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July 5th 2018

To
CREDIT SUISSE SECURITIES (INDIA) PRIVATE LIMITED
Ceejay House, 9 To 10/F,
Mumbai 400018.

ADDENDUM TO THE SHELF DISCLOSURE DOCUMENT DATED June 22nd 2018

ISSUE OF UPTO 100 SERIES XXX TRANCHE C, PP-MLD AA- RATED SECURED PRINCIPAL PROTECTED REDEEMABLE NON-CONVERTIBLE DEBENTURES (Debentures) OF FACE VALUE OF INR 10,00,000 PER DEBENTURE AGGREGATING TO INR 10 CRS ("MLD ISSUE")

This Addendum to Shelf Disclosure Document is issued in terms of and pursuant to the Shelf Disclosure Document dated June 22nd, 2018. All the terms, conditions and information as stipulated in the Shelf Disclosure Document are incorporated herein by reference as if the same were set out herein. Investors are advised to refer to the same. This Addendum to the Shelf Disclosure Document must be read in conjunction with the Shelf Disclosure Document.

DISCLAIMER ON VALUATION:

The Valuation reflects the independent views of the Valuation Agent. It is expressly stated that the valuation is not the view of the Issuer or its affiliates. The Issuer has not reviewed the Valuation and is not responsible for the accuracy of the Valuations. The Valuations provided by the Valuation Agent, and made available on the website of the Issuer and the Valuation Agent do not represent the actual price that may be received upon sale or redemption of the Debentures. They merely represent the Valuation Agent's computation of the valuation which may in turn be based on several assumptions. The Valuations provided by the Valuation Agent may include the use of models by the Valuation Agent (that may be different from the proprietary models used by the Issuer and/or the calculation agent) and consequently, valuations provided by other parties (including the Issuer and/or the calculation agent) may be significantly different.

ADDITIONAL RISK FACTORS THAT ARE SPECIFIC TO ISSUE OF MARKET LINKED DEBENTURES:

Potential Conflicts of Interest

Investors should ensure that they understand and accept the identities of the parties and the roles they play in relation to the Debentures, as disclosed in the DD and this Termsheet. The Company may appoint itself or an affiliate as its Calculation Agent or other agent, for the purposes of calculating amounts payable or deliverable to holders of Debentures, or for any other purpose. Under certain circumstances, the agent's responsibilities as Calculation Agent or other agent for the Debentures could give rise to conflicts of interest. In particular, in their respective roles, the Issuer or the various named agents may retain various powers of discretion which may have a material impact on the value and performance of the Debentures (including the ability to declare an early

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redemption of the Debentures at market price as a result of certain conditions). Such discretions may create conflicts of interest due to the capacities in which the Issuer or the agents are acting and these discretions may be exercised (or not be exercised) in a way that could adversely affect the Debenture Holders. The Calculation Agent or other agent is required to carry out its duties in good faith and using its reasonable judgment. However, because the Company could be controlled by the affiliate, potential conflicts of interest could arise. The Company also may enter into an arrangement with an affiliate to hedge market risks associated with its obligations under the Debentures. Such affiliate expects to make a profit in connection with this arrangement. The Company will not seek competitive bids for this arrangement from unaffiliated parties. The Company and its affiliates have no obligation to disclose such information or activities; provided that the Issuer will make every good faith effort not to take advantage of any price sensitive information. By purchasing or holding any Debentures, the Debenture Holder acknowledges that the Issuer, its affiliates and their respective officers and respective directors may engage in any such activities without regard to the Shelf Disclosure Document and the relevant Pricing Supplement or the effect that such activities may directly or indirectly have on the Debentures and the Debenture Holder irrevocably waives any claim that it may have in respect thereof. In particular the following situations may arise:

- a) Transactions involving the underlying
The Issuer and its affiliates may from time to time engage in transactions involving the underlying for their proprietary accounts and for accounts under their management. Such transactions may have a positive or negative effect on the value of the underlying and consequently upon the value of the Debentures.
- b) Issuing of other debentures in respect of the underlying
The Issuer and its affiliates may issue other debentures in respect of the underlying and the introduction of such competing products into the market place may affect the value of the Debentures.
- c) Market-Making for the underlying
The affiliates of the Issuer may, in certain cases, act as a market-maker for the underlying, which might in particular be the case when any of such affiliates has also issued the underlying. By such market making, such affiliate will, to a large extent, determine the price of the underlying, and consequently influence the value of the Debentures itself.
- d) Acting as underwriter or otherwise for the issuer of underlying
The affiliates of the Issuer may also act as underwriter in connection with future offerings of the underlying or may act as financial adviser to the issuer of an underlying. Such activities could present certain conflicts of interest and may affect the value of the Debentures.
- e) Obtaining of Non-public Information
The Issuer and/or its affiliates may acquire non-public information with respect to the underlying, and neither the Issuer nor any of its affiliates undertakes to disclose any such information to any Debenture Holder.

Also please note further Risk Factors pertaining to this Debenture Issue;



1. Please note that the Debentures to be issued under MLD Issue are subject to model risk, i.e., the securities are created on the basis of complex mathematical models involving multiple derivative exposures which may or may not be hedged and the actual behavior of the securities selected for hedging may significantly differ from the returns predicted by the mathematical models.
2. Repayment of principal is subject to the credit risk of the Company
Potential investors should be aware that receipt of principal amount and any other amounts that may be due in respect of the Debentures issued under MLD Issue is subject to the credit risk of the Company. Potential investors assume the risk that the Company will not be able to satisfy its obligations under the Debentures. In the event that bankruptcy proceedings or composition, scheme of arrangement or similar proceedings to avert bankruptcy are instituted by or against the Company, the payment of sums due on the Debentures may be substantially reduced or delayed. Thus the investments in such Debentures may also result in a loss
3. The valuations as may be provided by the Valuation Agency, on the website of the Issuer and the Valuation Agency or otherwise, do not represent the actual price of the Debentures that may be received upon sale or redemption of Debentures. They merely represent the Valuation Agency's computation of the valuation which may in turn be based on several assumptions. A Debenture Holder understands and is aware that the valuation is not in any manner reflective of the actual returns that can be obtained by such Investor on the Debentures.
4. The return on an investment in the Debentures (which are linked with shares) may differ from the return an investor might earn on a direct investment in the shares over a similar period.
5. The terms of the instrument specify that the payments to investors will not be fixed, and will be linked to an external variable i.e. government security price of IGB 7.17 01/08/28 Corp. This could result in variability in payments - because of adverse movement in value of the external variable. The risk of such adverse movement in price / value is not addressed by any rating.
6. Investors considering borrowing capital to leverage their investment in the Debentures should obtain further detailed information as to the applicable risks from their lender. Any statement on the potential risks and return on the Debentures does not take into account the effect of any leveraging.
7. Investors are exposed to the factors like movement of interest rate volatility, time value etc. whenever their Debentures are redeemed, tendered or sold prior to maturity.



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8. An investment in the Debentures involves multiple risks and such investment should only be made after assessing the direction, timing and magnitude of potential future changes in the value of the applicable reference securities, indices, interest rates, etc.

Broad terms of the Issue

Name of the Instrument	ICFL Series XXX Tranche C Rated Listed Secured Redeemable Principal Protected Non-Convertible Debentures
Tranche	Tranche C
Face Value	INR 10Lakhs per Debenture
Issue Price	At Par - INR 10 Lakhs per Debenture
Redemption date	21 st June 2020
Allotment Quantity	100
Issue Size	INR 10 Crs
Security Cover	1.0x
Value Date/ Deemed Date of Allotment	5th July 2018
Maturity	21 st June 2020
Tenor	717 Days
Security Name	ICFL –Series XXX Tranche C Rated, Listed, Secured, Principal Protected, Redeemable Non-Convertible Debentures
Series	Series XXX Tranche C
Issuer/ Borrower/ Company	IndoStar Capital Finance Limited
Type of Instrument	Rated, Listed, Secured - Redeemable Principal Protected Non-Convertible Debentures
Nature of Instrument	Secured
Seniority	Senior (Pari-passu)
Mode of Issuance	Private Placement
Listing (including name of Stock Exchange(s) where it will be listed and timeline for listing)	<ul style="list-style-type: none">Proposed to be listed on the Wholesale Debt Market Segment of BSE Limited within 20 days from the Deemed Date of Allotment.In case of delay in listing of the Debentures 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 Debentures to the Debenture Holder.
Rating of the Instrument	" PP-MLD AA-;Stable" by CARE Ltd
Issue Size	INR 10 Crore (Rupees Ten Crore Only)
Minimum Subscription Amount	INR 10 Crore (Rupees Ten Crore Only)



Option to retain oversubscription (Amount)	N.A.
Objects of the Issue	General Corporate Purposes
Details of the utilization of the Proceeds	General Corporate Purpose
Valuation agency	<p>ICRA Limited</p> <p>The Valuation Agency will publish a valuation on its website at least once every calendar week. The valuation shall be available on the website of the Valuation Agency</p> <p>The Issuer will also make available, as soon as practicable, the valuation provided by the Valuation Agency on the website of the Issuer and The cost of valuation shall be 0.05% of issue size and shall be borne by the Issuer.</p> <p>The latest and historical valuations for these Debentures/NCDs will be published on the website of the Issuer at https://www.indostarcapital.com/ and the website of the Valuation Agency at https://icra.in/MldValuation/ViewMld</p> <p>Upon request by any Debenture/NCD Holder for the valuation of these Debentures/NCDs, the Issuer shall provide them with the latest valuation.</p>
Early Redemption	<p>If, for reasons beyond the control of the Company, the performance of the Company's obligations under this Issue is prevented by reason of force majeure including but not limited to an act of state or situations beyond the reasonable control of the Company, occurring after such obligation is entered into, or has become illegal or impossible in whole or in part or in the exercising of its rights, the Company may at its discretion and without obligation to do so, redeem and/or arrange for the purchase of all but not some of the Debentures/NCDs, by giving notice of not less than 5 (five) Business Days to the Debenture Holders which notice shall be irrevocable and shall specify the date upon which the Debentures/NCDs shall be redeemed (such date on which the Debentures/NCDs become immediately due and payable, the "Early Redemption Date"). Provided however if the Company believes or is advised that it is necessary to only redeem and/or arrange for the purchase of the Debentures/NCDs held by only certain class of Debenture Holders to overcome or mitigate any such force majeure, then the Company may without obligation to do so, redeem and/or arrange for the purchase of only such number of the Debentures/NCDs actually held by such class of Debenture Holders at the relevant time. If the Debentures/NCDs are bought by the Company, the</p>

	Company will, if and to the extent permitted by applicable law, pay to each Debenture Holder in respect of each of the Debentures/NCDs held by such Debenture Holder an amount equal to the Early Redemption Amount of a Debenture notwithstanding the illegality or impracticability, as determined by the Company in its sole and absolute discretion. Early Redemption Amount means fair market value minus associated costs.
Premature Exit	At the request of an Investor, the Company shall at its discretion and without being obliged to do so, arrange for the buyback ("Premature Exit") of such number of Debentures as the Investor shall request. Such Premature Exit shall occur at a price: (a) which shall take into consideration the market value of the Debentures, all costs incurred by the Company (including costs of unwinding any hedge); and (b) the price computed under (a) above shall be further reduced by such amount not exceeding 10.00% of the face value of the Debentures/NCDs to be determined by the Company at its sole discretion. A request for Premature Exit by an Investor shall not be considered if made within 12(twelve) months from the Deemed Date of Allotment.
Calculation Agent	ICRA Limited.
Placement Fee	For each of this Debentures/NCDs applied for, a Placement Fee of up to 0.2000% p.a. of the Issue Price may be payable to the Distributor (if any) by the Issuer over and above the Issue Price. Note: For the avoidance of doubt such Placement Fee is not and should not be construed as payment of commission as mentioned under Section 40 of the Act and the rules made thereunder.
Underlying/Reference Index	10 year Government security price(Issue date January 08, 2018)Bloomberg Ticker - IGB 7.1701/08/28 Corp (Bloomberg ID -AQ584277 Corp, Pricing source -Reserve Bank of India)
Interest/Coupon Rate	Minimum -9.05% p.a. (annualised return calculated on XIRR basis) on face value, Maximum - 9.10% p.a.(annualised return calculated on XIRR basis) on face value. However, in extreme situation no coupon amount will be paid.

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Payoff	<p>If IGB 7.17 01/08/28 Corp price on final observation date $\geq 75\%$ of Digital level, then Payoff = Principal + Maximum Coupon</p> <p>OR</p> <p>If IGB 7.17 01/08/28 Corp price on final observation date $< 75\%$ of Digital level but $\geq 25\%$ of Digital level, then Payoff = Principal + Minimum Coupon</p> <p>OR</p> <p>If IGB 7.17 01/08/28 Corp price on final observation date $< 25\%$ of Digital level, then Payoff = Principal</p>
Digital level	100% of IGB 7.17 01/08/28 Corp price at Initial Observation Date.
Initial level	Closing price of 10 year Government security price (on a day prior to Issue date 5 th July 2018) on Initial Observation Date Bloomberg Ticker - IGB 7.1701/08/28 Corp (Bloomberg ID -AQ584277 Corp, Pricing source -Reserve Bank of India)
Initial Observation Date	4 th July 2018 (closing price one day prior to issuance date)
Final Level	Closing price of 10 year Government security price (Issue date, 08 th January 2018) on Final Observation Date Bloomberg Ticker - IGB 7.17 01/08/28 Corp (Bloomberg ID -AQ584277 Corp, Pricing source -Reserve Bank of India)
Final Observation Date	05 th June 2020 (Or one working day prior, if the said date falls on a Holiday)
Step Up/Step Down Coupon Rate	None
Coupon Amount	Accrued Interest on the paid-up value of Debentures payable on Maturity
Coupon Payment Frequency	Payable at Maturity (On redemption date)
Coupon Payment Dates	As mentioned later in "Illustration of Bond Cash Flows per Debenture"
Coupon Type	Floating
Day Count Basis	Actual/ Actual
Interest on Application Money	Not Applicable.
Default Coupon Rate	2% p.a. over and above the Coupon Rate on defaulted amounts for the defaulting period
Tenor	717
Redemption Schedule & Dates	<ul style="list-style-type: none"> Bullet Redemption on 21st June 2020
Redemption Amount	INR 10 Lakhs (Rupees Ten lakhs Only) per Debenture, aggregating to INR 10 Crore (Rupees Ten Crores Only) plus coupon amount (if any)
Redemption Premium /Discount	N.A.
Face Value	INR 10 Lakhs per Debenture



Issue Price	At Par - INR 10 Lakhs 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.
Put Option Notice	N.A.
Call Option Date	N.A.
Call Option Price	N.A.
Call Option Notice	N.A.
Put Notification Time	N.A.
Call Notification Time	N.A.
Minimum Application and in multiples of 1 Debt securities thereafter	10 (ten) Debenture
Issue Timing	
1. Issue Opening Date	5 th July 2018
2. Issue Closing Date	5 th July 2018
3. Pay-in Date	5 th July 2018
4. Deemed Date of Allotment	5 th July 2018
Issuance mode of the Instrument	Dematerialised only
Trading mode of the Instrument	Dematerialised only
Settlement mode of the Instrument	Cheque(s) / Direct Credit / Electronic Clearing Services / RTGS (Electronic mode) / Fund Transfer
Depository	NSDL & CDSL
Business Day Convention	<ul style="list-style-type: none"> Other than the Deemed Date of Allotment and Coupon Payment Date, should any of the other date(s) fall on a Saturday, Sunday and/or on a Public Holiday/s in the city of Mumbai and Delhi, immediately preceding Business Day shall be considered as the effective Business Day. Should the Deemed Date of Allotment or any Coupon Payment Date fall on a Saturday, Sunday and/or on a Public Holiday/s in the city of Mumbai and Delhi, the immediately succeeding Business Day shall be considered as the effective Business Day however the calculation of the of the said coupon payment would be as per the schedule originally stipulated at the time of issuing the security. Thus, the subsequent coupon schedule would not be disturbed.

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).	To be created in favor of the Debenture Trustee, as follows: <ul style="list-style-type: none"> • First pari-passu (with banks and financial institutions which provide credit facilities to the Issuer) charge by way of hypothecation on the standard asset portfolio of receivables of the Issuer with a Security Cover of Minimum 1.00x; and • First pari-passu charge on immovable property situated at village Maharajpura of Kaditaluka, Mehsana district, Gujarat
Security Creation	<ul style="list-style-type: none"> • The Issuer undertakes to create security within 3 months from the deemed date of allotment. • Any delay in security creation would attract penal interest of 2% p.a. over and above the coupon rate for the delayed period till Security creation is complete, at the option of the debenture holders.
Transaction Documents	Debenture Trust Deed and/or any other documents as may be considered necessary by the Company, the Debenture Trustee and/or the Debenture Holders.
Conditions Precedent to Disbursement	As per Debenture Trust Deed
Condition Subsequent to Disbursement	As per Debenture Trust Deed
Events of Default	<p>Events of default as stated in the Debenture Documentation, including but not limited to the following:</p> <ul style="list-style-type: none"> • Failure to pay amounts due under the Issue on the relevant due date by the Issuer; • Insolvency, reorganization, liquidation, suspension of payment of debts, winding up, illegality, cessation of business by the Issuer; • Illegality, cessation of business of the Issuer; • Security in jeopardy; • Bankruptcy, CDR proceedings filed with respect to the Issuer; • Breach of any of the terms of the Transaction Documents by the Issuer; • Breach of any covenants; • Breach of any Representations and Warranties; • Nationalization or expropriation of any of a substantial part of the assets of the Issuer; • Unlawfulness or moratorium
Consequences of Event of Default	<p>The consequences of default will, include but not be limited to the following:</p> <ul style="list-style-type: none"> • Acceleration of all outstanding dues, cancellation of total Issue and enforcement of Security; • To transfer assets of the Issuer comprised within the Security created in favour of Debenture Trustee or such other person by way of lease, leave and license, sale or

	<p>otherwise. Any surplus realized from the transfer of assets after fulfilment of all the obligations of the Issuer under the Issue shall be paid to the Issuer;</p> <ul style="list-style-type: none"> • Enforce its right under the Transaction Documents; • Appropriate any amount in the Accounts and utilize it for payment/repayment of any amount outstanding under the Issue; • Charge Default Interest. It is clarified that the default interest shall be charged from the date of occurrence of event of default irrespective of the same being declared by the Investor(s) till such date the default subsists; • Any cost incurred on any of the above shall be borne by the Issuer.
Role and Responsibilities of Debenture Trustee	To oversee and monitor the overall transaction for and on behalf of the Debenture Holders, as per the terms of the Transaction Documents
Governing Law and Jurisdiction	The Debenture Documents shall be governed by the laws of India. The Courts in Mumbai will have exclusive jurisdiction in relation to any dispute that may arise out of or in connection with any of the Debenture Documents.
Taxation	All the taxes as per law excluding Income tax, as and when applicable on the instrument from time to time shall be borne by the Company.
Validity of the Information Memorandum	This Information Memorandum is valid until the Issue Closing Date

Illustration of Bond Cash Flows per Debenture

Cash Flows	Date	No of Days in coupon period/Principal Period	Amount (in Rupees)
Redemption	21-June-2020	717 Days	10,00,000 (Plus the coupon amount if any)

Note: Interest payment would be rounded off to the nearest rupee



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Scenario - 1

Moderately falling to rising market conditions

If IGB 7.17% 08/01/2028 Corp price on final observation date \geq 75% of Digital level,
Then Payoff = Principal + Maximum Coupon

Price of 10 year Gsec at Initial Level	Current YTM	Assumed price of 10 year Gsec at final observation date	Indicative YTM range at final observation price	Return (XIRR)	Investment amount (Rs.)	Maturity amount (Rs.)
95.4900	7.85%	≥ 71.625	≤ 13.20	9.10%	10,00,000.00	11,86,594.47

Scenario - 2

Substantially falling conditions

If IGB 7.17% 08/01/2028 Corp price on final observation date $< 75\%$ but $\geq 25\%$ of Digital level,
Then Payoff = Principal + Minimum Coupon.

Price of 10 year Gsec at Initial Level	Current YTM	Assumed price of 10 year Gsec at final observation date	Indicative YTM range at final observation price	Return (XIRR)	Investment amount (Rs.)	Maturity amount (Rs.)
95.4900	7.85%	< 71.625 but ≥ 23.875	$> 13.21\%$ but upto 38.91%	9.05%	10,00,000.00	11,85,526.45

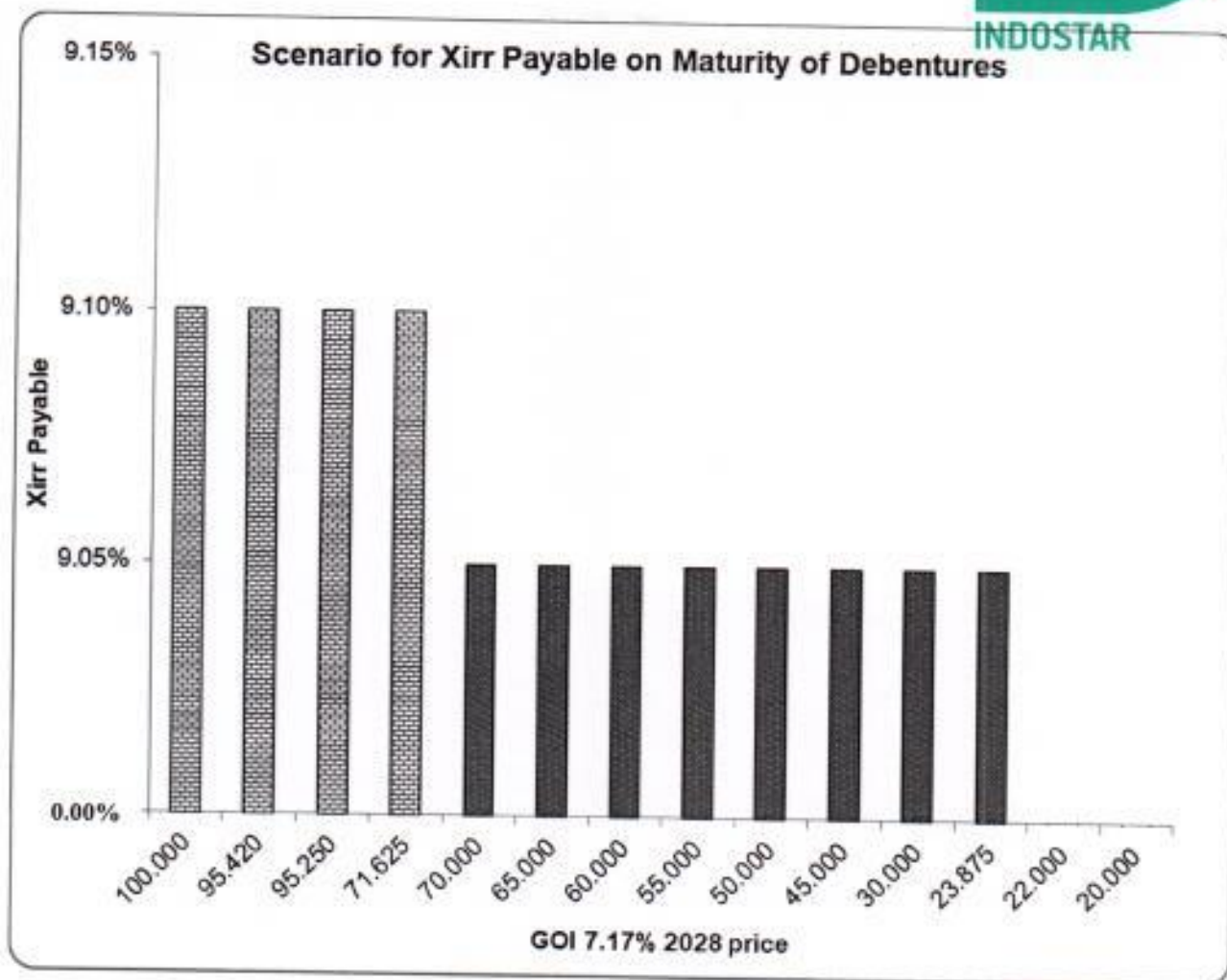
Scenario - 3

Extreme falling conditions

If IGB 7.17% 08/01/2018 Corp price on final observation date $< 25\%$ of Digital level,
Then Payoff = Principal

Price of 10 year Gsec at Initial Level	Current YTM	Assumed price of 10 year Gsec at final observation date	Indicative YTM range at final observation price	Return (XIRR)	Investment amount (Rs.)	Maturity amount (Rs.)
95.4900	7.85%	< 23.8750	$> 40.15\%$	0.00%	10,00,000.00	10,00,000.00





For IndoStar Capital Finance Limited

Pankaj Thapar

Pankaj Thapar
Chief Financial Officer

Accepted
For



Authorized Signatory