Tata Motors Finance Limited

Private Placement Memorandum

Indicative Term Sheet

Private Placement Of 1000 Subordinated Unsecured, Unlisted, Redeemable, Non-Convertible Debentures in the nature of Tier II capital Of The Face Value Of Rs. 10,00,000 Each, For Cash Aggregating upto Rs.100 Crores with a minimum subscription of Rs. 1,00,00,000

Issuer	**Tata Motors Finance Limited**
Security Name	TMFL Tier II Series A FY 19-20
Type of Instrument	Subordinated Unsecured, Unlisted, Redeemable, Non-convertible Debentures in the nature of Tier II Capital ("NCDs")
Nature of Instrument	Unsecured
Seniority	Subordinated
Mode of Issue	Private placement
Eligible Investors	As per Disclosure Document
Arrangers	NA
Listing (including name of stock Exchange(s) where it will be listed and timeline for listing)	Not applicable (Unlisted)
Rating of the Instrument	CARE AA/Stable ICRA AA/Negative
Issue Size	Rs 100,00,00,000
Option to retain oversubscription (Amount)	No
Purpose & Objects of the Issue	To raise long term resources to support its business activities
Details of the utilization of the Proceeds	The funds 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 for our business operations including for our capital expenditure and working capital requirements. The funds raised would constitute Tier II Capital of the Company in terms of RBI guidelines / circular issued for NBFCs.
Coupon Rate	10.25% p.a
Step Up/Step Down Coupon Rate	NA
Coupon Payment Frequency	Annually and On Maturity
Yield	NA
Coupon payment dates	April 30th every year. Note : If the coupon payment date of the debt securities, falls on a Sunday or a holiday the coupon payment shall be made on the next working day. If the maturity date of the debt securities, falls on a Sunday or a holiday, the redemption proceeds and interest accrued shall be paid on the previous working day
Coupon Type	Fixed
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc).	NA
Day Count Basis	Actual/ Actual

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Interest on Application Money	At Coupon Rate from the date of realization of the cheque / receipt of funds in case of RTGS till one day prior to date of allotment. The interest will be paid within one month from the Allotment Date
Default Interest Rate	In case of default in payment of Interest and/or principal redemption on the due dates, additional interest of 2% p.a. over the coupon rate will be payable by the Company for the defaulting period
Tenor	10 years
Redemption Date	April 30, 2029
Issue Price	Rs. 10,00,000/-
Issue Price per NCD	Rs. 10,00,000/-
No Of NCDs	1000
Redemption Amount	Rs 100,00,00,000/-
Redemption Amount per NCD	Rs. 10,00,000/-
Redemption Premium per NCD	NA
Discount at which security is issued and the effective yield as a result of such discount.	NA
Put option Date	NA
Put option Price	NA
Call Option Date	NA
Call Option Price	NA
Put Notification Time	NA
Call Notification Time	NA
Face Value	Rs. 10,00,000/-
Minimum Application	Minimum subscription of 10 NCDs aggregating to Rs 1 crore and above
Issue Timing	
1.Issue Opening Date	April 30, 2019
2.Issue Closing Date	April 30, 2019
3.Pay-in Date	April 30, 2019
4.Deemed Date of Allotment	April 30, 2019
Issuance mode of the Instrument	Demat only (for private placement)
Trading mode of the Instrument	Demat only (for private placement)
Debenture Holders	Debenture Holders means the person or several person(s) who is/are, for the time being and from time to time, holder(s) of the Debentures and, who are entered in the register of Debentures as the holders of the Debentures, where such Debentures are held in physical form, or whose names appear in the register of beneficial owners, where such Debentures are held in dematerialised form, and "**Debenture Holder**" means each such person.
Settlement mode of the Instrument	Payment to the Debentureholders will be made by way of direct credit through National Electronic Clearing Service (NECS), Real Time Gross Settlement (RTGS) or National Electronic Funds Transfer (NEFT) and where such facilities are not available the Company shall make payment of all such amounts by way of cheque(s)/demand draft(s)/interest warrant(s), which will be dispatched to the debenture holder(s) by registered post/ speed post/ courier or hand delivery

Depository	Both NSDL and CDSL
Business Day Convention	In the event that any date on which Coupon payment, if any, is required to be made by the Issuer is not a Business Day, the immediately succeeding Business Day shall be considered as the effective date(s) for that payment. In the event that the Maturity Date in respect of the Debentures is not a Business Day, the immediately preceding Business Day shall be considered as the effective date for redemption of debentures
Security (where applicable) (Including description, type of security, type of charge, likely date of creation of security, minimum security cover, revaluation, replacement of security).	The instrument is unsecured and is subordinated to the claims of other creditors
Security Cover	NA
Transaction Documents	Disclosure document Application form Debenture Trust Agreement dated August 31, 2018 (Debenture Trust Deed to be executed) PAS – 4 in the form prescribed under the Companies Act, 2013.
Conditions Precedent to Disbursement	NA
Condition Subsequent to Disbursement	NA
Governing Law and Jurisdiction	The Debentures will be governed by the laws of India and the courts of Mumbai shall have the sole jurisdiction to deal with any disputes or matters arising pursuant to the Transaction Documents.
Role and Responsibilities of Debenture Trustee	As Per Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993 and Debenture Trust Agreement dated August 31, 2018 (Debenture Trust Deed to be executed).