

TERM SHEET

ISSUE DETAILS:

Security Name	Issue of 5000 (Five thousand) Rated, Listed, Secured, Partly Paid up Redeemable, Non-Convertible Debentures of the nominal value of INR 10,00,000 (Rupees Ten Lakhs Only) each, INR 50,000 (Rupees Fifty Thousand Only) paid up per debenture aggregating to not more than INR 500,00,00,000 (Rupees Five hundred Crores only)
Issuer	Shriram Transport Finance Company Limited
Type of Instrument	Secured Redeemable Non-Convertible Debentures
Nature of Instrument	Secured
Seniority	Senior
Mode of Issue	Private placement
Eligible Investors	Please refer Clause "Who can apply" of this Shelf Disclosure Document Only the persons who are specifically addressed through a communication are eligible to apply for the Debentures. No other person can apply.
Listing	<p>The NCDs are proposed to be listed on WDM segment of BSE/NSE Limited. The Company shall forward the listing application to the BSE/NSE Limited within the 15 days from the deemed date of allotment.</p> <p>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.</p>
Rating of the Instrument	"AA+" by CRISIL
Current Issue Size	₹ 500 Crores
Face Value of Debentures	₹ 10,00,000 (INR Ten Lakh)
Initial Subscription Amount	5% of the Face Value of Debentures, payable on the Date of Allotment
Additional Subscription Amount	Face Value of Debentures less Initial Subscription Amount
Right to Demand Additional Subscription	<p>The issuer has a right to Demand Additional Subscription on the Debenture facility only till the issuance date of fifth CP programme.</p> <p>The Facility will be fully committed and available for drawdown on Specified Drawdown Dates on giving of a drawdown notice of [5] business days.</p> <p>Before the issuance date of the fifth CP programme, the Issuer will have a right to demand additional Subscription only if:</p> <p>a.) the Investor does not accept the CP Subscription offer as per the agreed terms within the stipulated time period as per the Term sheet of the Commercial paper issue.</p> <p>b.) No Event of Default, as specified in the term sheet of the Debenture facility has taken place,</p> <p>c.) The Credit rating of the issuer has not been withdrawn,</p> <p>d.) The Long Term Credit rating of the Issuer has not been downgraded to AA- nor has the issuer been assigned a new long term rating which is lower than the already existing rating.</p> <p>e.) The Short Term credit rating of the issuer has not been downgraded to A1+ nor has the issuer been assigned a new short term rating which is lower than the already existing rating.</p>



	The Borrower shall give a written confirmation on each of the aforesaid events along with the notice for Demand Additional Subscription. In the event the investor does not honour the Demand for Additional Subscription then the borrower will have the right to forfeit the initial amount paid up on the Debenture.
Option to retain oversubscription	Nil
Objects of the Issue	Please refer clause "Objects & Utilization of the Issue Proceeds" of this Shelf Disclosure Document
Details of the utilization of the Proceeds	Please refer clause "Objects & Utilization of the Issue Proceeds" of this Shelf Disclosure Document
Coupon Rate	Interest Rate for first quarter i.e. till the next reset date is 8.00% p.a. and thereafter "Benchmark + 1.97%" which is to be fixed for a quarter and thereafter to be reset quarterly on reset date. (Interest to be paid on paid-up value of Debentures)
Benchmark	Prevailing RBI repo rate at the time of reset date
Interest Reset Dates	First Reset Date : 4 th June 2018 Second Reset Date : 3 rd September 2018 Third Reset Date : 3 rd December 2018 Fourth Reset Date : 1 st March 2019
Step Up/Step Down Coupon Rate	Not Applicable
Coupon Payment Frequency	Annually
Coupon Payment Schedule	(a) On the Initial Subscription Amount, the Coupon shall be payable upon the expiration of one (1) year for the period starting from and including the Date of Allotment, up to and including the date that falls one (1) year therefrom. (b) On the Additional Subscription Amount, the Coupon shall be computed from and including the Additional Subscription Amount Payment Date up to the up to and including the date that falls one (1) year from the Date of Allotment. (c) Final Coupon shall be payable on the Initial Subscription Amount and the Additional Subscription Amount on Final Maturity Date for the remaining period following the expiration of one (1) year from the Date of Allotment up to the Final Maturity Date.
Coupon Payment Dates	Annually on 6 th March 2019 and on maturity i.e. 31 st May 2019
Coupon Type	Floating
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 up to 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 the defaulting period
Tenor	451 days from the date of allotment
Redemption Date	31 st May 2019
Redemption Premium /Discount	NA
Issue Price	₹ 50,000/- per NCD
Discount at which security is issued and the effective yield as a result of such discount.	NIL
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 Option Notice Date	Not Applicable
Call Notification Time	Not Applicable



Face Value	Rs. 10 lakh per NCD
Minimum Application and in multiples of Debt securities thereafter	Minimum of 3 Debentures of Rs. 10,00,000 and in multiples of 1 Debentures thereafter
Issue Timing	
1. Issue Opening Date	6 th March 2018
2. Issue Closing Date	6 th March 2018
3. Pay-in Date	6 th March 2018
4. Deemed Date of Allotment	6 th March 2018
Issuance mode of the Instrument	Demat only
Trading mode of the Instrument	Demat only
Settlement mode of the Instrument	Payment of interest and principal will be made by way of Cheque/s DD's /Electronic mode.
Depository	NSDL/CDSL
Business Day Convention	<p>If any interest payment date falls on a day which is not a Business Day ('Business Day' being a day on which Commercial Banks are open for business) then payment of interest will be made on immediately succeeding Business Day. Interest will not be paid upto the date of payment so extended.</p> <p>If the maturity date falls on a day which is not a Business Day ('Business Day' being a day on which Commercial Banks are open for business) then payment of redemption amount will be made on the preceding Business Day.</p>
Record Date	15 days prior to each Coupon Payment / Redemption 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).	Exclusive charge on receivables of the Company and also secured by a subservient charge over an immovable property. The value of receivables is determined based on the net exposure outstanding and be reviewed on a quarterly basis with a minimum asset cover ratio of 1 time at all times.
Transaction Documents	(a) the Debenture Trustee Agreement; (b) the Debenture Trust Deed; (c) the Shelf Disclosure Document; (d) the supplemental disclosure document; (e) the Offer Letter; (f) any other document that may be designated as a Transaction Document by the Debenture Trustee;
Conditions Precedent to Disbursement	As agreed between the Issuer and Debenture Trustee and set out under the Debenture Trust Deed.
Condition Subsequent to Disbursement	As agreed between the Issuer and Debenture Trustee and set out under the Debenture Trust Deed.
Events of Default	Please refer clause "Event of Default" of this Shelf Disclosure Document and as agreed between the Issuer and Debenture Trustee and set out under the Debenture Trust Deed.
Provisions related to Cross Default Clause	Please refer clause "Events of Default" of this Shelf Disclosure Document



Role and Responsibilities of Debenture Trustee	Please refer clause "Name of Debenture Trustee - Role and responsibilities of Debenture Trustee" of this Shelf Disclosure Document and as set out under the Debenture Trustee Agreement.
Governing Law and Jurisdiction	The Debentures offered are subject to provisions of the Companies Act, 2013, Securities Contract Regulation Act, 1956, terms of this Shelf 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 Mumbai.

Date: 06-03-2018

Place: Mumbai

For Shriram Transport Finance Co Ltd.


Authorised Signatory