



## TATA CAPITAL FINANCIAL SERVICES LIMITED

### Public Issue of Secured Redeemable and Unsecured Subordinated Redeemable Non-Convertible Debentures

<b>Issuer</b>	Tata Capital Financial Services Limited ("TCFSL")
<b>Instrument</b>	<b>Secured Redeemable and Unsecured, Subordinated Redeemable Non-Convertible Debentures ("NCDs")</b> (The rated, listed, redeemable Unsecured NCDs are in the nature of subordinated debt and will be eligible for Tier II Capital).
<b>Issuance Schedule*</b>	The Tranche-I Issue shall be open from Monday, 10 <sup>th</sup> September 2018 to Friday, 21 <sup>st</sup> September 2018

\* The Tranche- issue shall remain open for subscription on Working Days from 10.00 am to 5.00 p.m (IST), during the period indicated in the relevant Tranche Prospectus, except that the Issue may close on such earlier date or extended date as may be decided by the Board of Directors of TCFSL ("Board") or the Working Committee. In the event of such an early closure or extension of the Issue, TCFSL shall ensure that notice of such early closure or extension is given to the prospective investors through an advertisement in a national daily newspaper with wide circulation on or before such earlier date or initial date of Issue closure.

<b>Tranche-I Issue Size</b>	<b>Base Issue Rs.2,000 Crore with an option to retain oversubscription up to Rs.5,500 Crore aggregating up to Rs.7,500 crores (Shelf Limit).</b>			
<b>Face Value</b>	Rs.1,000/-			
<b>Minimum Application Size</b>	Rs.10,000/- ( 10 NCDs) collectively across all the Options and in multiple of Rs.1,000 (1 NCD) thereafter.			
<b>Credit Rating</b>	<b>"AAA/Stable" by CRISIL and CARE</b> (instruments with this rating indicate highest degree of safety regarding timely servicing of financial obligations).			
<b>Issuance &amp; Trading of NCDs</b>	In dematerialised form only			
<b>Category</b>	<b>I – Institutional ("QIB")</b>	<b>II – Non Institutional ("Corporate")</b>	<b>III – High Networth Individual ("HNI") amount aggregating above Rs.10 lacs</b>	<b>IV – Retail Individual ("Retail") amount aggregating up to and including Rs. 10 lacs</b>
<b>Category Allocation</b>	20% of the overall Issue Size	20% of the overall Issue size	30% of the overall Issue Size	30% of the overall Issue Size
<b>Bucket Size (Rs.) assuming Issue size of Rs.7,500 Cr</b>	Rs.1,500 Crores	Rs.1,500 Crores	Rs.2,250 Crores	Rs.2,250 Crores
<b>Put/Call Option</b>	There is no put/call option for the NCDs			
<b>Seniority</b>	Senior (to clarify, the claims of the Secured NCD Holders shall be superior to the claims of any unsecured creditors, subject to applicable statutory and/or regulatory requirements). The Secured NCDs would constitute secured obligations of the company and shall rank <i>pari passu inter se</i> , present and future and subject to any obligations under applicable statutory and/or regulatory requirements, shall also, with regard to the amount invested, be secured by way of first ranking <i>pari passu</i> charge on the identified immovable property and on identified book debts, loans and advances, and receivables, both present and future, of TCFSL. No security will be created for Unsecured NCDs in the nature of Subordinated Debt.			
<b>Security and Asset Cover</b>	The principal amount of the Secured NCDs to be issued in terms of this Issue together with all interest due on the Secured NCDs, as well as all costs, charges, all fees, remuneration of Debenture Trustee and expenses payable in respect thereof shall be secured by way of first ranking <i>pari passu</i> charge on the identified immovable property and on identified book debts, loans and advances, and receivables, both present and future, of TCFSL. TCFSL will create the security for the Secured NCDs in favour of the Debenture Trustee for the NCD Holders on the assets to ensure 100% security cover of the amount outstanding in respect of the Secured NCDs, including interest thereon, at any time.			
<b>Ranking of NCDs</b>	<b>The Secured NCDs</b> would constitute secured obligations of TCFSL and shall rank <i>pari passu inter se</i> , and subject to any obligations under applicable statutory and/or regulatory requirements, shall also, with regard to the amount invested, be secured by way of a first ranking <i>pari passu</i> charge by way of a mortgage over the identified immovable property and first ranking <i>pari passu</i> charge on identified book debts, loans and advances, and receivables, both present and future which are not offered to lenders for their credit facilities. The Secured NCDs proposed to be issued under the Issue and all earlier issues of debentures outstanding in the books of TCFSL having corresponding assets as security, shall rank <i>pari passu</i> without preference of one over the other except that priority for payment shall be as per applicable date of redemption. <b>The Unsecured NCDs</b> would constitute unsecured and subordinated obligations of TCFSL and shall rank <i>pari passu inter se</i> , and subject to any obligations under applicable statutory and/or regulatory requirements. The Unsecured NCDs proposed to be issued under the Issue and all earlier issues of unsecured debentures outstanding in the books of TCFSL, if any, shall rank <i>pari passu</i> without preference of one over the other except that priority for payment shall be as per applicable date of redemption.			



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<b>Lead Manager</b>	Axis Bank, Edelweiss Financial Services, A K Capital Services
<b>Registrar</b>	Karvy Computershare Pvt Ltd
<b>Listing</b>	Proposed on <b>BSE</b> and <b>NSE</b>

<b>Interest on Application Amounts received</b>	TCFSL shall pay interest <b>at the rate of the respective applicable coupon rate</b> for the Options of NCDs allotted to the Applicants, other than to ASBA Applicants, subject to deduction of income tax under the provisions of the I-Tax Act, 1961, as amended, as applicable, from the date of realization* of the cheque(s) / demand draft(s) upto one day prior to the Deemed Date of Allotment as specified in relevant Tranche Prospectus.
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<b>Interest on Application Amounts liable to be Refunded</b>	TCFSL shall pay interest <b>at the rate of 6%</b> on Application Amount on all valid Applications, which is liable to be refunded to the Applicants (other than Application Amounts received after the Issue Closure Date and ASBA Applicants) pursuant to the relevant Tranche Prospectus and as specified in relevant Tranche Prospectus, subject to deduction of income tax under the provisions of the I-Tax Act, 1961, as amended, as applicable, to the Applicants whose valid Applications receive (i) partial allotment due to oversubscription or (ii) no allotment due to oversubscription pursuant to the relevant Tranche Issue from the date of realization* of the cheque(s)/demand draft(s) upto 1 day prior to the Deemed Date of Allotment.
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**Note:** Provided that, notwithstanding anything contained hereinabove, the company shall not be liable to pay any interest on monies liable to be refunded in case of (a) invalid applications or applications liable to be rejected, (b) applications which are withdrawn by the Applicant and/or (c) monies paid in excess of the amount of NCDs applied for in the Application Form.

\*In the event that such date of realization of the cheque(s)/ demand draft(s) is not ascertainable in terms of banking records, the company shall pay interest on Application Amounts on the amount Allotted from 3 Working Days from the date of upload of each Application on the electronic Application platform of the Stock Exchanges upto one day prior to the Deemed Date of Allotment.

### Who can apply?

#### Category I (Institutional Buyers) (“QIB”):

- Public financial institutions, scheduled commercial banks<sup>^</sup>, and Indian multilateral and bilateral development financial institutions which are authorised to invest in the NCDs;
- Provident funds and pension funds with a minimum corpus of Rs.25 crore, superannuation funds and gratuity funds, which are authorised to invest in the NCDs;
- Mutual funds registered with SEBI;
- Resident Venture Capital Funds/Alternative Investment Funds registered with SEBI;
- Insurance companies registered with the IRDAI;
- State industrial development corporations;
- Insurance funds set up and managed by the army, navy, or air force of the Union of India;
- Insurance funds set up and managed by the Department of Posts, the Union of India;
- Systemically Important Non-Banking Financial Company registered with the RBI and having a net-worth of more than Rs.500 crore as per the last audited financial statements; and
- National Investment Fund set up by resolution no. F.No. 2/3/2005-DDII dated November 23, 2005 of the GoI published in the Gazette of India.

#### Category II (Non Institutional Investors) (“Corporates”):

- Companies within the meaning of Section 2(20) of the Companies Act, 2013; statutory bodies/ corporations and societies registered under the applicable laws in India and authorised to invest in the NCDs;
- Co-operative banks<sup>^</sup> and regional rural banks<sup>^</sup>;
- Trusts including public/private charitable/religious trusts which are authorised to invest in the NCDs;
- Scientific and/or industrial research organisations, which are authorised to invest in the NCDs;
- Partnership firms in the name of the partners; and
- Limited liability partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008 (No. 6 of 2009).
- Association of persons; and
- Any other incorporated and/ or unincorporated body of persons.

#### Category III (“High Net-worth Individuals” ), (“HNIs” ),

*Applying for an amount aggregating to above Rs.10 Lakh across all series of NCDs in Issue*

- Resident Indian individuals and
- Hindu Undivided Families through the Karta

#### Category IV (“Retail Net-worth Individuals” ) (“Retail” ),

*Applying for an amount aggregating upto and including Rs.10 Lakh across all series of NCDs in Issue*

- Resident Indian individuals and
- Hindu Undivided Families through the Karta

**Note:** <sup>^</sup>Pursuant to SEBI Circular no. CIR/CFD/DIL/1/2013 dated January 2, 2013, SCSBs making applications on their own account using ASBA facility, should have a separate account in their own name with any other SEBI registered SCSB. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for ASBA applications.



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### Application cannot be made by :

- Minors without a guardian name\*; (\*A guardian may apply on behalf of a minor. However, Applications by minors must be made through Application Forms that contain the names of both the minor Applicant and the guardian; Applicant shall ensure that guardian is competent to contract under Indian Contract Act, 1872
- Foreign nationals, • Persons resident outside India; • Foreign Institutional Investors; • Foreign Portfolio Investors; • Non Resident Indians; • Qualified Foreign Investors; • Overseas Corporate Bodies; • Foreign Venture Capital Funds; and Persons ineligible to contract under applicable statutory/regulatory requirements.

**Note: Application will be rejected if banked without uploading in the electronic system of the recognised stock exchanges.**

ISSUE STRUCTURE			
Option/Series	I	II	III
Nature of NCDs	Secured Redeemable Non-Convertible Debentures ("NCDs")		Unsecured, Subordinated Redeemable Non-Convertible Debentures ("NCDs")
Who can Apply	<u>All categories of investors (Category I, II, III and IV)</u>		
Interest Type	Fixed	Fixed	Fixed
Frequency of Interest	Annual	Annual	Annual
Tenor	3 Years	5 Years	10 Years
<b>Coupon Rate (% p.a.) for :</b>			
Category I & II	8.70%	8.80%	9.00%
Category III & IV	8.80%	8.90%	9.10%
<b>Effective Yield (% p.a.) for :</b>			
Category I & II	8.70%	8.80%	9.00%
Category III & IV	8.80%	8.90%	9.10%
<b>Amount ( Rs./ NCD) on Maturity for :</b>			
Category I, II, III and IV	Rs.1,000/-	Rs.1,000/-	Rs.1,000/-
Interest Payment Date	The relevant interest for each Option will be paid on each anniversary of the Deemed Date of Allotment on the face value of the NCDs. The last interest payment will be made at the time of redemption of the NCDs.		
Cheque/DD Details	All cheques / bank drafts accompanying the application should be crossed "A/c Payee only" and must be drawn in favour of " <b>TCFSL NCD Escrow Account</b> ". <i>Applicants must use only CTS compliant instruments and refrain from using NON-CTS instruments for the payment of the Application Amount. Payment made through non-CTS cheques may be liable to be rejected due to any clearing delays to avoid any delay in the timelines in terms of the SEBI circular regarding Applications Supported by Blocked Amount (ASBA) facility bearing no. CIR/CFD/DIL/1/2011 dated April 29, 2011.</i>		

For additional information & risk factors please refer to the Prospectus