



CHEMM FINANCE LTD.

No.19, Illrd Cross, KCD Complex, Mission Road Cross,
Bangalore – 560 027.

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Terms and Conditions Governing Acceptance of Debt Securities (39th issue)

1. Type of Instrument

Debentures

2. Type of Convertibility

Non Convertible

3. Type of Debentures & Security, if secured

Debentures are secured by creation of charge on the book debts of the company with ROC, amounting to 110% of the value of the debentures.

4. Mode of Issue

Private Placement

5. Series

39th

6. Form of Issue

Demat only

7. Minimum and Maximum amount of Issue

Minimum: Rs. 1,00,000/-

Maximum: No upper limit

8. Face Value

Rs.1000/- per debenture

9. Tenure of the Issue

36 Months

10. Number of applications per Issue

32 only

11. Objects of the Issue

To augment working capital requirements

12. Details of utilization of the Proceeds

Deployment for retail loans and advances

13. Whether tax free

No

14. Whether debentures fall under Infrastructure category as per Govt. notification

No

15. Whether Guaranteed or Partially Guaranteed.

No

16. Debenture Trust Deed

Debenture trust deed is executed as per the provisions of Companies Act [Pursuant to sub section (13) of section 71 of Companies Act, 2013 and rule 11 of the Companies (Share Capital and Debentures) rules 2014].

17. Type of Interest/ Coupon Basis

Fixed Rate

18. Coupon Rate

No.	Period	Rate of Interest
		Monthly
1	36 Months	11.00%

19. Coupon Type

Simple

20. Size of the Issue

Total: Rs. 2,59,51 000/-

21. Record Date for Principal payment

7 days prior to principal payment

22. Holiday Convention for making payments –Principal

Next working day

23. Record Date for Interest payment

7 days prior to interest payment

24. Holiday Convention for making payments – Interest

Next working day

25. Holiday Convention Interest calculation – Additional interest

Nil

26. Application, Nomination and Remittance

- Application for secured non convertible debentures should be made in the prescribed application form duly completed in all respects accompanied by one passport size photograph of the applicant/s.
- Payment towards application money may be made by way of cheque / pay order /draft / NEFT / RTGS detail etc. All cheques / pay orders / drafts should be crossed 'Account Payee' and payable to 'Chem Finance Ltd.'
- NEFT / RTGS details are as follows:
Bank Name: The Catholic Syrian Bank Ltd
Branch Name: Brigade Road, Bangalore – 560 025
Account Number: 00091017338712001
RTGS/NEFT IFS CODE: CSBK0000009
- The application should be made in the order of the name/s as shown in the demat account.

27. Interest Payments

- Interest for the application money will be paid by the company from the date of realization of the cheque / pay order/draft / NEFT / RTGS etc. deposited with the company till the time of allotment of debentures.
- Interest on debentures as per the coupon rate will be credited to the account attached to the demat account of the debenture holder/s on due dates.

28. Early Redemption

- Call Option:** The Company retains the right to redeem all debentures before maturity, but after completing one year from allotment with 30 days notice, paying interest at the coupon rate till the date of payment.



Put Option: The Company will buy back the debentures in case of redemption of the debentures before maturity by the holders of debentures and if there are no takers for buying the debentures, at a reduced rate, as mentioned below:

1. One day to 3 months: Nil
2. Above 3 months, less than 6 months: 4%
3. Above 6 months, less than 13 months: 5%
4. 13 months and above: Rate applicable for the completed period less 2% of effective rate.

29. Redemption after Maturity

- a. On due date, maturity proceeds will be credited to the bank account attached to the debenture holder's demat account.
- b. Where the due date of any payment falls on a holiday, the payment will be made on the next working day.

30. Future Borrowings:

The company shall be entitled to make future issue of Debentures and / or raise further term loans or raise further funds from time to time from any persons / banks / financial institutions / body corporate / any other agency. However, until the debentures are fully redeemed, the company shall not create any mortgage or charge on any of its specially charged assets without obtaining prior approval of the debenture holders.

31. Debenture free from Equities:

The debenture holders will be entitled to their debentures free from equities or cross claims by the company against the original or any intermediate holder thereof.

32. Debenture holders not entitled to Share holders rights:

The debenture holders will not be entitled to any of the rights and privileges available to the share holders including right to receive notices of or to attend and vote at General Body meetings or to receive annual reports of the company. If, however, any resolution affecting the rights attached to the debentures placed before the share holders such resolution will first be placed before the debenture holders for their consideration.

33. Variation of Debenture holders rights:

The rights, privileges and conditions attached to the debenture may be modified, or varied and/or abrogated in accordance with the provisions on the Companies Act, 1956 and/or the Articles of Association of the company, subject to the consent in writing of the Debenture Trustee.

34. Service of Notice:

All notices to the debenture holder/s required to be given by the company shall be deemed to have been given, if published in one English and one regional language daily newspaper, and may at the sole discretion of the company, but without any obligation, be sent to the Debenture holder/s at the address stated in the application form or at the address notified by the debenture holder/s in due course.



35. Rating of the Debenture issue:

BB by M/s Brick Work Rating Agency

36. General

- a. No loan will be sanctioned against the security of debentures lying in the demat account.
- b. The company reserves the right to reject any application for debentures without assigning any reason thereof.

Yours faithfully,

Shyaman. P
CEO

