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MASTER LETTER OF OFFER FOR VOLUNTARY RE-PURCHASE OF DEBENTURES

Aventus[^]

Aventus Finance Private Limited

A Private Limited Company incorporated under the Companies Act, 1956

Date of Incorporation: May 15, 1996¹; **CIN:** U65921MH1996PTC251407

Registered Office: 901, Platina, 9th Floor, Plot No. C-59, Bandra Kurla Complex, Bandra (E), Mumbai 400051, India²,

Telephone No.: 022 66480050; **Fax No.:** 022 66480040

Email: investor.afpl@avendus.com; **Website:** www.avendus.com

MASTER LETTER OF OFFER FOR VOLUNTARY RE-PURCHASE ("OFFER LETTER") OF A PART OR ALL OF THE DEBENTURES WITH A FACE VALUE OF INR 10,00,000 (INDIAN RUPEES TEN LAKH) EACH, IN THE NATURE OF SENIOR, RATED, LISTED, SECURED, REDEEMABLE, PRINCIPAL PROTECTED, NON-CONVERTIBLE DEBENTURES MARKET LINKED DEBENTURES OFFERED UNDER THE INFORMATION MEMORANDUM BEARING REFERENCE NO.: AFPL/NCD/21-22/ Series C 2024 AND SERIES C 2024 {FY 2021-22} DATED DECEMBER 10, 2021 FOR ISSUE OF DEBENTURES ON PRIVATE PLACEMENT BASIS AGGREGATING UP TO 350 DEBENTURES, SUBSCRIBED AND ALLOTTED TO THE EXTENT OF 350 DEBENTURES UNDER SERIES C 2024 {FY 2021-22} UNDER ISIN NUMBER INE177R07142 (THE "DEBENTURES"), ISSUED BY AVENDUS FINANCE PRIVATE LIMITED ("COMPANY" OR "ISSUER").

BACKGROUND: This Offer Letter is related to the Debentures issued by the Issuer on a private placement basis and contains relevant information required for the purpose of re-purchase of the Debentures.

ISSUER'S ABSOLUTE RESPONSIBILITY: The Issuer, having made all reasonable inquiries, accepts responsibility for, and confirms that, to the best of its knowledge, this Offer Letter contains all information with regard to the proposed re-purchase, that the information contained in this Offer Letter is true and correct in all material respects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

Registrar & Share Transfer Agent

Name: NSDL Database Management Limited

Address: 4th Floor, Trade World A Wing, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013

Tel: 022 49142701

Email: sunilk@nsdl.co.in

Contact Person: Mr. Sunil Kamble

Debenture Trustee

Name: Catalyst Trusteeship Limited **Address:** Windsor, 6th floor, Office No.604, C.S.T

Road, Kalina, Santacruz (East), Mumbai – 400098

Tel: 022-49220555

Email: umesh.salvi@ctltrustee.com

Contact Person: Mr. Umesh Salvi

¹ The Issuer was formerly known as Pacific Hire-Purchase Private Limited. Pursuant to acquisition by Aventus Capital Private Limited, the Issuer's name was changed to Aventus Finance Private Limited with effect from September 18, 2014

² Prior to April 1, 2023 the registered office of the Issuer was situated at The IL&FS Financial Centre, 6th floor, C and D Quadrant, Bandra – Kurla Complex, Bandra (East), Mumbai – 400 051, Maharashtra

INTRODUCTION

Company had issued the Debentures by way of private placement in accordance with the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (“SEBI Regulations”) and other applicable laws as follows:

350 Debentures were allotted by way of private placement on December 10, 2021 (“**Series C 2024 {FY 2021-22} NCD**”) pursuant to the information memorandum and private placement offer cum application letter dated December 10, 2021 thereunder (“**Information Memorandum**”). The debentures were allotted in accordance with the terms stated in the Information Memorandum, and further detailed terms of the Debenture issuance are set out in the Debenture Trust Deed entered into between the Catalyst Trusteeship Limited as the Debenture Trustee and the Company on December 14, 2021. (“**DTD**” or “**Debenture Trust Deed**”). The present offer to redeem / repurchase / buy back from the debenture holders is being made in accordance with the terms as stated in the Information Memorandum and the DTD.

Following are the summary details of the **Series C 2024 {FY 2021-22} NCD** which are proposed to be re-purchased:

Particulars	Details						
Face Value (INR.)	Rs. 10,00,000 (Indian Rupees Ten Lakh) per Debenture						
Date of Allotment.	December 10, 2021						
Redemption Premium	Means (a) 0% (zero percent), if the Reference GSec Price Movement = -50% or below; and (b) IRR of 9.10% p.a. (Nine decimal One Zero percent) compounded annually, if the Reference GSec Price Movement stays above -50%.						
Redemption Amount	Based on ‘Reference Index Performance’ applicable as follows – <table border="1" data-bbox="643 1236 1341 1530"> <thead> <tr> <th>Reference Index Movement from Initial fixing date to Final fixing date</th> <th>Redemption Amount per Debenture</th> </tr> </thead> <tbody> <tr> <td>Reference GSec Price Movement = -50% or below</td> <td>10,00,000/-</td> </tr> <tr> <td>Reference GSec Price Movement stays above -50%</td> <td>12,25,440/-</td> </tr> </tbody> </table> <p>Initial Fixing Level – Official closing level of Reference Index as on Initial Fixing Date. Final Fixing Level – Official closing level of Reference Index as on Final Fixing Dates. Reference GSec Price Movement (%) = [(Final Fixing Level / Initial Fixing Level)-1]*100</p>	Reference Index Movement from Initial fixing date to Final fixing date	Redemption Amount per Debenture	Reference GSec Price Movement = -50% or below	10,00,000/-	Reference GSec Price Movement stays above -50%	12,25,440/-
Reference Index Movement from Initial fixing date to Final fixing date	Redemption Amount per Debenture						
Reference GSec Price Movement = -50% or below	10,00,000/-						
Reference GSec Price Movement stays above -50%	12,25,440/-						
Reference Index	Means the price of 6.10 GS 2031 (ISIN No.IN0020210095)						
Reference GSec Price Movement (%)	[(Final Fixing Level / Initial Fixing Level)-1]*100						
Initial Fixing Date	Date of Allotment						
Final Fixing Date	March 6, 2024						
Final Fixing Level	Simple Average of closing prices as on 04, 05 and 06 March 2024						

Final Redemption Date	April 10, 2024
ISIN Number	INE177R07142

The Company has decided to provide additional exit opportunity to the debenture holders and has accordingly decided to implement a re-purchase scheme in accordance with the terms of this Offer Letter.

The Board of Directors of the Company by its Circular Resolution on September 14, 2023 have approved the re-purchase of the Debentures.

Please note that this Offer Letter shall be available on the website of the company from the date of issuance of this Offer Letter upto the re-purchase date : www.avendus.com

SPECIAL ATTENTION OF THE DEBENTURE HOLDERS IS DRAWN TO THE FOLLOWING FEATURES OF THE RE-PURCHASE.

VOLUNTARY PARTICIPATION

The debenture holders have the right but not the obligation to tender all or some of the Debentures held by them in the re-purchase subject to conditions mentioned in this Offer Letter, at the sole discretion of the debenture holder.

PRICE

Special attention of the investor is drawn to the price at which the re-purchase of the Debentures shall take place.

The price of the Debentures will be at par in a manner described in the section “Pricing” on Page 4 of this Offer Letter. Such price may be lower than/ higher than or equal to the price at which the Debentures are traded on the stock exchanges. Such price may be lower than/ higher than or equal to the face value of the Debentures.

In case the debenture holders tender the Debentures held by them in the re-purchase offer in part or full and upon payment of the repurchase price as set out in the section on “**Pricing**” in the offer letter, all the rights of such selling debenture holders with respect to the Debentures whether under the Information Memorandum or the Debenture Trust Deed or other transaction documents, including coupon rate, default interest etc. shall come to end from the date of payment.

The Company does not guarantee that this is the best price for the debenture holder and the debenture holder should exercise their judgment and should take all legal, financial and tax advice in relation to the Re-purchase, prior to applying for the re-purchase.

RE-PURCHASE SCHEDULE:

Definitions & abbreviations:

Term	Description
Calculation Date	shall mean the date on which the price is calculated for the Re-purchase of the Debentures.
Date of Tender (T)	shall mean the date on which the Debentures are credited in the demat account of the Company

Offer Letter	This master letter of offer containing the terms and conditions of the re-purchase.
Series	Series shall mean <u>Series C 2024 {FY 2021-22} NCD</u>
Re-purchase	The re-purchase of the Debentures by the Company in accordance with the terms of the Master Letter of Offer Letter and the Price Sheet.
Re-purchase Date	September 28, 2023

The series for which re-purchase offer is being made:

SERIES	Series C 2024 {FY 2021-22} NCD
ISIN Number	INE177R07142

Disclaimer clause

SEBI does not take any responsibility either for the financial soundness of the Company to meet the re-purchase commitments or for the correctness of the statements made or opinions expressed in this offer document. It is to be distinctly understood that this Offer Letter should not in any way be deemed or construed to have been approved or vetted by SEBI and that this re-purchase is not recommended or approved by SEBI. SEBI does not take any responsibility for the financial soundness of the re-purchase as proposed in this Offer Letter.

Pricing

THE RE-PURCHASE PRICE SHALL BE CALCULATED ON THE BASIS PROVIDED IN THE MANNER BELOW AND MAY VARY FROM THE STOCK EXCHANGE PRICE AND MAYBE AT A PRICE LOWER OR HIGHER THAN THE FACE VALUE.

The price for the Re-purchase for each Debenture would be INR 11,69,727 (Indian Rupees Eleven Lakhs Sixty Nine Thousand Seven Hundred and Twenty Seven) as calculated for repurchase date on September 28, 2023 subject to TDS.

Registrar to the Re-purchase

The Company has appointed the following as the Registrar to the Re-purchase:

M/s. NSDL Database Management Limited

4th Floor, Trade World, A Wing, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400013

Email: sunilk@nsdl.co.in

Contact Person: Mr. Sunil Kamble

Telephone: 022-49142701

Process and methodology for the Re-purchase

1. The Re-purchase is being made pursuant to this Offer Letter.
2. The Debentures shall be bought back at a price which shall be determined as provided in this Offer Letter.
3. The Debenture holders shall confirm its acceptance of the Offer Letter by signing the debenture holder acceptance form as set out in Schedule 1 of this Offer Letter by September 28, 2023 .

4. The payment of consideration shall be made through NEFT or RTGS or through such other online/electronic mode.
5. Please note that applicants are eligible to receive payments through the modes detailed hereinabove, provided they provide necessary information for the above modes and where such payment facilities are allowed / available.
6. Please note that the Company shall not be responsible for any delay to the debenture holders receiving payment so long as the Company has initiated the process of such request in time.

Procedure for tendering debentures and settlement

1. The Re-purchase is open to all Debenture holders of the Company who hold Debentures, as on the Record Date, for the **Series C 2024 {FY 2021-22} NCD** (offered for re-purchase) at the time of tender of such Debentures (“**Eligible Debenture holders**”)
2. The Re-purchase shall be on a first come first serve basis.
3. Non-receipt of Offer Letter shall not invalidate the offer for Re-purchase in any way.
4. Debentures once tendered for re-purchase cannot be withdrawn.
5. All Debenture Holders should provide all relevant documents which are necessary to ensure transferability of the Debentures.

In case all the Debentures tendered for the Re-purchase are accepted by the Eligible Debenture Holders, then the credit of the Debentures to the demat account of the Company will be acted upon and the consideration will be paid directly to the concerned debenture holder. Debenture holders are requested to ensure that at the time of submission or providing instruction to the depository participant for the transfer of the Debentures, the receipt slip provided by the depository participant should be duly time stamped.

Alternatively, repurchase of the Debentures can be transacted between the Company and the eligible Debenture holders on a secondary market/online platform as may be permissible in accordance with the regulations.

Further, on payment of Repurchase Price to the eligible Debenture Holders, the Company may extinguish the Debentures in the Demat account of the Debenture holders.

Demat account and method of submission

- a) The following depository account of the Company will be credited with the Debentures upon the Re-purchase.

Depository	National Securities Depository Limited
DP ID	IN304367
DP Name	Avendus Finance Private Limited
Beneficiary Client ID	10000053
Account Name	Avendus Finance Private Limited

- b) Debenture holder(s) of the Company who wish to tender / offer their Debentures in response to this Re-purchase offer should transfer their Debentures to Company’s above mentioned Demat Account on the Re-purchase Date and deliver the following documents:

- i. **If the debenture holder is a market participant**, signed debenture holder acceptance form, set out in Schedule 1 of this Offer Letter as required.
 - ii. **If the debenture holder is a non-market participant, then following documents are required**
 - Pan card (company & authorized signatories)
 - Address proof (company & authorized signatories)
 - Client master report
 - Bank proof
 - Board Resolution & Authorized Signatory list (In case of corporate).
 - Signed debenture holder acceptance form, set out in Schedule 1 of this Offer Letter.
- c) Debenture holder(s) having their beneficiary account in CDSL will have to use inter-depository instructions slip for the purpose of crediting their debentures in favour of the Depository Account as set out above.
- d) In case of non-receipt of the aforesaid documents, but receipt of the Debentures in the Depository Account, the Company may deem the Re-purchase offer to have been accepted by the debenture holder(s) as per the terms and conditions mentioned in the Offer Letter and use demographic details of the applicant as available from the depositories. In case of non-availability of valid demographic details from the depositories, the payment shall be kept in abeyance and shall be paid only after the receipt of the original documents. In such case, the Company / Registrar shall not be responsible for delay in the payment and no interest shall be paid for the delayed period.

Payment of consideration

The Company shall credit the repurchase price on the Re-purchase Date.

Compliance officer

The Company has designated the following as the Compliance Officer for the Re-purchase:

Radhika Parmanandka

Company Secretary

901, Platina, 9th Floor, Plot No. C-59, Bandra Kurla Complex, Bandra (E), Mumbai 400051, India

Phone: 022-66480050

Email: radhika.parmannandka@avendus.com

The officer can be contacted on any working day (i.e. Monday to Friday and not being a bank holiday in Mumbai) between 10:30 am to 5:00 pm.

Any change modification or amendment in any terms of the Re-purchase or any other matter or information provided in this Offer Letter shall be appropriately communicated to the Debenture holders either by way of a separate communication or by announcement of the same on the website of the Company and/ or the Registrar.

TAX DEDUCTED AT SOURCE

The Company may deduct an amount from the payment to be made to the Debenture Holders whose tendered Debentures are accepted by the Company towards withholding tax (if

applicable) in accordance with the provisions of the (Indian) Income Tax Act, 1961. In case the Company deducts any amount towards withholding tax, the Company shall issue a withholding tax certificate to the Debenture Holders whose tendered Debentures are accepted by the Company. Apart from the aforesaid deduction of withholding tax (if applicable) from payment made to the Debenture Holders whose tendered Debentures are accepted by the Company, the Debenture Holders shall solely be liable to bear any taxes which may arise under the (Indian) Income Tax Act, 1961 on receipt of the Repurchase Price towards the Debentures which are tendered by the Debenture Holders.

SCHEDULE 1

DEBENTURE HOLDER ACCEPTANCE FORM

I/We, _____, have consented to the offer made for the re-purchase of the Debentures and have accepted the Re-purchase offer of the Company and shall transfer _____ number of Debentures subject to the conditions of this Offer Letter. I/We have read and understood the terms and conditions of this Offer Letter and hereby provide my consent and acceptance to the same and more specifically to the following details:

Sr. No.	Particulars	Details
1)	Number of debentures held	_____
2)	Face Value of each debenture	10,00,000
3)	Series of the debentures	Series C 2024 {FY 2021-22}
4)	ISIN	INE177R07142
5)	No. of debentures being accepted for re-purchased	_____
6)	Value of each debenture being accepted for re-purchased	11,69,727

Signature of Debenture Holder

Name of the Debenture Holder:

Date:

Place: