

**TERM SHEET OF ABFL (Secured NCD)**

Private Placement of 4000 Secured, Redeemable, Non-Convertible, Debentures of the Face Value of Rs. 10,00,000/- each aggregating to Rs. Four Hundred Crore only with a green shoe option of upto Rs. Four Thousand Crore only.

Issuer	Aditya Birla Finance Ltd		
Security Name (Series)	ABFL NCD 'E2' FY2018-19		
	ABFL NCD 'E3' FY2018-19		
	ABFL NCD 'E4' FY2018-19		
Type of Instrument	Secured, Rated, Listed, Redeemable Non-Convertible Debentures ("NCDs" or Debentures")		
Nature of Instrument	Secured		
Seniority	Senior		
Mode of Issue	Private placement		
Eligible Investors	Refer to Annexure below		
Listing (including name of stock exchange(s) where it will be listed and timeline for listing)	On the Wholesale Debt Market (WDM) segment of NSE & BSE within 15 days from date of allotment		
Rating of the Instrument	'IND AAA Stable' from India Ratings		
Issue Size	Rs. 400 Crore (Rupees Four Crore only)		
Option to retain oversubscription (Amount)	Rs. 4000 Crore (Rupees Four Thousand Crore only)		
Objects of the issue	Refer to Annexure below		
Detail of the utilization of the proceeds	Refer to Annexure below		
Coupon Rate	Series E2	8.5180% p.a	
	Series E3	8.5855% p.a	
	Series E4	8.7500% p.a	
Yield	Series E2	8.5500% on XIRR basis	
	Series E3	8.6501% on XIRR basis	
	Series E4	NA	



Step Up/Step Down Coupon Rate /Coupon Payment Frequency	N.A.	
Coupon Payment Frequency	Series E2	Annually
	Series E3	Annually
	Series E4	Annually
Coupon Payment Dates	Series E2	August 14, 2019 & September 26, 2019
	Series E3	December 27, 2018 & December 27, 2019
	Series E4	August 14, 2019 & August 14, 2020
Coupon Type	Series E2	Fixed
	Series E3	
	Series E4	
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc.).	N.A.	
Day Count Basis	Actual / Actual	
Interest on Application Money	N.A.	
Default Interest Rate	2% pa over the coupon rate on the defaulted interest and/or principal redemption amount for the duration of default	
Tenor	Series E2	408 days
	Series E3	500 days
	Series E4	731 days
Redemption Date	Series E2	September 26, 2019
	Series E3	December 27, 2019
	Series E4	August 14, 2020
Redemption Amount	Rs. 10,00,000/- (Rupees Ten Lakh only) per Debenture	
Redemption Premium per debenture	N.A.	
Issue Price	Rs.10,00,000/- (Rupees Ten Lakh only) per Debenture	
Discount at which security is issued and the effective yield as a result of such discount.	N.A.	



Put option Date	N.A.
Put Option Price	N.A.
Call Option Date	N.A.
Call Option Price	N.A.
Put Notification Time	N.A.
Call Notification Time	N.A.
Face Value	Rs.10,00,000/- (Rupees Ten Lakh only) per Debenture
Minimum Application & in multiples of Debt securities thereafter	10 Debentures of Rs.10,00,000 each and in multiples of 1 Debenture thereafter
1. Issue Opening Date	August 13, 2018
2. Issue Closing Date	
3. Pay in Date	August 14, 2018
4. Deemed Date of Allotment	
Issuance mode of the Instrument	Demat only (for private placement)
Trading mode of the Instrument	Demat only (for private placement)
EBP	On BSE Platform
Settlement mode of the Instrument <b>(Designated Bank Accounts of ICCL)</b>	<p><b>1. ICICI Bank:</b> Beneficiary Name: INDIAN CLEARING CORPORATION LTD Account Number: ICCLEB IFSC Code : ICIC0000106 Mode: NEFT/RTGS</p> <p><b>2. YES Bank :</b> Beneficiary Name: INDIAN CLEARING CORPORATION LTD Account Number: ICCLEB IFSC Code : YESB0CMSNOC Mode: NEFT/RTGS</p> <p><b>3. HDFC BANK :</b> Beneficiary Name: INDIAN CLEARING CORPORATION LIMITED Account Number: ICCLEB IFSC Code : HDFC0000060 Mode: NEFT/RTGS</p>



Business Day Convention			If the coupon payment date falls on Saturday, Sunday or a public holiday the payment will be made on the next working day. However, the last coupon payment will be made with the principal redemption and business day convention followed will be that of principal repayment, i.e. paid on the previous working day. Interest will be paid upto previous day of the redemption. If the maturity date fall on Saturday, Sunday or a public holiday, the redemption proceeds will be paid on the previous working day. 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.
Record Date			15 days prior to each Coupon Payment / Principal repayment. If the record date is non-business day, then the previous working day will be considered.
Security (where applicable) (Including description, type of security, type of charge, likely date of creation of security, minimum security cover, revaluation, replacement of security)			As per Debenture Trust Deed dated July 6, 2017 <b>1 time security cover covering principal and interest</b>
Conditions Precedent to Disbursement			N.A.
Condition Subsequent to Disbursement			N.A.
Events of Default			As per Debenture Trust Deed dated July 6, 2017 Default is committed in payment of the principal amount of the Debenture on the due date(s) and not rectified within a period of 90 days
Provisions related to Cross Default Clause			N.A.
Role and Responsibilities of Debenture Trustee			As per Debenture Trust Deed dated July 6, 2017
Governing Law and Jurisdiction			Indian Law, Ahmedabad
Covenants			<ul style="list-style-type: none"> <li>i) In case of delay in execution of Trust Deed and Charge documents, the Company will refund the subscription with agreed rate of interest or will pay penal interest of at least 2% p.a. over the coupon rate till these conditions are complied with at the option of the investor.</li> <li>ii) 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 at least 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</li> </ul>



		the investor.	
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### Cash Flow – Series E2

Company	Aditya Birla Finance Ltd.
Face Value (per security) (in Rs.)	10,00,000.00
Issue Date / Deemed Date of Allotment	August 14, 2018
Redemption Date	September 26, 2019
Coupon Rate	8.5180% p.a
Yield	8.5500% on XIRR basis
Frequency of Interest payment with specified date	Annually on August 14, 2019, September 26, 2019
Day count Convention	Actual / Actual

Cash Flows	Date	No. of days in Coupon Period	Amount per Debenture (In Rupees)
Principal Inflow	Tuesday, August 14, 2018	-	(10,00,000)
1st Coupon	Wednesday, August 14, 2019	365	85,180
2nd Coupon	Thursday, September 26, 2019	43	10,035
Redemption Outflow	Thursday, September 26, 2019		1,000,000

### Cash Flow – Series E3

Company	Aditya Birla Finance Ltd.
Face Value (per security) (in Rs.)	10,00,000.00
Issue Date / Deemed Date of Allotment	August 14, 2018
Redemption Date	December 27, 2019
Coupon Rate	8.5855% p.a
Yield	8.6501% on XIRR basis
Frequency of Interest payment with specified date	Annually on December 27, 2018 & December 27, 2019
Day count Convention	Actual / Actual



Cash Flows	Date	No. of days in Coupon Period	Amount per Debenture (In Rupees)
Principal Inflow	Tuesday, August 14, 2018	-	(10,00,000)
1st Coupon	Thursday, December 27, 2018	135	31,755
2nd Coupon	Friday, December 27, 2019	365	85,855
Redemption Outflow	Friday, December 27, 2019		1,000,000

#### Cash Flow – Series E4

Company	Aditya Birla Finance Ltd.
Face Value (per security) (in Rs.)	10,00,000.00
Issue Date / Deemed Date of Allotment	August 14, 2018
Redemption Date	August 14, 2020
Coupon Rate	8.7500% p.a
Yield	N.A
Frequency of Interest payment with specified date	Annually on August 14, 2019 & August 14, 2020
Day count Convention	Actual / Actual

Cash Flows	Date	No. of days in Coupon Period	Amount per Debenture (In Rupees)
Principal Inflow	Tuesday, August 14, 2018	-	(10,00,000)
1st Coupon	Wednesday, August 14, 2019	365	87,500
2nd Coupon	Friday, August 14, 2020	366	87,500
Redemption Outflow	Friday, August 14, 2020		1,000,000

**Notes:** The Company reserves the right to change the Series timetable. The Company reserves the right to further issue debentures under aforesaid series / ISIN

#### Annexure

##### > Eligible Investors



## **Who Can Apply**

As decided vide the Board resolution, only the following categories of investors, when specifically contacted, are eligible to invest in these Debentures:

1. Qualified Institutional Buyer as defined under the SEBI (Issue of Capital and Disclosure Requirements) Regulation, 2009;
2. Company as defined under Companies Act, 2013;
3. Provident fund(s), pension fund(s) and gratuity fund(s) (with no restriction on their corpus amount);
4. Individual, HUF, Partnership firm, Limited Liability Partnership (LLP) with a minimum subscription for NCDs of Rs. 1 Crore;
5. Any Non-Banking Finance company registered with RBI
6. International / multilateral / bilateral agencies
7. Sovereign wealth funds and
8. Foreign portfolio investor as defined under Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014

All investors are required to comply with the relevant regulations / guidelines applicable to them for investing in this issue of NCDs.

Every application is to be accompanied by bank account details and MICR code of the bank for the purpose of availing direct credit of interest and all amounts through electronic transfer of funds or RTGS.

### **Application by Scheduled Commercial Banks**

The application must be accompanied by certified true copies of (i) Board Resolution authorising investments; (ii) Letter of Authorization or Power of Attorney and (iii) specimen signatures of authorised signatories

### **Application by Co-operative Banks**

The application must be accompanied by certified true copies of: (i) Resolution authorizing investment along with operating instructions/power of attorney; and (ii) specimen signatures of authorised signatories

### **Applications Companies/Financial Institutions**

The applications must be accompanied by certified true copies of (i) Memorandum and Articles of Association/Constitution/Bye-laws (ii) resolution authorising investment and containing operating instructions and (iii) specimen signatures of authorised signatories.



### **Application by Mutual Funds**

(i) A separate application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such applications shall not be treated as multiple applications. (ii) Applications made by the AMCs or custodians of a Mutual Fund shall clearly indicate the name of the concerned scheme for which application is being made. The applications must be accompanied by certified true copies of (i) SEBI Registration Certificate and Trust Deed (iii) resolution authorising investment and containing operating instructions and (iii) specimen signatures of authorised signatories.

### **Application by Insurance Companies**

The applications must be accompanied by certified copies of (i) Memorandum and Articles of Association (ii) Power of Attorney (iii) Resolution authorising investment and containing operating instructions (iv) Specimen signatures of authorised signatories.

### **Application by Provident, Gratuity, Pension and Superannuation Funds**

The applications must be accompanied by certified true copies of (i) Trust Deed / Bye Laws / Resolutions, (ii) Resolution authorising investment and (iii) Specimen signatures of the authorised signatories.

### **Applications under Power of Attorney / Relevant Authority**

In case of applications made under a Power of Attorney or by a Limited Company or a Body Corporate or Registered Society or Mutual Fund, and scientific and/or industrial research organisations or Trusts etc., the relevant Power of Attorney or the relevant resolution or authority to make the application, as the case may be, together with the certified true copy thereof along with the certified copy of the Memorandum and Articles of Association and/or Bye-Laws as the case may be must be attached to the Application Form or lodged for scrutiny separately with the photocopy of the Application Form, quoting the serial number of the Application Form at the Company's office where the application has been submitted failing which the applications are liable to be rejected.

#### **➤ Objects of the Issue**

The fund raised through this Issue, after meeting the expenditure of and related to the Issue, will be used for our various financing activities, to repay our existing loans and our business operations including for our capital expenditure and working capital requirements.

The Main Objects clause of the Memorandum of Association of the Company permits the Company to undertake the activities for which the funds are being raised through the present Issue and also the activities which the Company has been carrying on till date.

#### **➤ Interim Use of Proceeds**

The management of the Company, in accordance with the policies formulated by it from time to time, will have flexibility in deploying the proceeds received from the Issue. Pending utilization of the proceeds out of the Issue for the purposes described above, the Company intends to temporarily invest funds in high

Quality interest bearing liquid instruments including money market mutual funds, deposits with banks or temporarily deploy the funds in investment grade interest bearing securities.





➤ **Security / Further Borrowings**

The Secured, Redeemable Non-Convertible Debentures including payment of all interest, liquidated damages, remuneration of the Debenture Trustee and all other fees, costs, charges, expenses and other monies payable are secured by way of creation of first pari-passu:-

1. Mortgage in favour of the Debenture Trustee the all and singular the Immovable Property of the Company
2. Receivables arising from unsecured loans / receivable on bill / LC discounting, trade advances given by the Company.
3. Securities held by the Company (such as NCDs, CPs, PSU bonds etc.)
4. Such other assets which the Company may add from time to time.

To the extent of a shortfall in asset cover charge, then on the other Current Assets of the Company by way of first pari-passu charge in favour of the Debenture Trustee.

Current Assets defined as:

- i. All receivables of the Company arising out of loan, lease and hire purchase transactions
- ii. All other book debts
- iii. Such other current assets as may be identified by the Company from time to time and accepted by the Debenture Trustee.

ABFL shall be entitled, from time to time, to make further issue of Debentures or such other instrument to the Public, members of the Company or to any other person(s) and/or raise further loans/advances and/or avail of further financial and/or guarantee(s) facilities from Indian or International Financial Institutions, Banks and/or any other person(s) on the security of the said properties or any part thereof and/ or such other assets and properties and having such ranking including ranking in priority to the security to be created in favour of the Trustees as may be decided by the Company from time to time.

The Company shall not create further Encumbrances on the Security without the consent of the Debenture Trustee. The Company shall provide, as and when required, a CA certificate to the Debenture Trustee confirming that the Required Security Cover for the outstanding Debenture is maintained.

The Debenture Trust Deed between the Debenture Trustee and the Company for Non-convertible Debentures aggregating to Rs. 5,000 crore to be issued from time to time in one or more series was executed on July 06, 2017.

