

Term-Sheet forming part of Information Memorandum

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| Security Name | Series 4 - 8.50% 21 January 2022 HFFCIL Secured, Rated, Listed, Redeemable, Taxable, Non-Convertible Debentures |
| Type of Instrument | Secured, Rated, Listed, Redeemable Non-Convertible Debentures (the "NCD") |
| Nature of Instrument | Secured |
| Seniority | Senior (Pari-passu) |
| Mode of Issuance | Private Placement under electronic book mechanism of BSE |
| Issuer/ Borrower/ Company | Home First Finance Company India Limited |
| Tranche | Series 4 |
| Guarantee | Yes, As applicable under PCG 2 scheme |
| Face Value | INR 10 Lakhs per Debenture |
| Issue Price | INR 10 Lakhs per Debenture |
| Allotment Quantity | Upto 500 Debentures |
| Issue Size | Upto INR 50 crs |
| Tenor | 18 months from the Deemed date of Allotment |
| Listing (including name of Stock Exchange(s) where it will be listed and timeline for listing) | <ul style="list-style-type: none"> Proposed to be listed on the Wholesale Debt Market Segment of BSE Limited within 20 days from the Deemed Date of Allotment. In case of delay in listing of the Debentures beyond 20 days from the Deemed Date of Allotment, the Company will pay penal interest of 1% p.a. over the Coupon Rate from the expiry of 30 days from the Deemed Date of Allotment till the listing of such Debentures to the Debenture Holder |
| Rating of the Instrument | "ICRA A+/Stable" by ICRA Limited |
| Minimum Application and in multiples of 1 Debt securities thereafter | Minimum 10 Debentures and in multiples of 1 thereafter |
| Objects of the Issue | The funds raised through this Issue, after meeting the expenditures of and related to the Issue, will be used for our various financing activities, repay our existing loans and for our business operations. |
| Details of the utilization of the Proceeds | Bank finance to NBFCs : DBR.BP.BC.No.5/21.04.172/2015-16 and any changes there of. |
| Coupon Type | Fixed |
| Coupon Payment Frequency | Annually and at Maturity |
| Coupon Rate | 8.50% p.a. |
| Coupon Amount | Accrued Interest on the paid-up value of Debentures payable on Coupon Payment Date |
| Day Count Basis | Actual/ Actual |
| Interest on Application Money | At the Coupon Rate |
| Redemption | Principal Repayment at the end of 18 th Month from the Deemed Date of Allotment |
| Redemption Premium / Discount | NA |
| Security Cover | The Issuer shall ensure that that value of Security created to be 1.10 times the outstanding principal and interest at all times during the tenor of the instrument In case of shortfall on security cover, it should be replenished within 15 calendar days and the Issuer shall intimate the Debenture Trustee of the same |
| Final Maturity Date | Friday, January 21, 2022 |
| Tenor | 18 Months |
| Option to retain oversubscription (Amount) | NA |
| Default Coupon Rate | 2% p.a. over and above the Coupon Rate on defaulted amounts for the defaulting period |
| Discount at which security is issued and the effective yield as a result of such discount | NA |
| Coupon Reset Process | NA |

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| (including rates, spread, effective date, interest rate cap and floor etc) | |
| Redemption Amount | INR 10 Lakhs (Rupees Ten Lakhs Only) per Debenture. |
| Put Option | NA |
| Put Price | NA |
| Put Notification Time | NA |
| Call Option | NA |
| Call Price | NA |
| Call Notification Time | NA |
| Step Up/ Step Down Coupon Rate | NA |
| Issuance mode of the Instrument | Dematerialized only |
| Trading mode of the Instrument | Dematerialised only |
| Settlement mode of the Instrument | Through ICCL |
| Class / Classes of investors | Mutual Funds, NBFCs, Provident Funds and Pension Funds, Trust inclusive of public charitable trust subject to their investment guidelines, Corporates, Banks, Insurance Companies, Individual, Any other person eligible to invest in the Debentures subject the relevant prevalent guidelines and as permitted under Applicable Laws. |
| Debt Equity Ratio (Including Current Issue) | 2.78 times |
| Security (where applicable) (Including description, type of security, type of charge, likely date of creation of security, minimum security cover, revaluation, replacement of security). | To be created in favor of the Debenture Trustee, as follows: <ul style="list-style-type: none"> First pari-passu charge (along with banks, financial institutions and other lenders which provide credit facilities to the Issuer) by way of hypothecation on Company's present and future receivables and book debts, cash and cash equivalents and liquid investments, as may be identified by the Company, with a Minimum Security Cover of minimum 1.10x , except for those book debts and receivables charged / to be charged in favour of National Housing Bank for refinance availed / to be availed from them. |
| Security Creation | The Issuer undertakes to create security within 3 months from the Issue Closure date. In case of delay in security creation the company will refund the subscription with agreed rate or will pay penal interest of 2% p.a. over and above the Coupon Rate for the delayed period till security creation is complete, at the option of the debenture holders. |
| Non – maintenance of security cover | Penal interest of 1 % p.a. over the coupon rate for the period of non – compliance |
| Record Date/ Shut Period | 15 days prior to each Coupon Payment / Redemption Date |
| Business Day Convention | Other than the Deemed Date of Allotment and Coupon Payment Date, should any of the other date(s) fall on a day that is not a Business Day, then immediately preceding Business Day shall be considered as the effective Business Day. Should the Deemed Date of Allotment or any Coupon Payment Date fall on a day that is not a Business Day, then immediately succeeding Business Day shall be considered as the effective Business Day. However, the calculation of the said coupon payment would be as per the schedule originally stipulated at the time of issuing the security. Thus, the subsequent coupon schedule would not be disturbed. "Business Day" shall be a day on which Money Market is functioning in Mumbai, however shall exclude Saturday, Sunday or any other day on which banks are closed in Mumbai. |
| Events of Default | Events of default as stated in the Debenture Documentation, including but not limited to the following: <ul style="list-style-type: none"> Failure to pay amounts due under the Issue on the relevant due date by the Issuer; Insolvency, reorganization, liquidation, suspension of payment of debts, winding up, illegality, cessation of business by the Issuer; |

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| | <ul style="list-style-type: none"> • Illegality, cessation of business of the Issuer; • Security in jeopardy; • Bankruptcy, CDR proceedings filed with respect to the Issuer; • Breach of any of the terms of the Transaction Documents by the Issuer; • Breach of any covenants; • Breach of any Representations and Warranties; • Nationalization or expropriation of any of a substantial part of the assets of the Issuer; • Unlawfulness or moratorium |
| Consequences of Event of Default | <p>The consequences of default will, include but not be limited to the following:</p> <ul style="list-style-type: none"> • To transfer assets of the Issuer comprised within the Security created in favour of Debenture Trustee or such other person by way of lease, leave and license, sale or otherwise. Any surplus realized from the transfer of assets after fulfilment of all the obligations of the Issuer under the Issue shall be paid to the Issuer; • Enforce its right under the Transaction Documents; • Appropriate any amount in the Accounts and utilize it for payment/repayment of any amount outstanding under the Issue; • Charge Default Interest. It is clarified that the default interest shall be charged from the date of occurrence of event of default irrespective of the same being declared by the Investor(s) till such date the default subsists; • Any cost incurred on any of the above shall be borne by the Issuer. |
| Affirmative Covenants | <p>The Issuer agrees to:</p> <ul style="list-style-type: none"> • Utilize the proceeds of this issue in accordance with applicable laws and regulations • Comply with corporate governance fair practice code prescribed by the RBI • Notify of any potential event of default or event of default to the Bondholders • Comply with any monitoring and or servicing request from debenture holders |
| Negative Covenants | <p>The Issuer shall not take any action in relation to the following items/events without prior written approval of Majority Holders (100%)</p> <ul style="list-style-type: none"> • Undertake any new major business outside financial services or any diversification of its business outside financial services without approval of NCD holders. • Change in article of incorporation or organizational documents in any material way (except for change in Board) which would prejudicially Undertake any affect the interest of the debenture holders. |
| Transaction Documents | <ol style="list-style-type: none"> 1. Debenture Trustee Agreement; 2. Disclosure Document; 3. PAS-4; 4. Debenture Trust Deed; 5. Security Document if any 6. Such other documents as agreed between the Issuer and the Debenture Trustee. |
| Condition Subsequent to Disbursement | As per Debenture Trust Deed |
| EBP Process | As per BSE Bond Operating Guidelines |
| Manner of Bidding | Open Book |
| Mode of allotment | Uniform Allotment |
| Depository | NSDL |
| Indemnification | The Issuer will indemnify and hold harmless the Debenture Holders from and against any claim, liability, demand, loss, damage, judgment or other obligation or right of action which may arise as a result of breach of this Term Sheet by the Issuer. |
| Debenture Trustee to the Issue | Axis Trustee Services Limited |
| Role and Responsibilities of Debenture Trustee | To oversee and monitor the overall transaction for and on behalf of the Debenture Holders, as per the terms of the Transaction Documents |

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| Governing Law and Jurisdiction | The Information Memorandum shall be governed by the laws of India. The Courts in Mumbai will have exclusive jurisdiction in relation to any dispute that may arise out of or in connection with any of the Debenture Documents. |
| Taxation | All the taxes as per law excluding Income tax, as and when applicable on the instrument from time to time shall be borne by the Company. |
| Issue/Bid Opening date | Tuesday, July 21, 2020 |
| Issue/Bid Closing Date | Tuesday, July 21, 2020 |
| Pay in Date | Wednesday, July 22, 2020 |
| Deemed Date of Allotment | Wednesday, July 22, 2020 |

Illustration of Cash Flows per Debenture

| Dates | Remarks | Amounts (INR) per lot |
|--------------------------|----------------|------------------------------|
| Wednesday, July 22, 2020 | Disbursement | -1,000,000.00 |
| Thursday, July 22, 2021 | Coupon | 85,000.00 |
| Friday, January 21, 2022 | Coupon | 42,616.44 |
| Friday, January 21, 2022 | Maturity | 1,000,000.00 |

For **Home First Finance Company India Limited**



Authorized Signatory