

*The information in this section is designed to offer a simplistic explanation/clarification of terms/concepts related to issue and listing of Municipal Debt Securities. Any such explanation/clarification that is provided herein should not be regarded as an interpretation of law nor be treated as a binding opinion/guidance from SEBI. For full particulars of laws, please refer to actual text of the Acts/Regulations/Circulars appearing under the Legal Framework Section on the SEBI website.*

## Sample - Term Sheet

### Summary of Offer

This section shall contain the summary of the following information, as applicable:

- (a) Primary business of the issuer, in not more than 100 words each;
- (b) Size of the issue;
- (c) Objects of the issue in a tabular format;
- (d) Audit qualifications along with the financial statements, if any;
- (e) Summary table of pending litigation and a cross-reference to the section titled '*Pending Litigation and Material Developments*';
- (f) Cross-reference to the section titled '*Risk Factors*'
- (g) Summary table of contingent liabilities and a cross-reference to contingent liabilities of the issuer as disclosed in the restated financial statements.
- (h) Summary of related party transactions for the previous three years and cross-reference to related party transactions as disclosed in financial statements.
- (i) Details of escrow payment mechanism for the repayment of the interest/principal.

Summary term sheet shall be provided which shall include following information (where relevant) pertaining to the issue of municipal debt securities (or a series thereof) and any other substantial information deemed relevant: -

Security Name	.....% ..... Municipal Corporation Bond.....
Issuer	..... Municipal Corporation
Face Value	[●]
Issue Price	[●]
Discount at which security is issued and the effective yield as a result of such discount	[●]
Type of Instrument	[●]
Nature of Instrument	[●]
Seniority	[●]
Mode of Issue	[Private placement/Public Issue] of municipal bonds under Securities and Exchange Board of India (Issue and Listing of Municipal Debt Securities) Regulations, 2015, as amended from time to time.
Eligible Investors	[●]

Listing ( including name of the stock exchange(s) where it would be listed and the timeline for listing)	<i>The NCDs are proposed to be listed on [●] Limited [“stock exchange”]</i> <i>The NCDs shall be listed within [●] Working Days from the date of Issue Closure. [●] has been appointed as the Designated Stock Exchange.</i>
Rating of Instrument	[●]
Issue Size	[●]
Base Issue Size	[●]
Option to retain Oversubscription (amount)	Green shoe option (if any)
Objects of the Issue	[●]
Details of the utilization of the Proceeds	[●]
Coupon Rate	[●]
Taxable/ Taxfree	[●]
Step Up/ Step Down Coupon Rate	[●]
Coupon Payment Frequency/ Coupon Period	<i>[Quarterly/Half yearly/Annually]</i>
Coupon Payment Dates	[●]
Coupon Type	[●]
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc.).	[●]
Day Count Basis	[●]
Interest on Application Money	[●]
Tenor	[●]
Redemption Date	[●]
Redemption Amount	[●]
Redemption premium/ discount	[●]
Put Option Date	[●]
Put Option Price	[●]
Call Option Date	[●]
Call Option Price	[●]
Put Notification Time	[●]
Call Notification Time	[●]
Put Option	[●]

Call Option	[●]
Minimum Application and in multiples of 1 (One) municipal debt security or multiples thereof	[●]
Issue Timing	Issue Opening Date/ Bid Opening Date: [●] Issue Closing Date/ Bid Closing Date: [●] Pay-in Date: [●] Deemed Date of Allotment: [●]
Minimum Subscription	Minimum subscription is 75% of the Issue Size/ Base Issue Size
Issuance mode of the Instrument	Demat only.
Trading mode of the Instrument	Demat only.
Settlement Mode of the Instrument	[●]
Depositories	<i>[NSDL and CDSL]</i>
Business Day convention / Working Days convention/Day count convention / Effect of holidays on payment	[●]
Pay-in date	[●]
Mode of Payment	[●]
Record Date	[●]
Description regarding security (where applicable) including type of security (movable/ immovable/ tangible etc.) type of charge (pledge/ hypothecation/ mortgage etc.), date of creation of security/ likely date of creation of security, minimum security covers, revaluation, replacement of security, interest of the debenture holder over and above the coupon rate as specified in the Debenture Trust Deed and disclosed in the Offer Document/ Placement Memorandum	[●]
Nature of credit enhancement (DSRA, Escrow,	[●]

tripartite agreement between the State Government, the Debenture Trustee and the Issuer, etc.)	
Structured Payment Mechanism	[Interest Payment Mechanism] [Principal Repayment (Sinking Fund) Mechanism]
Government incentive	[●]
Debenture Redemption Reserve	[●]
Financial Covenants	[●]
Any Other covenants	[●]
Creation of Recovery Expense Fund	[●]
Conditions Precedent to Disbursement	[●]
Conditions Subsequent to Disbursement	[●]
Events of Default	[●]
Default Interest	[●]
Provisions related to Cross Default Clause	[●]
Transaction documents	[●]
Delay in execution of the Debenture Trust Deed/Security Document	[●]
Debenture Trustee	[●]
Role and Responsibilities of Debenture Trustee	[●]
Governing Law and Jurisdiction	[●]