

ISSUE STRUCTURE

| | | | | | | |
|--|---|---------------------------|----------------------|---|--------------------------------|--|
| Issuer | JM Financial Credit Solutions Limited. | | | | | |
| Lead Managers | A. K. Capital Services Limited, JM Financial Limited**, Edelweiss Financial Services Limited and Trust Investment Advisors Private Limited. | | | | | |
| Type and nature of instrument | Secured NCDs of face value of Rs 1,000. | | | | | |
| Base Issue | Rs 300 crores | | | | | |
| Option to retain Oversubscription Amount | Upto Rs 450 crores | | | | | |
| Face Value (in Rs/ NCD) | Rs 1,000/- | | | | | |
| Minimum application | Rs 10,000 (10 NCD) collectively across all the Options | | | | | |
| In multiples of | Rs 1,000 (1 NCD) after the minimum application amount across all the Options | | | | | |
| Seniority | 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</i> inter se, present and future and subject to any obligations under applicable statutory and/or regulatory requirements, shall be secured by way of first ranking <i>pari passu</i> floating charge on the Company's book debts, loans and advances, and receivables, both present and future, excluding therefrom such portion of the receivables secured or to be secured for the purposes of maintaining 'security cover' (by whatever name called) in connection with all other indebtedness of the Company, whether by way of loan or debentures or otherwise, under the terms of such other indebtedness which are / will not be offered to other lenders for their credit facilities. | | | | | |
| Mode of Issue | Public Issue. | | | | | |
| Tranche I Issue | This Tranche I Issue is for Secured NCDs with a base issue size of an amount up to Rs 300 crores, with an option to retain oversubscription up to Rs 450 crores aggregating up to Rs 750 crores which is within the Shelf Limit. | | | | | |
| Listing | BSE BSE shall be the Designated Stock Exchange for the Issue. The Secured NCDs shall be listed within 12 Working Days from the Issue Closing Date. | | | | | |
| Mode of Allotment and Trading Market / Trading Lot | Compulsorily in dematerialised form. One NCD. | | | | | |
| Depositories | NSDL and CDSL. | | | | | |
| Security | The Secured NCDs would constitute secured obligations of the company and shall rank <i>pari passu</i> inter se, present and future, and shall be secured by way of first ranking <i>pari passu</i> charge on the Company's identified immovable property and first ranking <i>pari passu</i> floating charge on the Company's book debts, loans and advances, and receivables, both present and future, excluding therefrom such portion of the receivables secured or to be secured for the purposes of maintaining 'security cover' (by whatever name called) in connection with all other indebtedness of the Company, whether by way of loan or debentures or otherwise, under the terms of such other indebtedness which are / will not be offered to other lenders for their credit facilities. Security for the purpose of the Tranche I Issue will be created in accordance with the terms of the Debenture Trust Deed. | | | | | |
| Credit Ratings | Rating agency | Instrument | Rating symbol | Date of credit rating letter | Amount rated (in crore) | Rating definition |
| | ICRA | Non-Convertible Debenture | AA/Stable | April 27, 2018 and further reaffirmed by letter dated May 11, 2018 | 2000 | Instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. |
| | India Ratings | Non-Convertible Debenture | AA/Stable | April 27, 2018 which has been superseded by letter dated May 10, 2018 | 2000 | Instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. |
| Pay-in date | Application Date. The entire Application Amount is payable on Application. | | | | | |
| Application money | The entire application amount is payable on submitting the application. | | | | | |
| Record Date | The Record Date for payment of interest in connection with the Secured NCDs or repayment of principal in connection therewith shall be 15 days prior to the date on which interest is due and payable, and/or the date of redemption. Provided that trading in the Secured NCDs shall remain suspended between the aforementioned Record Date in connection with redemption of Secured NCDs and the date of redemption or as prescribed by the Stock Exchange, as the case may be. In case Record Date falls on a day when Stock Exchange is having a trading holiday, the immediate subsequent trading day or a date notified by the Company to the Stock Exchanges, will be deemed as the Record Date. | | | | | |
| Issue Schedule*** | The Issue shall be open from May 28, 2018 to June 20, 2018 with an option to close earlier and/or extend upto a period as may be determined by the NCD Public Issue Committee. | | | | | |
| Day count convention | Actual/Actual | | | | | |
| Issue Opening Date | May 28, 2018 | | | | | |
| Issue Closing Date | June 20, 2018 | | | | | |
| Default interest rate | The Company shall pay interest in connection with any delay in allotment, refunds, listing, dematerialized credit, execution of Debenture Trust Deed, payment of interest, redemption of principal amount beyond the time limits prescribed under applicable statutory and/or regulatory requirements, at such rates as stipulated/ prescribed under applicable laws. | | | | | |
| Interest on Application Money | The Company shall pay interest on application amount at a rate of 8% per annum against which Secured NCDs are allotted to the Applicants, other than to ASBA Applicants, subject to deduction of income tax under the provisions of the Income 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. | | | | | |
| Interest on application monies received which are liable to be refunded | The Company shall pay interest on application amount at a rate of 5% per annum, 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). | | | | | |
| Put/Call | N.A. | | | | | |
| Deemed Date of Allotment | The date on which the Allotment Committee of the Board approves the Allotment of the Secured NCDs for the Tranche I Issue or such date as may be determined by the Board of Directors or the NCD Public Issue Committee and notified to the Designated Stock Exchange. The actual Allotment of Secured NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the Secured NCDs including interest on Secured NCDs shall be available to the Debenture holders from the Deemed Date of Allotment. | | | | | |

**In compliance with the proviso to Regulation 21A(1) of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended, read with proviso to Regulation 5(3) of the SEBI ICDR Regulations, JMFL will be involved only in marketing of the Issue.

*** The Tranche I Issue shall remain open for subscription on Working Days from 10:00 a.m. to 5:00 p.m., during the period indicated above, except that the Tranche I Issue may close on such earlier date or extended date as may be decided by the Board of Directors of the Company ("Board") or the NCD Public Issue Committee. In the event of such an early closure of or extension subscription list of the Tranche I Issue, the Company shall ensure that notice of such early closure or extension is given to the prospective investors through an advertisement in a reputed national daily newspaper with wide circulation on or before such earlier date or extended date of closure. Applications Forms for the Tranche I Issue will be accepted only from 10:00 a.m. to 5:00 p.m. or such extended time as may be permitted by BSE, on Working Days during the Issue Period. On the Issue Closing Date, Application Forms will be accepted only between 10:00 a.m. to 3:00 p.m. and uploaded until 5:00 p.m. (Indian Standard Time) or such extended time as may be permitted by BSE.

Source: Shelf Prospectus and Tranche I Prospectus both dated May 16, 2018

Disclaimer: Invest only after referring to the Shelf Prospectus and Tranche I Prospectus

THE SPECIFIC TERMS OF EACH INSTRUMENT

| Terms and conditions in connection with Secured NCDs**** | I | II | III | IV | V | VI |
|--|---|---------------------|---------------------|---------------------|---------------------|---------------------|
| Frequency of Interest Payment | Annual | Cumulative | Annual | Monthly | Annual | Monthly |
| Who can apply | All category of investors can subscribe to all Series of NCDs | | | | | |
| Minimum Application | Rs 10,000 (10 NCDs) | Rs 10,000 (10 NCDs) | Rs 10,000 (10 NCDs) | Rs 10,000 (10 NCDs) | Rs 10,000 (10 NCDs) | Rs 10,000 (10 NCDs) |
| In multiples of thereafter | Rs 1,000 (1 NCD) | Rs 1,000 (1 NCD) | Rs 1,000 (1 NCD) | Rs 1,000 (1 NCD) | Rs 1,000 (1 NCD) | Rs 1,000 (1 NCD) |
| Face Value of Secured NCDs (Rs / NCD) | Rs 1,000 | Rs 1,000 | Rs 1,000 | Rs 1,000 | Rs 1,000 | Rs 1,000 |
| Issue Price (Rs/ NCD) | Rs 1,000 | Rs 1,000 | Rs 1,000 | Rs 1,000 | Rs 1,000 | Rs 1,000 |
| Tenor from Deemed Date of Allotment | 38 months | 38 months | 60 months | 60 months | 120 months | 120 months |
| Coupon Rate | 9.25% | N.A% | 9.50% | 9.11% | 9.75% | 9.34% |
| Effective Yield (Per annum)***** | 9.26% | 9.24% | 9.49% | 9.49% | 9.74% | 9.74% |
| Mode of Interest Payment | Through various options available | | | | | |
| Redemption Amount (Rs / NCD)**** | Rs 1,000.00 | Rs 1323.39 | Rs 1,000.00 | Rs 1,000.00 | Rs 1,000.00 | Rs 1,000.00 |
| Maturity Date (From Deemed Date of Allotment) | 38 Months | 38 Months | 60 months | 60 months | 120 months | 120 months |
| Nature of indebtedness | Secured rated listed non-convertible debentures | | | | | |

**** The Company shall allocate and allot Option III Secured NCDs wherein the Applicants have not indicated their choice of the relevant Secured NCD Series

ALLOCATION RATIO FOR SECURED NCDs

| Institutional Portion | Non-Institutional Portion | High Net Worth Individual Investors Portion | Retail Individual Investors Portion |
|-----------------------|---------------------------|---|-------------------------------------|
| 20% | 20% | 30% | 30% |

MODES OF MAKING APPLICATIONS

| Mode of Application | To whom the Application Form has to be submitted |
|------------------------|--|
| ASBA Applications | i. to the Members of the Syndicate only at the Syndicate ASBA Application Locations; or ii. to the Designated Branches of the SCSBs where the ASBA Account is maintained; or iii. to Trading Members only at the Syndicate ASBA Application Locations. |
| Non- ASBA Applications | i. to the Members of the Syndicate; or ii. to Trading Members. |

Source: Shelf Prospectus and Tranche I Prospectus both dated May 16, 2018

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