

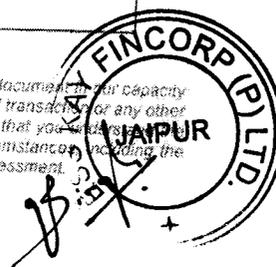
**Indicative terms and conditions**

**Purpose:** the purpose of this document ("the Indicative Term Sheet") is to outline the terms and conditions of a potential Non-Convertible Debenture issuance by the Issuer proposed to be subscribed to by the Investor. This Indicative Term Sheet does not constitute a final offer, is not exhaustive and may be subject to change.

<b>Issuer/Company</b>	Ess Kay Fincorp Private Limited ("Esskay")
<b>Promoter(s)</b>	Rajendra Kumar Setia
<b>Investor(s)/Debenture Holders</b>	Scient Capital Private Limited BlackSoil Capital Private Limited SKS Capital Private Limited
<b>Debenture Trustee</b>	Axis Trustee Services Limited
<b>Rating Agency</b>	[CARE BBB+]
<b>Legal Counsel</b>	Not Applicable
<b>Issuance</b>	Rated, Secured, Contingent, Terminal Payment Coupon, Non-Convertible Debentures (CTC-"NCDs")
<b>Ranking</b>	Each Debenture issued by the Issuer will constitute direct and secured obligations of the Issuer. The claims of the Debenture Holders shall and shall rank pari passu to all senior, secured indebtedness of the Issuer.  Each of the Debenture Holders shall inter-se rank pari passu in relation to their rights and benefits in relation to the Debentures, without any preference or privilege.
<b>Registrar &amp; Transfer Agent</b>	Bigshare Services Private Limited
<b>Depository</b>	NSDL
<b>Issuance mode</b>	Dematerialized, Private Placement
<b>Trading mode</b>	Dematerialized
<b>Settlement mode</b>	ECS
<b>Listing</b>	Unlisted; to be listed in WDM segment of BSE within 30 days of the date of Company's Tangible Net Worth exceeding INR 100,00,00,000 (Indian Rupees One Hundred Crores).
<b>Business Days</b>	A day (other than a Saturday, a Sunday or a Bank Holiday) on which banks are open for general business in Mumbai
<b>Business Convention</b>	Day <ul style="list-style-type: none"> <li>• If any coupon payment date falls on a day that is not a working day, the payment shall be made on the immediately succeeding working day.</li> <li>• If the redemption date of the Debentures falls on a day that is not a working day, the redemption proceeds shall be paid on the immediately preceding working day</li> <li>• If the Maturity Date (also the last coupon payment date) of the Debentures falls on a day that is not a working day, the redemption proceeds and coupon payment shall be paid on the immediately preceding working day.</li> </ul>
<b>Record Date</b>	3 (Three) Business Days prior to Redemption Date of the Debentures
<b>Use of Proceeds</b>	The proceeds of the Issuance will be utilized for the following purposes: <ul style="list-style-type: none"> <li>• General corporate purposes</li> <li>• for the ordinary course of business of the Issuer including repayment/re-financing of existing debt</li> </ul> <p>No part of the proceeds shall be utilized directly/indirectly towards capital markets (debt or equity), land acquisition or usages that are restricted for bank financing.</p>

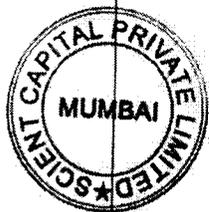


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<b>Amount/Issuance Size</b>	INR 15,00,00,000 (Indian Rupees Fifteen Crores Only) with a Green Shoe Option of additional Rs 10,00,00,000 (Indian Rupees Ten Crores Only)	
<b>Issue price</b>	At par	
<b>Security</b>	The company shall maintain a cover of 1.1x at all times. Any receivables identified and charged by way of hypothecation if it becomes overdue beyond 90 days / are repaid / are foreclosed shall be replaced by the company to maintain a cover of 1.1x at all times.  Pari passu charge over the immovable property of the Company. If the Company is desirous of creating any further charge on the Immovable Property, the Company shall be entitled to do so without requiring the consent of, the Debenture Trustee.	
<b>Post dated cheques</b>	PDCs signed Mr. Rajendra Kumar Setia/Authorised Signatory for redemption amount	
<b>Nominal value per Debenture</b>	INR 20,000 (Indian Rupees Twenty Thousand Only)	
<b>Issue Price</b>	INR 20,000 (Indian Rupees Twenty Thousand Only)	
<b>Minimum subscription amount</b>	INR 1,00,00,000 (Indian Rupees One Crore Only)	
<b>Rating</b>	[CARE] BBB+	
<b>Tenor</b>	36 months from the Deemed Date of Allotment	
<b>Redemption Date</b>	August 18, 2020	
<b>Put Option Date</b>	3 months, 6 months & 18 months from the deemed date of allotment.	
<b>Call Option Date</b>	18 months from the deemed date of allotment.	
<b>Put Notification Time</b>	15 Days prior the date of exercising the option	
<b>Call Notification Time</b>	15 Days prior the date of exercising the option	
<b>Redemption Value per Debenture</b>	<b>Scenario 1</b>	<b>Redemption value per debenture</b>
	If Nifty performance is $\geq$ - 80% and credit rating of the instrument or the issuer by any rating agency on final fixing date is "BBB+"	Interest shall be paid at 12% XIRR till final maturity date / redemption date
	If Nifty performance is $<$ - 80% and credit rating of the instrument or the issuer by any rating agency on final fixing date is "BBB+"	Face value of Debenture
	<b>Scenario 2</b>	<b>Redemption value per debenture</b>
	If Nifty performance is $\geq$ - 80% and credit rating of the instrument or the issuer by any rating agency on final fixing date is "A-"	Interest shall be paid at 11.75% XIRR Post date of such upgradation till final maturity date / redemption date and for the period before that at 12% XIRR
	If Nifty performance is $<$ - 80% and credit rating of the instrument or the issuer by any rating agency on final fixing date is "A-"	Face value of Debenture
	<b>Scenario 3</b>	<b>Redemption value per debenture</b>
	If Nifty performance is $\geq$ - 80% and credit rating of the instrument	Interest shall be paid at 11.50% XIRR Post date of such upgradation



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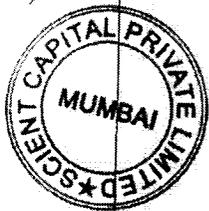
	or the issuer by any rating agency on final fixing date is "A"	till final maturity date / redemption date and for the period before that at 11.75% XIRR from date of upgradation to "A-" from "BBB+" and before that at 12% XIRR
	If Nifty performance is < - 80% and credit rating of the instrument or the issuer by any rating agency on final fixing date is "A"	Face value of Debenture
	<b>Scenario 3</b>	<b>Redemption value per debenture</b>
	If Nifty performance is >= - 80% and credit rating of the instrument or the issuer by any rating agency on final fixing date is "A+"	Interest shall be paid at 11.25% XIRR Post date of such upgradation till final maturity date / redemption date and for the period before that at 11.50% XIRR from date of upgradation to "A" from upgradation of rating to "A-" and before that at 11.75% XIRR from date of upgradation to "A-" from "BBB+" and before that at 12% XIRR
	If Nifty performance is < - 80% and credit rating of the instrument or the issuer by any rating agency on final fixing date is "A+"	Face value of Debenture
<p>In case the call or put option is exercised by either parties, the redemption value per debenture will be calculated based on the rating of the company at that point in time on the above principles.</p> <p>The credit rating for the above purpose will be considered from CRISIL, CARE, and ICRA only. Credit rating from any other provider will not impact the XIRR.</p>		
<b>Principal Repayment</b>	Bullet Payment on Maturity or early redemption	
<b>Yield To Maturity</b>	Based on projected scenario it is likely to yield double digit return on maturity	
<b>Additional Interest</b>	In case of downgrade or assignment of any new rating of the Issuer or the NCD which is lower than the current external credit rating of the NCDs, the Company will pay Additional Amount @ 0.25% p.a. on the invested amount for each notch downgrade in rating and the same will be with effect from the rating downgrade date till the date of restoration to the current rating level.	
<b>Coupon payment</b>	One time at the time of principal repayment	
<b>Final Fixing Date</b>	Deemed Date of Allotment	
<b>Day count basis</b>	Actual/Actual	
<b>Default Interest Rate</b>	<ul style="list-style-type: none"> <li>In case of default in payment of interest and / or principal redemption on the due dates, additional interest @ 2% p.a. over and above the Accrued Amount will be payable by the Issuer for the defaulting period. It will be payable at every month end.</li> </ul>	



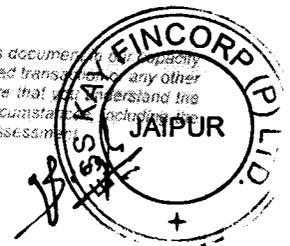
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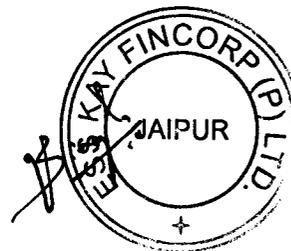
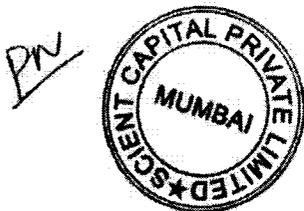
	<ul style="list-style-type: none"> <li>In case of default by the Issuer in the performance of any of the terms &amp; conditions of this Issuance, including but not limited to the financial covenants of this Issuance, additional interest @ 2% p.a. over and above the Accrued Amount will be payable by the Issuer for the defaulting period.</li> </ul>								
<b>Interest on application money</b>	As per Debenture Trust Deed								
<b>Transaction documents</b>	<p>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:</p> <ol style="list-style-type: none"> <li>1. Letter appointing Trustees to the Debenture Holders;</li> <li>2. Debenture Trusteeship Agreement;</li> <li>3. Debenture Trust Deed;</li> <li>4. Information Memorandum;</li> <li>5. Private Placement Offer Letter (Form PAS 4);</li> <li>6. Board Resolution authorizing this Issuance;</li> <li>7. Applicable Shareholder Resolutions under the Companies Act 2013;</li> <li>8. Rating Agreement with the aforesaid Rating Agency(ies) with respect to this Issuance; and</li> <li>9. Tripartite Agreements with the Depository(ies) and Registrar &amp; Transfer Agent</li> </ol>								
<b>Issue Schedule</b>	<table border="0"> <tr> <td>Issue Open Date</td> <td>Aug 18,2017</td> </tr> <tr> <td>Issue Close Date</td> <td>Aug 18,2017</td> </tr> <tr> <td>Pay-in Date</td> <td>Aug 18,2017</td> </tr> <tr> <td>Deemed Date of Allotment</td> <td>Aug 18,2017</td> </tr> </table>	Issue Open Date	Aug 18,2017	Issue Close Date	Aug 18,2017	Pay-in Date	Aug 18,2017	Deemed Date of Allotment	Aug 18,2017
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Deemed Date of Allotment	Aug 18,2017								
<b>Conditions Precedent</b>	<p>The Company shall fulfil the following Conditions Precedent the satisfaction of the Debenture Trustee and submit Conditions Precedent documentation where applicable to the Debenture Trustee, prior to the Pay in Date:</p> <ol style="list-style-type: none"> <li>1. All corporate approvals from the Board of Directors and shareholders of the Issuer, if applicable, shall have been received for the issuance of the NCDs, and the execution, delivery and performance by the Issuer of the Transaction Documents in accordance with the Companies Act, 2013, the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other rules prescribed;</li> <li>2. Execution of the Debenture Trustee Agreement, in a form and manner satisfactory to the Debenture Trustee shall have taken place;</li> <li>3. Execution of Debenture Trust Deed, in form and manner satisfactory to the Debenture Trustee shall have taken place within 30 days from deemed date of allotment;</li> <li>4. The Issuer shall have submitted to the Debenture Trustee the rating letter and rating rationale;</li> <li>5. The Issuer shall have submitted to the Debenture Holders / Debenture Trustee, all required documents for the purpose of satisfying its respective KYC requirements;</li> <li>6. The Issuer shall have submitted to the Debenture Trustee a certified true copy of the constitutional documents of the Company (the</li> </ol>								



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	<p>Memorandum and Articles of Association and the Certificate of Incorporation)</p> <p>7. The Issuer shall have submitted to the Debenture Trustee its audited account statements for the most recent financial year or audited financial half-year</p>
<p><b>Conditions Subsequent</b></p>	<p>The Issuer shall ensure that the following documents are executed/activities are completed as per the time frame stipulated in the Debenture Trust Deed</p> <ol style="list-style-type: none"> <li>1. The Issuer shall immediately on receipt of funds, take on all necessary steps to, including making all applicable filings in the Registrar of Companies and obtaining all necessary approvals including filing Form PAS 5 along with the Information Memorandum and Form PAS 3 along with requisite fee within prescribed timelines;</li> <li>2. Receive final listing approval from the BSE within 15 calendar days from the Deemed Date of Allotment</li> <li>3. The Issuer shall ensure credit of demat account(s) of the allottee(s) with the number of NCDs allotted within 3 (Three) Business Days of the Deemed Date of Allotment</li> <li>4. The Issuer shall ensure compliance with SEBI / Companies Act 2013 (as applicable) for issuance of NCDs.</li> </ol>



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**Events of Default**

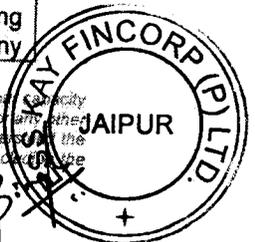
Customary for financings of this nature and others appropriate in the judgment of the Debenture Holders, including but not limited to:

1. Non-payment of any of the dues under this Issuance, with a grace period of 3 (Three) calendar days in case of delays due to technical reasons;
2. Misrepresentation or misleading information in any of the Transaction Documents
3. Issuer is unable or admits in writing its inability to pay its debts as they mature or suspends making payment of any of its debts, by reason of actual or anticipated financial difficulties or proceedings for taking it into liquidation have been admitted by any competent court or a moratorium or other protection from its creditors is declared or imposed in respect of any indebtedness of the Company;
4. Insolvency, winding up, liquidation whether compulsory or voluntary
5. A receiver or liquidator, provisional liquidator, supervisor, receiver, administrative receiver, administrator, compulsory manager, trustee or other similar officer in respect of the Company or any of its assets is appointed or allowed to be appointed of all or any part of the undertaking of the Company;
6. Creditors' processes initiated against the company
7. Repudiation of Transaction Documents
8. Cessation of business
9. Any material act of fraud, embezzlement, misstatement, misappropriation or siphoning off of the Issuer / Promoter funds or revenues or any other act having a similar effect being committed by the management or an officer of the Issuer
10. The Company has taken or suffered to be taken any action for re-organisation of its capital or any rearrangement, merger, demerger, amalgamation or any other scheme of restructuring without the prior written approval of the Debenture Holders;
11. Promoters or key management personnel of the Company being declared willful defaulter
12. The promoter/s and/or the directors of the Company are accused of, charged with, arrested or convicted a criminal offence involving moral turpitude, dishonesty or which otherwise impinges on the integrity of the promoter/s and/or director, including any accusations, charges and/or convictions of any offence relating to bribery;
13. Erosion of 50% or more of the Company's net worth
14. All or a material part of the undertaking, assets, rights or revenues of the Company are condemned, seized, nationalised, expropriated or compulsorily acquired, or shall have assumed custody or control of the business or operations of the Company, or shall have taken any action for the dissolution of the Company, or any action that would prevent the Company, their member, or their officers from carrying on their business or operations or a substantial part thereof, by or under the authority of any Government or Government authority;
15. Occurrence of a Material Adverse Effect as determined by the Debenture Trustee, acting solely on the instructions of the Majority Debenture Holders.
16. Change in Control or Key Management Personnel without prior written consent from the Debenture Holders
17. Any Transaction Document once executed and delivered, ceases to be in full force or becomes unlawful, invalid and unenforceable;
18. A petition for the reorganization, arrangement, adjustment, winding up or composition of debts of the Company is filed on the Company



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(voluntary or otherwise) or have been admitted or makes an assignment for the benefit of its creditors generally and such proceeding is not contested by the company for staying, quashing or dismissed within 15 (Fifteen) days

19. Breach of terms and conditions of the Transaction Documents :

20. Breach of the following covenants:

- a) Affirmative Covenants – (i) Preserve corporate status; authorisations, (ii) Payment of Stamp Duty, (iii) Handling Investor grievances, (iv) Compliance with Investor Education and Protection Fund requirements, (v) Regulatory Filings, (vi) Regulatory requirements in case of a Foreign Investor, (vii) Maintenance of Books of Account and (viii) Corporate Governance; and
- b) Negative Covenants - (i) Change of business; (ii) maintenance of controlling stake by Promoter and (iii) Dividend distribution in case of default
- c) Any covenant or undertaking of the company including Financial Covenants in the transaction documents, where such breach is not cured within 60 (sixty) calendar days.

21. Cross Default:

- a. Defaults in any payment of Financial Indebtedness beyond the period of grace if any, provided in the instrument or agreement under which such Indebtedness was created and subsequent Declaration of default by lender or
- b. Declaration of default by any creditor of the Issuer or acceleration of Financial Indebtedness by any lender

Upon occurrence of any of the aforesaid event of default, the Debenture Trustee may by a notice in writing to the Company initiate actions as may be contemplated in the Transaction Documents including the following:-

- (a) require the Company to mandatorily redeem the Debentures on immediate basis and repay the principal amount on the Debentures, along with accrued but unpaid interest, and other costs, charges and expenses incurred under or in connection with this Deed and other Transaction Documents;
- (b) declare all or any part of the Debentures to be immediately (or on such dates as the Debenture Trustee may specify) due and payable, whereupon it shall become so due and payable.

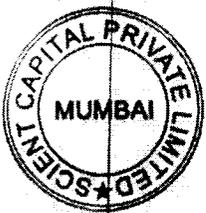
In case of Event of Default, Debentures shall be redeemed by paying Investor the Accrued Amount and any other amount which will be payable by the Company under the Transaction documents including Default Interest and liquidated damages (if applicable).

The Company shall be required to redeem Debentures (along with Debenture Obligations – to be defined) within 1 business days of Investor seeking payment upon the Event of Default.

**Reporting Covenants**

**Quarterly Reports** – within 30 (Thirty) calendar days from the end of each financial quarter

- a) Information such as financials, operations, portfolio, and asset quality (including but not limited to static portfolio cuts, collection



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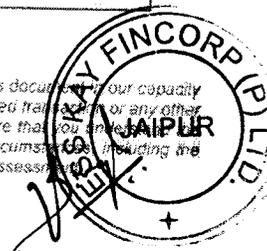
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	<p>efficiency and portfolio at risk data), funding data, ALM in formats acceptable to the Debenture Holders</p> <p>b) Financial covenant compliance certificate signed by a Director or the Chief Financial Officer/Authorised Signatory</p> <p>c) Copy of returns filed with the Reserve Bank of India ("RBI") and the SEBI (as applicable)</p> <p><b>Annual Reports</b> – within 180 (One Hundred and Eighty) calendar days from the end of each financial year</p> <p>a) Audited financial statements</p> <p><b>Event Based Reports</b> – within 10 (Ten) Business Days of the event occurring</p> <p>a) Change in list of Board of Directors  b) Changes in accounting policy  c) Change in Shareholding structure  d) Change in senior management officials (any CXO or equivalent)  e) Snapshot of Board approved annual business plan  f) Any fraud amounting to more than 1.0% of Gross Loan Portfolio  g) Change in the constitutional documents of the Company  h) Material Adverse Effect  i) Any dispute, litigation, investigation or other proceeding which could result in a Material Adverse Effect.  j) Winding up proceedings  k) Any Event of Default or Potential Default, and any steps taken / proposed to remedy the same.  l) Any prepayment or notice of any prepayment of any Indebtedness of the Issuer</p>
<p><b>Financial Covenants</b></p>	<ol style="list-style-type: none"> <li>1. The capital adequacy ratio (as defined in NBFC Regulations) shall be above 15% till 30<sup>th</sup> September 2017 and 16% from 1<sup>st</sup> October 2017 onwards. Tier I capital shall be above 11% till 30<sup>th</sup> September 2017 and 14% from 1<sup>st</sup> Oct 2017 onwards</li> <li>2. PAR 90 (on the Borrower's entire portfolio, including receivables sold or discounted on a non-recourse basis) in a financial year shall not exceed 10% (Ten Percent)</li> <li>3. The ratio of Financial Indebtedness to Networth shall not exceed 10 times.</li> <li>4. No loss on annual basis (PAT)</li> <li>5. Current ratio of 1.0 times shall be maintained at all times. There shall not be any cumulative mismatches in any of the buckets till one year of ALM statement</li> </ol> <p>"Gross Loan Portfolio" shall mean and include the outstanding principal amount of the loans originated by the Borrower on its own books, securitized portfolio as well as loans originated on behalf of other entities by entering into partnership agreements but not included on the Borrower's own book;</p> <p>(Definitions)</p>



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"PAR>90 days" shall mean on the Company's Gross Loan Portfolio the outstanding principal value of the relevant portfolio of the Company that has one or more instalments of principal, interest payments overdue for 90 days or more, includes restructured loans but excludes loans that have been written off by the Company;

(Definitions)

"Net worth" shall mean issued and paid up equity share capital + compulsorily convertible preference share capital/debentures + all reserves as per the audited financials of the Issuer other than Revaluation Reserve minus goodwill/intangible assets minus advances to or investments in group companies.

(Definitions)

"Gross NPA" shall mean the entire outstanding principal value of the relevant portfolio of the Issuer that has one or more instalments of payments (including principal or interest) overdue for 90 days from 31<sup>st</sup> March 2018 onwards;

"Net NPA" shall be calculated as Gross NPA less provision made for Gross NPA.

All covenants would be tested on quarterly basis for the Company, i.e. as on 31st March, 30th June, 30th September and 31st December every year, starting from 31<sup>st</sup> March 2018 on consolidated and standalone balance sheet till the redemption of the Debentures.

The covenants shall be certified by the Company within 45 (Forty Five) calendar days from the end of each financial quarter.

**Affirmative Covenants**

1. To utilise the proceeds of this issue in accordance with applicable laws and regulations
2. To comply with corporate governance, fair practices code prescribed by the RBI
3. Notification of any Event of Default or Event of Default or Material Adverse Effect;
4. Obtain, comply with and maintain all licenses / authorizations
5. Provide details of any material litigation, arbitration or administrative proceedings (materiality threshold to be finalized during documentation) other than under taxation laws prevailing in India
6. Maintain internal control for the purpose of (i) preventing fraud on monies lent by the Company; and (ii) preventing money being used for money laundering or illegal purposes
7. Permit visits and inspection of books of records, documents and accounts to debenture holders as and when required by them
8. Comply with any monitoring and/or servicing requests from Debenture Holders
9. Issuer shall not buy-back any equity of any of its present or future shareholder during the tenor of the Debentures.

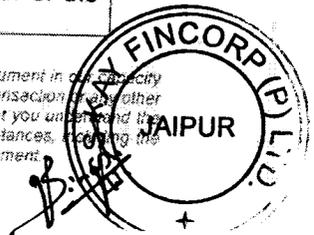
**Negative Covenants**

The Issuer shall not without the prior written permission of the Debenture Holders and Debenture Trustee, do or undertake to do any of the following:

1. Change in promoter, ownership or Control
2. M&A, acquisition, restructuring, amalgamation without approval of Debenture Holders over and above 25% of the Network of the Issuer during the Tenor of the Facility



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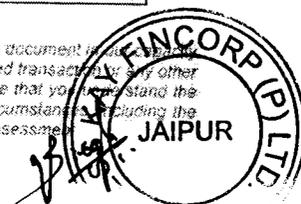


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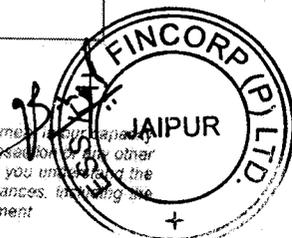
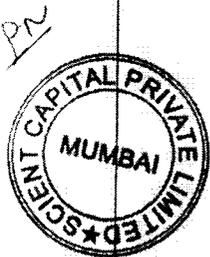
	<ol style="list-style-type: none"> <li>3. The Issuer shall not, without the prior approval of Debenture Holders, enter into any transaction of merger, de-merger, consolidation, re-organization, scheme of arrangement or compromise with its creditors or shareholders or effect any scheme of amalgamation or reconstruction; provided however that this restriction shall not apply in the event that the compliance with this restriction would result in the Issuer defaulting in relation to any of its payment obligations in relation to the Debentures.</li> <li>4. The Issuer will not purchase or redeem any of its issued shares or reduce its share capital without the Debenture Holders' prior written consent;</li> <li>5. Issuer shall not amend or modify clauses in its Memorandum of Association and Article of Association, where such amendment would have a Material Adverse Effect, without prior consent of the Debenture Trustee</li> <li>6. Issuer shall not change its financial year-end from 31st March (or such other date as may be approved by Debenture Holders) without prior consent of the Debenture Trustee</li> <li>7. Any sale of assets/business/division that has the effect of exiting the business or re-structuring of the existing business, to be with the prior consent of the debenture holder</li> <li>8. No dividend, if an Event of Default has occurred and is subsisting</li> <li>9. Not undertake any new major new business outside financial services or any diversification of its business outside financial services, without approval of the Debenture holders</li> <li>10. Promoters holding in the Issuer, on fully diluted basis, shall not fall below 51%</li> <li>11. Promoter and family's stake shall not dilute more than 5% in any financial year unless it is for fresh capital infusion in the company.</li> <li>12. Issuer shall not undertake guarantee or other undertaking on behalf of other firm or company</li> <li>13. Issuer shall not make any loan, advance, inter-corporate deposits, grant credit facility (other than in ordinary course of business) or give guarantee or indemnity to make any investments to or for the benefit of any person including Promoters.</li> </ol>
<b>Representations &amp; Warranties</b>	<ol style="list-style-type: none"> <li>1. The Company is registered with the RBI as an NBFC</li> <li>2. No Event of Default has occurred and is continuing on the date of this transaction</li> <li>3. Binding obligation of Transaction Documents</li> <li>4. No conflict with other obligations / constitutional documents</li> <li>5. No Material Adverse Change in business, condition or operations of the Issuer</li> <li>6. Company has the power and authority to issue Debentures and such Transactions Documents are valid and admissible in evidence</li> <li>7. Absence of any pending or threatened litigation, investigation or proceedings that may have a material adverse effect on the business condition (financial or otherwise), operations, performance or prospects of the Issuer or that purports to affect the Facility</li> <li>8. Illegality</li> <li>9. Other representations and warranties which are customary to transactions of this nature</li> </ol> <p>And as set out in greater detail in the Transaction Documents.</p> <p>Each of the representations &amp; warranties shall be repeated on every day during the tenor of NCDs.</p>
<b>Indemnification</b>	<p>The Issuer will indemnify, and hold harmless the Debenture Holders from and against any claim, liability, demand, loss, damage, judgment or other</p>



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	obligation or right of action which may arise as a result of breach of this Term Sheet by the Issuer or its Promoter/s.
<b>Governing Law &amp; Jurisdiction</b>	This Term Sheet shall be governed and construed exclusively in accordance with the laws of India and any disputes arising there from shall be subject to the jurisdiction of appropriate courts and tribunals at Mumbai, India.
<b>Transaction Costs</b>	The Issuer shall bear all transaction related costs incurred by the Debenture Holders with respect to legal counsel, valuers and auditors / consultants. Such costs include: <ol style="list-style-type: none"> <li>1. Trustee fees</li> <li>2. Listing fees</li> <li>3. Rating</li> <li>4. Any other reasonable transaction related expense incurred by the Debenture Holders</li> <li>5. Stamping and registration in relation to all Transaction Documents.</li> </ol>
<b>Taxes, Duties, Costs and Expenses</b>	<ol style="list-style-type: none"> <li>1. Relevant taxes, duties and levies are to be borne by the Issuer.</li> <li>2. The charges / fees and any amounts payable under this Debentures by the Issuer as mentioned herein do not include any applicable taxes, levies including service tax etc. and all such impositions shall be borne by the Issuer additionally.</li> </ol>
<b>Eligible Investors</b>	As permitted under Applicable Law
<b>Material Adverse Effect</b>	<p><b>"Material Adverse Effect"</b> means an event, circumstance, occurrence or condition which has caused, as of any date of determination a material adverse effect, on:</p> <ol style="list-style-type: none"> <li>(a) the business, operations, assets or condition (financial or otherwise) of the Company; or</li> <li>(b) the ability of the Company to enter into and to perform its obligations under Transaction Documents or any other related document to which Company is or will be a party; or</li> <li>(c) the legality or validity or enforceability of the Transaction Documents or any other related document or the rights or remedies of Debenture Holder(s) thereunder.</li> </ol>
<b>Financial Indebtedness</b>	<p><b>"Financial Indebtedness"</b> means in relation to an entity any indebtedness without double counting for or in respect of:</p> <ol style="list-style-type: none"> <li>a) moneys borrowed;</li> <li>b) any amount raised by acceptance under any acceptance credit, bill acceptance or bill endorsement facility or dematerialised equivalent;</li> <li>c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;</li> <li>d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with GAAP, be treated as a finance or capital lease;</li> <li>e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);</li> </ol>



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	<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 if payable by a borrower under each such transaction shall be taken into account);</p> <p>h) (A) shares which are expressed to be redeemable or (B) any shares or instruments convertible into shares which are the subject of a put option or any form of buyback guarantee granted by the issuer issuing such shares or convertible instruments;</p> <p>i) any obligation under any put option including any form of guarantee, letter of comfort, short fall undertaking, keep fit letter or indemnity in respect of any shares or instruments convertible into shares or otherwise issued by another entity;</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; and</p> <p>k) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (a) to (j) above,</p> <p>and includes all Financial Indebtedness in respect of any of the items referred to in paragraphs (a) to (k) above.</p>
<b>Control</b>	<p><b>"Control"</b> means, with respect to a Person which is a corporation, the ownership, directly or indirectly, of more than 50% (fifty percent) of the voting shares of such Person and the power to direct the management and policies of such Person, whether by having a right to nominate majority of directors on the board of such Person or by operation of law or by contract or otherwise;</p>
<b>Majority Debenture Holders</b>	51%

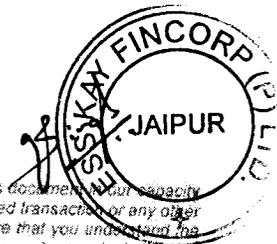
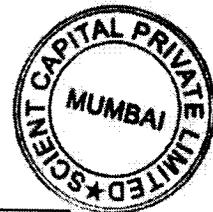
**Accepted and agreed**

**For Ess Kay Fincorp Private Limited**

**(Authorised signatory)**

**For the Investor**  
**For SCIENT CAPITAL PRIVATE LIMITED**

**(Authorised signatory)**  
**Authorised Signatory**



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