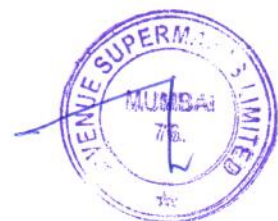
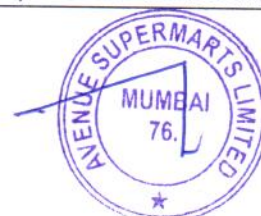


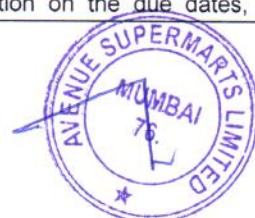
<b>Issuer/Company/Borrower</b>	Avenue Supermarts Limited
<b>Sole Arranger</b>	Derivium Tradition Securities Pvt. Ltd.
<b>Instrument</b>	Fully Secured, Rated, Un-Listed, Redeemable Non-Convertible Debentures ("NCD" or "Debentures")
<b>Mode of Placement</b>	Private placement to eligible investors
<b>Purpose</b>	To meet Working Capital requirement, To meet General Corporate Purpose, To meet Capital Expenditure including but not limited to land & building for store outlets; furniture & fixtures, interior work / machinery / equipment for such store outlets and refinancing of existing debt for working capital.
<b>Credit Rating</b>	CRISIL AA+ Stable' by CRISIL
<b>Listing</b>	Un-Listed
<b>Face Value</b>	Rs. 10,00,000 (Rs Ten Lakhs only) per NCD
<b>Amount</b>	Rs 100,00,00,000/- (Rs One Hundred Crore only with one tranche of Rs 100 crores)
<b>Maturity</b>	At the end of 13 months from the Deemed Date of Allotment
<b>Redemption</b>	NCDs will be redeemed fully on Maturity or on the Put Option Date / Call Option Date if either of the Options are exercised.
<b>Coupon Rate</b>	7.40% per annum payable annually or on the Put Option Date / Call Option Date if either of the Options are exercised
<b>Coupon Payment Frequency</b>	Payable Annually or on the Put Option Date / Call Option Date if either of the Options are exercised.
<b>Security</b>	Immovable Fixed assets - Secured by first Pari passu charge over specific retail store property (ies) by way of equitable mortgage / registered mortgage as the case maybe, identified jointly with the Borrower, with minimum FACR of 1.50x at all times during the currency of the Facility.  Security shall be created and perfected within 90 days month from the Date of Allotment.
<b>Rating Downgrade Event</b>	The credit rating of the Debentures being downgraded by Crisil Ratings from the current rating of 'AA+' or a rating below 'AA+' assigned by CRISIL or any other rating agency at any point of time during the tenor of the Debentures to any of the Issuer's debt programme.
<b>Rating Downgrade Step-up</b>	On occurrence of Rating Downgrade Event and the Issuer not exercising the Call Option, the Coupon Rate on the Debentures shall increase / step-up as per the following: <ul style="list-style-type: none"> <li>• An increase of 25 bps if any of the Issuer's debt programme is rated 'AA'</li> <li>• A further one-time increase of 25 bps if any of the Issuer's debt programme is rated 'AA-' or below</li> </ul> No separate notice or communication will be required from the Debenture Holder(s) or the Debenture Trustee to the Issuer and the Coupon Rate will be considered to be stepped up automatically from the date of occurrence of Rating Downgrade Event.
<b>Put Option</b>	Each Debenture Holder(s) will have a right to require the issuer to redeem the debentures at par (along with accrued coupon and any other amounts payable) at the end of 5 / 9 Months from the Date of Allotment by giving a 15 days' notice to the issuer prior to the Put Option Date.
<b>Put Option Date</b>	To be exercised after 5 months or after 9 months
<b>Call Option</b>	The issuer shall have the option of redeeming the Debentures outstanding in full at par (along with accrued coupon and any other amounts payable) at the end of 5 / 9 Months from the Date of Allotment by giving a 15 days' notice to the debenture holders prior to the Call Option Date.



	<p>The issuer shall also have the option of redeeming the Debentures outstanding in full at par (along with accrued coupon and any other amounts payable) in case of occurrence of the following events:</p> <ul style="list-style-type: none"> <li>• Upon occurrence of Rating Downgrade Event, the Issuer shall also have the option of redeeming in full, the Debentures outstanding at par (along with accrued coupon and any other amounts payable) on Call Option Date 2 by sending a notice to the Debenture Trustee within 7 business days of occurrence of Rating Downgrade Event.</li> <li>• Call Option Exercise Date 2 will be 20 days from the date of receipt of such notice by the Debenture Trustee.</li> </ul>
<b>Call/Put Option Date</b>	To be exercised after 5 months or 9 months
<b>Financial &amp; Other Covenants</b>	<p>The following Financial Covenants shall be tested annually during the currency of the Facility on the audited / unaudited standalone financials of the Borrower for the year ending on March 31 of each financial year ("Relevant Period") within 90 days of the completion of each Relevant Period. The first testing to be done for the year ending 31st March 2019 by 30th June 2019:</p> <ul style="list-style-type: none"> <li>▪ Total Debt /EBITDA <math>\leq</math> 2.00x</li> <li>▪ DSCR <math>&gt;</math> 1.50 x</li> <li>▪ Total Outside Liabilities /Total Net Worth<math>\leq</math> 0.5x</li> <li>▪ Minimum FACR of 1.50x at all times during the currency of the Facility</li> </ul> <p>• <b>Definition of Equity: -</b>  "Equity" shall comprise of the amount paid up on the issued share capital of the Issuer and the aggregate of the each of the following:</p> <ul style="list-style-type: none"> <li>▪ The paid up value of all redeemable preference shares which are redeemable only after final maturity date of the Facility;</li> <li>▪ The debenture redemption reserve;</li> <li>▪ Value standing to the credit of the share option account;</li> <li>▪ The aggregate amount received by the Issuer from forfeited shares;</li> <li>▪ Amalgamation Reserve / Capital Reserve;</li> <li>▪ Share Premium, General Reserve and any other Free Reserves.</li> <li>▪ Minus any amount in the debit balance to P&amp;L account.</li> </ul>
<b>Early Redemption Option</b>	<p>Upon occurrence of the following events, the Debenture Holder(s) will have the right to sell the Debentures to the Issuer at par:</p> <ul style="list-style-type: none"> <li>• In the event Mr. Radhakishan Damani &amp; Mr. Gopikishan Damani alongwith his family and associates jointly called as "Promoters" ceases to maintain Management Control of the Issuer. Promoters to hold atleast 51% ownership &amp; management control during the tenure of NCD.</li> <li>• In the event, Fixed Asset Coverage Ratio (FACR) as determined by the Debenture Trustee falls below 1.50x, the Company shall endeavor to create charge over additional assets and in the event the Company is unable to create such charge for any reason whatsoever within 30 days from the date of determination of such event then the Debenture Holder(s) shall have an option to recall the NCDs within 15 days from expiry of aforesaid 30 days ("Top up of Security").</li> <li>• The credit rating of the Debentures falls to a rating of below "AA -".</li> <li>• The Company will make the payment to the Debenture Holder(s) within 30 Days without prepayment penalty or otherwise specified from the date of exercise of Put Option.</li> </ul>
<b>Expenses</b>	All expenses associated with this transaction (including without limitation, legal, printing, auditor's fees, agency fees and trustee fees) will be for the account of the



	Issuer.
<b>Issue Schedule</b>	
<b>Issue Opens On</b>	17 <sup>th</sup> October 2019
<b>Issue Closes On</b>	17 <sup>th</sup> October 2019
<b>Pay-in Date</b>	17 <sup>th</sup> October 2019
<b>Deemed Date of Allotment</b>	17 <sup>th</sup> October 2019
<b>Mode of issuance</b>	Demat
<b>Issue of Debentures</b>	The Issuer will issue the Debentures / Letters of Allotment in dematerialized form within two business days from the Deemed Date of Allotment.
<b>Day Count Basis</b>	Interest payable on Debentures will be calculated on the basis of actual number of days elapsed in a year of 365 or 366 days as the case may be i.e. Actual/Actual .
<b>Conditions Precedent to Disbursement</b>	<ul style="list-style-type: none"> <li>• Execution of Information Memorandum, Private placement offer letter, Mandate Letter, Rating Letter, Consent letter from Debenture Trustee .</li> <li>• The Issuer shall have obtained all necessary board / shareholder resolutions under Section 180, Section 42 and other provisions of the Companies Act, 2013 as are required in relation to the issue of the Debentures, provision of security, the appointment of the Debenture Trustee and the execution of necessary documents in connection therewith.</li> <li>• There is no material adverse effect and there are no circumstances existing which could give rise, with the passage of time or otherwise, to a material adverse effect on the Issuer.</li> <li>• Undertaking to be provided from issuer to perfect the mortgage within the stated target date of 90 days from the Date of Allotment,</li> </ul>
<b>Condition Subsequent to Disbursement</b>	<ul style="list-style-type: none"> <li>• The Issuer shall issue of Letters of Allotment / Debentures in dematerialized form to the credit of the demat account (s) of the investor(s) within 2 working days from the Deemed Date of Allotment.</li> <li>• A copy of the Form PAS-5 of the PAS Rules in respect of the issue of Debentures along with a copy of the Information Memorandum shall be filed with the ROC with fee as provided in Companies (Registration Offices and Fees) Rules, 2014 and SEBI within a period of 30 (thirty) days of circulation of this Information Memorandum.</li> <li>• The Issuer shall file a return of allotment of securities under Section 42 of the New Companies Act with the ROC within 30 (thirty) days of allotment in Form PAS-3 of the PAS Rules and with the fee as provided in the Companies (Registration Offices and Fees) Rules, 2014 along with a complete list of all Debenture Holders.</li> <li>• Comply with Financial and Other Covenants and all other conditions set forth in the Debenture Trust Deed.</li> <li>• The Issuer shall provide a copy of the executed and registered trust deed to the investors and arrangers not later than 90 days from the Deemed Date of Allotment.</li> <li>• The Security shall be created within 90 days from the Date of Allotment.</li> <li>• The Issuer shall file Form CHG-9 with the relevant Registrar of Companies within 30 (Thirty) days from the date of creation of Security.</li> <li>• The Issuer shall get the credit rating of the Debentures reviewed and published at least once within a maximum period of 1 year from the immediately previous review of the credit rating by the same rating agency.</li> <li>• Besides the above, the Issuer shall perform all activities whether mandatory or otherwise, as mentioned elsewhere in the Disclosure Document.</li> <li>• Comply with all the applicable regulatory requirements.</li> </ul>
<b>Depositories</b>	Applications will be made for the Debentures to be deposited with NSDL
<b>Debenture Trustee</b>	To be appointed by the Issuer
<b>Default Interest</b>	In case of default of interest and/ or principal redemption on the due dates,



	additional interest @1% p.a. over the documented rate will be payable by the Company
<b>Transaction Documents</b>	<ul style="list-style-type: none"> <li>• Information Memorandum</li> <li>• Private Placement offer letter</li> <li>• Debenture trust deed</li> <li>• Debenture Trustee Agreement</li> <li>• Any security creation documents including hypothecation deed, indenture of mortgage and forms for filing of charge</li> <li>• Any other document as agreed between the Issuer and the Debenture Trustee</li> </ul>
<b>Security Creation</b>	The Security shall be created within 90 days from the Date of Allotment. In the event security is not created within 90 days, the debenture holder(s) shall reserve the right to recall the outstanding principal amount on the aforesaid debentures along with the amount/ accrued interest due in respect thereof after giving a 30 days' notice period. Default Interest of 1%p.a will be levied if the security is not created within 90 days from the Date of Allotment.
<b>Events of default</b>	<p>Usual and customary for transactions of this nature including but not limited to:</p> <ul style="list-style-type: none"> <li>• Non-Payment of interest to debenture holders on the scheduled coupon payment dates.</li> <li>• Non-Payment of full principal amount of the debentures by scheduled Maturity date</li> <li>• Any non-payment on the Call / Put Option Dates after the exercise of the Call / Put Option.</li> <li>• If the Issuer commences a voluntary action OR if an involuntary action is initiated against the Issuer, under Insolvency and Bankruptcy Code, 2016 any applicable bankruptcy, insolvency, winding up or other similar law now or hereafter in effect, or in any case, proceeding or other action for the appointment of a receiver, liquidator, assignee, trustee, custodian (or similar official) for any substantial part of the property, or for the winding up or liquidation of its affairs.</li> <li>• Winding up, liquidation of the Issuer.</li> <li>• On breach of any of the Covenants.</li> <li>• Cross-default on any debt secured by the same security the NCD.</li> </ul>
<b>Other Terms and Conditions</b>	Customary for facility of this nature including but not limited to Events of Default, Representation & Warranties, Due Diligence, Condition Precedent, Condition Subsequent etc as set out in the Transaction documents for the issue
<b>Record Date</b>	The Company's Register of Debenture holders will be closed for the purposes of payment of interest or redemption of Debentures, as the case may be, 15 days prior to the respective due date.
<b>Business Day</b>	Any day of week (excluding Saturday, Sunday and any other day which is a public holiday for the purpose of Section 25 of the Negotiable Instruments Act, 1881 (26 of 1881)) on which banks are open for general banking business in Mumbai
<b>Business Day Convention</b>	<ul style="list-style-type: none"> <li>• If any Coupon Payment Date or the due date for the performance of any event falls on a day that is not a Business Day, the payment shall be made on the immediately succeeding Business Day. The interest for such additional period shall be adjusted and paid in the next coupon cycle. Hence the subsequent coupon payment period remains intact.</li> </ul> <p><b>The convention provided vide the SEBI circular ' CIR/IMD/DF-1/122/2016' dated 11th November 2016 will be followed'</b></p> <ul style="list-style-type: none"> <li>• If the Redemption Date (also being the last Coupon Payment Date) of the Debentures falls on a day that is not a Business Day, the redemption proceeds shall be paid on the immediately preceding Business Day, along with coupon/interest accrued on the Debentures until but excluding the date of such payment.</li> </ul>



	<b>The convention provided vide the SEBI circular ' CIR/IMD/DF-1/122/2016' dated 11th November 2016 will be followed'</b>
<b>Force Majeure</b>	Notwithstanding anything contained in this indicative term sheet, the Investor may by sending notice to the Issuer terminate this indicative term sheet at any time before the time on the Deemed Date of Allotment when payment would otherwise be due under this indicative term sheet to the Issuer in respect of the Debentures if, in the opinion of the Investor, there has been a change in national or international financial, political or economic conditions or currency exchange rates or exchange controls as would in the Investor's view be likely to prejudice materially the success of offering and distribution of the Debentures or dealing in the Debentures in the secondary market and, upon notice given, the parties to the indicative term sheet will except for any liability of the Issuer in relation to expenses as provided in the indicative term sheet and except for any liability arising before or in relation to such termination be released and discharged from their respective obligations under this indicative term sheet.
<b>Material Adverse Change</b>	The terms herein are based on the assumption that from the date of the offer / mandate to the Deemed Date of Allotment, there are no material adverse changes in either the financial conditions of the Issuer or in the conditions of the Indian / global debt capital market or political or economic conditions, which in our reasonable opinion would make it inadvisable to proceed with the deal. In the case of such material adverse changes the terms of this indicative term sheet / mandate may need to be renegotiated to the mutual satisfaction of the Investor and the Issuer.
<b>Documentation</b>	Issuer shall ensure that all documentation customary for facility of this nature, consent(s) and resolution(s) required to Issue such Debentures including but not limited to Information Memorandum, Board Resolution, Credit Rating Letter, Appointment of Debenture Trustees etc. are in place and are made available to ICICI Lombard General Insurance Company Limited at least one day prior to the Issue.
<b>Governing Law</b>	The Facility and security documents shall be governed by laws of India and shall remain subject to jurisdiction of Courts of Mumbai.

**For AVENUE SUPERMARTS LIMITED**

  
**Authorised Signatory**