

Shelf Disclosure Document prepared as per Schedule I of SEBI (Issue and Listing of Debt Securities) regulations 2008 and (Amendment) Regulations, 2012 and private placement offer letter as per PAS-4 (Pursuant to Section 42 of Companies Act, 2013 and rules framed therein,

V. ISSUE DETAILS

Security Name	2500 senior, secured, rated, listed, redeemable non-convertible debentures (NCDs) of face value of Rs. 10,00,000/- each aggregating to Rs. 2,50,00,00,000/- to be issued by the Company in two series
Issuance strictly on private placement basis only	This Disclosure Document issued shall be serially numbered and circulated privately to persons not exceeding 49 and is solely for the purpose of issuance and listing of Debentures issued on private placement basis and therefore should not be construed to be a prospectus and/or an invitation to the public for subscription to Debentures issued under any law for the time being in force.
Issuer	DMI Finance Private Limited ('the Issuer'/'the Company')
Promoter Group	As per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 Regulations
Type of Instrument	Secured, listed, senior, rated, redeemable non-convertible debentures (NCDs/Debentures)
Nature of Instrument	Secured
Seniority	Senior
Mode of Issue	Private placement to subscribers not exceeding limit as prescribed under Companies Act
Option to retain oversubscription (Amount)	Not Applicable.
Eligible Investors	<ul style="list-style-type: none"> • Scheduled Commercial Banks; • Financial Institutions; • Foreign Portfolio Investors; • Insurance Companies; • Primary/ State/ District/ Central Co-operative Banks (subject to permission from RBI); • Regional Rural Banks; • Mutual Funds; • Provident, Gratuity, Superannuation and Pension Funds; • Companies, Bodies Corporate authorised to invest in Debentures; • Trusts • Any other eligible investors registered under the applicable laws in India and which are duly authorized to invest in debentures.
Listing (including name of stock exchange(s) where it will be listed and timeline for listing)	The NCD's will be listed on the WDM Segment of Bombay Stock Exchange (BSE)
Rating of the Instrument	<p>CARE AA- by CARE Ratings Limited</p> <p><i>The Issuer reserves the right to obtain an additional credit rating from any SEBI registered Credit Rating Agency for full or part of the issue size, as it may deem fit, which shall be at least equivalent to the prevailing credit rating to the issue.</i></p>
Issue Size	Rs 250.00 Crs.



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Issue Price	<p>Series I: 1,500, floating, non-convertible debentures (NCDs) face value of Rs.10,00,000/- (Rupees Ten lakhs only) each at par aggregating to Rs.150.00 Crore (Rupees One Hundred and Fifty Crores only)</p> <p>Series II: 1,000, floating, non-convertible debentures (NCDs) face value of Rs.10,00,000/- (Rupees Ten lakhs only) with initial paid up value of Rs.50,000/- (Rupees Fifty Thousand only) and balance Rs.9,50,000/- (Rupees Nine Lakhs Fifty Thousand only) to be drawn down between 30th and 90th day from the Deemed Date of Allotment mutually agreeable to the Issuer and Debenture Holders aggregating to Rs.100.00 Crore (Rupees One Hundred Crores only)</p>
Promoter contribution	NIL
Objects of the Issue	The object of the Issue for the enhancement of its loan portfolio of the Company.
Details of the utilization of the Proceeds	Please refer caption "Objects of the Issue" for details.
Interest on Application Money	At the Coupon rate/IRR (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. Where pay-in Date and Deemed Date of Allotment are the same, no interest on Application money is to be paid.
Default Interest Rate	In the event of delay in the payment of interest amount and/ or principal amount on the due date(s), the Issuer shall pay additional interest of 2% per annum in addition to the Coupon Rate/IRR payable on the NCDs, on such amounts due, for the defaulting period i.e. the period commencing from and including the date on which such amount becomes due and upto but excluding the date on which such amount is actually paid.
Tenor	<p>Series I: 24 months from the Deemed Date of Allotment</p> <p>Series II: 36 months from the Deemed Date of Allotment</p>
Coupon Rate	Kotak 1 year MCLR + 1.05% of Spread
Coupon Payment Frequency	Semi-Annual
Coupon Payment dates	June 30 and December 31 every year starting December 31, 2018
Coupon Type	Actual days
Step Up/Step Down Coupon Rate	The Coupon on Debentures will be increased by 0.25% (twenty five basis points) for every notch downgrade from the current Credit Rating of the Issuer i.e 'AA-' by any Credit Rating Agency during the Tenor of the Debentures. If there is rating upgrade by the rating agency which has downgraded the credit rating; subsequent to such Rating Downgrade, each notch upgrade of the credit rating by any such credit rating agency (till the time such credit rating is restored to "AA-") shall reduce the coupon on the Debentures by 0.25% per annum
Prepayment	The Issuer shall have the option to prepay the whole/part amount subject to mutual agreement on the terms of pre-payment between both the issuer and the investor with 30 days notice and prepayment penalty of up to a maximum of 2% on the outstanding borrowing





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Day Count Basis	Actual days lapsed on the basis of actual days in a calendar year. Interest rate will be computed on a 365 days-a-year basis on the principal outstanding on the Debentures. Where the coupon/ interest period (start date to end date) includes February 29, coupon/ interest rate will be computed on 366 days-a-year basis, on the principal outstanding on the Debentures.
Delay in execution of the Debenture Trust Deed and other Transaction Documents	In case of delay in execution of the Debenture Trust Deed and other Transaction Documents pertaining to creation of the security, the Company will refund the subscription with agreed rate of interest or will pay penal interest of atleast 2% over the Coupon Rate till these conditions are complied with at the option of the Debenture Trustee/Debenture Holders/proposed investors.
Redemption Amount	Rs.10,00,000/- (Rupees Ten Lacs only) per Debenture
Redemption Date	Scheduled Redemption Date: Series I: 24 months from the Deemed Date of Allotment Series II: 36 months from the Deemed Date of Allotment <i>Please refer Clause 4 (Redemption of the Debentures) of Schedule I (Terms and Conditions) of the Debenture Trust Deed.</i>
Redemption Premium / Discount	NIL
Issue Price	Rs.10,00,000/- (Rupees Ten Lacs only) per Debenture
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc).	Coupon rate to be reset on every coupon payment date
Discount at which security is issued and the effective yield as a result of such discount	Debentures will be issued at par without any discount.
Put Option date	Not Applicable
Put Option price	
Put Option Premium	
Call Option date	Not Applicable
Call option price	
Call Option Premium	
Put Notification Time	Not Applicable
Call Notification Time	As detailed above
Face Value	Rs.10,00,000/- (Rupees Ten Lacs only) per Debenture
Minimum Application	Minimum of 50 debenture and in multiples of 50 thereafter
Issuance mode of the Instrument	Demat only
Trading mode of the Instrument	Demat only
Settlement mode of the Instrument	By cheque(s)/ demand draft(s)/ e-payment or any other mode which is permissible As per Stock Exchange settlement mechanism.
Depository	National Securities Depository Ltd.
Business Day	All days excluding a day when money market is not functioning in Mumbai;



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Business Day Convention	Any day of the week excluding a day when money market is not functioning in Mumbai should any of the date(s), as defined above or elsewhere in this Disclosure Document, fall on a non Business Day, the next Business Day shall be considered as the effective date for the purpose of coupon/interest payment and the previous Business Day shall be considered as the effective date for the purpose of payment of redemption proceeds including the accrued interest.
Record Date	The Record Date/ Book Closure Date for the Debentures shall be 15 days prior to each Interest Payment Date and or Principal repayment Date and/or Early Redemption Date, if any for the purposes of actual payment or as may be prescribed by the Securities and Exchange Board of India ("SEBI") during the tenure of the Debentures.
Security (where applicable) (including description, type of security, type of charge, likely date of creation of security, minimum security cover, revaluation, replacement of security)	<ul style="list-style-type: none"> • Exclusive charge by way of hypothecation of book debts of the Issuer to the extent of 1.33x of outstanding borrowing through the Debentures together with interest etc. Security cover of 1.33x within 60 days of the Deemed Date of Allotment and ensure that the same is maintained till such time the Debentures are outstanding. Security cover of the Issuer shall be determined on the basis of the standard assets of the Issuer as defined by the Reserve Bank of India's definitions provided for NBFCs, as amended from time to time. NPAs or assets(excluding Security Receipts) other than standard assets of the Issuer to not form part of the security created. During the currency of the NCDs, if any part of the hypothecated book debt turns NPA, such assets shall be excluded and shall be topped up with other standard assets so as to maintain the Security Cover. • For any reason thereafter during the life of the NCDs, if the security cover is below 1.10 times and the company fails to identify and create the additional security within 60 days and top-up the security within the stipulated time period, then debenture holders can charge additional 2.0% p.a. over and above the Coupon Rate till the time security cover is restored back to required level. • No restrictions on further borrowings or security creation by the Issuer under any instrument, subject to Financial Covenants (as set out in the Debenture Trust Deed) including Security Cover as stipulated in this term sheet being maintained at all times during the tenor of the Debentures. • The Debentures are secured by way of a first ranking mortgage over certain immovable assets of the Company comprising the Mortgaged Property as described in the Debenture Trust Deed, in favour of the Debenture Trustee for the benefit of the Debenture Holders in accordance with the terms of the Transaction Documents set out therein.



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Financial and Other Covenants	Any other covenants as mutually agreed between the Issuer & the Investor(s) pursuant to specific investor termsheet and as specified in the debenture trust deed
Transaction Documents	<ul style="list-style-type: none"> ▪ Debenture Trust Deed ▪ Disclosure Document ▪ Deed of hypothecation ▪ Credit rating letter ▪ Consent letter from trustee ▪ And any Other Document that may be designated as the transaction document by the Debenture Trustee.
Conditions Precedent to Disbursement	<ul style="list-style-type: none"> ▪ Authority from Board of Directors and Shareholders to issue debentures; ▪ Credit Rating Letters ▪ Trustee Consent ▪ Any other condition precedent as may be provided in the Debenture Trust Deed
Condition Subsequent to Disbursement	As provided in the Debenture Trust Deed
Events of Default	<ul style="list-style-type: none"> ▪ As mentioned in the transaction documents executed between the issuer and the debenture trustee.
Provisions related to Cross Default Clause	Not Applicable
Name of the Debenture Trustee	Axis Trustee Services Limited
Role and Responsibilities of Debenture Trustee	As provided in the Debenture Trust Deed
Governing Law and Jurisdiction	The Debentures offered are subject to provisions of the Companies Act, 2013, and other Applicable Laws, terms of this Disclosure Document, Instructions contained in the Application Form and other terms and conditions as may be incorporated in the Debenture Trustee Agreement and the Debenture 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 Delhi/Mumbai.
Issue Timing	
1. Issue Opening Date	June 14, 2018
2. Issue Closing Date	June 14, 2018
3. Pay-in Date	June 15, 2018
4. Deemed Date of Allotment	June 15, 2018

