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**Bharti AXA General  
Insurance Company Limited**

☎ 080-49123900

✉ customer.service@bharti-axa.co.in

📱 SMS <SERVICE> to 5667700

🌐 www.bharti-axa.co.in

## TERM SHEET

This term sheet ("Term Sheet") contains the terms of issuance of NCDs (as defined below).

Security Name	Bharti AXA General Insurance Company Limited	
Issuer	Bharti AXA General Insurance Company Limited. <b>CIN No.</b> U66030KA2007PLC043362 <b>Registered Office Address:</b> #43, 1st floor, Hosto Centre, Opp. Imperial Hotel, Millers Road, Vasanth Nagar Bangalore; Telephone No.: +91-22-49181525; <b>Corporate Office Address:</b> Unit No. 1902, 19th Floor, Parinee Crescenzo, 'G' Block, Bandra-Kurla Complex, Opposite MCA Club, Bandra (E), Mumbai – 400 051 <b>Email address:</b> amit.raheja@bharti-axa.com	
Entity Type of Issuer	Public Limited Company	
Type of Issuer A) Based on ownership B) Nature	A) Non PSU B) Other	
Business Sector of the Issuer	General Insurance	
Contact Persons of the Issuer	Compliance/ Investor Relations Officer	Mr. Amit Raheja
	Designation/Department	Head – Legal, Compliance and Company Secretary
	Address:	Unit No. 1902, 19th Floor, Parinee Crescenzo, 'G' Block, Bandra-Kurla Complex, Opposite MCA Club, Bandra (E), Mumbai – 400 051
	Tel. Nos.:	+91-22-49181525
	Fax Nos.:	Not Applicable
	Email address(s):	amit.raheja@bharti-axa.com
Type, Nature and Seniority of Instrument	<ul style="list-style-type: none"> <li>Unsecured, subordinated, fully paid-up, listed, redeemable and non-convertible debentures ("NCD")</li> <li>Seniority of the claim: policyholders' and other creditors shall have seniority over claim of the Debenture Holder and the claim of the Debenture Holder shall have seniority over the claim of preference shares and the claim of preference shares shall have seniority over the claim of equity shares, in that order.</li> <li>The instrument issued shall have no separate guarantee.</li> <li>No incentive shall be paid for early redemption of the debentures.</li> <li>Subscribers to this issue shall be in accordance with Regulation 11 of the Insurance Regulatory and Development Authority of India (Other Forms of Capital) Regulations, 2015 ("IRDAI Regulations").</li> </ul>	
Mode of Issue	Private Placement	
Eligible Investors	These categories of investors, when specifically approached, are eligible to apply for this private placement of debentures-	







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	<p>2000, as amended from time to time;</p> <ul style="list-style-type: none"> <li>• Company formed under the Companies Act, 1956 including any amendments made thereto from time to time and the Companies Act, 2013 including any amendments made thereto from time to time;</li> <li>• Core investment company (as per the Core Investment Companies (Reserve Bank) Directions, 2011);</li> <li>• Banking company (Banking Regulation Act, 1949), but does not include a foreign bank or branch thereof functioning in India;</li> <li>• Public financial institution (as per Companies Act);</li> <li>• Co-operative society registered under any relevant law for the time being in force;</li> <li>• A person who is an Indian citizen or a combination of persons who are Indian citizens subject to compliance with applicable provisions and rules under the Companies Act, 2013;</li> <li>• A limited liability partnership formed under the Limited Liability Partnership Act, 2008 with no partner being a non-resident entity/person resident outside India as defined under the Foreign Exchange Management Act, 1999 and not being a foreign limited liability partnership registered there under;</li> <li>a. Indian investor as defined under the Insurance Regulatory and Development Authority of India (Registration of Indian Insurance Companies) Regulations, 2000, as amended from time to time;</li> <li>b. Foreign investors as defined under the Indian Insurance Companies (Foreign Investment) Rules, 2015 means i.e. all eligible non-resident entities or persons resident outside India investing in the equity share of an Indian insurance company, as permitted to do so through foreign direct investment and foreign portfolio investment windows under the Foreign Exchange Management (Transfer or issue of Security by a Person Resident Outside India) Regulations, 2000 ("FEMA Regulations"). Such subscription by the foreign investors shall be subject to compliance with the FEMA Regulations and other applicable norms issued in this regard;</li> <li>c. Other persons as may be approved by IRDAI.</li> </ul> <p>All investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this issue of debentures.</p>
Listing (including name of stock exchange where it will be listed and timeline for listing)	The NCDs are proposed to be listed on National Stock Exchange (NSE) within 10 working days of Deemed date of Allotment
Rating of the Instrument	Two rating agencies recognised by Reserve Bank of India.
Issue Series	1 /2018-19
Issue Size	Up to Rs. 35,00,00,000 (Rupees Thirty Five Crores Only) ("NCD Issue Size").
NCD Offer	Up to Rs. 35,00,00,000 (Rupees Thirty Five Crores Only) out of NCD Issue size (Debenture holder's NCD).
Whether NCDs fall under Infrastructure category as per	No





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Government notification	
Whether NCDs are Guaranteed or Partially Guaranteed	Not guaranteed
Whether NCDs are Credit Enhanced	No
Details of Credit Enhancement	N.A.
Whether NCDs are in the form of Promissory Note	No
ISIN Required for Letter Of Allotment (LOA)	
Option to retain over subscription (Amount)	N.A.
Objects of the Issue	The purpose and the object of the Issue is to further strengthen the solvency of the Issuer by way of augmenting its financial resources in terms of applicable law and to facilitate business growth of the Issuer.
Details of the utilization of the Proceeds	The issue is being made pursuant to applicable regulations and would help the Issuer in meeting its long-term growth plan objectives.
Tax Status	Taxable
Coupon Rate	10.5%
Step Up/ Step Down Coupon Rate	N.A.
Coupon Payment Frequency	Annually and on maturity
Coupon Payment dates	Annually and on maturity
Coupon type	Fixed
Coupon Basis	Compounding subject to IRDAI approval in the event of unpaid interest in any particular year.
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc.)	N.A.
Day Count Basis	Actual/Actual
Interest on Application Money	Interest on application money is payable at the applicable Coupon Rate (subject to deduction of tax at source at the rates prevailing from time to time under the provisions of the Income Tax Act, 1961 or any statutory modification or re-enactment thereof) and will be paid on the entire application money on all valid applications. The same will be released subsequent to the Deemed Allotment Date. Such interest shall be paid for the period commencing from the date of receipt of funds up to one day prior to the Deemed Allotment Date and interest on application money would not be payable in cases of invalid applications.
Interest Payment Clause	As per IRDAI Regulations, payments of interest on the coupon payment dates shall be governed by the following conditions: <ul style="list-style-type: none"> <li>Where the impact of payment of interest may result in net loss or increase the net loss of the Issuer, prior approval of IRDAI shall be required for payment of interest.</li> </ul>







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	<ul style="list-style-type: none"> <li>In case the solvency of the Issuer has fallen below the minimum regulatory requirements as prescribed by IRDAI or any interest payment would result in its solvency falling below or remaining below the minimum regulatory requirement specified by IRDAI, the issuer shall not be liable to pay interest for that financial year.</li> <li>The interest due for a particular year shall not be cumulative i.e. interest missed in a year will not be paid in future years. However, any interest due and remaining unpaid shall be paid in the subsequent financial years subject to the Issuer being in compliance with regulation 3 (vii) and regulation 5 of the IRDAI Regulations.</li> </ul> <p>Any unpaid interest being paid on a future date shall be compounded at the coupon rate.</p>
Default Interest Rate	<p>In case of default in payment of Interest as per this Term Sheet and/or principal redemption on the due dates, additional interest of at least 1% per annum over the Coupon Rate will be payable by the Issuer for the defaulting period. Provided that payment of such additional interest shall be subject to obtaining of IRDAI approval by the Issuer and applicable law including, without limitation, IRDAI Regulations and IRDAI approval dated September 25, 2018.</p> <p>It is clarified that the time taken by IRDAI shall be deemed excluded for purposes of such additional interest payment.</p>
Tenor	10 years
Redemption Date	10 years from the deemed allotment date
Redemption Amount	Rs. 10,00,000 per NCD
Redemption Premium/Discount	Nil (Redeemed at par i.e. Rs.10,00,000)
Issue price	Rs. 10,00,000 per NCD
Discount at which security is issued and the effective yield as a result of such discount	N/A
[Put] Date	N/A
[Put] Price	N/A
[Call] Date	At the end of five completed years from the Deemed Allotment Date and at the end of every year thereafter before the Redemption Date. Such call option may only be exercised by the Issuer.
[Call] Price	Rs. 10,00,000 per NCD
Indicate whether Call option will be exercised at Discount/Premium/Par	At Par
Put Notification time	N/A
Call Notification time	In the event that the Issuer is desirous of exercising the Call Option, the Issuer shall provide notice to the Debenture Trustee in relation to exercise of the Call Option atleast 15 calendar days prior to the relevant Call Option Date.





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	Upon issuance of the notice, the Debenture Holder shall have no right and be under a mandatory obligation to agree to such redemption of the NCDs as identified in the notice on the relevant Call Option Date along with accrued interest, if any.
Call Notice Deadline	The Fifteenth (15th) calendar day prior to the relevant Call Option Date.
Face Value	RS. 10,00,000 per NCD
Issue Price	At Par
Minimum Application and in multiples of (-) Debt securities thereafter	10 NCDs and in multiple of 1 NCD thereafter.
Indicate whether the NCDs are rated	Yes, the NCDs are Rated. Rating has been obtained from Credit Rating Agencies BWR AA and ICRA AA-
Whether NCDs are perpetual in Nature	No
Maturity amount basis	Redeemable at Par
Issue Timing <ul style="list-style-type: none"> <li>• Issue Opening Date</li> <li>• Issue Closing Date</li> <li>• Pay-in-Date</li> <li>• Deemed Date of Allotment</li> </ul>	April 30, 2019 April 30, 2019 April 30, 2019 April 30, 2019
Issuance Mode of the Instrument	In demat mode only
Trading Mode of the Instrument	In demat mode only
Settlement Mode of the Instrument	In demat mode only
Intended Classification of Instrument Proposed	The proposed instrument would be classified as Debentures under Borrowings in Balance Sheet, which the Insurer proposes to include for computing solvency margin.
Depository	National Securities Depository Limited (NSDL)
Registrar	BGSE Financials Limited
Registrar BP ID	IN 200875
Name of contact person, designation and address where physical securities is to be sent	Mr. Amit Raheja Head – Legal, Compliance and Company Secretary (Compliance Officer) Unit No. 1902, 19th Floor, Parinee Crescenzo, 'G' Block, Bandra-Kurla Complex, Opposite MCA Club, Bandra (E), Mumbai – 400 051
Arranger Details	ICICI Bank Limited
Address where tax exemption forms to be given by investors	N/A
Business Day Convention	All days, excluding Sundays or a holiday of commercial banks or a public holiday in Mumbai, except with reference to issue period and Record Date, where business day shall mean all days, excluding Saturdays, Sundays and public holiday in India. Furthermore, for the purpose of post issue period, being the period beginning from Issue Closing Date to allotment of the NCDs, business day shall mean all days excluding Sundays or a holiday of commercial banks in Mumbai or a public holiday in India.





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	If any Coupon Payment Date falls on a day which is not a business day, payment of interest amount shall be made on the next business day.
Holiday Convention for making payments – Principal	Holiday shall mean Sundays or a holiday of commercial banks or a public holiday in Mumbai.
Holiday Convention for making payments –Interest	Holiday shall mean Sundays or a holiday of commercial banks or a public holiday in Mumbai.
Holiday Convention for making payments – Additional Interest	Holiday shall mean Sundays or a holiday of commercial banks or a public holiday in Mumbai.
Record Date	15 calendar days before the Coupon Payment Date/Redemption Date or Call Option Date
Security (where applicable)	N/A
Transaction Documents	<p>The Issuer has executed/shall execute the documents including but not limited to the following in connection with the issue:</p> <ul style="list-style-type: none"> <li>• This Information Memorandum comprising of this Term Sheet and PAS-4 issued in accordance with the Companies Act, 2013, Companies (Prospectus and Allotment of Securities) Rules, 2014 and IRDAI Regulations ("Information Memorandum");</li> <li>• Debenture Trusteeship Appointment Agreement</li> <li>• Debenture Trust Deed</li> </ul> <p>Any other documents as customary and applicable to the nature of issuance.</p>
Conditions precedent to Disbursement	<p>The subscription from the Debenture Holder shall be accepted subject to the following:</p> <ul style="list-style-type: none"> <li>• IRDAI Approval Letter dated September 25, 2018 extension dated April 1, 2019 for raising subordinated debt under the provisions of the IRDAI (Other forms of Capital) Regulations, 2015 and as per the other terms stated thereunder and in the aforementioned Approval Letter,</li> <li>• Rating letter from credit rating agency;</li> <li>• Letter from the Trustee conveying their consent to act as Debenture Trustees for the Debenture Holder(s);</li> <li>• Requisite compliance with the provisions of the Companies Act, 2013 for issue of non-convertible debentures, KYC documents, IRDAI Regulations and other applicable law;</li> <li>• CA certificate for net worth certification;</li> <li>• Confirmation that there are no other lenders of the Issuer;</li> <li>• Execution of Debenture Trusteeship Agreement; and</li> <li>• Filing of the Term Sheet with IRDAI as per the aforesaid approval dated September 25, 2018 and extension dated April 1, 2019</li> </ul>
Conditions subsequent to Disbursement	<ul style="list-style-type: none"> <li>• Filing of the relevant documents, inter alia, private placement offer letter (PAS-4), return of allotment (PAS-3), etc. with the Registrar of Companies ("RoC") within the timelines specified under the Companies Act, 2013 and the rules thereunder;</li> <li>• Reporting to IRDAI in respect of the issue of NCDs in terms of IRDAI Regulations;</li> <li>• Credit of demat account(s) of the allottee(s) with the number of NCDS allotted on the Deemed Allotment Date; and</li> <li>• Execution of Debenture Trust Deed.</li> </ul>
Events of Default	<p>(A) The occurrence of anyone of the following events shall constitute an "Event of Default" by the Issuer:</p> <ol style="list-style-type: none"> <li>I. If the Issuer commits a default in making payment of any instalment of interest</li> </ol>







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subject to 3 business days for technical reasons or repayment of principal amount of the NCDs on the respective due date(s), provided that such default in making payment will not constitute an Event of Default in cases where the interest payments are dependent on prior approval from IRDAI, as mentioned below.

The Debenture Holder agrees and acknowledges that in the event the Issuer is of the view that the Issuer is unable to pay the Coupon Rate on the specified date as agreed between the parties due to solvency issues/regulatory constraints/financial issues whatsoever, the Issuer shall inform the Debenture Holder, in respect of such inability to pay Coupon Rate, 35 number of days in advance before the specified date and simultaneously seek approval from IRDAI to pay the due Coupon Rate. Further, in case IRDAI approval is delayed due to any reasons whatsoever and the Issuer is unable to pay the Coupon Rate on the due date, the same shall not constitute an Event Of Default. In cases where prior IRDAI approval is not required the Event of Default shall occur when the Coupon Rate is not paid on the due date. Further, the Issuer agrees and confirms that, in the event the approval from IRDAI is delayed beyond the due date as a result of any reason whatsoever, the Issuer shall pay the Coupon Rate within 1 business day from the date of receipt of IRDAI approval and if the Issuer fails to pay within the aforesaid time period such a breach shall be deemed to be an Event of Default.

- II. If any default is committed in the performance or observance of any condition or provision contained in the Debenture Trust Deed and/or other conditions mentioned hereunder (other than the obligation to pay principal and interest) which will Materially Affect the interest of the beneficial owner(s)/Debenture Holder(s) adversely and, except where the Debenture Holders/beneficial owners/Debenture Trustee certify that such default is in its opinion incapable of remedy (in which case no notice shall be required), such default continues for thirty days after written notice has been given thereof by the Debenture Trustee to the Issuer requiring the same to be remedied;
- III. If any resolution for voluntary winding-up is passed, or proceedings for liquidation, bankruptcy or winding up of the Issuer, whether voluntarily or compulsorily, have been commenced which results in an order for liquidation or winding up being passed against the Issuer by a competent court which is not appealable or against which appeal has not been filed within the prescribed period;
- IV. The Issuer has admitted in writing its inability to pay its debts as and when the same are due or it is certified by an accountant appointed by the Debenture Trustee that the Company's liabilities exceed its assets;
- V. The Issuer has taken, or suffered to be taken, any action for reorganization of its capital that will either result in the Bharti group ceasing to control the Issuer or will lead to a rating downgrade of the Issuer, in each case without the prior written consent of the Debenture Trustee. If the written consent from the Debenture Trustee is not received within 15 business days, then this shall mean a "Deemed Consent" by the Debenture Trustee.
- VI. If any extra-ordinary circumstances have occurred which make it improbable for the Issuer to fulfil its obligations under the Debenture Trust Agreement and/or in respect of the NCDs;







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	<p>VII. The Issuer ceases or threatens in writing to cease to carry on its business or gives notice of its intention to do so;</p> <p>VIII. If the Issuer is conclusively unable to pay its debts within the meaning of section 271(1) (a) of the Companies Act, 2013;</p> <p>IX. If the Issuer enters into amalgamation, reorganisation or reconstruction which will Materially Affect the interest of the beneficial owner(s)/Debenture Holder(s) without the prior consent of the Debenture Trustee in writing; and</p> <p>X. If the Issuer, without the prior intimation to the Debenture Trustee in writing, makes or attempts to make any alteration to its Memorandum and Articles of Association, which will Materially Affect the interest of the beneficial owner(s)/Debenture Holder(s) adversely.</p> <p>(B) If any Event of Default or any event which, after the notice, or lapse of time, or both, would constitute an Event of Default, the Issuer shall, forthwith give notice thereof to the Debenture Trustee in writing specifying the nature of such Event of Default or of such event.</p> <p>Provided that the Issuer shall have the right to cure any default, contained hereunder, and such right shall be for a period of thirty (30) days from the date of issuance of notice regarding the Event of Default.</p> <p>"Materially Affect" for the purposes of this Term Sheet shall be deemed to mean occurrence of any event resulting from wilful non-compliance of applicable law which will impair the ability of the Issuer to meet its obligations under the Debenture Trust Deed and/or the Term Sheet.</p>												
Provisions related to Cross Default Clause	N/A												
Details of Debenture Trustee	<ul style="list-style-type: none"> <li>• Debenture Holder: ICICI Bank Limited</li> <li>• Debenture Trustee: Axis Trustee Services Limited</li> <li>• Debenture Trustee Details:</li> </ul> <table border="1"> <tr> <td>Name of the contact person</td><td>Axis Trustee Services Limited U74999MH2008PLC182264</td></tr> <tr> <td>Designation/Department</td><td>Chief Operating Officer</td></tr> <tr> <td>Address:</td><td>Axis House, Ground Floor, Bombay Dyeing Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai - 400025</td></tr> <tr> <td>Tel. Nos.:</td><td>022-62260054</td></tr> <tr> <td>Fax Nos.:</td><td>022-43253000</td></tr> <tr> <td>Email address(s):</td><td><a href="mailto:debenturetrustee@axistrustee.com">debenturetrustee@axistrustee.com</a></td></tr> </table>	Name of the contact person	Axis Trustee Services Limited U74999MH2008PLC182264	Designation/Department	Chief Operating Officer	Address:	Axis House, Ground Floor, Bombay Dyeing Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai - 400025	Tel. Nos.:	022-62260054	Fax Nos.:	022-43253000	Email address(s):	<a href="mailto:debenturetrustee@axistrustee.com">debenturetrustee@axistrustee.com</a>
Name of the contact person	Axis Trustee Services Limited U74999MH2008PLC182264												
Designation/Department	Chief Operating Officer												
Address:	Axis House, Ground Floor, Bombay Dyeing Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai - 400025												
Tel. Nos.:	022-62260054												
Fax Nos.:	022-43253000												
Email address(s):	<a href="mailto:debenturetrustee@axistrustee.com">debenturetrustee@axistrustee.com</a>												
Roles and Responsibilities of Debenture Trustee	The Debenture Trustee shall perform its duties and obligations and exercise its rights and discretions in keeping with the trust reposed in the Debenture Trustee by the Debenture Holder and shall further conduct itself, and comply with the provisions of												





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	all applicable laws, provided that, the provisions of Section 20 of the Indian Trusts Act, 1882, shall not be applicable to the Debenture Trustee. The Debenture Trustee shall carry out its duties and perform its functions as required to discharge its obligations under the terms of the Debenture Trusteeship Agreement, this Term Sheet and all other related transaction documents and applicable laws with due care, diligence and loyalty.
Governing Law and Jurisdiction	The debentures are governed by and shall be construed in accordance with the existing laws of the Republic of India. Any dispute arising thereof shall be subject to the jurisdiction of courts of Mumbai.

#### **ADDITONAL COVENANTS:**

- A. Relevant Guidelines-** In addition to the Insurance Act, 1938 and IRDAI Regulations, this issuance would inter alia adhere to the following guidelines/regulations:
- The Companies Act, 2013;
  - Companies (Prospectus and Allotment of Securities) Rules, 2014;
  - Companies (Share Capital and Debentures) Rules, 2014;
  - Foreign Exchange Management Act, 1999 read with rules and regulations made thereunder; and
  - Any other guidelines/regulations applicable for private placement of unlisted debt securities.
- B. Clear Market Conditions-** Subject to full placement of Rs. 35,00,00,000 (Rupees Thirty Five Crores Only) of NCDs, the Issuer will not propose any offer of any non-convertible debentures within a period of 90 days from the Deemed Allotment Date of the aforesaid NCDs.
- C. Force Majeure -** The Issuer understands that this issue is contingent on the assumption that from the date of the provision of this offer to the Deemed Allotment Date, there is no material adverse change in the financial conditions of the Issuer. In the case of such material adverse change, the terms may be renegotiated to the mutual satisfaction of the parties.
- D. Other Conditions-** Debenture Holder shall have the right to make disclosures in terms of the applicable regulations issued by the Reserve Bank of India upon occurrence of an Event of Default.
- E. Counterparts-** This Term Sheet may be executed by the parties in separate counterparts each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument.





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Now this Term Sheet is executed by and on behalf of the Company, Debenture Holder and the Debenture Trustee:

For and on behalf of Bharti AXA General Insurance Company Limited (herein under referred to as the 'Company') Name: <u>Nilesh Kambli</u> Designation: <u>CFO</u> Signature: <u>[Signature]</u>	For and on behalf of ICICI Bank Limited: (herein under referred to as the 'Debenture Holder') Name: <u>SANKET JAIN</u> Designation: <u>CHIEF MANAGER</u> Signature: <u>[Signature]</u>	For and on behalf of Axis Trustee Services Limited: 'Consent Letter' (attached)
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For Bharti AXA General Insurance Co. Ltd.

[Signature]  
Company Secretary

