

**TERM SHEET FOR NCD ISSUANCE LENDINGKART FINANCE LIMITED**

|                                   |  |
|-----------------------------------|--|
| Issuer                            | Lendingkart Finance Limited  |
| Issue Size                        | Rs. 25 crores (Rupees Twenty Five Crores Only)   |
| Option to retain oversubscription | N.A.   |
| Facility                          | Secured, Redeemable Non-Convertible, Rated, Listed, Taxable Debentures   |
| Seniority                         | Senior   |
| Nature of Instrument              | Secured  |
| Issuance Mode                     | In Demat mode only   |
| Trading Mode                      | In Demat mode only   |
| Objects of the Issue              | <p>The proceeds of the Issuance will be utilized for the following purposes:</p> <ul style="list-style-type: none"><li>✓ Onwards lending as per RBI Guidelines</li><li>✓ Working Capital purposes</li></ul> <p>Issue proceeds will not be used for acquisition of land or for investing in Capital Markets or for the following purposes which are not eligible for bank finance:</p> <ol style="list-style-type: none"><li>1. Bills discounted / rediscounted by the Issuer - except for rediscounting of bills discounted by NBFCs arising from sale of -<ol style="list-style-type: none"><li>(a) commercial vehicles (including light commercial vehicles), and</li><li>(b) two wheeler and three wheeler vehicles, subject to the following conditions :<ul style="list-style-type: none"><li>• the bills should have been drawn by the manufacturer on dealers only;</li><li>• the bills should represent genuine sale transactions as may be ascertained from the chassis / engine number; and</li><li>• before rediscounting the bills, banks should satisfy themselves about the bona fides and track record of NBFCs which have discounted the bills.</li></ul></li></ol></li><li>2. Investments of the Issuer both of current and long-term nature, in any company / entity by way of shares, debentures.</li><li>3. Unsecured loans / inter-corporate deposits by the Issuer to / in any company.</li><li>4. All types of loans and advances by the Issuer to their subsidiaries, group companies / entities.</li><li>5. Further lending to individuals for subscribing to Initial Public Offerings (IPOs) and for purchase of shares from secondary market.</li></ol> |

**LENDINGKART FINANCE LIMITED** (Formerly AADRI INFN LIMITED)

CIN: U65910MH1996PLC258722

Registered Office: A-303/304, Citi Point, Andheri-Kurla Road, Andheri East, Mumbai, Maharashtra, 400 059, India.

Corporate Office: 14<sup>th</sup> Floor, 'The First', The First Avenue Road, Behind Keshavbaug Party Plot, Vastrapur, Ahmedabad-380 015, Gujarat, India.

Phone: +91-79-6677 0600

email: lendingkartfinance@lendingkart.com

website: www.lendingkartfinance.com





# LENDINGKART

Think Cash, Think Lendingkart Group!

|  |   |
|--|---|
|  | The proceeds of this Issue shall not be used for any purpose, which may be in contravention of the government/RBI/SEBI/other regulatory guidelines  |
| Utilization of Issue Proceeds  | <p>The proceeds of the Issuance will be utilized for the following purposes:</p> <ul style="list-style-type: none"> <li>✓ Onwards lending as per RBI Guidelines</li> <li>✓ Working Capital purposes</li> </ul> <p>Issue proceeds will not be used for acquisition of Land or for investing in Capital Markets and for purposes not eligible for Bank Finance:</p> <ol style="list-style-type: none"> <li>1. Bills discounted / rediscounted by the Issuer - except for rediscounting of bills discounted by NBFCs arising from sale of - <ul style="list-style-type: none"> <li>(a) commercial vehicles (including light commercial vehicles), and</li> <li>(b) two wheeler and three wheeler vehicles, subject to the following conditions : <ul style="list-style-type: none"> <li>• the bills should have been drawn by the manufacturer on dealers only;</li> <li>• the bills should represent genuine sale transactions as may be ascertained from the chassis / engine number; and</li> <li>• before rediscounting the bills, banks should satisfy themselves about the bona fides and track record of NBFCs which have discounted the bills.</li> </ul> </li> </ul> </li> <li>2. Investments of the Issuer both of current and long-term nature, in any company / entity by way of shares, debentures.</li> <li>3. Unsecured loans / inter-corporate deposits by the Issuer to / in any company.</li> <li>4. All types of loans and advances by the Issuer to their subsidiaries, group companies / entities.</li> <li>5. Further lending to individuals for subscribing to Initial Public Offerings (IPOs) and for purchase of shares from secondary market.</li> </ol> <p>The proceeds of this Issue shall not be used for any purpose, which may be in contravention of the government/RBI/SEBI/other regulatory guidelines</p> |
| Interest on Application Money  | <p>The Issuer shall be liable to pay the Debenture Holder(s) interest on application money at additional interest @ 2% p.a. over the Coupon Rate the Coupon rate per annum for the period commencing from the credit of subscription monies in respect of the Debentures in the account of the Issuer until the Deemed Date of Allotment.</p> <p>Where Pay-in Date and Deemed Date of Allotment are the same, no Interest on Application money is to be paid.</p>   |
| 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 | <ol style="list-style-type: none"> <li>1. Debentures shall be secured by a continuing security by way of an exclusive floating charge up to the extent of 125% of principal amount of Debentures outstanding ("Security Cover"), on the standard/ Hypothecated receivables in favour of the Debenture Trustee for the benefit of the Debenture Holders.</li> <li>2. If the Security Cover falls below 1.25 times on any account, including upon enforcement of the Hypothecated Assets to meet shortfall in payment of the coupon</li> </ol>  |

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| <p>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 Offer Document/ Information Memorandum.</p> | <p>on the Debentures, the Company shall within 30 (thirty) Business Days of such occurrence, hypothecate further assets or such additional security as may be acceptable to the Debenture Trustee to maintain the Asset Cover.</p> <p>3. that all the Hypothecated receivables that will be charged to the Debenture Trustee shall always be held as the exclusive property of the Company specifically appropriated to this Security and be dealt with only under the directions of the Debenture Trustee. The Company shall not create any charge, lien or other encumbrance upon or over the Hypothecated receivables or any part thereof except in favour of the Debenture Trustee nor will it do or allow anything that may prejudice this Security.</p> <p>4. the Company shall ensure that the Security Cover is maintained and shall replace such Hypothecated receivables that do not satisfy the eligibility criteria prescribed in the Transaction Documents;</p> <p>5. to create the security over the Hypothecated receivables as contemplated in the Transaction Documents on or before the Deemed Date of Allotment by executing the required duly stamped documents/instruments and to register and perfect the security interest created thereunder by filing Form CHG-9 with the concerned ROC in relation thereto as soon as practicable and within the statutory timelines.;</p> <p>6. to keep the Application Money in a designated bank account in the event this DTD and the other Transaction Documents are not executed on or before the Deemed Date of Allotment or in the event the value of the Security Cover is not maintained/provided;</p> <p>7. The Hypothecated receivables shall satisfy the eligibility criteria set out in the Transaction Documents;</p> <p>8. Nothing contained herein shall prejudice the rights or remedies of the Debenture Trustee and/ or the Debenture Holders in respect of any present or future security, guarantee obligation or decree for any indebtedness or liability of the Company to the Debenture Trustee and/ or the Debenture Holders;</p> <p>9. The Debenture Holders shall have a beneficial interest in the Hypothecated Assets of the Company which have been charged to the Debenture Trustee.</p> |
| <p>Contribution being made by the promoters or directors either as part of the offer or</p>   | <p>Nil</p>   |

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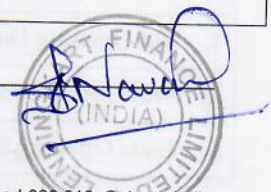
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| separately in furtherance of such objects |   |
| Arranger to the issue                     | BOB Capital Markets Ltd.  |
| Mode of Issue                             | Private Placement   |
| Listing                                   | <p>Proposed to be listed on the Wholesale Debt Market Segment (WDM) of BSE</p> <p>The NCDs are proposed to be listed on the Bombay Stock Exchange ("BSE") within 20 calendar days of the Deemed Date of Allotment</p> <p>In case of a delay by the Issuer in listing the Debentures beyond 20 (Twenty) days from the Deemed Date of Allotment the Issuer shall make payment the Debenture Holders of penal interest calculated on the face value of the Debentures at the rate of minimum of 1% (One Percent) p.a. over the Coupon Rate from the expiry of 30 (Thirty) calendar days from the Deemed Date of Allotment until the listing of the Debentures.</p> |
| Trustees                                  | IDBI Trusteeship Services Limited   |
| Credit Rating                             | Dual Rating from 2 accredited rating agency with minimum rating of BBB+. Credit rating of 'A-' from Infomerics Valuation and Rating Pvt. Ltd. and 'BBB+' from ICRA Limited  |
| Credit Enhancement                        | Nil   |
| Face Value                                | Rs. 10 Lakhs per debentures   |
| Premium on issue                          | Nil   |
| Discount on issue                         | Nil   |
| Issue Price                               | At par, Rs. 10 Lakhs per Debenture  |
| Premium on redemption                     | Nil   |
| Discount on redemption                    | Nil   |
| Minimum Application                       | 10 Debenture and in multiples of 1 Debenture thereafter   |
| Tenor                                     | 18 months   |
| Coupon Type                               | Fixed   |
| Coupon Rate                               | 10.75% p.a.   |
| Coupon Payment Frequency                  | Quarterly & on Maturity   |
| Redemption/ Maturity Amount               | Repayable in 4 equal quarterly instalments starting from the end of 9 months from the date of investment/allotment.   |
| Issue Timing                              |   |
| 1. Bid Opening Date                       | 12-11-2020 (DD-MM-YYYY)   |
| 2. Bid Closing Date                       | 12-11-2020 (DD-MM-YYYY)   |
| 3. Issue Opening Date                     | 12-11-2020 (DD-MM-YYYY)   |

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|-----------------------------|---|-----------------------------|---|-----------------------------|---|-----------------------------|---|-----------------------------|--|-----------------------------|--|-----------------------------|--|
| 4. Issue Closing Date       | 12-11-2020 (DD-MM-YYYY)   |                             |   |                             |   |                             |   |                             |  |                             |  |                             |  |
| 5. Pay-in Date              | 13-11-2020 (DD-MM-YYYY)   |                             |   |                             |   |                             |   |                             |  |                             |  |                             |  |
| 6. Deemed Date of Allotment | 13-11-2020 (DD-MM-YYYY)   |                             |   |                             |   |                             |   |                             |  |                             |  |                             |  |
| Redemption Date             | 16-08-2021 (DD-MM-YYYY)<br>13-11-2021 (DD-MM-YYYY)<br>13-02-2022 (DD-MM-YYYY)<br>13-05-2022 (DD-MM-YYYY)  |                             |   |                             |   |                             |   |                             |  |                             |  |                             |  |
| Coupon Payment Dates        | <table> <tr> <td>1<sup>st</sup> Coupon date</td><td>13-02-2021 (DD-MM-YYYY) at the end of 3<sup>rd</sup> month from deemed date of allotment</td></tr> <tr> <td>2<sup>nd</sup> Coupon date</td><td>13-05-2021 (DD-MM-YYYY) at the end of 6<sup>th</sup> month from deemed date of allotment</td></tr> <tr> <td>3<sup>rd</sup> Coupon date</td><td>13-08-2021 (DD-MM-YYYY) at the end of 9<sup>th</sup> month from deemed date of allotment</td></tr> <tr> <td>4<sup>th</sup> Coupon date</td><td>13-11-2021 (DD-MM-YYYY) at the end of 12<sup>th</sup> month from deemed date of allotment</td></tr> <tr> <td>5<sup>th</sup> Coupon date</td><td>13-02-2022 (DD-MM-YYYY) at the end of 15<sup>th</sup> month from deemed date of allotment</td></tr> <tr> <td>6<sup>th</sup> Coupon date</td><td>13-05-2022 (DD-MM-YYYY) at the end of 18<sup>th</sup> month from deemed date of allotment</td></tr> </table> | 1 <sup>st</sup> Coupon date | 13-02-2021 (DD-MM-YYYY) at the end of 3 <sup>rd</sup> month from deemed date of allotment | 2 <sup>nd</sup> Coupon date | 13-05-2021 (DD-MM-YYYY) at the end of 6 <sup>th</sup> month from deemed date of allotment | 3 <sup>rd</sup> Coupon date | 13-08-2021 (DD-MM-YYYY) at the end of 9 <sup>th</sup> month from deemed date of allotment | 4 <sup>th</sup> Coupon date | 13-11-2021 (DD-MM-YYYY) at the end of 12 <sup>th</sup> month from deemed date of allotment | 5 <sup>th</sup> Coupon date | 13-02-2022 (DD-MM-YYYY) at the end of 15 <sup>th</sup> month from deemed date of allotment | 6 <sup>th</sup> Coupon date | 13-05-2022 (DD-MM-YYYY) at the end of 18 <sup>th</sup> month from deemed date of allotment |
| 1 <sup>st</sup> Coupon date | 13-02-2021 (DD-MM-YYYY) at the end of 3 <sup>rd</sup> month from deemed date of allotment   |                             |   |                             |   |                             |   |                             |  |                             |  |                             |  |
| 2 <sup>nd</sup> Coupon date | 13-05-2021 (DD-MM-YYYY) at the end of 6 <sup>th</sup> month from deemed date of allotment   |                             |   |                             |   |                             |   |                             |  |                             |  |                             |  |
| 3 <sup>rd</sup> Coupon date | 13-08-2021 (DD-MM-YYYY) at the end of 9 <sup>th</sup> month from deemed date of allotment   |                             |   |                             |   |                             |   |                             |  |                             |  |                             |  |
| 4 <sup>th</sup> Coupon date | 13-11-2021 (DD-MM-YYYY) at the end of 12 <sup>th</sup> month from deemed date of allotment  |                             |   |                             |   |                             |   |                             |  |                             |  |                             |  |
| 5 <sup>th</sup> Coupon date | 13-02-2022 (DD-MM-YYYY) at the end of 15 <sup>th</sup> month from deemed date of allotment  |                             |   |                             |   |                             |   |                             |  |                             |  |                             |  |
| 6 <sup>th</sup> Coupon date | 13-05-2022 (DD-MM-YYYY) at the end of 18 <sup>th</sup> month from deemed date of allotment  |                             |   |                             |   |                             |   |                             |  |                             |  |                             |  |
| Coupon Reset                | None  |                             |   |                             |   |                             |   |                             |  |                             |  |                             |  |
| Day Count Basis             | Actual/Actual   |                             |   |                             |   |                             |   |                             |  |                             |  |                             |  |
| Default Interest Rate       | 2% (Two percent) over and above the Coupon Rate per annum, for the defaulting period, in the event the Issuer fails to make any payments of Interest and/or principal redemption to the Debenture Holders on their respective due dates.  |                             |   |                             |   |                             |   |                             |  |                             |  |                             |  |
| Settlement Mode             | Payment of interest and repayment of principal shall be made by way of cheque(s)/ credit through RTGS/ Electronic Fund Transfer or any other electronic mode offered by the Banks   |                             |   |                             |   |                             |   |                             |  |                             |  |                             |  |
| Depositories                | NSDL / CDSL   |                             |   |                             |   |                             |   |                             |  |                             |  |                             |  |
| Registrar                   | KFIN Technologies Pvt Ltd   |                             |   |                             |   |                             |   |                             |  |                             |  |                             |  |
| Valuer                      | Not Applicable  |                             |   |                             |   |                             |   |                             |  |                             |  |                             |  |
| Business Day Convention     | 'Business Day' shall be a day on which commercial banks are open for business in the city of Mumbai, Maharashtra and when the money market is functioning in Mumbai. If the date of payment of interest/redemption of principal does not fall on a Business Day, the payment of interest/principal shall be made in accordance with SEBI Circular CIR/IMD/DF-1/122/2016 dated November 11, 2016.  |                             |   |                             |   |                             |   |                             |  |                             |  |                             |  |

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|  | <p>If any of the Coupon Payment Date(s), other than the ones falling on the redemption date, falls on a day that is not a Business Day, the payment shall be made by the Issuer on the immediately succeeding Business Day, which becomes the coupon payment date for that coupon. However, the future coupon payment date(s) would be as per the schedule originally stipulated at the time of issuing the debentures. In other words, the subsequent coupon payment date(s) would not be changed merely because the payment date in respect of one particular coupon payment has been postponed earlier because of it having fallen on a non-Business Day.</p> <p>If the redemption date of the Debentures falls on a day that is not a Business Day, the redemption amount shall be paid by the Issuer on the immediately preceding Business Day which becomes the new redemption date, along with interest accrued on the debentures until but excluding the date of such payment.</p>   |
| Record Date  | The Record Date shall be 15 Calendar days prior to each coupon payment date / redemption date.   |
| <p>All covenants of the issue (including side letters, accelerated payment clause, etc.)</p> | <p><b>A) Rating Covenants:</b></p> <ol style="list-style-type: none"> <li>1. In case of Rating downgrade, coupon will be stepped up by 0.25% for every notch of rating downgrade, over and above the prevailing coupon rate immediately prior to such rating downgrade. Such enhanced coupon rate shall be applicable from the date of issue of the rating downgrade, by any rating agency, to the residual maturity of the bonds. In case of 2 rating agencies, lowest of the two shall be considered.</li> <li>2. In the event of a downgrade in the credit rating of Debentures issued under this facility below BBB, the Debenture holders would reserve the right to recall the outstanding principal amount on the NCDs (i.e. redemption at par) along with other monies/accrued interest due in respect thereof. Such outstanding amount will be payable within a period of 15 days from the date of such notice of exercise of the right by the Debenture holders</li> </ol> <p><b>B) Financial Covenants:</b></p> <ol style="list-style-type: none"> <li>1. The Capital Adequacy Ratio shall be minimum 15% and above</li> <li>2. Gross Non-Performing Assets shall be maximum 5%</li> <li>3. Net Non-Performing Assets shall be maximum 2.5%</li> <li>4. Debt: Equity ratio not to exceed 4x</li> </ol> <p><b>C) Reporting Covenants:</b></p> <ol style="list-style-type: none"> <li>1. <b>Quarterly Reports</b> – within 45 (Forty Five) calendar days from the end of each financial quarter <ol style="list-style-type: none"> <li>a) Information on financials</li> <li>b) List of Board of Directors</li> <li>c) Shareholding Pattern</li> <li>d) Financial covenant compliance certificate signed by a Director or the Chief Financial Officer/Treasury Head / Authorised Signatory</li> </ol> </li> </ol> |





2. **Annual Reports** – within 120 (One Hundred and Twenty) calendar days from the end of each financial year

a) Audited financial statements

**D) Affirmative Covenants:**

1. Lendingkart Technologies Private Limited to hold minimum 51% of the shareholding of Lendingkart Finance Limited throughout the tenor of the facility.
2. To utilise the proceeds of this issue in accordance with applicable laws and regulations
3. To comply with corporate governance, fair practices code prescribed by the RBI
4. To comply with latest regulatory guidelines,
5. Notification of any Event of Default or Event of Default;
6. Obtain, comply with and maintain all licenses / authorizations
7. Permit visits and inspection of books of records, documents and accounts to Debenture Trustee as and when required by them with a prior written notice of at least 3 Business Days to the Company;
8. Comply with any reasonable monitoring and/or servicing requests from Debenture Trustee

**E. Other Covenants:**

1. **Security Creation:** In the event of delay in execution of Debenture Trust Deed within three months of the issue closure, the Company shall pay penal interest at the rate of 2.00% p.a. over the Coupon Rate till these conditions are complied with or refund the subscription (i.e. redemption at par) along with other monies/accrued interest due in respect thereof, at the option of the Debenture holders;
2. **Security Cover:** Non maintenance of security cover will attract penal interest of 1% p.a. over the coupon rate for the period of non-compliance
3. **Delay or Default in Payment:** In case of delay or default in payment of interest and/ or principal redemption on the due dates, the Company shall pay additional interest at the rate of 2.00% p.a. over the Coupon Rate for the defaulting period i.e. the period commencing from and including the date on which such amount becomes due and upto but excluding the date on which such amount is actually paid.
4. **Letter of Allotment** should be made within 30 days of allotment. In the event of delay in execution of Debenture Trust Deed within 3 months of Deemed Date of Allotment or any other extended period given by Debentures Trustee & Debentures Holders, the company shall pay penal interest rate of 2.00% p.a. over the coupon rate till these conditions are complied with or refund the subscription (i.e. redemption at par) along with other monies / accrued interest due in respect thereof, at the option of Debenture Holders.
5. **Delay in Listing:** The Company shall receive listing application to BSE within 20 days from the Deemed Date of Allotment of Debentures. In case of delay in

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|-------------------------------------|---|
|                                     | <p>listing of the Debentures beyond 30 days from the Deemed Date of Allotment, the Company shall pay penal interest at the rate of 1.00% p.a. over the Coupon Rate from the expiry of 30 days from the Deemed Date of Allotment till the listing of Debentures to the Debenture holder(s).</p> <p>6. If the debentures get delisted during the tenor of the NCD, issuer will bear all expenses for listing it again within 30 days from date of delisting. During the period of such delisting, company to pay additional interest @ 2% p.a. over the Coupon Rate per annum for the period commencing from the date of such delisting, till the period it is again listed in the stock exchange.</p>  |
| Investors who are eligible to apply | <p>a) Banks and Financial Institutions<br/>b) FIIs<br/>c) Mutual Funds<br/>d) Insurance Companies<br/>e) Provident and Pension and Gratuity Funds<br/>f) Companies and Bodies Corporate including Public Sector Undertakings<br/>g) Individuals and Hindu Undivided Families<br/>h) Partnership Firms<br/>i) Any other investor authorized to invest in these debentures</p> <p>tions can only be made by the applicants / Institutions to whom this offer is addressed.</p>  |
| Transaction Documents               | <p>The Issuer has executed/ shall execute the documents including but not limited to the following in connection with the Issue:</p> <ol style="list-style-type: none"><li>1. Consent Letter from IDBI Trusteeship Services Limited to act as Trustee to the Debenture holders; Debenture Trusteeship Agreement;</li><li>2. Debenture Trust Deed;</li><li>3. Dual Rating Letter with minimum rating of BBB+ (Credit rating of 'A-' from Infomercials Valuation and Rating Pvt. Ltd. and 'BBB+' from ICRA Limited);</li><li>4. In principle approval letter from BSE Limited;</li><li>5. Deed of Hypothecation</li><li>6. PAS-4</li><li>7. Such other documents as agreed between the Issuer and the Debenture Trustee from time to time.</li><li>8. Board Resolution authorising this Issuance;</li><li>9. Applicable Shareholder Resolutions under the Companies Act, 2013;</li><li>10. Letter of Undertaking from the issuer undertaking that total issuance covered under "Extended Partial Guarantee Scheme" offered by Government of India to all Public Sector Banks should be capped at 1.25 times of Issuer's total maturing liability over a period of six month from date of issuance of debenture/Commercial Paper.</li><li>11. Letter of Undertaking from the issuer undertaking that it would rework the Asset Liability structure within three months to have positive ALM in each bucket for the first three months and on cumulative basis for the remaining period.</li><li>12. CA certificate quantifying the total maturing liabilities of the company for 6 months and the maximum amount which company is eligible to raise under the EPCGS scheme</li><li>13. Corporate Guarantee of Lendingkart Technologies Private Limited</li></ol> |
| Issuer's Undertaking                | <p>The Issuer undertakes that it has executed/ shall execute the documents including but not limited to the following in connection with the Issue:</p> <ol style="list-style-type: none"><li>1. Tripartite Agreement between the Issuer; Registrar and NSDL for issue of Debentures in dematerialized form;</li></ol>  |

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CIN: U65910MH1996PLC258722

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Corporate Office: 14<sup>th</sup> Floor, 'The First', The First Avenue Road, Behind Keshavbaug Party Plot, Vastrapur, Ahmedabad-380 015, Gujarat, India.

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|   | <p>2. Tripartite Agreement between the Issuer, Registrar and CDSL for issue of Debentures in dematerialized form;</p> <p>3. Letter appointing KFIN Technologies Pvt Ltd as Registrar;</p>   |
| Conditions precedent to subscription of Debentures  | <p>The Issuer represents and warrants to the Investor or its successors or assigns, prior to and upon the execution of the Transaction Documents/Agreement and at the time of issuance of the Debentures and at all time during the currency of the Transaction Documents, that:</p> <ol style="list-style-type: none"> <li>1. The Issuer is duly incorporated, validly existing, and in good standing;</li> <li>2. The Issuer is authorized to enter into the Transaction Documents, and the Transaction Documents are a valid and binding obligation of the Issuer enforceable in accordance with its terms; and the execution and performance of the Transaction Documents by the Issuer is lawful and does not constitute a default, acceleration or termination of any other agreement to which the Issuer is a party or breach of any judgment, decree, order or award.</li> <li>3. All information provided by the Issuer to the Investor at any time is true, complete, and accurate,</li> <li>4. The Issuer is the sole owner of all assets shown on the Issuer's financial statements delivered to the Investor save and except as stated in the said financial statements.</li> <li>5. The Issuer is solvent and capable of paying its obligations as and when they become due.</li> <li>6. There is no material litigation including winding up proceedings or governmental proceeding pending against the Issuer and the Issuer is not aware of any such proceeding being threatened, which could impair the Issuer's net worth or ability to perform this Agreement.</li> <li>7. The Issuer maintains and shall maintain accurate business and financial records and prepares and shall prepare its financial statements in accordance with generally accepted accounting principles.</li> <li>8. In case the Issuer is a Company under the Companies Act, 1956 or Companies Act, 2013, as the case may be:- <ol style="list-style-type: none"> <li>i. All corporate authorizations required for entering into the Transaction Documents and performing the transactions pursuant hereto have been obtained and are in full force and effect, and the Transaction Documents and all transactions pursuant hereto are and will be in accordance with all applicable provisions of law;</li> </ol> </li> <li>9. Obligation hereunder are not in conflict with any other obligations of the Issuer</li> <li>10. The execution of Transaction Documents is binding on the Issuer and such executed documents are valid and admissible in evidence in the court of law.</li> <li>11. The Investor or its successors and assigns shall have an exclusive floating charge on the identified business loan receivables of our Company</li> <li>12. The Issuer shall take appropriate measures and/or authorization to create Security in favour of the Trustees or its successors and assigns and avail the financial indebtedness.</li> <li>13. The Issuer shall have good title to assets, to be provided as security.</li> </ol> |
| Conditions subsequent to subscription of Debentures | <p>The Issuer shall ensure that the following documents are executed/ activities are completed as per time frame mentioned elsewhere in this Private Placement Offer Letter:</p> <ol style="list-style-type: none"> <li>1. Ensuring that the payment made for subscription to the Debentures is received from the bank account of the person/ entity subscribing to the Debentures and keep record of the bank accounts from where payments for subscriptions have been received. In case of subscription to the Debentures to be held by joint holders, application monies is received from the bank account of the person</li> </ol>  |

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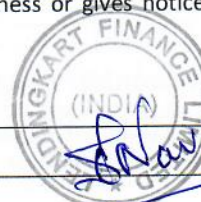
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|   | <p>whose name appears first in the Application Form;</p> <ol style="list-style-type: none"> <li>2. Maintaining a complete record of private placement offers in Form PAS-5;</li> <li>3. Filing a return of allotment of Debentures with complete list of all Debenture holders in Form PAS-3 under section 42 of the Companies Act, 2013, with the Registrar of Companies, Chennai on the Deemed Date of Allotment along with fee as provided in the Companies (Registration Offices and Fees) Rules, 2014;</li> <li>4. Credit of demat account(s) of the allottee(s) by number of Debentures allotted within Two working days from the Deemed Date of Allotment;</li> <li>5. Receipt listing approval from BSE within 15 days from the Deemed Date of Allotment of Debentures;</li> </ol> <p>Besides, the Issuer shall perform all activities, whether mandatory or otherwise, as mentioned elsewhere in the Private Placement Offer Letter.</p>   |
| Representations & Warranties  | <ol style="list-style-type: none"> <li>1. The Company is registered as an NBFC</li> <li>2. No conflict with other obligations / constitutional documents</li> <li>3. No Material Adverse Change in business, condition or operations of the Issuer</li> <li>4. Company has the power and authority to issue Debentures and such Transactions Documents are valid and admissible in evidence</li> <li>5. Illegality</li> </ol> <p>And as set out in greater detail in the Transaction Documents.</p>   |
| Event of Default (including manner of voting /conditions of joining Inter Creditor Agreement) | <p>(a) Payment Defaults</p> <p>The Company does not pay on the Due Date any amount payable pursuant to this DTD and the Debentures at the place and in the currency in which it is expressed to be payable and the same has not been paid on the relevant Due Date except delays arising due to some technical glitches.</p> <p>(b) Non-creation of Security</p> <p>If the Company fails to create the Security within a period as disclosed in the Transaction Documents.</p> <p>(c) Insolvency / Inability to Pay Debts</p> <p>the commencement of an insolvency resolution process under the (Indian) Insolvency and Bankruptcy Code, 2016 (to the extent applicable) in respect of the Company and that the same has not been challenged within 14 (fourteen) days from the date of commencement of such insolvency resolution process.</p> <p>(d) Business</p> <p>The Company without obtaining the prior consent of the Special Majority Debenture Holders ceases to carry on its business or gives notice of its intention to do so.</p> |





**(e) Misrepresentation**

Any representation or warranty made by the Company in any Transaction Document or in any certificate, financial statement or other document delivered to the Debenture Trustee/Debenture Holders by the Company shall prove to have been incorrect, false or misleading in any material respect when made or deemed made, unless such misrepresentation is remedied within 30 days from the date of receipt of notice from the Debenture Trustee in this regard.

**(f) Material Adverse Change**

The occurrence of a Material Adverse Effect, in the sole determination of the Debenture Trustee (acting on the instructions on the Super Majority Debenture Holders) which is not remedied within 45 days.

**(g) Liquidation or Dissolution of the Company / Appointment of Receiver or Liquidator**

(i) Any corporate action, legal proceedings or other procedure or step is taken in relation to:

(A) the suspension of payments, a moratorium of any Indebtedness, winding-up, dissolution, administration or re-organisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of the Company;

(B) the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of the Company; or

(C) the Company, in respect of any reference or enquiry or proceedings commenced, before the National Companies Law Tribunal or under any mechanism or prescription of the RBI in respect of resolution/restructuring of stressed assets (including without limitation, under the RBI's circular no. DBR.No.BP.BC.101/21.04.048/2017-18 dated February 12, 2018 on "Resolution of Stressed Assets – Revised Framework");

and such corporate action, proceeding or procedure is not contested by the Company for staying, quashing or dismissing within 30 (Thirty) Business Days.

Any other event occurs or proceeding instituted under any applicable Law that would have an effect analogous to any of the events listed in sub-Clauses (A) to (D) above.

(ii) Any petition for the reorganization, arrangement, adjustment, winding up or composition of debts of the Company is filed on the Company (voluntary or otherwise) or have been admitted or makes an assignment for the benefit of its creditors generally and such proceeding is not contested by the Company for staying, quashing or dismissed within 30 (Thirty) Business Days.

**(h) Creditors' Process and Expropriation**

(i) Any expropriation, attachment, garnishee, sequestration, distress or execution affects any material Assets of the Company and is not challenged within

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|  | <p>90 (Ninety) Business Days or as otherwise provided in any order of any competent court or tribunal relating to the aforementioned actions.</p> <p>(ii) Any expropriation, attachment, garnishee, sequestration, distress or execution affects any Security or part thereof and is not discharged within 30 (Thirty) Business Days.</p> <p>(iii) All or a material part of the undertaking, Assets, rights or revenues of the Company are condemned, seized, nationalised, expropriated or compulsorily acquired, or shall have assumed custody or control of the business or operations of the Company, or shall have taken any action for the dissolution of the Company, or any action that would prevent the Company, their member, or their officers from carrying on their business or operations or a substantial part thereof, by or under the authority of any Government or any Government Authority and is not discharged within 90 (Ninety) Business Days.</p> <p>(i) Transaction Documents</p> <p>This DTD or any other Transaction Document (in whole or in part), is terminated or ceases to be effective or ceases to be in full force or no longer constitutes valid, binding and enforceable obligations of the Company.</p> <p>(j) Unlawfulness</p> <p>It is or becomes unlawful for the Company to perform any of its obligations under the Transaction Documents and/or any obligation or obligations of the Company under any Transaction Document are not or cease to be valid, binding or enforceable.</p> <p>(k) Repudiation</p> <p>The Company repudiates any of the Transaction Documents, or evidences an intention to repudiate any of the Transaction Documents.</p> <p>(l) Merger or Acquisition</p> <p>The Company takes or permits to be taken any action for re-organisation of its capital or any rearrangement, merger or amalgamation which leads to a Material Adverse Effect.</p> <p>Breach of Other Covenants</p> <p>(m) Any breach of any covenant or undertaking of the Company in the Transaction Documents (other than Clauses 4.2(a) to 4.2(o) above) which results in a Material Adverse Change and the same is not cured within 45 (Forty Five) Business Days of occurrence.</p> |
| Creation of Recovery Expense Fund  | The Issuer shall create a recovery expense fund in accordance with the Applicable Law.  |
| Conditions for breach of covenants (as specified in Debenture Trust Deed ) | <p>The events prescribed under the heading "Event of Default (including manner of voting /conditions of joining Inter Creditor Agreement)" shall result in event of default. Following are the consequences of event of default.</p> <p>(a) subject to Applicable Law, require the Company to mandatorily redeem the Debentures and repay the principal amount on the Debentures, along with accrued but unpaid interest and other costs, charges and expenses incurred under or in connection with this DTD and other Transaction Documents;</p> <p>(b) subject to Applicable Law, declare that all or part of the Obligations be immediately due and payable, whereupon they shall become immediately due and payable;</p>  |



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|                                       | <p>(c) to take all such other action expressly permitted under this DTD or in the other Transaction Documents or permitted under the Law;</p> <p>(d) to exercise such other rights as the Debenture Trustee may deem fit under applicable Law to protect the interest of the Debenture Holders;</p> <p>(e) to accelerate the redemption of the Debentures;</p> <p>(f) enforce the charge over the Hypothecated receivables in accordance with the terms of the Transaction Documents; and</p> <p>(g) exercise any other right that the Debenture Trustee and / or Debenture Holder(s) may have under the Transaction Documents or under Applicable Laws.</p> <p>Further, the conditions of breach of covenants are mentioned in "All covenants of the issue (including side letters, accelerated payment clause, etc.)"</p> |
| Role and Responsibilities of Trustees | The Trustees shall perform its duties and obligations and exercise its rights and discretions, in keeping with the trust reposed in the Trustees by the holder(s) of the Debentures and shall further conduct itself, and comply with the provisions of all applicable laws. The Trustees shall carry out its duties and perform its functions as required to discharge its obligations under the terms of SEBI Debt Regulations, the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, the Debenture Trusteeship Agreement, Disclosure Document and all other related transaction documents, with due care, diligence and loyalty.  |
| Risk factors pertaining to the issue  | Please refer Section 3 of Information Memorandum  |
| Approvals                             | The Issuer agrees to comply with all applicable rules and regulations in respect of the transaction. The Issuer will be responsible for taking all necessary authorization and / or approvals internal, external regulatory, statutory or otherwise   |
| Penal interest rate                   | 2% p.a. payable over and above the Coupon of the facility, in the event of non-compliance of material (to be detailed in Debenture Trust Deed) terms set forth in this term-sheet. In absence of demand such interest shall be payable on coupon payment date.  |
| Governing Law and Jurisdiction        | The Debentures are governed by and shall be construed in accordance with the existing laws of India. Any dispute arising thereof shall be subject to the jurisdiction of district courts of place of Mumbai / Gurgaon   |
| Place of Execution                    | Gurgaon   |

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