

Term Sheet (Series U-003 dated October 29, 2018)

Security Name	HDFC SERIES U-003 1 st November, 2028
Issuer	Housing Development Finance Corporation Limited
Type of Instrument	Partly-paid Secured Redeemable Non-Convertible Debentures
Nature of Instrument	Secured
Seniority	Senior
Mode of Issue	Private Placement
Eligible Investors	Only the persons who are specifically addressed through a communication are eligible to apply for the Debentures. No other person can apply.
Listing	BSE Limited and National Stock Exchange of India Limited.
Rating	“CRISIL AAA” by CRISIL Ltd “ICRA AAA” by ICRA Ltd
Issue Size (Rs.)	Rs. 1235 crore
Option to retain oversubscription (Rs.)	-----
Objects of the Issue	The object of the issue is to augment the long-term resources of the Corporation. The proceeds of the present issue would be utilized for financing / refinancing the housing finance business requirements of the Corporation.
Details of the utilization of the proceeds	The proceeds would be utilized for meeting the Object of the Issue
Coupon Rate	9.00% p.a.
Step Up Coupon Rate	Not Applicable
Coupon Payment Frequency	Annual
Coupon Payment dates	November 1 every year upto Redemption Date
Coupon Type	Fixed
Coupon Reset	Not Applicable
Day Count Basis	Actual / Actual
Bid Opening Date	October 31, 2018
Bid Closing Date	October 31, 2018
Mode of Bidding	Open Book
Manner of Allotment	Uniform Rate
Interest on Application Money	Not Applicable
Default Interest Rate	Refer Additional Covenants
Tenor	10 years
Redemption Date	November 1, 2028
Redemption Amount	Rs.10,00,000/- each
Redemption Premium	Not Applicable
Issue Price	Rs.10,00,000/- each
Discount at which security is issued and the effective yield as a result of such discount	Not Applicable
Put Option Date	Not Applicable
Put Option Price	Not Applicable
Call Option Date	Not Applicable
Call Option Price	Not Applicable



Put Notification Time	Not Applicable
Call Notification Time	Not Applicable
Face Value	Rs.10 lakh each
Minimum Subscription	Ten Debentures of Rs. 10 lakh each and in multiple of One Debenture thereafter
Issue Opening Date	October 31, 2018
Issue Closing Date	October 31, 2018
Pay-in Date	First pay-in date: November 1, 2018 Second pay-in date: November 1, 2019 Third pay-in date: October 30, 2020 Fourth pay-in date: November 1, 2021 Fifth pay-in date: November 1, 2022
Deemed Date of Allotment	November 1, 2018
Payment of Issue Price:-	25% of face value i.e. Rs 2,50,000/- per debenture on the first pay in date, i.e. 1st November, 2018 20% of face value i.e. Rs 2,00,000/- per debenture on the second pay in date, i.e. 1st November, 2019 20% of face value i.e. Rs 2,00,000/- per debenture on the third pay in date, i.e. 30th October, 2020 20% of face value i.e. Rs 2,00,000/- per debenture on the fourth pay in date, i.e. 1st November, 2021 15% of face value i.e. Rs 1,50,000/- per debenture on the fifth pay in date, i.e. 1st November, 2022
Forfeiture	1. Failure to pay balance amount in full respect of any debentures on a business day (which excludes Saturday, Sunday and holidays) beyond 15 days of the dates mentioned in the payment terms will result in such debentures for which only 1st tranche of the issue price or a part of 2nd tranche or 3rd tranche or 4th tranche of the issue price has been paid, being forfeited. Investors shall not be entitled to any redemption rights or the coupon accrued on the forfeited debentures. 2. The debenture holder hereby expressly waives its right to institute any claim in relation to the debenture forfeited by the issuer on account of failure to pay the balance amount. 3. In case of default in payment of balance amount on the due dates, interest of 2% p.a. over the coupon rate will be payable by the debenture holder for the duration of non-payment of balance amount, till the date of payment
Issuance Mode	Dematerialized mode only
Trading Mode	Dematerialized mode only
Settlement Mode	RTGS/NEFT/Fund Transfer



Depositories	NSDL/CDSL
Business Day Convention	Refer "Effect on Holidays" in the Shelf Disclosure Document Additionally, if any principal pay-in date falls on a holiday or a Saturday, principal will be payable on the previous working day
Record Date	The record date will be 15 days prior to each interest payment / principal repayment date
Security	The Debentures under this Shelf Disclosure Document are secured by executing Debenture Trust Deed (DTD) creating mortgage on Property identified in DTD and negative lien on the Assets of the Company except to the extent of charge created in favour of its depositors pursuant to the regulatory requirement under section 29B of the National Housing Bank Act, 1987. The Company shall not transfer, sell or dispose of or create any charge, encumbrance or any other security interests, on any of its assets as disclosed in Original Financial Statement to an extent required to maintain the asset coverage as required for the Debentures under the Disclosure Documents ("Assets"). The Assets would be exclusively earmarked for the payments required to be made to the Trustees for the benefit of the Debenture Holders under the Debentures and the Trustees shall have a legal claim and interest (contractual or equitable) on the Assets, ranking pari passu with such similar rights created by the Company in favour of its other lenders and such claim and interest of the Trustees would be exercisable through the Power of Attorney issued to the Trustees. Provided that the Company shall be entitled from time to time to make further issue of debentures or any other instruments to the public and/or private, and/or any other person(s) and to raise further loans, advances or such other facilities from Banks, Financial Institutions and /or any other person(s) on the security or assets without the consent of or intimation to Trustee. Provided further that the Company shall be entitled to assign or securitize in any manner whatsoever, create security for deposits and others and create any charge on its Assets under any law, regulations or guidelines, rules or directions, etc. issued by any authority and be free to dispose of, sell or transfer or part with any of capital or fixed or other assets in ordinary course of business without requiring any consent from Trustee
Transaction Documents	Term Sheet



	Rating Letter Rating Rationale Trustee Consent
Manner of Settlement	Clearing Corporation Mechanism
Other Terms (if any)	With reference to the Notification bearing No. RBI/2011-12/423 A.P. (DIR Series) Circular No. 89 dated March 1, 2012 issued by Reserve Bank of India, Foreign Exchange Department, Central Office, Mumbai – 400 001 in respect of Foreign Institutional Investor (FII) investment in ‘to be listed’ debt securities, HDFC confirms that the debentures would be listed within 15 days from the deemed date of allotment. In case the debentures issued to the SEBI registered FIIs / sub-accounts of FIIs are not listed within 15 days from the deemed date of allotment, for any reason, then HDFC would immediately redeem / buyback the debentures from the FIIs/sub-account of the FIIs.
Conditions Precedent to Disbursement	None
Conditions Subsequent to Disbursement	None
Events of Default	As per Debenture Trust Deed
Provisions related to Cross Default Clause	--
Role and Responsibilities of Debenture Trustee	As per Debenture Trust Deed
Governing Law and Jurisdiction	Refer “Governing Law” in the Shelf Disclosure Document
Arrangers to the Issue (if any)	Citigroup Global Markets India Private Limited

Banking Details:

Name of the Bank	HDFC Bank Limited
IFSC	HDFC0000060
Current Account No	ICCLEB
Name of the Beneficiary	Indian Clearing Corporation Limited

The Corporation reserves the right to change the series timetable



Cash flows in respect of Debenture of face value Rs.10 lakh for the Series U-003

Cash Flows	Date	No. of days in Coupon Period	Amount (in Rupees)
1st Coupon	Friday, November 1, 2019	365	22,500
2nd Coupon	Monday, November 2, 2020	366	40,500 (on face value Rs. 4,50,000 per debenture)
		2	98 (on face value Rs. 2,00,000 per debenture)
3rd Coupon	Monday, November 01, 2021	365	58,500
4th Coupon	Tuesday, November 01, 2022	365	76,500
5th Coupon	Wednesday, November 01, 2023	365	90,000
6th Coupon	Friday, November 01, 2024	366	90,000
7th Coupon	Saturday, November 01, 2025	365	90,000
8th Coupon	Monday, November 02, 2026	365	90,000
9th Coupon	Monday, November 01, 2027	365	90,000
10th Coupon	Wednesday, November 01, 2028	366	90,000
Principal	Wednesday, November 01, 2028		10,00,000
Total			17,38,098

Note: The interest amounts may change for second, third, fourth and fifth coupon subject to payment of issue price

The above table is illustrative and indicative. The actual dates and maturity amount will be in accordance to and in compliance with the provisions of SEBI circular CIR/IMD/DF/18/2013 dated October 29, 2013, and further circular issued from time to time, giving effect to actual holidays and dates of maturity which qualifies the SEBI requirement.

For Housing Development Finance Corporation Ltd.

Jeetendra V. Sankar Ranga
Authorized Signatories