TERMS & CONDITIONS OF NCD	
Security Name	IIFLWF-IBNP-01-MLD-2021
Product Code	**IBNP-01**
Issuer	IIFL Wealth Finance Limited
Type of Instrument	Principal Protected – Market Linked Redeemable Non-Convertible Debenture
Nature of Instrument	Secured
Seniority	Senior
Principal Protection	Principal is protected at Maturity
Underlying/ Reference Index	Bank Nifty- (Near month futures, Next month futures, Far month futures)
Mode of Issue	Private Placement
Eligible Investors	The following categories of investors, when specifically approached, are eligible to apply for this private placement of Debentures: • Resident Individuals, • Hindu Undivided Family, • Trust, • Limited Liability Partnerships, Partnership Firm(s), • Portfolio Managers and Foreign Institutional Investors (FII) registered with SEBI, • Association of Persons, • Companies and Bodies Corporate including Public Sector Undertakings. • Commercial Banks, Regional Rural Banks, Financial Institutions, • Insurance Companies, • Mutual Funds/ Alternative Investment Fund (AIF), and any other investor eligible to invest in these Debentures
Issue Size (Rs.)	25 Cr
Option to Retain Oversubscription	Not Applicable
Minimum Application Size	25 debentures and in multiples of 1 debenture thereafter
Face Value	Rs. 100,000/- Per Debenture
Issue Price	Rs. 100,000/- Per Debenture
Discount at which security is issued and the effective yield because of such discount.	NA
Purpose and objects of the Issue	General corporate purposes and onward lending
Details of the Utilization of the proceeds	The Issuer proposes to augment its resources to meet its requirements of funds to carry on its business operations. The proceeds of the issue of Debentures would be utilized for general corporate purposes and onward lending.
Justification of Issue Price	NA
Tenor In Days	If KO event has not occurred 396days; If KO event has occurred 396 + N days
Extended Tenor In Days (N)	If KO event has not occurred N=0 days; If KO event has occurred N= no of days (maximum 3254 days) since Knock Out date required for Knock Out NAV to recoup to Face value at 8.75%;
Issue Opening Date	27-01-2020
Issue Closing Date	27-01-2020
Initial Fixing Date	27-01-2020
Initial Fixing Level	Official Closing Level of Bank Nifty Index as on Initial Fixing Date
Final Fixing Date	19-02-2021
Final Fixing Level	Official Closing Level of Bank Nifty Index as on Final Fixing Date
Redemption Date	If KO event has not occurred 26-02-2021; If KO event has occurred N days from 26-02-2021
Redemption Value	Face Value*(1+Coupon)
Pay-in-Date	27-01-2020
Deemed Date of Allotment	27-01-2020
Step up/Step down coupon rate	Not Applicable.
Coupon payment frequency	Coupon, if any will be paid on Redemption Date
Coupon payment dates	Coupon, if any will be paid on Redemption Date
Underlying Price	Price of reference index on any given date adjusted for transaction costs
Blended Rate (R_B)	R_B is blended rate (85% allocation at 8.75%; 15% allocation at 6%)
Coupon $_{Fix}$	$(1+R_B)$^(tenor in days/365) Where R_B is blended rate (85% allocation at 8.75%; 15% allocation at 6%)
Coupon	Coupon = Coupon $_{Fix}$+ $\sum_{i=1\ to\ n} \max(0, Performance\ i) * (1 + x\%)^{Ti} - \min(0, Performance\ i) * (1 + 8.75\%)^{Ti} +$

	$\sum_{j=1\ to\ 12} \max(0, Rollincome\ j) * (1 + x\%)^{tj} - \min(0, Rollincome\ j) * (1 + 8.75\%)^{tj}$ * This will be revisited on the day of trade, Where i' denotes number of iterations since issue date , *n is the no of iterations.* *one iteration begins on a shout-in date & ends on a shout-out date.* x% is HDFC liquid fund return for that period, Ti is no. of days from end of iteration i till maturity date tj is no. of days from expiry date of month i till maturity date $Performance\ i = \frac{Si * Qi * (End\ price\ i - Beg\ price\ i)}{Issue\ size}$ *'S_i' is the Shout flag for iteration i; Shout flag =0 on Day 0 unless shouted in.* *if shouted in with a long position:* *'S_i' =1; Quantity 'Q_i' is the no of units of underlying as agreed in shout letter (rounded up to 25 crs exposure) for iteration i;* *if shouted in with a short position;* *'S_i' =-1; Quantity Q_i 'is the no of units of underlying as agreed in shout letter (rounded up to 25 crs exposure) for iteration i;* *if shouted out; Quantity Q_i 'is equal to 0* *If there is no shout event on any given date, previous trading day's shout flag & Quantity will apply.* *End price $_I$ 'is equal to underlying price adjusted for transaction charges when shouted out as highlighted in shout-out letter* *Beg price $_I$ 'is equal to underlying price adjusted for transaction charges when shouted in as highlighted in shout-out letter* $Rollincome\ j = \frac{Rj * Qj * (Rollout\ price\ j - Rollin\ price\ j)}{Issue\ size}$ *R_j is the $_{roll}$ flag;* *R_j =1; if investor is executing roll on expiry date of month j;* *R_j =0; if investor is not executing roll on expiry date of month j;* Roll-out price j; Price of exiting underlying index series adjusted for transaction charge *on expiry date of month j;* Roll-in price j; Price of new underlying index series adjusted for transaction charges on *on expiry date of month j;*
Shout-in event	The Shout-in event shall be deemed to have occurred if all the original Investor(s) in the Debentures provide a consent letter to the Issuer on an Exchange Business Day in the period starting from (and including) Initial fixing date up to Final fixing date to be the "Shout-in Date". Shout-in letter will have following: a) Shout-in date *date i;* b) Underlying index c) Underlying price adjusted for transaction charges d) Shout flag S_i; S_i=1, if underlying position is long Shout flag S_i; S_i=-1, if underlying position is short e) *Quantity 'Q_i 'is the no of units of Bank Nifty futures assigned (rounded up to 25 crs exposure) i' is the no. of days since issue date* i' denotes number of iterations since issue date
Shout-out event	The Shout-out event shall be deemed to have occurred if all the original Investor(s) in the Debentures provide a consent letter to the Issuer on an Exchange Business Day in the period starting from (and including) Initial fixing date up to Final fixing date to be the "Shout-out Date". Shout-out letter will have following: a) Shout-out date *date i* b) Underlying index c) Underlying price adjusted for transaction charges d) Shout flag S_i; S_i=0, e) *Quantity 'Q_i 'is the no of units of Bank Nifty futures assigned (rounded up to 25 crs exposure) 'i' is the no. of days since issue date* i' denotes number of iterations since issue date
Roll event	The Roll event shall be deemed to have occurred if all the original Investor(s) in the Debentures

	provide a consent letter to the Issuer (with at least 01(one) Exchange Business Day's prior notice) on any expiry date in the period starting from (and including) Initial fixing date up to Final fixing date to be the "Roll Date". Roll letter will have following: a) Roll date *date j;* b) Underlying index c) Roll-out price $_i$; Price of exiting underlying index series adjusted for transaction charge on *date i;* *d)* Roll-in price $_i$; Price of new underlying index series adjusted for transaction charges on *date i;* e) Roll flag R_i; R_i=0, f) *Quantity 'Q$_i$' is the no of units of Bank Nifty futures assigned (rounded up to 25 crs exposure) 'i' is the no. of days since issue date*
Auto Shout Out event	An Auto Shout-out event shall be deemed to have occurred if underlying index is expiring on an any expiry date in the period starting from (and including) Initial fixing date up to Final fixing date & investors do not provide a consent letter to the Issuer (with at least 01(one) Exchange Business Day's prior notice) for executing roll event. On occurrence of such an event following details apply: a) Shout-out date *date i* b) Underlying index c) Underlying price adjusted for transaction charges d) Shout flag S_i; S_i=0, e) *Quantity 'Q$_i$' is the no of units of Bank Nifty futures assigned (rounded up to 25 crs exposure) 'i' is the no. of days since issue date*
Knock Out date	Date on which Knock Out event has occurred
Knock Out event (KO event)	Knock-Out Event is deemed to have occurred if during any date (Intra-day), $\sum_{i=1\ to\ k} Performance\ i$ is less than - Coupon $_{Fix}$ where k is the no. of days since inception
Knock Out NAV	On occurrence of a Knock Out event, product will be valued basis intra-day price on such date as determined by issuer. $=(1+\sum_{i=1\ to\ k} Performance\ i\ )*(1+R_B)^{(n-k)/365}$ where *'n' is tenor in days*; 'k' is the no. of days since inception; where R_B is blended rate (85% allocation at 8.75%; 15% allocation at 6%)
Coupon type	Coupon linked to Underlying / Reference Index
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc).	Not Applicable
Day Count Basis	Actual / Actual
Default interest rate	In case of default in payment of Coupon and/or principal redemption on the Redemption date, additional interest @ 2% p.a. over the Coupon will be payable by the Company for the defaulting period.
Proposed time schedule for which the Disclosure Document is valid	Till redemption
Redemption Premium/Discount	Not Applicable
Put Option	Not Applicable
Put Option Date	Not Applicable
Put Option Price	Not Applicable
Put Notification Time	Not Applicable
Call Option	Not Applicable
Call Option Date	Not Applicable
Call Option Price	Not Applicable
Call Notification Time	Not Applicable
Listing	Not Applicable
Issuance mode of Debenture	DEMAT form

Settlement mode of the Instrument	RTGS
Provisions related to Cross Default Clause	N.A.
Trading mode of the Debenture	DEMAT form only
Depository	NSDL and CDSL
Security	Debentures shall be secured by:- a) pari passu mortgage and charge over the Company's Identified Immovable Property; and b) charge on present and future receivables to the extent equal to the principal and coupon amount of the Debentures outstanding at any point of time.
Rating	PP-MLD[ICRA]AA (pronounced ICRA double A) with stable outlook
Contribution by Promoters or Director either as part of this offer or separately in furtherance of the objects of the Issue	Nil
Business Day Convention	Unless otherwise stated, Modified Following Business Day Convention
Settlement	BRANCH: FORT BR ADDRESS: MANEKJI WADIA BLDG, GROUND FLOOR, NANIK MOTWANI MARG,FORT, MUMBAI-400001 Bank A/C Name: IIFL WEALTH FINANCE LIMITED Bank A/C No: 00600340080963 RTGS/NEFT IFSC: HDFC0000060
Right to Re-purchase Debentures	The Company will have power, exercisable at its sole and absolute discretion from time to time, to re-purchase a part or all of its Debentures from the secondary markets at Fair Market Value or otherwise, at any time prior to the Redemption Date, subject to applicable law and in accordance with the applicable guidelines/regulations
Record Date	The date, as may be fixed by the Company, which will be 15 days prior to the redemption date on which the determination of the persons entitled to receive coupon/redemption amount in respect of the Debentures (i.e., persons whose names are registered in the register of Debenture Holders or NSDL/CDSL record) shall be made.
Interest on Application Money	This issue does not contemplate any interest on application money till allotment of Debentures.
Transaction Documents	Refer to the Information Memorandum
Conditions Precedent to Disbursement	Nil
Conditions Subsequent to Disbursement	Nil
Events of Default	As per Debenture Trust Deed
Roles and Responsibilities of Debenture Trustee	As per Debenture Trust Deed
Governing Law and Jurisdiction	The Debentures offered are subject to provisions of the Companies Act, 2013 as may be applicable, Securities Contract Regulation Act, 1956, Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulations, 2015 in terms of this Disclosure Document, Instructions contained in the Application Form and other terms and conditions as may be incorporated in the Trustee Agreement and the Trust Deed and such other laws as my be applicable, guidelines, notifications and regulations relating to the issue and allotment of securities issued from time to time by the Government of India, Reserve Bank of India (RBI), and, or any other authorities and other documents that may be executed in respect of the these Debentures. The Debenture holders, by purchasing the Debentures, agree that the Mumbai High Court shall have exclusive jurisdiction with respect to matters relating to the Debentures.
Other Terms	Default in Payment: In case of default in payment of Coupon and/or principal redemption on the Redemption Date, additional interest @ 2% p.a. over the Coupon will be payable by the Company for the defaulting period. Delay in execution of Debenture Trust Deed: In case of delay in execution of debenture trust deed within the regulatory time frame, the Company will pay penal interest @ 2 % p.a. over the Coupon from the expiry of the regulatory time frame for the execution of debenture trust deed till the time debenture trust deed is executed.
Valuation Agency Fees	NA
Valuation Agency	NA

<table>
<tr><td>Risk Factors associated with Market Linked Debentures</td><td>The securities are created based on complex mathematical models involving multiple derivative exposures which may or may not be hedged and the actual behavior of the securities selected for hedging may significantly differ from the returns predicted by the mathematical models.
The principal amount is subject to the credit risk of the issuer whereby the investor may or may not recover all or part of the funds in case of default by the Issuer.</td></tr>
<tr><td>Premature Exit</td><td>At the request of an Investor, after 90 days of issuance with a 10 working day notice period, the Company shall at its discretion and without being obliged to do so, arrange for the buyback ("Premature Exit") of such number of Debentures as the Investor shall request. Such Premature Exit shall occur at a price (which includes below Premature Coupon $_{Fix}$) which shall take into consideration fair market value of the product as on exit date.
In all such cases Premature Coupon $_{Fix}$ at user's discretion, will be as below:
<table><tr><th>Exit (M)</th><th>Premature Coupon $_{Fixv1}$</th><th>Premature Coupon $_{Fixv2}$</th></tr><tr><td>3</td><td>1.66%</td><td>1.96%</td></tr><tr><td>4</td><td>2.21%</td><td>2.62%</td></tr><tr><td>5</td><td>2.77%</td><td>3.28%</td></tr><tr><td>6</td><td>3.34%</td><td>3.95%</td></tr><tr><td>7</td><td>4.05%</td><td>4.65%</td></tr><tr><td>8</td><td>4.65%</td><td>5.34%</td></tr><tr><td>9</td><td>5.24%</td><td>6.02%</td></tr><tr><td>10</td><td>5.87%</td><td>6.75%</td></tr><tr><td>11</td><td>6.48%</td><td>7.45%</td></tr><tr><td>12</td><td>7.09%</td><td>8.15%</td></tr><tr><td colspan="3">*Basis ICICI's FD interest rate & applicable exit penalties;</td></tr></table>Premature Coupon $_{Fixv2}$ will apply in the event of downgrade in credit rating of issuer or any of the subsidiary/holding/associate company; Premature Coupon $_{Fixv1}$ will apply in all other cases</td></tr>
<tr><td>Distribution Fee</td><td>Nil</td></tr>
</table>

Illustration of Cash Flows:

Company	IIFL WEALTH FINANCE LIMITED (the "Issuer")
Tenure	If KO event has not occurred 396days; If KO event has occurred 396 + N days
Face Value	Rs. 100,000 Per Debenture
Issue Price	Rs. 100,000 Per Debenture
Date of Allotment	Trade date – TBD
Redemption	If KO event has not occurred 26-02-2021; If KO event has occurred N days from 26-02-2021
Coupon Rate	Coupon = Coupon $_{Fix}$+ $\sum_{i=1\ to\ n} \max(0, Performance\ i) * (1+x\%)^{Ti} - \min(0, Performance\ i) * (1+8.75\%)^{Ti} +$ $\sum_{j=1\ to\ 12} \max(0, Rollincome\ j) * (1+x\%)^{tj} - \min(0, Rollincome\ j) * (1+8.75\%)^{tj}$ * This will be revisited on the day of trade, Where i' denotes number of iterations since issue date , *n is the no of iterations.* *one iteration begins on a shout-in date & ends on a shout-out date.* x% is HDFC liquid fund return for that period, Ti is no. of days from end of iteration i till maturity date tj is no. of days from expiry date of month i till maturity date $Performance\ i = \frac{Si * Qi * (End\ price\ i - Beg\ price\ i)}{Issue\ size}$ *'S_i' is the Shout flag for iteration i; Shout flag =0 on Day 0 unless shouted in.* *if shouted in with a long position:* *'S_i' =1; Quantity 'Q_i' is the no of units of underlying as agreed in shout letter (rounded up to 25 crs exposure) for iteration i;* *if shouted in with a short position;* *'S_i' =-1; Quantity Q_i 'is the no of units of underlying as agreed in shout letter (rounded up to 25 crs exposure) for iteration i;* *if shouted out; Quantity Q_i 'is equal to 0* *If there is no shout event on any given date, previous trading day's shout flag & Quantity will apply.*

	End price $_j$ 'is equal to underlying price adjusted for transaction charges when shouted out as highlighted in shout-out letter *Beg price $_j$ 'is equal to underlying price adjusted for transaction charges when shouted in as highlighted in shout-out letter* $Rollincome\ j\ = \frac{Rj * Qj * (Rollout\ price\ j - Rollin\ price\ j)}{Issue\ size}$ *R_j is the roll flag;* *R_j =1; if investor is executing roll on expiry date of month j;* *R_j =0; if investor is not executing roll on expiry date of month j;* Roll-out price j; Price of exiting underlying index series adjusted for transaction charge *on expiry date of month j;* Roll-in price j; Price of new underlying index series adjusted for transaction charges on *on expiry date of month j;*
Frequency of the interest payment with specified dates	Coupon if any, will be paid on Redemption Date
Day count Convention	Not Applicable

Cash Flows	Maturity Date	No. of days in Coupon Period	Amount (in Rupees)
Coupon on Redemption, if any	If KO event has not occurred 26-02-2021; If KO event has occurred; N days from 26-02-2021	If KO event has not occurred 396days; If KO event has occurred 396+ N days	Coupon linked to Underlying / Reference Index.
Face Value	If KO event has not occurred 26-02-2021; If KO event has occurred; N days from 26-02-2021	If KO event has not occurred 396days; If KO event has occurred 396+ N days	Rs. 100,000/- Per Debenture
Total	If KO event has not occurred 26-02-2021; If KO event has occurred; N days from 26-02-2021	If KO event has not occurred 396days; If KO event has occurred 396+ N days;	Rs. 100,000 *(1+Coupon) /- Per Debenture

Scenario Analysis

Tabular Representation

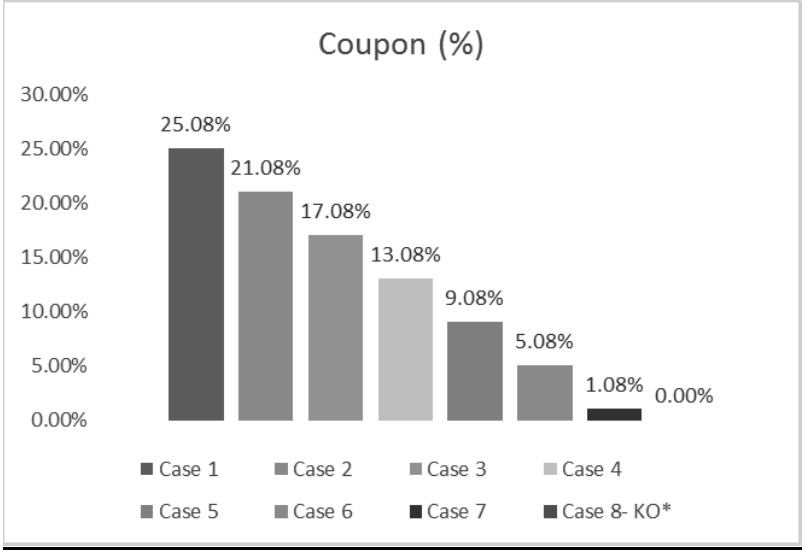
The following table shows the value of the Debenture at maturity under different market conditions:

		Initial Inv	Coupon 1	Beg price	End price	Performance	Total	Tenor (days)	Coupon
Bullish	Case 1	100000	9.08%	25000	29000	16.00%	125077	396	25.08%
	Case 2	100000	9.08%	25000	28000	12.00%	121077	396	21.08%
	Case 3	100000	9.08%	25000	27000	8.00%	117077	396	17.08%
Stable	Case 4	100000	9.08%	25000	26000	4.00%	113077	396	13.08%
	Case 5	100000	9.08%	25000	25000	0.00%	109077	396	9.08%
	Case 6	100000	9.08%	25000	24000	-4.00%	105077	396	5.08%
Bearish	Case 7	100000	9.08%	25000	23000	-8.00%	101077	396	1.08%
	Case 8- KO*	100000	9.08%	25000	22000	-12.00%	100000	529	0.00%

Case 1 to Case 7: 'Principal + Coupon' payout will happen after 396 days

*Case 8: **Knock out event**-Principal repayment will happen after ~529 days (extended maturity) in this case

Graphical Representation



This scenario analysis is provided for illustrative purposes only and does not represent actual termination or unwind prices, nor does it present all possible outcomes or describe all factors that may affect the value of your investment.