



SREI EQUIPMENT FINANCE LIMITED

Public Issue Of Secured redeemable non-convertible debentures

Issue Highlights

Issue opens:	APRIL 25, 2018
Issue closes:	MAY 16, 2018
Allotment:	First Come First Serve Basis
Face Value:	Rs. 1000 per NCD
Issue Price:	Rs.1000 per NCD
Nature of Instrument:	Secured Redeemable Non-Convertible Debentures
Minimum Application:	10 NCDs (Rs.10,000) & in multiple of 1NCD
Listing:	BSE
Rating:	“BWR AA+” (BWR Double A Plus) (Outlook: Stable) and “SMERA AA+/Stable’ (SMERA Double A plus/Stable)”
Interest on Application Amount:	7.00 % per annum
Interest on Refund Amount:	5.00 % per annum

Registrar:	Karvy Computershare Private Limited
Issue Size:	Rs.5,000 million (“Base Issue Size”) with an option to retain over-subscription upto additional NCDs for an amount upto Rs.5,000 million aggregating to Rs. 10,000 million (“Overall Issue Size”)
Cheque in Favor of:	“SEFL NCD IV Escrow Account”.

Issue Break up:

Category	Allocation	Amount in Crs.	
		Base Issue	Total Issue
QIB	20%	100	200
Corporate	20%	100	200
Individual	60%	300	600
Total	100%	500	1000

* Persons resident outside India and other foreign entities are not allowed

Effective Yield (p.a.):

Series	I	II	III	IV	V	VI	VII	VIII	IX	X	XI
Frequency of Interest Payment	N.A.	Annual	Monthly	Annual	N.A.	Monthly	Annual	N.A.	Monthly	Annual	N.A.
Tenor	400 days		3 Years			5 Years			10 Years		
Coupon Rate (p.a.)	N.A.	8.50%	8.75%	9.10%	N.A.	9.00%	9.35%	N.A.	9.20%	9.60%	N.A.
Effective Yield (p. a.)	8.54%	8.60%	9.10%	9.12%	9.10%	9.37%	9.37%	9.35%	9.59%	9.60%	9.60%

Issuer Overview

SREI Equipment Finance Limited is on the leading financier in the Construction, Mining and allied Equipment (“CME”) sector in India, with an approximately 32.7% market share in Fiscal 2017 (Source: Feedback Report). This sector primarily consists of equipment used for earthmoving and mining, concreting, road building, material handling, material processing and allied activities. Its product offerings include loans, for new and used equipment, and leases.

In more than 27 years of its Group’s operations, it has demonstrated clear market differentiation through its holistic approach to providing equipment financing solutions (Source: Feedback Report). This approach covers the value chain in the equipment life cycle by providing financing to and sustaining continuous engagement with customers across equipment procurement, deployment, maintenance and exit stages. The equipment-centric services it provides include preferred financing schemes offered in conjunction with Original Equipment Manufacturers (“OEMs”), equipment deployment assistance during project downtime, spare parts financing, exchange programme financing and used equipment financing.

COMMON TERMS FOR ALL SERIES OF THE NCDs

Issuer	SREI Equipment Finance Limited
Issue	Public Issue by the Company of secured redeemable non-convertible debentures of face value of Rs.1,000/- for an amount up to Rs.5,000 million (“Base Issue Size”) with an option to retain over-subscription upto additional NCDs of face value of Rs.1,000/- each, for an amount upto Rs.5,000 million

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	aggregating to Rs. 10,000 million (“Overall Issue Size”), on the terms and in the manner set forth herein
Type of Instrument	Secured, redeemable, non-convertible debentures
Mode of Issue	Public Issue
Minimum Application Size	₹ 10,000/- (10 NCDs) across all Series.
Credit Rating / Rating of the Instrument	The NCDs proposed to be issued under this Issue have been rated “BWR AA+” (BWR Double A Plus) (Outlook: Stable) by Brickwork Ratings India Private Limited (“BRICKWORK”) and “SMERA AA+/Stable’ (SMERA Double A plus/Stable)” by SMERA Ratings Limited (“SMERA”). The rating is not a recommendation to buy, sell or hold securities and investors should take their own investment decisions.
Put/Call Option	N.A.
Issuance mode*	<ul style="list-style-type: none"> • Compulsorily in dematerialized form to all categories of investors other than Category III Investors who have opted for allotment of NCDs in the physical form in accordance with Section 8(1) of the Depositories Act, 1996. • Only Category III Investors can apply for allotment of NCDs in the physical form for Series IV, Series VII and Series X NCDs. • However, Series I, Series II, Series III, Series V, Series VI, Series VIII, Series IX and Series XI NCDs would be allotted compulsorily in dematerialized form to all categories of Investors.
Deemed Date of Allotment	The date on which the Board or Executive Committee of Director thereof approves the Allotment of NCDs or such date as may be determined by the Board of Directors/or any Committee thereof and notified to the Designated Stock Exchange. All benefits relating to the NCDs including interest on NCDs shall be available to Investors from the Deemed Date of Allotment. The actual allotment of NCDs may take place on a date other than the Deemed Date of Allotment.
Interest on Application Amount	<p>Company shall pay to the successful Applicants, interest at 7 % on the Application Amount allotted, from the date of realization of the Application Amount through cheque(s)/demand draft(s)/any other mode up to 1 (one) day prior to the Deemed Date of Allotment, subject to deductions under the provisions of the Income Tax Act or any other statutory modification or re-enactment thereof, as applicable. However, no interest is to be paid on Application Amount(s) to the ASBA Applicants.</p> <p>The Company may enter into an arrangement with one or more banks in one or more cities for direct credit of interest to the account of the Applicants. Alternatively, the interest warrant will be dispatched along with the Letter(s) of Allotment/ NCD Certificates at the sole risk of the Applicant, to the sole/first Applicant.</p>
Interest on application amounts received which are liable to be refunded:	<p>The Company shall pay interest on Application Amounts which is liable to be refunded to the Applicants (other than ASBA Applicants) subject to deduction of income tax under the provision of Section 194A of the Income Tax Act, as applicable, from the date of realization of the cheque(s)/demand draft(s) upto one day prior to the Deemed Date of Allotment. In the event that such date of realization of the cheque(s)/ demand draft(s) is not ascertainable in terms of banking records, we shall pay interest from three days from the date of upload of the Application on the electronic bidding platform of the Stock Exchanges, whichever is later, upto one day prior to the Deemed Date of Allotment, at the rate of 5%. Such interest shall be paid along with the monies liable to be refunded. Interest warrants will be dispatched/credited (in case of electronic payment) along with the letter(s) of refund at the sole risk of the Applicant, to the sole/first Applicant.</p> <p>A tax deduction certificate will be issued for the amount of income tax so deducted. Provided that, notwithstanding anything contained hereinabove, our 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, and/or (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.</p>
Issue Opening Date	April 25, 2018
Issue Closing Date**	May 16, 2018
Record Date	In connection with Series II, Series III, Series IV, Series VI, Series VII, Series IX and Series X NCDs, 15 (Fifteen) Days prior to the date on which interest is due and payable, or the date of redemption, or as may be prescribed by the Stock Exchanges, and in connection with Series I, Series V, Series VIII and Series XI NCDs, 15 (Fifteen) Days prior to the Maturity Date or as may be prescribed by the Stock Exchanges. If the Record Date falls on falls on a day that is not a Working Day, then immediate subsequent Working Day will be deemed as Record Date

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SPECIFIC TERMS FOR EACH SERIES OF NCDs

Series	I#	II#	III#	IV ***	V#	VI	VII	VIII #	IX#	X	XI #
Frequency of Interest Payment	N.A.	Annual	Monthly	Annual	N.A.	Monthly	Annual	N.A.	Monthly	Annual	N.A.
Tenor	400 days		3 Years			5 Years			10 Years		
Minimum Application											
Coupon Rate (p.a.)	N.A.	8.50%	8.75%	9.10%	N.A.	9.00%	9.35%	N.A.	9.20%	9.60%	N.A.
Effective Yield (p.a.)	8.54%	8.60%	9.10%	9.12%	9.10%	9.37%	9.37%	9.35%	9.59%	9.60%	9.60%
Minimum Application	Rs. 10,000/- (10 NCDs) across all Series collectively										
Face Value/Issue Price of NCDs (Rs. / NCD)	Rs. 1,000/-										
In Multiples of (Rs.) thereafter	Rs. 1,000/- (1 NCD)										
Amount (Rs./NCD) on Maturity for Category I, Category II & Category III Investor(s)	Rs.1,094/-	Rs. 1,000/-	Rs.1,000/-	Rs. 1,000/-	Rs.1,299/-	Rs.1,000/-	Rs.1,000/-	Rs.1,564/-	Rs. 1,000/-	Rs. 1,000/-	Rs.2,503/-
Maturity Date (from Deemed Date of Allotment)	400 days		3 Years			5 Years			10 Years		

All category of investors can subscribe to all Series of NCDs

#Series I, Series II, Series III, Series V, Series VI, Series VIII NCDs, Series IX NCDs and Series XI NCDs would be allotted compulsorily in dematerialized form to all categories of Investors. Only

Category III Investors can apply for allotment of NCDs in the physical form for Series IV, Series VII and Series X NCDs. In terms of Regulation 4(2)(d) of the SEBI Debt Regulations, the Company

will make public issue of NCDs in the dematerialised form. However, in terms of Section 8 (1) of the Depositories Act, the Company, at the request of the Applicants who wish to hold the NCDs

post allotment in physical form, will fulfil such request through the process of rematerialisation.

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

WHO CAN APPLY

Categories	Category I	Category II	Category III
	QIB Portion	Corporate Portion	Individual Portion
Allocation Ratio	20% of Overall Issue Size	20% of Overall Issue Size	60% of Overall Issue Size
	<ul style="list-style-type: none"> a. Public financial institutions, scheduled commercial banks, Indian multilateral and bilateral development financial institution, which are authorized to invest in the NCDs; b. Provident funds and pension funds with a minimum corpus of Rs 2500.00 lacs, superannuation funds and gratuity fund, which are authorized to invest in the NCDs; c. Venture capital funds and / or Alternative investment funds registered with SEBI; d. Insurance companies registered with the IRDA; e. Insurance funds set up and managed by the army, navy, or air force of the Union of India; f. Insurance funds set up and managed by the Department of Posts, the Union of India; g. Systemically Important Non-Banking Financial Company registered with the RBI and having a net-worth of more than five 	<ul style="list-style-type: none"> a. 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 authorized to invest in the NCDs; b. Co-operative banks and regional rural banks; c. Trusts including public/private charitable/religious trusts which are authorized to invest in the NCDs; d. Scientific and/or industrial research organizations, which are authorized to invest in the NCDs; e. Partnership firms in the name of the partners; f. Limited liability partnerships formed and registered under the provisions of the Limited Liability partnership Act, 2008 (No. 6 of 2009); 	<ul style="list-style-type: none"> 1. Resident Indian individuals; and 2. Hindu undivided families through the karta.

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thousand million rupees as per the last audited financial statements	g. Association of Persons; and	
h. National investment fund set up by resolution no. F. No. 2/3/2005- DDII dated November 23, 2005 of the Government of India published in the Gazette of India;	h. Any other incorporated and/ or unincorporated body of persons	
i. State industrial development corporations; and		
j. Mutual funds registered with SEBI.		

Application forms will be available on www.myfindoc.com

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Gujarat	Ahmedabad
North	Chandigarh

Get in touch with us:

✉ tpp@myfindoc.com

☎ +91 9638332696

🌐 www.myfindoc.com

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