

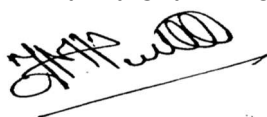
TERM SHEET- 10% UNSECURED COMPULSORILY CONVERTIBLE DEBENTURES

SR. NO.	PARTICULARS	TERMS & CONDITIONS
1.	Issuance in Demat Mode	The allotment of the CCDs and Equity Shares arising out of conversion of CCDs so offered shall be in dematerialised form and equity shares issued upon the conversion of the CCDs shall, subject to receipt of necessary approvals, be listed and traded on BSE Limited and shall be subject to the provisions of the memorandum and articles of association of the Company
2.	Tenure	The tenure of the CCDs shall not exceed 18 (eighteen) months from the date of their allotment
3	Coupon	The CCDs shall carry a coupon of 10% (Ten percent) simple interest per annum calculated on the basis of a 365 (three hundred sixty-five) day year and the actual number of days elapsed, till the date of conversion
4	Coupon Payment	The coupon accrued on the CCDs shall be paid within 2 (two) business days after the end of every quarter of a financial year. Any interest payments made to the Investor shall be on full amount of Rs.400.00 and shall be subject to deduction of withholding tax/tax deductible at source under applicable law
5	Conversion	<p>The CCDs, if the Investor chooses, shall be converted into equity shares on the earlier of following events:</p> <p>a. Investor electing to convert the CCDs into Equity Shares by issuing a conversion notice to the Company; and</p> <p>b. The last date falling within 18 (eighteen) months from the allotment of CCDs. ("Conversion Date") provided that all compulsorily convertible debentures issued on the closing date of the investment shall mandatorily convert simultaneously</p> <p>The CCDs shall be compulsorily convertible into equity shares upon the expiry of the Conversion Date. On the Conversion Date, each CCD shall convert into 1 (one) equity share, as adjusted for any Adjustment Events in accordance with Paragraph (ix) below ("Conversion Share"). An "Adjustment Event" shall mean any: (i) issue of new Equity Shares or other securities convertible into Equity Shares by the Company by way of capitalization of profits or reserves; (ii) bonus issue of Equity Shares; (iii) consolidation, reclassification, sub-division, share split, combination or reduction of the equity share capital or other analogous adjustment relating to the equity share capital by the Company (or any shares or stocks derived therefrom); or (iv) amalgamation, merger, reconstruction or other reorganisation affecting the share capital by the Company (or any shares or stock derived therefrom). Upon the occurrence of an Adjustment Event, the number of Conversion Shares that a CCD converts into shall automatically be proportionally adjusted to reflect the effect of such Adjustment Event on the Equity Shares or other securities convertible into Equity Shares.</p>

6	Non-Requirement of Conversion Notice	The Investor shall not be required to issue any conversion notice to the Company in order to effect a conversion of CCDs on the Conversion Date. The conversion of the CCDs will be automatic without any further act on the part of the Investor. The Investor shall deliver the debenture certificate, if any, representing the CCDs to the Company on the Conversion Date; provided, however, that failure to hand over the debenture certificate, if any, shall not prejudice the conversion of the CCDs on the Conversion Date. On the Conversion Date, the Company shall, at its expense, cause the Conversion Shares to be credited to the relevant Demat Account and make the relevant filings with the governmental authorities under applicable law. The CCD holder will have a right to apply for & convert and be allotted 1 (one) Equity Share of face value Rs.10 each of the Company for each CCD within a period of 18 months from the date of allotment of CCDs at a conversion price of Rs.400.00 (Rupees Four Hundred only) per Equity Share, which is in compliance with the provision of Chapter V of SEBI (ICDR) Regulations. The Company shall accordingly issue and allot the corresponding number of fully paid up Equity Shares of Rs.10 each to the CCD holder
7	Objects of the preferential issue	To meet the Company's requirement of working capital as well as capital expenditure to support business expansion, repayment of loan and investments by the Company.
8.	Number of Securities to be issued, price and amount which the company intends to raise by way of such securities	<p>16,45,723 (Sixteen Lakh Forty-Five Thousand Seven Twenty Three) unsecured CCDs having face value of Rs.400.00 (Rupees Four Hundred only) each, for cash at par, are issued against receipt of an aggregate amount of upto Rs. 65,82,89,200 (Rupees Sixty-Five Crores Eighty-Two Lakhs Eighty-Nine Thousand and Two Hundred only) from Investors out of the Offer of 20,40,000 CCDs approved by Members .</p> <p>The price for the conversion of CCDs into Equity Shares is Rs.400.00 (Rupees Four Hundred only) per Equity Share which is higher than the minimum issue price computed as per the SEBI pricing formula for preferential issue, being higher of:</p> <p>i the average of the weekly high and low of the volume weighted average prices at BSE Limited for 26 weeks prior to the Relevant Date i.e., February 2, 2021 and</p> <p>ii the average of the weekly high and low of the volume weighted average prices at BSE Limited for 2 weeks prior to the Relevant Date. i.e., February 2, 2021.</p> <p>The conversion price at which the Equity Shares arising out of conversion of CCDs are proposed to be allotted i.e. Rs.400.00, is not less than the minimum issue price of Rs.398.56.</p>
9	Relevant date under ICDR Regulation for Pricing	The Relevant Date in terms of Regulation 161(a) of the SEBI ICDR Regulations for the purpose of determining the minimum issue price for the issue of equity shares arising on conversion of CCDs is February 2, 2021, which is the date 30 days prior to the date of passing of special resolution by the shareholders at proposed EGM i.e. March 4, 2021

10	Proposal/Intent of the Promoters, Directors or Key Management Personnel of the Company to subscribe to the preferential issue	<p>None of the promoters, directors or key management personnel of the Company has any intention to subscribe to the offer. This issue/offer is limited to the Investors on a preferential basis through a letter of offer.</p> <p>All the proposed allottees are non-promoter investors. The identity of the natural person who is the ultimate beneficial owner of the shares proposed to be allotted on conversion of CCDs and the percentage of the pre and post preferential issue capital that may be held by proposed Allottees assuming conversion of all CCDs proposed to be issued and other relevant details, is given in the Notice of the EGM</p>
11	Lock-In Period	The CCDs and the Equity Shares to be allotted upon conversion of the CCDs will be subject to 12 months lock-in and transfer restrictions from allotment under SEBI ICDR Regulations. The entire pre-preferential allotment shareholding of the Investor, if any, shall be locked-in from the Relevant Date up to a period of six months from the date of allotment of CCDs.
12	Non-Disposal of Shares	None of the Investors/proposed allottees has sold any equity shares in the Company during the six months preceding the Relevant Date. The issue of CCDs is in accordance with the provisions of the memorandum and articles of association of the Company
13	Payment Terms	In accordance with Regulation 169 of the ICDR Regulations, the entire consideration determined in terms of Regulation 164 of the SEBI ICDR Regulations, has been paid at the time of subscription prior to allotment of the CCDs
14	Equity Shares consequent to Conversion to rank pari-passu	<p>The Equity Shares arising out of conversion of CCDs proposed to be issued pursuant to the proposed resolution shall rank pari-passu in all respects with the existing Equity Shares of the Company and will be listed on BSE Limited where the Equity Shares of the Company are listed.</p> <p>The Company shall procure the listing and trading approvals for the Equity Shares to be issued and allotted to the Investor upon conversion of CCDs from the relevant stock exchanges and will ensure that same are received from the relevant stock exchanges in accordance with the SEBI ICDR Regulations.</p>
15	SAST Compliance	The allotment of CCDs will not require making of an open offer under SEBI SAST Regulations. Further, the allotment of Equity Shares on conversion of CCDs into Equity Share will not require making of an open offer if it is below the prescribed threshold limit for making of an open offer in terms of SEBI SAST Regulations. Due to above preferential allotment of the Equity Shares, no change in management control is contemplated. The Investors shall be required to comply with the relevant provisions of the SEBI SAST Regulations.
16	Statutory Auditor Certificate	A copy of the certificate from the Statutory Auditors of the Company, Haribhakti & Co. LLP, Chartered Accountants, certifying that the issue of CCDs compulsorily convertible into the Equity Shares is being made in accordance with the requirements of SEBI ICDR Regulations for Preferential Issues was placed before the EGM held on March 4, 2021

For Dhanvarsha Finvest Limited



Fredrick Pinto
Company Secretary
ACS-22085



Dhanvarsha Finvest Limited

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