

ISSUE DETAILS/ CONSOLIDATED TERM SHEET

S.No	Particulars	
1.	Security Name	Kotak Mahindra Prime Ltd MLD 8 NOV2019
2.	Issuer	Kotak Mahindra Prime Ltd.
3.	Type of Instrument	Secured, Redeemable, Principal Protected, Market Linked Non-Convertible Debentures
4.	ISIN	Issuance under a new ISIN
5.	Nature of Instrument	Secured
6.	Seniority	Senior
7.	Underlying/ Reference Index	NSE 'NIFTY 50'Index
8.	Mode of Issue	Private Placement
9.	Eligible Investors	<p>Only eligible investors who have been addressed through a communication directly by the Company can apply. No person who has not received a direct communication from the Company may apply in this Issue. Individual investors who are not covered under exemptions clauses of the Acceptance of Public Deposit Rules of RBI as applicable to NBFCs are not eligible to apply. There are no transfer restrictions in relation to the Debentures.</p> <p>The following categories of investors may apply for the Debentures (not an exhaustive list), subject to fulfilling their respective investment norms by submitting all the relevant documents along-with the application form.</p> <ul style="list-style-type: none"> • Provident/ Superannuation/ Gratuity/ Pension Funds. • Commercial Banks, State/ Central Co-operative Banks, Urban Co-operative Banks, District Central Co-operative Banks, Development Co-operative Banks, • Insurance Companies. • Mutual Funds • Eligible Financial Institutions, • Eligible Foreign Institutional Investors. • Companies • Other Government and Non-government agencies authorized to invest in these bonds as per present and relevant government guidelines. • Any other investor authorized to invest in the Debentures. <p>All investors are required to comply with the relevant regulations/guidelines applicable to them for investing in the issue of Debentures.</p> <p>Posting of Schedule on the designated stock exchange website should not be construed as an offer to issue and the Schedule has been posted on the website as per the stipulation made by SEBI.</p>
10.	Listing	Proposed to be listed on BSE Ltd. within 20 days from the Deemed Date of Allotment.
11.	Rating of the instrument	CRISIL PP-MLD AAAr/Stable by CRISIL
12.	Total Issue Size (Amount Rs. crs)	Rs.50 crores with an option to retain over-subscription of Rs.100 crores aggregating to Rs.150 crores.
13.	Option to retain oversubscription (Amount)	Rs. 100 Crores
14.	Objects of the Issue	For details kindly refer section "Other Details – point p (v)" of this Disclosure Document
15.	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 /



[Handwritten signature]

		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.	
16.	Issue Opening	3 Aug 2018	
17.	Issue Closing	7 Aug 2018	
18.	Initial Fixing Date	8 Aug 2018	
19.	Initial Fixing Level	Closing level of 'NIFTY 50' Index as on 8 Aug 2018	
20.	Final Fixing Date	01 Oct 2019	
21.	Final Fixing Level	Closing level of 'NIFTY 50' Index as on 01 Oct 2019	
22.	Underlying Performance	(Final Fixing Level/ Initial Fixing Level) - 1	
23.	Subscription Date	8 Aug 2018 (Refer Note 1)	
24.	Date of allotment	8 Aug 2018	
25.	Coupon Rate payable on the nominal value of the issue	Scenario	Coupon
		If Final Fixing Level <= 25% of Initial Fixing Level	0.00%
		If Final Fixing Level > 25% of Initial Fixing Level	8.3340% p.a.
26.	Step Up/Step Down Coupon Rate	N.A.	
27.	Coupon Payment Frequency	Coupon, if any will be paid on Redemption date (i.e. 8 Nov 2019)	
28.	Interest Payment Date	Coupon, if any will be paid on Redemption date (i.e. 8 Nov 2019)	
29.	Coupon Type	Coupon Linked to Underlying/ Reference Index	
30.	Coupon Reset Process (incl rates, spread, effective date, interest rate cap and floor etc)	N.A.	
31.	Day Count Basis	Actual/Actual (Refer Note 2)	
32.	Interest on Application Money	Not Applicable	
33.	Default Interest Rate	2% p.a. over the coupon rate for the defaulting period.	
34.	Face Value (Nominal Value) per Debenture	Rs.10,00,000/-	
35.	Paid up value of security (per security as of date)	Rs.10,00,000/-	
36.	Issue Price per Debenture	Rs.10,00,000/-	
37.	Discount at which security is issued and the effective yield as a result of such discount	NA	
38.	Tenure from the deemed date of allotment	457 days	
39.	Redemption Date	8 November 2019	
40.	Redemption Amount (Principal) per Debenture	Rs.10,00,000/- (Rupees Ten Lakh Only)	
41.	Redemption Premium/Discount	N.A.	
42.	Put Option & Call Option Date	N.A.	
43.	Put / Call option Time	N.A.	
44.	Put/Call option Price	N.A.	
45.	Minimum Application and in multiples of Debt Securities thereafter	10 debentures and 1 debenture thereafter	



80

46.	Issuance mode of the Instrument	Demat only
47.	Trading mode of The Instrument	Demat only
48.	Settlement mode of the Instrument	Refer Section 'B' of Disclosure Document to be listed on BSE
49.	Depository	NSDL / CDSL
50.	Payment Convention	Refer Note 3
51.	Security	Refer Note 4
52.	Asset Cover Ratio	The Company shall maintain the asset cover of 1.00 times during the tenure of the Debentures ("Asset Cover Ratio").
53.	Record Date	Refer Note 5 of this Term Sheet and Section 'B' of Disclosure Document.
54.	Events of Default	Refer Section 'B' of Disclosure Document
55.	Provisions related to Cross Default Clause	Refer Section 'B' of Disclosure Document.
56.	Transaction Documents	Refer Section 'B' of Disclosure Document.
57.	Condition Precedent to Disbursements	Refer Section 'B' of Disclosure Document.
58.	Condition subsequent to Disbursements	Refer Section 'B' of Disclosure Document.
59.	Issuer's Right of Premature Redemption	<p>Subject to Applicable Law, the Company has an option to redeem the Debentures (Premature Redemption Option), to be exercised by the Company on all Debentures and not in part; at any time after Deemed Date of Allotment on occurrence of any one of the following events-</p> <p>"Issuer Tax Event" and/or "Change in Law" and/or "Force Majeure Event" and/or "Hedging Disruption Event" and/or "Market Suspension Event" and/or "Increased Cost of Hedging" and/or "Reference index Modification Event" and/or "Reference Index Discontinuation Event". (See Definitions section in this Disclosure Document)</p> <p>In case of a "Force Majeure Event", the Company has the right to exercise the Issuer's Right of Premature Redemption. The Company shall intimate the Debenture holder and the Debenture Trustee within reasonable time period from the occurrence of above event that it has exercised the Issuer's Right of Premature Redemption. 'Redemption Exercise Date' shall be the fifth business day from the date of Issuer's Right of Premature Redemption notice to the Debenture holder.</p> <p>In case of "Issuer Tax Event" and/or "Change in Law" and/or "Hedging Disruption Event" and/or "Increased Cost of Hedging" and/or "Reference Index Modification Event" and/or "Reference Index Discontinuation Event", the Company has the right to exercise the Issuer's Right of Premature Redemption. The Company shall intimate the Debenture holder and the Debenture Trustee within 5 working days from the occurrence of above event that it has exercised the Issuer's Right of Premature Redemption. 'Redemption Exercise Date' shall be the fifth business day from the date of Issuer's Right of Premature Redemption option notice to the Debenture holder.</p> <p>In case of "Market Suspension Event", Company has a right to exercise the Issuer's Right of Premature Redemption. The Company shall intimate the Debenture holder within 5 working days from the occurrence of above mentioned event that it has exercised the Issuer's Right of Premature Redemption. 'Redemption exercise</p>



		Date' shall be on the next business day after the above mentioned circuit breaker is triggered.
		Redemption proceeds: In case the Issuer's Right of Premature Redemption is exercised by the Company under any circumstances mentioned above, the Debenture holder shall be paid the fair value of the Debenture calculated as on such Redemption Exercise Date. The fair value will be calculated by the Valuation Agent taking into account the new valuation parameters post the event (for example increased volatility or borrowing costs). In case of exercise of the Right of Premature Redemption by the Company, the payout to the Debenture holder shall be paid within 15 Business Days from the date of exercise of the Right of Premature Redemption.
60.	Role and responsibility of Debenture Trustee	Refer Section 'B' of the Disclosure Document.
61.	Governing Law and Jurisdiction	Refer Section 'B' of Disclosure Document.
62.	Trustee	IDBI Trusteeship Services Limited vide consent dated July 20, 2017
63.	Referral Agent/Arranger/ Intermediary	Kotak Mahindra Bank Limited
64.	Referral Agent Fees	Maximum upto 25bps p.a.
65.	Valuation Agent Fees	Fees paid to the Valuation Agent by the Issuer shall be in the range of 1 bps. to 5 bps on the face value of the outstanding Debentures.
66.	Latest Audited financial information as on March 31, 2018	For details kindly refer to the Disclosure Document.

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, if any 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 Debentures. 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 (coupon, if any + 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 Debentures, falls on a unscheduled holiday (non-business day) when there is no RTGS / NEFT / ECS clearing, the redemption proceeds (coupon, if any + principal) shall be paid on the next working day.
 - d. **Fixing Dates** – Fixing Date to be “Preceding Business Day” – i.e. If the fixing date (Initial or Final) of the debt securities, falls on a Saturday / Sunday or on a day where NSE is closed and there is no clearing/settlement of securities, the closing level of ‘NIFTY 50’ Index on the preceding / previous working day shall be considered as the Fixing Level.
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:

- Receivables;
 - other book debts of the Company (except the ones excluded from the definition of Receivables);
 - other currents assets of the Company (except the ones excluded from the definition of Receivables); and
 - 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.

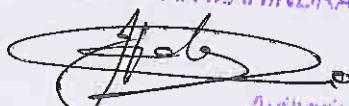
11. Tax exemption certificate / document / form under section 193 of the Income Tax Act, 1961, if any, must be lodged at the Corporate / Registered Office, at least three working days before the relevant interest payment becoming due.

Annexure II : Part A: Illustration of Bond Cash Flows per Debenture:

Company	Kotak Mahindra Prime Limited		
Face Value	Rs. 1,00,00,000/- per Debenture		
Deemed Date of Allotment	8 Aug 2018		
Redemption Date	8 Nov 2019		
Coupon	Scenario	Coupon	
	If Final Fixing Level <= 25% of Initial Fixing Level	0.00%	
	If Final Fixing Level > 25% of Initial Fixing Level	8.3340% p.a.(8.25% XIRR (Annualised yield))	
Coupon Payment Dates / Frequency	Coupon, if any will be paid on Redemption date (i.e. 8 Nov 2019)		
Day Count Basis	Actual/Actual (Refer Note 2 above)		
Cash flows	Date	No of days in coupon period / principal period	Amount (in Rupees)
Interest on Redemption, if any	8 Nov 2019	457	Coupon linked to underlying / Reference Index.
Principal	8 Nov 2019	457	Rs. 10,00,00,000/-
Total			Rs. 10,00,00,000/-* (1+Coupon) / - for the no. of days. (Refer Part B for scenario analysis)

Note: Payments would be rounded off to the nearest rupee.

For KOTAK MAHINDRA PRIME LTD.



Authorised Signatory

Part B: Scenario Analysis showing value of the security under different market condition.

If final fixing > 25% of Initial level, coupon = 8.334% p.a. (XIRR 8.25% p.a)

Example:-

Initial level (NIFTY 50) Index - 10850.30
 25 % of Initial level (NIFTY 50) Index - 2712.58 (rounded at 2 decimals).
 Face Value per Debenture: Rs.10,00,000/- (Rs. Ten Lakhs)
 Tenure: - 457 days

Initial Level	Final Level (rounded at 2 decimals)	Market Conditions	Underlying performance (NIFTY 50 Index)	Coupon (p.a)	Redemption Value (Per Debenture)	XIRR (Annulised yield)
(A)	(B)	(C)	(D)	(E)	(F)	(G)
10850.3	0	Falling	-100.00%	0.00%	1,000,000.00	0.00%
10850.3	1,085.03		-90.00%	0.00%	1,000,000.00	0.00%
10850.3	2,170.06		-80.00%	0.00%	1,000,000.00	0.00%
10850.3	2,658.32		-75.50%	0.00%	1,000,000.00	0.00%
10850.3	2,712.58		-75.00%	0.00%	1,000,000.00	0.00%
10850.3	2,712.59		-74.9999%	8.334%	11,04,346.25	8.25%
10850.3	2,712.60		-74.9998%	8.334%	11,04,346.25	8.25%
10850.3	5,425.15		-50.00%	8.334%	11,04,346.25	8.25%
10850.3	10,850.30	Stable	0.00%	8.334%	11,04,346.25	8.25%
10850.3	13,562.88	Rising	25.00%	8.334%	11,04,346.25	8.25%
10850.3	16,275.45		50.00%	8.334%	11,04,346.25	8.25%
10850.3	21,700.60		100.00%	8.334%	11,04,346.25	8.25%

Graphical Illustration :

