

**FINAL TERM SHEET FOR INVESTMENT IN
RATED UNLISTED SECURED DEMATERIALIZED REDEEMABLE NON-CONVERTIBLE
DEBENTURES TO BE ISSUED BY PAYU FINANCE INDIA PRIVATE LIMITED**

DESCRIPTION	PARTICULARS
Security Name	PayU Unlisted NCD 2022- S2
Issuer/Company	PayU Finance India Private Limited
Eligible Investor(s)/Debtenture Holders/Investor	Citibank, N.A. India
Name of instrument	PayU Unlisted NCD 2022- S2
Debtenture Trustee	Catalyst Trusteeship Limited
Rating Agency	Crisil Ratings Limited ("CRISIL"), or any other credit rating agency registered with Securities and Exchange Board of India ("SEBI").
Rating of the Instrument	CRISIL A+ (Stable)
Type of Instrument/ Issuance	Rated, Secured, Unlisted, Redeemable, Transferable, Non-Convertible Debtentures ("NCDs" or "Debtentures")
Nature of Instrument	Secured
Seniority	First pari passu with other borrowing of the Issuer secured by way of a paripassu charge over the Hypothecated Assets
Manner/ Issuance mode of the Instrument	The Debtentures shall be fully paid when subscription amounts equal to the face value of the Debtentures is received by the Issuer. Please refer Annexure I for details and the issue and payment schedule. The Debtentures shall be issued is dematerialised form.
Trading Mode of the Debtenture	Dematerialized
Listing (including name of stock Exchange(s) where it will be listed and timeline for listing)	N.A.
Deemed Date of Allotment	As specified in the Debtenture trust deed.
Issuance Size	INR 35,00,00,000
Option to retain oversubscription (Amount)	N.A
Object of the Issue	As per end use
Coupon Rate	8.9%
Set up/ Set Down Coupon Rate	N.A.
Upfront Coupon	NA
Redemption Value	At par
Tenor	Final Redemption Date: 13 March 2025 (~3 years)



Ranking	<p>Each Debenture issued by the Issuer will constitute direct, and secured obligations of the Issuer. The claims of the Debenture Holders shall be akin to the claims of other secured investors / lenders of the Issuer and shall rank pari passu to all secured debt of the Issuer which has the same security as that of the Debentures.</p> <p>Each of the Debenture Holders shall inter-se rank pari passu in relation to their rights and benefits in relation to the Debentures, without any preference or priority.</p>
Registrar & Transfer Agent	KFINTECH TECHNOLOGIES PVT LTD
Depository	National Securities Depository Limited ("NSDL")
Issuance mode of Instrument	Private Placement
Settlement mode of the Instrument	RTGS / NEFT
Issue Timing/ Issue Schedule	<p>Issue Open Date: 29 March 2022</p> <p>Issue Close Date: 30 March 2022</p> <p>Pay-in Date: 30 March 2022</p> <p>Deemed Date of Allotment: 30 March 2022</p>
Listing	Unlisted
Business Days	A day (other than a Saturday, a Sunday or a public holiday) on which scheduled commercial banks are open for general business in Mumbai and Delhi.
Business Day Convention	<p>i) If any Coupon payment date of the Debenture (except for the last Coupon payment date) or the due date for the performance of any event, falls on a date that is not a Business Day, the payment of Coupon or the performance of the said event shall be made on the immediately succeeding Business Day.</p> <p>Provided that in any such even it is clarified that there will be no carry forward of the coupon.</p> <p>ii) It is further clarified that if the due date for Coupon payment falls on a non-Business Day, then the payment may be made on the succeeding Business Day, however, the dates of the future Coupon payments would be as per schedule originally stipulated at the time of issuing the Debentures. The subsequent coupon schedule would not be disturbed because of postponement of one particular Coupon payment date.</p> <p>ii) If the Maturity Date (also the last payment of Coupon date) and the Principal payment dates of the Debentures falls on a day that is not a Business Day, all payments to be made on such Maturity Date (including the accrued Coupon) and the Principal payment dates, shall be made on the immediately preceding Business Day.</p>
Record Date	In respect of a Debenture, the day falling 15 Business Days before any due date/ Coupon payment/ Redemption Date
End Use/ Details of utilization of the proceeds	<ul style="list-style-type: none"> The proceeds of the issuance will be utilized for onward lending, business growth and general corporate purpose in accordance with applicable law. The Issuer undertakes that no part of the proceeds of the Debentures shall be utilized by the Company directly towards



	<p>investments in capital markets (including equity, debt, debt linked and equity linked instruments or any other capital market land activities), any speculative purposes, land acquisition or usages that are restricted for NBFC financing, or investment in the real estate sector.</p> <ul style="list-style-type: none"> • Also, no part of the proceeds shall be utilized for disbursement of loan to promoter and director(s) of the Issuer other than small value loans which may be availed by the directors based on an overall scheme approved by the Company under the provisions of Applicable Laws. • Nothing contained in this clause shall be deemed to be restricting the Issuer from placing/deploying the unutilised funds in term deposits with the banks / financial institution and/or government securities, treasury bills, etc. • The Borrower shall be allowed a time period of 90 days from the date of respective disbursement for on lending of the funds to generate the receivables portfolio.
Issue Price	At par
Discount at which security is issued and the effective yield as a result of such discount	Nil
Security / Description regarding security including type of security (moveable/ immoveable/ tangible etc.), type of charge (pledge /hypothecation/mortgage etc.), date of creation of security/likely date of creation of security, minimum security cover, revaluation, replacement security, interest to the debenture holder over and above the coupon rate as specified in the trust deed and disclosed in the offer document/ information memorandum.	<p>The Issue shall be secured by way of a first ranking pari passu charge with all other borrowing of the Issuers which are secured by Hypothecated Assets (<i>defined below</i>), to be created pursuant to the deed of hypothecation to be executed between the Issuer and the Debenture Trustee ("Deed of Hypothecation") over the Standard Business Receivables (<i>defined below</i>) of the Issuer (the "Hypothecated Assets"). A security cover of 1.25x (One Decimal Point Two Zero Times) the value of the outstanding principal and accrued interest amounts of the Debentures shall be maintained at all times until the redemption of the Debentures ("Security Cover").</p> <p>"Standard Business Receivables" shall mean and include all amounts which are received or which the Company is entitled to receive, in present or in future, in connection with any existing and future loans/advances, facilities and/or finance provided by the Company in its regular course of business, inter-alia including all principal amounts, interest and/or premiums receivable in connection with such loans and/or finance, however, such principal amounts, interest and/or premiums receivable shall be in less than or equal to 90 Days Past Due (DPD) bucket.</p> <p>For the purpose of 'Security Cover' only standard assets (in less than or equal to 90 DPD bucket) shall be considered. In the event of standard assets (in less than or equal to 90 DPD bucket) becoming sub-standard then same to be replaced by standard asset (in less than or equal to 90 DPD bucket immediately to maintain the Security Cover of 1.25 times at all times.</p> <p>The Company shall execute the deed of hypothecation no later than 10 Business Days after the deemed date of allotment and the Company shall register the security over the Hypothecated Assets as contemplated above no later than 30 days after the deemed date of</p>



	<p>allotment of Debentures by executing a duly stamped deed of hypothecation ("Deed of Hypothecation") and filing CHG-9 with the ROC. The Company shall also provide such information sought by the Debenture Trustee for the purpose of filing the prescribed forms and particulars with the Central Registry and Information Utility in connection with the Debentures and the Security Interest over the Hypothecated Assets.</p> <p>The Company shall ensure procurement of pari passu letters from existing lenders of the Issuer within a period of 120 days from the date of creation of charge over the Hypothecated Assets.</p> <p>The Investor may extend such aforesaid timelines at its sole discretion by another 60 days, if the Company fails to comply with the same.</p> <p>The Company shall be entitled at all times to securitise, sell or dispose or otherwise deal with the Standard Business Receivables in the ordinary course of business and shall also be entitled at all times to create further encumbrances over the Standard Business Receivables provided that the Security Cover calculated on the date of creation of such encumbrance is not less than the required Security Cover. The Debenture Trustee shall execute such letters and documents as may be required by the Company and/or the other lenders of the Company (both existing and future lenders) to enable the creation of further encumbrance over the Standard Business Receivables.</p>
Face value	INR 10,00,000/- (Indian Rupees Ten Lakh Only) per Debenture
Minimum Application and in multiples of Debt . Securities thereafter	INR 10,00,000/- (Indian Rupees Ten Lakh Only) per Debenture
Minimum subscription amount	INR 10,00,000/- (Indian Rupees Ten Lakh Only)
Maturity Date	Final Redemption Date: 13 March 2025
Put Date	N.A.
Put Price	N.A.
Put Option	N.A.
Put Option Notification	N.A.
Call Date	N.A.
Call Price	N.A.
Call Option	N.A.
Put Notification Time	N.A.
Call Option Notification	N.A.
Call Notification Time	N.A.
Coupon Type	Fixed
Day Count Basis	Actual / Actual, i.e., Actual / 365 days (or 366 days in the case of a leap year). Where the interest period (start date to end date) includes February 29, interest shall be computed on 366 days-a-year basis
Interest on Application Money	At Coupon Rate from the credit of subscription monies in respect of the Debentures in the account of the Issuer, till one day prior to the



	Deemed Date of Allotment. The interest will be paid within 15 (Fifteen) days from the Deemed Date of Allotment.
Coupon Payment Frequency	Annual
Coupon Payment Dates	30 March 2023, 29 March 2024 and 13 March 2025.
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc.)	N.A.
Principal -Repayment Date/Redemption Date	13 March 2025
Payment Mechanism	On each Payment Date ("T"), Issuer shall make payments of Coupon and principal amounts due, along with all other payment obligations (if any), under the Transaction Documents by 5 PM India time.
Default Interest Rate	In case of default in payment of Coupon and/or the principal redemption on the due dates, additional interest of 2% (Two Percent) per annum over the Coupon Rate on the unpaid amount shall be payable by the Issuer for the defaulting period.
Prepayment Penalty	No prepayment is allowed throughout the Tenor of the Debenture, except as mentioned in the section of consequences of event of default. No prepayment penalty shall be levied upon Event of Default, or early redemption pursuant to the section named "Early Redemption"
Redemption Amount	The sum of the principal outstanding amount on the Debentures, accrued but unpaid Coupon, Default Interest Rate payable (if any) and other charges and fees payable.
Transaction Documents	<p>The Issuer has executed/ shall execute the documents including but not limited to the following, as required, in connection with the issue as per the Companies Act, 2013 for issuance of NCDs through private placement:</p> <ul style="list-style-type: none"> i) Letter appointing Debenture Trustee; ii) Debenture trustee appointment agreement; iii) Debenture trust deed; iv) Deed of Hypothecation v) Disclosure document (PAS 4); i) Any other documents as may be mutually agreed by and between the Issuer and Debenture Trustee. <p>All Transaction Documents will comply with the requirements prescribed by the RBI and under the Companies Act, 2013 for the issuance of NCDs.</p> <p>For the purpose of Transaction Documents, the term "related party" shall have the meaning ascribed to the term under the Companies Act, 2013.</p>



Conditions Precedent

The Issuer shall fulfil the following Conditions Precedent in the format prescribed by the Debenture Trustee and submit Conditions Precedent documentation where applicable to the Debenture Trustee, prior to the Pay in Date -

- a) a copy of resolution of the Company's board of directors/committee of the Company's board of directors authorising the execution, delivery and performance of the Transaction Documents certified as correct, complete and in full force and effect by an appropriate officer of the Company;
- b) a copy of the Company's Constitutional Documents certified as correct, complete and in full force and effect by the appropriate officer;
- c) a copy of the rating letter and/or the rating rationale issued by the CRISIL in relation to the Debentures;
- d) copy of duly executed Debenture Trustee appointment agreement;
- e) a copy of duly executed Debenture trust deed;
- f) a copy of the Disclosure document;
- g) a copy of the consent from the Debenture Trustee to act as the debenture trustee for the Issue;
- h) evidence that all "know your customer" documents relating to the Issuer to the satisfaction of the Debenture Trustee has been provided
- i) The Issuer shall have submitted to the Debenture Trustee and Debenture Holders its audited account statements for the most recent financial year or provisional financial half-year; and
- j) consent from the Debenture Trustee to act as the debenture trustee in relation to the Debentures.
- k) such other reasonable information, documents, certificates, opinions and instruments as the Debenture Holders may reasonably request.



Conditions Subsequent	<p>The Issuer shall ensure that the following documents are executed/activities are completed as per the time frame stipulated in the debenture trust deed:</p> <ul style="list-style-type: none"> i) the Company shall ensure that the Debentures are credited into the demat accounts of the Debenture Holders of the Debentures within 10 (ten) Business Days from the Deemed Date of Allotment; ii) the Company shall file a return of allotment of securities under Form PAS-3 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 with the ROC within 15 (fifteen) calendar days of the allotment of the Debentures along with a list of the Debenture Holders and the prescribed fee; iii) if so required, the Company shall maintain and file a copy of Form PAS-5 in accordance with the Companies (Prospectus and Allotment of Securities) Rules, 2014 in respect of the issue of the Debentures; iv) execution of the Deed of Hypothecation within the time period agreed under the Debenture Trust Deed; v) filing of Form CHG-9 and receipt of certificate of registration within the time period permitted under Companies Act, 2013; and vi) an End use Certificate; vii) The Company shall ensure procurement of pari passu letters from existing lenders of the Issuer within a period of 120 days from the date of creation of charge over the Hypothecated Assets.
Cross default	<p>Any indebtedness of the Issuer towards its Financial Creditors becoming immediately due and payable, or capable of being declared so due and payable, prior to its stated maturity by reason of the occurrence of any event of default (howsoever described), or the Issuer failing to discharge any indebtedness towards its Financial Creditors on its due date (other than a liability which such party shall then be contesting in good faith); or if the Issuer is unable generally to pay its debts as they fall due and/or commences negotiations, with any one or more of its Financial Creditors with a view to the general readjustment or rescheduling, in the light of financial difficulties or in contemplation of any default, event of default under any agreement relating to the same (howsoever described), of any indebtedness, and/or makes a general assignment for the benefit of or a composition with its Financials Creditors and/or admits or is ordered to pay any liability and such liability is not paid when due.</p> <p>For the purpose of this Agreement, the term "Financial Creditor" shall have the meaning given to the terms "financial creditor" under the Insolvency and Bankruptcy Code, 2016 (as amended from time to time)</p>
Roles and responsibilities of the Debenture Trustee	As provided in the debenture trust deed and other Transaction Documents.
Risk factors pertaining to the issue	Please refer to Information Memorandum
Information Covenants	The Company undertakes to provide to the Debenture Trustee –



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	<p>(i) copies of any circular issued to shareholders or holders of loan capital in relation to the Debentures;</p> <p>(ii) copies of letters, notices and other information provided by the Company from time to time to any other creditor ranking pari-passu or above to the Investor(s) in respect of the Debentures;</p> <p>(iii) such other publicly available information and statements respecting the financial condition and operations of the Issuer in relation to the issuance of the Debentures as the Investor(s)/Debenture Trustee may from time to time reasonably request and a certificate of no default signed by authorised signatory of the Issuer, in the following form and/or such other form as the Investor(s)/Debenture Trustee may from time to time stipulate: -</p> <p style="text-align: center;"><i>"We certify that no event has occurred nor is continuing which would constitute an Event of Default under the Transaction Documents or would constitute such an Event of Default but for the requirement that notice be given or time elapse or both."</i></p> <p>(iv) A certificate from a practising chartered accountant confirming the purpose for which the Debentures have been issued and have been utilised at the end of financial year as the Investor(s)/Debenture Trustee may request.</p> <p>(v) copies of its consolidated audited accounts, including a balance sheet and profit and loss account as soon as they are available and not later than 180 (one hundred and eighty) days from the end of each of its financial year and its quarterly unconsolidated unaudited interim statements (if they are required by the Investor(s)/ Debenture Trustee) as soon as they are available and not later than 45 (forty five) days from the preparation of the accounts. Any other information which is relevant to Debentures that the Investor(s) may reasonably request from time to time.</p>
Investor Obligation	<p>Investor obligation to produce documents to the Issuer shall include the following</p> <ol style="list-style-type: none"> 1. Investor to provide KYC documents and authorisation documents of itself and also KYC documents of Ultimate Beneficial Owners in accordance with RBI guidelines. 2. Investor to provide such documents/information as may be required by the Issuer from time to time within 2(Two) Business Days from the date of request.
Financial Covenants	<p>The Company shall maintain the following financial covenants during the currency of the facility:</p> <ul style="list-style-type: none"> • The ratio of Debt to Equity shall not exceed 3x times till March 31, 2024 and 3.5x for the remaining tenor of the instrument; • The Company shall at all times maintain the Capital Adequacy Ratio (CAR) ratio of no less than 15% or such other ratio as prescribed by the RBI. • Net NPA % of Net worth <25% • Company to maintain two months of debt outflows in the form of cash and cash equivalents and undrawn lines' <p>All financial covenants to be tested on a quarterly basis</p>

Affirmative Covenants

- i) The Company shall maintain its corporate existence and right to carry on its business and operations and ensure that it has the right and is duly qualified to conduct its business and operations as it is conducted in all applicable jurisdictions and will obtain and maintain all applicable franchises and rights necessary for the conduct of its business and operations in such jurisdictions;
- ii) To utilise the proceeds of this issue solely for the purposes for which these Debentures were issued, in accordance with applicable laws and regulations and as mentioned in Transaction Documents. If, for any reason whatsoever the Company finds itself unable to comply with this covenant, it shall immediately inform the Investor(s)/ Debenture Trustee in writing of the same and the reasons thereof and shall, unless otherwise agreed to by the Debenture Trustee/Investor(s), repay forthwith the outstanding balance of the Debentures together with interest and all other monies payable in respect thereof;
- iii) The Company shall comply with all laws materially applicable to or binding on it or its business and operations and all laws applicable for the issuance of the Debentures. The Company shall obtain and comply with the terms of, and do all that is necessary to maintain in full force, all authorisations, approvals, licenses and consents required to enable it to enter into and perform its obligations under the Transaction Documents and in respect of the issuance of the Debentures, and to ensure the legality, validity, enforceability and admissibility in evidence of the Transaction Documents;
- iv) To comply with Companies Act, 2013, corporate governance, fair practices code prescribed by the RBI;
- v) The Company shall file all relevant tax returns and pay all its taxes, assessments, dues, levies and impositions as may from time to time be payable to any government, statutory or regulatory body, promptly when due;
- vi) The Company shall keep and maintain in accordance with good business practice and applicable laws, all statutory books, books of accounts, bank statements and other records of the Issuer and in particular, maintain records showing utilisation of the disbursements under the Transaction Documents, and such records shall be open to examination by the Investor(s)/ Debenture Trustee and their authorised representatives upon 2 (two) days prior written notice to the Company. Any examination by the Investor(s)/ Debenture Trustee and their authorised representatives shall be carried out during normal business hours on any Business Day;
- vii) The Company shall create, perfect and maintain the Security and take any and all actions that may be required for the same;
- viii) In the event that any director of the Company is or is a director / promoter of any other company / entity that is held to be a wilful defaulter by any bank, financial institution or other entity in accordance with the guidelines/circulars issued by the RBI from time to time in this regard, the Issuer shall promptly take all necessary steps to have such person removed from its board of directors;
- ix) Notification of any or Event of Default;



	<p>x) Obtain, comply with and maintain all applicable licenses / authorizations;</p>
	<p>xi) Furnish information to the Debenture Trustee (as may be required by the Trustee and as mentioned in the Transaction Documents);</p> <p>xii) Provide details of any material litigation, arbitration or administrative proceedings as reported by the Issuer to RBI;</p> <p>xiii) Comply with any monitoring and/or servicing requests from Debenture Trustee within reasonable time; and</p> <p>xiv) Comply with and perform such other conditions as mentioned in detail the Transaction Documents.</p>
<p>Negative Covenants</p>	<p>The Issuer shall be entitled at all times to securitise, assign, novate, sell or dispose or otherwise deal with the Standard Business Receivables in the ordinary course of business and shall also be entitled at all times to create further encumbrances over the Standard Business Receivables provided the Issuer shall at all times maintain the required Security Cover. The Debenture Trustee shall execute such letters and documents as may be required by the Issuer and/or the other lenders of the Issuer (both existing and future lenders) to enable the creation of further encumbrance over the Standard Business Receivables.</p> <p>The Issuer covenants and agrees that so long as the Debentures or any part thereof is outstanding, and until full and final payment of all moneys owing in relation to the Debentures, it shall not without providing a prior written consent to the Debenture Trustee, do or undertake to do any of the following:</p> <p>i) Reduction in the shareholding in the company by Prosus NV, directly or indirectly, below 51% of the equity share capital of the Issuer. It is however clarified that till the time Prosus N.V continues to have a control (direct or indirect) at or above 51% in the Company, no prior intimation will be required in relation to change in shareholding or ownership of the Company;</p> <p>ii) Issuer shall not change its financial year-end from 31st March (or such other date as may be approved by Debenture Holders);</p> <p>iii) undertake any amalgamation, merger or demerger, slump sale or transactions of similar nature proposed by the Company (other than any change (A) which does not cause the shareholding of Prosus N.V. (direct and indirect) to fall below 51% of the equity share capital of the Company (on a fully diluted basis);</p> <p>i) Any sale of fixed assets/business/division / undertakings However, any closure of any existing business product, securitization, direct assignment and other similar transaction in the ordinary course of business shall be excluded from any such restrictions and will not require any prior consent;</p> <p>ii) Appoint / permit appointment as a director or senior executive of the Issuer, any person who is or is a director / promoter of another company / entity that has been held to be a wilful defaulter by any bank, financial institution or other entity in accordance with the guidelines/circulars issued by the RBI from time to time in this regard; and</p>



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	<p>iii) To undertake any new major new business outside financial services or any diversification of its business outside financial services.</p> <p>The Issuer covenants and agrees that so long as the Debentures or any part thereof is outstanding, and until full and final payment of all moneys owing in relation to the Debentures, it shall not without providing a prior written intimation to the Debenture Trustee, do or undertake to do any of the following:</p> <p>i) The Company shall not carry out any alterations to its memorandum of association and/or articles of association which would adversely affect the rights of the investor/ debenture trustee;</p> <p>ii) Claim for itself or its assets immunity from any suit, execution, attachment (whether in aid of execution, before judgment or otherwise) or other legal process in any jurisdiction unless and until such immunity is provided under applicable laws; and</p> <p>iii) To declare or pay dividend in respect of any financial year, if a payment default has occurred and is subsisting.</p>
<p>Conditions for breach of covenants (as specified in the Debenture Trust Deed)</p>	<p>Consequences same as consequence of an Event of Default -</p>
<p>General Undertakings</p>	<p>While any part of the monies to be paid to the Investor(s) remains outstanding, the Issuer undertakes to procure that unless the Debenture Trustee (acting on the instructions of the Investor(s)) otherwise agrees in writing:</p> <p>(a) Transactions on arms-length basis: Other than issuance and/or or availing of inter-corporate deposits, the Issuer shall not make any loans or advances to, or enter into any management, consultancy, sale or other agreement of whatever kind with, its Affiliates except on arms-length terms for good commercial reasons and no material amendment shall be made by the Issuer to any such loan, advance or agreement existing at the date hereof which would cause such loan, advance or agreement to infringe this clause.</p>
<p>Representations & Warranties</p>	<p>The Issuers represents and warrants that:</p> <p>i) The Company duly incorporated and is registered with the RBI as an NBFC.</p> <p>ii) No Event of Default has occurred and is continuing on the date of this transaction.</p> <p>iii) No event has occurred that is prejudicial to the interest of the Debenture Holder or is likely to affect the financial condition of the Company or its ability to re-pay the Debentures.</p> <p>iv) The Company has not been declared as a wilful defaulter by any bank, financial institution or other entity within the meaning of the term as set out in the guidelines/circulars issued by the RBI from time to time in this regard. Further, none of the Directors of the Company is or are directors / promoters of any other company / entity that has been declared as a wilful defaulter by any bank, financial institution or other entity within the meaning of the term as set out in the guidelines/circulars issued by the RBI from time to time in this regard.</p>



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	v) Other conditions as set out in greater detail in the Transaction Documents.
Additional Conditions	<p>i) The Debenture Trustee shall during the Tenor of the Debentures, have the right to seek such information regarding the Company, its portfolio, company performance and quality of data shared by it or any other information as required by the Debenture Trustee from the Company or various counterparties and third parties including but not limited to any credit bureau, bankers, its lenders or statutory or governmental authorities; and</p> <p>ii) Such other conditions as set out in greater detail in the Transaction Documents.</p>
Events of Default	<p>Event of Default means each of the following events:</p> <p>i) The Issuer fails to redeem the relevant Debentures within the timelines specified in the debenture redemption notice; Failure by the Issuer to make any repayment of principal, or payment of interest or other sum, in respect of the Transaction Documents on its due date.</p> <p>ii) An application being made to initiate a corporate insolvency resolution process by a regulator under the provisions of the Insolvency and Bankruptcy Code, 2016.</p> <p>Event of Default also means each of the following events provided however where such breach is curable, the Issuer shall cure such breach within 7 days from the date of occurrence of such breach:</p> <p>i) a breach in the performance of any other obligations, covenants, general undertaking or undertaking under or in connection with the Issuer or any security held by the Debenture Trustee in respect of the Issue;</p> <p>ii) failure by the Issuer to pay any amount under any court order or decree or judgment against the Issuer;</p> <p>iii) any representation or warranty made, or any information provided, by any party in connection with the Issue being incorrect in any respect when made or repeated or provided;</p> <p>iv) All or a material part of the undertaking, properties, assets, rights or revenues of the Company or its interest are condemned, seized, nationalised, expropriated or compulsorily acquired, or shall have assumed custody or control of the business or operations of the Company, or shall have taken any action for the dissolution of the Company, or any action that would prevent the Company, their member, or their officers from carrying on their business or operations or a substantial part thereof, by or under the authority of any Government or Government authority;</p> <p>v) any corporate action, legal proceedings or other procedure or step is taken in relation to winding up of the Issuer (except for the purposes of a reconstruction or amalgamation on terms previously approved in writing by the Debenture Trustee or for the appointment of an administrator in respect of the Issuer;</p> <p>vi) any corporate action, legal proceedings or other procedure or step is taken in relation to</p>



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- a. an encumbrance taking possession, or
 - b. demand has been issued by an operational creditor (which has not been disputed by the Issuer), or
 - c. an interim resolution professional, liquidator, administrator, receiver, trustee, or similar officer being appointed in respect of all or any of the assets of the Issuer;
- vii) a distress, execution, attachment or other legal process being levied, enforced or sued out against any of the hypothecated property and the Issuer fails to maintain the Security Cover after excluding such hypothecated property;
- viii) the Issuer ceases or threatens to cease to carry on the business it is carrying on as on the date hereof;
- ix) the cessation or revocation for any reason of any consent, authorization, licence and/or exemption which is required to enable the Issuer to carry on all or any material part of its business, or to ensure that the terms of any security held by the Debenture Trustee in relation to the Issue are valid, binding and enforceable, or it becoming unlawful for such party to perform all or any of its obligations hereunder or thereunder or any such document not being or ceasing to be legal, valid and binding on it;
- x) if the Issuer misuses the Issue proceeds or any part thereof, or uses the Issue or any part thereof for any purpose other than that is states in the Transaction Documents;
- xi) Material Adverse Change: If any event occurs which, in the sole opinion of the Investor(s)/Debenture Trustee, is prejudicial to the interest of the Investor(s) or is likely to affect the financial condition of the Issuer or its ability to perform all or any of its obligations with respect to the Issue;
- xii) if, in the opinion of the Debenture Trustee, the security for the Issue is in jeopardy or ceases to have effect or if any security document executed or furnished by or on behalf of the Issuer becomes illegal, invalid, unenforceable or otherwise fails or ceases to be in effect or fails or ceases to provide the benefit of the liens, rights, powers, privileges or security interests purported or sought to be created thereby or if any such security document shall be assigned or otherwise transferred, amended or terminated, repudiated or revoked without the approval of the Debenture Trustee;
- xiii) The Issuer repudiates the Transaction Document or does or causes to be done any act or thing evidencing an intention to repudiate the Transaction Documents;
- xiv) If the Issuer is held to be a Wilful Defaulter, or if any of their Directors / promoters is or is a director/ promoter of any other company / entity that is held to be a Wilful Defaulter by any bank, financial institution or other entity in accordance with the guidelines/circulars issued by the RBI from time to time in this regard; and
- Such other events as may be included by the Debenture Trustee/Investor(s) during the execution of the Transaction Documents.



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Consequences of Event of Default	<p>Upon occurrence of any of the aforesaid event of default, the Debenture Trustee may by a notice in writing to the Company initiate actions as may be contemplated in the Transaction Documents including the following:</p> <ul style="list-style-type: none"> i) require the Company to mandatorily redeem the Debentures and repay the Redemption Amount on the Debentures; or ii) declare all or any part of the Debentures to be immediately (or on such dates as the Debenture Trustee may specify) due and payable, whereupon it shall become so due and payable; iii) take all such other action as is expressly permitted under the Transaction Documents or permitted under Applicable Law (including initiating any insolvency proceedings under the Insolvency and Bankruptcy Code, 2016); iv) Such other remedies as mentioned in the Transaction Documents.
Creation of recovery expense fund	N.A.
Manner of consent requests	<p>The Issuer may at any time request in writing the consent of the Debenture Trustee in relation to the performance of such activities as would require the prior consent of the Debenture Trustee as specified. Upon receipt of such written request, the Debenture Trustee shall provide such consent within 5 Business Days of receipt of such request.</p>
Indemnity	<p>The Issuer shall indemnify the Investor(s) and the Debenture Trustee against all legal and out-of-pocket costs and expenses relating to the Debentures, and the enforcement by the Investor(s) and/or the Debenture Trustee of any of its rights, under the Transaction Document and the same shall be paid by the Issuer forthwith on demand by the Investor and/or Debenture Trustee.</p>
Waiver of Consequential Damages	<p>The Issuer will not seek to claim or recover from the Investor(s)/Debenture Trustee on any grounds whatsoever and/or in any circumstances whatsoever, any purported indirect or consequential damages or compensation for any acts or actions whatsoever of the Investor(s)/Debenture Trustee hereunder and/or in respect of the Debentures, taken or omitted by the Investor(s)/Debenture Trustee in Transaction Document and/or to protect any of its interests and rights as the Investor and the Issuer hereby expressly waives any right to seek or make any such claim or recovery on any grounds whatsoever.</p>
Disclosure of information	<ul style="list-style-type: none"> i) The Issuer understands that as a pre-condition relating to investment by the Investors in the Security, the Investor(s) requires the Issuer's consent for the disclosure by the Investor(s) of, information and data relating to the Issuer, of the Security, obligations assumed/to be assumed, by the Issuer in relation thereto and defaults, if any, committed by the Issuer, in discharge thereof. ii) Accordingly, the Issuer hereby agrees and gives consent for the disclosure by the Investor(s) of all or any such; <ul style="list-style-type: none"> (a) information and data relating to it,



	<p>(b) information or data relating to any credit facility availed of/to be availed by it and the Security and</p> <p>(c) obligations assumed / to be assumed by the Issuer in relation to the Transaction documents and default, if any, committed by it, in discharge of the said obligations as the Investor(s) may deem appropriate and necessary, to the Credit Information Bureau (India) Ltd and any other agency authorised in this behalf by the RBI and/or SEBI.</p> <p>iii) The Issuer declares that the information and data furnished by the Issuer to the Investor is true and correct.</p> <p>iv) The Issuer undertakes that:</p> <p>(b) the Credit Information Bureau (India) Ltd and any other agency so authorised may use, process the said information and data disclosed by the Investor in the manner as deemed fit by them; and</p> <p>(c) the Credit Information Bureau (India) Ltd and any other agency so authorised may furnish for consideration, the processed information and data or products thereof prepared by them, to banks/financial institutions and other credit grantors or registered users, as may be specified by the RBI in this behalf and/or SEBI.</p> <p>v) The Issuer irrevocably agrees and consents to the Investors(s), at any time, disclosing or sharing, or in any other manner making available any information concerning the Issuer, its business, its accounts held with the Investor(s) or another group member of the Investor(s) including, any branch, related companies, affiliates (collectively the "Group Members" and individually a "Group Member"), including the financial position of the Issuer and the facilities granted to the Issuer to: (a) any office or branch of the Investor(s) or another Group Member or any assignee of the Investor; (b) any agent or service provider of the Investor or another Group Member in connection with any facility provided to the Issuer; (c) any guarantor or third party security provider of the Issuer; (d) any regulator or governmental authority with jurisdiction over the Issuer; (e) any court of law; or (f) any bank or financial institutions as per normal banking practices.</p>
Confidentiality	<p>The terms and conditions described in this Term Sheet, including its existence, shall be confidential information and shall not be disclosed to any third party except to each party's advisors and counsel and affiliates (including their respective directors, officials, etc.) and auditors. If any party is required by law to disclose information regarding this Term Sheet or to file this Term Sheet with any regulatory body, such party may disclose or file the Term Sheet as required by law. Provided such party shall to the extent allowed under applicable law provide notice to the other party and provide reasonable assistance to reduce the disclosure. The party disclosing information under this clause restrict the disclosure to only such information required to be disclosed under applicable law.</p>
Governing Law & Jurisdiction	<p>This Term Sheet shall be governed and construed exclusively in accordance with the laws of India and any disputes arising therefrom shall be subject to the jurisdiction of appropriate courts and tribunals at New Delhi, India. To be set out in greater detail in the transaction</p>



	documents.
Transaction Costs	<p>The Issuer shall bear all transaction related costs incurred by the Debenture Holders with respect to legal counsel, valuers and auditors / consultants. Such costs include:</p> <ul style="list-style-type: none"> i) Trustee fees. ii) Rating fees. iii) Stamping, registration, recordings, filings and notarisations in relation to all Transaction Documents . iv) Any other reasonable and mutually agreed transaction related expense incurred by the Debenture Holders.
Sanctions	<p>Neither the Issuer nor any other person benefiting in any capacity in connection with or from the Transaction Documents and/or any instruments and/or payments thereunder is a Specially Designated National (SDN) and/or otherwise sanctioned, under the sanctions promulgated by the United States of America (including its Office of Foreign Assets Control ("OFAC")), India, United Nations, European Union, and/or any other country (collectively, the "Sanctions"). The Issuer hereby acknowledges, covenants and agrees that:</p> <ul style="list-style-type: none"> (i) the Sanctions may become applicable with respect to transaction under the Transaction Documents. Sanctions may pertain <i>inter alia</i>, to the purpose and/or end use of the Debentures, goods manufactured in or originated from/through certain countries, shipment from/to/using certain countries, ports, vessels, liners and/or due to involvement of certain persons and entities (including correspondent banks and the relevant office of the Investor). Consequently, disbursement, issuance, payment and/or processing under the Transaction Documents by the Investor may become subjected to the Sanctions and the Investor shall have the unconditional right to refuse to process any transactions that violate/may violate any Sanctions; (ii) it shall ensure that the transactions do not violate any Sanctions and that no persons, entities or otherwise, currently subject to any Sanctions are involved in any transactions hereunder. The Issuer agrees that it shall not use the proceeds of the Issue in any transaction with, or for the purpose of financing the activities of, any person currently subject to any Sanctions as aforesaid; and (iii) it shall indemnify and hold harmless the Investor, to the fullest extent permitted by applicable law, for all losses and liabilities (including due to claims by a third party), incurred by the Investor as a result of any breach by it of its representations and undertakings contained herein pertaining to the Sanctions and/or due to any action taken by the Investor pursuant to the Sanctions. No action taken by the Investor pursuant to the Transaction Documents, including investment in the Security, or processing of any payments or transactions, nor any action taken by the Issuer in relation thereto, shall be deemed to be a waiver of any of the Investor's rights nor shall they act to relieve the Issuer of its obligations or liabilities in relation thereto.
Taxes, Duties, Costs and Expenses	<ul style="list-style-type: none"> i) Relevant taxes such as TDS, GST and any other applicable direct and indirect taxes for the time being in force will be applicable. ii) The charges / fees and any amounts payable under this Debentures by the Issuer as mentioned herein do not include any



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	applicable taxes, levies including service tax etc. and all such impositions shall be borne by the Issuer additionally except Income tax. TDS as applicable shall be deducted by the Issuer.
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Accepted and agreed
For the Issuer

For the Investor



(Authorised signatory)

(Authorised signatory)

DISCLAIMER: