

This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus

INFORMATION MEMORANDUM



FINOVA CAPITAL PRIVATE LIMITED

A private limited company incorporated under the Companies Act, 1956

Date of Incorporation: September 24, 2015; **CIN:** U65993RJ2015PTC048340

Registered Office: 702, 7th floor, Unique Aspire at P.no 13-14,

Cosmo Colony Amrapali Marg, Vaishali Nagar, Jaipur-302021 (Rajasthan)

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INFORMATION MEMORANDUM UNDER SCHEDULE I OF SEBI (ISSUE AND LISTING OF DEBT SECURITIES) REGULATIONS, 2008 AMENDED FROM TIME TO TIME AND THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND THE RBI CIRCULAR FOR RAISING MONEY THROUGH PRIVATE PLACEMENT OF NON-CONVERTIBLE DEBENTURES (NCDS) BY NBFCs.

ISSUE OF 3000 (THREE THOUSAND) RATED, SENIOR, REDEEMABLE, TAXABLE, TRANSFERABLE, LISTED, PRINCIPAL PROTECTED, MARKET LINKED NON-CONVERTIBLE DEBENTURES OF THE FACE VALUE OF RS. 1,00,000/- (RUPEES ONE LAKH ONLY) EACH AGGREGATING TO A FACE VALUE OF INR 30,00,00,000 (INDIAN RUPEES THIRTY CRORE) ("DEBENTURES"/"NCDS"), COMPRISING OF (A) 1,000 (ONE THOUSAND) RATED, SENIOR, REDEEMABLE, TAXABLE, TRANSFERABLE, LISTED, PRINCIPAL PROTECTED, MARKET LINKED NON-CONVERTIBLE DEBENTURES DENOMINATED IN INR EACH HAVING A FACE VALUE OF INR 1,00,000 (INDIAN RUPEES ONE LAKH) AGGREGATING TO A FACE VALUE OF INR 10,00,00,000 (INDIAN RUPEES TEN CRORE) (THE "SERIES 1 DEBENTURES"), (B) 1,000 (ONE THOUSAND) RATED, SENIOR, REDEEMABLE, TAXABLE, TRANSFERABLE, LISTED, PRINCIPAL PROTECTED, MARKET LINKED NON-CONVERTIBLE DEBENTURES DENOMINATED IN INR EACH HAVING A FACE VALUE OF INR 1,00,000 (INDIAN RUPEES ONE LAKH) AGGREGATING TO A FACE VALUE OF INR 10,00,00,000 (INDIAN RUPEES TEN CRORE) (THE "SERIES 2 DEBENTURES"); AND (C) 1,000 (ONE THOUSAND) RATED, SENIOR, REDEEMABLE, TAXABLE, TRANSFERABLE, LISTED, PRINCIPAL PROTECTED, MARKET LINKED NON-CONVERTIBLE DEBENTURES DENOMINATED IN INR EACH HAVING A FACE VALUE OF INR 1,00,000 (INDIAN RUPEES ONE LAKH) AGGREGATING TO A FACE VALUE OF INR 10,00,00,000 (INDIAN RUPEES TEN CRORE) (THE "SERIES 3 DEBENTURES") ISSUED ON A FULLY PAID BASIS AND ON A PRIVATE PLACEMENT BASIS (THE "ISSUE").

GENERAL RISKS: For taking an investment decision, investors must rely on their own examination of the Issue and the Information Memorandum including the risks involved. The Issue has not been recommended or approved by Securities and Exchange Board of India nor does SEBI guarantee the accuracy or adequacy of this Information Memorandum. Specific attention of investors is invited to statement of "Risk Factors" contained under SECTION 3: of this Information Memorandum.

ISSUER'S ABSOLUTE RESPONSIBILITY: The Issuer, having made all reasonable inquiries, accepts responsibility for, and confirms that this Information Memorandum contains all information with regard to the Issuer and the Issue, which is material in the context of the Issue and as required under the Schedule I of SEBI (Issue and Listing of Debt Securities) Regulations, 2008, Section 42 of the Companies Act, 2013 and the rules framed thereunder, that the information contained in this Information Memorandum 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.

CREDIT RATING: The Debentures proposed to be issued by the Issuer have been rated by "Acuite Ratings and Research Limited" (Acuite). Acuite has assigned a rating of "Acuite PPMLD A- (SO)" (Pronounced Acuite Principal Protected Market Linked Debentures A Minus (Structured Obligation)) in respect of the Debentures. Instruments with this rating are considered to have adequate degree of safety regarding timely servicing of financial obligations. Such instruments carry low credit risk.

The rating is not a recommendation to buy, sell or hold securities and investors should take their own decision. The rating may be subject to revision or withdrawal at any time by the assigning rating agency and each rating should be evaluated independently of any other rating. The ratings obtained are subject to revision at any point of time in the future. The rating agency has the right to suspend, withdraw the rating at any time on the basis of new information, etc. Please refer to ANNEXURES III of this Information Memorandum for the letter from the Rating Agency assigning the credit rating abovementioned issued by the Rating Agency.

LISTING: The Debentures are proposed to be listed on the Wholesale Debt Market (WDM) segment of the BSE Limited ("BSE"). Please refer to Annexure IX of this Information Memorandum for a copy of the in-principle approval letter dated December 21, 2020 issued by BSE.

Registrar & Share Transfer Agent

Link Intime India Pvt. Ltd.

247 Park, C 101 1st Floor,

LBS Marg,

Vikhroli (W),

Mumbai – 400 083

Phone No: +91 22 49186101

Email Id: debtca@linkintime.co.in

Debenture Trustee

Catalyst Trusteeship Ltd.

Windsor, 6th Floor, Office No - 604,

C.S.T. Road, Kalina,

Santacruz (East),

Mumbai – 400 098

Phone No.:+91 22 4922 0555

dt.mumbai@ctltrustee.com

Sole Arranger

Unitus Capital Private Limited

2nd Floor, 9/3, Kaiser – E – Hind,

Richmond Road,

Bangalore – 560025

Phone No.:+91 80 6723 6429

cpodder@unituscapital.com

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SECTION 1: DEFINITIONS AND ABBREVIATIONS

Act or Companies Act	means the Companies Act, 2013, and shall include any re-enactment, amendment or modification of the Companies Act, 2013, as in effect from time to time.
Allot/Allotment/Allotted	Unless the context otherwise requires or implies, the allotment of the Debentures pursuant to this Issue.
Applicable Law	means all applicable statutes, enactments or acts of any legislative body in India, laws, ordinances, rules, bye-laws, regulations, notifications, guidelines, policies, directions, directives and orders of any Governmental Authority and any modifications or re-enactments thereof.
Applicable Accounting Standards	means the generally accepted accounting principles, standards and practices in India or any other prevailing accounting standard in India as may be applicable, and includes Indian Accounting Standards (IND-AS).
Applicant	means a person who has submitted a completed Application Form to the Issuer.
Application Form	means the application form in the relevant Debt Disclosure Documents.
Application Money	means the subscription amounts paid by the Debenture Holders at the time of submitting the Application Form.
Arranger or Sole Arranger	Means Unitus Capital Private Limited.
Assets	means, for any date of determination, the assets of the Issuer on such date as the same would be determined in accordance with the Applicable Accounting Standards.
Beneficial Owner(s)	means the holder(s) of the Debentures in dematerialised form whose name is recorded as such with the Depository in the Register of Beneficial Owners.
Board / Board of Directors	Means the Board of Directors of the Issuer.
Business Day	means any day (other than a Sunday or a public holiday under Section 25 of the Negotiable Instruments Act, 1881) on which banks are open for general business in Mumbai, India.
BSE	Means BSE Limited
Capital Adequacy Ratio	means the capital adequacy ratio as defined under the NBFC Directions.
Call Option	has the meaning given to it in Section 4.44 (<i>Issue Details</i>)
Call Option Payment Date	means June 23, 2023.
CDSL	Means Central Depository Services Limited
CERSAI	means the Central Registry of Securitisation Asset Reconstruction and Security Interest of India.
Change of Control	<p>means the shareholders of the Issuer (as on the Effective Date) ceasing to:</p> <p>(a) have the power (whether by way of ownership of shares, proxy, contract, agency or otherwise) to:</p> <p style="padding-left: 20px;">(i) cast, or control the casting of, more than 51% (fifty one percent) of the shareholding (on a fully diluted basis) of the Issuer; or</p> <p style="padding-left: 20px;">(ii) appoint or remove all or majority of the directors or the "key managerial personnel" (as defined in the Act) of the Issuer,</p> <p style="text-align: center;">OR</p> <p>(b) hold at least 51% (fifty one percent) of the shareholding (on a fully diluted basis) of the Issuer.</p>
CIN	Corporate Identification Number
Change of Control Event	means any event, including without limitation, the issuance of any shares (whether equity or convertible into equity), or any transfer, sale, creation of security interest (including pledge) or encumbrance over any shares (whether equity or convertible into equity), which by itself, or together with other actions (including the conversion of any convertible instruments into equity shares) may result in a Change of Control.
Charged Receivables	has the meaning given to it in Section 4.44 (<i>Issue Details</i>).
Client Loan	means each loan made by the Issuer as a lender.
Constitutional Documents	means the certificate of incorporation of the Issuer, the memorandum of association and articles of association of the Issuer and the certificate of registration issued by the RBI to the Issuer.
Conditions Precedent	has the meaning given to it in Section 4.44 (<i>Issue Details</i>).
Conditions Subsequent	has the meaning given to it in Section 4.44 (<i>Issue Details</i>).
Control	has the meaning given to it in the Companies Act, 2013.

Debentures/ NCDs	means, collectively, the Series 1 Debentures, the Series 2 Debentures, and the Series 3 Debentures, and "Debenture" means any one of them.
Deemed Date of Allotment	Means December 24 2020
Deed of Hypothecation	has the meaning given to it in Section 4.44 (<i>Issue Details</i>).
Debenture Holders/ Investors	Means each person who is: (a) registered as a Beneficial Owner; and (b) registered as a debenture holder in the Register of Debenture Holders. Sub-paragraphs (a) and (b) shall be deemed to include transferees of the Debentures registered with the Issuer and the Depository from time to time, and in the event of any inconsistency between sub-paragraphs (a) and (b) above, sub- paragraphs (a) shall prevail.
Debenture Trustee	Catalyst Trusteeship Limited or such other Debenture Trustee appointed by the Issuer from time to time.
Debenture Trustee Agreement	Means the agreement executed by and between the Debenture Trustee and the Issuer for the purposes of appointment of the Debenture Trustee to act as debenture trustee in connection with the issuance of the Debentures.
Debenture Trust Deed/ DTD	means the debenture trust deed executed/to be executed by and between the Debenture Trustee and the Issuer which will set out the terms upon which the Debentures are being issued, security is being created over the assets of the Issuer and shall include the representations and warranties and the covenants to be provided by the Issuer.
Debenture Trustees Regulations	Means the Securities Exchange Board of India (Debenture Trustees) Regulations, 1993 (as amended or restated from time to time).
Debt Disclosure Documents	means collectively the PPOA and this Information Memorandum, and "Debt Disclosure Document" means any one of them.
Demat	Means dematerialized securities which are securities that are in electronic form, and not in physical form, with the entries noted by the Depository
Depository	means the depository with whom the Issuer has made arrangements for dematerialising the Debentures, being NSDL and/or CDSL.
Director(s)	Director(s) of the Issuer.
DRR	has the meaning given to it in Section 4.28.
DP ID	Depository Participant Identification Number.
Due Date(s)	means the date on which any interest or liquidated damages, any Redemption Payment or premature redemption amount and/or any other amounts payable, are due and payable, including but not limited to each of Final Redemption Dates, the Call Option Payment Date, the Put Option Payment Date and any other date in accordance with the DTD, or any other date on which any payment is to be made by the Issuer under the Transaction Documents.
Early Redemption Event	means the occurrence of any one of more of the following events: (a) the rating of the Debentures is downgraded to below "BBB-" (or its equivalent rating) by the Rating Agency, or any other rating agency; or (b) any other such event as may be agreed between the Issuer and the Debenture Holders.
[Effective Annualised Interest Rate]	means, the Effective Annualised Interest Rate (Call/Put Option), the Effective Annualised Interest Rate (Series 1), the Effective Annualised Interest Rate (Series 2) and the Effective Annualised Interest Rate (Series 3).
Effective Annualised Interest Rate (Call/Put Option)	Means, yielding an applicable XIRR of: (a) 0% (zero percent), if the Reference Index Performance (Call/Put Option) is less than or equal to -75% (minus seventy five percent); (b) 11.85% (Eleven decimal Eight Five percent) (XIRR), if the Reference Index Performance (Call/Put Option) is greater than -75% (minus seventy five percent) but less than +75% (plus seventy five percent); and/or (c) 11.95% (Eleven decimal Nine Five percent) (XIRR), if the Reference Index Performance (Call/Put Option) is greater than or equal to +75% (plus seventy five percent).
Effective Annualised Interest	Means, yielding an applicable XIRR of:

Rate (Series 1)	<p>(a) 0% (zero percent), if the Reference Index Performance (Series 1) is less than or equal to -75% (minus seventy five percent);</p> <p>(b) 11.75% (Eleven decimal seven five percent) (XIRR), if the Reference Index Performance (Series 1) is greater than -75% (minus seventy five percent) but less than +75% (plus seventy five percent); and/or</p> <p>(c) 11.85% (Eleven decimal Eight Five percent) (XIRR), if the Reference Index Performance (Series 1) is greater than or equal to +75% (plus seventy five percent).</p>
Effective Annualised Interest Rate (Series 2)	<p>Means, yielding an applicable XIRR of:</p> <p>(a) 0% (zero percent), if the Reference Index Performance (Series 2) is less than or equal to -75% (minus seventy five percent);</p> <p>(b) 11.85% (Eleven decimal Eight Five percent) (XIRR), if the Reference Index Performance (Series 2) is greater than -75% (minus seventy five percent) but less than +75% (plus seventy five percent); and/or</p> <p>(c) 11.95% (Eleven decimal Nine Five percent) (XIRR), if the Reference Index Performance (Series 2) is greater than or equal to +75% (plus seventy five percent).</p>
Effective Annualised Interest Rate (Series 3)	<p>Means, yielding an applicable XIRR of:</p> <p>(a) 0% (zero percent), if the Reference Index Performance (Series 3) is less than or equal to -75% (minus seventy five percent);</p> <p>(b) 11.90% (Eleven decimal Nine Zero percent) (XIRR), if the Reference Index Performance (Series 3) is greater than -75% (minus seventy five percent) but less than +75% (plus seventy five percent); and/or</p> <p>(c) 12.00% (twelve percent) (XIRR), if the Reference Index Performance (Series 3) is greater than or equal to +75% (plus seventy five percent).</p>
EFT	Electronic Fund Transfer
Event of Default	Shall mean any event, act or condition as set out in Section 5.7 of this Information Memorandum.
Final Fixing Level	means the Final Fixing Level (Call/Put Option), the Final Fixing Level (Series 1), the Final Fixing Level (Series 2), or the Final Fixing Level (Series 3), as the case may be.
Final Fixing Level (Call/Put Option)	means the simple average of the official closing level of the Reference Index as on June 19, 2023, June 20, 2023 and June 21, 2023.
Final Fixing Level (Series 1)	means the simple average of the official closing level of the Reference Index as on February 16, 2022, February 17, 2022 and February 18, 2022.
Final Fixing Level (Series 2)	means the simple average of the official closing level of the Reference Index as on June 19, 2023, June 20, 2023 and June 21, 2023.
Final Fixing Level (Series 3)	means the simple average of the official closing level of the Reference Index as on December 18, 2024, December 19, 2024 and December 20, 2024.
Final Redemption Dates	means, collectively, the Final Redemption Date (Series 1), the Final Redemption Date (Series 2) or the Final Redemption Date (Series 3), and "Final Redemption Date" shall be construed accordingly.
Final Redemption Date (Series 1)	means February 24, 2022 (being a date occurring upon the expiry of 14 (fourteen) months from the Deemed Date of Allotment).
Final Redemption Date (Series 2)	means June 23, 2023 (being a date occurring upon the expiry of 30 (thirty) months from the Deemed Date of Allotment).
Final Redemption Date (Series 3)	means December 24, 2024 (being a date occurring upon the expiry of 48 (forty eight) months from the Deemed Date of Allotment).
Financial Year	means each period of 12 (twelve) months commencing on April 1 of any calendar year and ending on March 31 of the subsequent calendar year.
Financial Indebtedness	<p>means any indebtedness for or in respect of:</p> <p>(a) moneys borrowed;</p> <p>(b) any amount raised by acceptance under any acceptance credit, bill</p>

	<p>acceptance or bill endorsement facility or dematerialised equivalent;</p> <p>(c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, loan stock or any similar instrument;</p> <p>(d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with the Applicable Accounting Standards, be treated as a finance or capital lease;</p> <p>(e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);</p> <p>(f) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing;</p> <p>(g) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value shall be taken into account);</p> <p>(h) shares which are expressed to be redeemable or shares which are the subject of a put option or any form of guarantee;</p> <p>(i) any obligation under any put option in respect of any securities;</p> <p>(j) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution;</p> <p>(k) any corporate/personal guarantee, a letter of comfort or any other similar contractual comfort issued or incurred in respect of a liability incurred by any other third person; and</p> <p>(l) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (a) to (k) above.</p>
Final Settlement Date(s)	means the date on which all Secured Obligations have been irrevocably and unconditionally paid and discharged in full to the satisfaction of the Debenture Holders.
Fixed Deposits	has the meaning given to it in Section 4.44 (<i>Issue Details</i>).
GAAP	Generally Accepted Accounting Principles prescribed by the Institute of Chartered Accountants of India from time to time and consistently applied by the Issuer.
Governmental Authority	means any government (central, state or otherwise) or any governmental agency, semi-governmental or judicial or quasi-judicial or administrative entity, department or authority, agency or authority including any stock exchange or any self-regulatory organisation, established under any Applicable Law.
Gross Loan Portfolio	means the outstanding principal amounts of all Client Loans originated by the Issuer on its own books and the Off Balance Sheet Portfolio.
Hypothecated Assets	has the meaning given to it in Section 4.44 (<i>Issue Details</i>).
Identified Promoters	means, collectively, Mohit Sahney and Sunita Sahney.
Issue	Means the issue of the Debentures on a private placement basis under this Information Memorandum.
Information Memorandum	Means this information memorandum issued by the Issuer in respect of the Debentures.
INR	Means Indian Rupees.
Initial Fixing Date	means December 24, 2020 (i.e., the Deemed Date of Allotment).
Initial Fixing Level	means the official closing level of the Reference Index on the Initial Fixing Date.
Initial Security Creation Date	means the date occurring on the expiry of a period of 90 (ninety) calendar days from the Deemed Date of Allotment.
Interest Amounts	means, collectively, the Interest Amounts (Call/Put Option), the Interest Amounts (Series 1), the Interest Amounts (Series 2) and the Interest Amounts (Series 3).
Interest Amounts (Call/Put Option)	<p>means, in respect of any Series 2 Debentures and/or any Series 3 Debentures, the interest or the coupon payable on such Debenture, determined as follows:</p> $[IA \text{ (Series Call/Put Option)}] = [FV] * [(1 + \text{Effective Annualised Interest Rate (Call/Put Option)})^{\text{(Tenor in days/365)} - 1}]$ <p>where:</p> <p>(a) "IA (Call/Put Option)" is the Interest Amounts (Call/Put Option);</p>

	<p>(b) "FV" is the face value of the Debenture; and</p> <p>(c) "Tenor in Days" means the difference between the Call Option Payment Date or the Put Option Payment Date (as the case may be) and the Deemed Date of Allotment, determined in days.</p>
Interest Amounts (Series 1)	<p>means, in respect of any Series 1 Debenture, the interest or the coupon payable on such Series 1 Debenture, determined as follows:</p> $[IA \text{ (Series 1)} = [FV] * [(1 + \text{Effective Annualised Interest Rate (Series 1)} \wedge (\text{Tenor in days}/365) - 1)]$ <p>where:</p> <p>(a) "IA (Series 1)" is the Interest Amounts (Series 1);</p> <p>(b) "FV" is the face value of such Series 1 Debenture; and</p> <p>(c) "Tenor in Days" means the difference between the Final Redemption Date (Series 1) and the Deemed Date of Allotment, determined in days.</p>
Interest Amounts (Series 2)	<p>means, in respect of any Series 2 Debenture, the interest or the coupon payable on such Series 2 Debenture, determined as follows:</p> $[IA \text{ (Series 2)} = [FV] * [(1 + \text{Effective Annualised Interest Rate (Series 2)} \wedge (\text{Tenor in days}/365) - 1)]$ <p>where:</p> <p>(a) "IA (Series 2)" is the Interest Amounts (Series 2);</p> <p>(b) "FV" is the face value of such Series 2 Debenture; and</p> <p>(c) "Tenor in Days" means the difference between the Final Redemption Date (Series 2) and the Deemed Date of Allotment, determined in days.</p>
Interest Amounts (Series 3)	<p>means, in respect of any Series 3 Debenture, the interest or the coupon payable on such Series 3 Debenture, determined as follows:</p> $[IA \text{ (Series 3)} = [FV] * [(1 + \text{Effective Annualised Interest Rate (Series 3)} \wedge (\text{Tenor in days}/365) - 1)]$ <p>where:</p> <p>(a) "IA (Series 3)" is the Interest Amounts (Series 3);</p> <p>(b) "FV" is the face value of such Series 3 Debenture; and</p> <p>(c) "Tenor in Days" means the difference between the Final Redemption Date (Series 3) and the Deemed Date of Allotment, determined in days.</p>
Issuer/Company	Finova Capital Private Limited
Listing Period	has the meaning given to it in Section 4.44 (<i>Issue Details</i>).
LODR Regulations	means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
Local Currency	Means Indian Rupees (denoted "INR" /"Rs."), the lawful currency of India
Majority Debenture Holders	means such number of Debenture Holders collectively holding more than 51% (fifty one percent) of the value of the Outstanding Principal Amounts of the Debentures.
Majority Resolution	means a resolution approved by the Majority Debenture Holders who are present and voting or if a poll is demanded, by the Majority Debenture Holders who are present and voting in such poll.
Material Adverse Effect	<p>means the effect or consequence of an event, circumstance, occurrence or condition which has caused, as of any date of determination, or could reasonably be expected to cause a material and adverse effect on:</p> <p>(a) the financial condition, business or operation of the Issuer where the</p>

	<p>Net Worth of the Issuer erodes by more than 10% (ten percent);</p> <p>(b) the ability of the Issuer to perform its obligations under the Transaction Documents; or</p> <p>(c) the validity or enforceability of any of the Transaction Documents (including the ability of any party to enforce any of its remedies thereunder).</p>
Monthly Hypothecated Assets Report	Has the meaning given to it in the Deed of Hypothecation.
MLD Guidelines	means the Guidelines for Issue and Listing of Structured Products/Market Linked Debentures issued by SEBI on September 28, 2011, read with Guidelines for Issue and Listing of Structured Products/Market Linked Debentures - Amendments issued by SEBI on July 13, 2020, as may amended/modified and in force from time to time.
Mutual Fund Units	has the meaning given to it in Section 4.44 (<i>Issue Details</i>).
Net Owned Funds	Has the meaning ascribed to it under Section 45IA of the RBI Act, 1934
NBFC Directions	means the Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 dated September 1, 2016 and/or the Non-Banking Financial Company - Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 dated September 1, 2016 (each as amended, modified or restated from time to time) as may be applicable.
Net Worth	has the meaning given to it in the Act.
N.A.	Not Applicable.
Non-Performing Assets/NPA	Means the aggregate of all loans, bonds and other credit facilities provided by the Issuer where one or more repayment instalments are overdue as per the threshold limits prescribed by RBI from time to time. Under IND AS accounting norms, this shall mean the total of Stage 3 assets, as defined from time to time
NSDL	means National Securities Depository Limited
Off Balance Sheet Portfolio	means the outstanding principal balance of all Client Loans securitised, assigned, originated on behalf of other institutions otherwise sold off in respect of which the Issuer has provided credit enhancements in any form or manner whatsoever including Client Loans originated on behalf of other entities by entering into partnership agreements but not included on the Issuer's own book, excluding interest receivables and accrued interest.
Outstanding Principal Amounts	means, at any date, the principal amounts outstanding under the Debentures.
Outstanding Amounts	means, at any date, the Outstanding Principal Amounts together with any Interest Amounts (including any accrued but unpaid/uncrystallised Interest Amounts), additional interest, costs, fees, charges, and other amounts payable by the Issuer in respect of the Debentures.
Portfolio At Risk Over 90 Days	means, on any date the outstanding principal value of the Client Loans of the Issuer that have one or more instalments of principal, interest, or any other payments overdue for 90 (ninety) days or more.
Person	Shall mean any individual, partnership, joint venture, firm, corporation, association, limited liability company, trust or other enterprise or any government or political subdivision or any agency, department or instrumentality thereof
Private Placement Offer Cum Application Letter or PPOA	means the private placement offer cum application letter prepared and issued to the eligible investors by the Issuer in compliance with Section 42 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014.
Promoters	has the meaning given to it under the Act.
Purpose	Has the meaning given to it in Section 4.38 below.
Put Option	has the same meaning given to it in Section 4.44 (<i>Issue Details</i>).
Put Option Payment Date	means June 23, 2023.
Quarterly Date	means each of March 31, June 30, September 30 and December 31 of a calendar year, and "Quarterly Dates" shall be construed accordingly.
Rating	Means PPMLD A- [Pronounced as Principal Protected Market Linked Debentures A Minus]
Rating Agency	means Acuite Ratings and Research Limited having its registered office at The Capital, 812, 8th Floor, A-Wing, Plot No.C-70, G - Block, Bandra Kurla Complex,

	Bandra (E), Mumbai – 400051
RBI	Means the Reserve Bank of India
Record Date	The date which will be used for determining the Debenture Holder(s) who shall be entitled to receive the amounts due on any Due Date(s), which shall be the date falling 15 (fifteen) Calendar days prior to any Due Date(s).
Redemption Dates	means each of the Final Redemption Dates, the Call Option Payment Date, the Put Option Payment any date on which a Redemption Payment is required to be made in accordance with the terms of the DTD, or any other date on which a Redemption Payment is to be made.
Redemption Payments	means, collectively, the Redemption Payment (Call/Put Option), the Redemption Payment (Series 1), the Redemption Payment (Series 2) and the Redemption Payment (Series 3).
Redemption Payment (Call/Put Option)	means, in respect of the Debenture, the aggregate of the face value/Outstanding Principal Amount of the Debentures, and the Interest Amounts (Call/Put Option) in respect of such Debenture calculated in the manner set out in the DTD.
Redemption Payment (Series 1)	means, in respect of the Series 1 Debenture, the aggregate of the face value/Outstanding Principal Amount of the Series 1 Debenture, and the Interest Amounts (Series 1) in respect of such Debenture calculated in the manner set out in the DTD.
Redemption Payment (Series 2)	means, in respect of the Series 2 Debenture, the aggregate of the face value/Outstanding Principal Amount of the Series 2 Debenture, and the Interest Amounts (Series 2) in respect of such Debenture calculated in the manner set out in the DTD.
Redemption Payment (Series 3)	means, in respect of the Series 3 Debenture, the aggregate of the face value/Outstanding Principal Amount of the Series 3 Debenture, and the Interest Amounts (Series 3) in respect of such Debenture calculated in the manner set out in the DTD.
R&T Agent or Registrar	Registrar and Transfer Agent to the Issue, in this case being Link Intime India Private Limited .
Recovery Expense Fund	means the recovery expense fund established/to be established and maintained by the Issuer in accordance with the provisions of the SEBI Recovery Expense Fund Circular.
Reference Index	means the price of 10 Year G-sec 5.77 GS 2030 (ISIN - IN0020200153).
Reference Index Performance	means the Reference Index Performance (Call/Put Option), the Reference Index Performance (Series 1), the Reference Index Performance (Series 2) or the Reference Index Performance (Series 3), as the context required.
Reference Index Performance (Call/Put Option)	means the performance of the Reference Index on the Call Option Payment Date or the Put Option Payment Date (as the case may be) in comparison to the Initial Fixing Date, and shall be calculated (as a percentage) as the difference of (a) the ratio of (i) the Final Fixing Level (Call/Put Option), and (ii) the Initial Fixing Level, and (b) 1 (one).
Reference Index Performance (Series 1)	means the performance of the Reference Index on the Final Maturity Date (Series 1) in comparison to the Initial Fixing Date, and shall be calculated (as a percentage) as the difference of (a) the ratio of (i) the Final Fixing Level (Series 1), and (ii) the Initial Fixing Level, and (b) 1 (one).
Reference Index Performance (Series 2)	means the performance of the Reference Index on the Final Maturity Date (Series 2) in comparison to the Initial Fixing Date, and shall be calculated (as a percentage) as the difference of (a) the ratio of (i) the Final Fixing Level (Series 2), and (ii) the Initial Fixing Level, and (b) 1 (one).
Reference Index Performance (Series 3)	means the performance of the Reference Index on the Final Maturity Date (Series 3) in comparison to the Initial Fixing Date, and shall be calculated (as a percentage) as the difference of (a) the ratio of (i) the Final Fixing Level (Series 3), and (ii) the Initial Fixing Level, and (b) 1 (one).
Register of Beneficial Owners	means the register of beneficial owners of the Debentures maintained in the records of the Depository.
Register of Debenture Holders	means the register of debenture holders maintained by the Issuer in accordance with Section 88 of the Act.
Risk Weighted Assets	Shall be calculated as per the method prescribed in the NBFC Master Circular
Related Party	has the meaning given to it in the Act.
ROC	Means the jurisdictional Registrar of Companies

SEBI	Means the Securities and Exchange Board of India
SEBI Defaults (Procedure) Circular	means the SEBI circular bearing reference number SEBI/HO/MIRSD/CRADT/CIR/P/2020/203 dated October 13, 2020 on "Standardisation of procedure to be followed by Debenture Trustee(s) in case of 'Default' by Issuers of listed debt securities".
SEBI Listing Timelines Circular	means the SEBI circular bearing reference number SEBI/HO/DDHS/CIR/P/2020/19 dated October 05, 2020 on "Standardization of timeline for listing of securities issued on a private placement basis under: i. SEBI (Issue and Listing of Debt Securities) Regulations, 2008 (SEBI ILDS), ii. SEBI (Issue and Listing of Non-Convertible Redeemable Preference Shares) Regulations, 2013 (SEBI NCRPS), iii. SEBI (Public Offer and Listing of Securitised Debt Instruments and Security Receipts) Regulations, 2008 (SEBI SDI), and iv. SEBI (Issue and Listing of Municipal Debt Securities) Regulations, 2015 (SEBI ILDM)".
SEBI Monitoring Circular	has the meaning given to it under Section 5.3.
SEBI Recovery Expense Fund Circular	means the SEBI circular bearing reference number SEBI/HO/MIRSD/CRADT/CIR/P/2020/207 dated October 22, 2020 on "Contribution by Issuers of listed or proposed to be listed debt securities towards creation of "Recovery Expense Fund"".
SEBI Debt Listing Regulations	The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulation, 2008 issued by SEBI, as amended from time to time.
SEBI LODR Regulations	SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time
Secured Obligations	means all present and future obligations (whether actual or contingent and whether owed jointly or severally or in any capacity whatsoever) of the Issuer to the Debenture Holders or the Debenture Trustee under the Transaction Documents, including without limitation, the making of payment of any interest, redemption of principal amounts, the Interest Amounts, default interest, additional interest, liquidated damages and all costs, charges, expenses and other amounts payable by the Issuer in respect of the Debentures.
Security Cover	has the meaning given to it in Section 4.44 (<i>Issue Details</i>).
Series 1 Debentures	Means 1,000 (one thousand) rated, senior, redeemable, taxable, transferable, listed, principal protected, market linked non-convertible debentures denominated in INR each having a face value of INR 1,00,000 (Indian Rupees One Lakh) aggregating to a face value of INR 10,00,00,000 (Indian Rupees Ten Crore).
Series 2 Debentures	Means 1,000 (one thousand) rated, senior, redeemable, taxable, transferable, listed, principal protected, market linked non-convertible debentures denominated in INR each having a face value of INR 1,00,000 (Indian Rupees One Lakh) aggregating to a face value of INR 10,00,00,000 (Indian Rupees Ten Crore).
Series 3 Debentures	Means 1,000 (one thousand) rated, senior, redeemable, taxable, transferable, listed, principal protected, market linked non-convertible debentures denominated in INR each having a face value of INR 1,00,000 (Indian Rupees One Lakh) aggregating to a face value of INR 10,00,00,000 (Indian Rupees Ten Crore).
Step Up	means, collectively, Step Up (Series 1), Step Up (Series 2) and Step Up (Series 3).
Step Up Rate	means, collectively, Step Up Rate (Series 1), Step Up Rate (Series 2), and Step Up Rate (Series 3).
Special Majority Debenture Holders	means such number of Debenture Holders collectively holding more than 75% (seventy five percent) of the value of the Outstanding Principal Amounts of the Debentures.
Special Resolution	means resolution approved by the Special Majority Debenture Holders who are present and voting or if a poll is demanded, by the Special Majority Debenture Holders who are present and voting in such poll.
Stressed Assets Framework	means the RBI's circular no. DBR.No.BP.BC.45/21.04.048/2018-19 dated June 7, 2019 on "Prudential Framework for Resolution of Stressed Assets", as may be amended, modified or restated from time to time.
Tax	means any present or future tax, levy, duty, charge, fees, deductions, withholdings, surcharges, cess, turnover tax, transaction tax, stamp tax or other charge of a similar nature (including any penalty or interest payable on account

	of any failure to pay or delay in paying the same), now or hereafter, imposed pursuant to any Applicable Law or by any Governmental Authority and as maybe applicable in relation to the payment obligations of the Issuer under the DTD.
Tax Deduction	means a deduction or withholding for or on account of Tax from a payment under a Transaction Document pursuant to Applicable Law.
TDS	Tax Deducted at Source.
Tier I Capital	has the meaning given to it in the NBFC Directions.
Tier II Capital	has the meaning given to it in the NBFC Directions.
Total Assets	means, for any date of determination, the total Assets of the Issuer on such date.
Transaction Documents	means: (a) the DTD; (b) the Debenture Trustee Agreement; (c) the Deed of Hypothecation; (d) the Debt Disclosure Documents; (e) the letters issued by the, and each memorandum of understanding/agreement entered into with, the Rating Agency, the Debenture Trustee and/or the Registrar; (f) each tripartite agreement between the Issuer, the Registrar and any Depository; and (g) any other document that may be designated as a Transaction Document by the Debenture Trustee or the Debenture Holders, and "Transaction Document" means any of them.
Transaction Security	has the meaning given to it in Section 4.44 (<i>Issue Details</i>).
WDM	Wholesale Debt Market.
Wilful Defaulter	An Issuer who is categorized as a wilful defaulter by any Bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India and includes an issuer whose director or promoter is categorized as such in accordance with Regulation 2(n) of SEBI (Issue and Listing of Debt Securities) Regulations, 2008.
XIRR	means the internal rate of return calculated using the XIRR function in Microsoft Excel software.

SECTION 2: NOTICE TO INVESTORS AND DISCLAIMERS

2.1 ISSUER'S DISCLAIMER

This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus and should not be construed to be a prospectus or a statement in lieu of a prospectus under the Companies Act. Multiple copies hereof given to the same entity shall be deemed to be given to the same person and shall be treated as such. This Information Memorandum does not constitute and shall not be deemed to constitute an offer or invitation to subscribe to the Debentures to the public in general.

As per the applicable provisions, it is not necessary for a copy of this Information Memorandum to be filed or submitted to the SEBI for its review and/or approval.

This Information Memorandum has been prepared in conformity with the SEBI Debt Listing Regulations as amended from time to time and applicable RBI regulations governing private placements of Debentures by NBFCs. This Information Memorandum has been prepared solely to provide all material information about the Issuer to Eligible Investors (as defined below) to whom it is addressed and who are willing and eligible to subscribe to the Debentures. This Information Memorandum does not purport to contain all the information that any Eligible Investor may require. Further, this Information Memorandum has been prepared for informational purposes relating to this transaction only and upon the express understanding that it will be used only for the purposes set forth herein.

Neither this Information Memorandum nor any other information supplied in connection with the Debentures is intended to provide the basis of any credit or other evaluation and any recipient of this Information Memorandum should not consider such receipt as a recommendation to subscribe to any Debentures. Each potential Investor contemplating subscription to any Debentures should make its own independent investigation of the financial condition and affairs of the Issuer, and its own appraisal of the creditworthiness of the Issuer. Potential investors should consult their own financial, legal, tax and other professional advisors as to the risks and investment considerations arising from an investment in the Debentures and should possess the appropriate resources to analyze such investment and the suitability of such investment to such potential Investor's particular circumstances.

The Issuer confirms that, as of the date hereof, this Information Memorandum (including the documents incorporated by reference herein, if any) contains all the information that is material in the context of the Issue and regulatory requirements in relation to the Issue and is accurate in all such material respects. No person has been authorized to give any information or to make any representation not contained or incorporated by reference in this Information Memorandum or in any material made available by the Issuer to any potential Investor pursuant hereto and, if given or made, such information or representation must not be relied upon as having been authorized by the Issuer. The Issuer certifies that the disclosures made in this Information Memorandum are adequate and in conformity with the SEBI Debt Listing Regulations. Further, the Issuer accepts no responsibility for statements made otherwise than in the Information Memorandum or any other material issued by or at the instance of the Issuer and anyone placing reliance on any source of information other than this Information Memorandum would be doing so at its own risk.

This Information Memorandum and the respective contents hereof respectively, are restricted only for the intended recipient(s) who have been addressed directly and specifically through a communication by the Issuer and only such recipients are eligible to apply for the Debentures. All Investors are required to comply with the relevant regulations / guidelines applicable to them for investing in this Issue. The contents of this Information Memorandum are intended to be used only by those Investors to whom it is distributed. It is not intended for distribution to any other person and should not be reproduced by the recipient.

No invitation is being made to any persons other than those to whom Application Forms along with this Information Memorandum being issued have been sent. Any application by a person to whom the Information Memorandum has not been sent by the Issuer shall be rejected without assigning any reason.

The person who is in receipt of this Information Memorandum shall not reproduce or distribute in whole or in part or make any announcement in public or to a third party regarding the contents hereof without the consent of the Issuer. The recipient agrees to keep confidential all information provided (or made available hereafter), including, without limitation, the existence and terms of the Issue, any specific pricing information related to the Issue or the amount or terms of any fees payable to us or other parties in connection with the Issue. This Information Memorandum and may not be photocopied, reproduced, or distributed to others at any time without the prior written consent of the Issuer. Upon request, the recipients will promptly return all material received from the Issuer (including this Information Memorandum) without retaining any copies hereof. If any

recipient of this Information Memorandum decides not to participate in the Issue, that recipient must promptly return this Information Memorandum and all reproductions whether in whole or in part and any other information statement, notice, opinion, memorandum, expression or forecast made or supplied at any time in relation thereto or received in connection with the Issue to the Issuer.

The Issuer does not undertake to update the Information Memorandum to reflect subsequent events after the date of Information Memorandum and thus it should not be relied upon with respect to such subsequent events without first confirming its accuracy with the Issuer.

Neither the delivery of this Information Memorandum nor any sale of Debentures made hereafter shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of the Issuer since the date hereof.

This Information Memorandum does not constitute, nor may it be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation. No action is being taken to permit an offering of the Debentures or the distribution of this Information Memorandum in any jurisdiction where such action is required. Persons into whose possession this Information Memorandum comes are required to inform them of, and to observe, any such restrictions. The Information Memorandum is made available to potential Investors in the Issue on the strict understanding that it is confidential.

2.2 DISCLAIMER CLAUSE OF STOCK EXCHANGES

If required, a copy of this Information Memorandum has been filed with the BSE in terms of the SEBI Debt Listing Regulations. It is to be distinctly understood that submission of this Information Memorandum to the BSE should not in any way be deemed or construed to mean that this Information Memorandum has been reviewed, cleared, or approved by the BSE; nor does the BSE in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Information Memorandum, nor does the BSE warrant that the Issuer's Debentures will be listed or will continue to be listed on the BSE; nor does the BSE take any responsibility for the soundness of the financial and other conditions of the Issuer, its promoters, its management or any scheme or project of the Issuer.

2.3 DISCLAIMER CLAUSE OF SEBI

As per the provisions of the SEBI Debt Listing Regulations, it is not stipulated that a copy of this Information Memorandum has to be filed with or submitted to the SEBI for its review / approval. It is to be distinctly understood that this Information Memorandum should not in any way be deemed or construed to have been approved or vetted by SEBI and that this Issue is not recommended or approved by SEBI. SEBI does not take any responsibility either for the financial soundness of any proposal for which the Debentures issued thereof is proposed to be made or for the correctness of the statements made or opinions expressed in this Information Memorandum.

2.4 DISCLAIMER CLAUSE OF RBI

The Issuer has obtained a certificate of registration issued by the RBI to carry on the activities of an NBFC under section 45 IA of the RBI Act, 1934. However, a copy of this Information Memorandum has not been filed with or submitted to the Reserve Bank of India ("RBI"). It is distinctly understood that this Information Memorandum should not in any way be deemed or construed to be approved or vetted by RBI. RBI does not accept any responsibility or guarantee about the present position as to the financial soundness of the Issuer or for the correctness of any of the statements or representations made or opinions expressed by the Issuer and for discharge of liability by the Issuer. By issuing the aforesaid certificate of registration to the Issuer, RBI neither accepts any responsibility nor guarantee for the payment of any amount due to any Investor in respect of the Debentures.

2.5 DISCLAIMER CLAUSE OF THE SOLE ARRANGER

The Issuer hereby declares that it has exercised due-diligence to ensure complete compliance with prescribed disclosure norms in this Information Memorandum. The only role of the Sole Arranger with respect to the Debentures is confined to arranging placement of the Debentures on the basis of this Information Memorandum as prepared by the Issuer. Without limiting the foregoing, the Sole Arranger is not acting, and has not been engaged to act, as an underwriter, merchant banker or other intermediary with respect to the Debentures. The Issuer is solely responsible for the truth, accuracy and completeness of all the information provided in this Information Memorandum. Neither is the Sole Arranger responsible for preparing, clearing, approving, scrutinizing or vetting this Information Memorandum, nor it is responsible for doing any due-diligence for

verification of the truth, correctness or completeness of the contents of this Information Memorandum. The Sole Arranger shall be entitled to rely on the truth, correctness and completeness of this Information Memorandum. It is to be distinctly understood that the aforesaid use of this Disclosure by the Sole Arranger should not in any way be deemed or construed to mean that the Information Memorandum has been prepared, cleared, approved, scrutinized or vetted by the Sole Arranger. Nor should the contents of this Information Memorandum in any manner be deemed to have been warranted, certified or endorsed by the Sole Arranger as to the truth, correctness or completeness thereof. Each recipient must satisfy itself as to the accuracy, reliability, adequacy, reasonableness or completeness of the Information Memorandum.

The Sole Arranger has not conducted any due diligence review on behalf or for the benefit of the Debenture Trustee or any of the Debenture Holders. Each of the Debenture Holders should conduct such due diligence on the Issuer and the Debentures as it deems appropriate and make its own independent assessment thereof.

Distribution of this Information Memorandum does not constitute a representation or warranty, express or implied by the Sole Arranger that the information and opinions herein will be updated at any time after the date of this Information Memorandum. The Sole Arranger does not undertake to notify any recipient of any information coming to the attention of the Sole Arranger after the date of this Information Memorandum. No responsibility or liability or duty of care is or will be accepted by the Sole Arranger for updating or supplementing this Information Memorandum or for providing access to any additional information as further information becomes available.

Neither the Sole Arranger nor any of their respective directors, employees, officers or agents shall be liable for any direct, indirect or consequential loss or damage suffered by any person as a result of relying on any statement in or omission from this Information Memorandum or in any other information or communications made in connection with the Debentures.

The Sole Arranger is acting for the Company in relation to the Issue of the Debentures and not on behalf of the recipients of this Information Memorandum. The receipt of this Information Memorandum by any recipient is not to be constituted as the giving of investment advice by the Sole Arranger to that recipient, nor to constitute such a recipient a customer of the Sole Arranger. The Sole Arranger is not responsible to any other person for providing the protection afforded to the customers of the Sole Arranger nor for providing advice in relation to the Debentures

Each recipient of this Information Memorandum acknowledges that:

- i. each recipient has been afforded an opportunity to request and to review and has received all additional information considered by the recipient to be necessary to verify the accuracy of or to supplement the information contained herein; and
- ii. such recipient has not relied on the Sole Arranger in connection with its investigation of the accuracy of such information or its investment decision.

2.6 DISCLAIMER IN RESPECT OF JURISDICTION

This Issue is made in India to investors as specified under the paragraph titled "Eligible Investors" of this Information Memorandum, who shall be/have been identified upfront by the Issuer. This Information Memorandum does not constitute an offer to sell or an invitation to subscribe to Debentures offered hereby to any person to whom it is not specifically addressed. Any disputes arising out of this Issue will be subject to the exclusive jurisdiction of the courts and tribunals at Mumbai. This Information Memorandum does not constitute an offer to sell or an invitation to subscribe to the Debentures herein, in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction.

2.7 DISCLAIMER IN RESPECT OF RATING AGENCIES

Ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. The Rating Agency has based its ratings on information obtained from sources believed by it to be accurate and reliable. The Rating Agency does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by the Rating Agency have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

2.8 ISSUE OF DEBENTURES IN DEMATERIALIZED FORM

The Debentures will be issued in dematerialized form. The Issuer has made arrangements with the Depositories for the issue of the Debentures in dematerialized form. Investors will have to hold the Debentures in dematerialized form as per the provisions of Depositories Act. The Issuer shall take necessary steps to credit the Debentures allotted to the beneficiary account maintained by the Investor with its depository participant. The Issuer will make the Allotment to the Investors on the Deemed Date of Allotment after verification of the Application Form, the accompanying documents and on realization of the application money.

SECTION 3: RISK FACTORS

The following are the risks relating to the Company, the Debentures and the market in general envisaged by the management of the Company. Potential investors should carefully consider all the risk factors in this Information Memorandum for evaluating the Company and its business and the Debentures before making any investment decision relating to the Debentures. The Company believes that the factors described below represent the principal risks inherent in investing in the Debentures but does not represent that the statements below regarding risks of holding the Debentures are exhaustive. The ordering of the risk factors is intended to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another. Investors should also read the detailed information set out elsewhere in this Information Memorandum and reach their own views prior to making any investment decision.

i. REPAYMENT IS SUBJECT TO THE CREDIT RISK OF THE ISSUER.

Potential investors should be aware that receipt of the principal amount (i.e. the redemption amount) and any other amounts that may be due in respect of the Debentures is subject to the credit risk of the Issuer. Potential investors assume the risk that the Issuer will not be able to satisfy their obligations under the Debentures. In the event that bankruptcy proceedings or composition, scheme of arrangement or similar proceedings to avert bankruptcy are instituted by or against the Issuer, the payment of sums due on the Debentures may not be made or may be substantially reduced or delayed. The principal amount is subject to the credit risk of the issuer whereby the investor(s) may or may not recover all or part of the funds in case of default by the Issuer.

ii. THE SECONDARY MARKET FOR DEBENTURES MAY BE ILLIQUID.

The Debentures may be very illiquid, and no secondary market may develop in respect thereof. Even if there is a secondary market for the Debentures, it is not likely to provide significant liquidity. Potential investors may have to hold the Debentures until redemption to realize any value.

iii. CREDIT RISK & RATING DOWNGRADE RISK

The Rating Agency has assigned the credit ratings to the Debentures. In the event of deterioration in the financial health of the Issuer, there is a possibility that the rating agency may downgrade the rating of the Debentures. In such cases, potential investors may incur losses on revaluation of their investment or make provisions towards sub-standard/ non-performing investment as per their usual norms.

iv. CHANGES IN INTEREST RATES MAY AFFECT THE PRICE OF THE DEBENTURES

All securities where a fixed rate of interest is offered, such as this Issue, are subject to price risk. The price of such securities will vary inversely with changes in prevailing interest rates, i.e. when interest rates rise, prices of fixed income securities fall and when interest rates drop, the prices increase. The extent of fall or rise in the prices is a function of the existing coupon, days to maturity and the increase or decrease in the level of prevailing interest rates. Increased rates of interest, which frequently accompany inflation and/or a growing economy, are likely to have a negative effect on the pricing of the Debentures.

v. TAX CONSIDERATIONS AND LEGAL CONSIDERATIONS

Special tax considerations and legal considerations may apply to certain types of investors. Potential investors are urged to consult with their own financial, legal, tax and other advisors to determine any financial, legal, tax and other implications of this investment.

vi. ACCOUNTING CONSIDERATIONS

Special accounting considerations may apply to certain types of taxpayers. Potential investors are urged to consult with their own accounting advisors to determine implications of this investment.

vii. MATERIAL CHANGES IN REGULATIONS TO WHICH THE ISSUER IS SUBJECT COULD IMPAIR THE ISSUER'S ABILITY TO MEET PAYMENT OR OTHER OBLIGATIONS.

The Issuer is subject generally to changes in Indian law, as well as to changes in government regulations and policies and accounting principles. Any changes in the regulatory framework could adversely affect the profitability of the Issuer or its future financial performance, by requiring a restructuring of its activities, increasing costs or otherwise.

viii. LEGALITY OF PURCHASE

Potential investors of the Debentures will be responsible for the lawfulness of the acquisition of the Debentures, whether under the laws of the jurisdiction of its incorporation or the jurisdiction in which it operates or for compliance by that potential investor with any law, regulation or regulatory policy applicable to it.

ix. POLITICAL AND ECONOMIC RISK IN INDIA

The Issuer operates only within India and, accordingly, all of its revenues are derived from the domestic market. As a result, it is highly dependent on prevailing economic conditions in India and its results of operations are significantly affected by factors influencing the Indian economy. An uncertain economic situation, in India and globally, could result in a further slowdown in economic growth, investment and consumption. A slowdown in the rate of growth in the Indian economy could result in lower demand for credit and other financial products and services and higher defaults. Any slowdown in the growth or negative growth of sectors where the Issuer has a relatively higher exposure could adversely impact its performance. Any such slowdown could adversely affect its business, prospects, results of operations and financial condition.

x. STRUCTURE RISK

The Debentures are subject to model risk, i.e., the Debentures are created on the basis of complex mathematical models involving multiple derivative exposures which may or may not be hedged and the actual behavior of the securities selected for hedging may significantly differ from the returns predicted by the mathematical models.

The Debentures being structured debentures are sophisticated instruments which involve a significant degree of risk and are intended for sale only to those Investors capable of understanding the risks involved in such instruments. The Debentures are a principal protected product only upon maturity.

xi. RISKS RELATED TO THE BUSINESS OF THE ISSUER

- (a) ***All the loans provided by the Issuer are secured. However, if the Issuer is unable to control the level of non-performing loans (‘NPAs’) in the future, or if the loan loss reserves are insufficient to cover future loan losses, the financial condition of the Issuer and results of operations may be materially and adversely affected. Non-performing or low credit quality loans can negatively impact its results of operations.***

As on September 30, 2020, the gross NPA was Rs. 1.98 Crore on a gross portfolio of Rs 444.36 Crore.

The Issuer cannot assure that it will be able to effectively control and reduce the level of the NPAs of its Client Loans. The amount of its reported NPAs may increase in the future as a result of growth of Client Loans, and also due to factors beyond its control, such as over-extended member credit that it is unaware of. If the Issuer is unable to manage its NPAs or adequately recover its loans, the results of its operations will be adversely affected.

The Issuer’s current loan loss reserves may not be adequate to cover an increase in the amount of NPAs or any future deterioration in the overall credit quality of the Issuer’s total loan portfolio. As a result, if the quality of the Issuer’s total loan portfolio deteriorates the Issuer may be required to increase the loan loss reserves, which will adversely affect the Issuer’s financial condition and results of operations. The Issuer’s borrowers are from the middle and lower middle-class segments and, as a result, might be vulnerable if economic conditions worsen or growth rates decelerate in India, or if there are natural disasters such as floods and droughts in areas where the Issuer’s members live. Moreover, there is no precise method for predicting loan and credit losses, and the Issuer cannot assure that the Issuer’s monitoring and risk management procedures will effectively predict such losses or that loan loss reserves will be sufficient to cover actual losses. If the Issuer is unable to control or reduce the level of its NPAs or poor credit quality loans, the Issuer’s financial condition and results of the Issuer’s operations could be materially and adversely affected.

- (b) ***Issuer requires certain statutory and regulatory approvals for conducting business and failure to obtain or retain them in a timely manner, or at all, may adversely affect operations.***

Non-Banking Financial Companies in India are subject to strict regulation and supervision by the RBI. The Issuer requires certain approvals, licenses, registrations and permissions for operating, including registration with the RBI as a NBFC. Further, such approvals, licenses, registrations and permissions must be maintained/renewed over time, applicable requirements may change and may not be aware of or comply with all requirements all of the time. Additionally, the Issuer may need additional approvals from regulators to introduce new insurance and other fee-based products to its members. In particular, the Issuer is required to obtain a certificate of registration for carrying on business as a NBFC that is subject to numerous conditions. In addition, branches are required to be registered under the relevant shops and establishments laws of the states in which they are located. The shops and establishment laws regulate various employment conditions, including working hours, holidays and leave and overtime compensation. If the Issuer fails to obtain or retain any of these approvals or licenses, or renewals thereof, in a timely manner, or at all, business may be adversely affected. If the Issuer fails to comply, or a regulator claims that it has not complied, with any of these conditions, its certificate of registration may be suspended or cancelled, and the Issuer shall not be able to carry on such activities.

- (c) ***Issuer may be required to increase capital ratio or amount of loan loss reserves, which may result in changes to business and accounting practices that would harm business and results of operations.***

The Issuer is subject to the RBI minimum capital to risk weighted assets ratio regulations. Pursuant to Section 45-IC of the RBI Act, 1934, every NBFC is required to create a reserve fund and transfer thereto a sum not less than 20.0% (Twenty Percent) of its net profit every year, as disclosed in the profit and loss account and before any dividend is declared. The Issuer is also required to maintain a minimum capital adequacy ratio of 15.0% (Fifteen Percent) in relation to aggregate risk-weighted assets and risk adjusted assigned loans. The RBI may also in the future require compliance with other financial ratios and standards. Compliance with such regulatory requirements in the future may require alteration of its business and accounting practices or take other actions that could materially harm its business and operating results

- (d) ***The Issuer is exposed to certain political, regulatory and concentration of risks***

Due to the nature of its operations, the Issuer is exposed to political, regulatory and concentration risks.

- (e) ***Competition from other financial institutions may adversely affect the Issuer's profitability***

The Issuer considers that commercial banks and other NBFCs have generally not targeted its client base effectively. However, banks and NBFCs do offer loans to individual proprietors either on an unsecured basis or against the value of their personal property. There are also housing finance companies that provide loans to this customer group. It is possible that their activities in this sector could increase, resulting in competition that adversely affects its profitability and financial position. The Issuer believes that its sector expertise, credit analysis and portfolio management capabilities are all sources of competitive strength and are a mitigant to this risk.

- (f) ***Changes in interest rates of the loans that the Issuer can borrow could reduce profit margins***

If the cost of the loans that the Issuer receives increases, due to either market or credit movements, the net interest margin might reduce and adversely affect the Issuer's financial condition.

- (g) ***Large scale attrition, especially at the senior management level, can make it difficult for the Issuer to manage its business.***

If the Issuer is not able to attract, motivate, integrate or retain qualified personnel at levels of experience that are necessary to maintain the Issuer's quality and reputation, it will be difficult for the Issuer to manage its business and growth. The Issuer depends on the services of its executive officers and key employees for its continued operations and growth. In particular, the Issuer's senior management has significant experience in the banking and financial services industries.

The loss of any of the Issuer's executive officers, key employees or senior managers could negatively affect its ability to execute its business strategy, including its ability to manage its rapid growth.

The Issuer's business is dependent on its team of personnel who directly manage its relationships with its borrowers. The Issuer's business and profits would suffer adversely if a substantial number of such personnel left the Issuer or became ineffective in servicing its borrowers over a period of time.

The Issuer's future success will depend in large part on its ability to identify, attract and retain highly skilled managerial and other personnel. Competition for individuals with such specialized knowledge and experience is high, and the Issuer may be unable to attract, motivate, integrate or retain qualified personnel at levels of experience that are necessary to maintain its quality and reputation or to sustain or expand its operations. The loss of the services of such personnel or the inability to identify, attract and retain qualified personnel in the future would make it difficult for the Issuer to manage its business and growth and to meet key objectives.

(h) ***The Issuer's business and results of operations would be adversely affected by strikes, work stoppages or increased wage demands by employees***

The employees are not currently unionized. However, there can be no assurance that they will not unionize in the future. If the employees unionize, it may become difficult to maintain flexible labour policies, and could result in high labour costs, which would adversely affect the Issuer's business and results of operations.

(i) ***The Issuer's insurance coverage may not adequately protect it against losses. Successful claims that exceed its insurance coverage could harm the Issuer's results of operations and diminish its financial position***

The Issuer maintains insurance coverage of the type and in the amounts that it believes are commensurate with its operations and other general liability insurances. The Issuer's insurance policies, however, may not provide adequate coverage in certain circumstances and may be subject to certain deductibles, exclusions and limits on coverage.

In addition, there are various types of risks and losses for which the Issuer does not maintain insurance, such as losses due to business interruption and natural disasters, because they are either uninsurable or because insurance is not available to the Issuer on acceptable terms. A successful assertion of one or more large claims against the Issuer that exceeds its available insurance coverage or results in changes in its insurance policies, including premium increases or the imposition of a larger deductible or co-insurance requirement, could adversely affect the Issuer's business, financial condition and results of operations

SECTION 4: REGULATORY DISCLOSURES

The Information Memorandum has been prepared in accordance with the provisions of SEBI Debt Listing Regulations and in this section, the Issuer has set out the details required as per Schedule I of the SEBI Debt Listing Regulations.

4.1 Documents Submitted to the Stock Exchange

The following documents and such other documents have been required from time to time shall be submitted to the BSE if the proposed Debentures intend to get listed:

- a) Memorandum and Articles of Association of the Issuer and necessary resolution(s) for the allotment of the Debentures;
- b) Copy of last 3 (Three) years audited Annual Reports;
- c) Statement containing particulars of, dates of, and parties to all material contracts and agreements;
- d) Certified copy of the Board Resolution dated August 01, 2020 read with the resolution passed by the Executive Committee of the Board of Directors dated December 18, 2020 authorizing the issuance of the Debentures;
- e) Certified true copy of the shareholders' resolution passed by the Company at the General Meeting held on July 31, 2020 authorizing the Company to issue non-convertible debentures under Section 42 of the Companies Act, 2013;
- f) An undertaking from the Issuer stating that the necessary documents for the creation of the charge, including the Debenture Trust Deed would be executed within the time frame prescribed in the relevant regulations/acts/rules etc. and the same would be uploaded on the website of the BSE, where the debt securities have been listed, within 5 (Five) working days of execution of the same;
- g) Any other particulars or documents that the recognized stock exchange may call for as it deems fit.
- h) An undertaking that permission / consent from the prior creditor for a second or pari passu charge being created, where applicable, in favor of the trustees to the proposed issue has been obtained.

4.2 Documents Submitted to the Debenture Trustee

List of disclosures to be submitted to the Debenture Trustee in electronic form (soft copy) at the time of allotment of the debt securities:

- a) Memorandum and Articles of Association and necessary resolution(s) for the allotment of the debt securities;
- b) Copy of last three years audited Annual Reports;
- c) Statement containing particulars of, dates of, and parties to all material contracts and agreements;
- d) Latest Audited / Limited Review Half Yearly Consolidated (wherever available) and Standalone Financial Information (Profit & Loss statement, Balance Sheet and Cash Flow statement) and auditor qualifications, if any;
- e) An undertaking to the effect that the Company would, until the redemption of the debt securities, submit the details mentioned in point (d) above to the Debenture Trustee within the timelines as mentioned in the in Simplified Listing Agreement issued by SEBI vide circular No. SEBI/IMD/BOND/1/2009/11/05 dated May 11, 2009 as amended from time to time, for furnishing / publishing its half yearly/ annual result. Further, the Company shall promptly submit to the Debenture Trustee all the other documents/intimations as are required to be submitted under the provisions of Regulation 56 of the SEBI LODR Regulations. Further, the Issuer shall within 180 days from the end of the financial year, submit a copy of the latest annual report to the Debenture Trustee and the Debenture Trustee shall be obliged to share the details submitted under this clause with all 'Qualified Institutional Buyers' (QIBs) and other existing debenture-holders within two working days of their specific request.

4.3 Name and address of the following:

Name:	Finova Capital Private Limited
Registered Office of Issuer:	702, 7 th Floor, Unique Aspire, Amrapali Marg, Vaishali Nagar, Jaipur-302021
Corporate Office of Issuer:	4 th Floor, Unique Aspire, Amrapali Marg, Vaishali Nagar, Jaipur 302021
Compliance Officer of Issuer:	N.A.
Chief Financial Officer of Issuer:	N.A. All functions of a Chief Financial Officer are performed by Vice President (Finance), being Mr. Ravi Sharma.
Contact Person of the Issuer	Mr. Ravi Sharma 4 th Floor, Unique Aspire, Amrapali Marg, Vaishali Nagar, Jaipur 302021
NBFC Registration Number:	B.10.00236
Corporate Identification Number	U65993RJ2015PTC048340
Website of Issuer:	www.finova.in
Arranger(s), if any, of the instrument	Unitus Capital Private Limited, 2 nd Floor, 9/3, Kaiser – E – Hind, Richmond Road, Bangalore – 560025. India.
Auditors of the Issuer	S R Batliboi & Associates LLP Golf View Corporate Tower – B, Sector 42, Gurgaon-122002
Trustee to the Issue	Catalyst Trusteeship Limited Windsor, 6th Floor, Office No - 604, C.S.T. Road, Kalina, Santacruz (East), Mumbai – 400 098 Phone No.: +91 22 4922 0555 dt.mumbai@ctltrustee.com
Registrar	Link Intime India Pvt. Ltd. 247 Park, C 101 1st Floor, LBS Marg, Vikhroli (W), Mumbai – 400 083 Phone No: +91 22 49186101 Email Id: debtca@linkintime.co.in
Credit Rating Agencies	Acuite Ratings and Research Limited A-812, The Capital, Bandra Kurla Complex, Mumbai – 400051 Boardline: +91 22 4929 4000 WhatsApp: +91 99698 98000

4.4 A brief summary of the business/ activities of the Issuer and its line of business containing atleast following information:

(a) Overview:

Company was founded in 2015 by two professionals - Mr. Mohit Sahney and Ms. Sunita Sahney with an aim to financially support the MSME entrepreneurs. The promoters have rich experience in the banking, community upliftment and operational fields. Company currently provides – SME loans against residential and commercial property, as security, to the unorganized and unbanked MSME entrepreneurs (working in the service sector) in the states of Rajasthan, Madhya Pradesh and Delhi.

Finova has a very strong Second line of Management with rich experience in the Banking and Financial Services field and is backed by a stellar Board and Advisors. Mr. Rajiv Sabharwal (MD & CEO – Tata Capital, Ex ED – ICICI Bank, Sequoia Capital, Partner – True North) is their Advisor.

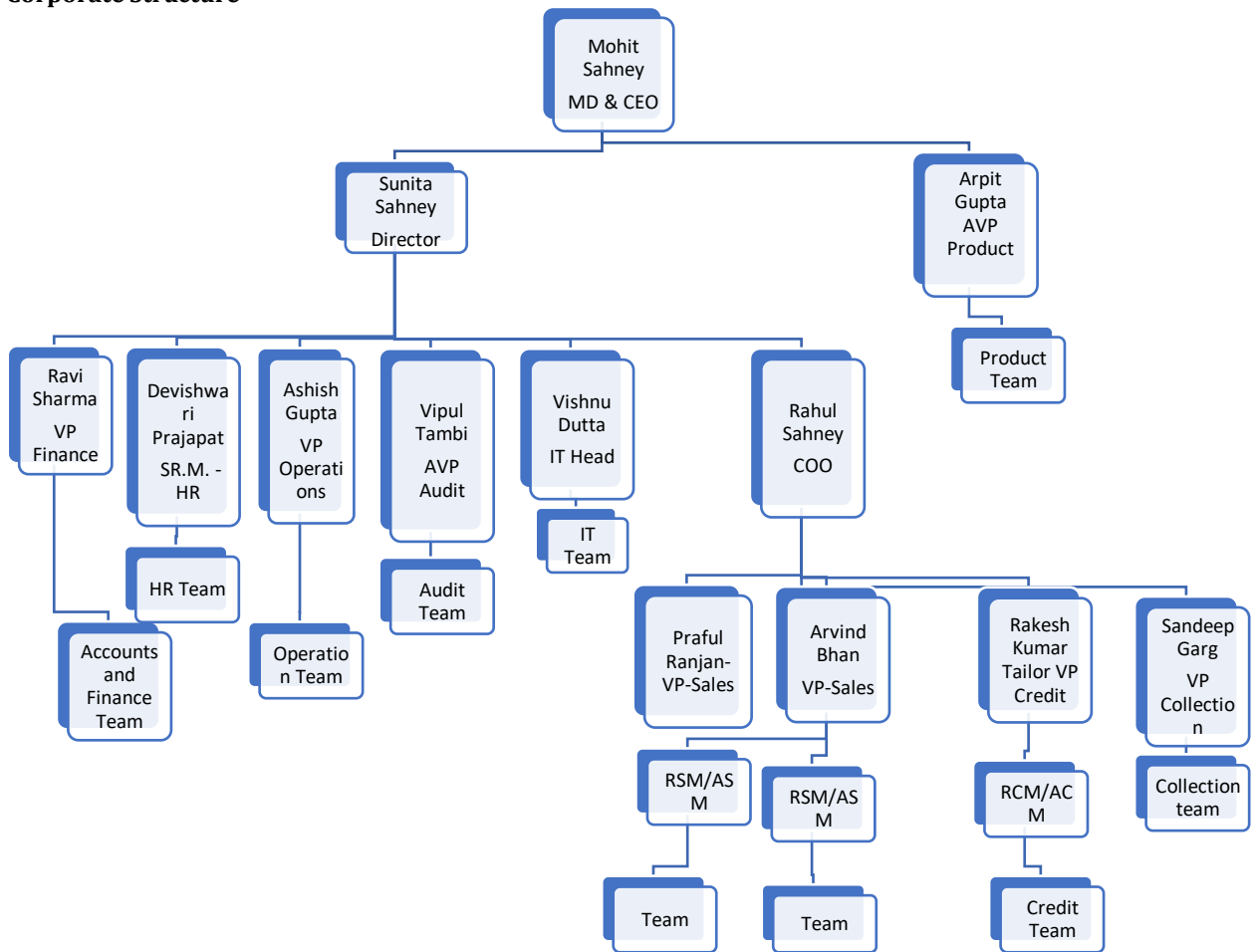
Company follows highly efficient credit evaluation process:

- **Robust Control** - centralized credit appraisal mechanism
- **Faster loan approvals** - Usually 7 working days from prospecting to loan disbursement
- **Credit assessment** – Parameters judged like number of years in business, Fixed Obligations to Income ratio, LTV, CIBIL, etc
- **Collateral assessment** – Reputed local legal firm are appointed to assess the collateral

(b) **Business of the Issuer**

It is a NBFC licensed by Reserve bank of India which provides loans to unorganized, unreached MSME sector. The company currently focuses only in the Semi Urban and Rural areas of Rajasthan (79 branches), Madhya Pradesh (21) and Delhi-NCR (4). It has branch network of 104 branches as on September 2020.

(c) **Corporate Structure**



4.5 Key Operational and Financial Parameters for the last 3 Audited years

(Rs in Crores)

Parameters	Unaudited	Audited	Audited	Audited
	30 Sept 2020	31-Mar-20	31-Mar-19	31-Mar-18
Net Worth	388.06	171.04	159.76	52.43
Total Debt	373.05	312.07	189.26	54.93
- Non current maturities of long-term Borrowings	260.46	231.26	142.99	40.36
- Short term borrowings	-	-	-	-
- Current maturities of long-term Borrowings	112.59	80.82	46.27	14.57
Net Fixed Assets	6.88	4.28	2.92	1.81
Non-Current Assets	13.09	7.08	2.05	0.98
Cash and Cash equivalents	282.50	69.43	63.84	2.98
Current Investments	21.87	7.08	40.94	21.56
Current Assets	24.96	11.44	3.86	1.22
Current Liabilities	15.52	88.32	55.37	30.45
Assets Under Management	427.33	396.84	245.11	94.79
Off balance sheet assets	-	-	-	-
Interest Income	52.62	70.19	31.50	11.06
Interest Expense	19.83	30.28	14.09	4.28
Provisioning & Write Offs	3.70	11.22	0.76	0.35
PAT	5.59	11.28	7.02	3.65
Gross NPA (%)	0.44	0.19	0.36	0.19
Net NPA (%)	0.36	0.15	0.28	0.13
Tier I Capital Adequacy Ratio (%)	38.12%	40.03	62.54	53.15

4.6 Gross Debt: Equity Ratio of the Company:

Before the issue of debt securities	0.93
After the issue of debt securities	0.99

Calculations

Before the issue, debt-to-equity ratio is calculated as follows:

(Rs. Crores)

Debt	406.48
Equity*	436.72
Debt/Equity	0.93

*Equity includes the recent equity raise by the company in the month of September 2020 and October 2020.

Subsequent to the issue, debt-to-equity ratio shall be calculated as follows:

(Rs. Crores)

Debt	436.48
Equity*	436.72
Debt/Equity	0.99

*Equity includes the recent equity raise by the company in the month of September 2020 and October 2020.

4.7 Project cost and means of financing, in case of funding of new projects:

Not Applicable

4.8 Any Change in Accounting policies in last 3 years

The Company has not change in the accounting policy except as disclosed in the Annual Reports

4.9 Related Party Transactions for last three financial years:

Amt in Rs.

Particulars	Nature of Transaction	31-Mar-20	31-Mar-19	31-Mar-18
Mr. Mohit Sahney	Remuneration	11,232,000	11,061,356	6663402
Mrs. Sunita Sahney	Remuneration	3,900,000	3,931,544	2541792
Mr. Rahul Sahney	Remuneration	3,900,000	3,931,563	2153856
Mr. Virendra Singh	Remuneration	-	461,954	491110

Particulars	Nature of Transaction	31-Mar-20	31-Mar-19	31-Mar-18
Ms. Garima Jhamnani	Remuneration	4,98,826	177,002	0
Mr. Mohit Sahney	Reimbursement of Office Usage	-	12,710	25127
Mrs. Sunita Sahney	Reimbursement of Office Usage	66,500	60,000	175726
Mr. Rahul Sahney	Reimbursement of Office Usage	226,154	170,430	100729
Mr. Virendra Singh	Reimbursement of Office Usage	-	185,171	154768
Ms. Garima Jhamnani	Reimbursement of Office Usage	42,211	11,000	0

4.10 Brief History of the Company Since Its Incorporation Giving Details of The Following Activities

a. Details of Share Capital as on September 30, 2020

(Rs. in Crores)

Share Capital	Amount
Authorized Capital	111.00
Equity Shares	6.00
Compulsory Convertible Cumulative Preference Shares	105.00
Total	111.00
Issued Capital	
Equity Shares	5.00
Compulsory Convertible Cumulative Preference Shares	63.14
Total	68.14
Subscribed Capital	
Equity Shares	5.00
Compulsory Convertible Cumulative Preference Shares	63.14
Total	68.14
Paid Up Capital	
Equity Shares	5.00
Compulsory Convertible Cumulative Preference Shares	61.49
Total	66.49

b. Changes in its capital structure as on September 30, 2020, for the last five years:

(Rs. in Crores)

Date of Change (AGM/ EGM)	Change in authorized Share Capital Particulars					
	Existing		Revised		Change in capital	
	Equity	CCCPS	Equity	CCCPS	Equity	CCCPS
March,07,2016 (EGM)	2.00	0.00	5.00	0.00	3.00+	0.00
September,02, 2017 (EGM)	5.00	0.00	6.00	34.00	1.00+	34.00+
February 21.02.2019 (EGM)	6.00	34.00	6.00	65.00	0.00	21.00+
September / October (EGM)	6.00	65.00	6.00	105.00	0.00	50.00+

Note: E.S. stands for Equity Share Capital and P.S. stands for Preference Share Capital.

c. Equity Share Capital History of the Company as on September 30, 2020 for the last five years

Date of Allotment	No. of Equity shares	Face Value (Rs)	Issue price (Rs)	Consideration Amount (Cash/other than Cash)	Nature of Allotment	Cumulative			Remarks
						No. of equity Shares	Equity Share Capital	Equity Share Premium	
24/09/2015	5,000	10	10	50,000 [Cash]	Subscriber	5,000.0	50,000.0	-	NA

Date of Allotment	No. of Equity shares	Face Value (Rs)	Issue price (Rs)	Consideration Amount (Cash/other than Cash)	Nature of Allotment	Cumulative			Remarks
						No. of equity Shares	Equity Share Capital	Equity Share Premium	
24/09/2015	5,000	10	10	50,000 [Cash]	Subscriber	10,000.0	1,00,000.0	-	NA
28/10/2015	5,85,000	10	10	58,50,000 [Cash]	Rights Issue	5,95,000.0	59,50,000.0	-	NA
28/10/2015	1,05,000	10	10	10,50,000 [Cash]	Rights Issue	7,00,000.0	70,00,000.0	-	NA
28/10/2015	4,00,000	10	10	40,00,000 [Cash]	Rights Issue	11,00,000.0	1,10,00,000.0	-	NA
28/10/2015	4,00,000	10	10	40,00,000 [Cash]	Rights Issue	15,00,000.0	1,50,00,000.0	-	NA
28/10/2015	5,00,000	10	10	50,00,000 [Cash]	Rights Issue	20,00,000.0	2,00,00,000.0	-	NA
14/03/2016	17,50,000	10	10	1,75,00,000 [Cash]	Rights Issue	37,50,000.0	3,75,00,000.0	-	NA
20/05/2016	2,75,000	10	50	1,37,50,000 [Cash]	Rights Issue	40,25,000.0	4,02,50,000.0	1,10,00,000.0	NA
20/05/2016	4,00,000	10	50	2,00,00,000 [Cash]	Rights Issue	44,25,000.0	4,42,50,000.0	2,70,00,000.0	NA
20/05/2016	4,00,000	10	50	2,00,00,000 [Cash]	Rights Issue	48,25,000.0	4,82,50,000.0	4,30,00,000.0	NA
20/05/2016	1,75,000	10	50	87,50,000 [Cash]	Rights Issue	50,00,000.0	5,00,00,000.0	5,00,00,000.0	NA
11/09/2017	10	10	115	1,150 [Cash]	Preferential Issue	50,00,010.0	5,00,00,100.0	5,00,01,050.0	NA
25/03/2019	6	10	360.97	2,166 [Cash]	Preferential Issue	50,00,016.0	5,00,00,160.0	5,00,03,155.8	NA
25/03/2019	4	10	360.97	1,444 [Cash]	Preferential Issue	50,00,020.0	5,00,00,200.0	5,00,04,559.7	NA

Compulsory convertible Cumulative Preference Share (CCCPS)

Date of Allotment	No. shares	Face Value	Issue price	Consideration Amount	Nature of Allotment	Cumulative			Remarks
						No. of Preference Shares	Preference Share Capital	Premium	
11/09/2017	1391294	100	115	159998810 [Cash]	Preferential Issue	1391294	139129400	20869410	NA

21-0-22018	1939131	100	115	223000065 [Cash]	Preferential Issue	3330425	333042500	313678191	NA
24/11/2018	28000	100	175	4900000 [Cash]	Preferential Issue	3358425	335842500	315778191	NA
25/03/2019	1085963	100	360.97	392000064.1 [Cash]	Preferential Issue	4444388	444438800	599181955	NA
25/03/2019	1102059	100	360.97	397810237.2 [Cash]	Preferential Issue	5546447	554644700	886786292	NA
25/03/2019	629377	100	360.97	227186215.7 [Cash]	Preferential Issue	6175824	617582400	1051034808	NA
25/03/2019	69258	100	360.97	25000060.26 [Cash]	Preferential Issue	6245082	624508200	1069109068	NA
25-032-019	69258	100	360.97	25000060.26 [Cash]	Preferential Issue	6314340	631434000	1087183329	NA

Notes (if any): NIL

d. Details of any Acquisition or Amalgamation in the last 1 year: Nil

e. Details of any Reorganization or Reconstruction in the last 1 year: Nil

4.11 Details of the Shareholding of the Company as on the latest quarter end

a. Shareholding pattern of the Company as on September 30, 2020:

Sl. No.	Name of shareholder	Type of shares	Total no of equity shares	No. of shares in demat form	Total shareholding as on % of total no of shares	No of Shares	% of Shares
						Pledged	pledged with respect to shares owned
1	Mohit Sahney	Equity	26,00,000	0	23.29%	0	0
2	Sunita Sahney	Equity	5,50,000	0	4.93%	0	0
3	Mohit Sahney	Partly Paid CCPS	69,258	0	0.06%	0	0
4	Sunita Sahney	Partly Paid CCPS	69,258	0	0.06%	0	0
5	Others						
6	Ravinder Singh Thakkar	Equity	8,00,000	0	7.17%	0	0
7	Laxmi Narayan	Equity	2,50,000	0	2.24%	0	0
8	Prashant Gupta	Equity	8,00,000	0	7.17%	0	0
9	Rahul Sahney CCPS	Partly Paid CCPS	28,000	0	0.03%	0	0
10	Institutional Investors						
11	SCI Investments V	Equity	10	0	0.00%	0	0
12	SCI Investments V	CCPS	44,16,388	0	39.56%	0	0
13	Faering Capital Fund II	Equity	6	0	0.00%	0	0
14	Faering Capital Fund II	CCPS	11,02,059	0	9.87%	0	0
15	Faering Capital Fund III	Equity	4	0	0.00%	0	0
16	Faering Capital Fund III	CCPS	6,29,377	0	5.64%	0	0
	Total		1,13,14,360	-	100.00%	0	0

Notes: Shares pledged or encumbered by the promoters (if any) - Nil

b. List of top 10 holders of equity shares of the Company as on September 30, 2020

Sl. No.	Name of shareholder	Type of shares	Total no of equity shares	No. of shares in demat form	Total shareholding as on % of total no of shares	No of Shares	% of Shares
						Pledged	pledged with respect to shares owned
1	Mohit Sahney	Equity	26,00,000	0	52.00%	0	0
2	Ravinder Singh Thakkar	Equity	8,00,000	0	16.00%	0	0
3	Prashant Gupta	Equity	8,00,000	0	16.00%	0	0
4	Sunita Sahney	Equity	5,50,000	0	11.00%		
5	Laxmi Narayan	Equity	2,50,000	0	5.00%	0	0
6	SCI Investments V	Equity	10	0	0.00%	0	0
7	Faering Capital Fund II	Equity	6	0	0.00%	0	0
8	Faering Capital Fund III	Equity	4	0	0.00%	0	0
	Total		50,00,020	-	100.00%	0	0

4.12 Following details regarding the directors of the Company:
a. Details of the Current Directors of the Company

Sl.	Name of the Directors & Designation	Age	Address	DIN	Director of the company since	Director in other company
1.	Mohit Sahney MD & CEO	46	55, Pratap Nagar, Vaishali Nagar, Khatipura Road, Jaipur	07280918	08/03/2016	No
2.	Sunita Sahney Whole Time Director	47	55, Pratap Nagar, Vaishali Nagar, Khatipura Road, Jaipur	02395354	24/09/2015	No
3.	Ravi Shankar Venkataraman Ganapathy Agraharam Nominee Director	42	Villa Gw09, 77 East, 77 Town Centre Yemalur Main Road, Marathahalli Colony Bangalore	2604007	11/04/2018	- NIL
4.	Ishaan Mittal Nominee Director	33	D 502, Pearl Gate Way Tower, Botanical Garden Metro Station, Sector 44, Gautam Buddha Nagar, UP	7948671	11/04/2018	- Havard Business School Club of India - Urban Ladder Home Décor Solutions Private Limited - Suburban Diagnostics Private Limited - Girnar Software Private Limited
5.	Mr. Arjun Dan Ratnoo Independent Director	66	149, Pratap Nagar, Khatipura, Vaishali Nagar, Jaipur 302021	00802613	24/11/2018	- NIL
6.	Aditya Deepak Parekh Nominee Director	43	Flat No 4605, The Imperial Towers North B B Nakashe Marg, Tadeo Mumbai 400034	02848538	26/03/2019	- NIL

*Company to disclose name of the current directors who are appearing in the RBI defaulter list and/or ECGC default list, if any. –None of the Directors of the Company are appearing on the RBI/ECGC defaulters list.

4.13 Details of change in directors since last three years:

Name	Designation	DIN	Date of Appointment	Date of Resignation	Director of the Company since (in case resignation)	Remarks
Ravi Shankar Venkataraman Ganapathy Agraharam	Nominee Director	2604007	11/04/2018	-	-	Appointment
Ishaan Mittal	Nominee Director	7948671	11/04/2018	-	-	Appointment
Mr. Arjun Dan Ratnoo	Additional Ind. Director	00802613	24/11/2018	-	-	Appointment
Aditya Deepak Parekh	Nominee Director	02848538	26/03/2019	-	-	Appointment

4.14 Brief particulars of the management of the Company:

- Board of Directors:

Sl.	Name & Designation	Experience
1.	Mohit Sahney MD & CEO	Mohit has close to two decades of experience in retail banking & financial services, with impeccable track record in full spectrum of Asset & Liability business from business conceptualization to development to risk management in products such as home loans, mortgages loans, property services, Agri business, retail assets & branch banking, wherein he spearheaded various segments from inception .He was instrumental in setting up all these business along with Rural & Inclusive Banking group for ICICI bank. He successfully spearheaded integration process with Bank of Rajasthan as well. He has served bank in various capacities as Head-Home Search, Business Head-Home Equity, Product Head-Mortgages & Zonal Head-Rajasthan.
2.	Sunita Sahney Whole Time Director	Sunita Sahney is Founder Director of Finova Capital. She has done Production & Industrial Engineering from MBM Engineering College, JNV University, Jodhpur & MBA from FMS, MDS University, Ajmer. She topped MDS University, Ajmer in Management & was working with Shyam Telelink & Tata Teleservices in various leadership roles before turning entrepreneur. As Director, Sunita looks after the operations side of the business-From banking operations to customer Relationship Management, from finance to recruitment. Her dream is to have Finova play a pivotal role in the transformation of credit delivery mechanism to unorganized & unreached segment in the country. She is heading operations, compliance & HR in Finova Capital.
3.	Ravi Shankar Venkataraman Ganapathy Agraharam Nominee Director	Ravishankar is a Managing Director with Sequoia Capital India. At Sequoia Capital, Ravishankar focuses on sectors like Consumer, Financial Services and Education. He currently serves on the Byjus, Capital Float, CloudNine, Faasos, Five Star finance, Finova Capital, HomeLane, India Shelter Finance Corporation, K12 Technoservices, Prataap Snacks (NSE: DIAMONDYD) and Wildcraft. He also served as board member/observer of companies like Via (sold to NASDAQ: EBIX), Manappuram (NSE: MANAPPURAM) and Equitas (NSE: EQUITAS). Prior to joining Sequoia Capital, Ravishankar worked at McKinsey & Company in Mumbai, where he advised senior management of top Indian companies on a variety of issues including business building, channel management and leadership development. Prior to McKinsey, Ravishankar worked at Wipro Technologies in their Embedded and Internet Access division. Ravishankar received an MBA from Indian Institute of Management, Ahmedabad where he was awarded the President’s Gold Medal. He also holds a BE in Computer Science and Engineering from REC Trichy.
4.	Ishaan Mittal Nominee Director	Ishaan Mittal is a Vice President with Sequoia Capital India. Prior to joining Sequoia Capital India in 2011, he was working with Boston Consulting Group. Ishaan has completed his MBA from Harvard Business School and also holds a

Sl.	Name & Designation	Experience
		Bachelors in Mechanical Engineering from Indian Institute of Technology Delhi.
5.	Mr. Arjun Dan Ratnoo Additional Independent Director	Mr. Arjun Dan Ratnoo, is a retired Chief General Manager of NABARD with over 30 years of experience in financial and banking sector. He is a certified Associate of Indian Institute of Banking & Finance and has also been certified in Micro Finance from Indian Institute of Banking and Finance. During his stewardship as Chief General Manager of NABARD, he has implemented various foreign assignments as a member of World Bank Team. He was also on recruitment board of IBPS for recruiting Officers in various scales in RRBs in India for 3 years. He has a vast experience as member of Board of various Regional Rural banks, State Cooperative banks, National Level Finance Corporation banks and Finance Corporation.
6.	Aditya Deepak Parekh Nominee Director	Aditya is the Co-Founder of Faering Capital and has over 19 years of global and Indian experience in private equity and investment banking. He leads investments in the Financial Services, Healthcare, Logistics and Media sectors and currently serves on the board of directors of five portfolio companies including WheelsEMI, Utkarsh Small Finance Bank, Funds India, and Linkstreet Learning. In addition, Aditya leads investor relations, financial control oversight, legal and regulatory matters at the firm. Prior to co-founding Faering Capital, Aditya was Vice President at Old Lane India Opportunities Fund, a USD 516 million India focused private equity fund, where he was responsible for leading the fund's investments in the Indian real estate sector and was involved in evaluating opportunities across the infrastructure and financial services sectors. Prior to that, he worked in the Media and Entertainment Investment Banking Group at Merrill Lynch in New York for 5 years.

- Details of Key Managerial Personnel of the Company

Sl.	Name & Designation	Experience
1.	Rahul Sahney COO	Vast experience of setting up multiple businesses with various reputed organizations like GE Countrywide, UTI Bank, Standard Chartered Bank, Reliance Home Finance. Last stint was with Au Financiers in the capacity of AVP-Construction Finance.
2.	Ravi Sharma VP Finance	Has worked with Leading CA firm in Jaipur i.e. A Bafna & Co in Project Finance division. He has assisted various NBFC's, Hotels, Hospitals, Education institutes, MSME units in raising funds from banks, balance sheet planning and various taxation and audit matters.
3.	Rakesh Kumar Taylor VP Credit	He is a qualified CA in the field of BFSI & NBFC sector; with both Corporate & Retail lending. He has been associated with Vijaya Bank, TAB Capital Ltd. and his last position was with Ponnawala Finance. He has an overall exposure of the NBFC functions like Policy & Credit
4.	Praful Ranjan VP Sales	Experience in MSME, Microfinance Sales & Marketing and Team Management. Previously, Zonal Manager - Microfinance with Axis Bank and part of startup team in retail microfinance
5.	Arvind Bhan VP Sales	Dynamic professional work experience in Mortgage & Auto-finance, Team Management, Strategic Planning and new initiative, Operations, Business Development, Sales, Credit & Marketing. His last assignment was with ICICI Bank Ltd as regional Business Head - mortgage
6.	Sandeep Garg VP Collections	20+ years of banking experience in Debt Management, Business Development, Channel & Customer Relationship Management • Previously, Zonal Debt Manager - North for RIBG (Agri Business), with ICICI Bank • Prior to ICICI worked with Hutchison Essar South Ltd (Currently Vodafone) as a Head- Verification for Punjab Circle
7.	Ashish Gupta VP Operations	Has worked with ICICI Bank in setting up operations. Has also worked with Velocity Insurance Broking Services Pvt. Ltd. Subsidiary concern of Au group.
8.	Vishnu Dutta Chief Technical Officer	Worked as Chief Technology Officer at Mind Merchants, a Legal Technology Company for 7 years responsible for providing Technological leadership to the Company's strategic vision
9.	Vipul Tambi AVP - Audit	Experience of Banking Operations (Liability & Assets) and includes Customer Service Management, Audit and Compliance. Previously worked as Manager II in ICICI Bank

4.15 Remuneration of directors (during the current year and last 3 (three) financial years)

Name of the Director	Remuneration (in Lakhs)
September 20	
Mohit Sahney	28.08
Sunita Sahney	9.90
2019-20	
Mohit Sahney	112.32
Sunita Sahney	39.00
2018-19	
Mohit Sahney	110.61
Sunita Sahney	39.32
2017-18	
Mohit Sahney	66.63
Sunita Sahney	25.41

4.16 Following details regarding the auditors of the Company:
a. Details of the auditor of the Company

Name	Address	Auditor since	Remark
S. R. Batliboi & Associates LLP	Golf View Corporate Tower – B, Sector 42, Gurgaon-122002	2017-2018	N.A.

b. Details of change in auditor since last three years:

Name	Address	Date of Appointment	Auditor of the Company since (in case of resignation)	Remarks
Nil				

c. Auditors Qualifications:

Summary of reservations or qualifications or adverse remarks of auditors in the last five financial years immediately preceding the year of circulation of Information Memorandum and of their impact on the financial statements and financial position of the company and the corrective steps taken and proposed to be taken by the company for each of the said reservations or qualifications or adverse remark.

For the year 2015-16

Auditors' reservations or qualifications or adverse remarks: - NIL

For the year 2016-17

Auditors' reservations or qualifications or adverse remarks: - NIL

For the year 2017-18

Auditors' reservations or qualifications or adverse remarks: - NIL

For the year 2018-19

Auditors' reservations or qualifications or adverse remarks: - NIL

For the year 2019-20

Auditors' reservations or qualifications or adverse remarks: - NIL

4.17 Details of borrowings of the company, as on the latest quarter end:

a. Details of Secured Loan Facilities as on September 30, 2020:

Lenders Name	Type of Facility	Amount Sanctioned	Principal Amt. O/s	Repayment Date/Schedule	Tenor (in Months)	Primary Security
AK Capital Finance Limited TL 1	Term Loan	10.00	2.50	20-08-21	48	Stock with margin of 1.05 times
AK Capital Finance Limited TL 2	Term Loan	10.00	1.74	2022-01-31	48	Stock with margin of 1.10 times
AU Small Finance Bank TL 1	Term Loan	10.00	6.00	2023-09-05	60	Stock with margin of 1.10 times
AU Small Finance Bank TL 2	Term Loan	15.00	9.25	2023-10-15	60	Stock with margin of 1.10 times
Bandhan Bank TL 1	Term Loan	10.00	5.50	2023-04-01	60	Stock with margin of 1.15 times
Bandhan Bank TL 2	Term Loan	15.00	11.00	2024-05-01	60	Stock with margin of 1.15 times
Bandhan Bank TL 3	Term Loan	20.00	20.00	2025-09-01	60	Stock with margin of 1.15 times
Bank of Baroda TL 1	NCD	15.00	15.00	2023-08-18	36	Stock with margin of 1.20 times
BMW Finance Ltd	Term Loan	0.73	0.50	2021-08-16	41	Hypothecation of Vehicle
Capital Small Finance Bank TL 1	Term Loan	10.00	8.98	2026-05-01	84	Stock with margin of 1.10 times
Capital Small Finance Bank TL 2	Term Loan	5.00	4.79	2027-02-01	84	Stock with margin of 1.10 times
DCB Bank TL 1	Term Loan	2.00	0.25	2021-03-31	48	Stock with margin of 1.20 times
Fedbank Financial Services Ltd TL 1	Term Loan	10.00	5.00	2022-09-01	48	Stock with margin of 1.10 times
Fincare Small Finance Bank TL 1	Term Loan	5.00	0.16	2020-10-31	36	Stock with margin of 1.10 times
HDFC LTD TL 1	Term Loan	10.00	8.74	2024-11-01	60	Stock with margin of 1.10 times
Hero Fincorp Ltd. TL 1	Term Loan	5.00	4.24	2023-12-01	48	Stock with margin of 1.10 times
Hinduja Leyland Finance Ltd TL 2	Term Loan	10.00	7.48	2024-02-07	60	Stock with margin of 1.10 times
Hinduja Leyland Finance Ltd TL 4	Term Loan	8.50	7.87	2025-03-05	60	Stock with margin of 1.10 times
Hinduja Leyland Finance Ltd TL 3	Term Loan	12.00	10.16	2024-09-16	60	Stock with margin of 1.10 times
Hinduja Leyland Finance Ltd TL 1	Term Loan	2.00	0.88	2022-07-21	60	Stock with margin of 1.10 times
ICICI Bank TL 1	Term Loan	10.00	7.50	2024-06-30	60	Stock with margin of 1.10 times
IDFC First Bank Limited TL 1	Term Loan	10.00	3.75	2022-03-30	60	Stock with margin of 1.20 times
IDFC First Bank Limited TL 2	Term Loan	25.00	16.83	2025-05-01	84	Stock with margin of 1.10 times
IDFC First Bank Limited TL 3	Term Loan	15.00	9.00	2022-12-01	48	Stock with margin of 1.10 times
MAS Financial Services Limited I	Term Loan	5.00	4.00	2024-09-25	60	Stock with margin of 1.15 times
MAS Financial	Term	5.00	4.00	2024-09-25	60	Stock with margin

Lenders Name	Type of Facility	Amount Sanctioned	Principal Amt. O/s	Repayment Date/Schedule	Tenor (in Months)	Primary Security
Services Limited II	Loan					of 1.15 times
MAS Financial Services Limited III	Term Loan	5.00	4.00	2024-09-25	60	Stock with margin of 1.15 times
MAS Financial Services Limited IV	Term Loan	5.00	4.00	2024-09-25	60	Stock with margin of 1.15 times
MAS Financial Services Limited V	Term Loan	7.50	6.09	2023-12-25	48	Stock with margin of 1.15 times
MAS Financial Services Limited VI	Term Loan	7.50	6.56	2025-12-25	72	Stock with margin of 1.15 times
MAS Financial Services Limited VII	Term Loan	6.25	5.34	2024-02-23	48	Stock with margin of 1.15 times
MAS Financial Services Limited VIII	Term Loan	6.25	5.34	2024-02-23	48	Stock with margin of 1.15 times
MAS Financial Services Limited IX	Term Loan	6.25	5.64	2026-02-25	72	Stock with margin of 1.15 times
MAS Financial Services Limited X	Term Loan	6.25	5.73	2026-03-10	72	Stock with margin of 1.15 times
MAS Financial Services Limited XI	Term Loan	7.50	7.19	2024-07-10	48	Stock with margin of 1.15 times
MAS Financial Services Limited XII	Term Loan	7.50	7.29	2026-07-10	72	Stock with margin of 1.15 times
Nabkisan Finance Limited TL 1	Term Loan	13.00	9.75	2024-12-01	72	Stock with margin of 1.10 times
Nabkisan Finance Limited TL 2	Term Loan	10.00	7.50	2022-12-01	36	Stock with margin of 1.10 times
Nabsamruddhi Finance Limited TL 1	Term Loan	10.00	7.50	2025-10-31	84	Stock with margin of 1.10 times
Northern ARC Limited TL 1	Term Loan	7.50	0.97	2020-12-28	48	Stock with margin of 1.20 times
PNB Bank (e-OBC) TL 1	Term Loan	15.00	14.79	2026-09-24	84	Stock with margin of 1.111 times
RBL Bank TL 1	Term Loan	7.00	1.24	2021-03-28	33	Stock with margin of 1.10 times
RBL Bank TL 2	Term Loan	10.00	6.56	2023-04-30	48	Stock with margin of 1.10 times
RBL Bank TL 3	Term Loan	15.00	10.00	2024-06-30	48	Stock with margin of 1.10 times
SIDBI TL 1	Term Loan	20.00	14.00	2021-04-01	10	Stock with margin of 1.10 times
Suryoday Small Finance Bank TL 1	Term Loan	10.00	6.50	2023-12-05	60	Stock with margin of 1.10 times
Suryoday Small Finance Bank TL 2	Term Loan	5.00	4.94	2025-08-05	60	Stock with margin of 1.10 times
Suryoday Small Finance Bank TL 3	Term Loan	10.00	3.00	2025-09-05	60	Stock with margin of 1.10 times
TATA Capital Financial Limited TL 1	Term Loan	10.00	5.03	2023-01-01	60	Stock with margin of 1.10 times
TATA Capital Financial Limited TL 2	Term Loan	10.00	7.00	2024-03-01	60	Stock with margin of 1.10 times
Ujjivan Small Finance Bank TL 1	Term Loan	10.00	6.66	2022-07-31	36	Stock with margin of 1.10 times
Utkarsh Small Finance Bank TL 1	Term Loan	10.00	6.83	2024-02-06	60	Stock with margin of 1.10 times
Utkarsh Small Finance Bank TL 2	Term Loan	11.00	9.05	2024-09-23	60	Stock with margin of 1.10 times
SBI Bank	Term Loan	35.00	12.50	2025-01-28	48	Stock with margin of 1.20 times
PNB Bank	NCD	10.00	10.00	2023-04-21	36	Stock with margin of 1.10 times
Total		516.23	376.25			

b. Details of Unsecured Loan Facilities (Including subordinated debt) as on September 30,2020

(Rs.in Crores)

Lender's Name	Type of Facility	Amount Sanctioned	Principal Amount O/s	Repayment Date/Schedule
Nil				

c. Details of Non-convertible debentures as of September 30, 2020

(Rs.in Crores)

Debenture Series	Tenor/ Period of Maturity	Coupon (Rate of Interest)	Amount	Date of allotment	Redempti on Date/ Schedule	Credit Rating	Secured / Unsecured	Security
INE0DT007012	36 months	10.86%	15.00	18-Aug-2020	18-Aug-2023	CARE BBB & ACUITE BBB+	Secured	Exclusive Frist Charge By Way Of Hypothecation
INE0DT007020	31 months	10.86%	10.00	18-Sep-2020	21-Apr-2023	ACUITE BBB+	Secured	Exclusive Frist Charge By Way Of Hypothecation

d. List of Top 10 Debenture Holders as on September 30, 2020

(Rs.in Crores)

Sl. No.	Name of the Debenture Holder	Amount
1	Bank of Baroda	15.00
2	Punjab National Bank	10.00

Note: Top 10 holders' (in value terms, on cumulative basis for all outstanding debentures issues) details should be provided.

- e. The amount of corporate guarantee issued by the Issuer along with name of the counterparty (like name of the subsidiary, JV entity, Group Company, etc.) on behalf of whom it has been issued: **NIL**
- f. Details of Commercial Paper: The total Face Value of Commercial Papers Outstanding as on the latest quarter end to be provided and its breakup in following table: **NIL**
- g. Details of Rest of the borrowing (if any including hybrid debt like FCCB, Optionally Convertible Debentures / Preference Shares) as on September 30, 2020 - **NIL**
- h. Details of all default/s and/or delay in payments of interest and principal of any kind of term loans, debt securities and other financial indebtedness including corporate guarantee issued by the Company, in the past 5 years- **NIL**
- i. Details of any outstanding borrowings taken/ debt securities issued where taken / issued (i) for consideration other than cash, whether in whole or part, (ii) at a premium or discount, or (iii) in pursuance of an option- **NIL**

4.18 Details of default, if any, including therein the amount involved, duration of default and present status, in repayment of –

- Statutory dues: - Nil
- debentures and interest thereon; NIL
- deposits and interest thereon; NIL
- loan from any bank or financial institution and interest thereon. NIL

4.19 Disclosures With Regard To Litigation

- A. Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any promoter of the offeree company during the last three years immediately preceding the year of the circulation of the Information Memorandum and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed - **NIL**
- B. Details of any inquiry, inspections or investigations initiated or conducted under the Companies Act or any previous company law in the last three years immediately preceding the year of circulation of Information Memorandum in the case of company and all of its subsidiaries. Also if there were any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last three years immediately preceding the year of the Information Memorandum and if so, section-wise details thereof for the company and all of its subsidiaries. - **NIL**
- C. Details of acts of material frauds committed against the company in the last three years, if any, and if so, the action taken by the company. - **NIL**
- D. Any financial or other material interest of the directors, promoters or key managerial personnel in the offer/ Issue and the effect of such interest in so far as it is different from the interests of other person - **NIL**

4.20 Details Of Promoters Of The Company: Please refer the below disclosure

Details of Promoter Holding in the Company as on September 30, 2020:

Sr. No	Name of the shareholders	Total No of Equity shares	No.of shares in Demat form	Total shareholding as % of total no of equity shares	No of shares Pledged	% of shares pledged with respect to shares owned
1	Mohit Sahney	2,600,000	0	52.00%	0	0
2	Sunita Sahney	550,000	0	11.00%	0	0

4.21 Abridged version of Audited Consolidated (wherever available) and Standalone Financial Information (like Profit & Loss statement, Balance Sheet and Cash Flow statement) for at least last three years and auditor qualifications if any*.

[Refer Annexure V]

4.22 Abridged version of Latest Audited / Limited Review Half Yearly Consolidated (wherever available) and Standalone Financial Information (like Profit & Loss statement, and Balance Sheet) and auditors' qualifications, if any*.

[Refer Annexure V]

4.23 Any material event/ development or change having implications on the financials/credit quality (e.g. any material regulatory proceedings against the Issuer/promoters, tax litigations resulting in material liabilities, corporate restructuring event etc) at the time of issue which may affect the issue or the investor's decision to invest / continue to invest in the debt securities.

The Issuer hereby declares that there has been no material event, development or change having implications on the financials/credit quality at the time of issue from the position as on the date of the last audited financial statements of the Issuer, which may affect the Issue or the Investor's decision to invest/ continue to invest in the debt securities of the Issuer.

4.24 The names of the debenture trustee(s) shall be mentioned with statement to the effect that debenture trustee(s) has given his consent to the Issuer for his appointment under regulation 4 (4) and in all the subsequent periodical communications sent to the holders of debt securities.

Catalyst Trusteeship Limited has agreed to act as the trustees for and on behalf of the Debenture holder and have given their consent to the Company for their appointment as the trustee under regulation 4 (4) of the SEBI (Issue and Listing of Debt Securities) Regulations, 2008 dated June 6, 2008, as amended from time to time and in all the subsequent periodical communications sent to the holders of debt securities.

The consent letter of the trustee has been provided in **Annexure II**.

4.25 The detailed rating rationale (s) adopted (not older than one year on the date of opening of the issue)/ credit rating letter issued (not older than one month on the date of opening of the issue) by the rating agencies shall be disclosed.

The Debentures proposed to be issued by the Issuer have been rated by "Acuite Ratings and Research Limited" (Acuite). Acuite has assigned a rating of "Acuite PPMLD A-" (Pronounced Acuite Principal Protected Market Linked Debentures A Minus) Instruments with this rating are considered to have adequate degree of safety regarding timely servicing of financial obligations. Such instruments carry moderate credit risk.

The rating letter has been provided in **Annexure III** of this Information Memorandum.

The Issuer /Investor reserves the right to obtain an additional credit rating at any time during the tenure of the Debentures from any SEBI registered Credit Rating Agency for full or part of the issue size, as it may deem fit, which shall be at least equivalent to the prevailing credit rating to the Issue.

Also the Issuer reserves the right to substitute the prevailing Credit Rating to the Issue, with a credit Rating which shall be at least equivalent to the prevailing credit rating to the issue, by an alternative SEBI registered Credit Rating Agency, for full or part of the issue size, subject to the prevailing relevant regulation/rules, etc.

4.26 If the security is backed by a guarantee or letter of comfort or any other document / letter with similar intent, a copy of the same shall be disclosed. In case such document does not contain detailed payment structure (procedure of invocation of guarantee and receipt of payment by the investor along with timelines), the same shall be disclosed in the offer document.

N.A.

4.27 Names of all the recognized stock exchanges where the debt securities are proposed to be listed:

As specified under Annexure 1 of this Information Memorandum for listing details.

4.27A Copy of consent letter from the Debenture Trustee shall be disclosed.

The consent letter of the trustee has been provided in Annexure II.

4.28 Other Details

a) Debenture Redemption Reserve Creation:

- (i) The Issuer hereby agrees and undertakes that, if required under Applicable Law, it will create a debenture redemption reserve ("**DRR**") in accordance with the provisions of the Act (and the rules and regulations made thereunder) and the guidelines issued by the relevant Governmental Authorities.
- (ii) If during the tenor of the Debentures, any guidelines are formulated (or modified or revised) by any Governmental Authority in respect of creation of the DRR, the Issuer shall abide by such guidelines and shall do all deeds, acts and things as may be required by the Debenture Trustee.
- (iii) Where applicable, the Issuer shall submit to the Debenture Trustee a certificate duly certified by a chartered accountant certifying that the Issuer has transferred the required amount to the DRR at the end of each Financial Year.
- (iv) In addition to the foregoing, to the extent required by Applicable Law, the Issuer shall invest or deposit amounts up to such thresholds, and in such form and manner and within the time periods, as may be prescribed by Applicable Law, in respect of any amounts of the Debentures maturing in any Financial Year.

b) Creation of recovery expense fund

The Issuer shall create a recovery expense fund in the manner as may be specified by SEBI from time to time and same shall be informed to the Debenture Trustee.

The recovery expense fund shall be utilized for the activities as may be permitted by the applicable regulations.

c) Issue / Instrument specific regulations:

The Issue of Debentures shall be in conformity with the applicable provisions of the Companies Act, 2013 including the notified rules thereunder, the applicable RBI guidelines, the MLD Guidelines and the SEBI Debt Listing Regulations, the SEBI LODR Regulations whenever applicable, and other regulations applicable to issuance of debt securities by non-banking financial companies.

d) Application process

The application process for the Issue is as provided in Section 7 of this Information Memorandum.

e) Utilisation of Proceeds

The funds raised by the Issue shall be utilized by the Issuer for its on-going business operations ("**Purpose**").

The funds raised by the Issue shall be utilised by the Issuer solely for the Purpose and the Company shall not use the proceeds of the Issue towards:

- (i) any capital market instrument such as equity, debt, debt linked, and equity linked instruments or any other capital market related activities (whether directly or indirectly);
- (ii) any speculative purposes;
- (iii) investment in the real estate sector/real estate business (including the acquisition/purchase of land); and
- (iv) in contravention of Applicable Law (including without limitation, any guidelines, rules or regulations of the RBI and SEBI).

4.29 A statement containing particulars of the dates of, and parties to all material contracts, agreements:

The contracts and documents referred to hereunder are material to the Issue, may be inspected at the Registered Office of the Company between 10.00 am to 5.00 pm on working days.

Sl.	Nature of Contract
1	Certified true copy of the Memorandum & Articles of Association of the Issuer.
2	Certified copy of the Board Resolution dated August 01, 2020 read with the resolution passed by the Executive Committee of the Board of Directors dated December 18, 2020 authorising the issuance of the Debentures
3	Certified true copy of the shareholders' resolution passed by the Company at the General Meeting held on July 31, 2020 authorizing the Company to issue non-convertible debentures under Section 42 of the Companies Act, 2013;
4	Copies of Annual Reports of the Company for the last three financial years
5	Credit rating letter from the Rating Agency
6	Letter from Catalyst Trusteeship Limited giving its consent to act as Debenture Trustee
7	Certified true copy of the certificate of incorporation of the Company
9	Certified true copy of the tripartite agreement between the Company, the Registrar & Transfer Agent and NSDL/CDSL

4.30 Details of Debt Securities Sought to be Issued

Under the purview of the current document, the Issuer intends to raise an amount upto Rs. 30,00,00,000/- (Rupees Thirty Crore only) by issue of (a) 1,000 (one thousand) rated, senior, redeemable, taxable, transferable, listed, principal protected, market linked non-convertible debentures denominated in INR each having a face value of INR 1,00,000 (Indian Rupees One Lakh) aggregating to a face value of INR 10,00,00,000 (Indian Rupees Ten Crore) comprising the Series 1 Debentures, (b) 1,000 (one thousand) rated, senior, redeemable, taxable, transferable, listed, principal protected, market linked non-convertible debentures denominated in INR each having a face value of INR 1,00,000 (Indian Rupees One Lakh)

aggregating to a face value of INR 10,00,00,000 (Indian Rupees Ten Crore) comprising the Series 2 Debentures, and (c) 1,000 (one thousand) rated, senior, redeemable, taxable, transferable, listed, principal protected, market linked non-convertible debentures denominated in INR each having a face value of INR 1,00,000 (Indian Rupees One Lakh) aggregating to a face value of INR 10,00,00,000 (Indian Rupees Ten Crore) comprising the Series 3 Debentures.

Please refer to **Section 4.44 (Issue Details)** to this Information Memorandum for further details on the Issue.

4.31 Issue Size

3000 (Three Thousand) rated, senior, redeemable, taxable, transferable, listed, principal protected, market linked non-convertible debentures of face value of INR 1,00,000 (Indian Rupees One Lakh) each aggregating to a face value of INR 30,00,00,000 (Indian Rupees Thirty Crore) comprising of:

- (a) Series 1 Debentures (being 1,000 (one thousand) rated, senior, redeemable, taxable, transferable, listed, principal protected, market linked non-convertible debentures denominated in INR each having a face value of INR 1,00,000 (Indian Rupees One Lakh) aggregating to a face value of INR 10,00,00,000 (Indian Rupees Ten Crore));
- (b) Series 2 Debentures (being 1,000 (one thousand) rated, senior, redeemable, taxable, transferable, listed, principal protected, market linked non-convertible debentures denominated in INR each having a face value of INR 1,00,000 (Indian Rupees One Lakh) aggregating to a face value of INR 10,00,00,000 (Indian Rupees Ten Crore)); and
- (c) Series 3 Debentures (being 1,000 (one thousand) rated, senior, redeemable, taxable, transferable, listed, principal protected, market linked non-convertible debentures denominated in INR each having a face value of INR 1,00,000 (Indian Rupees One Lakh) aggregating to a face value of INR 10,00,00,000 (Indian Rupees Ten Crore)).

4.32 Price at which the security is being offered

Each Debenture has face value of Rs.1,00,000/- (Rupees One Lakh only) each.

4.33 Name and address of the valuer who performed valuation of the security offered

The issuer in compliance with the SEBI circular on "Guidelines for issue and listing of Structured Products / Market Linked Debentures" dated 28th September 2011, has appointed **ICRA Analytics Limited** (formerly ICRA Online Limited) having its registered office at Infinity Benchmark, 17th Floor, Plot G – 1, Block GP, Sector V, Salt lake, Kolkata – 700091, India as the third-party valuation agency.

4.34 Underwriting

The present Issue of Debentures is on private placement basis and has not been underwritten.

4.35 Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of such objects

This being an Issue of Market Linked Debentures, promoters or director's contribution is not required.

4.36 Right to Re-purchase and Re-issue the Debenture

The Company, subject to the prevailing guidelines, rules/regulations of Reserve Bank of India, the Securities and Exchange Board of India and other authorities, shall have the option from time to time to repurchase a part or all of the Debentures from the secondary markets or otherwise, on prior mutual consent(s) from the debenture holder(s), at any time prior to the date of maturity.

In the event of a part or all of its Debentures being repurchased as aforesaid or redeemed under any circumstances whatsoever, the Company shall have, and shall be deemed to have had, subject to Applicable

Law, the power to reissue the Debenture either by reissuing the same Debentures or by issuing other Debenture in their place.

Further the Company, subject to Applicable Law, in respect of such repurchased/redeemed Debenture shall have the power exercisable either for a part or all of those Debenture, to cancel, keep alive, appoint nominee(s) to hold or reissue at such price and on such terms and conditions as it may deem fit and as permitted by law.

4.37 Status of Debentures

The payment obligations of the Company under the Transaction Documents shall be at least pari passu with the claims of all of its other unsecured creditors, except for obligations mandatorily preferred by Applicable Law applying to companies generally. Commencing from the Initial Security Creation Date, its payment obligations under the Transaction Documents shall be at least pari passu with the claims of all of its other senior secured creditors, except for obligations mandatorily preferred by Applicable Law applying to companies generally.

4.38 Listing of debentures

The Debentures shall be listed within the time period prescribed by the SEBI Listing Timelines Circular. The Issuer undertakes to provide the necessary documentations for listing.

4.39 Disclosure Clause

In the event of default in the repayment of the principal and/or interest on the NCDs on the due dates, the Debenture Trustee and /or the Stock Exchanges and/or the Reserve Bank of India and/or SEBI will have an unqualified right to disclose or publish the name of the Issuer and its directors as defaulter in such manner and through such medium as the Investors and/or the Reserve Bank of India in their absolute discretion may think fit. Over and above the aforesaid Terms and Conditions, the said Debentures shall be subject to the Terms and Conditions to be incorporated in the Debenture Trust Deed and Debenture Trustee Agreement.

4.40 Modification of Rights

Any amendment(s) to the Transaction Documents shall be in accordance with the mechanism prescribed therein.

4.41 [Intentionally left blank]

4.42 Conflict

In case of any repugnancy, inconsistency or where there is a conflict between the conditions/covenants as are stipulated in this document and any transaction document/s to be executed by the Company, the provisions mentioned in Debenture Trust Deed shall prevail and override the provisions mentioned elsewhere.

4.43 Interpretation

In case of any inconsistency between the terms in the provisions contained in the DTD or those of any Debt Disclosure Documents or any other Transaction Document, the provisions contained in the DTD shall prevail.

4.44 Issue Details

DESCRIPTION	PARTICULARS
Security Name	FCPL Secured Market Linked Debentures 2020
Issuer	Finova Capital Private Limited
Type of Instrument	Rated, senior, redeemable, taxable, transferable, listed, principal protected, market linked non-convertible debentures
Nature of Instrument	Senior
Seniority	Senior
Mode of issue	Private Placement

Eligible Investor(s)	Please refer column titled "Eligible Investors" under Section 7.15 (<i>Eligible Investors</i>) below.
Listing (including name of stock Exchange(s) where it will be listed and timeline for listing)	<p>(a) The Issuer shall submit all duly completed documents to the BSE, SEBI, ROC or any other Governmental Authority, as are required under Applicable Law and obtain the listing of the Debentures within the timelines prescribed under the SEBI Listing Timelines Circular ("Listing Period").</p> <p>(b) The Issuer shall ensure that the Debentures continue to be listed on the wholesale debt market segment of the BSE.</p> <p>(c) The Issuer shall ensure that the Debentures at all times are rated in accordance with the provisions of the Transaction Documents and that the rating of the Debentures is not downgraded or withdrawn throughout the tenor of the Debentures.</p> <p>(d) The Issuer agrees and undertakes that as and when required by the Debenture Holders, it shall obtain an additional credit rating for the Issue from any credit rating agency registered with/accredited by SEBI. The Issuer shall ensure and procure that such rating is at least equivalent to the Rating.</p> <p>(e) In the event there is any delay in listing of the Debentures beyond the Listing Period, the Issuer will:</p> <p>(i) pay to the Debenture Holders, penal interest of 1% (one percent) per annum over the Annualised Interest Rate, from the closure of the issue of the Debentures until the listing of the Debentures is completed. Such amounts shall be determined separately with reference to the abovementioned incremental rate and paid in addition to the Interest Amounts together with the Redemption Payment on the relevant Due Date; and</p> <p>(ii) be permitted to utilise the issue proceeds of its 2 (two) subsequent privately placed issuances of securities only after receiving final listing approval from the stock exchange(s).</p>
Rating of the Instrument	"PPMLD A - [Pronounced as Principal Protected Market Linked Debentures A Minus] by Acuite Ratings and Research Limited
Issue Size	<p>3000 (Three Thousand) rated, senior, redeemable, taxable, transferable, listed, principal protected, market linked non-convertible debentures of face value of INR 1,00,000 (Indian Rupees One Lakh) each aggregating to a face value of INR 30,00,00,000 (Indian Rupees Thirty Crore) comprising of:</p> <p>(a) Series 1 Debentures (being 1,000 (one thousand) rated, senior, redeemable, taxable, transferable, listed, principal protected, market linked non-convertible debentures denominated in INR each having a face value of INR 1,00,000 (Indian Rupees One Lakh) aggregating to a face value of INR 10,00,00,000 (Indian Rupees Ten Crore));</p> <p>(b) Series 2 Debentures (being 1,000 (one thousand) rated, senior, redeemable, taxable, transferable, listed, principal protected, market linked non-convertible debentures denominated in INR each having a face value of INR 1,00,000 (Indian Rupees One Lakh) aggregating to a face value of INR 10,00,00,000 (Indian Rupees Ten Crore)); and</p> <p>(c) Series 3 Debentures (being 1,000 (one thousand) rated, senior, redeemable, taxable, transferable, listed, principal protected, market linked non-convertible debentures denominated in INR each having a face value of INR 1,00,000 (Indian Rupees One Lakh) aggregating to a face value of INR 10,00,00,000 (Indian Rupees Ten Crore)).</p>
Option to retain oversubscription (Amount)	N.A.

Objects of the Issue	The funds raised by the Issue shall be utilized by the Issuer for its on-going business operations.
Details of the utilisation of the proceeds	<p>The funds raised by the Issue shall be utilized by the Issuer for its on-going business operations.</p> <p>The funds raised by the Issue shall be utilised by the Issuer solely for the Purpose and the Issuer shall not use the proceeds of the Issue towards:</p> <ul style="list-style-type: none"> (a) any capital market instrument such as equity, debt, debt linked, and equity linked instruments or any other capital market related activities (whether directly or indirectly); (b) any speculative purposes; (c) investment in the real estate sector/real estate business (including the acquisition/purchase of land); and (d) in contravention of Applicable Law (including without limitation, any guidelines, rules or regulations of the RBI and SEBI).
Coupon Rate	<ul style="list-style-type: none"> (a) Subject to (b) below, and the column titled "Step Up Coupon Rate" below: <ul style="list-style-type: none"> (i) the Interest Amounts (Series 1) shall accrue and be payable by the Issuer to the relevant Debenture Holders in the manner determined herein on the relevant Redemption Date(s) (as the case may be); (ii) the Interest Amounts (Series 2) shall accrue and be payable by the Issuer to the relevant Debenture Holders in the manner determined herein on the relevant Redemption Date(s) (as the case may be); and (iii) the Interest Amounts (Series 3) shall accrue and be payable by the Issuer to the relevant Debenture Holders in the manner determined herein on the relevant Redemption Date(s) (as the case may be). (b) In case of a Step Up, the relevant Interest Amounts will be determined with reference to the Step Up Rate. <p>"Effective Annualised Interest Rate" means, the Effective Annualised Interest Rate (Call/Put Option), the Effective Annualised Interest Rate (Series 1), the Effective Annualised Interest Rate (Series 2) and the Effective Annualised Interest Rate (Series 3).</p> <p>"Effective Annualised Interest Rate (Call/Put Option)" means yielding an applicable XIRR of:</p> <ul style="list-style-type: none"> (a) 0% (zero percent), if the Reference Index Performance (Call/Put Option) is less than or equal to -75% (minus seventy five percent); (b) 11.85% (Eleven decimal Eight Five percent) (XIRR), if the Reference Index Performance (Call/Put Option) is greater than -75% (minus seventy five percent) but less than +75% (plus seventy five percent); and/or (c) 11.95% (Eleven decimal Nine Five percent) (XIRR), if the Reference Index Performance (Call/Put Option) is greater than or equal to +75% (plus seventy five percent). <p>"Effective Annualised Interest Rate (Series 1)" means yielding an applicable XIRR</p>

	<p>of:</p> <p>(a) 0% (zero percent), if the Reference Index Performance (Series 1) is less than or equal to -75% (minus seventy five percent);</p> <p>(b) 11.75% (Eleven decimal Seven Five percent) (XIRR), if the Reference Index Performance (Series 1) is greater than -75% (minus seventy five percent) but less than +75% (plus seventy five percent); and/or</p> <p>(c) 11.85% (Eleven decimal Eight Five percent) (XIRR), if the Reference Index Performance (Series 1) is greater than or equal to +75% (plus seventy five percent).</p> <p>"Effective Annualised Interest Rate (Series 2)" means yielding an applicable XIRR of:</p> <p>(a) 0% (zero percent), if the Reference Index Performance (Series 2) is less than or equal to -75% (minus seventy five percent);</p> <p>(b) 11.85% (Eleven decimal Eight Five percent) (XIRR), if the Reference Index Performance (Series 2) is greater than -75% (minus seventy five percent) but less than +75% (plus seventy five percent); and/or</p> <p>(c) 11.95% (Eleven decimal Nine Five percent) (XIRR), if the Reference Index Performance (Series 2) is greater than or equal to +75% (plus seventy five percent).</p> <p>"Effective Annualised Interest Rate (Series 3)" means yielding an applicable XIRR of:</p> <p>(a) 0% (zero percent), if the Reference Index Performance (Series 3) is less than or equal to -75% (minus seventy five percent);</p> <p>(b) 11.90% (Eleven decimal Nine zero percent) (XIRR), if the Reference Index Performance (Series 3) is greater than -75% (minus seventy five percent) but less than +75% (plus seventy five percent); and/or</p> <p>(c) 12.00% (twelve percent) (XIRR), if the Reference Index Performance (Series 3) is greater than or equal to +75% (plus seventy five percent).</p>
<p>Step up coupon rate</p>	<p>Step Up</p> <p>If the rating of the Issuer is downgraded:</p> <p>(i) the Effective Annualised Interest Rate (Series 1) (ascertained in XIRR) with respect to the Series 1 Debentures shall be deemed to be increased by 0.25% (zero decimal two five percent) for each downgrade of 1 (one) notch until BBB- ("Step Up Rate (Series 1)") and such increased rate of interest shall be applicable on the Series 1 Debentures from the date of such downgrade ("Step Up (Series 1)") until all obligations of the Issuer in respect of the Series 1 Debentures are repaid to the satisfaction of the relevant Debenture Holders. Step Up (Series 1), in accordance with this provision shall not require any notice, intimation or action on behalf of the Debenture Trustee or the relevant Debenture Holders;</p> <p>(ii) the Effective Annualised Interest Rate (Series 2) (ascertained in XIRR) with respect to the Series 2 Debentures shall be deemed to be increased by 0.25% (zero decimal two five percent) for each downgrade of 1 (one) notch until BBB- ("Step Up Rate (Series 2)")</p>

	<p>and such increased rate of interest shall be applicable on the Series 2 Debentures from the date of such downgrade ("Step Up (Series 2)") until all obligations of the Issuer in respect of the Series 2 Debentures are repaid to the satisfaction of the relevant Debenture Holders. Step Up (Series 2), in accordance with this provision shall not require any notice, intimation or action on behalf of the Debenture Trustee or the relevant Debenture Holders; and</p> <p>(iii) the Effective Annualised Interest Rate (Series 3) (ascertained in XIRR) with respect to the Series 3 Debentures shall be deemed to be increased by 0.25% (zero decimal two five percent) for each downgrade of 1 (one) notch until BBB- ("Step Up Rate (Series 3)") and such increased rate of interest shall be applicable on the Series 3 Debentures from the date of such downgrade ("Step Up (Series 3)") until all obligations of the Issuer in respect of the Series 3 Debentures are repaid to the satisfaction of the relevant Debenture Holders. Step Up (Series 3), in accordance with this provision shall not require any notice, intimation or action on behalf of the Debenture Trustee or the relevant Debenture Holders.</p>
Coupon Payment Frequency	The Interest Amounts shall accrue and be payable by the Issuer to the Debenture Holders in the manner determined herein on the relevant Redemption Date(s) (as the case may be).
Coupon Payment Dates	The Interest Amounts shall accrue and be payable by the Issuer to the Debenture Holders in the manner determined herein on the relevant Redemption Date(s) (as the case may be).
Coupon Type	The interest/coupon is linked to the Reference Index, and the interest/coupon for the Series 1 Debentures is linked to the Reference Index Performance (Series 1), the interest/coupon for the Series 2 Debentures is linked to the Reference Index Performance (Series 2) and the interest/coupon for the Series 3 Debentures is linked to the Reference Index Performance (Series 3) (each as defined under this Information Memorandum)
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc)	N.A.
Day count basis	Interest and all other charges shall accrue based on an actual/actual basis for a year comprising 365 (three hundred and sixty five) days.
Interest on Application Money	<p>(a) Interest at 15% (fifteen percent) per annum, subject to deduction of tax at source in accordance with Applicable Law, will be paid by the Issuer on the Application Money to the Applicants from the date of receipt of such Application Money up to 1 (one) day prior to the Deemed Date of Allotment for all valid applications, within 5 (five) Business Days from the Deemed Date of Allotment. Where pay-in date of the Application Money and the Deemed Date of Allotment are the same, no interest on Application Money will be payable.</p> <p>(b) Where the entire subscription amount has been refunded, the interest on Application Money will be paid along with the refunded amount to the bank account of the Applicant as described in the Application Form by electronic mode of transfer such as (but not limited to) RTGS/NEFT/direct credit.</p> <p>(c) Where an Applicant is allotted a lesser number of Debentures than applied for, the excess amount paid on application will be refunded to the Applicant in the bank account of the Applicant as described in the Application Form towards interest on the refunded money by electronic mode of transfer like RTGS/NEFT/direct credit. Details of allotment will be sent to every successful Applicant.</p>

Default Interest Rate	<p>(a) The Issuer agrees to pay a default interest at 2% (two percent) per annum over the relevant Effective Annualised Interest Rate in respect of each of the Series 1 Debentures, the Series 2 Debentures and the Series 3 Debentures, on the Outstanding Principal Amounts from the date of the occurrence of any Event of Default until such Event of Default is cured or the Secured Obligations are repaid. Such amounts shall be determined separately with reference to the abovementioned incremental rate and paid in addition to the Interest Amounts together with the Redemption Payment on the relevant Due Date.</p> <p>(b) Without prejudice to (a) above, the Issuer agrees to pay additional interest at 2% (two percent) per annum over the relevant Effective Annualised Interest Rate in respect of each of the Series 1 Debentures, the Series 2 Debentures and the Series 3 Debentures if the Issuer (i) fails to create the Transaction Security within the timelines prescribed in the Transaction Documents and/or in the manner prescribed in the Transaction Documents, calculated for the period from the Initial Security Creation Date until the date on which the Transaction Security is created (ii) fails to maintain the Security Cover, calculated for the period from the date the Security Cover is reduced below the prescribed thresholds until the date on which the Security Cover is restored, or (iii) fails to furnish the Monthly Hypothecated Assets Report within the timelines prescribed in the Deed of Hypothecation calculated for the period from the date on which the relevant Monthly Hypothecated Assets Report was due, until the date on which the Monthly Hypothecated Assets Report is actually provided. Such amounts shall be determined separately with reference to the abovementioned incremental rate and paid in addition to the Interest Amounts together with the Redemption Payment on the relevant Due Date</p>
Tenor	<p>Series 1 Debentures have a tenor of 14 (fourteen) months.</p> <p>Series 2 Debentures have a tenor of 30 (thirty) months.</p> <p>Series 3 Debentures have a tenor of 48 (forty eight) months.</p>
Redemption Date	<p>The final redemption date of the Series 1 Debentures is February 24, 2022</p> <p>The final redemption date of the Series 2 Debentures is June 23, 2023.</p> <p>The final redemption date of the Series 3 Debentures is December 24, 2024.</p>
Redemption Amount	<p>Subject to exercise of the Call Option by the Issuer and the Put Option by the Debenture Trustee (acting on the instructions of the Debenture Holders):</p> <p>(a) the Series 1 Debentures shall be fully redeemed on a <i>pari passu</i> basis by the Issuer by making the payment of the Redemption Payment (Series 1) on the Final Redemption Date (Series 1) in accordance with Annexure VIII;</p> <p>(b) the Series 2 Debentures shall be fully redeemed on a <i>pari passu</i> basis by the Issuer by making the payment of the Redemption Payment (Series 2) on the Final Redemption Date (Series 2) in accordance with Annexure VIII; and</p> <p>(c) the Series 3 Debentures shall be fully redeemed on a <i>pari passu</i> basis by the Issuer by making the payment of the Redemption Payment (Series 3) on the Final Redemption Date (Series 3) in accordance with Annexure VIII.</p>
Redemption Premium /Discount	N.A.
Issue Price	<p>The issue price in respect of the Series 1 Debentures is INR 1,00,000 (Indian Rupees One Lakh) per Debenture.</p> <p>The issue price in respect of the Series 2 Debentures is INR 1,00,000 (Indian Rupees</p>

	<p>One Lakh) per Debenture.</p> <p>The issue price in respect of the Series 3 Debentures is INR 1,00,000 (Indian Rupees One Lakh) per Debenture.</p>
Discount at which security is issued and the effective yield as a result of such discount.	N.A.
Put Date	The Put Option is required to be exercised on the Put Option Payment Date (being June 23, 2023).
Put Price	<p>(a) The Debenture Trustee (acting on the instructions of the Majority Debenture Holders) shall have the right to seek the redemption of the Series 2 Debentures and the Series 3 Debentures (the "Put Option") on the Put Option Payment Date.</p> <p>(b) To exercise the Put Option on the Put Option Payment Date, the Debenture Trustee (acting on the instructions of the Majority Debenture Holders) shall provide a notice to the Issuer in writing at least 30 (thirty) days prior to the Put Option Payment Date informing the Issuer of its intention to the exercise of the Put Option on the Put Option Payment Date.</p> <p>(c) Following the receipt of the notice referred in (b) above, the Issuer shall repay the Redemption Payment (Call/Put Option) on the Put Option Payment Date in accordance with Annexure VIII.</p> <p>(d) Any notice provided pursuant to (b) above shall be irrevocable.</p>
Call Date	The Call Option is required to be exercised on the Call Option Payment Date (being June 23, 2023).
Call price	<p>(a) The Issuer shall have the right to redeem the Series 2 Debentures and the Series 3 Debentures (the "Call Option") on the Call Option Payment Date.</p> <p>(b) To exercise the Call Option, the Issuer shall provide a notice to the Debenture Trustee in writing at least 30 (thirty) days prior to the Call Option Payment Date informing the Debenture Trustee of its intention to the exercise of the Call Option on the Call Option Payment Date.</p> <p>(c) Following the providing of the notice referred in (b) above, the Issuer shall repay the Redemption Payment (Call/Put Option) on the Call Option Payment Date in accordance with Annexure VIII.</p> <p>(d) Any notice provided pursuant to (b) above shall be irrevocable.</p>
Put Notification Time	On or prior to 12.00 AM on May 25, 2023 (being at least 30 (thirty) days prior to the Put Option Payment Date.)
Call Notification Time	On or prior to 12.00 AM on May 25, 2023 (being at least 30 (thirty) days prior to the Call Option Payment Date.)
Face Value	<p>The face value in respect of the Series 1 Debentures is INR 1,00,000 (Indian Rupees One Lakh) per Debenture.</p> <p>The face value in respect of the Series 2 Debentures is INR 1,00,000 (Indian Rupees One Lakh) per Debenture.</p> <p>The face value in respect of the Series 3 Debentures is INR 1,00,000 (Indian Rupees One Lakh) per Debenture.</p>
Minimum Application and in multiples of 1 Debt securities thereafter	The minimum application size for the Issue shall be 100 Debentures and in multiples of 1 Debenture thereafter.
Issue Timing 1. Issue Opening Date 2. Issue Closing Date 3. Pay-in Date	<p>1. Issue Opening Date: December 23, 2020</p> <p>2. Issue Closing Date: December 24, 2020</p> <p>3. Pay-in Date: December 24, 2020</p> <p>4. Deemed Date of Allotment: December 24, 2020</p>

4. Deemed Date of Allotment	
Issuance mode of the Instrument	Demat only
Trading mode of the Instrument	Demat only
Settlement mode of the Instrument	All interest, principal repayments, penal interest and other amounts, if any, payable by the Issuer to the Debenture Holders shall be paid to the Debenture Holders by electronic mode of transfer like RTGS/NEFT/direct credit to such bank account within India as the Debenture Holders' inform the Issuer in writing and which details are available with the Registrar.
Depository	NSDL/CDSL
Business Day Convention	<p>(a) If any Due Date on which any interest or additional interest is payable falls on a day which is not a Business Day, the payment to be made on such Due Date shall be made on the succeeding Business Day.</p> <p>(b) If any Due Date on which any Outstanding Principal Amounts are payable falls on a day which is not a Business Day, the payment to be made on such Due Date shall be made on the preceding Business Day.</p> <p>(c) If the Redemption Date falls on a day which is not a Business Day, the payment of any amounts in respect of any interest and the Outstanding Principal Amounts to be made shall be made on the preceding Business Day.</p>
Record Date	15 (fifteen) days prior to each Due Date.
All covenants of the issue (including side letters, accelerated payment clause, etc.)	<p>To be more particularly set out in the DTD and the other Transaction Documents.</p> <p>All other covenants prescribed by/commercially agreed with the proposed investors are set out in this Section 4.44 (<i>Issue Details</i>).</p> <p>Please also refer Section 5 (<i>Transaction Documents and Key Terms</i>) below for an indicative list of representations and warranties of the Issuer, financial covenants, reporting covenants, affirmative covenants, and negative covenants, and acceleration on event of default.</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 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>TRANSACTION SECURITY</p> <p>(a) The Series 1 Debentures, the Series 2 Debentures and the Series 3 Debentures shall be collateralised on or prior to the Initial Security Creation Date by way of (i) a first ranking exclusive and continuing charge to be created pursuant to an unattested deed of hypothecation, dated on or about the Effective Date, executed or to be executed and delivered by the Issuer in a form acceptable to the Debenture Trustee ("Deed of Hypothecation") over (A) the book debts/loan receivables of the Issuer as described therein (the "Charged Receivables"), (B) fixed deposits with scheduled commercial banks acceptable to the Debenture Holders lien marked in favour of the Debenture Trustee ("Fixed Deposits"), and (C) money market units/instruments or other highly liquid debt instruments issued by schemes of mutual funds registered with the SEBI and lien marked in favour of the Debenture Trustee ("Mutual Fund Units") ((A), (B) and (C) are collectively referred to as the "Hypothecated Assets"), and (ii) such other security interest as may be agreed between the Issuer and the Debenture Holders ((i) and (ii) above are collectively referred to as the "Transaction Security").</p> <p>(b) The charge over the Hypothecated Assets shall at all times, commencing from the Initial Security Creation Date and until the Final Settlement Date, be (i) at least 1.05 (one decimal zero five) times the value of the Outstanding Principal Amounts; and (ii) the principal receivables of the Client Loans comprising the Hypothecated Assets, the Fixed Deposits and the Mutual</p>

	<p>Fund Units shall be at least 1.05 (one decimal zero five) times the value of the Outstanding Principal Amounts (collectively, the "Security Cover") and shall be maintained at all times until the Final Settlement Date.</p> <p>(c) The value of the Hypothecated Assets for this purpose (for both initial and subsequent valuations) shall be the amount reflected as the value thereof in the books of accounts of the Issuer.</p> <p>(d) The Issuer shall create the charge over the Hypothecated Assets on or prior to the Initial Security Creation Date and perfect such security by filing Form CHG-9 with the ROC and by ensuring and procuring that the Debenture Trustee files Form I with CERSAI in respect thereof as soon as practicable and no later than the Initial Security Creation Date.</p> <p>(e) the Issuer hereby further agrees, declares and covenants with the Debenture Trustee as follows:</p> <p>(i) the Series 1 Debentures, the Series 2 Debentures and the Series 3 Debentures shall be collateralised by a first ranking exclusive continuing security by way of a first ranking exclusive charge on the Hypothecated Assets in favour of the Debenture Trustee for the benefit of the Debenture Holders on or prior to the Initial Security Creation Date;</p> <p>(ii) all the Hypothecated Assets that will be charged to the Debenture Trustee under the Deed of Hypothecation shall always be kept distinguishable and held as the exclusive property of the Issuer specifically appropriated to the Transaction Security and be dealt with only under the directions of the Debenture Trustee;</p> <p>(iii) the Issuer shall not create any charge, lien or other encumbrance upon or over the Hypothecated Assets 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>(iv) the Debenture Trustee shall be at liberty to incur all costs and expenses as may be necessary to preserve the Transaction Security and to maintain the Transaction Security undiminished and claim reimbursement thereof;</p> <p>(v) to create the security over the Hypothecated Assets as contemplated in the Transaction Documents on or prior to the Initial Security Creation Date by executing the duly stamped Deed of Hypothecation;</p> <p>(vi) to register and perfect the security interest created thereunder by filing Form CHG-9 with the concerned ROC and ensuring and procuring that the Debenture Trustee files the prescribed Form I with CERSAI reporting the charge created to the CERSAI in relation thereto, as soon as practicable and in any case no later than the Initial Security Creation Date or the timelines prescribed under Applicable Law (whichever is earlier);</p> <p>(vii) commencing from the Initial Security Creation Date until the Final Settlement Date, the Issuer shall, on a monthly basis, at the time periods set out in the Deed of Hypothecation, provide a list of specific loan receivables/identified book debts to the Debenture Trustee over which charge is created and subsisting by way of hypothecation in favour of the Debenture Trustee (for the benefit of the Debenture Holders) and sufficient to maintain the Security</p>
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	<p>Cover;</p> <p>(viii) to keep the Application Money in a separate bank account in the event the DTD and the other Transaction Documents are not executed on or before the Deemed Date of Allotment;</p> <p>(ix) the Issuer shall, within the timelines prescribed under the Deed of Hypothecation, add fresh receivables/Client Loans or charge by way of hypothecation additional Fixed Deposits and/or Mutual Fund Units (as may be acceptable to the Debenture Holders) to the Hypothecated Assets so as to ensure that the Security Cover is maintained or replace such Hypothecated Assets that do not satisfy the eligibility criteria prescribed in the Transaction Documents. Without prejudice to the foregoing, the Issuer will replace all book debts/loan receivables comprising the Hypothecated Assets that are overdue by 90 (ninety) days or more with fresh book debts/loan receivables that fulfil the eligibility criteria prescribed in the Transaction Documents promptly and in no case later than 15 (fifteen) Business Days of any book debts/loan receivables becoming overdue by 90 (ninety) days or more;</p> <p>(x) the Issuer shall, on a half yearly basis, as and when required by the Debenture Trustee, give full particulars to the Debenture Trustee of all the Hypothecated Assets from time to time;</p> <p>(xi) furnish and verify all statements, reports, returns, certificates and information from time to time and as required by the Debenture Trustee in respect of the Hypothecated Assets;</p> <p>(xii) furnish and execute all necessary documents to give effect to the Hypothecated Assets;</p> <p>(xiii) commencing from the Initial Security Creation Date, the security interest created on the Hypothecated Assets shall be a continuing security;</p> <p>(xiv) commencing from the Initial Security Creation Date, the Charged Receivables shall fulfil the eligibility criteria set out in the Deed of Hypothecation;</p> <p>(xv) 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 Issuer to the Debenture Trustee and/ or the Debenture Holders;</p> <p>(xvi) the Debenture Holders shall have a beneficial interest in the Hypothecated Assets of the Issuer which have been charged to the Debenture Trustee to the extent of the Outstanding Amounts of the Debentures under the DTD; and</p> <p>(xvii) to forthwith upon demand by the Debenture Trustee, reimburse to the Debenture Trustee all amounts paid by the Debenture Trustee to reasonably protect the Hypothecated Assets and such amounts shall be deemed to be secured by the Hypothecated Assets;</p> <p>SPECIFIC DISCLOSURES</p> <p>Type of security: Receivables/book debts, rights in underlying contracts, fixed</p>
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	<p>deposits, mutual fund units (i.e., movable assets).</p> <p>Type of charge: Hypothecation.</p> <p>Date of creation of security/ likely date of creation of security: On or prior to the Initial Security Creation Date (being a period of 90 (ninety) days from the Deemed Date of Allotment).</p> <p>Minimum security cover: The charge over the Hypothecated Assets shall at all times, commencing from the Initial Security Creation Date and until the Final Settlement Date, be (i) at least 1.05 (one decimal zero five) times the value of the Outstanding Principal Amounts; and (ii) the principal receivables of the Client Loans comprising the Hypothecated Assets, the Fixed Deposits and the Mutual Fund Units shall be at least 1.05 (one decimal zero five) times the value of the Outstanding Principal Amounts (collectively, the "Security Cover") and shall be maintained at all times until the Final Settlement Date.</p> <p>Revaluation: N. A.</p> <p>Replacement of security: To be set out in detail in the Deed of Hypothecation.</p> <p>Interest over and above the coupon rate:</p> <p>(a) The Issuer agrees to pay a default interest at 2% (two percent) per annum over the relevant Effective Annualised Interest Rate in respect of each of the Series 1 Debentures, the Series 2 Debentures and the Series 3 Debentures, on the Outstanding Principal Amounts from the date of the occurrence of any Event of Default until such Event of Default is cured or the Secured Obligations are repaid. Such amounts shall be determined separately with reference to the abovementioned incremental rate and paid in addition to the Interest Amounts together with the Redemption Payment on the relevant Due Date.</p> <p>(b) Without prejudice to (a) above, the Issuer agrees to pay additional interest at 2% (two percent) per annum over the relevant Effective Annualised Interest Rate in respect of each of the Series 1 Debentures, the Series 2 Debentures and the Series 3 Debentures if the Issuer (i) fails to create the Transaction Security within the timelines prescribed in the Transaction Documents and/or in the manner prescribed in the Transaction Documents, calculated for the period from the Initial Security Creation Date until the date on which the Transaction Security is created (ii) fails to maintain the Security Cover, calculated for the period from the date the Security Cover is reduced below the prescribed thresholds until the date on which the Security Cover is restored, or (iii) fails to furnish the Monthly Hypothecated Assets Report within the timelines prescribed in the Deed of Hypothecation calculated for the period from the date on which the relevant Monthly Hypothecated Assets Report was due, until the date on which the Monthly Hypothecated Assets Report is actually provided. Such amounts shall be determined separately with reference to the abovementioned incremental rate and paid in addition to the Interest Amounts together with the Redemption Payment on the relevant Due Date.</p>
<p>Transaction documents</p>	<p>The following documents are proposed to be executed in respect of the Debentures:</p> <p>(a) the DTD;</p> <p>(b) the Debenture Trustee Agreement;</p> <p>(c) the Deed of Hypothecation;</p> <p>(d) the Debt Disclosure Documents;</p>

	<p>(e) the letters issued by the, and each memorandum of understanding/agreement entered into with, the Rating Agency, the Debenture Trustee and/or the Registrar;</p> <p>(f) each tripartite agreement between the Issuer, the Registrar and any Depository; and</p> <p>(g) any other document that may be designated as a Transaction Document by the Debenture Trustee or the Debenture Holders.</p> <p>Please also refer the definitions of "Transaction Documents".</p>
<p>Conditions Precedent to Disbursement</p>	<p>The Issuer shall fulfil the following conditions precedent, to the satisfaction of the Debenture Trustee/the Applicants, prior to the Deemed Date of Allotment, and shall submit and provide to the Debenture Trustee/the Applicants:</p> <p>(a) a copy of resolution of the Issuer's board of directors/committee of the Issuer's board of directors authorising the execution, delivery and performance of the Transaction Documents certified as correct, complete and in full force and effect by an appropriate officer of the Issuer;</p> <p>(b) copies of the resolution of the shareholders of the Issuer under Section 42 of the Act, certified as correct, complete and in full force and effect by an appropriate officer of the Issuer;</p> <p>(c) a copy of the Issuer's Constitutional Documents certified as correct, complete and in full force and effect by the appropriate officer;</p> <p>(d) execution, delivery and stamping of the Transaction Documents (including the Debt Disclosure Documents) in a form and manner satisfactory to the Debenture Trustee;</p> <p>(e) a copy of the rating letter and/or the rating rationale issued by the Rating Agency in relation to the Debentures;</p> <p>(f) a copy of the consent from the Debenture Trustee to act as the debenture trustee for the Issue;</p> <p>(g) a copy of the consent from the Registrar to act as the registrar and transfer agent for the Issue;</p> <p>(h) a copy of the tripartite agreement(s) executed between the Issuer, the Registrar and the Depository;</p> <p>(i) evidence that all 'know your customer' requirements to the satisfaction of the Debenture Trustee/the Applicants has been provided;</p> <p>(j) the audited financial statements of the Issuer for the Financial Year ended March 31, 2020, and/or the half year ended September 30, 2020 (if so available);</p> <p>(k) a certificate from the authorised signatories of the Issuer addressed to the Debenture Trustee confirming as on the Deemed Date of Allotment/the date of the certificate:</p> <p>(i) the persons authorised to sign the Transaction Documents and any document to be delivered under or in connection therewith, on behalf of the Issuer, together with the names, titles and specimen signatures of such authorised signatories;</p>

	<ul style="list-style-type: none"> (ii) the Issuer has the necessary power under the Constitutional Documents to borrow monies by way of the issuance of the Debentures and create the Transaction Security to secure such Debentures; (iii) the issuance of the Debentures and the creation of security over the Hypothecated Assets will not cause any limit, including any borrowing or security providing limit binding on the Issuer to be exceeded; (iv) no consents and approvals are required by the Issuer from its creditors or any Governmental Authority or any other person for the issuance of the Debentures and creation of security under the Deed of Hypothecation; (v) the representations and warranties contained in the DTD are true and correct in all respects; (vi) no Event of Default or Credit Event has occurred or is subsisting; (vii) no Material Adverse Effect has occurred; and (viii) no investor or shareholder consent/approval, pursuant to the articles of association of the Issuer or any shareholders' agreements or other documents/instruments entered into by the Issuer and its shareholders and investors, is required for the Issuer to enter into or perform its obligations under the Transaction Documents; (l) (if so required) a copy of the in-principle approval provided by the BSE in respect of the listing of the Debentures; and (m) such other information, documents, certificates, opinions and instruments as the Debenture Holders may reasonably request.
Conditions Subsequent to Disbursement	<p>The Issuer shall fulfil the following conditions subsequent, to the satisfaction of the Debenture Trustee:</p> <ul style="list-style-type: none"> (a) the Issuer shall ensure that the Debentures are credited into the demat accounts of the Debenture Holders of the Debentures within 2 (two) Business Days from the Deemed Date of Allotment; (b) the Issuer shall, on or prior to the utilisation of the Application Money received by the Issuer, or within 15 (fifteen) days of the allotment of Debentures, whichever is earlier, file a return of allotment of securities under Form PAS-3 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 with the ROC along with a list of the Debenture Holders and with the prescribed fee; (c) the Issuer shall provide evidence of the creation of security on the Hypothecated Assets on or prior to the Initial Security Creation Date in accordance with the Transaction Documents; (d) the Issuer shall, in respect of the Deed of Hypothecation, file a copy of Form CHG-9 with ROC and shall ensure and procure that the Debenture Trustee files the prescribed Form I with CERSAI, each on or prior to the Initial Security Creation Date or within the timelines prescribed under Applicable Law (whichever is earlier); (e) the Issuer shall make the application for listing of the Debentures and obtain

	<p>listing of the Debentures within the time period prescribed under the SEBI Listing Timelines Circular; and</p> <p>(f) comply with such other condition and provide such other information and documents as the Debenture Holders may reasonably request or as may be required under Applicable Law.</p>
Event of Default (including manner of voting /conditions of joining Inter Creditor Agreement)	<p>Please refer Section 5.7 (<i>Events of Default</i>) below for indicative provisions on events of default.</p> <p>The manner of instructing the Debenture Trustee to call/invoke an event of default shall be more particularly set out in the DTD. No voting/inter-creditor agreement is proposed to be entered into for the proposed issue of the Debentures. All voting requirements and requirements for constitution of majority of debenture holders for various purposes relating to the Debenture Holders shall be more particularly set out in the DTD. Please also refer Section 5.8 (<i>Consequences of an Events of Default</i>) below for indicative provisions on acceleration on event of default.</p>
Creation of recovery expense fund	<p>The Issuer hereby undertakes and confirms that it shall, within the time period prescribed under the SEBI Recovery Expense Fund Circular, establish and maintain the Recovery Expense Fund in such manner/mode as is prescribed under the SEBI Recovery Expense Fund Circular.</p>
Conditions for breach of covenants (as specified in Debenture Trust Deed)	<p>Please refer Section 5.7 (<i>Events of Default</i>).</p>
Provisions related to Cross Default	<p>The following is an Event of Default under the DTD:</p> <p>The Issuer:</p> <p>(i) defaults in any payment of any Financial Indebtedness beyond the period of grace, if any, provided in the instrument or agreement under which such Financial Indebtedness was created;</p> <p>(ii) defaults in the observance or performance of any agreement or condition relating to any Financial Indebtedness or contained in any instrument or agreement evidencing, securing or relating thereto or any other event shall occur or condition exist, the effect of which default or other event or condition is to cause or to permit the holder or holders of such Financial Indebtedness to cause (with the giving of notice or the passage of time or both would permit or cause) any such Financial Indebtedness to become due prior to its stated maturity; or</p> <p>(iii) any Financial Indebtedness of the Issuer is declared to be due and payable, or required to be prepaid other than by a regularly scheduled required prepayment (whether or not such right shall have been waived), prior to the stated maturity thereof.</p>
Role and Responsibilities of Debenture Trustee	<p>The Debenture Trustee shall comply with all its roles and responsibilities as prescribed under Applicable Law and the Transaction Documents, including:</p> <p>(a) the Debenture Trustee may, in relation to the DTD and the other Transaction Documents, act on the opinion or advice of or any information obtained from any solicitor, counsel, advocate, valuer, surveyor, broker, auctioneer, qualified accountant or other expert whether obtained by the Issuer or by the Debenture Trustee or otherwise;</p> <p>(b) the Debenture Trustee shall be the attorney of the Issuer and shall have the right to execute, sign and do any deeds, documents, assurances, acts and</p>

	<p>things in the name and on behalf of the Issuer, which shall in the opinion of the Debenture Trustee be necessary or expedient that the Issuer should execute, sign and do for the purpose of carrying out any of the trusts or obligations declared or imposed upon the Debenture Trustee;</p> <p>(c) subject to the approval of the Debenture Holders by way of a Special Resolution passed at a meeting of the Debenture Holders held for determining the liability of the Debenture Trustee, the Debenture Trustee shall, as regards all trusts, powers, authorities and discretions, have the discretion as to the exercise thereof and to the mode and time of exercise thereof. In the absence of any fraud, gross negligence, willful misconduct or breach of trust the Debenture Trustee shall not be responsible for any loss, costs, charges, expenses or inconvenience that may result from the aforementioned exercise or non-exercise thereof. The Debenture Trustee shall not be bound to act at the request or direction of the Debenture Holders under any provisions of the Transaction Documents unless sufficient amounts shall have been provided or provision to the satisfaction of the Debenture Trustee has been made for providing such amounts and the Debenture Trustee is indemnified to its satisfaction against all further costs, charges, expenses and liability which may be incurred in complying with such request or direction;</p> <p>(d) with a view to facilitating any dealing under any provisions of the DTD or the other Transaction Documents, subject to the Debenture Trustee obtaining the consent of the Majority Debenture Holders, the Debenture Trustee shall have (i) the power to consent (where such consent is required) to a specified transaction or class of transactions (with or without specifying additional conditions); and (ii) to determine all questions and doubts arising in relation to the interpretation or construction any of the provisions of the DTD;</p> <p>(e) the Debenture Trustee shall not be responsible for the amounts paid by the Applicants for the Debentures;</p> <p>(f) the Debenture Trustee shall not be responsible for acting upon any resolution purporting to have been passed at any meeting of the Debenture Holders in respect whereof minutes have been made and signed even though it may subsequently be found that there was some defect in the constitution of the meeting or the passing of the resolution or that for any reason the resolution was not valid or binding upon the Debenture Holders;</p> <p>(g) the Debenture Trustee and each receiver, attorney, manager, agent or other person appointed by it shall, subject to the provisions of the Act, be entitled to be indemnified by the Issuer in respect of all liabilities and expenses incurred by them in the execution or purported execution of the powers and trusts thereof;</p> <p>(h) subject to the approval of the Debenture Holder(s) by way of a Special Resolution passed at a meeting of Debenture Holder(s) held for determining the liability of the Debenture Trustee and in the absence of fraud, gross negligence, willful misconduct or breach of trust, the Debenture Trustee shall not be liable for any of its actions or deeds in relation to the Transaction Documents;</p> <p>(i) subject to the approval of the Debenture Holder(s) by way of Special Resolution passed at a meeting of Debenture Holders held for determining the liability of the Debenture Trustee and in the absence of fraud, gross negligence, willful misconduct or breach of trust, the Debenture Trustee, shall not be liable for any default, omission or delay in performing or exercising any of the powers or trusts herein expressed or contained herein</p>
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	<p>or in enforcing the covenants contained herein or in giving notice to any person of the execution hereof or in taking any other steps which may be necessary, expedient or desirable or for any loss or injury which may be occasioned by reason thereof unless the Debenture Trustee shall have been previously requested by notice in writing to perform, exercise or do any of such steps as aforesaid given in writing by the Majority Debenture Holder(s) or by a Majority Resolution duly passed at a meeting of the Debenture Holders. The Debenture Trustee shall not be bound to act at the request or direction of the Debenture Holders under any provisions of the Transaction Documents unless sufficient amounts shall have been provided or provision to the satisfaction of the Debenture Trustee has been made for providing such amounts and the Debenture Trustee is indemnified to its satisfaction against all further costs, charges, expenses and liability which may be incurred in complying with such request or direction;</p> <p>(j) notwithstanding anything contained to the contrary in the DTD, the Debenture Trustee shall before taking any action on behalf of the Debenture Holders or providing any consent on behalf of the Debenture Holders, obtain the written consent of the Majority Debenture Holders;</p> <p>(k) the Debenture Trustee shall forward to the Debenture Holders copies of any information or documents from the Issuer pursuant to the DTD within 2 (two) Business Days of receiving such information or document from the Issuer; and</p> <p>(l) the Debenture Trustee shall, until the Final Settlement Date, adhere to and comply with its obligations and responsibilities under the SEBI Defaults (Procedure) Circular and the SEBI Recovery Expense Fund Circular.</p>
Risk factors pertaining to the issue	Please refer Section 3 (<i>Risk Factors</i>) of this Information Memorandum.
Governing Law & Jurisdiction	The Debentures and the Transaction Documents will be governed by and construed in accordance with the laws of India, and all disputes in respect of the Debentures and the Transaction Documents will be subject to the exclusive jurisdiction of the courts and tribunal at Mumbai, India, and as more particularly provided for in the respective Transaction Documents.
Additional Disclosures (MLD Guidelines)	<p>(a) Confirmations from the Issuer: The Issuer confirms as follows: (i) The Debentures issued are principal protected and promise the return of the principal amount of the Debentures in full on the Final Redemption Date. (ii) The Issuer has a Net Worth of more than INR 100,00,00,000 (Indian Rupees One Hundred Crore).</p> <p>(b) Credit rating: The Debentures have been rated "Acuite PPMLD A -" [Pronounced as Acuite Principal Protected Market Linked Debentures A Minus]" by Acuite Ratings and Research Limited in accordance with the MLD Guidelines.</p> <p>(c) Scenario analysis/valuation matrix: The detailed scenario analysis/valuation matrix showing value of the Debentures under different market conditions such as rising, stable and falling market conditions (along with a suitable graphic representation) has been set out under Annexure VIII below.</p> <p>(d) Risk Factor (Model Risk): The Debentures are subject to model risk, i.e., the Debentures are created on the basis of complex mathematical models involving multiple derivative exposures which may or may not be hedged and the actual behavior of the securities selected for hedging may significantly differ from the returns predicted by the mathematical models. Please also refer Section 3 (x) (<i>Structure Risk</i>).</p>

	<p>(e) Risk Factor (Other): The principal amount is subject to the credit risk of the issuer whereby the investor(s) may or may not recover all or part of the funds in case of default by the Issuer. Please also refer Section 3(i) (<i>Repayment is Subject to the Credit Risk of the Issuer</i>).</p> <p>(f) Interest on annualised basis: Please refer the definitions of "Annualised Interest Rate" and "Interest Amounts". Please also refer Annexure VIII.</p> <p>(g) Valuation: The latest and historical valuation for the Debentures shall be made available on the websites of the Issuer and of the Valuation Agent appointed for the Debentures.</p> <p>(h) Commissions: No commission (by whatever name called), is being paid by the Issuer to any person to act as the distributor for selling/ distribution of the Debentures.</p> <p>(i) Premature Redemption: Please refer Sections titled "Early Redemption/Voluntary Redemption".</p>
<p>Valuation Agent</p>	<p>ICRA ANALYTICS LIMITED (formerly ICRA ONLINE LIMITED) has been appointed as the valuation agent by the Issuer in respect of the Debentures.</p> <p>The Issuer shall pay fees to the Valuation Agent of 4 basis points per annum on the outstanding principal amount plus applicable taxes. The fees of the Valuation Agent shall be paid by the Issuer and the Issuer shall not charge any of the investors/Debenture Holders for such services.</p>
<p>Early Redemption/Voluntary Redemption</p>	<p>Early Redemption</p> <p>(a) On occurrence of an Early Redemption Event, the Debenture Trustee shall have the option (but not the obligation) to require the Issuer to redeem the Debentures and all other Outstanding Amounts within 30 (thirty) calendar days from the date of receipt by the Issuer of the notice regarding the occurrence of an Early Redemption Event from the Debenture Trustee.</p> <p>(b) No prepayment penalty or prepayment premium will be applicable to any redemption in accordance with this provision.</p> <p>Voluntary Redemption</p> <p>(a) On any date prior to the relevant Final Settlement Dates, subject to (i) compliance with Applicable Law (including without limitation, the NBFC Directions and the MLD Guidelines), (ii) the Issuer providing the Debenture Trustee and the Debenture Holders written notice of at least 30 (thirty) calendar days prior to the date of the meeting of the Debenture Holders where the consent for the voluntary redemption is proposed to be sought, and (iii) the consent of the Majority Debenture Holders, the Issuer may redeem the Series 1 Debentures, the Series 2 Debentures or the Series 3 Debentures <i>pro rata</i>, in part or in full, by paying a premature redemption premium of 1% (one percent) on such part of the Outstanding Principal Amounts of the respective Debentures that is proposed to be prematurely redeemed.</p> <p>(b) Any notice to the Debenture Trustee of voluntary redemption given by the Issuer under this provision, to which the Majority Debenture Holders have accorded their consent as above, will be irrevocable.</p> <p>(c) The Issuer shall not redeem (or prematurely redeem) the Debentures in any manner other than in accordance with the terms of the DTD.</p>

	<p>Tax Increase Event</p> <p>(a) If the applicable rate of tax applicable to market linked debentures (including the Debentures) is modified and increased above the rate applicable on the Effective Date ("Tax Increase Event"), the Debenture Trustee shall have the right (but not an obligation) to require the Issuer to (i) subject to Applicable Law (including the MLD Guidelines), redeem the Debentures within 60 (sixty) days from the occurrence of such Tax Increase Event, without the payment of any prepayment charges/premium, or (ii) pay additional interest at 2% (two percent) per annum over the relevant Effective Annualised Interest Rate in respect of each of the Series 1 Debentures, the Series 2 Debentures and the Series 3 Debentures.</p> <p>(b) In case the Debenture Trustee requires the Issuer to redeem the Debentures under (a) above, the Issuer may, either:</p> <p>(i) redeem the Debentures in accordance with (a) above; or</p> <p>(ii) pay additional interest at 2% (two percent) per annum over the relevant Effective Annualised Interest Rate in respect of each of the Series 1 Debentures, the Series 2 Debentures and the Series 3 Debentures applicable from the date of occurrence of such Tax Increase Event. Such amounts shall be determined separately with reference to the abovementioned incremental rate and paid in addition to the Interest Amounts together with the Redemption Payment on the relevant Due Date.</p>
<p>Additional Disclosures (Security Creation (where applicable))</p>	<p>The Issuer agrees to pay additional interest at 2% (two percent) per annum over the relevant Effective Annualised Interest Rate in respect of each of the Series 1 Debentures, the Series 2 Debentures and the Series 3 Debentures if the Issuer (i) fails to create the Transaction Security within the timelines prescribed in the Transaction Documents and/or in the manner prescribed in the Transaction Documents, calculated for the period from the Initial Security Creation Date until the date on which the Transaction Security is created (ii) fails to maintain the Security Cover, calculated for the period from the date the Security Cover is reduced below the prescribed thresholds until the date on which the Security Cover is restored, or (iii) fails to furnish the Monthly Hypothecated Assets Report within the timelines prescribed in the Deed of Hypothecation calculated for the period from the date on which the relevant Monthly Hypothecated Assets Report was due, until the date on which the Monthly Hypothecated Assets Report is actually provided. Such amounts shall be determined separately with reference to the abovementioned incremental rate and paid in addition to the Interest Amounts together with the Redemption Payment on the relevant Due Date.</p> <p>In the event of any delay in the execution of any Transaction Documents (including the DTD or the Deed of Hypothecation), the Issuer will, at the option of the Debenture Holders, either:</p> <p>(a) refund the Application Money together with interest at the Annualised Interest Rate/discharge the Secured Obligations to the Debenture Holders; or</p> <p>(b) pay to the Debenture Holders penal interest at the rate of 2% (two percent) per annum charged on the Outstanding Principal Amounts in addition to the Annualised Interest Rate till the relevant Transaction Documents (as the case may be) are duly executed to the satisfaction of the Debenture Holders.</p>
<p>Additional Disclosures (Default in Payment)</p>	<p>The Issuer agrees to pay a default interest at 2% (two percent) per annum over the relevant Effective Annualised Interest Rate in respect of each of the Series 1 Debentures, the Series 2 Debentures and the Series 3 Debentures, on the Outstanding Principal Amounts from the date of the occurrence of any Event of</p>

	Default until such Event of Default is cured or the Secured Obligations are repaid. Such amounts shall be determined separately with reference to the abovementioned incremental rate and paid in addition to the Interest Amounts together with the Redemption Payment on the relevant Due Date.
Additional Disclosures (Delay in Listing)	<p>In the event there is any delay in listing of the Debentures beyond the Listing Period, the Issuer will:</p> <p>(i) pay to the Debenture Holders, penal interest of 1% (one percent) per annum over the Annualised Interest Rate, from the closure of the issue of the Debentures until the listing of the Debentures is completed. Such amounts shall be determined separately with reference to the abovementioned incremental rate and paid in addition to the Interest Amounts together with the Redemption Payment on the relevant Due Date; and</p> <p>(ii) be permitted to utilise the issue proceeds of its 2 (two) subsequent privately placed issuances of securities only after receiving final listing approval from the stock exchange(s)</p>

Note:

1. The list of documents which has been executed or will be executed in connection with the Issue and subscription of debt securities shall be annexed.
2. The additional interest rates mentioned above as payable by the Issuer are independent of each other.
3. While the debt securities are secured to the tune of the prescribed security cover in respect of the principal and interest amount or as per the terms of offer document/information Memorandum, in favour of the Debenture Trustee, it is the duty of the Debenture Trustee to monitor that the security is maintained, however, the recovery of 100% of the amount shall depend on the market scenario prevalent at the time of enforcement of the security.

SECTION 5: TRANSACTION DOCUMENTS AND KEY TERMS**5.1 Transaction Documents**

The Issuer has executed/shall execute the documents including but not limited to the following, as required, in connection with the Issue as per latest SEBI guidelines/ Companies Act 2013 (as applicable) for issuance of NCDs through private placement: ("**Transaction Documents**"):

- i. Debenture Trustee Agreement, which will confirm the appointment of **Catalyst Trusteeship Limited** as the Debenture Trustee;
- ii. Debenture Trust Deed, which will set out the terms upon which the Debentures are being issued and shall include the representations and warranties and the covenants to be provided by the Issuer;
- iii. Deed of Hypothecation whereby the Issuer will create an exclusive charge by way of hypothecation over Hypothecated Receivables in favor of the Debenture Trustee to secure its obligations in respect of the Debentures; and
- iv. Such other documents as agreed between the Issuer and the Debenture Trustee.

5.2 Representations, Warranties, And Covenants Of The Company

The Issuer makes the representations and warranties set out below to the Debenture Trustee for the benefit of the Debenture Holders as on the Effective Date, which representations shall be true and valid on each day until the Final Settlement Date.

(a) Status

- (i) It is a company, duly incorporated, registered and validly existing under Applicable Law.
- (ii) It is a non-banking financial company registered with the RBI.
- (iii) It has the power to own its Assets and carry on its business as it is being conducted.

(b) Binding obligations

The obligations expressed to be assumed by it under the Transaction Documents are legal, valid, binding and enforceable obligations.

(c) Non-conflict with other obligations

The entry into and performance by it of, and the transactions contemplated by the Transaction Documents do not and will not conflict with, or constitute a default under:

- (i) any Applicable Law;
- (ii) its Constitutional Documents;
- (iii) any judgement, decree, order or award; or
- (iv) any agreement or instrument binding upon it or any of its Assets.

(d) Power and authority; Illegality

It has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, the Transaction Documents to which it is a party and the transactions contemplated by such Transaction Documents. It is not unlawful or illegal for the Issuer to perform any of its obligations under the Transaction Documents.

(e) Validity and admissibility in evidence

All approvals, authorisations, consents, permits (third party, statutory or otherwise) required or desirable:

- (i) to enable it lawfully to enter into, exercise its rights and comply with its obligations under the Transaction Documents to which it is a party;
- (ii) to make the Transaction Documents to which it is a party admissible in evidence in its jurisdiction of incorporation; and
- (iii) for it to carry on its business, and which are material,
have been obtained or effected and are in full force and effect.

(f) ***No default***

- (i) No Event of Default has occurred and is continuing or would reasonably be expected to result from the execution or performance of any Transaction Documents or the issuance of the Debentures.
- (ii) No other event or circumstance is outstanding which constitutes (or which would, with the lapse of time, the giving of notice, the making of any determination under the relevant document or any combination of the foregoing, constitute) a default or termination event (however described) under any other agreement or instrument which is binding on the Issuer or any of its Assets or which might have a Material Adverse Effect.

(g) ***Pari passu ranking***

The payment obligations of the Issuer under the Transaction Documents shall be at least *pari passu* with the claims of all of its other unsecured creditors, except for obligations mandatorily preferred by Applicable Law applying to companies generally. Commencing from the Initial Security Creation Date, its payment obligations under the Transaction Documents shall be at least *pari passu* with the claims of all of its other senior secured creditors, except for obligations mandatorily preferred by Applicable Law applying to companies generally.

(h) ***No proceedings pending***

Except as disclosed by the Issuer in the Debt Disclosure Documents, annual reports and financial statements, no litigation, arbitration or administrative proceedings of or before any court, arbitral body or agency have been threatened or commenced against the Issuer, which if determined adversely, may have or which purport to have a Material Adverse Effect, or impairs the Issuer's Net Worth.

(i) ***No misleading information***

All information provided by the Issuer to the Debenture Trustee/Debenture Holders is true and accurate in all material respects as at the date it was provided or as at the date (if any) at which it is stated and is not misleading due to omission of material fact or otherwise.

(j) ***Compliance***

- (i) The Issuer has complied with Applicable Law.
- (ii) There has not been and there is no investigation or enquiry by, or order, decree, decision or judgment of any Governmental Authority issued or outstanding or to the best of the Issuer's knowledge (after making due and careful enquiry), anticipated against the Issuer which would have a Material Adverse Effect.
- (iii) No notice or other communication (official or otherwise) from any Governmental Authority has been issued or is outstanding or to the best of the Issuer's knowledge

(after making due and careful enquiry), anticipated with respect to an alleged, actual or potential violation and/or failure to comply with any such Applicable Law or requiring them to take or omit any action.

- (iv) The Issuer shall complete all necessary formalities including all filings with the relevant regulatory authorities, including but not limited to the SEBI, the BSE, CERSAI and the ROC and obtain all consents and approvals required for the completion of the Issue.

(k) **Assets**

- (i) Except for the security interests and encumbrances created and recorded with the ROC, the Issuer has, free from any security interest or encumbrance, the absolute legal and beneficial title to, or valid leases or licenses of, or is otherwise entitled to use (in each case, where relevant, on arm's length terms), all material Assets necessary for the conduct of its business as it is being, and is proposed to be, conducted.

- (ii) Without prejudice to (i) above, the Issuer is the sole owner of all Assets shown on its financial statements provided to the Debenture Holders, other than specifically set out in the aforementioned financial statements.

(l) **Financial statements**

- (i) Its financial statements most recently supplied to the Debenture Trustee as of March 31, 2020 were prepared in accordance the Applicable Accounting Standards consistently applied save to the extent expressly disclosed in such financial statements.

- (ii) Its financial statements as of March 31, 2020 provided to the Debenture Trustee, give an accurate, true and fair view and represent its financial condition and operations during the Financial Year save to the extent expressly disclosed in such financial statements.

(m) **Solvency**

- (i) The Issuer is able to, and has not admitted its inability to, pay its debts as they mature and has not suspended making payment on any of its debts and it has not been deemed by a court to be unable to pay its debts for the purposes of Applicable Law, nor will it become unable to pay its debts for the purposes of Applicable Law as a consequence of entering into the DTD or any other Transaction Document.

- (ii) The Issuer is solvent and is capable of paying/meeting its obligations as and when they become due.

- (iii) The Issuer, by reason of actual or anticipated financial difficulties, has not commenced, and does not intend to commence, negotiations with one or more of its creditors with a view to rescheduling its Financial Indebtedness.

- (iv) The value of the Assets of the Issuer is more than its liabilities (taking into account contingent and prospective liabilities) and it has sufficient capital to carry on its business.

- (v) The Issuer has not taken any corporate action nor has it taken any legal proceedings or other procedure or steps in relation to any bankruptcy proceedings.

- (vi) No insolvency or bankruptcy process has commenced under Applicable Law in respect of the Issuer (including pursuant to the (Indian) Insolvency and Bankruptcy Code, 2016, the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019, and any other rules and regulations made thereunder from time to time).

- (vii) No reference has been made, or enquiry or proceedings commenced, in respect of the Issuer, 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 Stressed Assets Framework).

(n) **Hypothecated Assets**

- (i) Commencing from the Initial Security Creation Date, the Hypothecated Assets are the sole and absolute property of the Issuer and are free from any other mortgage, charge or encumbrance and are not subject to any lis pendens, attachment, or other order or process issued by any Governmental Authority.
- (ii) None of the Client Loans comprising the Hypothecated Assets have been previously hypothecated, sold, transferred or assigned to any other bank or financial institution.
- (iii) The Transaction Documents executed or to be executed constitute legal, valid and enforceable security interest in favour of the Debenture Trustee and for the benefit of the Debenture Holders on all the assets thereby secured and all necessary and appropriate consents for the creation, effectiveness, priority and enforcement of such security have been obtained.

(o) **Material Adverse Effect**

- (i) No fact or circumstance, condition, proceeding or occurrence exists that has a Material Adverse Effect.
- (ii) No Material Adverse Effect has occurred or would reasonably be expected to result from the execution or performance of any Transaction Documents or the issuance of the Debentures.

(p) **Confirmations**

No investor or shareholder consent/approval, pursuant to the articles of association of the Issuer or any shareholders' agreements or other documents/instruments entered into by the Issuer and its shareholders and investors, is required for the Issuer to enter into or perform its obligations under the Transaction Documents.

(q) **Market Linked Debentures**

- (i) The Debentures issued are principal protected and promise the return of the principal amount of the Debentures in full on the Final Redemption Date.
- (ii) The Issuer has a Net Worth of more than INR 100,00,00,000 (Indian Rupees One Hundred Crore).

5.3 Affirmative Covenants

The Issuer shall:

(a) **Use of Proceeds**

use the proceeds of the Issue only for the Purpose;

(b) **Loss or damage by uncovered risks**

promptly inform the Debenture Trustee of any material loss or significant damage which the Issuer may suffer due to any force majeure circumstances or act of God, such as earthquake, flood, tempest or typhoon, etc. against which the Issuer may not have insured its properties;

(c) **Costs and expenses**

pay all reasonable costs, charges and expenses in any way incurred by the Debenture Trustee towards protection of the Debenture Holders' interests, including traveling and other allowances and such taxes (including goods and services tax), duties, costs, charges and expenses in connection with or relating to the Debentures subject to such expenses, costs or charges being

approved in writing by the Issuer before they are incurred and shall not include any foreign travel costs;

(d) ***Payment of Rents, etc.***

punctually pay all rents, royalties, taxes, rates, levies, cesses, assessments, impositions and outgoings, governmental, municipal or otherwise imposed upon or payable by the Issuer as and when such amounts are payable;

(e) ***Preserve corporate status***

(i) diligently preserve and maintain its corporate existence and status and all rights, privileges, and concessions now held or hereafter acquired by it in the conduct of its business;

(ii) comply with all acts, authorisations, consents, permissions, rules, regulations, orders and directions of any Governmental Authority;

(iii) promptly obtain, comply with all necessary authorisations, licenses, consents and approvals required under Applicable Law to enable it to perform its obligations under the Transaction Documents, to ensure the legality, validity, enforceability or admissibility of the Transaction Documents; and

(iv) not do or voluntarily suffer or permit to be done any act or thing whereby its right to transact its business might or could be terminated or whereby payment of the Outstanding Amounts might or would be hindered or delayed;

(f) ***Pay stamp duty***

pay all such stamp duty (including any additional stamp duty), other duties, taxes, charges and penalties, if and when the Issuer may be required to pay according to the applicable state laws. In the event the Issuer fails to pay such stamp duty, other duties, taxes and penalties as aforesaid, the Debenture Trustee shall be at liberty (but shall not be bound) to pay such amounts and the Issuer shall reimburse the aforementioned amounts to the Debenture Trustee on demand;

(g) ***Furnish information to trustee***

(i) provide to the Debenture Trustee or its nominee(s)/agent(s) such information/copies of relevant extracts as they may require on any matters relating to the business of the Issuer or to investigate the affairs of the Issuer;

(ii) allow the Debenture Trustee to make such examination and investigation as and when deemed necessary and shall furnish the Debenture Trustee with all such information as they may require and shall pay all reasonable costs, charges and expenses incidental to such examination and investigation;

(iii) furnish quarterly report to the Debenture Trustee (as may be required in accordance with Applicable Law) containing the following particulars:

(A) updated list of the names and addresses of the Debenture Holders;

(B) details of the interest due, but unpaid and reasons thereof;

(C) the number and nature of grievances received from the Debenture Holders and resolved and unresolved by the Issuer along with the reasons for the same; and

(D) a statement that the Hypothecated Assets are sufficient to discharge the claims of the Debenture Holders as and when they become due;

(iv) provide a periodical status/performance report within 7 (seven) days of the relevant board meeting of the Issuer, or within 45 (forty five) days of a Quarterly Date, whichever

is earlier; and

- (v) inform and provide the Debenture Trustee with applicable documents in respect of the following:
 - (A) notice of any Event of Default or potential Event of Default;
 - (B) any and all information required to be provided to the Debenture Holders under Applicable Law and the listing agreement to be entered into between the Issuer and the BSE; and
 - (C) any and all orders, directions, notices, of any court or tribunal affecting or likely to affect the Hypothecated Assets;

(vi) ***Redressal of Grievances***

promptly and expeditiously attend to and redress the grievances, if any, of the Debenture Holders. The Issuer further undertakes that it shall promptly comply with the suggestions and directions that may be given in this regard, from time to time, by the Debenture Trustee and shall advise the Debenture Trustee periodically of the compliance;

(vii) ***Comply with Investor Education and Protection Fund requirements***

comply with the provisions of the Act relating to transfer of unclaimed/ unpaid amounts of interest on Debentures and redemption of Debentures to Investor Education and Protection Fund ("**IEPF**"), if applicable to it. The Issuer hereby further agrees and undertakes that until the Final Settlement Date it shall abide by the regulations, rules or guidelines/listing requirements if any, issued from time to time by the Ministry of Corporate Affairs, RBI, SEBI or any other competent Governmental Authority;

(viii) ***Corporate Governance; Fair Practices Code***

comply with any corporate governance requirements applicable to the Issuer (as may be prescribed by the RBI, SEBI, any stock exchange, or any Governmental Authority) and the fair practices code prescribed by the RBI;

(ix) ***Further assurances***

- (A) provide details of any litigation, arbitration, legal action or administrative proceedings that if determined adversely could have a Material Adverse Effect on the Issuer (including any proceedings which are required to be disclosed by the Issuer to the relevant stock exchanges under Applicable Law), other than those proceedings which are initiated by the Issuer in its capacity as a lender in respect of the Client Loans in its ordinary course of business;
- (B) comply with any monitoring and/or servicing requests from Debenture Holders;
- (C) execute and/or do, at its own expense, all such deeds, assurances, documents, instruments, acts, matters and things, in such form and otherwise as the Debenture Trustee may reasonably or by Applicable Law require or consider necessary in relation to enforcing or exercising any of the rights and authorities of the Debenture Trustee;
- (D) obtain, comply with the terms of and do all that is necessary to maintain in full force and effect all authorisations necessary to enable it to lawfully enter into and perform its obligations under the DTD or to ensure the legality, validity, enforceability or admissibility in evidence in India of the DTD;
- (E) comply with:

- (1) all Applicable Law (including but not limited to the MLD Guidelines, and all environmental, social and taxation related laws), as applicable in respect of the Debentures and obtain such regulatory approvals as may be required from time to time;
- (2) the Debenture Trustees Regulations as in force from time to time, in so far as they are applicable to the Debentures and furnish to the Debenture Trustee such data, information, statements and reports as may be deemed necessary by the Debenture Trustee in order to enable them to comply with the provisions of Regulation 15 thereof in performance of their duties in accordance therewith to the extent applicable to the Debentures;
- (3) the provisions of the Act in relation to the Issue;
- (4) procure that the Debentures are rated and continue to be rated until the Final Settlement Date;
- (5) ensure that, at time of making any payment of interest or repayment of the principal amount of the Debentures in full or in part, the Issuer shall do so in the manner that is most tax efficient for the Debenture Holders but without, in any way requiring the Issuer to incur any additional costs, expenses or taxes and the Issuer shall avail of all the benefits available under any treaty applicable to the Issuer and/or the Debenture Holders; and
- (6) if so required, the terms of the circular issued by SEBI dated June 23, 2020 on "*Operational framework for transactions in defaulted debt securities post maturity date/ redemption date under provisions of SEBI (Issue and Listing of Debt Securities) Regulations, 2008*", and provide all details/intimations to the Debenture Trustee, the Depository, and BSE (as the case may be) in accordance with the aforementioned circular;

(h) **Collateral**

the Issuer hereby further agrees, declares and covenants with the Debenture Trustee as follows:

- (i) the Series 1 Debentures, the Series 2 Debentures and the Series 3 Debentures shall be collateralised by a first ranking exclusive continuing security by way of a first ranking exclusive charge on the Hypothecated Assets in favour of the Debenture Trustee for the benefit of the Debenture Holders on or prior to the Initial Security Creation Date;
- (ii) all the Hypothecated Assets that will be charged to the Debenture Trustee under the Deed of Hypothecation shall always be kept distinguishable and held as the exclusive property of the Issuer specifically appropriated to the Transaction Security and be dealt with only under the directions of the Debenture Trustee;
- (iii) the Issuer shall not create any charge, lien or other encumbrance upon or over the Hypothecated Assets or any part thereof except in favour of the Debenture Trustee nor will it do or allow anything that may prejudice this Security;
- (iv) the Debenture Trustee shall be at liberty to incur all costs and expenses as may be necessary to preserve the Transaction Security and to maintain the Transaction Security undiminished and claim reimbursement thereof;
- (v) to create the security over the Hypothecated Assets as contemplated in the Transaction Documents on or prior to the Initial Security Creation Date by executing the duly stamped Deed of Hypothecation;
- (vi) to register and perfect the security interest created thereunder by filing Form CHG-9

with the concerned ROC and ensuring and procuring that the Debenture Trustee files the prescribed Form I with CERSAI reporting the charge created to the CERSAI in relation thereto, as soon as practicable and in any case no later than the Initial Security Creation Date or the timelines prescribed under Applicable Law (whichever is earlier);

- (vii) commencing from the Initial Security Creation Date until the Final Settlement Date, the Issuer shall, on a monthly basis, at the time periods set out in the Deed of Hypothecation, provide a list of specific loan receivables/identified book debts to the Debenture Trustee over which charge is created and subsisting by way of hypothecation in favour of the Debenture Trustee (for the benefit of the Debenture Holders) and sufficient to maintain the Security Cover;
 - (viii) to keep the Application Money in a separate bank account in the event the DTD and the other Transaction Documents are not executed on or before the Deemed Date of Allotment;
 - (ix) the Issuer shall, within the timelines prescribed under the Deed of Hypothecation, add fresh receivables/Client Loans or charge by way of hypothecation additional Fixed Deposits and/or Mutual Fund Units (as may be acceptable to the Debenture Holders) to the Hypothecated Assets so as to ensure that the Security Cover is maintained or to replace such Hypothecated Assets that do not satisfy the eligibility criteria prescribed in the Transaction Documents. Without prejudice to the foregoing, the Issuer will replace all book debts/loan receivables comprising the Hypothecated Assets that are overdue by 90 (ninety) days or more with fresh book debts/loan receivables that fulfil the eligibility criteria prescribed in the Transaction Documents promptly and in no case later than 15 (fifteen) Business Days of any book debts/loan receivables becoming overdue by 90 (ninety) days or more;
 - (x) the Issuer shall, on a half yearly basis, as and when required by the Debenture Trustee, give full particulars to the Debenture Trustee of all the Hypothecated Assets from time to time;
 - (xi) furnish and verify all statements, reports, returns, certificates and information from time to time and as required by the Debenture Trustee in respect of the Hypothecated Assets;
 - (xii) furnish and execute all necessary documents to give effect to the Hypothecated Assets;
 - (xiii) commencing from the Initial Security Creation Date, the security interest created on the Hypothecated Assets shall be a continuing security;
 - (xiv) commencing from the Initial Security Creation Date, the Charged Receivables shall fulfil the eligibility criteria set out in the Deed of Hypothecation;
 - (xv) 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 Issuer to the Debenture Trustee and/ or the Debenture Holders;
 - (xvi) the Debenture Holders shall have a beneficial interest in the Hypothecated Assets of the Issuer which have been charged to the Debenture Trustee to the extent of the Outstanding Amounts of the Debentures under the DTD; and
 - (xvii) to forthwith upon demand by the Debenture Trustee, reimburse to the Debenture Trustee all amounts paid by the Debenture Trustee to reasonably protect the Hypothecated Assets and such amounts shall be deemed to be secured by the Hypothecated Assets;
- (i) ***Filings; Compliance with BSE requirements***

the Issuer hereby further agrees, declares and covenants with the Debenture Trustee as follows:

- (A) while submitting half yearly/annual financial results in accordance with Regulation 52 of the LODR Regulations, the Issuer shall file with the BSE for dissemination, along with a noting certificate of the Debenture Trustee, containing *inter alia* the following information:
- (1) credit rating (and any change thereto);
 - (2) asset cover;
 - (3) debt to equity ratio accompanied with such certifications as may be required under Applicable Law or by the Debenture Trustee;
 - (4) previous Due Date for the payment of interest/principal and whether the same has been paid or not; and
 - (5) next Due Date for the payment of interest/principal;
 - (6) debt service coverage ratio (if required);
 - (7) interest service coverage ratio (if required);
 - (8) outstanding redeemable preference shares (quantity and value);
 - (9) net worth;
 - (10) net profit after tax;
 - (11) earnings per share;
- (B) in accordance with Regulation 52 of the LODR Regulations, the Issuer shall file with the BSE the prescribed statements, financial statements and noting certificate of the Debenture Trustee within the timelines prescribed therein;
- (C) in accordance with Regulation 56 of the LODR Regulations, the Issuer shall submit the following to the Debenture Trustee:
- (1) a copy of the annual report at the same time as it is issued and a copy of the certificate from the Issuer's auditors in respect of utilisation of funds raised by the issue of the Debentures, at the same time or at the end of each Financial Year until such funds have been fully utilised or the purpose for which such funds were intended has been achieved;
 - (2) a copy of all notices, resolutions and circulars relating to any new issue of non-convertible debt securities (at the same time as they are sent to shareholders/holders of non-convertible debt securities), the meetings of holders of non-convertible debt securities (at the same time as they are sent to the holders of non-convertible debt securities or advertised in the media including those relating to proceedings of the meetings);
 - (3) intimations regarding any revision in the rating or any default in timely payment of interest or redemption or both in respect of the non-convertible debt securities issued by the Issuer or any failure to create charge on the assets and/or all covenants of the Issue (including side letters, accelerated payment clause, etc.);
 - (4) a half-yearly certificate regarding maintenance of 100% (one hundred percent) asset cover, or asset cover as per the terms of the Transaction Documents, including compliance with all the covenants, in respect of listed non-convertible debt securities, by the statutory auditor, along with the half-yearly financial results; and

- (5) a copy of the statement, if any filed with the BSE in compliance of Regulation 52(7) of the LODR Regulations indicating material deviations, if any, in the use of funds raised by the issue of the Debentures from the object stated in the Information Memorandum; and
- (D) in accordance with Regulation 58 of the LODR Regulations, the Issuer shall furnish the following to the Debenture Holders in the manner prescribed therein:
- (1) physical copies of full annual reports to those Debenture Holders who request the same;
 - (2) notice of all meetings of the Debenture Holders specifically stating that the provisions for appointment of proxy in accordance with Section 105 of the Companies Act, 2013 shall be applicable for such meeting; and
 - (3) proxy forms for the Debenture Holders clearly providing the Debenture Holders to vote for each resolution in such a manner that they may vote either for or against each resolution;
- (E) it will provide all such assistance to the Debenture Trustee as may be required by it, to carry out the necessary due diligence and monitor the asset cover in the manner as may be specified by SEBI from time to time. In this regard, in accordance with the SEBI's circular bearing reference number SEBI/ HO/ MIRSD/ CRADT/ CIR/ P/ 2020/23 dated November 12, 2020 on "*Monitoring and Disclosures by Debenture Trustee(s)*" ("**SEBI Monitoring Circular**"), the Issuer undertakes and agrees to provide all relevant documents/information, as applicable, to enable the Debenture Trustee to submit the following reports/certifications to BSE in accordance with the SEBI Monitoring Circular:
- (1) an asset cover certificate on a quarterly basis, within 60 (sixty) days from each Quarterly Date in the format prescribed in the SEBI Monitoring Circular;
 - (2) (to the extent applicable) a statement of the value of the pledged securities on a quarterly basis, within 60 (sixty) days from each Quarterly Date;
 - (3) (to the extent applicable) a statement of the value of the debt service reserve account or any other form of security offered on a quarterly basis, within 60 (sixty) days from each Quarterly date;
 - (4) (to the extent applicable) a net worth certificate of the guarantor who has provided a personal guarantee in respect of the Debentures on a half yearly basis, within 60 (sixty) days from the end of each financial half-year;
 - (5) (to the extent applicable) the financials/value of guarantor prepared on the basis of audited financial statement etc. of the guarantor who has provided a corporate guarantee in respect of the Debentures on an annual basis, within 75 (seventy five) days from the end of each Financial Year; and
 - (6) (to the extent applicable) the valuation report and title search report for the immovable/movable assets, as applicable, on an annual basis, within 75 (seventy five) days from the end of each Financial Year;
- (F) it will submit to the Debenture Trustee, on a half yearly basis, a certificate from the statutory auditor of the Issuer giving the value of receivables/book debts including compliance with the covenants set out in the Information Memorandum in such manner as may be specified by SEBI from time to time;
- (G) (if so required) it will submit to the Debenture Trustee, on an annual basis, a certificate from the statutory auditor of the Issuer in relation to the value of the book debts/receivables comprising the Hypothecated Assets; and
- (H) it will provide such assistance as may be required by the Debenture Trustee to, prior to the creation of charge to secure the Debentures, exercise independent due diligence to ensure that such security is free from any encumbrance or that the necessary consent(s) from other charge-holders (if applicable) have been obtained in the manner as may be specified by the SEBI from time to time;

(j) **Execution of Transaction Documents**

in the event of any delay in the execution of any Transaction Documents (including the DTD or the Deed of Hypothecation), the Issuer will, at the option of the Debenture Holders, either:

2. refund the Application Money together with interest at the Annualised Interest Rate/discharge the Secured Obligations to the Debenture Holders; or
3. pay to the Debenture Holders penal interest at the rate of 2% (two percent) per annum charged on the Outstanding Principal Amounts in addition to the Annualised Interest Rate till the relevant Transaction Documents (as the case may be) are duly executed to the satisfaction of the Debenture Holders;

(k) **Internal Control**

the Issuer shall maintain internal control for the purpose of:

- (i) preventing fraud on amounts lent by the Issuer; and
- (ii) preventing money being used for money laundering or illegal purposes;

(l) **Audit and Inspection**

the Issuer shall permit visits and inspection of books of records, documents and accounts to the Debenture Trustee and representatives of Debenture Holders as and when required by them; and

(m) **Books and Records**

the Issuer shall maintain its accounts and records in accordance with Applicable Law;

(n) **Access; Periodic Portfolio Monitoring**

the Issuer shall provide the Debenture Trustee and the Debenture Holders and any of their representatives, professional advisers and contractors with relevant data/information and access to and/or permit them to, at the cost of the Issuer:

- (i) examine and inspect the books and records, office premises, and the premises of the Issuer;
- (ii) portfolio data in the format prescribed by the Debenture Holders from time to time; and
- (iii) discuss the affairs, finances and accounts of the Issuer with, and be advised as to the same, by the relevant officers; and

(o) **Valuation**

- (i) the Issuer has appointed ICRA Analytics Limited (formerly ICRA Online Limited), a third party valuation agency (being a valuation agency appointed by Association of Mutual Funds in India) ("**Valuation Agent**") as the third party valuation agency in accordance with the MLD Guidelines;
- (ii) the Issuer shall provide to the Debenture Holders, as and when requested by them, the valuation report of the Valuation Agent prepared in accordance with the MLD Guidelines;
- (iii) the Issuer shall solely bear all costs incurred for valuation; and
- (iv) the Issuer shall make available the valuation reports of the Valuation Agent on its website. Without prejudice to the above, the valuation reports will also be available on the website of the Valuation Agent at <https://icraanalytics.com/home/MldValuation> in accordance with the timelines prescribed in the MLD Guidelines.

5.4 Reporting Covenants

The Issuer shall provide or cause to be provided to the Debenture Trustee and to the Debenture Holders (including on any online reporting platform notified by the Debenture Trustee or any Debenture Holder), in form and substance reasonably satisfactory to the Debenture Trustee, each of the following items:

- (a) at least 2 (two) Business Days prior to the Deemed Date of Allotment, all documents and information and confirmations comprising the Conditions Precedent;
- (b) as soon as available, and in any event within 120 (one hundred and twenty) calendar days after the end of each Financial Year of the Issuer:
 - (i) certified copies of its audited consolidated and non-consolidated (if any) financial statements for its most recently completed fiscal year, prepared in accordance with the Applicable Accounting Standards including its balance sheet, income statement and statement of cash flow.

All such information shall be complete and correct in all material respects and shall fairly represent the financial condition, results of operation and changes in cash flow and a list comprising all material financial liabilities of the Issuer whether absolute or contingent as of the date thereof;
 - (ii) a certificate from a Director or a Chief Financial Officer of the Issuer confirming that there is no existing potential Default or Event of Default; and
 - (iii) a copy of all annual information/reports submitted to the RBI;
- (c) within 30 (thirty) calendar days after each Quarterly Date:
 - (i) certified copies of its un-audited consolidated and non-consolidated (if any) quarterly financial statements for the preceding fiscal quarter, prepared in accordance with the Applicable Accounting Standards including its balance sheet, income statement and statement of cash flow;
 - (ii) a certificate signed by a director or the chief financial officer of the Issuer stating that the Issuer is in compliance with all the financial covenants;
 - (iii) details of operations, portfolio growth and asset quality (including static portfolio cuts, collection efficiency and portfolio at risk data), funding data, and asset liability management (ALM) data/statement, in such form and manner as may be acceptable to the Debenture Holders, or as may be prescribed by the RBI (if any);
 - (iv) details and information regarding the financials, operations, portfolio growth and asset quality, portfolio cuts, collection efficiency and portfolio at risk data and funding data in such form and manner as may be acceptable to the Debenture Holders;
 - (v) details of the shareholding pattern, together with the details of the changes in shareholding in the Issuer (if any) from that subsisting as of the Effective Date and the date the last report was made pursuant to this sub-paragraph;
 - (vi) list of the board of directors, together with the details of changes in the board of directors of the Issuer (if any) from that subsisting as of the Effective Date and the date the last report was made pursuant to this sub-paragraph;
 - (vii) details of changes in the accounting policy of the Issuer (if any) from that subsisting as of the Effective Date and the date the last report was made pursuant to this sub-paragraph;
 - (viii) change in any of the key managerial persons (CXO or equivalent) of the Issuer;
 - (ix) up to date information/details regarding the Issuer's Financial Indebtedness and borrowing profile; and

- (x) copies of returns filed with the RBI and SEBI;
- (d) as soon as practicable, and in any event within 10 (ten) Business Days after the Issuer obtains or reasonably should have obtained actual knowledge thereof, notice of the occurrence of any event or circumstance that could reasonably be expected to result in a Material Adverse Effect;
- (e) as soon as practicable, and in any event within 10 (ten) Business Days after the Issuer obtains or reasonably should have obtained actual knowledge thereof, notice of any dispute, litigation, arbitration, investigation or other proceeding affecting the Issuer or its property or operations, which (i) if adversely determined, could result in a Material Adverse Effect, or (ii) has a value or impact on the Issuer in excess of 2% (two percent) of the Issuer's Gross Loan Portfolio;
- (f) as soon as practicable, and in any event within 10 (ten) Business Days after the Issuer obtains or reasonably should have obtained actual knowledge thereof obtains or reasonably, notice of the occurrence of any Event of Default or potential event of default including any steps taken to cure such event;
- (g) as soon as practicable, and in any event within 10 (ten) Business Days, any prepayment, or the receipt of notice of any Financial Indebtedness of the Issuer declared to be due and payable or required to be prepaid other than by a regularly scheduled required prepayment, prior to the stated maturity thereof;
- (h) as soon as practicable, and in any event within 10 (ten) Business Days after such default, notice of any default in the observance or performance of any agreement or condition relating to any Financial Indebtedness by the Issuer or contained in any instrument or agreement evidencing, securing or relating thereto or any other event shall occur or condition exist, the effect of which default or other event or condition is to cause or to permit the holder or holders of such Financial Indebtedness to cause (determined without regard to whether any notice is required) any such Financial Indebtedness to become due prior to its stated maturity in respect of the Issuer;
- (i) as soon as practicable, and in any event within 10 (ten) Business Days, inform the Debenture Trustee if it has received (A) any notice of any application for winding up or insolvency process or any statutory notice of winding up or insolvency process under the provisions of the Act or any other Applicable Law (including the (Indian) Insolvency and Bankruptcy Code, 2016, the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019, and any other rules and regulations made thereunder from time to time), or (B) any other notice under any other statute relating to the commencement/initiation of winding up or insolvency process or otherwise of any suit or other legal process against the Issuer;
- (j) as soon as practicable and in any event within 10 (ten) Business Days of:
 - (i) any change in the composition of the board of directors;
 - (ii) any change in the Constitutional Documents of the Issuer;
 - (iii) any revisions in business plans of the Issuer;
 - (iv) change in the Issuer's shareholding structure;
 - (v) change in any of the key managerial persons (CXO or equivalent) of the Issuer;
 - (vi) resignation of the statutory auditor, along with its resignation letter;
 - (vii) details of the occurrence of any fraud amounting to more than 2% (two percent) of Gross Loan Portfolio; and
 - (viii) any prepayment or any notice of prepayment of any Financial Indebtedness of the Issuer;
- (k) without prejudice to (c) above, within 60 (sixty) calendar days after each Quarterly Date, a

certification from a director or the Chief Finance Officer confirming compliance with the financial covenants;

- (l) within 20 (twenty) days from the end of each calendar month, details of the Issuer's asset-liability-management (ALM) in such form as may be agreement with the Debenture Holders/Debenture Trustee;
- (m) within such timelines as may be prescribed by the Debenture Trustee, provide all relevant information required by the Debenture Trustee for the effective discharge of its duties and obligations under the Transaction Document, including but not limited to the copies of all reports, balance sheets and the profit and loss account of the Issuer;
- (n) on an annual basis, provide to the Debenture Trustee a certificate from the statutory auditor of the Issuer providing/confirming the value of the book debts/receivables;
- (o) within such timelines as may be prescribed by the Debenture Trustee, provide a certificate from the Issuer's statutory auditor in respect of the utilisation of funds, containing such details and information as may be required by the Debenture Trustee;
- (p) the Issuer shall provide the such documents and certificates to the Debenture Trustee in respect of the Security Cover being maintained by the Hypothecated Assets as may be required by the Debenture Trustee from time to time;
- (q) without prejudice to (r) below, as soon as practicable and in any event within 30 (thirty) calendar days of receipt of a request, such additional documents or information as the Debenture Trustee or the Debenture Holders, may reasonably request from time to time; and

as soon as practicable and in any event within the timelines prescribed by the Debenture Trustee (and Applicable Law), such other information, notifications, details, documents, reports, statements and certificates (including from chartered accountants, auditors and/or directors of the Issuer) as may be required by the Debenture Trustee from time to time, to ensure compliance with the provisions of the Applicable Law, including but not limited to the Debenture Trustees Regulations and the Companies (Share Capital and Debentures) Rules, 2014.

5.5 Financial Covenants

Until the Final Settlement Date, the Issuer shall:

- (a) maintain a Capital Adequacy Ratio of 17% (seventeen percent) or such other higher threshold as may be prescribed by the RBI from time to time;
- (b) ensure that the cumulative mismatch/difference in the asset-liability management statement in all time buckets for up to 1 (one) year (determined in accordance with the NBFC Directions) is positive by at least 10% (ten percent). For the purposes of any calculations and determinations for this financial covenant, no more than 50% (fifty percent) of the Issuer's working capital facilities (including cash credit facilities and overdraft facilities) that are taken into account for the time buckets for up to 1 (one) year (determined in accordance with the NBFC Directions) will be assumed to have been renewed;
- (c) maintain a ratio of A:B of not more than 5% (five percent), where A is the Portfolio at Risk over 90 Days, and B is the Gross Loan Portfolio, multiplied by 100, and followed by the "%" symbol; and
- (d) comply with such other financial covenants as may be agreed between the Issuer and the Debenture Holders from time to time.

The financial covenants set out in this section shall be tested, until the Final Settlement Date, on a quarterly basis, on the basis of consolidated and standalone financial statements of the Issuer. The first date of testing in respect of the covenants set out herein shall be March 31, 2021.

5.6 Negative Covenants

The Issuer shall not take any action in relation to the items set out in this Section without the prior written consent of the Debenture Trustee (acting on the instructions of the Majority Debenture Holders).

(a) ***Change of business***

- (i) change the general nature of its business from that which is permitted as a non-banking financial company registered with the RBI;
- (ii) any changes/amendments/modifications to its Constitutional Documents where such change/amendment/modification has a Material Adverse Effect;

(b) ***Dividend***

declare or pay any dividend or make any distributions on its equity or preference shares or other shares compulsorily convertible into equity shares, unless the proposed payment or distribution is out of the net income of the current Financial Year (excluding any amount resulting from the revaluation of any of the Issuer's assets). PROVIDED THAT no dividend or any distributions can be made by the Issuer if an Event of Default has occurred and is then continuing, or could occur or is reasonably likely to occur, as a result of such payment or declaration of any dividend or distribution and after giving effect to any such action;

(c) ***Merger, consolidation, etc.***

in any Financial Year undertake or permit any scheme of expansion, enter into any merger, demerger, acquisition, de-merger, re-structuring, consolidation, re-organisation, scheme of arrangement, amalgamation, reconstitution or compromise with its creditors or shareholders or effect any scheme of amalgamation or reconstruction, in excess of 10% (ten percent) of the Issuer's Net Worth. PROVIDED HOWEVER, a consent from the Debenture Trustee would not be required in the event the compliance with this sub-paragraph (c) would result in non-compliance of the Issuer with any of its payment obligations in respect of the Debentures under the Transaction Documents;

(d) ***Shareholding; Change of Control***

- (i) other than set out under (iv) below, issue any additional shares or equity interests or permit any of its existing shares or equity interests to be transferred, sold, pledged or otherwise encumbered, or effect any change in the shareholding of the Issuer from that as on the Effective Date, directly or indirectly;
- (ii) other than set out under (iv) below, permit the occurrence of any Change of Control, or any Change of Control Event, including pursuant to issuance of any employee stock options by the Issuer;
- (iii) other than set out under (iv) below, permit any change in the Promoters of the Issuer; and
- (iv) no Specified Change shall be permitted to occur, nor shall the Issuer take any action in respect of a Specified Change, without seeking the prior written consent of the Debenture Trustee. If the Debenture Trustee fails to provide its consent or rejection within 7 (seven) days from receipt of notice from the Issuer by the Debenture Trustee seeking consent for a Specified Change, the Issuer may proceed with any action in respect of the Specified Change. For the purposes of this section, the term "**Specified Change**" means (A) any Change of Control that may occur pursuant to the issuance of further equity share capital by the Issuer for the purposes of fund-raising, and the consequent decrease in the shareholding of the Promoters of the Issuer below 10% (ten percent), or (B) the exit of any of the Identified Promoters from the board of directors of the Issuer.

(e) ***Loans and Guarantees***

the Issuer shall not:

- (i) provide any advances or loans, or place any deposits with, or provide any other form of Financial Indebtedness to, any single person, where such advances, loans, deposits or Financial Indebtedness (as the case maybe) is in excess of 10% (ten percent) of the Issuer's Net Worth;
- (ii) give or issue any guarantee, indemnity, bond or letter of credit to or for the benefit of any person;
- (iii) permit to subsist any guarantee in respect of any Financial Indebtedness of any other person; or
- (iv) invest in the share capital of any other person;

(f) ***Related Party Transactions***

enter into any transactions with any Related Party or any transactions that are classified as "related party transactions" for the purposes of the Applicable Accounting Standards except in accordance with Applicable Law;

(g) ***Disposal of Assets***

- (i) sell, assign, transfer, or otherwise dispose of in any manner whatsoever any Assets, business or division of the Issuer (whether in a single transaction or in a series of transactions (whether related or not) or any other transactions which cumulatively have the same effect) other than any securitisation/portfolio sale of assets undertaken by the Issuer in its ordinary course of business;
- (ii) without prejudice to (i) above, any sale of assets or business or division of the Issuer that has the effect of exiting or re-structuring of the existing business of the Issuer; and
- (iii) without prejudice to (i) and (ii) above, sell, assign, mortgage or otherwise dispose off any of the Hypothecated Assets;

(h) ***Anti-money Laundering***

permit any of the Debenture proceeds to be used to fund any form of violent political activity, terrorists or terrorist organisations, nor any money laundering process or scheme to disguise illegally obtained funds, nor any other criminal activity including arms sales, drug trafficking, robbery, fraud or racketeering;

(i) ***Change in Capital Structure***

- (A) permit or undertake any change in capital structure that would lead to a reduction in the paid-up capital or authorised capital of the Issuer; and
- (B) purchase, redeem, buyback, defease, retire, return or pay any of its issued shares or reduce its share capital or resolve to do any of the foregoing;

(j) ***Change in Financial Year***

change its Financial Year end from March 31 of each year to any other date, unless such change is required pursuant to Applicable Law; and

(k) ***Business***

undertake any new major new businesses except in relation to financial services or or diversify its business outside the financial services sector.

5.7 Events of Defaults

Each of the events or circumstances set out in this Section below is an Event of Default.

(a) **Payment Defaults**

The Issuer does not pay on the Due Date any amount payable pursuant to the DTD and the Debentures at the place and in the currency in which it is expressed to be payable, unless the failure to pay is caused by a technical error and the payment is made within 3 (three) calendar day of the Due Date.

(b) **Insolvency/Inability to Pay Debts**

(i) The Issuer is unable or admits in writing its inability to pay its debts as they mature and/or fall due, or suspends making payments on any of its debts or, by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to rescheduling any of its Financial Indebtedness.

(ii) Any resolution is passed resolving or to consider resolving that the Issuer be wound up voluntarily, or any order for winding up of the Issuer is made by any competent court or tribunal, other than for the purposes of any amalgamation or reconstruction of the Issuer entered into with the prior approval of the Debenture Trustee in accordance with the provisions of the DTD.

(iii) The Issuer commits any act or undertakes any action which may result in the insolvency/liquidation of the Issuer.

(iv) The Issuer being determined as insolvent under the Insolvency and Bankruptcy Code, 2016 (read with the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019, and any other rules and regulations framed thereunder from time to time).

(c) **Business**

(i) The Issuer without obtaining the prior consent of the Majority Debenture Holders ceases or threatens to cease to carry on its business or gives notice of its intention to do so.

(ii) The passing of any order of a competent court or tribunal ordering, restraining or otherwise preventing the Issuer from conducting all or any material part of its business.

(iii) The Issuer's organizational status or any licenses or franchise is revoked or suspended by any Governmental Authority, and the Issuer has exhausted all remedies and appeals relating thereof.

(d) **Misrepresentation**

Any representation or warranty made by the Issuer in any Transaction Document or in any certificate, financial statement or other document delivered to the Debenture Trustee/Debenture Holders by the Issuer shall prove to have been incorrect, false or misleading in any material respect when made or deemed made.

(e) **Material Adverse Effect**

The occurrence of a Material Adverse Effect, in the sole determination of the Debenture Trustee (acting on the instructions on the Debenture Holders).

(f) **Cross Default**

The Issuer:

(iv) defaults in any payment of any Financial Indebtedness beyond the period of grace, if any,

provided in the instrument or agreement under which such Financial Indebtedness was created;

- (v) defaults in the observance or performance of any agreement or condition relating to any Financial Indebtedness or contained in any instrument or agreement evidencing, securing or relating thereto or any other event shall occur or condition exist, the effect of which default or other event or condition is to cause or to permit the holder or holders of such Financial Indebtedness to cause (with the giving of notice or the passage of time or both would permit or cause) any such Financial Indebtedness to become due prior to its stated maturity; or
- (vi) any Financial Indebtedness of the Issuer is declared to be due and payable, or required to be prepaid other than by a regularly scheduled required prepayment (whether or not such right shall have been waived), prior to the stated maturity thereof.

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

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

- (i) the suspension of payments, a moratorium of any Financial Indebtedness, winding-up, dissolution, administration or re-organisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of the Issuer, or other protection from the Issuer's creditors is declared or imposed in respect of any Financial Indebtedness of the Issuer;
- (ii) a composition, compromise, assignment or arrangement with any creditor of the Issuer or its creditors generally;
- (iii) the appointment, or the permission/allowance of the appointment, of a liquidator, receiver, provisional liquidator, administrative receiver, administrator, compulsory manager, resolution professional, trustee, supervisor or other similar officer in respect of the Issuer or any of its assets or any part of the undertaking of the Issuer
- (iv) a petition for reorganization, arrangement, adjustment, winding up or composition of debts of the Issuer is filed by the Issuer (voluntary or otherwise) or any other person, or such a petition has been admitted, and such proceedings are not dismissed within 15 (fifteen) days of filing;
- (v) the Issuer, 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 Stressed Assets Framework);
- (vi) the commencement of an insolvency resolution process under the (Indian) Insolvency and Bankruptcy Code, 2016 read together with the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019, and any other rules and regulations made thereunder from time to time, or under any other Applicable Law, in respect of the Issuer;
- (vii) enforcement of any security over any Assets of the Issuer or any analogous procedure or step is taken in any jurisdiction; or
- (viii) any other event occurs or proceeding instituted under any applicable Law that would have an effect analogous to any of the events listed in (i) to (vii) above.

PROVIDED THAT the above shall not apply to any actions, proceedings, procedure, or step taken by any person other than the Issuer, which has been stayed, quashed, vacated, discharged or negated within a period of 15 (fifteen) calendar days of commencement.

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

- (i) Any expropriation, attachment, garnishee, sequestration, distress or execution affects the Hypothecated Assets, or any part of the Assets of the Issuer.
 - (ii) All or a material part of the undertaking, assets, rights or revenues of the Issuer are condemned, seized, nationalised, expropriated or compulsorily acquired, or shall have assumed custody or control of all or substantial part of the business or operations of the Issuer (including operations, properties and other assets), or shall have taken any action for the dissolution of the Issuer, or any action that would prevent the Issuer, their members, or their officers from carrying on their business or operations or a substantial part thereof, by or under the authority of any Governmental Authority.
- (i) **Judgment Defaults**
- One or more judgments or decrees entered against the Issuer involving a liability (not paid or not covered by a reputable and solvent insurance company), individually or in the aggregate, exceeding 10% (ten percent) of the Total Assets of the Issuer provided such judgments or decrees are either final and non-appealable or have not been vacated, discharged or stayed pending appeal for any period of 30 (thirty) calendar days.
- (j) **Transaction Documents; Authorisations**
- (i) The 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 Issuer.
 - (ii) The withdrawal, failure of renewal, or failure by the Issuer to obtain any Authorisation or any other statutory or regulatory approval in any relevant jurisdiction for the issuance of the Debentures or the providing of the Transaction Security.
- (k) **Unlawfulness**
- It is or becomes unlawful or illegal for the Issuer to perform any of its obligations under the Transaction Documents and/or any obligation or obligations of the Issuer under any Transaction Document are not or cease to be valid, binding or enforceable.
- (l) **Repudiation**
- The **Issuer** repudiates any of the Transaction Documents, or evidences an intention to repudiate any of the Transaction Documents.
- (m) **Security in Jeopardy**
- In the opinion of the Debenture Trustee any Hypothecated Asset(s) are in jeopardy.
- (n) **Security**
- (i) Commencing from the relevant Initial Security Creation Date, the value of the Hypothecated Assets is insufficient to maintain the Security Cover or the Issuer fails to maintain the Security Cover (including by way of providing additional/alternate security to the satisfaction of the Debenture Trustee) within the time period prescribed under the Deed of Hypothecation.
 - (ii) Any of the Transaction Documents fails to provide the security interests, rights, title, remedies, powers or privileges intended to be created thereby (including the priority intended to be created thereby), or such security interests fail to have the priority contemplated under the Transaction Documents, or the security interests become unlawful, invalid or unenforceable.
 - (iii) The Issuer creates or attempts to create any mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or

arrangement having similar effect, over the Hypothecated Assets, without the prior consent of the Debenture Trustee.

- (iv) The Issuer fails to create and perfect the security over the Hypothecated Assets within the timelines prescribed by under the Transaction Documents (including in respect of the filing of Form-CHG 9 with the ROC).

(o) ***Fraud and Embezzlement***

Any material act of fraud, embezzlement, misstatement, misappropriation or siphoning off of the funds of the Issuer or the Promoters, or revenues or any other act having a similar effect being committed by the management or an officer of the Issuer, or key managerial person (as defined in the Act) of the Issuer.

(p) ***Merger or Acquisition***

The Issuer takes or permits to be taken any action for reduction of its capital, the re-organisation of its capital or any rearrangement, merger or amalgamation without the prior approval of the Debenture Holders.

(q) ***Promoter Defaults***

- (i) Any Promoter or any key managerial personnel of the Issuer are declared as wilful defaulters by any bank of financial institution.

- (ii) Any Promoter and/or the directors of the Issuer or any key managerial personnel of the Issuer are accused of, charged with, arrested or convicted of a criminal offence involving moral turpitude, dishonesty or which otherwise impinges on the integrity of such Promoters and/or directors, including any accusations, charges and/or convictions of any offence relating to bribery.

(r) ***Erosion of Net Worth***

The Net Worth of the Issuer erodes by 50% (fifty percent) or more, on or after March 31, 2020.

(s) ***Material Adverse Effect***

Occurrence of a Material Adverse Effect as determined by the Debenture Trustee (acting on the instructions of the Majority Debenture Holders).

(t) ***Change of Control***

Any Change of Control or a Change of Control Event occurs, other than in accordance with the terms of the DTD.

(u) ***Breach of Certain Covenants***

Any breach of:

- (i) any of the following covenants set out in Clauses 10.5(e) (*Preserve corporate status*), (f) (*Pay stamp duty*), (g)(v) (*Redressal of grievances*), (g)(vi) (*Comply with Investor Education and Protection Fund requirements*), (h)(vii) (*Corporate Governance; Fair Practices Code*), and (i) (*Filings; Compliance with BSE requirements*), and (m) (*Books and Records*) of the DTD, which is not cured within 30 (thirty) calendar days of occurrence;
- (ii) any of the covenants set out in Clauses 10.6 (a) (*Change of business*) and (b) (*Dividend*) of the DTD; and
- (iii) any of the covenants or undertakings set out in Clause 10.3 (*Financial Covenants*) of the DTD which is not cured within 60 (sixty) calendar days of occurrence.

(v) ***Breach of Other Covenants***

Any breach of any covenant or undertaking of the Issuer in the Transaction Documents (other than (a) to (u) above) which is not cured within such time period as may be prescribed by the

Debenture Holders in their sole discretion (if any).

5.8 Consequences of Events of Defaults

If one or more events specified in Section 5.7 occur(s), the Debenture Trustee may, in its discretion, and, upon request, in writing, of the Special Majority Debenture Holders or by a Special Resolution duly passed at the meeting of the Debenture Holders, by a notice in writing to the Issuer initiate the following course of action:

- (a) subject to Applicable Law, require the Issuer 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 the DTD and the other Transaction Documents;
- (b) subject to Applicable Law, accelerate the redemption of the Debentures and declare all or any of the Debentures to be immediately due and payable, whereupon it shall become immediately due and payable;
- (c) enforce the security interest created under the Transaction Documents (including in respect of the Transaction Security) in accordance with the terms of the Transaction Documents;
- (d) appoint any independent agency to inspect and examine the working of the Issuer and give a report to the Debenture Holders/the Debenture Trustee. The Issuer shall provide its full cooperation and necessary assistance to such agency and bear all costs and expenses of the examination including the professional fees and travelling and other expenses;
- (e) take any actions in respect of the SEBI Defaults (Procedure) Circular in accordance with the provisions of the DTD;
- (f) take all such other action as is expressly permitted under the DTD or in the other Transaction Documents or permitted under Applicable Law; and/or
- (g) exercise any other right that the Debenture Trustee and/or the Debenture Holders may have under Applicable Law for the purposes of protecting the interests of the Debenture Holders.

5.9 Right to Disclose/Publish the Names of the Company and its Directors as Defaulters

In the event of the Company committing default in the repayment of any instalment in relation to the Debentures or the payment of interest on the applicable Due Dates, the Debenture Holders/Debenture Trustee shall have an unqualified right to disclose the name of the Company and its directors to RBI/or any other statutory/regulatory authority. The Trustee and/or RBI and/or any other Governmental Authority shall have the right to publish the name of the Company and its directors as defaulters in such manner and through such medium as they in their absolute discretion may think fit.

SECTION 6: DISCLOSURES PERTAINING TO WILFUL DEFAULT

In case of listing of debt securities made on private placement, the following disclosures are required to be made vide *SEBI (Issue and Listing of Debt Securities) (Amendment) Regulations, 2016 w.e.f. 25-05-16*:

- (A) **Name of the Bank declaring the entity as a Wilful Defaulter:** NIL

- (B) **The year in which the entity is declared as a Wilful Defaulter:** NIL

- (c) **Outstanding amount when the entity is declared as a Wilful Defaulter:** NIL

- (D) **Name of the entity declared as a Wilful Defaulter:** NIL

- (E) **Steps taken, if any, for the removal from the list of Wilful defaulters:** NIL

- (F) **Other disclosures, as deemed fit by the Issuer in order to enable investors to take informed decisions:**
NIL

- (G) **Any Other Disclosure as specified by SEBI:** NIL

SECTION 7: OTHER INFORMATION AND APPLICATION PROCESS

The Debentures being offered as part of the Issue are subject to the provisions of the Companies Act, 2013, the Memorandum and Articles of Association of the Issuer, the terms of this Information Memorandum read with the relevant Term Sheet (s), the Application Form and other terms and conditions as may be incorporated in the Transaction Documents.

7.1 Mode of Transfer/Transmission of Debentures

The Debentures shall be transferable freely. The Debentures shall be transferred and/or transmitted in accordance with the applicable provisions of the Companies Act, 2013 and other applicable laws. The Debentures held in dematerialized form shall be transferred subject to and in accordance with the rules/procedures as prescribed by NSDL/CDSL and the relevant DPs of the transferor or transferee and any other applicable laws and rules notified in respect thereof. The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, amounts due will be paid/redemption will be made to the person, whose name appears in the register of Debenture Holder(s) maintained by the R&T Agent as on the Record Date, under all circumstances. In cases where the transfer formalities have not been completed by the transferor, claims, if any, by the transferees would need to be settled with the transferor(s) and not with the Issuer. The normal procedure followed for transfer of securities held in dematerialized form shall be followed for transfer of these Debentures held in dematerialized form. The seller should give delivery instructions containing details of the buyer's DP account to his DP.

7.2 Debentures held in Dematerialized Form

The Debentures shall be held in dematerialized form and no action is required on the part of the Debenture Holder(s) for redemption purposes and the redemption proceeds will be paid by /fund transfer/RTGS to those Debenture Holder(s) whose names appear on the list of beneficiaries maintained by the R&T Agent. The names would be as per the R&T Agent's records on the Record Date fixed for the purpose of redemption. All such Debentures will be simultaneously redeemed through appropriate corporate action.

The list of beneficiaries as of the Record Date setting out the relevant beneficiaries' name and account number, address, bank details and DP's identification number will be given by the R&T Agent to the Issuer. If permitted, the Issuer may transfer payments required to be made in any relation by EFT/RTGS to the bank account of the Debenture Holder(s) for redemption payments.

7.3 Trustee for the Debenture Holder(s)

The Issuer has appointed Catalyst Trusteeship Limited to act as trustee for the Debenture Holder(s). The Issuer and the Debenture Trustee intends to enter into the Debenture Trustee Agreement and the Debenture Trust Deed *inter alia*, specifying the powers, authorities and obligations of the Debenture Trustee and the Issuer. The Debenture Holder(s) shall, without further act or deed, be deemed to have irrevocably given their consent to the Debenture Trustee or any of its agents or authorized officials to do all such acts, deeds, matters and things in respect of or relating to the Debentures as the Debenture Trustee may in its absolute discretion deem necessary or require to be done in the interest of the Debenture Holder(s). Any payment made by the Issuer to the Debenture Trustee on behalf of the Debenture Holder(s) shall discharge the Issuer *pro tanto* to the Debenture Holder(s). The Debenture Trustee will protect the interest of the Debenture Holder(s) in regard to the repayment of principal and coupon thereon and they will take necessary action, subject to and in accordance with the Debenture Trustee Agreement and the Debenture Trust Deed, at the cost of the Issuer. No Debenture Holder(s) shall be entitled to proceed directly against the Issuer unless the Debenture Trustee, having become so bound to proceed, fails to do so. The Transaction Documents shall more specifically set out the rights and remedies of the Debenture Holder(s) and the manner of enforcement thereof.

7.4 Sharing of Information

The Issuer may, at its option, but subject to applicable laws, use on its own, as well as exchange, share or part with any financial or other information about the Debenture Holder(s) available with the Issuer, with its subsidiaries and affiliates and other banks, financial institutions, credit bureaus, agencies, statutory bodies, as may be required and neither the Issuer nor its subsidiaries and affiliates nor their agents shall be liable for use of the aforesaid information.

7.5 Default in Payment and/ or Listing

Please refer column titled "Additional Disclosures (Delay in Listing)" under Section 4.44 (*Issue Details*).

7.6 Debenture Holder(s) not a Shareholder

The Debenture Holder(s) shall not be entitled to any right and privileges of shareholders other than those available to them under the Companies Act, 2013. The Debentures shall not confer upon the Debenture Holder(s), the right to receive notice(s) or to attend and to vote at any general meeting(s) of the shareholders of the Issuer.

7.7 Modification of Debentures

The Debenture Trustee and the Issuer will agree to make any modifications in this Information Memorandum, which in the opinion of the Debenture Trustee, is of a formal, minor or technical nature or is to correct a manifest error.

7.8 Right to accept or reject Applications

The Board of Directors/Committee of the Company reserves its full, unqualified and absolute right to accept or reject any application for subscription to the Debentures, in part or in full, without assigning any reason thereof.

7.9 Notices

All notices will be served in accordance with the terms of the DTD and the other Transaction Documents.

7.10 Issue Procedure if issuance through Non-EBP Platform:

Only Eligible Investors as given hereunder may apply for the Debentures by completing the Application Form in the prescribed format in block letters in English as per the instructions contained therein. The minimum number of Debentures that can be applied for and the multiples thereof is set out under Section 4.44 (*Issue Details*) above. No application can be made for a fraction of a Debenture. Application Forms should be duly completed in all respects and applications not completed in the said manner are liable to be rejected. The name of the applicant's bank, type of account and account number must be duly completed by the applicant. This is required for the applicant's own safety and these details will be printed on the refund orders and /or redemptions warrants.

The applicant should transfer payments required to be made in any relation by NEFT/RTGS, to the bank account of the Issuer as per the details mentioned in the Application Form.

7.11 Application Procedure

Eligible investors will be invited to subscribe to any Debentures by way of the Application Form prescribed in the Information Memorandum during the period between the Issue Opening Date and the Issue Closing

Date (both dates inclusive). The Issuer reserves the right to change the Issue schedule including the Deemed Date of Allotment at its sole discretion, without giving any reasons or prior notice. The Issue will be open for subscription during the banking hours on each day during the period covered by the Issue Schedule.

7.12 Fictitious Application

All fictitious applications will be rejected.

7.13 Basis of Allotment

Notwithstanding anything stated elsewhere, the Issuer reserves the right to accept or reject any application, in part or in full, without assigning any reason. Subject to the aforesaid, in case of over subscription, priority will be given to Investors on a first come first serve basis. The Investors will be required to remit the funds as well as submit the duly completed Application Form along with other necessary documents to the Issuer by the Deemed Date of Allotment

7.14 Payment Instructions

The Application Form should be submitted directly. The entire amount of the face value per Debenture is payable along with the making of an application. Applicants can remit the application amount through RTGS on Pay-in Date. The RTGS details of the Issuer are as under:

Beneficiary Name:	Finova Capital Private Limited
Bank Account No.	023505501908
IFSC CODE:	ICIC0000235
Bank Name	ICICI Bank Limited
Branch Address:	Ground Floor, Plot No. C-2, C-Block, Vaishali Nagar, Jaipur-302021
Type of Account	Current Account

7.15 Eligible Investors

The following categories of Investors, when specifically approached, and identified upfront by the Issuer, shall be eligible to apply for this private placement of Debentures subject to fulfilling their respective investment norms/rules and compliance with laws applicable to them by submitting all the relevant documents along with the Application Form:

- (a) Mutual Funds
- (b) NBFCs
- (c) Provident Funds and Pension Funds
- (d) Trust inclusive of public charitable trust subject to their investment guidelines
- (e) Corporates
- (f) Banks
- (g) Insurance Companies
- (h) Individual
- (i) AIFs
- (j) Any other person eligible to invest in the Debentures subject the relevant prevalent guidelines.

All potential Investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this issue of Debentures.

Note: Participation by potential Investors in the Issue may be subject to statutory and/or regulatory requirements applicable to them in connection with subscription to Indian securities by such categories of persons or entities. Applicants are advised to ensure that they comply with all regulatory requirements applicable to them, including exchange controls and other requirements. Applicants ought to seek independent legal and regulatory advice in relation to the laws applicable to them.

7.16 Procedure for Applying for Dematerialized Facility

- (a) The applicant must have at least one beneficiary account with any of the DPs of NSDL/CDSL prior to making the application.
- (b) The applicant must necessarily fill in the details (including the beneficiary account number and DP - ID) appearing in the Application Form under the heading "Details for Issue of Debentures in Electronic/Dematerialized Form".
- (c) Debentures allotted to an applicant will be credited to the applicant's respective beneficiary account(s) with the DP.
- (d) For subscribing to the Debentures, names in the Application Form should be identical to those appearing in the details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details maintained with the DP.
- (e) Non-transferable allotment advice/refund orders will be directly sent to the applicant by the Registrar and Transfer Agent to the Issue.
- (f) If incomplete/incorrect details are given under the heading "Details for Issue of Debentures in Electronic/Dematerialized Form" in the Application Form, it will be deemed to be an incomplete application and the same may be held liable for rejection at the sole discretion of the Issuer.
- (g) For allotment of Debentures, the address, nomination details and other details of the applicant as registered with his/her DP shall be used for all correspondence with the applicant. The applicant is therefore responsible for the correctness of his/her demographic details given in the Application Form vis-a-vis those with his/her DP. In case the information is incorrect or insufficient, the Issuer would not be liable for the losses, if any.
- (h) The redemption amount or other benefits would be paid to those Debenture Holder(s) whose names appear on the list of beneficial owners maintained by the R&T Agent as on the Record Date. In case of those Debentures for which the beneficial owner is not identified in the records of the R&T Agent as on the Record Date, the Issuer would keep in abeyance the payment of the redemption amount or other benefits, until such time that the beneficial owner is identified by the R&T Agent and conveyed to the Issuer, whereupon the redemption amount and benefits will be paid to the beneficiaries, as identified.

7.17 Depository Arrangements

The Issuer shall make necessary arrangement with CDSL and NSDL for issue and holding of Debenture in dematerialized form.

7.18 List of Beneficiaries

The Issuer shall request the R&T Agent to provide a list of beneficiaries as at the end of each Record Date. This shall be the list, which will be used for payment or repayment of redemption monies.

7.19 Application under Power Of Attorney

A certified true copy of the power of attorney or the relevant authority as the case may be along with the names and specimen signature(s) of all the authorized signatories of the Investor and the tax exemption certificate/document of the Investor, if any, must be lodged along with the submission of the completed Application Form. Further modifications/additions in the power of attorney or authority should be notified to the Issuer or to its agents or to such other person(s) at such other address(es) as may be specified by the Issuer from time to time through a suitable communication.

In case of an application made by companies under a power of attorney or resolution or authority, a certified true copy thereof along with memorandum and articles of association and/or bye-laws along with other constitutional documents must be attached to the Application Form at the time of making the application, failing which, the Issuer reserves the full, unqualified and absolute right to accept or reject any application in whole or in part and in either case without assigning any reason thereto. Names and specimen signatures of all the authorized signatories must also be lodged along with the submission of the completed Application Form.

7.20 Procedure for application by Mutual Funds and Multiple Applications

In case of applications by mutual funds and venture capital funds, a separate application must be made in respect of each scheme of an Indian mutual fund/venture capital fund registered with the SEBI and such applications will not be treated as multiple application, provided that the application made by the asset management company/trustee/custodian clearly indicated their intention as to the scheme for which the application has been made.

The application forms duly filled shall clearly indicate the name of the concerned scheme for which application is being made and must be accompanied by certified true copies of:

- (a) SEBI registration certificate;
- (b) Resolution authorizing investment and containing operating instructions;
- (c) Specimen signature of authorized signatories.

7.21 Applications to be accompanied with Bank Account Details

Every application shall be required to be accompanied by the bank account details of the applicant and the magnetic ink character reader code of the bank for the purpose of availing direct credit of redemption amount and all other amounts payable to the Debenture Holder(s) through EFT/RTGS.

7.22 Succession

In the event of winding-up of the holder of the Debentures, the Issuer will recognize the liquidator or such other legal representative of the Debenture Holder(s) as having title to the Debenture(s). The Issuer may, in its absolute discretion, where it thinks fit, dispense with production of such legal representation, in order to recognize such holder as being entitled to the Debenture(s) standing in the name of the concerned Debenture Holder(s) on production of sufficient documentary proof and/or an indemnity.

7.23 Mode of Payment

All payments must be made through RTGS as set out in the Application Form.

7.24 Business Day Convention

- (d) If any Due Date on which any interest or additional interest is payable falls on a day which is not a Business Day, the payment to be made on such Due Date shall be made on the succeeding Business Day.
- (e) If any Due Date on which any Outstanding Principal Amounts are payable falls on a day which is not a Business Day, the payment to be made on such Due Date shall be made on the preceding Business Day.
- (f) If the Redemption Date falls on a day which is not a Business Day, the payment of any amounts in respect of any interest and the Outstanding Principal Amounts to be made shall be made on the preceding Business Day.

7.25 Tax Deduction at Source

- (ii) All payments to be made by the Company to the Debenture Holders under the Transaction Documents shall be made free and clear of and without any Tax Deduction unless the Company is required to make a Tax Deduction pursuant to Applicable Law.
- (iii) The Company shall promptly upon becoming aware that it must make a Tax Deduction (or that there is any change in the rate or the basis of a Tax Deduction) notify the Debenture Trustee accordingly.
- (iv) If the Company is required to make a Tax Deduction, it shall make that Tax Deduction and any payment required in connection with that Tax Deduction within the time allowed and in the minimum amount required by Applicable Law.

- (v) Within the earlier of (A) 60 (sixty) days of making either a Tax Deduction or any payment required in connection with that Tax Deduction or (B) 60 (sixty) days of each Due Date, the Company shall deliver to the Debenture Trustee evidence reasonably satisfactory to the Debenture Trustee that the Tax Deduction has been made or (as applicable) any appropriate payment paid to the relevant taxing authority.

7.26 Letters of Allotment

The letter of allotment, indicating allotment of the Debentures, will be credited in dematerialized form within 2 (Two) Business Days from the Deemed Date of Allotment. The aforesaid letter of allotment shall be replaced with the actual credit of Debentures, in dematerialized form.

7.27 Deemed Date of Allotment

The Deemed Date of Allotment of the Debentures will be as specified under Section 4.44 (*Issue Details*) of this Information Memorandum

All benefits relating to the Debentures will be available to the investors from the Deemed Date of Allotment. The actual allotment of Debentures may take place on a date other than the Deemed Date of Allotment.. In case, the Issue closing date is changed (preponed/ postponed), the Deemed Date of Allotment may also be changed (pre-poned/ postponed) by the Company at its sole and absolute discretion.

7.28 Future Borrowing

The Company shall be entitled to borrow or raise loans or create encumbrances or avail financial assistance in whatever form, and also issue promissory notes or debentures or other securities, without the consent of, or intimation to the Debenture Holders or the Debenture Trustee.

7.29 Record Date

The Record Date will be 15 (Fifteen) Calendar days prior to any Due Date(s).

7.30 Refunds

For applicants whose applications have been rejected or allotted in part, refund orders will be dispatched within seven days from the Deemed Date of Allotment of the Debentures.

In case the Issuer has received money from applicants for Debentures in excess of the aggregate of the application money relating to the Debentures in respect of which allotments have been made, the R&T Agent shall upon receiving instructions in relation to the same from the Issuer repay the moneys to the extent of such excess, if any. If the Company fails to allot the Debentures to the applicants within 60 (sixty) calendar days from the date of receipt of the Application Money, it shall repay the Application Money to the applicants within 15 (Fifteen) calendar days from the expiry of the allotment period ("**Repayment Period**"). If the Company fails to repay the Application Money within the Repayment Period, then Company shall be liable to repay the Application Money along with interest at the rate of 15% per annum, from the expiry of the allotment period.

7.31 Interest on Application Money

- (a) Interest at 15% (fifteen percent) per annum, subject to deduction of tax at source in accordance with Applicable Law, will be paid by the Issuer on the Application Money to the Applicants from the date of receipt of such Application Money up to 1 (one) day prior to the Deemed Date of Allotment for all valid applications, within 5 (five) Business Days from the Deemed Date of Allotment. Where pay-in date of the Application Money and the Deemed Date of Allotment are the same, no interest on Application Money will be payable.
- (b) Where the entire subscription amount has been refunded, the interest on Application Money will be

paid along with the refunded amount to the bank account of the Applicant as described in the Application Form by electronic mode of transfer such as (but not limited to) RTGS/NEFT/direct credit.

- (c) Where an Applicant is allotted a lesser number of Debentures than applied for, the excess amount paid on application will be refunded to the Applicant in the bank account of the Applicant as described in the Application Form towards interest on the refunded money by electronic mode of transfer like RTGS/NEFT/direct credit. Details of allotment will be sent to every successful Applicant.

7.32 Interest on NCDs

Please refer Section 4.44 (*Issue Details*).

7.33 Pan Number

Every applicant should mention its Permanent Account Number (“**PAN**”) allotted under Income Tax Act, 1961, on the Application Form and attach a self-attested copy as evidence. Application forms without PAN will be considered incomplete and are liable to be rejected.

7.34 Redemption

Please refer Section 4.44 (*Issue Details*).

7.35 Payment on Redemption

Payment on redemption will be made by way of redemption warrant(s)/demand draft(s)/credit through RTGS system/funds transfer in the name of the Debenture Holder(s) whose names appear on the list of beneficial owners given by the Depository to the Issuer as on the Record Date.

The Debentures shall be taken as discharged on payment of the redemption amount (including any accrued coupon and charges) by the Issuer on maturity to the registered Debenture Holder(s) whose name appears in the Register of Debenture Holder(s) on the Record Date. On such payment being made, the Issuer will inform NSDL/CDSL and accordingly the account of the Debenture Holder(s) with NSDL/CDSL will be adjusted.

On the Issuer dispatching the amount as specified above in respect of the Debentures, the liability of the Issuer shall stand extinguished.

[Cash flow from Debentures]

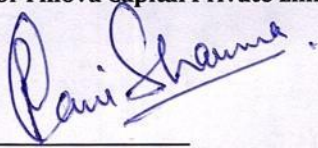
As per SEBI circular no.CIR/IMD/DF-1/122/2016 dated November 11, 2016, illustrative cash flow for debentures is provided under Annexure VIII.

SECTION 8: DECLARATION**PART A**

The Issuer declares as of the date of this Information Memorandum that all the relevant provisions in the regulations/guideline issued by SEBI and other applicable laws have been complied with and no statement made in this Information Memorandum is contrary to the provisions of the regulations/guidelines issued by SEBI and other applicable laws, as the case may be. The information contained in this Information Memorandum is as applicable to privately placed debt securities and subject to information available with the Issuer.

The extent of disclosures made in this Information Memorandum is consistent with disclosures permitted by regulatory authorities to the issue of securities made by companies in the past.

For Finova Capital Private Limited



Name: Ravi Sharma

Designation: Vice President-Finance

Date: 22/12/2020

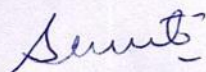
Place: Jaipur

PART B**DECLARATION BY DIRECTORS**

- (a) The Company has complied with the provisions of the Act and the rules made thereunder;
- (b) The compliance with the said Act and the rules made thereunder do not imply that payment of dividend or interest or repayment of preference shares or debentures, if applicable, is guaranteed by the Central Government;
- (c) The monies received under the offer shall be used only for the purposes and objects indicated in the Information Memorandum.

I am authorized by the Board of Directors of the Company vide resolution number 03 dated August 1, 2020 of the Board of Directors read with the resolution dated December 18, 2020 of the Executive Committee of the Board of Directors to sign this form and declare that all the requirements of the Act and rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association. It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

For Finova Capital Private Limited



Name: Sunita Sahney
Designation: Wholetime Director

Date: 22/12/2020
Place: Jaipur


SECTION 9: ANNEXURES

ANNEXURE I: ISSUE DETAILS

Please refer Section 4.44 (*Issue Details*) above.

ANNEXURE II: TRUSTEE CONSENT LETTER

CATALYST
Believe in yourself... Trust us!



CL/MUM/20-21/DEB/718

November 25, 2020

To,
Finova Capital Private Limited
702, Seventh Floor, Unique Aspire, Plot No. 13-14 Cosmo Colony, Amrapali Marg, Vaishali Nagar, Jaipur RJ 302021
Kind Attn- Ravi Sharma

Dear Sir,

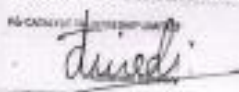
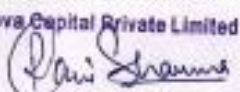
Consent to act as Trustee for Listed, Secured, Redeemable Market Linked Debentures aggregating upto Rs. 30 Crores to be issued by your Company.

This is with reference to the discussions in respect of appointment of Catalyst Trusteeship Limited (CTL) to act as Debenture Trustee for the Unlisted, Secured, Redeemable Market Linked Debentures aggregating upto Rs. 30 Crores to be issued. In this connection, we are agreeable to act as Trustee on the following trusteeship remuneration:

Acceptance fees: Rs.40,000/- plus applicable taxes (One Time; Non Refundable & payable on appointment as trustee).


Service Charges : Rs.40,000/- p.a. plus applicable taxes payable in advance, for each financial year or any part thereof, effective from the date of execution till satisfaction of charges in full. Pro-rata charges would apply for the first year from date of appointment till 31st March 2021.

All out of pocket expenses incurred towards legal fees, travelling, inspection charges, etc shall be levied and re-imbursed on actual basis.

<p>For Catalyst Trusteeship Limited</p> <p></p> <p>Authorized Signatory</p>	<p>We accept the above terms.</p> <p>For Finova Capital Private Limited</p> <p></p> <p>Authorized Signatory</p>
--	---

NOTE: As per GST guidelines, CTL would be required to pay the applicable GST on the amounts / charges payable to us as indicated above. Please note that the Company would be liable to pay all such charges even in the event of cancellation of the aforesaid transaction. Therefore, no refund of any statutory dues already paid would be made.

CATALYST TRUSTEESHIP LIMITED (INCORPORATED IN INDIA)
Mumbai Office: Windsor, 6th Floor, Office No. 606, C.B.T. Road, Kalina, Santacruz (East), Mumbai 400 076 Tel: +91 (0)22-4021 8333 Fax: +91 (0)22-4022 8569
Regd. Office: 02A House, Plot No. 85, Dhruvan Colony (Right), Paldi Road, Pune 411 028 Tel: +91 (0)20-25268091 Fax: +91 (0)20-23262279
Delhi Office: Office No. 813, 8th Floor, Saksham Building, 26, Kirti Khand Marg, Near Delhi - 110001 Tel: +91 11-426 19161/62.
CIN No. U14202MH2019PLC190052 Email: info@cs-catalyst.com Website: www.catalysttrustee.com
Pune | Mumbai | Bangalore | Delhi | Chennai

As per GST, Company


CATALYST

Believe in yourself... Trust us!


CL/MUM/20-21/DEB/718

November 25, 2020

To,

Finova Capital Private Limited
 702, Seventh Floor, Unique Aspire, Plot No. 13-14 Cosmo Colony,
 Amrapali Marg, Vaishali Nagar, Jaipur RJ 302021
Kind Attn- Ravi Sharma

Dear Sir,

Consent to act as Trustee for Listed, Secured, Redeemable Market Linked Debentures aggregating upto Rs. 30 Crores to be issued by your Company.

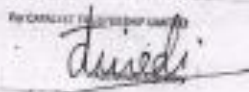
This is with reference to the discussions in respect of appointment of Catalyst Trusteeship Limited to act as Debenture Trustee for the listed, Secured, Redeemable Market Linked Debentures upto Rs.30 Crores to be issued by your Company. In this connection, we are agreeable to act as Trustee on the terms and conditions as mutually agreed between the Trustee and the Company.

The Company and the Trustee shall enter into relevant trustee agreements and other necessary documents for the aforesaid issue of NCDs and also agrees & undertakes to comply with the provisions of the SEBI (Debenture Trustees) Regulations, 1993, SEBI (Issue and Listing of Debt Securities) Regulations, 2008, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as may be amended from time to time, SEBI Circular No. CIR/CFD/CMD/6/2015 dated October 13, 2015 and the Listing Agreement pursuant thereto to be executed with Bombay Stock Exchange(BSE)/ National Stock Exchange(NSE), the RBI Circular No. RBI/2012-13/560 dated June 27, 2013, the Companies Act, 2013 and any other applicable statutes, regulations and provisions as amended from time to time.

The Company shall enter into Agreement with Trustee as required by Regulation 13 of SEBI (Debenture Trustee) Regulations, 1993 thereby agreeing to create the security within three months from the date of closure of issue or in accordance with the Companies Act, 2013 or as per the provisions as prescribed by any regulatory authority as applicable and comply with the provisions of applicable laws.

We are also agreeable for inclusion of our name as trustees in the Company's offer document/disclosure document/ listing application/any other document to be filed with the Stock Exchange(s) or any other authority as required.

For Catalyst Trusteeship Limited



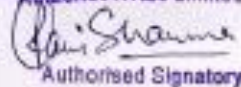
Authorized Signatory

For Finova

We accept the above terms.

For Finova Capital Private Limited

For Finova Capital Private Limited



Authorized Signatory

CATALYST TRUSTEESHIP LIMITED (20200100200000000000)

An ISO 9001 Company

Mumbai Office: Winscon, 67 Floor, Office No. 604, C.A.T. Road, Kalfra, Bandra West (East), Mumbai-400 050. Tel: +91 (0)22 4922 0505 Fax: +91 (0)22 4922 0506
 Regd. Office: CDA House, Plot No. 05, Shrihari Colony (Right), Parel Road, Pune 411 008. Tel: +91 (0)20 22020081 Fax: +91 (0)20 22020079
 Delhi Office: Office No. 210, 8th Floor, Kalindi Building, 28, Kirti Khera Condo Marg, New Delhi - 110061. Tel: +1 408 2846532.
 CIN No. U74999DL30000020
 Email: info@trustee.com Website: www.catalysttrustee.com
 Jaipur | Mumbai | Bangalore | Delhi | Chennai



ANNEXURE III: RATING LETTER



Press Release

Finova Capital Private Limited

December 18, 2020

Rating Upgraded & Assigned



Total Facilities Rated*	Rs. 405.00 cr.
Total Bank Facilities Rated	Rs. 275.00 cr.
Long Term Rating	ACUTE A-/ Stable (Upgraded from ACUTE BBB+)
Non-Convertible Debentures	Rs. 50.00 cr.
Long Term Rating	ACUTE A-/ Stable (Upgraded from ACUTE BBB+)
Non-Convertible Debentures	Rs. 50.00 cr.
Long Term Rating	ACUTE Provisional A/ Stable (Upgraded from ACUTE Provisional A-)
Non-Convertible Debentures	Rs. 30.00 cr.
Long Term Rating	ACUTE Provisional PP-MLD A-/ Stable (Assigned)

*Refer annexure for details

Rating Rationale

Acute has upgraded the long term rating on Rs. 275.00 cr. bank facilities of Finova Capital Private Limited (FCPL) from 'ACUTE BBB+' (read as ACUTE triple B plus) to 'ACUTE A-' (read as ACUTE A minus). The outlook is 'Stable'.

Acute has upgraded the long term rating on Rs. 50.00 cr. non-convertible debentures of Finova Capital Private Limited (FCPL) from 'ACUTE BBB+' (read as ACUTE triple B plus) to 'ACUTE A-' (read as ACUTE A minus). The outlook is 'Stable'.

Acute has upgraded the long term rating on Rs. 50.00 cr. proposed non-convertible debentures of Finova Capital Private Limited (FCPL) from 'ACUTE Provisional A-' (read as ACUTE provisional A minus) to 'ACUTE Provisional A' (read as ACUTE Provisional A). The outlook is 'Stable'.

The rating on the Rs. 50 cr. proposed NCD issue of FCPL is provisional and the final rating is subject to:

- Appointment of SEBI registered debenture trustee
- Execution of signing of Trust Deed with the proposed Structured Payment Mechanism (SPM) duly incorporated
- Receipt of final term sheet and confirmation from trustee regarding the compliance with all the terms and conditions of term sheet.

Further, Acute has assigned the long term rating of 'ACUTE Provisional PP-MLD A-' (read as ACUTE Provisional Principal Protected Market Linked Debentures A minus) to the Rs. 30.00 cr. proposed principal protected market linked non-convertible debentures of Finova Capital Private Limited (FCPL). The outlook is 'Stable'.

The rating on the Rs. 30.00 cr. proposed PP-MLD NCD issue of FCPL is provisional and the final rating is subject to:

- Appointment of SEBI registered debenture trustee
- Execution of signing of Trust Deed
- Receipt of final term sheet and confirmation from trustee regarding the compliance with all the terms and conditions of term sheet.

Rating rationale for the proposed NCD of Rs. 50 cr.:

The difference in rating is taken due to the presence of Debt Service Reserve Account (DSRA) and 1 minus structure present in the proposed NCD of Rs. 50 cr. DSRA is to be maintained at a minimum of 10 percent of



the outstanding principal amount. DSRA needs to be maintained in the form of bank fixed deposit, "AAA" rated debt securities, sovereign debt securities, bank guarantee, in any combination, for the duration of the NCDs and should help in partly mitigating the risk arising out of the liquidity mismatches to meet the coupon repayments.

Reason for Upgrade

Rating upgrade takes into account the capital infusion of Rs. 260 cr. in October 2020 from its existing investors Sequoia Capital India Investments (Rs. 216 cr.) and Faering Capital (Rs. 44 cr.). The rating reflects the healthy capitalization and capital buffers reflected through Capital Adequacy Ratio (CAR) of ~89.58 percent and leverage of 0.93 times as on October 31, 2020. The rating also factors in the significant traction shown in disbursements and collections which were subdued in Q1 of FY21 as a result of the outbreak of pandemic. The disbursements levels are growing up every month and were inching close to the pre COVID levels. In a similar manner improvement in collections is seen with collection efficiency in the range of 90 to 96 percent in the last three months. The rating continues to factor in FCPL's experienced management along with efficient risk management systems and collection process adopted by the company reflected in its on-time asset quality at ~91.09 percent and GNPA of 0.62 percent as on September 30, 2020 (provisional).

The rating is constrained by the modest scale of operations and geographically concentration of loan portfolio (~91 percent in Rajasthan) and low seasoned portfolio with ~56 percent of outstanding portfolio with a seasoning less than 2 years. The rating is also constrained by inherent risks associated with lending in this segment.

About FCPL

Incorporated in 2015, Finova Capital Private Limited (FCPL) is a Jaipur based NBFC promoted by Mr. Mohit Sahney who has over two decades of experience in retail banking and financial services. The company is engaged in extending MSME loans (secured against property) and Home loans.

FCPL operates through a network of 104 branches spread across states of Rajasthan, Madhya Pradesh, Uttar Pradesh and Delhi and has a borrower base of 9,045 borrowers as on March 31, 2020.

Analytical Approach

Acuite has considered the standalone business and financial risk profile of FCPL to arrive at the rating.

Key Rating Drivers

Strengths

- **Established presence in MSME segment; demonstrated support from marquee investors**

FCPL commenced its lending operations since March 2016 and extends MSME loans (secured against property) and Home loans. FCPL's borrower profile comprise MSME units providing services, small traders, retailers, businessmen and other local small business operators primarily engaged in providing essential services. The company was founded by Mr. Mohit Sahney (MD & CEO) and Mrs. Sunita Sahney (Director). Mr. Mohit Sahney has an experience spanning over two decades in retail banking and financial services. He was earlier associated with ICICI bank and served in various capacities in different segments. Mr. Sahney has been able to bring on board marquee institutional investors like Sequoia Capital India Investment and Faering Capital.

Sequoia Capital India Investment and Faering Capital have board representation and FCPL benefits from their expertise. Mr. G.V Ravishanker (MD), and Mr. Ishaan Mittal (Vice-President) of Sequoia Capital India and Mr. Aditya Deepak Parekh, Co-founder of Faering Capital are on the board of FCPL. FCPL has been able to obtain funding from these investors to the tune of ~Rs. 400 cr. through compulsory convertible cumulative preference capital in three rounds of funding held in FY2018, FY2019 and FY2021. Recently, in the month of October 2020, FCPL raised Rs. 260 cr. in its third round of funding from these investors.

The company's outstanding loan portfolio stood at ~Rs. 397 cr. as on March 31, 2020 (~Rs. 245 cr. as on March 31, 2019 and Rs. ~95 cr. as on March 31, 2018). The portfolio further increased to Rs. 445.12 cr. as on September 30, 2020. FCPL has demonstrated growth in its scale of operations by expanding its network to 104 branches across states of Rajasthan, Madhya Pradesh, Uttar Pradesh and Delhi. Rajasthan still constitutes for major portion of the company's portfolio with 79 branches and accounting for ~91 percent



of the outstanding portfolio as on September 30, 2020. However, within Rajasthan the portfolio is spread across 28 districts.

Acuite believes that the company's growth prospects will be supported by the promoter's extensive experience in the financial services sector fortified by support from marquee investors like Sequoia Capital and Faering Capital.

- **Healthy financial risk profile**

FCPL's networth stood at Rs. 171.04 cr. as on March 31, 2020 and reported a healthy capital adequacy ratio (CAR) of 40.03 percent comprising Tier 1 capital. The company's leverage indicators are healthy at 1.82 times as on March 31, 2020. The company has a diversified lender profile comprising Banks and NBFC/FIs, with total debt of Rs. 312.08 cr. outstanding as on March 31, 2020. Recently the company has been able to raise funds under TLTRO from PSU's like Punjab National Bank and Bank of Baroda. The financial risk profile further improved with recent capital infusion of Rs. 260 cr. in the month of October 2020. The networth improved to Rs. 436.72 cr. with a gearing of 0.93 times as on October 31, 2020.

FCPL's profitability indicators are also healthy marked by Net Interest Margin (NIM) which stood at 13.27 percent as on March 31, 2020 which improved from 9.22 percent as on March 31, 2019. The company's Return on Average Assets (RoAA) have declined marginally to 2.63 percent as on March 31, 2020 from 2.90 percent as on March 31, 2019. The marginal decline in RoAA was on account of operating expenses incurred in the rapid expansion of its network branches which are yet to fructify. Operating Expense to Earning Assets stood at 8.21 percent as on March 31, 2020 as against 6.14 percent as on March 31, 2019. The experience of the top management and their active focus on maintaining robust collections has supported the company's performance in this turbulent environment.

Acuite believes that the company's comfortable capitalization levels will support its growth plans over the medium term.

Weaknesses

- **Relatively low seasoned portfolio; likelihood of elevated stress in asset quality**

FCPL commenced its lending operation in March, 2016 extending MSME loans (secured against property) having an average tenure of upto 6-7 years. The company's loan book of Rs. 396.84 cr. as on March 31, 2020 has grown significantly from Rs. 245.10 cr. as on March 31, 2019 and from Rs. 94.67 cr. as on March 31, 2018. The outstanding loan portfolio stood at Rs. 445.12 cr. as on September 30, 2020. Due to substantial growth in loan book in the last couple of years, ~56 percent of the overall portfolio has a seasoning of less than two years as on September 30, 2020.

Around 93 percent of FCPL's portfolio of Rs. 445.12 cr. as on September 30, 2020 accounts for MSME loans (secured against property) and ~7 percent towards Home loans. FCPL's overall credit profile is susceptible to concentration towards MSME loans (secured against property) which in turn are facing their own inherent risks and challenges. Further, since MSME loans are extended to self-employed individuals for business purposes, the serviceability of these loans is directly dependent on the level of economic activity in the region. Majority of the FCPL's MSME borrowers comprise services providers, small traders, retailers, businessmen and other local small business operators. While the activities of most of these small MSME units have been impacted because of the on-going lockdown and restrictions on movement of men and material, collections of FCPL indicate resilience since most of its borrowers are primarily engaged in providing essential services. However, the magnitude of impairment will be known with certainty only over the next one or two quarters. The company's operations are concentrated in Rajasthan with ~91 percent of the overall outstanding portfolio as on September 30, 2020. FCPL has started to diversify its geographical presence by operating branches in Madhya Pradesh, Uttar Pradesh and Delhi. Occurrence of events such as slowdown in economic activity or shifting of activity to other geographies could impact the cash flows of the borrowers, thereby impacting credit profile of FCPL.

The company has maintained its asset quality with a GNPA (at PAR 90+ days past due) at 0.62 percent and NNPA of 0.47 percent as on September 30, 2020 (provisional). The collection efficiency stood at an average of ~87 percent for 12 month period ended March 31, 2020. Relatively low seasoning of portfolio with concentration in Rajasthan is expected result in increased asset quality pressures due to current operating environment.

Acuite believes that the company's ability to maintain its asset quality given the low seasoned loan book and increased presence in the newer geographies will remain a key rating monitorable.



Rating Sensitivity

- Impact of natural calamities like Covid-19 on ongoing operations
- Movement in collection efficiency and asset quality
- Movement in liquidity buffers
- Movement in profitability metric
- Changes in regulatory environment

Material Covenants

FCPL is subject to covenants stipulated by its lenders/investors in respect of various parameters like capital structure, asset quality, among others. As per confirmation received from client, the company is adhering to all terms and conditions stipulated as covenants by all its lenders/investors.

Liquidity: Adequate

FCPL's overall liquidity profile remains adequate with no negative cumulative mismatches in near to medium term as per ALM dated March 31, 2020. FCPL has not availed any moratorium from its lenders and has been serving its dues. The company has unencumbered cash and cash equivalents of Rs. 296.18 cr. as on September 30, 2020 which comprises cash and bank balances of Rs. 206.18 cr. and fixed deposits of Rs. 90 cr. FCPL also has investments in liquid funds amounting to Rs. 25.87 cr. FCPL's collections during August, September and October 2020 were Rs. 10.36 cr., Rs. 10.14 cr. and Rs. 10.35 cr. respectively, i.e. ~96 percent of scheduled collections for August, ~89 percent of scheduled collections for September and ~94 percent of scheduled collections for October. FCPL extends MSME loans (secured against property) with a focus on borrowers providing services, small traders, retailers, businessmen and other local small business operators, which are primarily engaged in providing essential services. The focus on such borrowers especially in current COVID situation has enabled the company to maintain high collection efficiency. Further, FCPL recently raised long term debt under the TLTRO route and through additional capital infusion from its existing investors.

Acute believes that the company's liquidity profile will continue to benefit from funding support from its investors.

Outlook: Stable

Acute believes that FCPL will maintain a 'Stable' outlook over the near to medium owing to an established track record of promoters and their resource raising ability along with demonstrated growth in loan portfolio while maintaining asset quality and profitability metrics. The outlook may be revised to 'Positive' in case of higher than envisaged growth in loan portfolio while maintaining profitability and asset quality metrics. Conversely, the outlook may be revised to 'Negative' in case of any deterioration in asset quality or profitability metrics.

About the Rated Entity - Key Financials

Particulars	Unit	FY20 (Actual)	FY19 (Actual)
Total Assets	Rs. Cr.	497.29	359.24
Total Income*	Rs. Cr.	59.55	27.85
PAT	Rs. Cr.	11.28	7.02
Networth	Rs. Cr.	171.04	159.76
Return on Average Assets (RoAA)	(%)	2.63	2.90
Return on Net Worth (RoNW)	(%)	6.82	6.61
Total Debt/Tangible Net Worth (Gearing)	Times	1.82	1.18
Gross NPA's	(%)	0.18	0.36
Net NPA's	(%)	0.15	0.28

* Total Income equals to Net Interest Income plus other Income

Status of non-cooperation with previous CRA (if applicable)

Not Applicable



Any other information
Not Applicable

Applicable Criteria

- Default Recognition - <https://www.acute.in/view-rating-criteria-52.htm>
- Non-Banking Financing Entities - <https://www.acute.in/view-rating-criteria-44.htm>
- Financial Ratios and Adjustments - <https://www.acute.in/view-rating-criteria-53.htm>

Note on complexity levels of the rated instrument

<https://www.acute.in/view-rating-criteria-55.htm>

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
04-Sep-2020	Term Loan	Long Term	15.00	ACUTE BBB+/ Stable (Reaffirmed)
	Proposed Bank Facility	Long Term	260.00	ACUTE BBB+/ Stable (Reaffirmed)
	Secured Redeemable Non-Convertible Debentures	Long Term	15.00	ACUTE BBB+/ Stable (Reaffirmed)
	Proposed Non-Convertible Debentures	Long Term	35.00	ACUTE BBB+/ Stable (Reaffirmed)
	Proposed Non-Convertible Debentures	Long Term	50.00	ACUTE Provisional A-/ Stable (Assigned)
13-Aug-2020	Term Loan	Long Term	15.00	ACUTE BBB+/Stable (Reaffirmed)
	Proposed Bank Facility	Long Term	260.00	ACUTE BBB+/Stable (Reaffirmed)
	Proposed Non-Convertible Debentures	Long Term	50.00	ACUTE BBB+/Stable (Assigned)
17-Feb-2020	Term Loan	Long Term	15.00	ACUTE BBB+/Stable (Assigned)
	Proposed Bank Facility	Long Term	260.00	ACUTE BBB+/Stable (Assigned)

***Annexure – Details of instruments rated**

ISIN	Name of Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of Issue (Rs. Cr.)	Ratings/Outlook
-	Term Loan	01-09-2019	11.50%	30-08-2026	15.00	ACUTE A-/Stable (Upgraded from ACUTE BBB+)
-	Proposed Bank Facility	Not Applicable	Not Applicable	Not Applicable	260.00	ACUTE A-/Stable (Upgraded from ACUTE BBB+)
INE0D TO070 12	Secured Redeemable NCD	18-08-2020	10.86%	18-08-2023	15.00	ACUTE A-/Stable (Upgraded from ACUTE BBB+)



INE0D TO070 20	Secured Redeemable NCD	18-09- 2020	10.86%	21-04-2023	10.00	ACUITE A-/Stable (Upgraded from ACUITE BBB+)
INE0D TO070 38	Secured Redeemable NCD	28-10- 2020	11.50%	28-10-2024	25.00	ACUITE A-/Stable (Upgraded from ACUITE BBB+)
-	Proposed Secured Redeemable NCD	Not Applicable	Not Applicable	Not Applicable	50.00	ACUITE Provisional A/ Stable (Upgraded from ACUITE Provisional A-)
-	Proposed PP- MLD NCD	Not Applicable	Not Applicable	Not Applicable	30.00	ACUITE Provisional PP- MLD A-/ Stable (Assigned)

Contacts

Analytical	Rating Desk
Mohit Jain Senior Vice President Tel: 022-49294000 mohit.jain@acuite.in Shreyans Mehta Analyst - Rating Operations Tel: 022-49294062 shreyans.mehta@acuite.in	Varsha Bist Senior Manager - Rating Desk Tel: 022 - 49294011 rating.desk@acuite.in

About Acuite Ratings & Research:

Acuite Ratings & Research Limited is a full-service Credit Rating Agency registered with the Securities and Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI), for Bank Loan Ratings under BASEL-II norms in the year 2012. Since then, it has assigned more than 8,000 credit ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Mumbai.

Disclaimer: An Acuite rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. Acuite ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, Acuite, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. Acuite is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings. Acuite ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website (www.acuite.in) for the latest information on any instrument rated by Acuite.

CITY																				
PIN																				

APPLICANT'S PAN/GIR NO. _____ IT CIRCLE/WARD/DISTRICT ____

WE ARE () COMPANY () OTHERS () SPECIFY _____

We have read and understood the terms and conditions of the issue of Debentures including the risk factors described in the information memorandum and the private placement offer cum application letter, each dated [], 2020 (collectively, the "**Debt Disclosure Documents**") and have considered these in making our decision to apply. We bind ourselves to the Debt Disclosure Documents and wish to apply for allotment of these Debentures. We request you to please place our name(s) on the register of debenture holders.

Name of the Authorized Signatory(ies)	Designation	Signature

Applicant's Signature:

We the undersigned, are agreeable to holding the Debentures of the Company in dematerialized form. Details of my/our Beneficial Owner Account are given below:

DEPOSITORY	NSDL /CDSL
DEPOSITORY PARTICIPANT NAME	
DP-ID	
BENEFICIARY ACCOUNT NUMBER	
NAME OF THE APPLICANT(S)	

Applicant Bank Account:	
(Settlement by way of Cheque / Demand Draft / Pay Order / Direct Credit / ECS / NEFT/RTGS/other permitted mechanisms)	

FOR OFFICE USE ONLY

DATE OF RECEIPT _____ DATE OF CLEARANCE _____

(Note: Cheque and Drafts are subject to realization)

We understand and confirm that the information provided in the Debt Disclosure Documents is provided by the Issuer and the same has not been verified by any legal advisors to the Issuer, and other intermediaries and their agents and advisors associated with this Issue. We confirm that we have for the purpose of investing in these Debentures carried out our own due diligence and made our own decisions with respect to investment in these Debentures and have not relied on any representations made by anyone other than the Issuer, if any.

We understand that: i) in case of allotment of Debentures to us, our Beneficiary Account as mentioned above would get credited to the extent of allotted Debentures, ii) we must ensure that the sequence of names as mentioned in the Application Form matches the sequence of name held with our Depository Participant, iii) if the names of the Application this application are not identical and also not in the same order as the Beneficiary Account details with the above mentioned Depository Participant or if the Debentures cannot be credited to our Beneficiary Account for any reason whatsoever, the Company shall be entitled at its sole discretion to reject the application or issue the Debentures in physical form.

Applicant' s
Signature

FOR OFFICE USE ONLY DATE OF RECEIPT _____ DATE OF CLEARANCE _____
--

(Note : Cheque and Drafts are subject to realisation)

------(TEAR HERE)-----

ACKNOWLEDGMENT SLIP

<i>(To be filled in by Applicant)</i> SERIAL NO.	1	-	-	-	-	-	-	-	-
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Received from _____

Address _____ _____ Cheque/Draft/UTR # _____ Drawn on _____ for Rs. _____ on account of application of _____ Debenture

ANNEXURE V: FINANCIAL STATEMENTS

Half Year Ended 30th September 2020 with Limited Review Report

Finova Capital Private Limited
CIN-U65993RJ2015PTC048340
Regd Office: 702; Seventh Floor, Unique Aspire, Plot No. 13-14 Cosmo Colony, Amrapali Marg,
Vaishali Nagar, Jaipur, Rajasthan 302021 India
Tel:-0141-4118202 :Website:www.finova.in
Statement of Unaudited Financial Results for the half year ended September 30, 2020

Particulars	(Amounts in Rs. Lacs)
	As at September 30, 2020 (unaudited)
ASSETS	
A. Financial Assets	
Cash and cash equivalents	21,017.92
Bank Balances other than cash and cash equivalents	7,231.95
Loans	42,733.19
Investments	2,187.36
Other financial assets	3,162.61
Sub-total-Financial assets (A)	76,333.03
B. Non-Financial Assets	
Current Tax Assets (net)	119.47
Deferred Tax Assets (net)	501.02
Property, plant and equipment	362.47
Right to use Asset	263.65
Other Intangible Assets	1.78
Intangible assets under development	60.16
Other non-financial assets	21.40
Sub-total-Non-financial assets (B)	1,329.95
Total - Assets (A+B)	77,662.98
LIABILITIES AND EQUITY	
LIABILITIES	
A. Financial Liabilities	
Debt securities	2,500.00
Borrowings (Other than debt securities)	34,805.36
Lease liabilities	285.76
Other financial liabilities	1,143.26
Sub-total-Financial liabilities (A)	38,734.38
B. Non-Financial liabilities	
Provisions	58.97
Other non-financial liabilities	63.64
Sub-total-Non-financial liabilities (B)	122.61
C. EQUITY	
Equity share capital	6,649.49
Share application money pending allotment	21,680.00
Other equity	10,476.50
Sub-total - Equity (C)	38,805.99
Total - Liabilities and Equity (A+B+C)	77,662.98

For and on behalf of the Board of Directors of
Finova Capital Private Limited

Place: Jaipur
Date: December 10, 2020

MOHIT
SAHNEY

Digitally signed by
MOHIT SAHNEY
Date: 2020.12.10
11:03:10 +05:30'

Mohit Sahney
(Managing Director & CEO)
DIN : 07280918

Finova Capital Private Limited
 CIN-U65993RJ2015PTC048340
 Regd Office: 702; Seventh Floor, Unique Aspire, Plot No. 13-14 Cosmo Colony, Amrapali Marg, Vaishali
 Nagar, Jaipur, Rajasthan 302021 India
 Tel: 0141-4118202 : Website: www.finova.in

Statement of Unaudited Financial Results for the half year ended September 30, 2020

Particulars	(Amounts in Rs. Lacs)	
	For the half year ended September 30, 2020 (unaudited)	For the half year ended September 30, 2019 (unaudited)
A. Revenue from operations		
Interest Income	5,262.48	3,681.80
Net gain on fair value changes	38.62	113.75
Total Revenue from operations (A)	5,301.10	3,795.55
B. Other Income	7.54	0.00
Total Income (A+B)	5,308.64	3,795.55
C. Expenses		
Finance Costs	1,983.10	1,337.06
Impairment on financial instruments	369.92	184.75
Employee Benefits Expenses	1,747.60	1,251.20
Depreciation, amortization and impairment	54.42	54.93
Others expenses	422.29	436.46
Total expenses (C)	4,577.33	3,264.40
Profit before exceptional items and tax (A+B-C)	731.31	531.15
Exceptional Items	0.00	0.00
Profit before taxes (A+B-C)	731.31	531.15
D. Tax expenses		
- Current Taxes	240.58	191.01
Less: Previous Year Tax		
- Deferred Taxes	-74.35	-52.06
Profit for the period (A+B-C-D)	565.08	392.20
E. Other Comprehensive Income		
A (i) Items that will not be reclassified to profit or loss		
(a) Re-measurements of net defined benefit plans	-7.49	0.00
(ii) Income tax relating to items that will not be reclassified to profit or loss	-1.88	0.00
Other Comprehensive Income (E)	-5.60	0.00
Total Comprehensive Income for the period (net of tax) (A+B-C-D+E)	559.48	392.20
Earnings per equity share		
Basic (Rs.)	5.02	3.52
Diluted (Rs.)	4.90	3.45

Place: Jaipur
 Date: December 10, 2020

For and on behalf of the Board of Directors of
 Finova Capital Private Limited
 MOHIT Digitally signed by MOHIT SAHNEY Date: 2020.12.10 12:06:02
 SAHNEY
 Mohit Sahney
 (Managing Director & CEO)
 DIN : 07280918

S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

2nd & 3rd Floor
Golf View Corporate Tower - II
Sector - 42, Sector Road
Gurgaon - 122 002, Haryana, India
Tel: +91 124 661 6000

Review Report to
The Board of Directors
Finova Capital Private Limited

10 December 2020

Independent Auditor's Review Report on the Half-yearly Unaudited Financial Results of the Company Pursuant to Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

Dear Sirs,

1. We have reviewed the accompanying statement of unaudited financial results of Finova Capital Private Limited (the "Company") for the half year ended 30 September 2020 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ("Ind AS") specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants

5. We have not audited or reviewed the amounts appearing in the accompanying results for the corresponding half year ended 30 September 2019, which have been presented solely based on the information compiled by management.
6. We draw attention to Note 10 to the Statement, which describes the uncertainty arising from COVID-19 pandemic and impacting the Company's operations and estimates related to impairment of assets, which are dependent on future developments regarding the severity and duration of the pandemic.

For S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants
ICAI Firm registration number: 101049WVE300004

**AMIT
KABRA** Digitally signed by
AMIT KABRA
Date: 2020.12.10
18:52:27 +05'30'

per Amit Kabra
Partner
Membership No.: 094533

UDIN: 20094533AAAAKL8679

Place: Mumbai

FY 19-20

FINOVA CAPITAL PRIVATE LIMITED
BALANCE SHEET AS AT MARCH 31, 2020

Particulars	Note	As at March 31, 2020	(Amounts in Rupees) As at March 31, 2019
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share Capital	3	66,49,89,116	66,49,89,116
Reserves and Surplus	4	1,01,54,06,044	93,26,48,822
		<u>1,08,04,05,160</u>	<u>1,59,76,37,938</u>
NON CURRENT LIABILITIES			
Long Term Borrowings	5	3,23,25,64,010	1,42,05,14,160
Long Term Provisions	6	1,09,71,780	1,34,83,280
		<u>3,40,24,37,801</u>	<u>1,44,24,35,348</u>
CURRENT LIABILITIES			
Other Current Liabilities	7	87,35,17,370	53,70,25,441
Short Term Provisions	8	96,58,410	1,50,18,910
		<u>98,31,55,980</u>	<u>55,24,84,354</u>
Total		<u><u>4,98,60,38,046</u></u>	<u><u>3,55,47,15,640</u></u>
ASSETS			
NON CURRENT ASSETS			
Fixed Assets			
Property, Plant and Equipment	9	1,04,58,010	2,90,02,187
Intangible Assets	9	3,12,263	250,584
Intangible Assets under Development	9	21,69,076	-
Deferred Tax Assets (Net)	10	2,30,75,804	23,05,136
Long Term Loans and Advances	11	1,58,52,34,752	2,21,96,00,911
Other Non Current Assets	12	7,07,74,839	2,16,00,080
		<u>3,79,13,35,914</u>	<u>2,34,95,00,796</u>
CURRENT ASSETS			
Current Investments	13	7,07,92,564	46,90,81,864
Current Bank Balances	14	6,42,51,784	53,84,19,355
Short Term Loans and Advances	13	6,46,55,525	23,88,83,433
Other Current Assets	14	11,44,02,269	2,14,36,582
		<u>1,20,41,03,142</u>	<u>1,25,54,14,874</u>
Total		<u><u>4,98,60,38,046</u></u>	<u><u>3,55,47,15,640</u></u>
Summary of Significant Accounting Policies		21	

The accompanying notes are an integral part of the financial statements

As per our report of even date
 For S. R. BATHIBO & ASSOCIATES LLP
 Chartered Accountants
 ICAI Firm Registration Number : 101049W/2300094

For and on behalf of the Board of Directors of
FINOVA CAPITAL PRIVATE LIMITED
 For Finova Capital Pvt. Ltd. For Finova Capital Pvt. Ltd.


per Anshu Kishore
 Partner
 Membership No. 094533

Nitesh Sahasrabudhe
 MD & CEO
 DIN: 07280914

Sandeep Sahasrabudhe
 Whole Time Director
 DIN: 02355314

Director Director

Place: Gurgaon
 Date: 18. 03.20



For Finova Capital Private Limited
 Garima Jha
 Company Secretary
 M. No. 45137
 Place: Gurgaon
 Date: 18, 2020

Company Secretary

FINOVA CAPITAL PRIVATE LIMITED
STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2020

Particulars	Note	(Amounts in Rupees)	
		For the year ended March 31, 2020	For the year ended March 31, 2019
REVENUES			
Revenue from Operations	17	83,34,61,365	40,45,80,454
Other Income	18	8,07,44,282	2,36,97,710
Total Revenue (I)		91,41,91,647	42,84,77,164
EXPENSES			
Employee Benefit Expenses	19	22,45,17,409	12,22,00,341
Finance Costs	20	31,86,63,326	15,30,21,876
Depreciation & Amortisation	9	76,76,238	77,81,408
Other Expenses	21	19,33,03,311	4,99,78,665
Provision on Loans & Advances	22	11,23,37,842	76,12,587
Total Expenses (II)		76,83,36,366	23,44,15,137
PROFIT BEFORE TAX (III)=(I)-(II)		14,57,35,281	9,40,62,027
Tax Expense			
Current Tax		5,31,76,347	2,62,47,619
Less: Provision For Tax		(56,408)	(8,23,532)
Deferred Tax		(1,07,71,680)	(15,19,226)
Total Tax Expense (IV)		3,25,48,959	2,39,02,861
PROFIT AFTER TAX (III)-(IV)		11,28,47,322	7,01,59,166
Dividends per equity share of face value of Rs. 10 each			
Basic	23	22.57	14.03
Diluted		10.65	4.33
Summary of Significant Accounting Policies	24		
The accompanying notes are an integral part of the financial statements			

As per our report of even date

For S. R. BATHI & ASSOCIATES LLP
 Chartered Accountants
 ICMA Firm Registration Number : 161049W/E3/0004

per Amit Kabra
 Partner
 Membership No. 164570



Place: Gurgaon
 June 18, 2020

For and on behalf of the Board of Directors of
 FINOVA CAPITAL PRIVATE LIMITED

For Finova Capital Pvt. Ltd. For Finova Capital Pvt. Ltd.

Mohit Sahney
 MD & CEO
 DIN: 72286918

Director

Sunil Sahney
 Whole Time Director
 DIN: 07385154

Director

For Finova Capital Private Limited
 Gaurav Jha
 Company Secretary
 M. No. 43137
 Place: Gurgaon
 June 18, 2020

Company Secretary

FINOVA CAPITAL PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

	(Amount in Rupees)	
Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit before taxation and extraordinary items	14,57,55,280	9,61,62,607
Adjustments:		
Depreciation and Amortisation	76,76,234	57,81,468
Interest on Bank Deposits/advance/other non-operating income	(3,81,56,305)	(4,82,456)
Profit on Sale of Investments	(4,25,77,895)	(1,55,14,854)
Loss on Sale of Fixed Assets	22,231	8,55,141
Provision on Loans	1,17,37,892	73,89,225
Operating cash flow before working capital and other changes	18,49,87,239	8,49,89,129
Movement in working capital:		
Increase in Receivable under financing activity	(1,21,79,78,217)	(1,20,21,73,272)
Increase in Short term loans and advances	(16,52,182)	(1,81,557)
Increase in Long-term loans and advances	(2,13,345)	6,13,520
Increase in Other current assets	(7,57,71,547)	(2,76,21,648)
Increase in Other Non-current assets	(5,02,74,810)	(1,35,03,092)
(Decrease) / increase in Other long-term liabilities	(3,54,46,313)	16,55,620
Decrease in Other current liabilities	(1,61,89,565)	(7,34,82,021)
Cash Used in Operations	(1,51,45,41,681)	(1,53,08,19,888)
Net Taxes Paid	(5,34,16,300)	(1,86,03,000)
Net Cash (used in) Operating Activities (A)	(1,56,79,47,961)	(1,54,94,19,888)
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets/Intangibles	(2,30,55,147)	(1,30,23,111)
Profit from Sale of Investments	4,25,77,895	1,19,19,824
Investment in fixed deposit	12,75,00,000	(80,03,992)
Interest Received	3,61,05,308	3,82,435
Net cash/(investment in) Investing Activities (B)	(3,68,82,154)	(77,25,27,864)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Issue of Share Capital (Including Securities Premium)	0	1,01,16,663
Share Issue Cost	0	(1,34,34,123)
Proceeds from Borrowings from Bank and Others	1,66,50,00,000	1,18,79,09,094
Repayment of Borrowings from Bank and Others	(53,58,98,145)	(24,31,11,756)
Net Cash from Financing Activities (C)	1,13,41,01,855	2,74,60,86,714
NET CHANGE IN CASH AND CASH EQUIVALENTS (A+B+C)	4,47,41,189	20,23,48,005
Cash and cash equivalents at the beginning of the year	44,78,01,155	24,54,52,251
Cash and Cash Equivalents at the end of the year	49,25,42,344	44,78,01,159
Components of Cash and Cash equivalents		
Cash in hand and balances with banks (refer note 14)	42,17,61,794	1,41,19,354
Short Term Investments (refer note 13)	7,07,80,544	43,36,81,804
Cash and Cash Equivalents at the end of year	49,25,42,348	44,78,01,159

As per our report of even date

For S. R. BATHIJOBI & ASSOCIATES LLP
 Chartered Accountants
 ICAL No. Registration Number: 1016292/G/200822


 per Amit Nair
 Partner
 Membership No. 094511



Place: Gurgaon
 June 15, 2020

For and on behalf of the Board of Directors of
 FINOVA CAPITAL PRIVATE LIMITED

For Finova Capital Pvt. Ltd. For Finova Capital Pvt. Ltd.
 
 Mohit Bhatnagar Kanchan Sabharwal
 MD & CEO Director Whole Time Director
 DIN: 07286918 DIN: 02108354
Director

For Finova Capital Private Limited
 Company Secretary
 VE No: 451/27
 Place: Gurgaon
 June 14, 2020

Company Secretary


FY 18-19

FINOVA CAPITAL PRIVATE LIMITED
BALANCE SHEET AS AT MARCH 31, 2019


Particulars	Note	(Amounts in Rupees)	
		As at March 31, 2019	As at March 31, 2018
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share Capital	3	664,949,116	383,042,600
Reserves and Surplus	4	932,648,822	141,302,701
		<u>1,607,607,938</u>	<u>524,345,301</u>
NON CURRENT LIABILITIES			
Long Term Borrowings	5	1,429,946,109	403,610,605
Long Term Provisions	6	13,483,299	4,437,414
		<u>1,443,429,368</u>	<u>408,048,019</u>
CURRENT LIABILITIES			
Other Current Liabilities	7	537,029,441	304,541,716
Short Term Provisions	8	16,658,913	1,890,848
		<u>553,688,354</u>	<u>306,432,564</u>
Total		<u>3,594,715,660</u>	<u>1,238,825,884</u>
ASSETS			
NON CURRENT ASSETS			
Fixed Assets			
Property, Plant and Equipment	9	26,602,167	17,813,670
Intangible Assets	9	290,584	288,385
Deferred Tax Asset (Net)	10	2,305,124	785,897
Long Term Loans and Advances	11	2,219,602,911	840,826,950
Other Non Current Assets	12	20,500,000	9,000,000
		<u>2,269,300,786</u>	<u>868,715,102</u>
CURRENT ASSETS			
Current Investments	13	409,381,804	215,604,711
Cash and Bank Balances	14	638,419,355	29,847,542
Short Term Loans and Advances	15	238,983,033	112,432,309
Other Current Assets	16	38,630,682	12,226,220
		<u>1,325,414,874</u>	<u>370,110,782</u>
Total		<u>3,594,715,660</u>	<u>1,238,825,884</u>

Summary of Significant Accounting Policies 2.1

The accompanying notes are an integral part of the financial statements

As per our report of even date
 For S. R. BATLIBOI & ASSOCIATES LLP
 Chartered Accountants
 ICAI Firm Registration Number : 101049W/E300004

 per Anil Kates
 Partner
 Membership No. 094533

For and on behalf of the Board of Directors of
 FINOVA CAPITAL PRIVATE LIMITED

For Finova Capital Pvt. Ltd.

 Nitish Sahney
 MD & CEO
 DIN: 07777777
 Director

For Finova Capital Pvt. Ltd.

 Sanita Sahney
 Whole Time Director
 DIN: 02395234
 Director

Place: Mumbai
 June 12, 2019



Garima Jhambani
 Company Secretary
 M. No. 43137
 Place: Mumbai
 June 12, 2019

For Finova Capital Private Limited

 Authorised Signatory

FINOVA CAPITAL PRIVATE LIMITED
STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2019

Particulars	Note	(Amounts in Rupees)	
		For the year ended March 31, 2019	For the year ended March 31, 2018
REVENUES			
Revenue from Operations	17	406,580,434	148,106,129
Other Income	18	23,897,310	5,697,477
Total Revenue (I)		430,477,744	153,803,606
EXPENSES			
Employee Benefit Expenses	19	123,220,141	34,276,050
Finance Costs	20	152,021,876	46,581,336
Depreciation & Amortisation	9	3,781,468	1,137,743
Other Expenses	21	50,002,427	18,159,278
Provision on Loans & Advances	22	7,389,225	3,526,919
Total Expenses (II)		336,415,137	103,681,306
PROFIT BEFORE TAX (III)=(I)-(II)		94,062,607	50,122,300
Tax Expense			
Current Tax		26,247,619	14,475,863
Less: Previous Year Tax		(825,532)	-
Deferred Tax		(1,519,226)	(917,245)
Total Tax Expense (IV)		23,902,861	13,558,618
PROFIT AFTER TAX (III)-(IV)		70,159,746	36,563,682
Earnings per equity share of face value of Rs. 10 each	23		
Basic		14.03	7.31
Diluted		8.33	6.13
Summary of Significant Accounting Policies	2.1		
The accompanying notes are an integral part of the financial statements			

As per our report of even date

For S. R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants
ICAI Firm Registration Number : 101049W/E300004



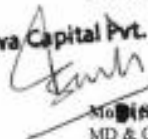
per Amit Kabra
Partner
Membership No. 094533

Place: Mumbai
June 12, 2019



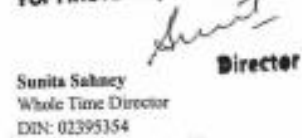
For and on behalf of the Board of Directors of
FINOVA CAPITAL PRIVATE LIMITED

For Finova Capital Pvt. Ltd.



MD & CEO
DIN: 07280918

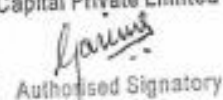
For Finova Capital Pvt. Ltd.



Director

For Finova Capital Private Limited

Garima Jhamani
Company Secretary
M. No: 43137
Place: Mumbai
June 12, 2019



Authorised Signatory

FINOVA CAPITAL PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019

Particulars	(Amounts in Rupees)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit before Taxation, and extraordinary item	94,062,607	50,122,300
Adjustments:		
Depreciation and Amortisation	3,781,468	1,137,743
Interest on Bank Deposits/staff advances/other non-operating income	(4,382,456)	(812,805)
Profit on Sale of Investments	(19,514,854)	(4,873,342)
Loss on Sales of Fixed Assets	653,149	-
Provision on Loans	7,389,225	3,526,919
Operating cash flow before working capital and other changes	81,989,139	49,180,816
Movement in working capital:		
Decrease / (increase) in Receivable under financing activity	(1,503,173,273)	(741,045,928)
Decrease / (increase) in Short term loans and advances	(181,651)	(1,142,489)
Decrease / (increase) in Long-term loans and advances	(613,536)	(600,200)
Decrease / (increase) in Other current assets	(27,631,686)	(11,028,324)
Decrease / (increase) in Other Non current assets	(11,500,000)	(1,682,463)
(Decrease) / increase in Other long-term liabilities	1,656,620	3,618,079
(Decrease) / increase in Other current liabilities	(71,355,621)	154,861,343
Cash Generated from Operations	(1,530,810,008)	(547,919,165)
Net Taxes Paid	(18,500,000)	(14,790,000)
Net Cash from/(used in) Operating Activities (A)	(1,549,310,008)	(562,669,165)
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets/Intangibles	(13,225,111)	(13,942,192)
Profit/(Loss) from Sale of Investments	19,514,854	4,873,342
Investment in fixed deposit	(600,000,000)	-
Interest Received	4,382,456	812,805
Net cash from/(used in) Investing Activities (B)	(589,327,801)	(8,256,045)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Issue of Share Capital (including Securities Premium)	1,017,166,643	383,000,025
Share Issue Exp	(19,498,133)	(11,350,389)
Proceeds from Borrowings from Bank and Others	1,587,300,000	485,000,000
Repayments of Borrowings from Bank and Others	(243,981,796)	(55,680,483)
Net Cash from/(used in) Financing Activities (C)	2,340,986,714	800,468,753
NET CHANGE IN CASH AND CASH EQUIVALENTS (A+B+C)	202,348,905	229,543,542
Cash and cash equivalents at the beginning of the year	245,452,253	15,908,711
Cash and Cash Equivalents at the end of the year	447,801,159	245,452,253
Components of Cash and Cash equivalents		
Cash in hand and balances with banks (refer note 14)	38,419,355	29,847,542
Short Term Investment (refer note 13)	409,381,804	215,604,711
Cash and Cash Equivalents at the end of year	447,801,159	245,452,253

As per our report of even date

For S. R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants
ICAI Firm Registration Number : 101049W/E300004

pre Anil Kataria
Partner
Membership No. 094533

Place: Mumbai
June 12, 2019



For and on behalf of the Board of Directors of
FINOVA CAPITAL PRIVATE LIMITED

For Finova Capital Pvt. Ltd.

For Finova Capital Pvt. Ltd.

Sunil Sahney
MD & Director
DIN: 07280918

Sunil Sahney
Whole Time Director
DIN: 02395354

Director

For Finova Capital Private Limited

Garima Jhammani
Company Secretary
M. No: 43137
Place: Mumbai
June 12, 2019

Authorised Signatory

FY 2017 - 18

FINOVA CAPITAL PRIVATE LIMITED
BALANCE SHEET AS AT MARCH 31, 2018

Particulars	Note	(Amounts in Rupees)	
		As at March 31, 2018	As at March 31, 2017
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share Capital	3	383,042,660	50,000,000
Reserves and Surplus	4	141,302,701	63,366,905
		524,345,361	113,366,905
NON CURRENT LIABILITIES			
Long Term Borrowings	5	403,610,603	92,469,592
Deferred Tax Liabilities (Net)	11	-	131,348
Long Term Provisions	6	4,437,414	839,336
		408,048,017	93,429,276
CURRENT LIABILITIES			
Short Term Borrowings	7	-	8,638,425
Other Current Liabilities	8	304,541,716	20,659,250
Short Term Provisions	9	3,890,848	568,524
		308,432,564	29,866,199
Total		1,238,825,884	236,653,380
ASSETS			
NON CURRENT ASSETS			
Fixed Assets			
Property, Plant and Equipment	10	17,813,870	5,177,964
Intangible Assets	10	288,183	119,842
Deferred Tax Asset (Net)	11	385,897	-
Long Term Loans and Advances	12	840,826,936	187,390,528
Other Non Current Assets	13	9,900,000	7,317,537
		868,715,142	200,005,871
CURRENT ASSETS			
Current Investments	14	215,694,711	5,500,002
Cash and Bank Balances	15	29,847,542	10,408,709
Short Term Loans and Advances	16	112,432,309	16,540,900
Other Current Assets	17	12,226,220	1,197,898
		370,116,782	36,647,509
Total		1,238,825,884	236,653,380

Summary of Significant Accounting Policies 2.1

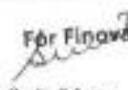
The accompanying notes are an integral part of the financial statements

As per our report of even date

For S. R. BATLIBOI & ASSOCIATES LLP
 Chartered Accountants
 ICAI Reg. No. Registration Number: 101049W/E/300004


 per Amit Kalra
 Partner
 Membership No. 094332
Place: Jaipur
May 24, 2018
 For and on behalf of the Board of Directors of
FINOVA CAPITAL PRIVATE LIMITED
 For Finova Capital Pvt. Ltd.


 Director
 MD & CEO
 DIN: 07289518


 Sarita Sahney
 Whole Time Director
 DIN: 82295354

Director

For FINOVA CAPITAL PVT. LTD.


 Vinodra Singh
 Company Secretary and Signatory
 M. No. 42551
 Place: Jaipur
 May 24, 2018

FINOVA CAPITAL PRIVATE LIMITED
STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2018

Particulars	Note	(Amounts in Rupees)	
		For the year ended March 31, 2018	For the year ended March 31, 2017
REVENUES			
Revenue from Operations	18	148,106,129	28,419,307
Other Income	19	5,697,477	4,044,482
Total Revenue (I)		153,803,606	32,463,789
EXPENSES			
Employee Benefit Expenses	20	34,276,030	7,317,363
Finance Costs	21	46,581,336	2,720,898
Depreciation & Amortisation	10	1,137,743	348,104
Other Expenses	22	18,159,278	2,583,118
Provision on Loans & Advances	23	3,526,919	811,660
Total Expenses (II)		103,681,306	13,781,143
PROFIT BEFORE TAX (III)=(I)-(II)		50,122,300	18,682,646
Tax Expense			
Current Tax		14,475,863	5,270,312
Less: MAT Credit		-	20,226
Deferred Tax		(917,245)	83,607
Total Tax Expense (IV)		13,558,618	5,374,145
PROFIT AFTER TAX (III)-(IV)		36,563,682	13,308,501
Earnings per equity share of face value of Rs. 10 each	24		
Basic		7.31	2.75
Diluted		6.13	2.75
Summary of Significant Accounting Policies	2.1		

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S. R. BATLHOLI & ASSOCIATES LLP
 Chartered Accountants
 ICAI Firm Registration Number : 101049W/E300004

 per Amit Kabra
 Partner
 Membership No. 094533

Place: Jaipur
 May 24, 2018



For and on behalf of the Board of Directors of
FINOVA CAPITAL PRIVATE LIMITED
 For Finova Capital Pvt. Ltd.

For Finova Capital Pvt. Ltd.

 Director
 Mohit Sahney
 MD & CEO
 DIN: 07280918

For Finova Capital Pvt. Ltd.

 Director
 Sanita Sahney
 Whole Time Director
 DIN: 02395354

For FINOVA CAPITAL PVT. LTD.

 Virender Singh
 Authorized Signatory
 Company Secretary
 M. No: 42561
 Place: Jaipur
 May 24, 2018

FINOVA CAPITAL PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

Particulars	(Amounts in Rupees)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit before Taxation, and extraordinary items	30,122,300	18,682,646
Adjustments:		
Depreciation and Amortisation	1,137,743	348,104
Interest on Bank Deposits	(812,805)	(143,097)
Provision on Loans	3,526,918	811,660
Operating cash flow before working capital and other changes	33,974,157	19,697,313
Movement in working capital:		
Decrease / (increase) in Receivable under financing activity	(791,045,927)	(204,278,132)
Decrease / (increase) in Short term loans and advances	(1,342,489)	34,593
Decrease / (increase) in Long-term loans and advances	(600,200)	-
Decrease / (increase) in Other current assets	(11,028,322)	(5,991,431)
Decrease / (increase) in Other Non-current assets	(1,682,463)	24,980,734
(Decrease) / increase in Other long-term liabilities	3,618,078	-
(Decrease) / increase in Other current liabilities	154,861,341	5,748,221
Cash Generated from Operations	(543,045,824)	(158,908,702)
Net Taxes Paid	(14,750,000)	(4,500,000)
Net Cash from/(used in) Operating Activities (A)	(557,795,824)	(163,408,702)
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets/Intangibles	(13,942,192)	(4,135,687)
Interest Received	812,805	143,097
Net cash from/(used in) Investing Activities (B)	(13,129,387)	(3,992,590)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Issue of Share Capital (including Securities Premium)	383,000,025	62,500,000
Share Issue Exp	(71,850,389)	-
Proceeds from Borrowings from Bank and Others	485,000,000	121,508,425
Repayments of Borrowings from Bank and Others	(55,680,883)	(2,020,930)
Net Cash from/(used in) Financing Activities (C)	839,468,753	182,417,495
NET CHANGE IN CASH AND CASH EQUIVALENTS (A+B+C)	229,543,542	15,016,203
Cash and cash equivalents at the beginning of the year	15,908,711	480,508
Cash and Cash Equivalents at the end of the year	245,452,253	15,908,711
Components of Cash and Cash equivalents		
Cash in hand and balances with banks (refer note 15)	29,847,542	10,408,709
Short Term Investment (refer note 14)	215,604,711	5,500,002
Cash and Cash Equivalents at the end of year	245,452,253	15,908,711

As per our report of even date

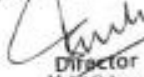
For S. R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants
KAI Firm Registration Number: 101049W/E/300004

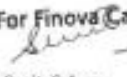

per **Amit Kalia**
Partner
Membership No. 094533

Place: Jaipur
May 24, 2018




For and on behalf of the Board of Directors of
FINOVA CAPITAL PRIVATE LIMITED
For Finova Capital Pvt. Ltd.


Mohit Sahney
Director
MD & CEO
DIN: 07289918


Sanita Sahney
Whole Time Director
DIN: 02195314

Director


Virender Singh
Company Secretary
M. No. 42561
Place: Jaipur
May 24, 2018

For FINOVA CAPITAL PVT. LTD.

ANNEXURE VI

BOARD RESOLUTION/COMMITTEE RESOLUTION



CERTIFIED TRUE COPY OF THE BOARD RESOLUTION PASSED AT THE MEETING OF THE BOARD OF DIRECTORS OF FINOVA CAPITAL PRIVATE LIMITED HELD ON SATURDAY, THE 01ST DAY OF AUGUST, 2020 AT 02:00 P.M. AT THE CORPORATE OFFICE OF THE COMPANY SITUATED AT FOURTH FLOOR, UNIQUE ASPIRE, PLOT NO. 13-14, COSMO COLONY, AMRAPALI MARG, VAISHALI NAGAR, JAIPUR-302021(RAJASTHAN)


TO ISSUE NON-CONVERTIBLE DEBENTURES AGGREGATE NOMINAL VALUE UP TO Rs. 300,00,00,000/- (RUPEES THREE HUNDRED CRORES ONLY) IN ONE OR MORE TRANCHES FROM TIME TO TIME

"RESOLVED THAT pursuant to the provisions of Sections 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and other applicable law, and pursuant to approval of members in their Extra-ordinary General meeting dated 31st July, 2020 and in accordance with the Memorandum of Association and Articles of Association of the Company, and subject to approvals, consents, sanctions, permissions as may be necessary from all appropriate statutory and regulatory authorities, and subject to such conditions and modifications as may be prescribed by the respective statutory and/or regulatory authorities while granting such approvals, consents, sanctions, permissions and subject to such conditions or modifications which may be agreed to by the Board, the approval of the Board be and is hereby accorded for the issue and allotment of non-convertible debentures, up to an aggregate amount of Rs. 300,00,00,000/- (Rupees Three hundred Crores Only), in one or more tranches, on terms and conditions as may be agreed, on a private placement basis from time to time.

RESOLVED FURTHER THAT the Board hereby authorizes the Executive Committee of Board of Directors and other internal members to decide tranches of allotment from time to time and all such acts, deeds and things as may be deemed necessary in respect of issue of NCDs including but not limited to number of issues/ tranches, face value, issue price, issue size, timing, amount, security, coupon/interest rate(s), yield, redemption price, listing, allotment and other terms and conditions of issue NCDs as they may, in their absolute discretion, deemed necessary.

RESOLVED FURTHER THAT Mr. Mohit Sahney, Managing Director and CEO, Mrs. Sunita Sahney, Whole Time Director and Ms. Garima Jhamnani, Company Secretary be and are hereby jointly or severally authorized to do all such acts, deeds and things as they may deem necessary or desirable in connection with the issue, offer and allotment of the Debentures."

CERTIFIED TO BE TRUE
FOR FINOVA CAPITAL PRIVATE LIMITED


GARIMA JHAMNANI
COMPANY SECRETARY
M. NO.: A43137



FINOVA CAPITAL PVT. LTD.

CIN - U65993RJ2015PTC048340

Regd. Office | 702, Seventh Floor, Unique Aspire, Plot No.13-14, Cosmo Colony, Amrapali Marg, Vaishali Nagar, Jaipur - 302021
Corp. Office | Fourth Floor, Unique Aspire, Plot No. 13-14, Cosmo Colony, Amrapali Marg, Vaishali Nagar, Jaipur - 302021



CERTIFIED TRUE COPY OF THE THE RESOLUTIONS PASSED AT THE MEETING OF THE EXECUTIVE COMMITTEE OF FINOVA CAPITAL PRIVATE LIMITED HELD ON FRIDAY, THE 18TH DAY OF DECEMBER, 2020 HELD AT CORPORATE OFFICE OF THE COMPANY AT FOURTH FLOOR, UNIQUE ASPIRE, PLOT NO 13-14, AMRAPALI MARG, VAISHALI NAGAR, JAIPUR- 302021 (RAJASTHAN) AT 11-00 A.M.

TO APPROVE THE ISSUANCE OF 3,000 (THREE THOUSAND) RATED, SENIOR, REDEEMABLE, TAXABLE, TRANSFERABLE, LISTED, PRINCIPAL PROTECTED, MARKET LINKED NON-CONVERTIBLE DEBENTURES

*RESOLVED THAT pursuant to the resolution of the board of directors of the Company passed in its meeting held on August 1, 2020 and in terms of the consent of the shareholders of the Company granted vide the shareholders resolution passed at the Extra Ordinary General Meeting held on 31.07.2020 and the provisions of Sections 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, including any statutory modifications or re-enactments thereof for the time being in force (the "Act"), the Foreign Exchange Management Act, 1999 (as amended from time to time), rules, regulations, guidelines, notifications, clarifications and circulars, if any, prescribed by the Government of India, all applicable regulations, directions, guidelines, circulars and notifications of the Reserve Bank of India ("RBI"), the Securities and Exchange Board of India ("SEBI"), including the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, and the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended, or any other regulatory authority, whether in India or abroad, and in accordance with the Memorandum of Association and the Articles of Association of the Company and the listing agreements entered into with the stock exchanges (the "Stock Exchanges") where the securities of the Company may be listed, and subject to approvals, consents, sanctions, permissions as may be required from any appropriate statutory and regulatory authorities, the approval of the Committee be and is hereby accorded for:

- (a) issue and allotment of 3,000 (three thousand) Rated, Senior, Redeemable, Taxable, Transferable, Listed, Principal Protected, Market Linked Non-Convertible Debentures denominated in Indian Rupees ("INR") each having a face value of INR 1,00,000 (Indian Rupees One Lakh) and aggregating to a face value of INR 30,00,00,000 (Indian Rupees Thirty Crore) or such other amount as may be determined, with coupon rate linked to the 10 Year G-sec 5.77 GS 2030 (ISIN - IN0020200153) ("Reference Index") (or such other coupon rate as may be agreed) on a private placement basis to Unifi AIF (being the identified persons for the purposes of Section 42 of the Act) ("Investors") for raising debt for the ongoing business operations of the Company and for such other purposes as may be agreed with the Investors, in one or more series comprising the following series or such other series as may be approved by the Committee:
- (i) 1,000 (one thousand) rated, senior, redeemable, taxable, transferable, listed, principal protected, market linked non-convertible debentures each having a face value of INR 1,00,000 (Indian Rupees One Lakh) and aggregating to a face value of INR 10,00,00,000 (Indian Rupees Ten Crore) or such other amount as may be determined ("Series 1 Debentures") with a coupon rate linked to the Reference Index, such that the annualized coupon rate shall be [(A) 0% (zero percent), if the Reference Index Performance is less than or equal to -75% (minus seventy five percent), (B) 11.75% (Eleven decimal seventy five percent) (XIRR), if the Reference Index Performance is greater than -75% (minus seventy five percent) but less than +75% (plus seventy five percent), and/or (C) 11.85% (Eleven decimal eighty five percent) (XIRR), if the Reference Index Performance is greater than or equal to +75% (plus seventy five

FINOVA CAPITAL PVT. LTD.

CIN : U65993RJ2015PTC048340

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Tel: 0141-4118202, www.finovalia, Email: info@finovalia

For Finova Capital Pvt. Ltd.

[Signature]
Director

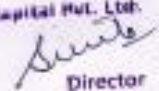
percent)) (or such other coupon rate as may be agreed) subject to deduction of taxes at source in accordance with applicable law, with or without gross up, and for a period of [14 (fourteen)] months from the deemed date of allotment or such other maturity period (subject to applicable law) as may be agreed with a call/put option at the end of period of 30 (thirty) months;

- (ii) 1,000 (one thousand) rated, senior, secured, redeemable, taxable, transferable, listed, principal protected, market linked non-convertible debentures each having a face value of INR 1,00,000 (Indian Rupees One Lakh) and aggregating to a face value of INR 10,00,00,000 (Indian Rupees Ten Crore) or such other amount as may be determined ("Series 2 Debentures") with a coupon rate linked to the Reference Index, such that the annualized coupon rate shall be [(A) 0% (zero percent), if the Reference Index Performance is less than or equal to -75% (minus seventy five percent), (B) 11.85% (eleven decimal eighty five percent) (XIRR), if the Reference Index Performance is greater than -75% (minus seventy five percent) but less than +75% (plus seventy five percent), and/or (C) 11.95% (eleven decimal ninety five percent) (XIRR), if the Reference Index Performance is greater than or equal to +75% (plus seventy five percent)] (or such other coupon rate as may be agreed) subject to deduction of taxes at source in accordance with applicable law, with or without gross up, and for a period of [30 (thirty) months] from the deemed date of allotment or such other maturity period (subject to applicable law) as may be agreed with a call/put option at the end of period of 30 (thirty) months; and

- (iii) 1,000 (one thousand) rated, senior, redeemable, taxable, transferable, listed, principal protected, market linked non-convertible debentures each having a face value of INR 1,00,000 (Indian Rupees One Lakh) and aggregating to a face value of 10,00,00,000 (Indian Rupees Ten Crore) or such other amount as may be determined ("Series 3 Debentures") with a coupon rate linked to the Reference Index, such that the annualized coupon rate shall be [(A) 0% (zero percent), if the Reference Index Performance is less than or equal to -75% (minus seventy five percent), (B) 11.90% (Eleven decimal ninety percent) (XIRR), if the Reference Index Performance is greater than -75% (minus seventy five percent) but less than +75% (plus seventy five percent), and/or (C) 12.00% (Twelve percent) (XIRR), if the Reference Index Performance is greater than or equal to +75% (plus seventy five percent)] (or such other coupon rate as may be agreed) subject to deduction of taxes at source in accordance with applicable law, with or without gross up, and for a period of [48 (forty eight) months] from the deemed date of allotment or such other maturity period (subject to applicable law) as may be agreed with a call/put option at the end of period of 30 (thirty) months.

For the purposes of the above, reference index performance ("Reference Index Performance") shall be calculated (as a percentage) as the difference of (a) the ratio of (i) the final fixing level (being the official closing level of the Reference Index on the final fixing date, as may be determined in accordance with the Transaction Documents (as defined below)) and (ii) the initial fixing level (being the official closing level of the Reference Index on the initial fixing date, as may be determined in accordance with the Transaction Documents), and (b) 1 (one); and

- (b) collateralize the amounts to be raised pursuant to the issue of Debentures together with all interest and other charges thereon (up to such limits and security cover as may be agreed) by one or more of the following (i) hypothecation of certain identified loans/book debts (and/or other assets) of the Company, (ii) charge over fixed deposits of the Company, (iii) charge over

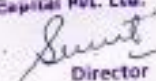
For Finova Capital Pvt. Ltd.

 Director

debt mutual funds units held by the Company, and/or (iv) such other security or contractual comfort as may be required in terms of the issuance of the Debentures (the "Security/Collateral").

RESOLVED FURTHER THAT Mr. Mohit Sahney (DIN: 07280918), Mrs. Sunita Sahney (DIN: 0239534), Whole Time Director and Mr. Ravi Sharma, Vice President-Finance (collectively, the "Authorized Persons") be and are hereby severally authorised to do such acts, deeds and things as they deem necessary or desirable in connection with the issue, offer and allotment of the Debentures, including, without limitation the following:

- (a) seeking, if required, any approval, consent or waiver from any/all concerned governmental and regulatory authorities, and/or any other approvals, consent or waivers that may be required in connection with the issue, offer and allotment of the Debentures;
- (b) executing the term sheet in relation to the Debentures;
- (c) negotiating, approving and deciding the terms of the issue of Debentures and all other related matters;
- (d) seeking the listing of the Debentures on any Stock Exchange, submitting the listing application and taking all actions that may be necessary in connection with obtaining such listing;
- (e) (if so required) creating and maintaining a recovery expense fund with the relevant Stock Exchanges in accordance with the requirements of the circular no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/207 dated October 22, 2020 on "Contribution by Issuers of listed or proposed to be listed debt securities towards creation of "Recovery Expense Fund" issued by SEBI;
- (f) approving the debt disclosure document/information memorandum and the private placement offer cum application letter (including amending, varying or modifying the same, as may be considered desirable or expedient), in accordance with all applicable laws, rules, regulations and guidelines;
- (g) finalizing the terms and conditions of the appointment of an arranger, a debenture trustee, a registrar and transfer agent, a credit rating agency, legal counsel, a depository and such other intermediaries as may be required including their successors and their agents;
- (h) finalising the terms of the the issue, offer and allotment of the Debentures;
- (i) entering into arrangements with the depository in connection with issue of Debentures in dematerialised form;
- (j) creating and perfecting the Security/Collateral as required in accordance with the terms of the Transaction Documents (as defined below) in relation to the issue, offer and allotment of the Debentures;
- (k) finalizing the date of allocation and the deemed date of allotment of the Debentures;
- (l) negotiating, executing, filing and delivering any documents, instruments, deeds, amendments, papers, applications, notices or letters as may be required in connection with the issue, offer and allotment of the Debentures and dealing with regulatory authorities in connection with the issue, offer and allotment of the Debentures including but not limited to the RBI, SEBI (if so required), any Stock Exchange, the relevant registrar of companies, the

For Finova Capital Pvt. Ltd.

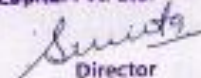

Director

Central Registry of Securitisation Asset Reconstruction and Security Interest, the Ministry of Corporate Affairs, or any depository, and such other authorities as may be required;

- (m) to execute all documents with, file forms with and submit applications to any Stock Exchange (if so required), the relevant registrar of companies, the Ministry of Corporate Affairs, the relevant sub-registrar of assurances (if so required), Central Registry of Securitisation Asset Reconstruction and Security Interest or any depository;
- (n) sign and/or dispatch all documents and notices to be signed and/or dispatched by the Company under or in connection with the Transaction Documents;
- (o) to take all steps and do all things and give such directions as may be required, necessary, expedient or desirable for giving effect to the Transaction Documents, the transactions contemplated therein and the resolutions mentioned herein, including without limitation, to approve, negotiate, finalise, sign, execute, ratify, amend, supplement and/or issue the following, including any amendments, modifications, supplements, restatements or novations thereto (now or in the future):
 - (i) the debt disclosure document/information memorandum and the private placement offer cum application letter for the issue, offer and allotment of the Debentures in Form PAS-4 (collectively, the "Disclosure Documents");
 - (ii) debenture certificate for the Debentures;
 - (iii) debenture trust deed, debenture trustee agreement, deed of hypothecation, and any other documents required for the creation of security interest over the Company's movable assets, or the issue, offer and allotment of the Debentures (including any powers of attorney in connection thereto), and any other document in relation thereto (collectively, the "Transaction Documents");
 - (iv) any other documents required for the purposes of the issue, offer and allotment of the Debentures and the transactions contemplated thereby, including but not limited to letters of undertaking, declarations, agreements, reports; and
 - (v) any other document designated as a Transaction Document by the debenture trustee/holders of the Debentures;
- (p) do all acts necessary for the issue, offer and allotment of the Debentures in accordance with the terms set out in the Disclosure Documents and the Transaction Documents; and
- (q) to generally do any other act or deed, to negotiate and execute any documents, applications, agreements, undertakings, deeds, affidavits, declarations and certificates in relation to (a) to (p) above, and to give such directions as it deems fit or as may be necessary or desirable with regard to the issue, offer and allotment of the Debentures."

RESOLVED FURTHER THAT the Authorised Persons be and are hereby severally authorised to take all necessary steps relating to the creation, perfection and registration of charges and also to sign and submit the necessary forms with the relevant registrar of companies, the Central Registry of Securitisation Asset Reconstruction and Security Interest, the Ministry of Corporate Affairs, or any depository, and other relevant governmental authorities.

For Finova Capital Pvt. Ltd.


Director

RESOLVED FURTHER THAT the Committee hereby approves and ratifies all such acts, deeds and actions taken by the Company till date for the purpose of the issue, offer and allotment of the Debentures.

RESOLVED FURTHER THAT the Authorised Persons be and are hereby severally authorised to record the name of the holders of the Debentures in the register of debenture holders and to undertake such other acts, deeds and acts as may be required to give effect to the issuance and allotment of the Debentures and the listing of the Debentures.

RESOLVED FURTHER THAT the Authorised Persons be and are hereby severally authorised to pay all stamp duty required to be paid for the issue, offer and allotment of the Debentures in accordance with the laws of India and procure the stamped documents from the relevant governmental authorities.

RESOLVED FURTHER THAT the Authorised Persons be and are hereby severally authorised to approve and finalise, sign, execute and deliver the Transaction Documents and such other agreements, deeds, undertakings, indemnity and documents as may be required, or any of them in connection with the Debentures to be issued by the Company.

RESOLVED FURTHER THAT the Authorised Persons be and hereby severally authorised to register or lodge for registration upon execution documents, letter(s) of undertakings, declarations, and agreements and other papers or documents as may be required in relation to any of the above with any registering authority or any governmental authority competent in that behalf.

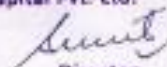
RESOLVED FURTHER THAT the Authorised Persons be and are hereby severally authorised to delegate the powers to any other employee/representative/agent as may be deemed necessary to do such acts and execute such documents as may be required in connection with any of the matters relating to the issue of the Debentures.

RESOLVED FURTHER THAT the common seal of the Company be affixed to the stamped engrossments of such documents as may be required to be executed under the common seal of the Company in the presence of any director(s) of the Company and/or any Authorised Person and/or the Company Secretary of the Company who shall sign/ countersign the same in token thereof in accordance with the articles of association of the Company.

RESOLVED FURTHER THAT the aforesaid resolutions shall come into effect immediately and a copy of the foregoing resolution certified to be a true copy by any of the Directors of the Company may be furnished to such parties concerned with respect to the issue of the Debentures."

**CERTIFIED TRUE COPY
FOR FINOVA CAPITAL PRIVATE LIMITED**

For Finova Capital Pvt. Ltd.


Director

**SUNITA SAHNEY
WHOLETIME DIRECTOR
DIN: 02395354**

ANNEXURE VII

SHAREHOLDERS RESOLUTION



CERTIFIED TRUE COPY OF THE SPECIAL RESOLUTION PASSED AT THE EXTRA ORDINARY GENERAL MEETING OF THE MEMBERS OF FINOVA CAPITAL PRIVATE LIMITED HELD ON FRIDAY, THE 31ST DAY OF JULY, 2020 AT 04:00 P.M. AT THE CORPORATE OFFICE OF THE COMPANY SITUATED AT FOURTH FLOOR, UNIQUE ASPIRE, PLOT NO. 13-14, COSMO COLONY, AMRAPALI MARG, VAISHALI NAGAR, JAIPUR-302021(RAJASTHAN)

1. APPROVAL OF THE ISSUE OF NON-CONVERTIBLE DEBENTURES ON PRIVATE PLACEMENT BASIS

"RESOLVED THAT pursuant to the provisions of Sections 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the rules made thereunder, and pursuant to the Foreign Exchange Management Act, 1999, rules, regulations, guidelines, notifications, clarifications and circulars, if any, prescribed by the Government of India, all applicable regulations, directions, guidelines, circulars and notifications of the Reserve Bank of India ("RBI"), the Securities and Exchange Board of India Act, 1992 ("SEBI"), including the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), or any other regulatory authority, whether in India or abroad, and in accordance with the Memorandum of Association and the Articles of Association of the Company and subject to such conditions and modifications as may be prescribed by the respective statutory and/or regulatory authorities while granting such approvals, consents, sanctions, permissions, approval of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter called "the Board" which term shall be deemed to include any Committee thereof, which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution and with the power to delegate such authority to any person or persons) to offer, issue and allot, in one or more tranches Non-convertible Debentures (NCDs) including but not limited to subordinate debentures, bonds, and/or other debt securities etc. on private placement basis, during the period of one year from the date of passing of the Special Resolution by the Members, for an amount of Rs. 300,00,00,000/- (Rupees Three Hundred Crores Only) on such terms and conditions and at such times at par or at such premium, as may be decided by the Board in one or more tranches to such person(s), including one or more company(ies), bodies corporate(s), statutory corporations, commercial banks, lending agencies, financial institutions, insurance companies, mutual funds, pension/provident funds and individuals, as the case may be or such other person(s) as the Board may decide.

RESOLVED FURTHER THAT the aggregate amount of all such NCDs taken together with domestic/off-shore, secured/unsecured, loans/borrowings, commercial papers, and guarantees shall not exceed the borrowing powers under section 180(1)(c) read with section 179 of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to determine and consider terms of issue of NCD that are appropriate and most beneficial to the Company including, without limitation, the class of investors to whom the NCDs are to be issued, timing, size, series/ tranches, issue price, tenor, interest rate, listing, if any, creation of security, appointment of debenture trustee(s) and other agency(ies) and to do all such acts and things and deal with all such matters and settle all the questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the Members of the Company and take all such steps as may be necessary and to sign and execute any deeds/ documents/ undertakings/ agreements/ papers/ writings, as may be required in this regard and matters connected

FINOVA CAPITAL PVT. LTD.

CIN : U65993RJ2015PTC048340

For Finova Capital Private Limited

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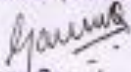
Company Secretary

therewith or incidental thereto and to get the acts pursuant to power herein conferred executed through any committee of the Board, Director(s) and / or officer(s) of the Company.”

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do, from time to time, all such acts, deeds and things as may be deemed necessary in respect of issue of NCDs including but not limited to number of issues/ tranches, face value, issue price, issue size, timing, amount, security, coupon/interest rate(s), yield, listing, allotment and other terms and conditions of issue NCDs as they may, in their absolute discretion, deemed necessary to give effect to this resolution.”

**CERTIFIED TO BE TRUE
FOR FINOVA CAPITAL PRIVATE LIMITED**

For Finova Capital Private Limited


Company Secretary

**GARIMA JHAMNANI
COMPANY SECRETARY
M. NO.: A43137**



CERTIFIED TRUE COPY OF THE EXPLANATORY STATEMENT IN RELATION TO ITEM NO. 1 PASSED AS A SPECIAL RESOLUTION AT THE EXTRA ORDINARY GENERAL MEETING OF THE MEMBERS OF FINOVA CAPITAL PRIVATE LIMITED HELD ON FRIDAY, THE 31ST DAY OF JULY, 2020 AT 04:00 P.M. AT THE CORPORATE OFFICE OF THE COMPANY SITUATED AT FOURTH FLOOR, UNIQUE ASPIRE, PLOT NO. 13-14, COSMO COLONY, AMRAPALI MARG, VAISHALI NAGAR, JAIPUR-302021(RAJASTHAN)

ITEM NO. 1

Based on the projected long-term borrowings and taking into consideration the scheduled maturities and for the purpose of retaining flexibility for inter changing between banks loans and non-convertible debentures ("NCDs") of the Company, it is proposed to borrow during one year by way of issuing NCDs of an amount not exceeding Rs. 300,00,00,000/- (Rupees Three Hundred Crores Only) in one or more tranches on a private placement basis.

As per the provisions of Rule 14 (2) of Companies (Prospectus and allotment of Securities) Rules, 2014, a Company shall not make a private placement of its securities unless the proposed offer of securities or invitation to subscribe securities has been approved by the Shareholders of the Company, by a Special Resolution. Further it has been provided in the aforesaid rules that it is sufficient to pass a previous special resolution only once in a year for all offers or invitation for non-convertible debentures.

Hence, it is proposed to empower and authorized the Board of the Company to make offer or invitation by way of private placement to issue non-convertible debentures aggregating up to Rs. 300,00,00,000/- (Rupees Three Hundred Crores Only) up to a period of one year from the date of passing of Special Resolution, for the purpose of business activities of the Company.

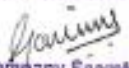
As per Rule 14 (2) of Companies (Prospectus and allotment of Securities) Rules, 2014 and other applicable provisions of the Companies Act, 2013, approval of the members is sought by way of a Special Resolution.

The Board of Directors at their meeting held on 31st July, 2020 had approved the issue of non-convertible debentures on private placement basis.

The Board of Directors recommends the resolution set out at item no. 1 of the Notice for the approval by the members as Special Resolution.

None of the Directors, Key Managerial Personnel of the Company or their respective relatives, are in any way concerned or interested, financially or otherwise, in the said resolution.

**CERTIFIED TRUE COPY
FOR FINOVA CAPITAL PRIVATE LIMITED**


Company Secretary

**GARIMA JHAMNANI
COMPANY SECRETARY
M. NO.: A43137**

FINOVA CAPITAL PVT. LTD.
CIN : U65993RJ2015PTC048340

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Tel: 0141-4118202, www.fnova.in, E-mail : info@fnova.in

ANNEXURE VIII

ILLUSTRATION OF BOND CASH FLOWS AND SCENARIO ANALYSIS

PART A
REDEMPTION SCHEDULE (SERIES 1)

SCENARIOS	FINAL REDEMPTION DATE (SERIES 1)	PRINCIPAL AMOUNTS TO BE REDEEMED (IN INR)	INTEREST AMOUNTS (SERIES 1) (IN INR)**	REDEMPTION PAYMENT (IN INR) <i>(being the aggregate of the Outstanding Principal Amounts in respect of Series 1 Debentures and the Interest Amounts (Series 1))</i>
If the price of Reference Index decreases by 75% or more from the Initial Fixing Level	24th February 2022	10,00,00,000/-	0/-	10,00,00,000/-
If the price of Reference Index decreases/increases by less than 75% from the Initial Fixing Level	24th February 2022	10,00,00,000/-	1,38,78,831.69	11,38,78,831.69
If the price of Reference Index increases by 75% or more from the Initial Fixing Level	24th February 2022	10,00,00,000/-	1,39,98,055.63	11,39,98,055.63

** The determination of the Interest Amounts (Series 1) under this Annexure VIII Part A assumes the scenarios specified under the column titled "Scenarios" above.

PART B

REDEMPTION SCHEDULE (SERIES 2)

SCENARIOS	FINAL REDEMPTION DATE (SERIES 1)	PRINCIPAL AMOUNTS TO BE REDEEMED (IN INR)	INTEREST AMOUNTS (SERIES 1) (IN INR)**	REDEMPTION PAYMENT (IN INR) <i>(being the aggregate of the Outstanding Principal Amounts in respect of Series 1 Debentures and the Interest Amounts (Series 1))</i>
If the price of Reference Index decreases by 75% or more from the Initial Fixing Level	23 rd June 2023	10,00,00,000/-	0/-	10,00,00,000/-
If the price of Reference Index decreases/increases by less than 75% from the Initial Fixing Level	23 rd June 2023	10,00,00,000/-	3,22,48,299.73	13,22,48,299.73
If the price of Reference Index increases by 75% or more from the Initial Fixing Level	23 rd June 2023	10,00,00,000/-	3,25,43,604.17	13,25,43,604.17

*** The determination of the Interest Amounts (Series 2) under this Annexure VIII Part B assumes the scenarios specified under the column titled "Scenarios" above..*

PART C
REDEMPTION SCHEDULE (SERIES 3)

SCENARIOS	FINAL REDEMPTION DATE (SERIES 1)	PRINCIPAL AMOUNTS TO BE REDEEMED (IN INR)	INTEREST AMOUNTS (SERIES 1) (IN INR)**	REDEMPTION PAYMENT (IN INR) (being the aggregate of the Outstanding Principal Amounts in respect of Series 1 Debentures and the Interest Amounts (Series 1))
If the price of Reference Index decreases by 75% or more from the Initial Fixing Level	24 th December 2024	10,00,00,000/-	0/-	10,00,00,000/-
If the price of Reference Index decreases/increases by less than 75% from the Initial Fixing Level	24 th December 2024	10,00,00,000/-	5,68,39,022.60	15,68,39,022.60
If the price of Reference Index increases by 75% or more from the Initial Fixing Level	24 th December 2024	10,00,00,000/-	5,74,00,799.72	15,74,00,799.72

*** The determination of the Interest Amounts (Series 3) under this Annexure VIII Part C assumes the scenarios specified under the column titled "Scenarios" above..*

PART D
REDEMPTION SCHEDULE (CALL/PUT OPTION)

SCENARIOS	FINAL REDEMPTION DATE (SERIES 1)	PRINCIPAL AMOUNTS TO BE REDEEMED (IN INR)	INTEREST AMOUNTS (SERIES 1) (IN INR)**	REDEMPTION PAYMENT (IN INR) (being the aggregate of the Outstanding Principal Amounts in respect of Series 1 Debentures and the Interest Amounts (Series 1))
If the price of Reference Index decreases by 75% or more from the Initial Fixing Level	23 rd June 2023	20,00,00,000/-	0/-	20,00,00,000/-
If the price of Reference Index decreases/increases by less than 75% from the Initial Fixing Level	23 rd June 2023	20,00,00,000/-	6,44,96,599.45	26,44,96,599.45
If the price of Reference Index increases by 75% or more from the Initial Fixing Level	23 rd June 2023	20,00,00,000/-	6,50,87,208.34	26,50,87,208.34

*** The determination of the Interest Amounts (Call/Put Option) under this Annexure VIII Part D assumes the scenarios specified under the column titled "Scenarios" above..*

PART D
GRAPHIC REPRESENTATION OF SCENARIO ANALYSIS/VALUE MATRIX

The following table shows the value of the NCDs at maturity under different market conditions:

Series 1:

Movement in Price of the Reference Index	Issue Price (Rs.)	Annualised Pre-Tax Return IRR	Maturity Value* (Rs.)
-90%	1,00,000.00	0%	1,00,000.00
-50%	1,00,000.00	11.75%	1,13,878.83
-10%	1,00,000.00	11.75%	1,13,878.83
+10%	1,00,000.00	11.75%	1,13,878.83
+50%	1,00,000.00	11.75%	1,13,878.83
+90%	1,00,000.00	11.85%	1,13,998.06
+120%	1,00,000.00	11.85%	1,13,998.06

*The return on the debentures is calculated based on the issue price of Debentures.

Series 2:

Movement in Price of the Reference Index	Issue Price (Rs.)	Annualised Pre-Tax Return IRR	Maturity Value* (Rs.)
-90%	1,00,000.00	0%	1,00,000.00
-50%	1,00,000.00	11.85%	1,32,248.30
-10%	1,00,000.00	11.85%	1,32,248.30
+10%	1,00,000.00	11.85%	1,32,248.30
+50%	1,00,000.00	11.85%	1,32,248.30
+90%	1,00,000.00	11.95%	1,32,543.60
+120%	1,00,000.00	11.95%	1,32,543.60

*The return on the debentures is calculated based on the issue price of Debentures.

Series 3:

Movement in Price of the Reference Index	Issue Price (Rs.)	Annualised Pre-Tax Return IRR	Maturity Value* (Rs.)
-90%	1,00,000.00	0%	1,00,000.00
-50%	1,00,000.00	11.90%	1,56,839.02
-10%	1,00,000.00	11.90%	1,56,839.02
+10%	1,00,000.00	11.90%	1,56,839.02
+50%	1,00,000.00	11.90%	1,56,839.02
+90%	1,00,000.00	12.00%	1,57,400.80
+120%	1,00,000.00	12.00%	1,57,400.80

*The return on the debentures is calculated based on the issue price of Debentures.

Call / Put option:

Movement in Price of the Reference Index	Issue Price	Annualised Pre-Tax Return IRR	Maturity Value*
-90%	1,00,000.00	0%	1,00,000.00
-50%	1,00,000.00	11.85%	1,32,248.30
-10%	1,00,000.00	11.85%	1,32,248.30
+10%	1,00,000.00	11.85%	1,32,248.30
+50%	1,00,000.00	11.85%	1,32,248.30
+90%	1,00,000.00	11.95%	1,32,543.60
+120%	1,00,000.00	11.95%	1,32,543.60

*The return on the debentures is calculated based on the issue price of Debentures.

Movement range	Series I	Series II	Series III
	Effective Annualised Interest Rate		
If the price of Reference Index decreases by 75% or more from the Initial fixing level	0%	0%	0%
If the price of Reference Index decreases/increases by less than 75% from the Initial fixing level	11.75%	11.85%	11.90%
If the price of Reference Index increases by 75% or more from the Initial fixing level	11.85%	11.95%	12.00%

Scenario Analysis

Series I:

Scenario	Particulars	Return (XIRR)	Face Value (Rs.)	Maturity Value (Rs.)
Moderately falling to rising	If the price of Reference Index decreases/increases by less than 75% from the Initial fixing level	11.75%	1,00,000.00	1,13,878.83
OR				
Substantially Rising	If the price of Reference Index increases by 75% or more from the Initial fixing level	11.85%	1,00,000.00	1,13,998.06
OR				
Substantially Falling	If the price of Reference Index decreases by 75% or more from the Initial fixing level	0%	1,00,000.00	1,00,000.00

Series II:

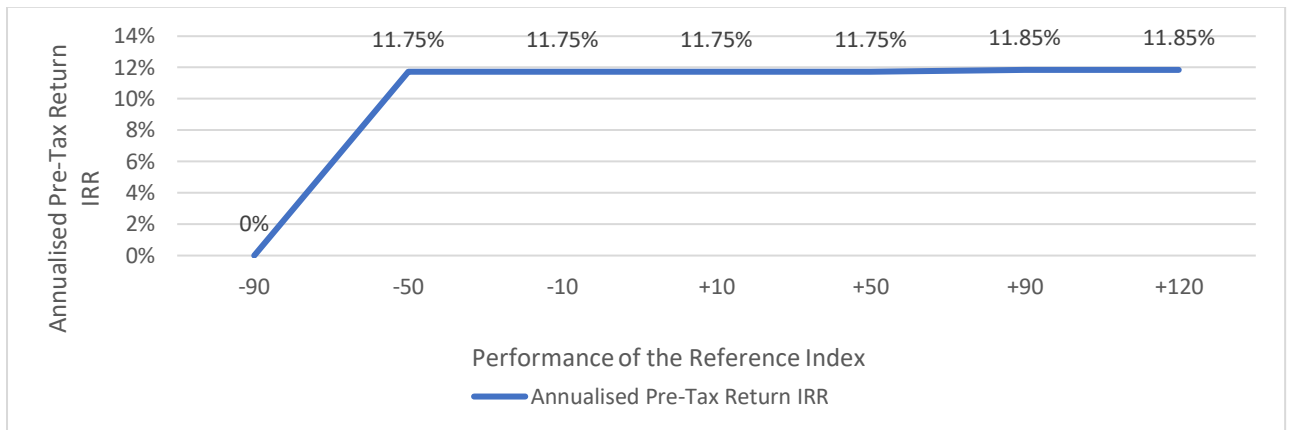
Scenario	Particulars	Return (XIRR)	Face Value (Rs.)	Maturity Value (Rs.)
Moderately falling to rising	If the price of Reference Index decreases/increases by less than 75% from the Initial fixing level	11.85%	1,00,000.00	1,32,248.30
OR				
Substantially Rising	If the price of Reference Index increases by 75% or more from the Initial fixing level	11.95%	1,00,000.00	1,32,543.60
OR				
Substantially Falling	If the price of Reference Index decreases by 75% or more from the Initial fixing level	0%	1,00,000.00	1,00,000.00

Series III:

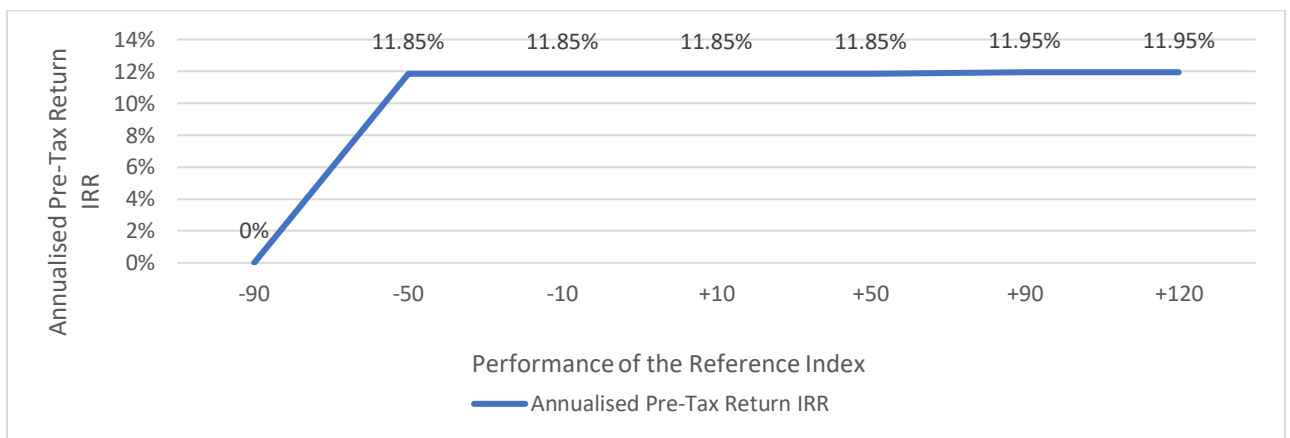
Scenario	Particulars	Return (XIRR)	Face Value (Rs.)	Maturity Value (Rs.)
Moderately falling to rising	If the price of Reference Index decreases/increases by less than 75% from the Initial fixing level	11.90%	1,00,000.00	1,56,839.02
OR				
Substantially Rising	If the price of Reference Index increases by 75% or more from the Initial fixing level	12.00%	1,00,000.00	1,57,400.80
OR				
Substantially Falling	If the price of Reference Index decreases by 75% or more from the Initial fixing level	0%	1,00,000.00	1,00,000.00

Graphical Representation:

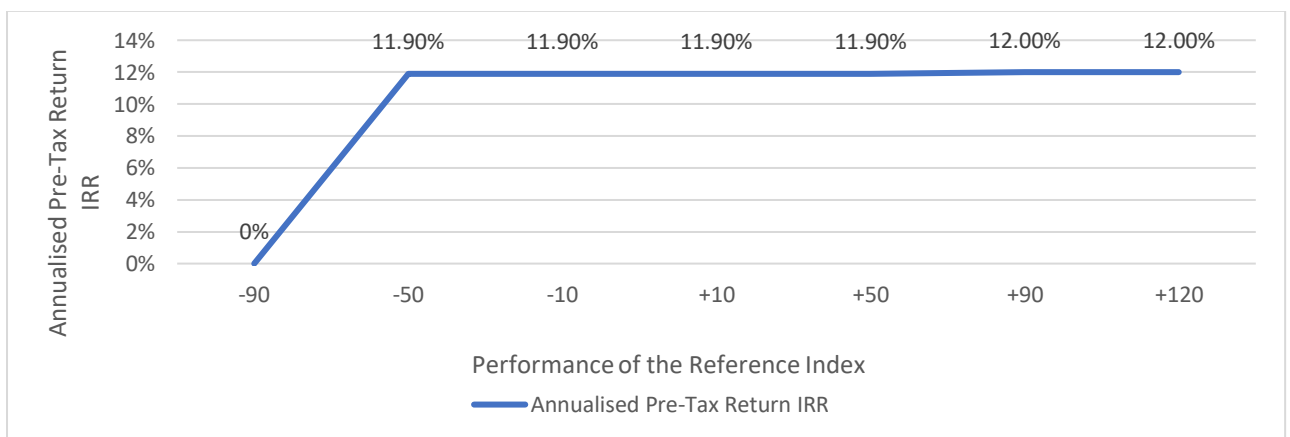
Series I



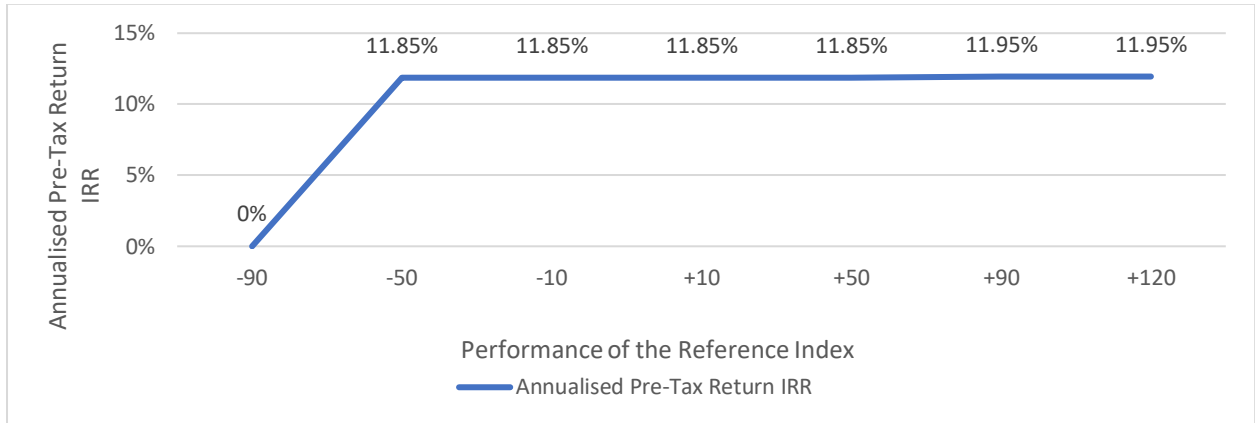
Series II



Series III



Call / Put Option



This scenario analysis is provided for illustrative purposes only and does not represent actual termination of unwind prices, nor does it present all possible outcomes or describe all factors that may affect the value of your investment.

ANNEXURE IX

IN-PRINCIPLE APPROVAL FROM THE BOMBAY STOCK EXCHANGE

BSE Limited Registered Office: Floor 25, P J Towers, Dalal Street, Mumbai – 400 001, India
 T : +91 22 2272 8043 / 8033 F : +91 22 2272 3437 www.bseindia.com
 Corporate Identity Number: L67120MH2005PLC155188



DCS/COMP/CS/IP-PPDI/561/20-21

December 21, 2020

The Company Secretary
 Finova Capital Private Limited
 702, 7th floor, Unique Aspire at P.no 13-14, Cosmo Colony Amrapali Marg, Vaishali Nagar, Jaipur-302021 (Rajasthan)

Dear Sir/Madam,

Re: Private Placement of 3000 Rated, Senior, Redeemable, Taxable, Transferable, Listed, Principal Protected, Market Linked Non-Convertible Debentures of the face value of Rs.1,00,000/- each aggregating to a face value of Rs.30 Crore ("Debentures"/"NCDs"), comprising of Rated, Senior, Redeemable, Taxable, Transferable, Listed, Principal Protected, Market Linked Non-Convertible debentures (Series 1,2 and 3) each having a face value of Rs.1,00,000/- aggregating to a face value of Rs.10 Crore (The "Series 1,2 and 3 debentures") each series, issued on a fully paid basis (The "Issue").

We acknowledge receipt of your application on the online portal on December 21, 2020 seeking In-principle approval for issue of captioned security. In this regard, the Exchange is pleased to grant in-principle approval for listing subject to fulfilling the following conditions:

1. Filing of listing application.
2. Payment of fees as may be prescribed from time to time.
3. Compliance with Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 as amended 2012, and submission of Disclosures and Documents as per Regulations 21, in the format specified in Schedule I of the said Regulations and also Compliance with provisions of Companies Act 2013.
4. Receipt of Statutory & other approvals & compliance of guidelines issued by the statutory authorities including SEBI, RBI, DCA etc. as may be applicable.
5. Compliance with change in the guidelines, regulations directions of the Exchange or any statutory authorities, documentary requirements from time to time.
6. Compliance with below mentioned circular dated June 10, 2020 issued by BSE before opening of the issue to the investors:
<https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20200610-31>

This In-Principle Approval is valid for a period of 1 year from the date of issue of this letter. The Exchange reserves its right to withdraw its in-principle approval at any later stage if the information submitted to the Exchange is found to be incomplete/ incorrect/misleading/false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Guidelines/Regulations issued by the statutory authorities etc. Further, it is subject to payment of all applicable charges levied by the Exchange for usage of any system, software or similar such facilities provided by BSE which the Company shall avail to process the application of securities for which approval is given vide this letter.

Yours faithfully,

For BSE Limited

Sd/-
 Rupal Khandelwal
 Senior Manager

Sd/-
 Akshay Arolkar
 Assistant Manager