Mumbai) then the payment shall be made on the succeeding Business Day (as per the original repayment schedule) without payment of interest for such additional period.</p> <p>In case if the principal redemption date falls on a day which is not a Business Day ('Business Day' being a day excluding Saturdays, Sundays on which money markets are operational in Mumbai), then the payment due shall be made on the immediate preceding Business Day along with coupon/interest accrued on the NCDs until but excluding the date of such payment.</p>
Record Date	Means, in relation to any date on which a payment has to be made by the Issuer in respect of the Debentures, the date that is 15 (fifteen) days prior to that payment date. If the record date falls on a holiday, then the previous working day shall be considered as the Record date





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Security	Not Applicable
Transaction Documents	a. Debenture Trust Deed b. Debenture Trustee Agreement c. Offer document
Conditions precedent to disbursement	Not Applicable
Conditions subsequent to disbursement	Execution of Debenture Trust Deed/Trustee Agreement. And as defined in Debenture Trust Deed/Shelf document
Event of Default	As defined in Debenture Trust Deed/ Shelf Offer document
Provisions related to Cross Default Clause	As defined in Debenture Trust Deed/ Shelf Offer document
Debenture Trustee	Catalyst Trusteeship Limited
Inconsistency/repugnance	In the event of any inconsistency between the Offer Document and the Debenture Trust Deed, the provisions of the Debenture Trust Deed shall prevail.
Roles and responsibilities of Debenture Trustee	As defined in Debenture Trustee Agreement
Governing Laws and Jurisdiction	The Debentures offered are subject to provisions of the Companies Act, 1956 and Companies Act, 2013 as may be applicable, Securities Contract Regulation Act, 1956, terms of the Shelf 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. Over and above such terms and conditions, the Debentures shall also be subject to the applicable provisions of the Depositories Act 1996 and the laws as applicable, guidelines, notifications and regulations relating to the allotment & issue of capital and listing of securities issued from time to time by the Government of India (GoI), Reserve Bank of India (RBI), Securities & Exchange Board of India (SEBI), concerned Stock Exchange or any other authorities and other documents that may be executed in respect of the Debentures. Any disputes arising out of this issue will be subject to the exclusive jurisdiction of the Court at Kolkata.
Sole Arranger	Kotak Mahindra Bank Limited





Magma Fincorp Limited
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Illustration of Bond Cash Flows:

Company	Magma Fincorp Limited
Face value per security	Rs. 10,00,000
Date of allotment	3 rd March 2017
Redemption	3 rd March 2027
Coupon	10.25% p.a.
Frequency of Interest payment with specified dates	Annually on 2 nd Mar 18, 1 st Mar 19, 3 rd Mar 20, 3 rd Mar 21, 3 rd Mar 22, 3 rd Mar 23, 1 st Mar 24, 3 rd Mar 25, 3 rd Mar 26, 3 rd Mar 27
Day Count convention	Actual/actual

Cash Flows	Date	No. of Days in coupon	Amount (Rs.)
Interest	Friday, March 02, 2018	364	102,219
Interest	Friday, March 01, 2019	364	102,219
Interest	Tuesday, March 03, 2020	368	103,060
Interest	Wednesday, March 03, 2021	365	102,500
Interest	Thursday, March 03, 2022	365	102,500
Interest	Friday, March 03, 2023	365	102,500
Interest	Friday, March 01, 2024	364	101,940
Interest	Monday, March 03, 2025	367	103,062
Interest	Tuesday, March 03, 2026	365	102,500
Interest	Wednesday, March 03, 2027	365	102,500
Principal	Wednesday, March 03, 2027	365	10,00,000
Total			20,25,000



Atul Jaiswal