

TERMS OF ISSUE

Security Name	Market Linked, Secured, Principal-Protected/Non Principal Protected, Unlisted, Rated/Unrated, Redeemable, Non-Convertible Debentures Abans Finance Private Limited - Series ____
Issuer	Abans Finance Private Limited
Type of Instrument	Non-Convertible Debentures
Nature of Instrument	Market Linked, Secured, Principal-Protected/Non Principal Protected, Unlisted, Rated/Unrated, Redeemable, Non-Convertible Debentures Abans Finance Private Limited - Series ____
Seniority	Senior
Issuance Mode	Demat only
Trading Mode	Demat only
Eligible Investors / Participant	<ul style="list-style-type: none"> • Individuals • Hindu Undivided Family • Trust • Limited Liability Partnerships • Partnership Firm(s) • Portfolio Managers 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 • Any other investor eligible to invest in these Debentures <p>All investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this Issue.</p>
Product Code	ABANS/NCD/23-24/ Series ____
ISIN	TBA
Underlying Performance (UP)	(Final Fixing Level/Initial Fixing Level)-1
Option to retain oversubscription (Amount)	Not applicable.
Underlying	Nifty 50 Index
Face Value	Rs.1,00,000/- per debenture This Debenture issue does not form part of non-equity regulatory capital mentioned under Chapter V of SEBI NCS Regulations, 2021.
Objects of the Issue	General corporate purposes, business operations, onward lending and investments.
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, onward lending and investments.
Coupon / Dividend Rate	As mentioned in Contingent Coupon (CC) and Coupon

Step Up / Step Down Coupon Rate	Not applicable
Coupon / Dividend Payment Frequency	At Maturity
Coupon / Dividend payment dates	Maturity Date
Cumulative / non cumulative, in case of dividend	Not applicable
Contingent Coupon (CC)	_____
Participation Rate (PR)	_____
Day Count Basis	Actual / Actual
Interest on Application Money	Not Applicable
Default Interest Rate	In case of default in payment of interest and/or principal redemption on the due dates, additional interest @ 2% (Two percent) p.a. over the applicable coupon rate will be payable by the Company from the date of the occurrence of the default until the default is cured or the debentures are redeemed pursuant to such default, as applicable.
Tenor In Days	_____
Redemption Date	_____ The Redemption Date may be deferred, at the sole discretion of the Issuer, to a date falling not later than 07 (seven) working days from the date mentioned herein. The change in Redemption Date shall be communicated to the investors in the Letter of Allotment.
Redemption Amount / Value	Face Value * (1+Coupon)
Redemption Premium / Discount	Not Applicable
Call Option	None, except in case of Early Redemption Option
Put Option	None
Put Date	Not Applicable
Put Price	Not Applicable
Call Date	Not Applicable
Call Price	Not Applicable
Issue Opening Date	_____
Issue Closing Date	_____
Pay-in-Date	[●] The Pay-in-Date may be deferred, at the sole discretion of the Issuer, to a date falling not later than 07 (seven) working days from the date mentioned herein. The change in Pay-in-Date shall be communicated to the investors.
Date of Allotment	[●]
Deemed Date of Allotment	[●]
Settlement mode of the Instrument	Cheque / pay order will be dispatched by courier or registered post at the address provided in the Application Form / at the address as subsequently notified to the Issuer

	in writing by Debenture-holder(s) or at the address on the Depository's record. Where applicable, settlement will be effected by account to account transfer vide Real Time Gross Settlement System (RTGS).
Depositories	NSDL and CDSL
Disclosure of Interest / Dividend / redemption dates	_____
Record Date	The record date shall be 15 days prior to the redemption date / interest payment date
All covenants of the issue (including side letters, accelerated payment clause etc)	Refer Page 25 of the DTD
Description regarding Security (where applicable) including type of security (movable / immovable / tangible etc.), type of charge (pledge / hypothecation / mortgage etc.), date of creation of security / likely date of creation of security, minimum security cover, revaluation, replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Trust Deed and disclosed in the placement memorandum.	<p>The debentures shall be secured by way of a pari passu first ranking charge on present and future receivables of the Company as mentioned in the Deed of Hypothecation, to the extent of 1.00 time of the principal and interest amounts of the debentures outstanding at any point of time.</p> <p>Date of creation of security pursuant to Deed of Hypothecation dated October 07, 2019, the Unattested Amended and Restated Deed of Hypothecation dated January 21, 2020, the Second Unattested Amended and Restated Deed of Hypothecation dated June 15, 2020 and the Third Unattested Amended and Restated Deed of Hypothecation dated January 14, 2021.</p>
Transaction Documents	<ol style="list-style-type: none"> 1. Debenture Trust Deed (DTD) 2. Debenture Trustee Agreement, the Security Documents, all other documents in relation to the issuance of the Debentures 3. Deed(s) of Hypothecation 4. This Placement Memorandum <p>Any other document that may be jointly designated as a transaction document by the Debenture Trustee and the Company</p>
Conditions Precedent to Disbursement	5. Other than those specified in the SEBI NCS Regulations, there are no other conditions precedent to disbursement
Condition Subsequent to Disbursement	Other than those specified in the SEBI NCS Regulations, there are no other conditions subsequent to disbursement
Event of Default (including manner of	(a) Breach of Terms

voting /conditions of joining Inter Creditor Agreement)	<p>Any material breach of any of the terms of the Transaction Documents by the Company which affects any of the rights of the Debenture Holders.</p> <p>(b) Creation of Security</p> <p>Failure on part of the Company to create the Security/ additional Security in favour of the Debenture Trustee for the benefit of the Debenture Holders or creation of any other security interest over the Security without prior approval of the Debenture Trustee or when the Security is in jeopardy in the opinion of the Debenture Trustee.</p> <p>(c) Cessation of Business</p> <p>The Company without the consent of Debenture Holders ceases to carry on its Business or gives notice of its intention to do so.</p> <p>(d) Non-payment</p> <p>The Company makes two consecutive defaults in the payment of any interest which ought to have been paid in accordance with the terms of the issue.</p> <p>(e) Insolvency and winding-up</p> <p>The Company passes any resolution or takes any action to commence a voluntary proceeding under any applicable bankruptcy, winding up or other similar law now or hereafter in effect, or consent to the entry of an order for relief in an involuntary proceeding under any such law, or consent to the appointment or taking possession by a receiver, liquidator, assignee (or similar official) for any or a substantial part of its property; or</p> <p>If an involuntary proceeding is commenced against the Company under any applicable bankruptcy, 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 (or similar official) for any substantial part of its property, or for the winding up or liquidation of its affairs, or other action has been admitted by a court or other Governmental Authority and such proceeding has not been vacated, discharged or stayed within 90 (ninety) days.</p>
Creation of recovery expense fund	Recovery expense fund has been created with BSE Limited
Conditions for breach of covenants (as specified in the Debenture Trust Deed)	Refer Page 26 of the DTD
Provisions related to Cross Default Clause	Not Applicable
Role and Responsibilities of Debenture Trustee	As per DTD
Governing Law and Jurisdiction	The Debentures are governed by and shall be construed in accordance with the existing laws of India. Any dispute arising in respect thereof will be subject to the exclusive jurisdiction of the courts at Mumbai (Maharashtra) in India

Registrars	Link Intime India Private Limited
Trustee	Beacon Trusteeship Limited
Business Day Convention	<p>Should any of the dates defined above or elsewhere in this document except the deemed date of allotment, fall on a Sunday or a Holiday, then the following shall be applicable:</p> <p>(a) In respect of the coupon payment dates falling on a Sunday or a Holiday, the coupon payment shall be made on the next working day on which the money market is functioning in Mumbai.</p> <p>(b) In respect of redemption / maturity date falling on a Sunday or a Holiday, the redemption proceeds shall be paid along with the coupon payment on the previous working day on which the money market is functioning in Mumbai.</p> <p>(Ref: SEBI Circular CIR/IMD/DF-1/122/2016 dated November 11, 2016)</p>
Reporting	Investor agrees that KYC information provided shall be used during reporting the trade on reporting platforms as a regulatory requirement as per the guidelines issued by SEBI.

Company reserves the right to change the issue closing date and in such an event, the Deemed date of allotment may also be revised by the Company at its sole and absolute discretion. In the event of any change in the above issue dates, the investors shall be intimated of the revised schedule by the Company.

While the debt securities are secured to the tune of 100% of the principal and interest amount or as per the terms of offer document/ information Memorandum, in favor of Debenture Trustee, it is the duty of the Debenture Trustee to monitor that the security is maintained.

General Risk: Investment in Debentures which is a debt instrument involve a degree of risk and investors should not invest any funds in the aforesaid Debentures, unless they can afford to take the risks attached to such investments. For taking an investment decision, the investors must rely on their own examination of the Company and the Issue including the risks involved. The Debentures have not been recommended or approved by Securities and Exchange Board of India (“SEBI”) nor does SEBI guarantee the accuracy or adequacy of the offer Document.

Early Termination for Extraordinary Reasons, Illegality and Force Majeure If the Issuer determines that, for reasons beyond its control, the performance of its obligations under the Debentures has become illegal or impractical in whole or in part for any reason, or the Issuer determines that, for reasons beyond its control, it is no longer legal or practical for it to maintain its hedging arrangements with respect to the Debentures for any reason, the Issuer may at its discretion and without obligation terminate early the Debentures. If the Issuer terminates early the Debentures, the Issuer will, if and to the extent permitted by applicable law, pay the holder of each such Debenture an amount determined by the Calculation Agent.

Operational Risk: The Company operates in financial markets. The Company’s business and performance are influenced by local and global economic conditions. A significant portion of the Company’s revenue is generated by lending and investment activities. A slowdown in financial market could exert downward pressure on business of the Company. Furthermore, a prolonged weakness in the financial and economic situation may have a negative impact on borrowers with whom the Company does, or may do, business.

Financial Risk: The Company requires significant capital in order to implement its strategy. The Company must continue to raise capital to continue its business. The Company’s capital raising plans and requirements are subject to a number of risks, contingencies and other factors, some of which are beyond its control. In addition, the Company cannot assure investors that it will be able to generate sufficient cash flow or that it will have access to sufficient external financing to support its current and planned financial activities, including its existing and future working capital requirements.

Regulatory Risk: The Company being a registered NBFC, operations of NBFCs are subject to directions/ regulations framed/ amended by the RBI from time to time. Also, the future government policies and changes in laws and regulations in India and comments, statements or policy changes by any regulator, including but not limited to the SEBI, may adversely affect the Issuer’s financial results and operations, and restrict the Issuer’s ability to carry out its business. The timing and content of any new law or regulation is not within the Issuer’s control and such new law, regulations, comment, statement or policy change could have an adverse effect on its business, results of operations and financial conditions.

Security Maybe Insufficient To Redeem Debentures: The debentures are secured with a charge on the book debts of the Issuer. The quantum of book debts would remain fluctuating during the term of the debentures. We may encounter difficulties in fully recovering and liquidating the book debts at the time of redemption of the debentures as debtors may be unable to pay the debts on time. There is no assurance that the book debts would not turn bad or doubtful during the term of the debentures. We may face additional delay and expense in recovering the book debts and may face significant delay arising out of litigation against defaulting debtors. Inability or delays in recovery of book debts could adversely affect our financial condition and ability to redeem the debentures.

Market Risk: The investment return on the debentures is linked to the performance of the Underlying. There is no guarantee on whether the reference Underlying will appreciate or depreciate. The coupon on the debenture may be affected by a number of factors, including but not limited to the level of the reference underlying, option volatility of underlying, interest rates and time remaining to maturity.

An investor in the debentures will not be entitled to receiving any interest payments and/or dividends and/or other distributions in the Underlying during the term of the debentures.

Even though the interest on the debentures are linked to the Underlying, the return on the debentures may not reflect the return an investor may realize if the investor was to actually own Underlying. Further, the debenture holders will have no ownership rights on the Underlying.

Credit Risk Any lending and investment activity by the Issuer is exposed to credit risk arising from repayment default by borrowers and other counterparties. The Issuer has a systematic credit evaluation process to monitor the performance of its asset portfolio on a regular and continual basis to detect any material development, and constantly evaluate the changes and developments in sectors in which it has substantial exposure and to take timely appropriate remedial actions. The Issuer also undertakes periodic reviews of its entire asset portfolio with a view to determine the portfolio valuation, identify potential areas of action and devise appropriate strategies thereon. Despite these efforts, there can be no assurance that repayment default will not occur and in such circumstances may have an effect on its results of operations.

Model Risk Investments in the Market Linked Debentures are subject to model risk. Returns on the Debentures are based on complex mathematical models involving multiple derivative exposures which may or may not be hedged and the actual behavior of the Underlying / Reference Index selected for hedging may significantly differ from returns predicted by the mathematical models

Force Majeure Event shall mean any war, strike, lock-out, natural disaster, act of terrorism, any restriction on trading in the underlying, an act of state or situations beyond the reasonable control of the Company occurring after an obligation under the offer document is entered into by the Company, or such obligation has become illegal or impossible, in whole or in part and includes any breakdown, failure or malfunction beyond the control of the Company of any telecommunication or computer system including, without limitation, unavailability or outages or breakdowns of any communication system(s), breach or effect of any virus in the processes or the 'payment and delivery mechanism', sabotage, fire, explosion(s), acts of God, civil commotion or industrial action of any kind, riots, insurrection, acts of Government, computer hacking, unauthorized access to computer data and storage devices and computer crashes.

Market Suspension Event means the event of any suspension of trading by the CME on any official trading day, on account of circuit breaker system being triggered as prescribed by CME / regulatory authorities in this regard, of the underlying, whereby trading shall be halted for the remainder of the trading day in all Underlying and derivatives of Underlying market nationwide.

Reference Index Modification Event means any material change in composition of index/method of computation of index as determined by the calculation agent which leads to substantially increased cost of hedging/ Hedging Disruption.

Hedging Disruption means that the Issuer or any of its Affiliates or its Holding Company is unable, after using commercially reasonable efforts, to either (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the Underlying price risk (or any other relevant price risk including, but not limited to, the currency risk) of issuing and performing its obligations with respect to the Debentures, or (B) freely realize, recover, receive, repatriate, remit or transfer the proceeds of hedge positions or the Debentures.

Increased Cost of Hedging means that the Issuer and/or any of its Affiliates or its Holding Company would incur a materially increased (as compared with circumstances existing on the Date of allotment) amount of tax, duty, expense or fee (other than brokerage commissions) to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the Underlying price risk (or any other relevant price risk including, but not limited to, the currency risk) of issuing and performing its obligations with respect to the Debentures, or (B) realize, recover or remit the proceeds of hedge positions or the Debentures.

Issuer Tax Change Event means that, on or after the Deemed Date of Allotment of the Debentures, the imposition of any withholding or deduction on any payments in respect of the Debentures by or on behalf of the Issuer if such withholding or deduction is required by law.

Change in Law means that, on or after the Deemed Date of Allotment of the Debentures (I) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (II) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Issuer determines in its sole discretion that (1) it has become illegal for the Issuer to hold, acquire or dispose of the Underlying Shares/Hedge Positions relating to the Debentures, or (2) the Issuer will incur a materially increased (as compared with the circumstances existing on the Deemed Date of Allotment) cost in relation to the performance of the Issuer's obligations under the Debentures (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on the tax position of the Issuer).

TDS/TCS: Maturity/Redemption/Exit from debentures would be subject to TDS/TCS deduction as per Income Tax laws. Investor understands that such provisions will be applicable on Market Linked Debenture investments also and cash flow received in investor's hand may differ as compared to showcased in illustrations in this document depending upon TDS/TCS implication.