

PART A – SUMMARY TERM SHEET

PROSPECTIVE PURCHASERS OF THE NON PRINCIPAL PROTECTED DEBENTURES SHOULD ENSURE THAT THEY UNDERSTAND THE NATURE OF THE NON PRINCIPAL PROTECTED DEBENTURES AND THE EXTENT OF THEIR EXPOSURE TO RISKS AND THAT THEY CONSIDER THE SUITABILITY OF THE NON PRINCIPAL PROTECTED DEBENTURES AS AN INVESTMENT IN LIGHT OF THEIR OWN CIRCUMSTANCES AND FINANCIAL CONDITIONS. IN PARTICULAR, THESE NON PRINCIPAL PROTECTED DEBENTURES ARE UNLISTED, UNRATED, AND INVOLVE A HIGH DEGREE OF RISK INCLUDING THE RISK THAT THE INVESTOR MAY LOSE ALL OR PART OF THEIR INVESTMENT AND/OR RECEIVE LESS THAN 100% OF THE FACE VALUE OF THE NON PRINCIPAL PROTECTED DEBENTURES. POTENTIAL INVESTORS SHOULD BE PREPARED TO SUSTAIN A TOTAL LOSS OF THE INITIAL INVESTMENT IN THE NON PRINCIPAL PROTECTED DEBENTURES AND/OR RECEIVE LESS THAN 100% OF THE FACE VALUE OF THE NON PRINCIPAL PROTECTED DEBENTURES.

SEE “RISKS RELATING TO THE NON PRINCIPAL PROTECTED DEBENTURES” ABOVE.

1.	Security Name	Reliance Financial Limited Market Linked Debentures Series I/190613N (“ Debentures ”)
2.	Issuer / Company	Reliance Financial Limited
3.	Type of Instrument / Kind of Security	Unrated, Unlisted, Secured, Redeemable, Non Principal Protected, Non-Convertible, Market Linked Debentures
4.	Series Number	I/190613N
5.	Board Resolution Dated	April 30, 2019
6.	Shareholders’ General Resolution Dated	August 9, 2018
7.	Nature of instrument	Secured
8.	Seniority	Senior The Debentures Holders shall have paripassu first charge over the Security created among the Trustee and the other lenders.
9.	Mode of Issue	Private Placement
10.	Eligible Investor(s)	As mentioned in “Eligible Investors” on page 69 of the Information Memorandum
11.	Listing	The Debentures will not be listed on any stock exchange
12.	Rating of the Instrument	Unrated
13.	Principal Amount / Face Value per Debenture	INR 1,00,000/- (Rupees One Lakh Only)
14.	Minimum Application and in multiples of thereafter	The minimum subscription size for Category I Investors shall be INR 25,00,000/- and in multiples of Rs. 1,00,000/- and the maximum shall not exceed INR 99,00,000/- The minimum subscription size for Category II Investors shall be INR Rs. 1,00,00,000/- and in multiples of Rs. 1,00,000/-.

15.	Issue size / Amount which the Company intends to raise	INR 10,00,00,000/- (Rupees Ten Crore only) (i.e. 1,000 Debentures)
16.	Option to retain oversubscription (amount)	INR 10,00,00,000/- (Rupees Ten Crore only)
17.	Utilisation of Issue Proceeds / Objects of the Issue	The Debentures have been issued to raise resources to meet the ongoing funding requirements for the Company's business activities, for general corporate purposes and refinancing of the existing debt obligations of the Company.
18.	Details of utilization of the Proceeds	The issue proceeds shall be utilized in accordance with the "Utilisation of Issue Proceeds / Objects of the Issue" provision above.
19.	Interest on Application Money	Not Applicable
20.	Default Interest Rate	Please refer to the "Default in payment" section page 46 of the Information Memorandum
21.	Call Option (Redemption at the Option of the Company) Call Option Date Call Option Price Call Notification Time	Not Applicable
22.	Put Option (Redemption at the Option of Debenture holders) Put Option Date Put Option Price Put Notification Time	Not Applicable, but see point 46 below
23.	Issue Timing/ Proposed Time Schedule 1. Issue Open Date 2. Issue Close Date 3. Pay in Date 4. Deemed Date of Allotment	June 13, 2019 June 13, 2019 Between the Issue Open Date and Issue Close Date (both inclusive) June 13, 2019 The Issue Close Date / Pay-in Date / Deemed Date of Allotment may be rescheduled at the sole discretion of the Issuer, to a date falling not later than 07 (seven) working days from the date mentioned herein. The actual Issue Close Date / Pay-in Date / Deemed Date of Allotment shall be communicated to each investor in the Allotment Advice.
24.	Issuance mode of the Instrument	These Debentures would be issued only in dematerialized form (Demat) through authorized DP

25.	Trading mode of the Instrument	Demat mode only
26.	Settlement mode of the Instrument	RTGS / NEFT / Fund Transfer to the bank details as per depositories records.
27.	Depository(ies)	NSDL and CDSL
28.	Business Day Convention	Please refer page to the “Effect of Holidays” section on page 73 of the Information Memorandum
29.	Record Date	15 days prior to each Coupon Payment / Final Redemption Date / Contingent Early Redemption Date (if applicable)
30.	Security	For Debenture Holders subscribing to the Debentures under Debenture Trust Deed shall be: (a) A first ranking charge and pledge over identified securities held by the Company in the specified / designated demat account of the Company and/ or as set out in each applicable Information Memorandum. (b) A first ranking charge and hypothecation over the following assets: All of the title, rights and interest of the Company in relation to the trading activity undertaken by the Company (“Trading Activity”) through IIFL Wealth Management Limited as its broker (“Broker”) with trading account number WXW37416 (“Trading Account”) , including but not limited to the following: (i) Sale proceeds of any securities pursuant to the Trading Activity (ii) All economic interest and rights in any securities pursuant to the Trading Activity (iii) All margin monies in relation to the Trading Activity including but not limited to cash margin, fixed deposits, shares, bonds, mutual funds and securities deposited with broker/exchange or nominated settlement agency by exchange/broker (iv) The bank account bearing number 00600350130890 maintained with HDFC Bank which acts as the Designated Account attached to the Broker and Trading Account for the Trading Activity. (v) Any and all accretions in any securities, proceeds, or other rights and interest which arise from the Trading Activity. (vi) Any other identified Receivables as mutually agreed between the Company and the Debenture Holders from time to time.
31.	Amounts Outstanding	Means the aggregate amount due and payable by the Company in respect of the Debentures as provided herein including amounts in respect of the subscription / principal amount, interest including any default or penal interest, premium on redemption, remuneration payable to the Debenture Trustee and costs, charges and expenses for creation, preservation and enforcement of the security over the Secured Assets. The Amounts Outstanding which is due and payable will be calculated by the Valuation Agent.
32.	Security Cover	Means the value of the Secured Assets in relation to the Amounts Outstanding. In percentage terms, Security Cover shall be calculated by using the following

		formula: If the value of the Amounts Outstanding is "A" and value of the Secured Assets held by the Trustee (on behalf of the Debenture Holders) is "B" then the Security Cover (as a percentage of the value of the Securities) is $(B/A) \times 100\%$. The value of the Amounts Outstanding and the value of the Secured Assets will be calculated by the Valuation Agent.
33.	Required Security Cover	Means, taking into consideration the value of the Hypothecated Property / Identified Receivables and the Collateral Securities, a minimum 100% of the Amounts Outstanding throughout the tenure of these Debentures or such other percentage (%) of the Amounts Outstanding as mutually agreed in writing between the Company and the Debenture Holders, after taking into account such reductions or haircuts in the value of the Collateral Securities as may be agreed between the Company and the Debenture Holders.
34.	Top up Trigger Event	Top Up Trigger Event means, on any calculation date ("Reference Calculation Date"), the Collateral Value being lower than 98% of the Amounts Outstanding, as determined by the Valuation Agent. (i) With respect to Debentures issued under the Debenture Trust Deed, if, on any Calculation Date after the Initial Cover Date (a "Reference Calculation Date"), a Top Up Trigger Event occurs, the Company shall procure that the Security Cover is restored to the Required Security Cover by 03:00 p.m. on the third Business Day falling after that Reference Calculation Date, to the satisfaction of the Valuation Agent. (ii) The Company shall restore the Security Cover to the Required Security Cover as required under sub-paragraph (i) above by procuring that it or the pledgors (subject to sub-paragraphs (iii) to (iv) below) pledge additional Collateral Securities in favour of the Trustee (a "Security Top-Up"), by 03:00 p.m. on the third Business Day falling after that Reference Calculation Date. (iii) The Debenture Trustee shall upon being aware of any Top Up Trigger Event, notify the Company of any fall in the Security Cover or otherwise of the occurrence of any event, pursuant to which the Company is required to restore the Security Cover. (iv) For the avoidance of doubt, it is clarified that if the Reference Calculation Date is the Pledgor CIRP Event Date or any date thereafter, then on such Reference Calculation Date while determining if a Top Up Trigger Event has occurred, all Securities pledged by the Pledgor in respect of whom the Pledgor CIRP Application Event has occurred shall be excluded from the calculation of Collateral Shares.
35.	Pledgor CIRP Application Event and Pledgor CIRP Event Date	"Pledgor CIRP Application Event" means the filing of any application in relation to a pledgor for the initiation of the insolvency resolution process under the Insolvency and Bankruptcy Code, 2016. "Pledgor CIRP Event Date" means the earlier of (i) the date on which the relevant Pledgor becomes aware of the occurrence of the Pledgor CIRP Application Event or (ii) the Debenture Trustee informing the relevant pledgor of the occurrence of the Pledgor CIRP Application Event.

36.	Contribution being made by Promoters or directors either as part of the offer or separately in furtherance of such objects	Nil
37.	Transaction Documents	(i) Debenture Trust Deed; (ii) Information Memorandum; (iii) Pledge Agreement and powers of attorney in relation thereto; (iv) Deed of Hypothecation and powers of attorney in relation thereto; (v) Consent letter of Karvy Fintech Private Limited to act as Registrar & Transfer Agent for the proposed issue; (vi) Tripartite agreement between the Company, NSDL/CDSL and the Registrar and Transfer Agent;
38.	Conditions Precedent to Disbursement	<u>(i)</u> No Event of Default has occurred, is continuing or would result from the allotment; <u>(ii)</u> Execution of all Transaction Documents; <u>(iii)</u> Appointing the Debenture Trustee as the signatory of the Trading Account and Designated Account; and <u>(iv)</u> Notifying IIFL Wealth Management Limited ("Broker") that the Trustee and its nominees are entitled to operate each of the Trading Account and Designated Account, upon the occurrence of an Event of Default, and deliver evidence of the acknowledgement of such instructions from the Broker and Account Bank in relation to the Designated Account For the avoidance of doubt, it is clarified that while the Company will comply with the conditions set out in (i) and (ii) above, the rights and powers granted to the Trustee pursuant to said clauses shall be effective, acted upon and allowed to be exercised, only upon the occurrence of an Event of Default and not in the course of the normal business operations of the Company, during which time only the Company shall be considered as the signatory to the Trading Account and Designated Account having right to operate the Trading Account and the Designated Account.
39.	Condition Subsequent to Disbursement	Creation and perfection of security in favour of the Debenture Trustee for the benefit of the Debenture Holders not later than three (3) days from the date of allotment.
40.	Events of Default	Please refer to the "Main events of default and remedies under the Debenture Trust Deed" section on page 79 of the Information memorandum
41.	Provisions related to Cross Default Clause	Not Applicable
42.	Role and Responsibilities of Debenture Trustee	Please refer to the "Main events of default and remedies under the Debenture Trust Deed" section on page 79 of the Information Memorandum
43.	Governing Law and Jurisdiction	Please refer to the "Governing Law and Jurisdiction" section on page 81 of the Information Memorandum

44.	Payment Details	Settlement Bank: HDFC Bank Limited Branch: FORT, Mumbai Account Number: 00600340037467 Account Name: Reliance Financial Limited RTGS / IFSC Code: HDFC0000060
45.	Registrar and Transfer Agents	Karvy Fintech Private Limited
46.	Trustees	Beacon Trusteeship Limited
47.	Placement Fee	For each of the Debenture applied for, a placement Fee of up to 3.00% of the Issue Price may be payable to the distributor (if any) by the Investor over and above the Issue Price. Note: For each of the Debenture applied for, the Issuer shall collect the Placement Fee if applicable, in addition to the Issue Price of the Debenture, from the Investor and credit such Placement Fee to the account of the distributor (if any). For the avoidance of doubt such Placement Fee is not and should not be construed as payment of commission as mentioned under section 40 of the Companies Act, 2013 and the rules made thereunder.
48.	Early Redemption	If, for reasons beyond the control of the Company, the performance of the Company's obligations under this Issue is prevented by reason of force majeure including but not limited to an act of state or situations beyond the reasonable control of the Company, occurring after such obligation is entered into, or has become illegal or impossible in whole or in part or in the exercising of its rights, the Company may at its discretion and without obligation to do so, redeem and/or arrange for the purchase of all but not some of the Debentures , by giving notice of not less than 5 (five) Business Days to the Debenture Holders which notice shall be irrevocable and shall specify the date upon which The Debentures shall be redeemed (such date on which the Debentures become immediately due and payable, the "Early Redemption Date"). Provided however if the Company believes or is advised that it is necessary to only redeem and/or arrange for the purchase of the Debentures held by only certain class of Debenture Holders to overcome or mitigate any such force majeure, then the Company may without obligation to do so, redeem and/or arrange for the purchase of only such number of the Debentures actually held by such class of Debenture Holders at the relevant time. If the Debentures are bought by the Company, the Company will, if and to the extent permitted by applicable law, pay to each Debenture Holder in respect of each of the Debentures held by such Debenture Holder an amount equal to the Early Redemption Amount of a Debenture notwithstanding the illegality or impracticability, as determined by the Company in its sole and absolute discretion. For the purpose of this paragraph, Early Redemption Amount means an amount equal to the fair market value minus associated costs.

49.	Premature Exit	At the request of an Investor, 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: (a) which shall take into consideration the market value of the Debentures, all costs incurred by the Company (including costs of unwinding any hedge); and (b) the price computed under (a) above shall be further reduced by such amount not exceeding 10.00% of the face value of the Debentures/NCDs to be determined by the Company at its sole discretion. A request for Premature Exit by an Investor shall not be considered if made within 03 (three) months from the Deemed Date of Allotment.
50.	Exit Events	Upon occurrence of any of the following events: (i) The Company is unable to, is presumed or deemed by law to be unable to or admits its inability to, pay its debts as they fall due, suspends making payments on any of its debts which suspension remains in effect for a period of 5 days or, by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to rescheduling any of its indebtedness. (ii) Statutory audit report relating to any financial statements of the Company contains qualification / reservations with regard to fraud committed by any key managerial personnel or any director of the Company relating to an amount of at least INR 25,00,00,000 (Rupees Twenty Five Crores only). (iii) Any litigation, arbitration, investigative or administrative proceeding which is current, pending or threatened (in writing) to restrain the Company's entry into, the exercise of a Company's rights under, or compliance by the Company with any of its obligations under, the Transaction Document. (iv) The government of India or any other relevant Governmental Authority declares a general moratorium or "standstill" (or makes or passes any order or regulation having a similar effect) in respect of the payment or repayment of any Financial Indebtedness (whether in the nature of principal, interest or otherwise) (or any indebtedness which includes Financial Indebtedness) owed by the Company or its Subsidiaries for an amount of atleast INR 100,00,00,000 (Rupees One Hundred Crores only)(and whether or not such declaration, order or regulation is of general application, applies to a class of persons which includes the Company or its Subsidiaries or to the Company alone.) (v) Reliance Group as defined in the disclosure made by Reliance Capital Limited to the Exchange ceasing to directly or indirectly control the Company or it's Management. (vi) Insolvency Proceedings: Any corporate action, legal proceedings or other procedure or step (including the making of an application, presentation of a petition, the filing or service of a notice or the passing of a resolution) and only if the same has been admitted by a Court/Tribunal and appropriate orders passed thereon for initiation of Insolvency Proceedings, is taken in relation to: (a) Bankruptcy, liquidation, the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration, provisional supervision or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of the Company

		(b) filing of any application in relation to the Company for the initiation of the insolvency resolution process or liquidation under Applicable Law including but not limited to the Insolvency and Bankruptcy Code, 2016; (c) the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager, provisional supervisor or other similar officer in respect of the Company or any of their substantial assets; any of the Debenture Holders shall have the right but not the obligation to issue a written notice ("Exit Notice") to the Company requiring the Company to forthwith redeem some or all of the outstanding Debentures in full. Upon receipt of the Exit Notice, the Company shall initiate the process to redeem the Debentures. The amount payable per Debenture (being value of the Debentures on Exit event / Redemption) in such a scenario shall be determined by the Valuation Agent, who shall value the same based on the advice of the Company. The Company shall be entitled to debit and recover exit event costs including cost incurred on liquidation of underlying Assets / Open derivative positions, other charges and expenses applicable at that point of time. The net amount after adjusting such cost, charges, expenses etc shall be the final amount payable by the Company to the Debenture Holder in respect of those Debentures where the Exit Notice is received. The Final amount payable as calculated herein in respect of each Debentures being redeemed shall be paid by the Company within 5(five) working days from the receipt of the Exit Notice. Upon the company making this payment, the said debentures in respect of which Exit Notice is received, shall stand full redeemed and satisfied; and all rights of such Debentureholders shall stand extinguished.
51.	Default in payment	In case of default in payment of Interest and/or principal redemption on the due, additional interest of at least @ 2% p.a. over the coupon rate (if applicable as per Summary Term Sheet) will be payable by the Company for the defaulting period.

PROVISIONS RELATING TO COUPON (IF ANY) AND REDEMPTION AMOUNT PAYABLE

1.	Issue Price per Bond/ Price of the Security & Justification	123.20% of Principal Amount (Face Value) (The security is being issued at a premium, with the Coupon Rate and Coupon Payment Frequency as already mentioned above which is in accordance with the prevailing market conditions at the time of issue)								
2.	Discount at which security is issued and the effective yield as a result of such discount	The security is being issued at 123.20% of the Principal Amount. Please refer to “Coupon Amount/Rate” below								
3.	Initial Valuation Date	February 07, 2018								
4.	Final Valuation Date	The Nifty 50 Index futures expiry dates in the month of January 2021 (i.e. January 28, 2021, provided that, if such date is not a scheduled Nifty 50 Index futures expiry date, then the Nifty 50 Index futures expiry date as notified by the National Stock Exchange for that month will be considered as the Final Valuation Date)								
5.	Final Redemption Date / Final Maturity Date	August 09, 2021								
6.	Tenor	788 (Seven Hundred and Eighty Eight) days from the Deemed Date of Allotment								
7.	Redemption Premium / Discount	Not Applicable								
8.	Coupon Type / Basis (a) Reference Index (b) Index Sponsor	Reference Index Linked Nifty 50 Index India Index Services & Products Limited (IISL)								
9.	Change of Coupon Basis/Step Up/Step Down Coupon Rate	Not Applicable								
10.	Coupon Payment Dates/ Frequency	Final Redemption Date / Final Maturity Date only								
11.	Coupon Amount / Rate	Please refer to Final Redemption Amount								
12.	Observation Dates	Each Initial Observation Date and each Subsequent Observation Date as under: <u>Initial Observation Date(s):</u> The Initial Valuation Date, and the Nifty 50 Index futures expiry dates in the months of February 2018 and March 2018, which are expected to be as below*: <table><tr><td>S.No. (j)</td><td>Initial Observation Date(j)</td></tr><tr><td>1</td><td>February 07, 2018 (i.e. the Initial Valuation Date)</td></tr><tr><td>2</td><td>February 22, 2018</td></tr><tr><td>3</td><td>March 29, 2018</td></tr></table>	S.No. (j)	Initial Observation Date(j)	1	February 07, 2018 (i.e. the Initial Valuation Date)	2	February 22, 2018	3	March 29, 2018
S.No. (j)	Initial Observation Date(j)									
1	February 07, 2018 (i.e. the Initial Valuation Date)									
2	February 22, 2018									
3	March 29, 2018									

		<u>Subsequent Observation Date(s):</u> The Nifty 50 Index futures expiry dates in the months of October 2020 to January 2021 (both inclusive), which are expected to be as below*: <table><tr><th>S.No. (i)</th><th>Subsequent Observation Date(i)</th></tr><tr><td>1</td><td>October 29, 2020</td></tr><tr><td>2</td><td>November 26, 2020</td></tr><tr><td>3</td><td>December 31, 2020</td></tr><tr><td>4</td><td>January 28, 2021</td></tr></table> * Provided that, if any such date is not a scheduled Nifty 50 Index futures expiry date, then the Nifty 50 Index futures expiry date as notified by the National Stock Exchange for that month will be considered as the observation date.	S.No. (i)	Subsequent Observation Date(i)	1	October 29, 2020	2	November 26, 2020	3	December 31, 2020	4	January 28, 2021
S.No. (i)	Subsequent Observation Date(i)											
1	October 29, 2020											
2	November 26, 2020											
3	December 31, 2020											
4	January 28, 2021											
13.	Final Redemption Amount / Redemption Value	On the Final Redemption Date / Final Maturity Date, each Debenture Holder will receive per Debenture held an amount equal to Principal Amount * (100% + Perf) Where, “Perf” = 22.90% + PR * Min [10.00%, Max(0, Final Level/Initial Level – 1)] – 1 “Final Level” = $\left(\frac{1}{4}\right) \times \sum_{i=1}^4 Level(i)$ “Level(i)” = Official Closing Level of the Reference Index on the Subsequent Observation Date(i) “Initial Level” = $\left(\frac{1}{3}\right) \times \sum_{j=1}^3 Level(j)$ “Level(j)” = Official Closing Level of the Reference Index on the Initial Observation Date(j) “PR” = Participation Ratio which shall be 1,550.00% Note that the Final Redemption Amount as calculated above may be less than the Principal Amount.										
14.	Valuation Agent	The Company shall appoint a Valuation Agent which is mutually agreed with the Debenture Trustee.										

Disclosure of Cash Flows for the Debentures as per SEBI Circular No. CIR/IMD/DF/18/2013 dated October 29, 2013

Company	Reliance Financial Limited
Principal Amount / Face Value per Debenture	Rs.1,00,000/- (Rupees One Lakh only)
Issue Date	June 13, 2019
Date of Allotment	June 13, 2019
Final Redemption Date	August 09, 2021
Coupon Rate	Market Linked
Frequency of the Interest Payment with specified dates	On the Final Redemption Date / Final Maturity Date only
Day Count Convention	Not Applicable

Cash Flows	Date (of actual payment)	No. of Days in Coupon Period	Amount in Rupees
Coupon	August 09, 2021	788	Market Linked
Principal Redemption	August 09, 2021	788	INR 1,00,000
Total			INR 1,00,000 + Market Linked Coupon

Note: Payment dates are subject to change as per holidays declared in that particular year. Payment convention as specified in SEBI Circular No. CIR/IMD/DF/18/2013 dated October 29, 2013 shall be followed.

Scenario Analysis

The scenario analysis set out below is an illustrative representation of the returns on the Debentures in the following scenarios.

Scenarios	Initial	Final	Performance of Reference Index	Initial Investment Amount (in INR)	Redemption Amount (in INR)	Return on Debenture (Annualized)
Rising Market Conditions	10,402.73	14,563.82	40.00%	12,320,000	17,790,000	18.55%
	10,402.73	13,523.55	30.00%	12,320,000	17,790,000	18.55%
	10,402.73	12,483.28	20.00%	12,320,000	17,790,000	18.55%
Stable Market Conditions	10,402.73	11,443.00	10.00%	12,320,000	17,790,000	18.55%
	10,402.73	11,234.95	8.00%	12,320,000	14,690,000	8.49%
	10,402.73	10,818.84	4.00%	12,320,000	8,490,000	N.A.
Falling Market Conditions	10,402.73	10,402.73	0.00%	12,320,000	2,290,000	N.A.
	10,402.73	9,362.46	-10.00%	12,320,000	2,290,000	N.A.
	10,402.73	8,322.18	-20.00%	12,320,000	2,290,000	N.A.

NOTE: This scenario analysis is being provided for illustrative purposes only. It does not represent all possible outcomes.