

Indicative Terms for Issuance of Non Convertible Debentures



Company / Issuer	IFMR Capital Finance Private Limited
Issuance Size	INR 100 Crores
Instrument / Facility	Secured, redeemable, taxable, non-convertible, rated, listed debentures (" Debentures "), with a face value of INR 10 lakhs per Debenture
Use of Proceeds	Proceeds of the Debentures shall be applied towards the normal business activity of the Issuer. For clarity, the Debentures will not be utilized for investing into real estate or equity
Tenor	2 years 363 days
Put Option	<ul style="list-style-type: none"> • The Put Option may be exercised as follows at the end of 18 months from the Deemed Date of Allotment • The Debenture Holder(s) seeking to exercise the Put Option will require to provide a notice period of 45 days to the Issuer • If the Put Option is exercised by the Debenture Holder(s), such amount will be adjusted from the amount payable to the Debenture Holders to give a YTM (taking into consideration interest paid till the Put Date) to the Debenture Holders of (Interest Rate – 0.65%) • Interest amount paid will take into account changes in the Interest Rate on account of a rating upgrade or rating downgrade as the case may be
Ranking	The Debentures will constitute direct, secured and senior obligations of the Company
Security	The Debentures will be secured by a specific floating charge over book debts and investments of the Company with security cover of 1.05x on the outstanding principal amount of the Debentures
Redemption	Bullet on maturity
Interest Rate / YTM	10.03% per annum, payable at a monthly coupon rate of 9.60% per annum.
Interest Payment	Monthly
Interest Reset	On an Interest Payment date, the Interest Rate may be reset with improvement in the Issuer's rating, with reduction of 0.5% at a rating of AA and 0.25% reduction for each notch thereafter. On an Interest Payment date, the Interest Rate may be reset with deterioration in the Issuer's rating, with increase of 0.5% at a rating of A- and 0.25% increase for each notch thereafter
Covenants	<ul style="list-style-type: none"> • Minimum shareholding of IFMR Holdings Private Limited in the Issuer not to fall below 25.01% • Minimum rating of the Issuer and / or the Debentures not to fall below A- • Minimum capital adequacy of the Issuer as per RBI norms (presently at 15%) • Capital Adequacy of the Issuer needs to be communicated to the Investor(s) quarterly. [The email address for the same is fixedincomeindia-portfolio@franklintempleton.com]
Trustee	Catalyst GDA Trusteeship Ltd

IFMR Capital Finance Private Limited

Vinut Anbumani

Credit Rating	A+ from ICRA
Representations	<p>The Company (and where applicable its affiliates) shall represent and warrant that the following representations customary for issuance of this nature, including but not limited to:</p> <ul style="list-style-type: none"> (a) Corporate existence, power and authority; (b) Legal validity and binding nature of the transaction; (c) Corporate and governmental authorizations and consents; (d) non-contravention of existing agreements and constitutional documents and binding nature of the same; (e) No outstanding default or material litigation; (f) No violation of law or material agreements; (g) No occurrence of a material adverse effect; (h) No litigation that may have a material adverse effect on operation of business; (i) No insolvency or insolvency proceedings; (j) Completeness and accuracy of financial statements; (k) Fund proceeds under this transaction shall only be applied in accordance with the end use as stated in this agreement;
Events of Default	<p>Customary for financings of this nature and others appropriate in the judgment of the investors, upon the occurrence of which the investors will be entitled to accelerate the financing, including but not limited to:</p> <ul style="list-style-type: none"> (a) Non payment (b) Failure to meet the Covenants (c) Failure to perform obligations under the Bond Documentation (d) Misrepresentation (e) Cross default (f) Insolvency and other analogous events (g) Unlawfulness (h) Repudiation of Bond Documentation (i) Change / cessation of business (j) Material adverse effect
Issue Opening Date	December 29, 2016
Issue Closing Date	December 29, 2016
Deemed Date of Allotment	December 29, 2016
Bond Documentation	<p>Including the following:</p> <ul style="list-style-type: none"> (a) Debenture trust deed (b) Debenture trustee agreement (c) Deed of hypothecation (d) Offer letter (e) Listing agreement (f) Rating letter
Governing Law	Indian Law
Jurisdiction	Courts of Mumbai

Vincent Anand

IFMR Capital Finance Private Limited