

March 7, 2018

Canara Robeco Mutual Fund
Canara Bank Building, Adi Marzban Path,
Ballard Estate, Mumbai – 400 038

Ms. Suman Prasad

Dear Madam,

Sub: Issue of Secured, Redeemable Non-Convertible Debentures (NCDs) on private placement basis.

Please find the terms of the issue of the NCD, the details of which are set out in the issue details ("Issue Details") annexed hereto and marked at Annex 1.

We are enclosing herewith the Offer Document (Shelf Disclosure Document and the Private Placement Offer Letter dated **March 7, 2018**). Please note that in the event of any inconsistency and/or repugnancy between the terms of this Issue Details and the Offer Document, the terms and conditions set out in the Issue Details shall prevail over the terms and conditions set out in the Offer Document.

The said debentures are proposed to be listed on BSE. Letter of allotment/Certificate shall be issued in the electronic form within 2 working days from the date of allotment. Annexure I & Annexure A attached herewith forms an integral part of this offer.

Consent of the investor / debenture holder:

A) So long as the terms and conditions of the existing securities (under the respective issues) in the ISIN are not revised (i) otherwise than as may be required/permitted by regulations; or (ii) which results in breach of or violation of the regulations from time to time, which specifically precludes such revision, the Issuer reserves the right/is entitled to add additional securities (for such additional amounts as may be issued by the Company from time to time) to the existing ISIN from time to time with terms and conditions, which may / may not be different from the existing securities under the respective issues under the same ISIN. Such additional securities and their terms may be such as are permitted by regulations or not specifically precluded by regulations from time to time. Further, such additional securities may be issued from time to time at such issue price, either at par or at premium or at discount to arrive at the contracted effective yield from time to time.

B) The listed securities issued under the said Term sheet can be redeemed / bought back before maturity date by the Company, as per financial or other terms as may be mutually agreed upon between the Company and the debenture holder. The said redemption / buyback maybe done either by pro rata basis or by lot or by any other manner whatsoever.

By signing the application form and making an application to subscribe to the securities to be issued by the Issuer all subscribers of the securities in this ISIN and any of the subsequent holders who have acquired the said securities in the secondary market shall be deemed to have irrevocably given their consent to the Issuer to:

· add such additional securities (for such additional amounts as may be issued by the Company from time to time) to the existing ISIN from time to time with terms, which may / may not be different from the terms of securities under the respective issues existing under the said ISIN.

· select any of the listed securities in the ISIN for redemption / buy back as the Company may solely deem fit either by pro rata basis or by lot or by any other manner whatsoever before maturity from time to time.

As discussed, request you to kindly RTGS the subscription proceeds of Rs.48,77,47,525/- Kotak Mahindra Prime Ltd Account #8811423896, (IFSC Code- KKBK0000958) with Kotak Mahindra Bank, Mittal Court Branch, Nariman Point for value date March 7, 2018.

Receipt of the subscription proceeds mentioned herein shall be considered as acceptance by the parties of the underlying documents and these presents.

Please note that this term sheet is directed to and for the use of the addressee only.

Regards,

For Kotak Mahindra Prime Limited



Authorized Signatory

Kotak Mahindra Prime Limited

CIN U67200MH1996PLC097730
Kotak Infinity, 6th Floor
Building No 21, Infinity park
Off Western Express Highway
General A K Vaidya Marg
Malad (E), Mumbai 400 097, India

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Registered Office :
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Bandra (E), Mumbai - 400 051
India.

ISSUE DETAILS
Annexure – Series I

S.No	Particulars	
1.	Security Name	Kotak Mahindra Prime Ltd 0% NCD 29 Mar 2021
2.	Issuer	Kotak Mahindra Prime Ltd.
3.	Type of Instrument	Secured, Redeemable, Non Convertible Debentures
4.	Nature of Instrument	Secured
5.	Seniority	Senior
6.	Mode of Issue	Private Placement
7.	Eligible Investors	For details kindly refer section "Other Details - point q (iv)" of Offer Document
8.	Listing	Proposed to be listed on Bombay Stock Exchange Ltd. within 20 days from the date of allotment.
9.	Rating of The instrument	CRISIL AAA /Stable
10.	Total Issue Size (Amount Rs. crs)	For details kindly refer section "Issue Details" of Offer Document.
11.	Option to retain oversubscription (Amount)	For details kindly refer section "Issue Details" of Offer Document.
12.	Objects of the Issue	For details kindly refer section "Other Details - point q (v)" of Offer Document
13.	Details of the utilization of the Proceeds	The proceeds of the issue after meeting the expenditures of and related to the issue of such Debentures / Instruments if any, will be used for various financing activities of the Company, to repay existing debts of the Company and for business operations of the Company including capital expenditure, short term/long term working capital requirements and general corporate purposes of the Company. Further, the issue proceeds may be utilized / invested (as approved by the Board of the Company) in fixed deposits with banks, mutual funds units, etc.
14.	Coupon Rate payable on the nominal value of the issue	N.A.
15.	Step Up/Step Down Coupon Rate	N.A.
16.	Coupon Payment Frequency	N.A.
17.	Interest Payment Date	N.A.
18.	Coupon Type	N.A.
19.	Coupon Reset Process (incl rates, spread, effective date, interest rate cap and floor etc)	N.A.
20.	Day Count Basis	Actual/Actual (Refer Note 2)
21.	Interest on Application Money	Not Applicable
22.	Default Interest Rate	2% p.a. over the coupon rate for the defaulting period.
23.	Face Value (Nominal Value) per Debenture	Rs.10,00,000/-
24.	Issue Premium per Debenture	Rs. 5,665/-
25.	Paid up value of security (per security as of date)	Rs.10,05,665/- (including Issue Premium of Rs. 5,665/- per debenture)
26.	Units Subscribed	485 Nos
27.	Total nominal value of units subscribed	Rs 48,50,00,000/- (Rupees Forty Eight Crore and Fifty Lakh Only)
28.	Total paid up value of units subscribed	Rs 48,77,47,525/- (Rupees Forty Eight Crore Seventy Seven Lakh Forty Seven Thousand Five Hundred and

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		Twenty Five Only)
29.	Issue Price per Debenture	Rs.10,05,665/-
30.	Discount / Premium at which security is issued and the effective yield as a result of such discount / premium	8.15% p.a.
31.	Tenure from the deemed date of allotment	1,118 days
32.	Redemption Date	29 Mar 2021
33.	Redemption Amount (Principal) per Debenture	Rs.10,00,000.00 (Rupees Ten Lakh Only)
34.	Redemption Premium on Face Value (Nominal Value) per debenture	Rs.2,78,429.00 (Rupees Two Lakh Seventy Eight Thousand Four Hundred and Twenty Nine Only)
35.	Put Option & Call Option Date	N.A.
36.	Put / Call option Time	N.A.
37.	Put /Call option Price	N.A.
38.	Minimum Application and in multiples of Debt Securities thereafter	10 debentures and 1 debenture thereafter
39.	Issue Opening	7 March 2018
40.	Bid Opening	7 March 2018
41.	Bid Closing	7 March 2018
42.	Issue Closing	7 March 2018
43.	Subscription Date	7 March 2018 (Refer Note 1)
44.	Date of allotment	7 March 2018
45.	Issuance mode of the Instrument	Demat only
46.	Trading mode of The Instrument	Demat only
47.	Settlement mode of the Instrument	Refer Section 'B' of Summary Term sheet of Shelf Disclosure Document to be listed on BSE
48.	Depository	NSDL / CDSL
49.	Payment Convention	Refer Note 3
50.	Security	Refer Note 4
51.	Asset Cover Ratio	The Company shall maintain the asset cover of 1.00 times during the tenure of the Debentures ("Asset Cover Ratio").
52.	Events of Default	Refer Section 'B' of Summary Term sheet of Offer Document.
53.	Provisions related to Cross Default Clause	Refer Section 'B' of Summary Term sheet of Offer Document.
54.	Transaction Documents	Refer Section 'B' of Summary Term sheet of Offer Document.
55.	Condition Precedent to Disbursements	Refer Section 'B' of Summary Term sheet of Offer Document.
56.	Condition subsequent to Disbursements	Refer Section 'B' of Summary Term sheet of Offer Document.
57.	Record Date	Refer Note 5 and Section 'B' of Summary Term sheet of Offer Document.
58.	Role and responsibility of Debenture Trustee	Refer Section 'B' of Summary Term sheet of Offer Document.
59.	Governing Law and Jurisdiction	Refer Section 'B' of Summary Term sheet of Offer Document.
60.	Trustee	IDBI Trusteeship Services Limited vide consent dated July 20, 2017
61.	Arranger	Kotak Mahindra Bank Ltd
62.	Latest Audited financial information as on March 31, 2017	For details kindly refer of Offer Document.

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Notes:

1. Application money, if any, once received by the company cannot be withdrawn by the Applicant.
2. Computation of Interest - Day count convention for calculation of interest shall be - (Actual / Actual) – The denominator for the calculation shall be either 365 (if the calculation period does not contain 29th February) or 366 (if the calculation period includes 29th February), where the calculation period is upto one year. Where a calculation period of longer than one year is involved, two or more calculations are made: interest is calculated for each full year, counting forwards from the beginning of the calculation period. 366 days shall be used as the denominator, where the calculation period includes 29th February. The numerator will be equal to the actual number of days from and including the last interest / coupon payment date, to one day prior to the next interest / coupon payment date (i.e. excluding the value date of the interest / coupon payment).
3. Payment convention:
 - a. **Coupon payment falling on a scheduled / unscheduled holiday** – Coupon Payment to be “Following Business Day” – i.e. any interest payment (excluding any payment of interest due on maturity date) falling on a Saturday (non-business day) / Sunday or on a bank holiday or on a day when there is no RTGS / NEFT / ECS clearing, shall be paid on the next working 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.
 - b. **Redemption proceeds falling on a scheduled holiday** – Payment to be “Preceding Business Day” – i.e. If the maturity date of the debt securities, falls on a Saturday (non-business day) / Sunday or on a bank holiday or on a day when there is no RTGS / NEFT / ECS clearing, the redemption proceeds (interest + principal) shall be paid on the preceding / previous working day.
 - c. **Redemption proceeds falling on a unscheduled holiday** – Payment to be “Following Business Day” – i.e. If the maturity date of the debt securities, falls on a unscheduled holiday (non-business day) when there is no RTGS / NEFT / ECS clearing, the redemption proceeds (interest + principal) shall be paid on the next working day.
4. (a) The Debenture shall be secured by way of first pari-passu charge in terms of the registered Debenture Trust Deed dated July 24, 2017 and any supplemental/modified deed executed from time to time on:-
Mortgage of Flat bearing No.35-D. at Mahindra Park constructed on land bearing C.T.S. no.175 situated at Lal Bahadur Shastri Marg, Ghatkopar (West), Mumbai 400 086 of Village Kirol, Taluka, Kurla BSD. Cost at which property was purchased - Rs.18,07,472/- (Rupees Eighteen Lakhs Seven Thousand Four Hundred and Seventy Two Only) and
(b) The Debenture shall be secured by way of first pari-passu charge in the nature of hypothecation in terms of the Deed of Hypothecation dated July 24, 2017 and any supplemental/modified deed executed from time to time on Movable Properties :
“Moveable Properties” shall mean, present and future:
 - (i) Receivables;
 - (ii) other book debts of the Company (except the ones excluded from the definition of Receivables);
 - (iii) other current assets of the Company (except the ones excluded from the definition of Receivables); and
 - (iv) other long term and current investment
5. Record Date: The record date for determining eligibility for interest / principal payments shall be seven working days (both dates exclusive) before the relevant interest / principal payment date. Interest / Principal will be paid to the person whose name appears in the Register of Debenture holders as sole / first Debenture holder as per the list of beneficiaries provided by the Depository as on the record date.
6. Security Creation: In case of delay in creation 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.
7. Delay in Listing: 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 the investor.
8. Redemption/Interest proceeds shall be paid to the beneficial owner who is holder of the security as per the records of the Depository seven working days prior to the due date for redemption or put/call date (if applicable), whichever is earlier.
9. Redemption / interest proceeds shall be payable at par at Mumbai on due date.
10. Tax exemption certificates, if applicable, in respect of non-deduction of tax at source on interest on application money must be submitted along with the application form.
11. Tax exemption certificate / document / form under section 193 of the Income Tax Act, 1961, if any, must be lodged at the Corporate / Registered Office, at least three working days before the relevant interest payment becoming due.
12. Consent of the investor / debenture holder:
 A) So long as the terms and conditions of the existing securities (under the respective issues) in the ISIN are not revised (i) otherwise than as may be required/permitted by regulations; or (ii) which results in breach of or violation of the regulations from time to time, which specifically precludes such revision, the Issuer reserves the right/is entitled to add additional securities (for such additional amounts as may be issued by the Company from time to time) to the existing ISIN from time to time with terms and conditions, which may / may not be different from the existing securities under the respective issues

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under the same ISIN. Such additional securities and their terms may be such as are permitted by regulations or not specifically precluded by regulations from time to time. Further, such additional securities may be issued from time to time at such issue price, either at par or at premium or at discount to arrive at the contracted effective yield from time to time.

B) The listed securities issued under the said Term sheet can be redeemed / bought back before maturity date by the Company, as per financial or other terms as may be mutually agreed upon between the Company and the debenture holder. The said redemption / buyback may be done either by pro rata basis or by lot or by any other manner whatsoever.

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- select any of the listed securities in the ISIN for redemption / buy back as the Company may solely deem fit either by pro rata basis or by lot or by any other manner whatsoever before maturity from time to time.

Annexure A: Illustration of Bond Cash Flows per Debenture for Series I:

Cash flows	Date	No of days principal period	Amount (in Rupees)
Redemption premium	29 Mar, 2021	1118	2,78,429.00
Principal	29 Mar, 2021	1118	10,00,000.00
Total			12,78,429.00

Note: Payments would be rounded off to the nearest rupee. The debentures are being issued under an existing ISIN - INE916DA7PK1. The Issue Premium has been adjusted to arrive at the agreed yield.

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