

## TERM SHEET

Security Name	STFCL PPD NOV 2021-22
Issuer/ Company	Shriram Transport Finance Company Limited
Type of Instrument	Senior, Secured, Rated, Listed, Redeemable Non-Convertible Debentures.
Mode of Issue	Private placement
Listing	<p>The Debentures are proposed to be listed on the Wholesale Debt Market (WDM) segment of the BSE Limited ("BSE").</p> <p>BSE shall be the designated stock exchange in relation to the issue of Debentures.</p> <p>This issue of Debentures will be listed on Wholesale Debt Market (WDM) Segment of the BSE.</p> <p>The Issue will be listed within 4 (Four) trading days from the Issue Closing Date.</p> <p>In case of delay in listing of Debentures beyond the timelines specified in par 2 of the SEBI Circular Ref: SEBI/HO/DDHS/CIRIP/2020/198 dated 05/10/2020 the issuer shall pay penal interest of 1 % p.a. over the coupon rate from the date of allotment till the listing such debentures.</p>
Rating of the Instrument	"AA+" by Crisil & India Ratings.
Aggregate Issue Size	senior secured rated listed redeemable non-convertible debentures bearing face value of Rs. 10,00,000/- (Rupees Ten Lakhs each) and aggregating upto Rs. 2100 Crores being issued in one or more Tranche/ Series on private placement basis in terms of the Shelf DD.
Aggregate Series Size/ Tranche Size	upto 21000 (Twenty One Thousand) senior secured rated listed redeemable non-convertible debentures bearing face value of Rs. 10,00,000/- (Rupees Ten Lakhs each) and aggregating upto Rs. 2100,00,00,000/- (Rupees Two Thousand One Hundred Crores only)
Issue Price/ Face Value	Rs. 10,00,000/- (Rs. Ten Lakh only) per Debenture
Objects of the Issue	The Proceeds of the issue will be utilized for financing of Commercial Vehicles, refinancing of existing debt and other general corporate purposes of the company.
No. of Debentures	upto 21000 (Twenty One Thousand)
Option to retain oversubscription	NA
Coupon Rate	8.37 % p.a.
Step Up/Step Down Coupon Rate	If the rating of instrument is downgraded to "double A minus (AA-)" or below at any time during the tenure, debenture holders reserves the right to increase the interest rate by upto 25bps for every notch of downgrade with effect from the date of downgrade
Coupon Payment Frequency	Annually and on Maturity
Coupon payment dates	On annual basis – being 12 <sup>th</sup> November 2022 , 12 <sup>th</sup> November 2023 , 12 <sup>th</sup> November 2024 , 12 <sup>th</sup> November 2025 , 12 <sup>th</sup> November 2026 , 12 <sup>th</sup> November 2027 , 12 <sup>th</sup> November 2028 , 12 <sup>th</sup> November 2029 , 12 <sup>th</sup> November 2030 , 12 <sup>th</sup> November 2031
Coupon Type	Fixed
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc.).	N.A.
Day Count Basis	<p>Actual/ Actual</p> <p>The Coupon shall be computed on the basis of actual number of days elapsed in a year, for this purpose a year to comprise of a period of 365 days. In case leap year, if February 29 fall during the tenor of a security, then the number of days shall be reckoned as 366 days for the whole one year period.</p>
Interest on Application Money	N.A.
Default Interest Rate	If, at any time, a payment default occurs, the Company agrees to pay additional interest at the rate of 2% (Two Percent) per annum over and above the applicable Coupon Rate on all amounts outstanding under the Debentures (including the outstanding principal

	amounts and any accrued but unpaid interest) from the date of occurrence of such a payment default until such payment default is cured or the Debentures are fully redeemed. In addition to the above, the Issuer shall be entitled to pay such other default interest as set out in the Shelf DD.
Tenor	10 years from the Deemed of Allotment
Redemption Date	12 Nov 2031
Redemption Amount	Bullet Repayment i.e. Rs.21,00,00,00,000/-
Redemption Premium	N.A.
Discount at which security is issued and the effective yield as a result of such discount.	N.A.
Minimum Application and in multiples of Debt securities thereafter	10 (Ten) Debentures and in multiples of 1 (One) Debentures thereafter.
Series Issue Timing 1. Bid Opening Date 2. Bid Closing Date 3. Pay-in Date 4. Deemed Date of Allotment	11 Nov 2021 11 Nov 2021 12 Nov 2021 12 Nov 2021
Manner of bidding in the Issue	Close Bidding
Manner of allotment in the Issue	Uniform Yield
Manner of settlement in the Issue	Pay-in of funds through ICCL and BSE
Settlement Cycle	T + 1, where T refers to the date of bid opening date/ issue opening date.
Call/Put Option	N.A.
Call/Put Option Date	N.A.
Call/Put Option Price	N.A.
Call/Put Notification Time	N.A.
Issuance/Trading mode of the Instrument	Demat only
Depository(ies)	NSDL / CDSL
Business Day	Any day of the week on which the money market is functioning in Mumbai, excluding: (a) non-working Saturdays, Sundays; (b) any day which is a public holiday for the purpose of Section 25 of the Negotiable Instruments Act, 1881 (26 of 1881) in Maharashtra; (c) any other day on which banks are closed for customer business in Mumbai, India; and (d) any day on which payments cannot be made on account of failure of RBI's system for RTGS/NEFT payment.
Business Day Convention	If the Due Date for payment of coupon falls on a day that is not a Business Day, then the Due Date in respect of such payment shall be on the immediately succeeding Business Day, without any liability for making payment of interest for the delayed period. If the principal payment date or the Redemption Date or the last coupon payment date falls on a day that is not a Business Day, then the due date for principal payment or the Redemption Date or the last coupon payment date shall be paid on the immediately preceding Business Day. Further, in case of failure of RBI's system for RTGS/NEFT payment, the same will be made on the next Business Day. The Company will not be liable to pay any additional interest on account of same. The Business Day Convention will be as per SEBI circular – CIR/IMD/DF-1/122/2016 dated November 11, 2016.
Record Date	15 days prior to the Redemption Date

Security Details	<p>The Company shall create Exclusive charge on Receivables of the Company (as identified in the Deed of Hypothecation) over the Secured Property, (hereinafter referred to as the “Security” / “Security Interest”).</p> <p>The Company is required to maintain a Security Cover of at least 1.25 times of the Outstanding Amounts (“Minimum Security Cover”).</p> <p>In addition to the above security mentioned, cash collateral aggregating to 5% (Five Percent) of the principal amount, in the form of fixed deposit(s) which shall be lien marked in favour of the Debenture Trustee will be placed in a bank with a rating of ‘AAA’.</p>
Transaction Documents	Disclosure Document, Term Sheet, Debenture Trust Deed, Debenture Trustee Agreement, Deed of Hypothecation, Cash Collateral Escrow Agreement, Private Placement Offer cum Application Letter, and any other document that may be designated by the Debenture Trustee as a Transaction Document.
Conditions Precedent to Disbursement	<ol style="list-style-type: none"> <li>1. The Company shall have obtained relevant board and/or shareholders resolution (as applicable) for issuance of Debentures and creation of security in relation thereto.</li> <li>2. The Company shall have executed in the Debenture Trustee Appointment Agreement, the Debenture Trust Deed and the Deed of Hypothecation in relation to the Issue.</li> <li>3. The Company shall have completed other statutory/ regulatory requirement as required to be done prior to the issue of Debentures as per the applicable law.</li> </ol>
Condition Subsequent to Disbursement	<ol style="list-style-type: none"> <li>1. The letter of allotment for Debentures will be credited in dematerialized form within 2 (Two) Business Days from the Deemed Date of Allotment.</li> <li>2. The Company shall within a period of 15 (Fifteen) days from the Deemed Date of Allotment file return of allotment with the registrar of companies in relation to the Debentures.</li> <li>3. The Company shall ensure that the Debentures are listed on the stock exchanges within a period of 15 (Fifteen) days from the Deemed Date of Allotment.</li> <li>4. Such other conditions as mutually agreed.</li> </ol>
Other Conditions	In the event that the Rating falls to “A” or below the Debenture holders shall have the option to redeem the Debentures in full.
R&T Agent	Integrated Registry Management Services (P) Ltd
Illustration of Bond Cashflows	As per <b>Annexure I</b> to this Term Sheet.
Further Issuance Compliance	Company reserve the right to make multiple issuance under the same ISIN with reference to SEBI circular CIR/IMD/DF-1/67/2017 dated 30th June 2017. Issue can be made either by way of creation of fresh ISIN or by way of issuance under the existing ISIN at premium / par / discount as the case may be in line with SEBI circular CIR/IMD/DF-1/67/2017 dated June 30, 2017.

#### Payment Instructions

The entire amount of Rs. 10,00,000/- (Rupees Ten Lakh only) per Debenture is payable along with the making of an application. Applicants can alternatively remit the application amount through RTGS on Pay-in Date upto 10:30 A.M. on T+1 day. The Electronic Book Platform is [BSE/ NSE]. The RTGS details are as under:

Name of Bank	ICICI Bank Limited	Yes Bank Limited	HDFC Bank Limited
IFSC Code	ICIC0000106	YESB0CMSNOC	HDFC0000060
Account number	ICCLEB	ICCLEB	ICCLEB
Name of beneficiary	Indian Clearing Corporation Limited	Indian Clearing Corporation Limited	Indian Clearing Corporation Limited

**For Shriram Transport Finance Company Limited,**

  
**Parag Sharma**

**Joint Managing Director & CFO**

**Date: - 9th November 2021**



## Annexure I

### (Illustration of Cashflows)

ANNEXURE I - ILLUSTRATION OF BOND CASH FLOWS ARISING FROM DEBENTURES BEING ISSUED PURSUANT TO THIS TERM SHEET

Disclosure of cash flows (pursuant to SEBI Circular no. CIR/IMD/DF/18/2013 dated 29th October 2013)

<b>Company</b>	Shriram Transport Finance Company Limited
<b>Face Value (per security)</b>	Rs.10,00,000/- per instrument
<b>Date of Allotment</b>	12 <sup>th</sup> November 2021
<b>Date of Redemption Date</b>	12 <sup>th</sup> November 2031
<b>Redemption Amount</b>	Bullet Repayment i.e. Rs.21,00,00,00,000/-
<b>Coupon Rate</b>	8.37 % p.a.
<b>Frequency of the interest payment with specified dates</b>	On annual basis – being 12 <sup>th</sup> November 2022 , 12 <sup>th</sup> November 2023 , 12 <sup>th</sup> November 2024 , 12 <sup>th</sup> November 2025 , 12 <sup>th</sup> November 2026 , 12 <sup>th</sup> November 2027 , 12 <sup>th</sup> November 2028 , 12 <sup>th</sup> November 2029 , 12 <sup>th</sup> November 2030 , 12 <sup>th</sup> November 2031
<b>Day Count Convention</b>	Actual/Actual

Sr. No.	Cashflow	Due Dates	Principal Outstanding	Principal Repayment	Interest Payment	Total Payment
1	Interest	12/11/2022	21,00,00,00,000	-	1,75,77,00,000	1,75,77,00,000
2	Interest	12/11/2023	21,00,00,00,000	-	1,75,77,00,000	1,75,77,00,000
3	Interest	12/11/2024	21,00,00,00,000	-	1,75,77,00,000	1,75,77,00,000
4	Interest	12/11/2025	21,00,00,00,000	-	1,75,77,00,000	1,75,77,00,000
5	Interest	12/11/2026	21,00,00,00,000	-	1,75,77,00,000	1,75,77,00,000
6	Interest	12/11/2027	21,00,00,00,000	-	1,75,77,00,000	1,75,77,00,000
7	Interest	12/11/2028	21,00,00,00,000	-	1,75,77,00,000	1,75,77,00,000
8	Interest	12/11/2029	21,00,00,00,000	-	1,75,77,00,000	1,75,77,00,000
9	Interest	12/11/2030	21,00,00,00,000	-	1,75,77,00,000	1,75,77,00,000
10	Interest + Principal	12/11/2031	21,00,00,00,000	21,00,00,00,000	1,75,77,00,000	22,75,77,00,000

Please refer to the Business Day Convention as referred above in the Summary Term sheet.