

I. SUMMARY TERM SHEET

Private Placement in Two Tranches, Tranche 1 base issue of Rs. 62.50 Crores (Rs. Sixty Two crores and Fifty Lakhs) with an option to retain oversubscription of Rs. 200 Crores & Tranche 2 base issue of Rs. 250 Crores (Rs. Two Hundred and Fifty Crores) with an option to retain oversubscription of Rs. 150 Crores (Secured, Redeemable, Non-Convertible Partly Paid Debentures (“Debentures” or “NCDs”) of the face value of Rs. 10,00,000/- (Rupees Ten Lakh only) each for cash such that the total value shall not be exceeding of Rs 662.50 Crores (Rupees Six Hundred Sixty Two Crores and fifty Lakhs only):

Security Name	9.50% Piramal Capital & Housing Finance Limited 22 9.50% Piramal Capital & Housing Finance Limited May 2022
Issuer	PIRAMAL CAPITAL & HOUSING FINANCE LTD
Promoter/ Promoter Group	Ajay Piramal Group
Type of Instrument	Secured Redeemable Non-Convertible Partly Paid-up Debentures (the “Debentures”)
Nature of Instrument	Secured
Seniority	Senior, on pari passu basis with current and future secured security holders
Mode of Issue	Private placement
Eligible Investors	Please refer paragraph “Who Can Apply” of this Disclosure Document.
Reissuance of NCDs	The issuer reserves the right to further issue NCDs under aforesaid series / Information Memorandum / ISIN.
Listing	The Debentures are proposed to be listed on WDM segment of NSE and BSE. The Company shall forward the listing application to the NSE and BSE along with the applicable disclosures within 15 (Fifteen) days from the Deemed Date of Allotment. In case of delay in listing beyond 20 (Twenty) days from the Deemed Date of Allotment, the Company will pay additional interest, of 1% (one percent) p.a. over the Interest/Coupon Rate/implicit yield from the expiry of 30 (thirty) days from the Deemed Date of Allotment till the listing of such NCDs to the investor.
Rating of the Instrument	CARE Limited has assigned a “AA+” (Pronounced as Double A Plus) with stable outlook to the long term non-convertible Debenture issue programme of the Company.
Issue Size	Rs 312.50 Crores with an option to retain oversubscription of Rs. 350 Crores such that total size shall not exceed Rs 662.50 Crores , comprising 2 tranches as under:
Option to retain oversubscription (Amount)	Tranche 1 – Rs 62.5 Crores with an option to retain oversubscription of Rs. 200 Crores Tranche 2 – Rs.250 Crores with an option to retain oversubscription of Rs. 150 Crores
Objects of the Issue	Please refer to Paragraph 1 of Section III of Part B of this DD
Details of the utilization of the Proceeds	Please refer to Paragraph 1 of Section III of Part B of this DD
Interest/Coupon Rate	Tranche 1 & 2: 9.50% p.a.

Coupon Payment Frequency	Monthly									
Coupon Payment Dates	First coupon paid at the end of one month from the Deemed Date of Allotment (i.e. 21 st Feb 2019) and monthly thereafter.									
Coupon Type	Fixed Rate									
Coupon Reset Frequency	Tranche 1 – no reset Tranche 2 - At the end of 1 year from the Deemed Date of Allotment and annually thereafter (“ Coupon Reset Date ”)									
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc.).	<p>15 calendar days prior to each Coupon Reset Date for Tranche 2, each Debenture Holder shall propose the Coupon Rate applicable from the immediately succeeding Coupon Reset Date till the next Coupon Reset Date.</p> <p>Reset Coupon Rate shall carry a floor of 9% p.a. (“Floor Rate”) and cap of 10% p.a. (“Cap Rate”).</p> <p>Issuer to communicate its acceptance of the quoted rate at least 7 calendar days prior to the Coupon Reset Date.</p> <p>If the Coupon Rate quoted by a Debenture Holder is not the Floor Rate, and the same is not acceptable to the Issuer, which has to be communicated within 7 days of receipt of quote from such Debenture Holder, the Issuer shall have an option to redeem all the Debentures held by such Debenture Holder, without any penalty, on the Coupon Reset Date.</p> <p>To clarify, Issuer cannot redeem the Debentures if the reset coupon remains at Floor Rate.</p> <p>The issuer and debenture holders can have multiple rounds of discussion regarding the coupon rate, but all such discussions need to be completed within the specified timelines.</p>									
Issue Price	At Par Rs.10,00,000/- per Debenture (Please refer “ Payment Terms, Subscription Amounts & Call dates ”)									
Payment Terms, Subscription Amounts & Call dates	<table border="1"> <thead> <tr> <th>Call Dates</th> <th>Nature of Call Amounts</th> <th>Call Amounts</th> </tr> </thead> <tbody> <tr> <td>Initial Subscription on 21 January 2019 (“Initial Call Amount Date”)</td> <td>Initial Subscription Amount</td> <td>80% of the issue price i.e. Rs. 8,00,000/- per Debenture</td> </tr> <tr> <td>Final Call amount on 21 March 2019 (“Final Call Amount Date”)</td> <td>Final Call Amount</td> <td>20% of the issue price i.e. Rs.2,00,000/- per Debenture</td> </tr> </tbody> </table>	Call Dates	Nature of Call Amounts	Call Amounts	Initial Subscription on 21 January 2019 (“ Initial Call Amount Date ”)	Initial Subscription Amount	80% of the issue price i.e. Rs. 8,00,000/- per Debenture	Final Call amount on 21 March 2019 (“ Final Call Amount Date ”)	Final Call Amount	20% of the issue price i.e. Rs.2,00,000/- per Debenture
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Penalty Clause with respect to balance Call Amount	Failure by Debenture holders to subscribe to / Issuer to accept the final call amount as per the Payment schedule will result in a one-time penalty, as will be mutually discussed and agreed between the Debenture holders and the Issuer.									
Management Control Covenant	<p>Promoter Group to maintain Control or hold at least 26% of equity shareholding in Piramal Enterprises Ltd (PEL) directly or indirectly on a fully diluted basis.</p> <p>Control means (i) the right to appoint majority of the directors; and (ii) to control the management or policy decisions; exercisable by a person or persons acting individually or in concert, directly or indirectly, including by virtue of their shareholding or management rights or shareholders</p>									

	agreements or voting agreements or in any other manner. Provided that a director or officer of a company shall not be considered to be in control over such company, merely by virtue of holding such position.
Day Count Basis	Actual/ Actual
Interest on Application Money	N.A.
Default Interest Rate	In case of default in payment of Interest and/or principal redemption on the Due Dates, additional interest @ 2% (Two percent) p.a over and above the applicable Coupon Rate will be payable by the Company from the date of the occurrence of the default until the default is cured or the debentures are redeemed pursuant to such default, as applicable.
Tenor	Tranche 1: 3 years 3 months from Deemed Date of Allotment Tranche 2: 3 years 3 months 15 days from Deemed Date of Allotment
Redemption Date	Tranche 1: 21 st April 2022 Tranche 2: 6 th May 2022
Redemption Price Per Debenture	At Par i:e Rs. 10,00,000/- (Rs. Ten Lakhs Only) per debenture
Redemption Premium / Discount	Nil, redemption at par
Put Date	N.A.
Put Price	N.A.
Call Date	N.A.
Call Price	N.A.
Put Notification Time	N.A.
Call Notification Time	N.A.
Rollover Option	N.A.
Face Value	Rs. 10,00,000/- (Rs. Ten Lakh only) per Debenture
Minimum Application and multiples of debt securities thereafter	10 Debentures and in multiples of 1 Debenture thereafter
Issue Timing	Tranche Opening Date: 18 th January 2019 Tranche Closing Date: 18 th January 2019 Pay-in Date: 21 st January 2019 Deemed Date of Allotment: 21 st January 2019
Issuance mode of the Instrument	Demat only
Trading mode of the Instrument	Demat only
Settlement mode of the Instrument	Cheque / Demand Draft / Pay Order / Direct Credit / ECS / NEFT / RTGS / other permitted mechanisms
Depository(ies)	NSDL / CDSL
Business Day	A day which is not a 2 nd or 4 th Saturday, Sunday or a public holiday for the purposes of Section 25 of the Negotiable Instruments Act, 1881(26 of 1881) on which banks are open for general banking business in the places

	as mentioned in Schedule I hereto and “ Business Days ” is to be construed accordingly.
Business Day Convention	Should any of the Due Date(s), for payment of Interest or principal as defined above, fall on day other than a Business Day, the next immediately succeeding day shall be considered as the effective date for the purpose of Coupon/Interest payment and the immediate previous Business Day shall be considered as the effective date for the purpose of payment of redemption proceeds/ last Coupon payment.
Record Date	15 (Fifteen) days prior to any Due Date. In the event the Record Date falls on a day which is not a Business Day, the next Business Day will be considered as the Record Date.
Security (where applicable) (Including description, type of security, type of charge, likely date of creation of security, minimum security cover, revaluation, replacement of security) and Ranking of Security.	The NCDs being issued shall be secured through a first <i>pari passu</i> charge by hypothecation over the Hypothecated Assets of the Company and a first ranking <i>pari passu</i> mortgage over the Immovable Property of the Company or such other property as may be identified by the Company. The Company shall maintain security cover of at least one times of the entire redemption amount throughout the tenure of the NCDs.
Transaction Documents	Disclosure Document, Security Documents and any other document that may be designated by the Debenture Trustee as a Transaction Document
Security Documents	Umbrella Debenture Trust Deed, Umbrella Debenture Trustee Agreement, Umbrella Deed of Hypothecation, necessary power of attorney and all such other documents required for the purpose of creating and perfecting the Security in favour of the Debenture Trustee for the benefit of the Debenture Holders.
Conditions Precedent to Disbursement	As customary for transaction of a similar nature and size, including but not limited to the following conditions: 1. Execution of Disclosure Document 2. Obtaining Rating Letter(s) 3. Obtaining Debenture Trustee Consent.
Condition Subsequent to Disbursement	As customary for transaction of a similar nature and size, including but not limited to the following conditions: 1. Issue of letter of allotment. 2. Issue of Debentures in Dematerialised form.
Events of Default	The Debenture Trust Deed and the Deed of Hypothecation contains an exhaustive list of events which may, at the end of cure period (if applicable), constitute events of default. However, an indicative list of the events of default is provided below: <ul style="list-style-type: none"> • If the Company makes default in payment of the Redemption Amount or any other Payment due in respect of any of the Debentures which ought to have been paid in accordance with the terms of this DTD and other Transaction Documents, the same shall be deemed to be an Event of Default; Cessation of the business of the Issuer which leads to a Material Adverse Effect; • Winding up/Bankruptcy proceedings initiated with respect of the Issuer • Misleading information or warranties in material respect of the

	<p>Issuer (subject to cure period);</p> <ul style="list-style-type: none"> • Appointment of receiver/ liquidator of all or a substantial part of the undertaking of the Issuer unless the appointment has been stayed/vacated/dismissed within 60 business days. • Fall in the stipulated minimum security cover (subject to cure period); • Promoter Group ceasing to maintain Control or hold at least 26% (on a fully diluted basis) of equity shareholding in Piramal Enterprises (PEL) and Issuer, directly or indirectly • Cross default with other financial indebtedness of the Issuer, PEL and PHL Fininvest Private Limited; Resignation of Mr. Ajay Piramal and not reappointed within a period of 15 days of such resignation • Withdrawal / Suspension of ratings of these NCDs. • Breach of any covenants (subject to the cure period); • Breach of any regulatory norms/provisions • Levy of attachment/ distraint on the security or any part thereof ; <p>As further provided in the Debenture Trust Deed and the Deed of Hypothecation.</p>
Early Redemption Date	<p>Shall mean any date prior to the Redemption Date on which any Debentures are required to be redeemed pursuant to the occurrence of:</p> <ul style="list-style-type: none"> a) an Event of Default, in relation to which an acceleration notice under DTD has been issued by the Debenture Trustee; or b) Withdrawal of long term rating of the Debentures or fall in the long term rating of the Issuer below A+ by any rating agency (“Rating Downgrade Event”) <p>Debenture holder(s) shall have the option to call for an early redemption of the NCDs in case credit rating of the Issuer falls below A+ by any rating agency. The Company shall redeem the NCDs prior to the stated Redemption Date at par along with accrued interest payable on the NCDs without payment of any prepayment penalty, within 30 days from the date of such rating downgrade or service of an acceleration notice as per above.</p>
Role and Responsibilities of Debenture Trustee	<p>To oversee and monitor the overall transaction for and on behalf of the Debenture Holders as is customary for transactions of a similar nature and size and as detailed under the appropriate Transaction Documents.</p>
Illustration of Bond Cashflows	<p>As per Annexure III</p>
Conflict	<p>In case of any repugnancy, inconsistency or where there is a conflict between the conditions/covenants as are stipulated in the Disclosure Document along with the term sheets and any transaction document/s executed /to be executed by the Company, the provisions mentioned in the Disclosure Document & Termsheet shall prevail and override the provisions mentioned elsewhere.</p>
Transaction Documents	<p>Disclosure Document, Termsheet/s, Debenture Trust Deed, Debenture Trustee Agreement, Deed of Hypothecation and any other document that may be designated by the Debenture Trustee as a Transaction Document</p>
Governing Law and Jurisdiction	<p>The Debentures are governed by and will be construed in accordance with the Indian Law. The Debentures and documentation will be governed by and construed in accordance with the laws of India and the parties submit to the exclusive jurisdiction of the courts and tribunals in</p>

	Mumbai.
Disclosures as per the operating guidelines issued by NSE in relation to Electronic Book Mechanism.	Mode of Bidding: Close Manner of Allotment: Uniform Manner of Settlement: Through Clearing Corporation of NSE (NSCCL) Settlement Cycle: T+1

Additional covenants:

- 1 Security Creation (where applicable): In case of delay in execution of Debenture Trust Deed and registration of charge with Registrar of Companies (ROC) beyond 3 (Three) months of the closure of the issue in respect of the Debentures, the Company will refund the subscription with agreed rate of interest or will pay additional interest of at least 2% per annum over the Coupon Rate till these conditions are complied with at the option of the investor.
- 2 Default in Payment: In case of default in payment of Interest and/or principal redemption on the Due Dates, additional interest of 2% p.a. over the Coupon Rate will be payable by the Company for the defaulting period.
- 3 Delay in Listing: In case of delay in listing of the debt securities beyond 20 days from the Deemed Date of Allotment, the Company will pay additional interest of atleast 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.

The interest rates mentioned in above cases are the minimum interest rates payable by the Company and are independent of each other.

ANNEXURE III

ILLUSTRATION OF BOND CASH FLOWS PER NCD

As per the SEBI Circular No. CIR/IMD/DF-1/122/2016 dated November 11, 2016, the cash flows emanating from the Debentures are mentioned below by way of an illustration.

(Per NCD Cash Flow)

Coupon p.a.

1) Tranche 1: 9.50% Piramal Capital & Housing Finance 22

	Tenor	3 Years 3 Months				
	Annual Coupon Rate	9.50% p.a.				
Days	Coupon Calculation Date	Actual Payment Date	Net Cash Flow	Principal	Coupon	Principal O/s
0	21-Jan-19	21-Jan-19	-8,00,000	0	0	8,00,000
31	21-Feb-19	21-Feb-19	6,455	0	6,455	8,00,000
59	21-Mar-19	21-Mar-19	5,830	0	5,830	8,00,000
59	21-Mar-19	21-Mar-19	-2,00,000	0	-	10,00,000
90	21-Apr-19	22-Apr-19	8,068	0	8,068	10,00,000
120	21-May-19	21-May-19	7,808	0	7,808	10,00,000
151	21-Jun-19	21-Jun-19	8,068	0	8,068	10,00,000
181	21-Jul-19	22-Jul-19	7,808	0	7,808	10,00,000
212	21-Aug-19	21-Aug-19	8,068	0	8,068	10,00,000
243	21-Sep-19	23-Aug-19	8,068	0	8,068	10,00,000
273	21-Oct-19	21-Oct-19	7,808	0	7,808	10,00,000
304	21-Nov-19	21-Nov-19	8,068	0	8,068	10,00,000
334	21-Dec-19	23-Dec-19	7,808	0	7,808	10,00,000
365	21-Jan-20	21-Jan-20	8,046	0	8,046	10,00,000
396	21-Feb-20	21-Feb-20	8,046	0	8,046	10,00,000
425	21-Mar-20	23-Mar-20	7,527	0	7,527	10,00,000
456	21-Apr-20	21-Apr-20	8,046	0	8,046	10,00,000
486	21-May-20	21-May-20	7,787	0	7,787	10,00,000
517	21-Jun-20	22-Jun-20	8,046	0	8,046	10,00,000
547	21-Jul-20	21-Jul-20	7,787	0	7,787	10,00,000
578	21-Aug-20	21-Aug-20	8,046	0	8,046	10,00,000
609	21-Sep-20	21-Sep-20	8,046	0	8,046	10,00,000
639	21-Oct-20	21-Oct-20	7,787	0	7,787	10,00,000
670	21-Nov-20	23-Nov-20	8,046	0	8,046	10,00,000
700	21-Dec-20	21-Dec-20	7,787	0	7,787	10,00,000
731	21-Jan-21	21-Jan-21	8,068	0	8,068	10,00,000
762	21-Feb-21	22-Feb-21	8,068	0	8,068	10,00,000
790	21-Mar-21	22-Mar-21	7,288	0	7,288	10,00,000
821	21-Apr-21	21-Apr-21	8,068	0	8,068	10,00,000
851	21-May-21	21-May-21	7,808	0	7,808	10,00,000
882	21-Jun-21	21-Jun-21	8,068	0	8,068	10,00,000
912	21-Jul-21	21-Jul-21	7,808	0	7,808	10,00,000
943	21-Aug-21	23-Aug-21	8,068	0	8,068	10,00,000
974	21-Sep-21	21-Sep-21	8,068	0	8,068	10,00,000
1004	21-Oct-21	21-Oct-21	7,808	0	7,808	10,00,000
1035	21-Nov-21	22-Nov-21	8,068	0	8,068	10,00,000
1065	21-Dec-21	21-Dec-21	7,808	0	7,808	10,00,000
1096	21-Jan-22	21-Jan-22	8,068	0	8,068	10,00,000
1127	21-Feb-22	21-Feb-22	8,068	0	8,068	10,00,000

1155	21-Mar-22	21-Mar-22	7,288	0	7,288	10,00,000
1186	21-Apr-22	21-Apr-22	1008068	10,00,000	8,068	-

2) Tranche 2: 9.50% Piramal Capital & Housing Finance May 22

	Tenor	3 Years 3 Months 15 Days				
	Annual Coupon Rate	9.50% p.a.				
Days	Coupon Calculation Date	Actual Payment Date	Net Cash Flow	Principal	Coupon	Principal O/s
0	21-Jan-19	21-Jan-19	-8,00,000	0	0	8,00,000
31	21-Feb-19	21-Feb-19	6,455	0	6,455	8,00,000
59	21-Mar-19	21-Mar-19	5,830	0	5,830	8,00,000
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120	21-May-19	21-May-19	7,808	0	7,808	10,00,000
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1186	21-Apr-22	21-Apr-22	8,068	0	8,068	10,00,000
1201	6-May-22	6-May-22	1003904	10,00,000	3,904	0

