

DISCLOSURE DOCUMENT



ESS KAY FINCORP LIMITED

A public limited company incorporated under the Companies Act, 1956
Date of Incorporation: November 21, 1994; CIN: U65923RJ1994PLC009051
Registered Office: G 1-2, New Khasa Kothi, Jaipur - 302001(Rajasthan)
Telephone No.: 0141-4161300/400; Fax No.: +91-141-4012809
Contact Person: Mr. Atul Arora/ Mr. Vivek Singh
Email: atul@skfin.in; Website: www.skfin.in

DEBT DISCLOSURE DOCUMENT UNDER COMPANIES ACT 2013 AND RULES FRAMED THEREUNDER, 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 RBI CIRCULAR FOR RAISING MONEY THROUGH PRIVATE PLACEMENT OF NON-CONVERTIBLE DEBENTURES (NCDS) BY NBFCs.

ISSUE: DISCLOSURE DOCUMENTS FOR THE PRIVATE PLACEMENT OF SECURED, RATED, PARTLY PAID UP, REDEEMABLE, NON-CONVERTIBLE DEBENTURES OF THE FACE VALUE OF RS. 1,00,000/- (RUPEES ONE LAKH ONLY) EACH ("DEBENTURES"/ "NCDS"), AGGREGATING UPTO RS. 50,00,00,000/- (RUPEES FIFTY CRORES ONLY).

GENERAL RISKS: For taking an investment decision, investors must rely on their own examination of the Issue and the Disclosure Document 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 Disclosure Document. Specific attention of investors is invited to statement of "Risk Factors" contained under Section SECTION 3: of this Disclosure Document.

ISSUER'S ABSOLUTE RESPONSIBILITY: The Issuer, having made all reasonable inquiries, accepts responsibility for, and confirms that this Disclosure Document 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 Disclosure Document 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 "CRISIL Limited" ("Rating Agency"). The Rating Agency assigned a rating of "CRISIL A" (Pronounced CRISIL Single A) 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 Disclosure Document for the letter from the Rating Agency assigning the credit rating abovementioned issued by the Rating Agency.

LISTING: The proposed Debenture shall be unlisted at issuance.

Registrar & Share Transfer Agent
Karvy Fintech Private Limited
46, Avenue, 4th Street, No. 1, Banjara Hills,
Hyderabad-500034
Tel: +91 40 33211000, 67162222
Email: rakesh.santhalia@karvy.com

Debenture Trustee
Beacon Trusteeship Limited
4C& D, Siddhivinayak Chambers,
Santacruz (E), Mumbai- 400 055
Tel: +91 22 26558759
Email: contact@beacontrustee.co.in



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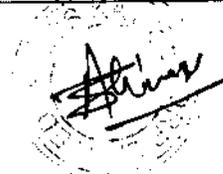
SECTION 1: DEFINITIONS AND ABBREVIATIONS

Act or Companies Act	Means Companies Act, 2013, and for any matters or affairs prior to the notification of the relevant provisions of the Companies Act, 2013, the Companies Act, 1956 and shall include any re-enactment, amendment or modification of the Companies Act, 2013, as in effect from time to time and shall include the rules made thereunder
Allot/Allotment/Allotted	Unless the context otherwise requires or implies, the allotment of the Debentures pursuant to this Issue.
Applicant	Means a person who has submitted a completed Application Form to the Company
Application Form	The form used by the recipient of this Disclosure Document, to apply for subscription to the Debentures.
Application Money	Means the subscription monies paid by the Applicants at the time of submitting the Application Form
Assets	Means, for any date of determination, the assets of the Company on such date as the same would be determined in accordance with Indian GAAP at such date
Board / Board of Directors	Means the Board of Directors of the Issuer.
Business Day	Any day of the week (excluding Saturdays, Sundays and any day which is a public holiday for the purpose of Section 25 of the Negotiable Instruments Act, 1881 (26 of 1881)) on which banks are normally open for business and on which money market is functioning in Mumbai.
BSE	Means BSE Limited
Capital Adequacy Ratio	Means the capital adequacy ratio prescribed by the RBI for NBFC from time to time.
CDSL	Means Central Depository Services Limited
CERSAI	CERSAI Means Central Registry of Securitisation Asset Reconstruction and Security Interest of India
CIN	Corporate Identification Number
Client Loan	Means each loan made by the Company as a lender and "Client Loans" shall refer to the aggregate of such loans.
Constitutional Documents	Means the memorandum of association and the articles of association of the Company
Control	Shall have the meaning as ascribed to the term in the Companies Act, 2013.
Debentures/ NCDs	Secured, Rated, Partly Paid Up, Redeemable, Non-Convertible Debentures of the face value of Rs. 1,00,000/- (Rupees One Lakh Only) Each ("Debentures"/ "NCDs"), aggregating upto Rs. 50,00,00,000/- (Rupees Fifty Crores Only).
Default Interest Rate/ Additional Interest Rate	As set out in the Issue Details.
Deemed Date of Allotment	The Deemed Date of Allotment of the Debentures shall be August 13, 2019
Deed of Hypothecation	The unattested deed of hypothecation entered into/to be entered into between the Issuer and the Debenture Trustee, pursuant to which hypothecation over Hypothecated Receivables shall be created by the Issuer in favour of the Debenture Trustee (acting for and on behalf of the Debenture Holder(s)).
Debenture Holders/ Investors	Means the Applicants whose names and addresses are set out in the Application Form and who have agreed to subscribe to the Debentures,

	<p>and for any subsequent Debenture Holders, each person that fulfills the following requirements:</p> <p>(a) Persons who are registered as Beneficial Owners; and</p> <p>(b) Persons who are registered as a debenture holder in the Register of Debenture Holders.</p> <p>Sub-paragraphs (a) and (b) shall be deemed to include transferees of the Debentures registered with the Company and the Depository from time to time, and in the event of any inconsistency between sub-paragraph (a) and (b) above, sub paragraph (a) shall prevail.</p>
Debenture Trustee	Beacon Trusteeship Limited or such other Debenture Trustee appointed by the Company from time to time.
Debenture Trustee Agreement	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 cum Mortgage Deed/ DTD	Shall mean the debenture trust cum mortgage deed executed/to be executed by and between the Debenture Trustee and the Company which will set out the terms upon which the Debentures are being issued, security is being created over the Mortgaged Property 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).
Default Interest Rate / Additional Interest Rate	As set out in the Issue Detail.
Depository	Means the depository with whom the Company has made arrangements for dematerializing the Debentures, being CDSL or NSDL.
Director(s)	Director(s) of the Issuer.
DP ID	Depository Participant Identification Number.
Due Date(s)	Any date(s) on which the holders of the Debentures thereof are entitled to any Payments (on account of coupon or principal or any charges, penalties or otherwise), whether on maturity or earlier, on exercise of the option to redeem the Debentures prior to the scheduled Maturity Date (s) or acceleration.
Event of Default	Shall mean any event, act or condition as set out in Section 95 of this Disclosure Document.
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 or the financial year of the Company used for the purposes of accounting.
Financial Indebtedness	<p>means in relation to an entity, any obligation (whether incurred as principal or surety) for the payment or repayment of money, whether present or future, actual or contingent including but not limited to:</p> <p>a) moneys borrowed (including moneys borrowed from shareholders);</p> <p>b) any amount raised by acceptance under any acceptance credit, bill acceptance or bill endorsement facility or dematerialized equivalent;</p> <p>c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, 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 GAAP, be treated as a</p>



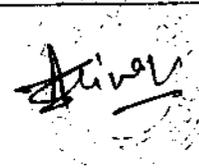
	<p>finance or capital lease;</p> <p>e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);</p> <p>f) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing;</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 if payable by a borrower under each such transaction shall be taken into account);</p> <p>h) 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 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>l) any transactions or amounts treated as debt under generally accepted accounting standards in India and/or under Applicable Law.</p> <p>m) and includes all Financial Indebtedness in respect of any of the items referred to in paragraphs (a) to (l) above which the relevant person has irrevocably committed to incur (whether by way of issue of an irrevocable drawdown notice (or equivalent), guarantee of any such Financial Indebtedness which has been similarly committed to be incurred or otherwise), notwithstanding that no actual liability or debt exists at the time of such consideration</p>
Final Settlement Date(s)	Shall mean the date(s) on which the Payments have been irrevocably discharged in full and the Debentures have been redeemed by the Company in full in accordance with the terms of the Transaction Documents.
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	Shall mean 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 organization, established under any Law
Gross Loan Portfolio	Means the outstanding principal balance of all of the Company's outstanding Client Loans including current, delinquent and restructured Client Loans, and includes principal balance of all Client Loans



	securitized, assigned, originated on behalf of other institutions or otherwise sold off in respect of which the Company has provided credit enhancements in any form or manner whatsoever, but not Client Loans that have been charged off. It includes on balance sheet and off-balance sheet portfolio but does not include interest receivables and accrued interest.
Immovable Property	Means the identified parcel of land located in Chennai owned by the Company, the particular details of which shall be set out in the in Debenture Trust cum Mortgage Deed.
Indian GAAP	Means the generally accepted accounting principles, standards and practices in India or any other prevailing accounting standard in India as may be applicable
Indian Accounting Standard (IND AS)	Means Accounting standard adopted by companies in India and issued under the supervision of Accounting Standards Board (ASB)
Interest/Coupon	Means the interest payable on the Debentures on the Interest Payment Dates, at the Interest Rate or the Revised Interest Rate as the case may be.
Interest Rate/Coupon Rate	Means rate of interest as specified in the Issue Detail
Interest Payment Date(s)/Coupon Payment Date(s)	Means payment dates on which Interest payable on the Debentures, more specifically mentioned in the Issue Detail
Interest Expense	Means all interest payable by the Company on all borrowings of the Company and all financial assistance availed by the Company from any bank, financial institution or any other person
Issue	Secured, Rated, Partly Paid Up, Redeemable, Non-Convertible Debentures of the face value of Rs. 1,00,000/- (Rupees One Lakh Only) Each ("Debentures"/ "NCDs"), aggregating upto Rs. 50,00,00,000/- (Rupees Fifty Crores Only) for cash at par, in dematerialized form on a private placement basis
Issuer/Company	Ess Kay Fincorp Limited
Law	Means any applicable law, code, ordinance, interpretation, guideline, directive, judgment, injunction, decree, treaty, regulation, rule or order of any court, tribunal or Governmental Authority, in force in India
Liability	Means, for any date of determination, the liabilities of the Company on such date as the same would be determined in accordance with the Indian GAAP at such date.
Local Currency	Means Indian Rupees (denoted "INR" /"Rs."), the lawful currency of India
Majority Debenture Holders	Means such number of Debenture Holders collectively holding equal to or more than 51% (Fifty One percent) of the value of the Outstanding Principal Amounts of the Debentures
Material Adverse Effect	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, in the opinion of the Debenture Holders, a material and adverse effect on (a) the financial condition, business or operation of the Company, environmental, social or otherwise or prospects of the Company, which in the opinion of the Debenture Trustee is prejudicial to the ability of the entity to perform its obligations under the Transaction Documents; (b) the ability of the Company to perform its obligations under the Transaction Documents; or (c) the validity, legality or enforceability of any of the Transaction Documents (including the



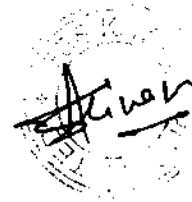
	ability of any party to enforce any of its remedies thereunder); or (d) the rights or remedies of the Debenture Trustee acting for the benefit of the Debenture Holders hereunder or under any other Transaction Document
Maturity Date(s)	With respect to the Debentures shall mean the date on which the Principal Amounts and all other amounts due in respect of the Debentures are repaid to the Debenture Holders, in full, which date shall be set out in the Issue Detail.
Mortgage	Shall mean the mortgage to be created by the Company over the Mortgaged Property for securing the Secured Obligations of the Company and further details of which shall be set out in the Debenture Trust cum Mortgage Deed.
Mortgaged Property	Shall mean, collectively, all of the Company's right, title, interest, benefit, claims and demands in Immovable Property together with all buildings, erections, godowns, fixtures, fittings, equipment's and constructions of every description which now are or hereafter may at any time during the continuance of this security be attached to or affixed to the Immovable Property and all trees, fences, hedges, ditches, ways, sewages, drains, waters, water-courses, liberties, privileges, easements and appurtenances whatsoever to the aforesaid lands or any part thereof belonging to or in anywise appertaining or usually held, occupied, enjoyed therewith or reputed to belong or be appurtenant thereto or any part thereof including all rights, liberties and easements in respect thereof and all the estate, right, title, interest, claim and demand whatsoever of the Company into and upon the Immovable Property and the fixtures, fittings and equipment's thereon
Net Owned Funds	Has the meaning ascribed to it under Section 451A of the RBI Act, 1934
NBFC Master Circular	Means the Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company prescribed by the RBI from time to time, as may be applicable
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	Shall mean principal balance of loans securitized, assigned, originated on behalf of other institutions in respect of which the Issuer has provided credit enhancements in any form or manner whatsoever
Obligations	Means all present and future obligations (whether actual or contingent and whether owed jointly or severally or in any capacity whatsoever) obligations of the Company to the Debenture Holders or the Debenture Trustee in respect of the Debentures and as specified under the Transaction Documents including without limitation, payment of Outstanding Principal Amounts, accrued Interest, default interest (if any), additional interest, fees, commissions and all costs, charges, expenses and other monies payable by the Company in respect of the Debentures.
Outstanding Principal Amounts	Means, at any date, the Local Currency principal amount outstanding under the Debentures.
Outstanding Amounts	Means the Outstanding Principal Amounts, together with all interest, default interest, additional interest, fees, costs, commissions, charges,



	Trustee fees and other amounts due and payable by the Company under or in respect of the Trust Deed or any Transaction Document
Payment(s)	Shall mean any payment towards the Outstanding Amounts made/to be made or owed by the Company in relation to the Debentures.
Payment Default	Shall mean default by the Company in making any Payment on any Due Date(s).
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
Personal Guarantee	Shall mean the irrevocable and unconditional personal guarantee issued by Mr. Rajendra Kumar Setia, Promoter and Managing Director of the Company in favour of the Debenture Trustee (acting on behalf of the Debenture Holder(s)), in a form acceptable to the Debenture Trustee.
Purpose	Shall mean the purpose in accordance with which the Issuer shall utilize the proceeds from the Issue and is as set out in Section 4.37 of this Disclosure Document.
Rating Agency	CRISIL Limited, being a credit rating agency registered with SEBI pursuant to SEBI (Credit Rating Agencies) Regulations 1999, as amended from time to time or any other SEBI registered credit rating agency appointed by the Issuer from time to time
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 7 (Seven) Calendar days prior to any Due Date(s).
R&T Agent	Registrar and Transfer Agent to the Issue, in this case being Karvy Fintech Private Limited or such other registrar appointed by the company from time to time.
Register of Beneficial Owners	Means the register of beneficial owners of the Debentures maintained in the records of the Depository, as the case may be.
Register of Debenture Holders	Means the register maintained by the Company at its registered office and containing the names of the Debenture Holders
Risk Weighted Assets	Shall be calculated as per the method prescribed in the NBFC Master Circular
ROC	Means the jurisdictional Registrar of Companies
Redemption Amount	Shall mean the amount to be paid by the Company to the Debenture Holder(s) at the time of the redemption of the Debentures and shall include the Outstanding Principal Amount(s), redemption premium (if any), the accrued Coupon, default interest (if any), additional interest (if any), and any other amounts, if any, in respect of the Debentures, payable on each of the Redemption Date(s) as shall be specified in the Issue Details.
Redemption Date	Shall, shall mean the date on which the Redemption Amount(s) for the Debentures shall be redeemed by the Company as shall be specified in the Issue Details;
SEBI	Means the Securities and Exchange Board of India
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
Disclosure Document	This document which sets out the information regarding the Debentures being issued on a private placement basis and has been issued pursuant to regulation 21A of the SEBI Debt Listing Regulations.
Tax	Means any present or future tax, levy, duty, charge, fees, deductions, withholdings, 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 by Law by any Governmental Authority and as maybe applicable in relation to the payment obligations of the company under this Issue
TDS	Tax Deducted at Source.
Terms & Conditions	Shall mean the terms and conditions pertaining to the Issue as outlined in the Transaction Documents
Term Sheet/ Issue Detail	Shall mean the key terms of the Debentures issued, including inter alia, Interest Rate, allotment date, Redemption Date, credit rating, security description, covenants if any as specified under Annexure I, and shall include amendments made thereto from time to time
Transaction Documents	Shall mean the documents executed or to be executed in relation to the issuance of the Debentures as more particularly set out in SECTION 5:
WDM	Wholesale Debt Market.



SECTION 2: NOTICE TO INVESTORS AND DISCLAIMERS

2.1 ISSUER'S DISCLAIMER

This Disclosure Document 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 Disclosure Document 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 Disclosure Document to be filed or submitted to the SEBI for its review and/or approval. However pursuant to the provisions of Section 42 of the Companies Act 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Company undertakes to file the copy this Disclosure Document with the Registrar of Companies.

This Disclosure Document 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 Disclosure Document 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 Disclosure Document does not purport to contain all the information that any Eligible Investor may require. Further, this Disclosure Document 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 Disclosure Document 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 Disclosure Document 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 Disclosure Document (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 Disclosure Document 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 being authorized by the Issuer. The Issuer certifies that the disclosures made in this Disclosure Document are adequate and in conformity with the SEBI Debt Listing Regulations. Further, the Issuer accepts no responsibility for statements made otherwise than in the Disclosure Document 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 Disclosure Document would be doing so at its own risk.



This Disclosure Document 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 Disclosure Document 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 Disclosure Document being issued have been sent. Any application by a person to whom the Disclosure Document has not been sent by the Issuer shall be rejected without assigning any reason.

The person who is in receipt of this Disclosure Document 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 Disclosure Document 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 Disclosure Document) without retaining any copies hereof. If any recipient of this Disclosure Document decides not to participate in the Issue, that recipient must promptly return this Disclosure Document 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.

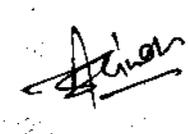
The Issuer does not undertake to update the Disclosure Document to reflect subsequent events after the date of Disclosure Document and thus it should not be relied upon with respect to such subsequent events without first confirming its accuracy with the Issuer. Provided however that, any subsequent event, circumstance, occurrence or condition which is material to the Issue or which may influence the investment decision of the Investors, shall be reflected in the Term Sheet(s)

Neither the delivery of this Disclosure Document 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 Disclosure Document 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 Disclosure Document in any jurisdiction where such action is required. Persons into whose possession this Disclosure Document comes are required to inform them of, and to observe, any such restrictions. The Disclosure Document 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 Disclosure Document has been filed with the BSE in terms of the SEBI Debt Listing Regulations. It is to be distinctly understood that submission of this Disclosure



Document to the BSE should not in any way be deemed or construed to mean that this Disclosure Document 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 Disclosure Document, 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 Disclosure Document has to be filed with or submitted to the SEBI for its review / approval. It is to be distinctly understood that this Disclosure Document 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 Disclosure Document.

2.4 DISCLAIMER CLAUSE OF RBI

The Issuer has obtained a certificate of registration dated October 26, 2016 bearing registration no. B-10.00080 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 Disclosure Document has not been filed with or submitted to the Reserve Bank of India ("RBI"). It is distinctly understood that this Disclosure Document 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 Disclosure Document. 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 Disclosure Document 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 Disclosure Document. Neither is the Sole Arranger responsible for preparing, clearing, approving, scrutinizing or vetting this Disclosure Document, nor it is responsible for doing any due-diligence for verification of the truth, correctness or completeness of the contents of this Disclosure Document. The Sole Arranger shall be entitled to rely on the truth, correctness and completeness of this Disclosure Document. 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 Disclosure Document has been prepared, cleared, approved, scrutinized or vetted by the Sole Arranger. Nor should the contents of this Disclosure Document 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 Disclosure Document.



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 Disclosure Document 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 Disclosure Document. 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 Disclosure Document. No responsibility or liability or duty of care is or will be accepted by the Sole Arranger for updating or supplementing this Disclosure Document 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 Disclosure Document 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 Disclosure Document. The receipt of this Disclosure Document 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 Disclosure Document 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 Disclosure Document, who shall be/have been identified upfront by the Issuer. This Disclosure Document 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 Disclosure Document 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 Disclosure Document 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 Disclosure Documents 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.

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 NCDs.

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. **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 March 31, 2019, the gross NPA was Rs 61.74 crores on a gross portfolio of Rs 2,001.84 crores including managed / securitized portfolio of Rs. 472.16 crores).

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.

- (c) *The Issuer intends to expand into new cities / states, with no guarantee that these operations will be successful*

The Issuer plans to expand its operations in all the six (6) states in which it has a presence currently and new states across India. The Issuer believes that this strategy is advisable from a financial perspective and that it will provide risk diversification benefits and enable it to achieve its corporate objectives. However, if the Issuer is not effectively able to manage such operations and expansion, it may lose money invested in such expansion, which could adversely affect its business and results of operations.

- (f) *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.

- (g) *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.

- (h) *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.

- (i) *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.

- (j) *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 Disclosure Document 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 Exchanges

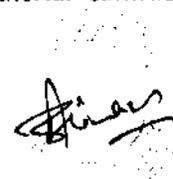
The following documents and such other documents have been required from time to time shall be submitted to the BSE if the proposed NCDs intend to get listed:

- 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 06, 2019 read with the resolution passed by the Executive Committee of the Board of Directors dated August 08, 2019 authorising the issuance of the Debentures;
- e) Certified true copy of the shareholders' resolution passed by the Company at the Annual General Meeting held on June 15, 2019 authorizing the Company to borrow, upon such terms as the Board may think fit, upto an aggregate limit of INR 32,50,00,00,000 (Indian Rupees Three Thousand Two Hundred and Fifty Crore only);
- f) Certified true copy of the shareholders' resolution passed by the Company at the Annual General Meeting held on June 15, 2019 authorizing the Company to create security in respect of its borrowings under Section 180(1)(a) of the Companies Act, 2013;
- g) Certified true copy of the shareholders' resolution passed by the Company at the Annual General Meeting held on June 15, 2019 authorizing the Company to issue non-convertible debentures under Section 42 of the Companies Act, 2013;
- h) 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;
- i) Where applicable, an undertaking that permission / consent from the prior creditor for a second or *pari passu* charge being created, in favour of the trustees to the proposed issue has been obtained; and
- j) Any other particulars or documents that the recognized stock exchange may call for as it deems fit.

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:

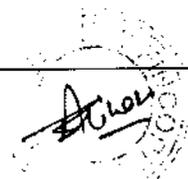
- a) Memorandum and Articles of Association and necessary resolution(s) for the allotment of the debt securities;
- b) Copy of last three years audited Annual Reports;
- c) Statement containing particulars of, dates of, and parties to all material contracts and agreements;



- 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 SEBI LODR Regulations. 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 Trustee and the 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:	Ess Kay Fincorp Limited
Registered & Corporate Office of Issuer:	G1&2, New Market, Khasa Koti Circle, Jaipur, Rajasthan - 302006
Compliance Officer of Issuer:	Ms. Anagha Bangur, Company Secretary G1&2, New Market, Khasa Koti Circle, Jaipur, Rajasthan - 302006
Chief Financial Officer of Issuer:	Mr. Atul Arora, G1&2, New Market, Khasa Koti Circle, Jaipur, Rajasthan - 302006
Contact Person of the Issuer	Mr. Vivek Singh, G1&2, New Market, Khasa Koti Circle, Jaipur, Rajasthan - 302006
NBFC Registration Number:	B-10.00080
Corporate Identification Number	U65923RJ1994PLC009051
Website of Issuer:	www.sk(in.in
Arranger	Not Applicable
Auditors of the Issuer	B S R & Co. LLP 5 th Floor, Lodha Excelus Apollo Mills Compound N.M Joshi Marg, Mahalaxmi Mumbai-4000 11
Trustee to the Issue	Beacon Trusteeship Limited 4C& D, Siddhivinayak Chambers, Santacruz (E), Mumbai- 400 055 Tel: +91 22 26558759 Email: contact@beacontrustee.co.in
Registrar	Karvy Fintech Private Limited 46, Avenue, 4th Street, No. 1, Banjara Hills, Hyderabad-500034



Credit Rating Agency	CRISIL Limited Crisil House, Central Avenue. Hiranandani Business Park, Powai, Mumbai - 400076
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As per the Resolution passed by the Executive Committee of the Board at their meeting dated August 08, 2019; following below members are authorized to issue the Disclosure Document:

Sl	Name	Designation
1.	Mr. Vivek Singh	Head Treasury
2.	Mr. Devendra Sharma	Assistant Company Secretary

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

(a) Overview:

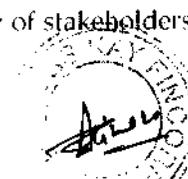
Ess Kay is registered as an Asset Financing Non-Banking Financial Corporation (NBFC-AFC) with the RBI. It was incorporated in 1994 and is primarily engaged in financing of commercial vehicles – mostly light commercial vehicles and multi utility vehicles. Its corporate and registered office is in Jaipur, Rajasthan.

It provides loans primarily to first time buyers and small transporters for purchase of used vehicles. The Issuer's experienced management team, knowledge of local market, good franchise in Rajasthan, good systems and processes, control on asset quality indicators and adequate profitability are credit the positives for the company.

(b) Current Corporate Status:

The Issuer was incorporated as a private limited company under the Companies Act of 1956 on November 21, 1994 and is registered with the Reserve Bank of India as a non-deposit accepting NBFC and converted from a private limited to public limited company under the Companies Act of 2013 on September 04, 2017. The Issuer derives the following benefits of being registered as an NBFC.

- **Access to Funds:** Commercial lenders have greater comfort lending to a regulated NBFC with transparent ownership. As an Issuer, Ess Kay can raise equity and offer commercial returns.
- **Diverse Funding Sources:** An NBFC can access commercial investors and international capital markets, diversifying away from donors or members as equity funders.
- **Commercialization:** Classifying Ess Kay as an NBFC increases its commercial credibility and integrates it and its clients into the formal financial sector which ultimately increases its outreach potential.
- **Mainstream Resources:** As a for-profit commercial NBFC, Ess Kay will be more likely to attract mainstream capital resources which Societies or Trusts would find difficult to attract.
- **Regulatory Coverage:** As Ess Kay grows in size, operating as an NBFC within the regulatory framework mitigates risks from political and regulatory intervention.
- **Stakeholder Involvement:** As an NBFC, Ess Kay can bring a variety of stakeholders to the table, including clients, management, employees and investors.



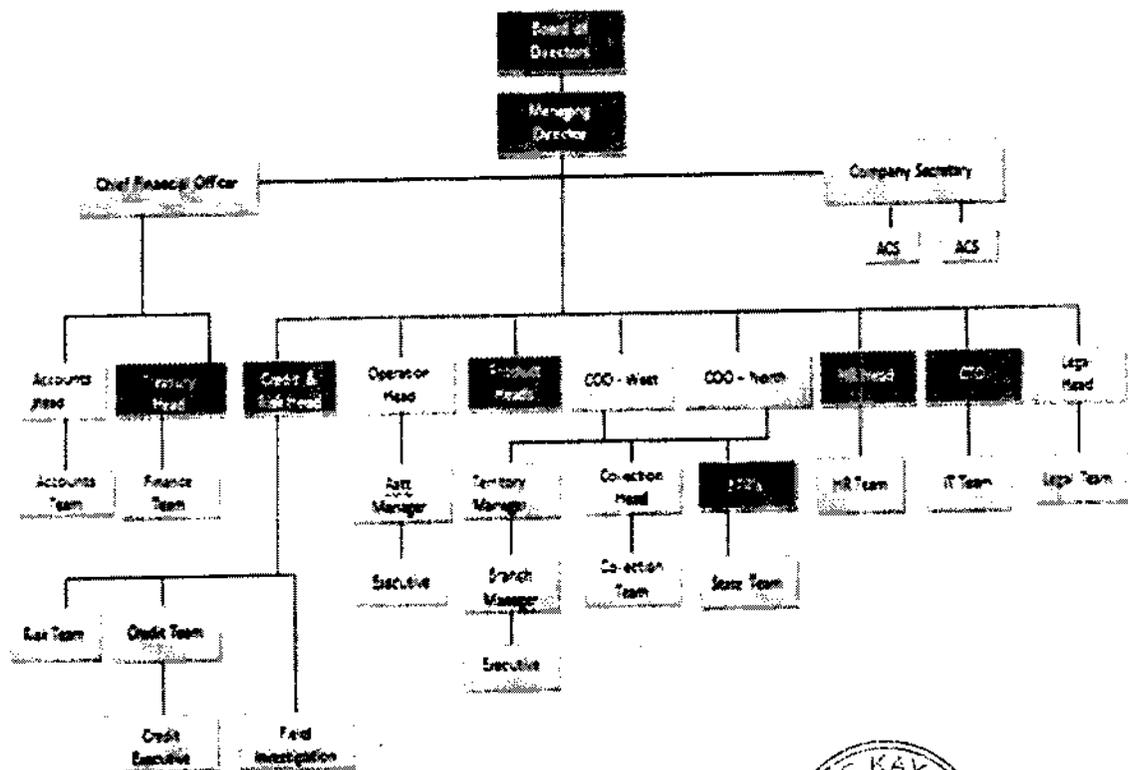
(c) Business Segments

Ess Kay lends financial assistance in the form of loans, to help meet customers' needs in the transportation life cycle from end-to-end. We finance Medium Commercial Vehicles (MCV), Light Commercial Vehicles (LCV), Multi-Utility Vehicle (MUV), Cars, Two – Wheelers and MSME financing. Apart from financing new vehicles, we have Refinancing loans available for used and pre-owned vehicles of all kinds and brands.

Product Details:

Product	Features	Purpose	Eligibility
Vehicles loans	Secured by hypothecation of vehicle	Purchase of vehicle	Self-occupied individuals
MSME	Secured by mortgage of property	Expansion of business	Self-occupied residential and commercial property Individuals

(d) Corporate Structure



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

(Rs in Crores)

Parameters	Audited 31-Mar-19	Audited 31-Mar-18	Audited 31-Mar-17
Net Worth	555.18	206.30	86.27
Total Debt	1,299.17	897.63	614.62
- Non current maturities of long term Borrowings	802.62	428.15	301.98
- Short term borrowings	65.05	85.23	45.97
- Current maturities of long term Borrowings	431.50	384.25	266.67
Net Fixed Assets	17.04	12.30	10.16
Non-Current Assets	1,022.26	694.66	388.22
Cash and Cash equivalents	277.61	29.37	55.43
Current Investments	11.00	-	-
Current Assets	953.85	514.04	377.14
Current Liabilities	593.69	566.30	378.11
Assets Under Management	1637.96	1,133.54	636.41
Off balance sheet assets	391.50	221.77	241.30
Interest Income	286.46	165.60	117.76
Interest Expense	130.96	84.79	65.70
Provisioning & Write Offs	29.18	21.69	5.59
PAT	52.23	21.95	12.30
Gross NPA (%)	3.83%	3.37%	4.22%
Net NPA (%)	2.87%	2.57%	3.41%
Recognition of NPA	90 days	90 days	120 days
Tier I Capital Adequacy Ratio (%)	31.17%	16.72%	11.56%
Tier II Capital Adequacy Ratio (%)	1.85%	3.59%	6.20%

4.6 Gross Debt: Equity Ratio of the Company (as on June 30, 2019):

Before the issue of debt securities	2.72
After the issue of debt securities	2.81

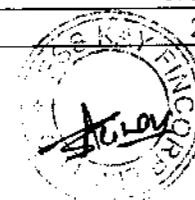
Calculations

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

Debt	1556.93
Equity	572.60
Debt/Equity	2.72

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

Debt	1606.93
Equity	572.60
Debt/Equity	2.81



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

- **Change in Accounting Policy in FY 2018-19:**

The Company has not change in the accounting policy during the financial year ending March 31, 2019.

- **Change in Accounting Policy in FY 2017-18:** During the financial year ending March 31, 2018, the

Company has changed the provisioning norms of standards assets from 0.35% to 0.40% based on RBI Notification No. RBI/DNBR/2016-17/45 dated September 1, 2016. Pursuant to this change, the provision on standard assets has been increased by Rs 60.27 lacs and profits have been reduced by Rs 60.27 lacs.

During the financial year ending March 31, 2018, the Company has changed its NPA provisioning policy based on RBI Notification No. RBI/DNBR/2016-17/45 dated September 01, 2016 pursuant to which loans outstanding for a period exceeding 90 days are classified as substandard assets and substandard assets for a period exceeding 12 months are classified as doubtful debts. Due to this, the profit for the year has been decreased by Rs 72.96 lacs.

- **Changes in 2016-17**

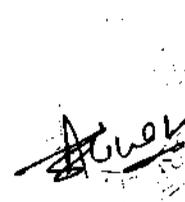
- Changes in provisioning norms on NPA assets (refer pg. no 9-10 of the audited results for 2016-17).
- Changes in provisioning policy of NPA assets.

During the financial year ending March 31, 2017, the Company has changed the provisioning norms of standards assets from 0.30% to 0.35%. Pursuant to this change, the provision on standard assets increased by Rs 39.07 lakhs and profits has been reduced by Rs 39.07 lakhs.

During the financial year ending March 31, 2017, the Company has changed its NPA provisioning policy based on RBI Notification No. DNBR.009/CGM(CDS)-2015 dated March 27, 2015 pursuant to which loans outstanding for a period exceeding 120 days are classified as substandard assets and sub-standard assets for a period exceeding 14 months are classified as doubtful debts. Due to this, the profit for the year has been decreased by Rs 123.51 lakhs

4.9 Related Party Transactions for last three financial years

As per Annexure V



Brief History Of The Company Since Its Incorporation Giving Details Of The Following Activities
a. Details of Share Capital as on June 30, 2019

(Rs. in Crores)

Share Capital	Amount
Authorised Capital	
Equity Share Capital	5.75
Preference Share Capital	Nil
TOTAL	5.75
Issued, Subscribed and Fully Paid- up	
Equity Shares Capital	4.60
Preference Shares Capital	Nil
TOTAL	4.60

b. Changes in its capital structure as on June 30, 2019, for the last five years:-

(Rs. in Crores)

Date of Change (AGM/ EGM)	Change in authorized Share Capital		Particulars Change in capital
	Existing	Revised	
December 31, 2010	1.25 (E.S.)	2.50 (E.S.)	+1.25 (E.S.)
December 31, 2012	2.50 (E.S.)	4.50 (E.S.) 1.25 (P.S.)	+2.00 (E.S.) +1.25 (P.S.)
December 5, 2017	4.5 (E.S.) 1.25 (P.S.)	5.75 (E.S.) 0.00 (P.S.)	+1.25 (E.S.)
September 9, 2018	5.75 (E.S.)	5.75 (E.S.)	Each ES of Rs. 100 was splitted into 50 ES of Rs. 02 each.

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 June 30, 2019, for the last five years

Date of allotment	Name of equity shareholder	No. shares	Face Value (Rs.)	Issue price	Consideration Amount (Rs.)	Nature of Allotment	Cumulative paid-up capital (Rs.)			Remarks
							No. of equity shares	Equity share Capital	Equity Share Premium (in Rs.)	
					(No. of shares * Issue price)					
31.03.2010	Asha Kothari	3650	100	500	1,825,000	Equity	123,150	12,315,000		Share transferred on 15.1.2012
	Mantra	2000	100	500	1,000,000	Equity				Share

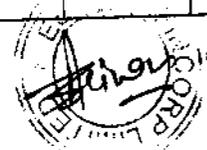


Date of allotment	Name of equity shareholder	No. shares	Face Value (Rs.)	Issue price (Rs.)	Consideration Amount (Rs.)	Nature of Allotment	Cumulative paid-up capital (Rs.)	Remarks
26.03.2014	Rajendra	190	100	2632	500,080	Equity	20,241,5	
	Total	17,048	100	2000	34,096,000	Equity		
	Rajendra Kumar	13480	100	2000	6,740,000	Equity		
	Setia							
31.03.2012	Shalini Setia	2368	100	2000	1,184,000	Equity	19,951,800	
	Arjun Das Setia	1200	100	2000	600,000	Equity		
	Rajendra Kumar	13480	100	2000	6,740,000	Equity		
	Setia							
05.03.2012	BanyanTree e Growth Capital LLC	60	100	1500	90,000	Equity	182,470	
	Total	17,620	100	500	8,810,000	Equity	182,410	
27.12.2011	Rajendra Kumar	17,620	100	500	8,810,000	Equity	182,410	
31.03.2011	Shalini Setia	800	100	500	400,000	Equity	16,479,000	
	Arjun Das Setia	320	100	500	160,000	Equity		
	Rajendra Kumar	40520	100	500	20,260,000	Equity		
	Setia	41,640	100	500	20,820,000	Equity		
	Total	41,640	100	500	20,820,000	Equity		
22.12.2011	Trading Company						16,479,000	
	Vajra Trading Company	2000	100	500	1,000,000	Equity		
	Ess Kay Finserve Pvt. Ltd.	3200	100	500	1,600,000	Equity		
	Total	10,850	100	500	5,425,000	Equity		
22.12.2011	Share transferred on 22.12.2011	1					16,479,000	
	Share transferred on 22.12.2011	1						
	Share transferred on 22.12.2011	1						

Date of allotment	Name of equity shareholder	No. shares	Face Value (Rs.)	Issue price	Consideration Amount (Rs.)	Nature of Allotment	Cumulative paid-up capital (Rs.)		Remarks
	Kumar Setia						5	00	
	Ladder Up Corporate Advisory Private Limited	2707	100	2632	7,124,824	Equity			
	Total	2,897	100	2632	7,624,904	Equity			
	Banyan Tree Growth Capital LLC	119,940	100	100	179,910,000	Preference	119,940	11,994,000	
31.03.2014							322,355	32,235,500	
31.03.2015							322,355	32,235,500	
31.03.2016							322,355	32,235,500	
12.11.2016	Yash Setia	13	100	NA	NA	Equity	322,355	32,235,500	Share received on 12.11.2016
	Shalini Setia	13	100	NA	Na..	Equity			Share received on 12.11.2016
	Atul Arora	13	100	3790.68	49278.84	Equity			Share purchased from existing shareholder on 12.11.2016
27.03.2017	Banyan Tree Growth Capital LLC	68294	100	175.623	NA	Equity	270709	2707090	68294 Equity share issued in lieu of Compulsory Convertible preference



Date of allotment	Name of equity shareholder	No. shares	Face Value (Rs.)	Issue price	Consideration Amount (Rs.)	Nature of Allotment	Cumulative paid-up capital (Rs.)			Remarks
										ce shares
	Total	68333	-	3790.68	49278.84	Equity				
30.12.2017	Norwest Venture Partners X - Mauritius	44,468	100	12,467.26	55,43,94,117.68	Equity	350919	3509190	991977924.6	Fresh Allotment
	Baring Private Equity India AIF	15,963	100	12,467.26	19,90,14,871.38	Equity				Fresh Allotment
	Karma Holdings Mauritius Limited	4,817	100	12,467.26	6,00,54,791.42	Equity				Fresh Allotment
	Evolvence India Fund II LTD	14,962	100	12,467.26	18,65,35,144.12	Equity				Fresh Allotment
30.12.2017	Norwest Venture Partners X - Mauritius	41,356	100	12,467.26	51,55,96,004.56	Equity	350919	3509190	991977924.6	Transfers from Banyan Tree Growth Capital, Rajendra Kumar Setia & Ladder Up Finance Limited
	Baring Private Equity India AIF	14,845	100	12,467.26	18,50,76,474.70	Equity				Transfers from Banyan Tree Growth Capital, Rajendra Kumar Setia & Ladder Up Finance Limited
	Karma Holdings	4,480	100	12,467.26	5,58,53,324.80	Equity				Transfers from



Date of allotment	Name of equity shareholder	No. shares	Face Value (Rs.)	Issue price	Consideration Amount (Rs.)	Nature of Allotment	Cumulative paid-up capital (Rs.)			Remarks
	Mauritius Limited									Banyan Tree Growth Capital, Rajendra Kumar Setia & Ladder Up Finance Limited
	Evolve India Fund II LTD	13,914	100	12.467.26	17,34,69,455.64	Equity				Transfers from Banyan Tree Growth Capital, Rajendra Kumar Setia & Ladder Up Finance Limited
23.02.2018	Evolve Coinvest I	28,876	100	12.467.26	36,00,04,599.76	Equity	350919	3509190	991977924.6	Transfers
26.02.2018	Rajendra Kumar Setia HUF	1,250	100	20.000.00	2,50,00,000.00	Equity	350919	3509190	991977924.6	Transfers
11.09.2018	Splited into 50 Equity Shares having FV 02 Per Share	NA	02	NA	NA	Equity	17545950	3509190	NA	Split
13.10.2018	Rajendra Kumar Setia	754650	02	NA	NA	Equity	18300600	36601200	NA	Conversion of Warrants
31.10.2018	TPG Growth IV SF Pte Limited	167703	02	596.29	99999621.87	Equity	18468303	36936606	NA	Purchase from RKS
31.10.2018	TPG Growth IV SF Pte	2904835	02	596.29	1732124062.15	Equity	18756447	37512894	2802391	Fresh Allotment



Date of allotment	Name of equity shareholder	No. shares	Face value (Rs.)	Issue price (Rs.)	Consideration Amount (Rs.)	Nature of Allotment	Cumulative paid-up capital (Rs.)	Remarks
31.10.2018	Evolve Invest I	45584	02	596.2	271817007.	Equity	21661	
31.10.2018	Norwest Venture Partners X - Mauritius	13548	02	596.2	807881717.	Equity	23016	
							4332256	
							4603225	
							129	
							8	

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



4.10 Details of the Shareholding of the Company as on the latest quarter end
a. Shareholding pattern of the Company as on June 30, 2019:-

Sl.	Name of Shareholder	Number of Shares	Percentage (%) of holding	Number of shares held in Demat Form
1	Rajendra Kumar Setia	96,01,097	41.71%	96,01,097
2	Norwest Venture Partners X-Mauritius	56,46,047	24.53%	56,46,047
3	TPG Growth IV SF Pte Limited	30,72,538	13.35%	30,72,538
4	Evolvence Coinvest I	18,99,647	8.25%	18,99,647
5	Baring Private Equity India AIF	15,40,400	6.69%	15,40,400
6	Shalini Setia	7,27,100	3.16%	7,27,100
7	Karma Holdings Mauritius Limited	4,64,850	2.02%	4,64,850
8	Rajendra Kumar Setia HUF	62,500	0.27%	62,500
9	Yash Setia	650	0.00%	650
10	Bhajan Devi Setia	650	0.00%	650
11	Atul Arora	650	0.00%	650
	Total	2,30,16,129	100	2,30,16,129

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 June 30, 2019

Sl.	Name of Shareholder	Number of Shares	Percentage (%) of holding	Number of shares held in Demat Form
1	Rajendra Kumar Setia	96,01,097	41.71%	96,01,097
2	Norwest Venture Partners X-Mauritius	56,46,047	24.53%	56,46,047
3	TPG Growth IV SF Pte Limited	30,72,538	13.35%	30,72,538
4	Evolvence Coinvest I	18,99,647	8.25%	18,99,647
5	Baring Private Equity India AIF	15,40,400	6.69%	15,40,400
6	Shalini Setia	7,27,100	3.16%	7,27,100
7	Karma Holdings Mauritius Limited	4,64,850	2.02%	4,64,850
8	Rajendra Kumar Setia HUF	62,500	0.27%	62,500
9	Yash Setia	650	0.00%	650
10	Bhajan Devi Setia	650	0.00%	650
11	Atul Arora	650	0.00%	650
	Total	2,30,16,129	100	2,30,16,129



4.11 Following Details Regarding The Directors Of The Company:

a. Details of the Current Directors of the Company

Sl.	Name of the Directors	Age	Address	DIN	Director of the company since	Director in other company
1.	Rajendra Kumar Setia (Managing Director)	49 yrs	2 Cha 12 Jawahar Nagar, Jaipur	00957374	21.11.1994	Nil
2.	Shalini Setia (Whole-time director)	47 yrs	2 Cha 12 Jawahar Nagar, Jaipur	02817624	01.01.2010	Nil
3.	Amar Lal Daultani (Independent Director)	64 yrs	703, Dev Plaza, Near Tejaswani Hospital Kadri, Temple Road, Mangalore, Karnataka	05228156	01.04.2016	<ul style="list-style-type: none"> - Devenio Optimus Advisors Private Limited - Ativir Stock Broking Private Limited - Viraj Profiles Limited
4.	Munish Dayal (Alternative Director)	53 yrs	H.N.LCG804A, Sushant Lok-1, Laburnum Apartment Gurgaon, Teh - Gurgaon	01683836	26.02.2018	<ul style="list-style-type: none"> - Mannapuram Home Finance Limited - Proactive Data Systems Private Limited - RMZ Infratech Pvt. Ltd. - Infrasoftware Technologies Limited
5.	Anand Raghvan (Independent Director)	58 yrs	22/1, Warren Road, Mylapore, Chennai 600004	00243485	07.04.2018	<ul style="list-style-type: none"> - Sterling Holiday Resort Limited - Five-Star Business Finance Limited - Five-Star Housing Finance Private Limited - Chennai International Centre - Nani Palkhivala Arbitration Centre
6.	Gaurav Trehan (Nominee Director)	44 yrs	Flat No.101 A, 10 th Floor, Embassy Apartment, 46 Nepean Sea Road	03467781	31.10.2018	<ul style="list-style-type: none"> - Shriram Life Insurance Company Limited - Five-Star Business Finance Limited - Shriram General Insurance Company Limited - Manipal Health

Sl.	Name of the Directors	Age	Address	DIN	Director of the company since	Director in other company
						Enterprises Pvt Ltd - 5. Jana Capital Limited

**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.*



b. Details of change in directors since last three years:-

Name	Designation	DIN	Date of Appointment	Date of Resignation	Remarks
Naval Jawaharlal Totla	Independent Director	2408585	05.03.2012	20.05.2014	Appointment & Resignation
Anshuman Goenka	Independent Director	02276712	20.05.2014	25.03.2015	Appointment & Resignation
Sanji Singhal	Nominee Director	02408616	25.03.2015	30.12.2017	Appointment & Resignation
Govind Saboo	Independent Director	06724172	29.12.2014	01.04.2016	Appointment & Resignation
Amar Chand Chug	Independent Director	07144359	25.03.2015	08.05.2018	Appointment & Resignation
Arjun Das Setia	Director	00469127	21.11.1994	29.09.2015	Appointment & Resignation
Amar Lal Daultani	Independent Director	05228156	01.04.2016	-	Appointment
Rahul Bhasin	Nominee Director	-	30.12.2017	05.09.2018	Appointment & Resignation
Munish Dayal	Nominee Director	01683836	26.02.2018	-	Appointment
R Anand	Independent Director	00243485	07.04.2018	-	Appointment
Gaurav Trehan	Nominee Director	03467781	31.10.2018	-	Appointment

4.12 Brief particulars of the management of the Company:

- Board of Directors:

Sl.	Name & Designation	Experience
1.	Mr. Rajendra Kumar Setia (Managing Director & Promoter)	He is a first generation entrepreneur who has strong decision making skills and is a good mentor to the employees. He is a Science graduate, having rich experience of more than 2 decades in finance sector business and vehicle financing. He is also the President of Rajasthan Finance Companies Association, institution for representing interest of finance companies in the State of Rajasthan
2.	Mrs. Shalini Setia (Whole-time Director)	Whole-time Director of the company is Co-promoter of the Company. She has 6 years of experience in the industry. She actively participates in strategic decision making of the company. She is an eternal optimist and has promoted ethics in working environment by creating a work culture which provide a stabilized growth environment and motivation.
3.	Mr. Munish Dayal (Nominee Director)	He is a Senior Partner with Barings Private Equity Partners India since May 2007. He heads the investment practice in Banking, Financial Services & Insurance (BFSI) and also serves as an Operating Partner. He has over 29 years of global experience in establishing and



Sl.	Name & Designation	Experience
		building businesses in the BFSI industry, having worked with Citigroup for 16 years as Managing Director across major markets (London, Europe, Singapore, Middle East, Africa, India) His roles ranged from global transaction services, risk management to asset-based finance, culminating as the Regional Head of SME and Retail mass markets for Asia Pacific.
4.	Mr. Amar Lal Daultani <i>(Independent Director)</i>	A postgraduate in Economics from Agra University, joined Allahabad Bank as Management Trainee in 1978 and worked in different capacities in various branches of Allahabad Bank holding important assignments. He is a versatile banker having 34 years of rich experience in Credit, Forex and other General Banking Operations. He has completed his term of office as Executive Director of corporation bank.
5.	Mr. Anand Raghavan <i>(Independent Director)</i>	Mr. Anand Raghavan, a Chartered Accountant by Profession has over 30+ years of experience with different entities like Sundaram Finance & Ernst & Young LLP. He is currently serving as special advisor in Ernst & Young LLP along-with directorship in reputed organization such as MMTC Limited, Five Star Business Limited, Five Star Housing Finance Private Limited and Sterling Holiday Resort Limited.
6.	Mr. Gaurav Trehan <i>(Nominee Director)</i>	He is a Partner based in Mumbai. Since joining TPG in 2004, He has spent time in TPG Young LLP along-with directorship in reputed organization such as MMTC Limited, Five Star Business Limited, Five Star H Prior to joining TPG, he worked in the Mergers, Acquisitions and Restructurings Department of Morgan Stanley in Menlo Park with a focus on the technology sector. He received a BS in Mathematics and Applied Science and Economics from UCLA. He serves on the Boards of Manipal Health Enterprises Private Ltd, Shriram Properties Private Ltd, Jana Capital Ltd, Shriram General Insurance Co Ltd, and Union Bank of Colombo.

- Details of Key Managerial Personnel of the Company

Sl.	Name & Designation	Experience
1.	Mr. Atul Arora <i>(Chief Financial Officer)</i>	Mr. Atul Arora is Chartered accountant by profession, started his career with Taurian Manganese & Ferro Alloy CISA a mining company based in Ivory coast, After 2 years of international finance exposure he has joined Ess Kay Fincorp Limited in 2010. With his diverse experience gained through range of assignments handled during his stint with the company has grown along and currently holds position of Chief Financial Officer in the company.
2.	Mr. Girish Dangayach <i>(Chief Digital Officer)</i>	Mr. Girish Dangayach is a Chartered Accountant and Certified Digital Strategist from Columbia University with more than 13 years of strong experience. Previously Girish worked with Genpact, Deloitte, Accenture, KPMG and Infosys. Girish helped many global leading fortune 500 companies to transform their business processes in the area of Sales Operations, Finance, Customer Service, Procurement, HR and Manufacturing. At SK, Girish is working to



Sl.	Name & Designation	Experience
		build best in class processes and introducing new age digital technologies to enhance experience for customer and colleagues.
3.	Mr. Sameer Arora <i>(Senior Vice President (North))</i>	Mr. Sameer Arora a Civil Engineer by qualification has 27+ years of experience. He started his career as an entrepreneur and joined Ess Kay Fincorp in the year 2007 with ~10 years of extensive experience in the field of sales, collection and operations. With his diversified skill set he carries specialized hold on sales and marketing of financial products. He is one of the main drivers of devising new product strategies and overlooking its implementation on the ground.
4.	Mr. Ritesh Sharma <i>(Senior Vice President (West))</i>	He is MBA Finance / B-Com(Hon) having 17 years of experience in Finance Industry (Rajasthan & Gujarat State). He started career with Ess Kay Fincorp in year 1999 as a sales manager & with continue growth currently holding position of Senior Vice President (Western Region) in the company.
5.	Mr. Yash Setia <i>(Business Strategy Analyst)</i>	Mr Yash Setia, started his Career with Esskay in 2017, is involved in all business strategies and growth plans of the company. A HR College of Commerce and Economics Mumbai graduate, he has the acumen on data and technology and responsible for business development as well as profitable collection.
6.	Mr. Harish Kumar Rao <i>(Vice President (Co))</i>	Harish Rao, with 18+ year of experience in CV and Car finance with a core strength of marketing and product development for vehicle finance in rural market of India. During his vast career with STFC, Magma, Au and Fullerton India, he had developed his skills in People management, Channel Management, Collection, credit appraisal and underwriting too.
7.	Mr. Amarpreet Singh Batra <i>(Vice President (Tractor))</i>	Amarpreet Singh Batra, having over 15 years of experience with reputed corporates. He holds a B.Tech Degree in Mechanical Stream from SSBT's College, Jalgaon Maharashtra. Prior to joining Ess Kay ,he was heading Rajasthan State as General Manager in Magma Fincorp Limited.
8.	Mr. Mihir Vaishnav <i>(Vice President (Sme))</i>	Mihir Vaishnav graduated from Mumbai University and pursued MBA Has corporate experience of 24 years having worked with Times Group, 20th Century Finance, GMAC, IDBI Bank, TVS Credit, and ICICI Bank. He has worked in domain of Retail Assets and Liabilities having handled product range of 20k to 2 cr which includes financing of Two Wheeler, Auto, Commercial Vehicle, Construction Equipment, Mortgage (HL & SME).
9.	Mr. Pankaj Sharma <i>(Vice President (Risk & Credit))</i>	Mr. Pankaj Sharma is a MBA with a total work experience of 14+ years in the field of Credit & Risk for Retail Loans & SME. Previously he has worked for Mahindra Finance, Bajaj Finance, Centurion Bank of Punjab, DCB, Fullerton India and Magma Fincorp Limited. He joined Ess Kay in Dec 2016 and currently heads Credit & Risk Function.
10.	Mr. Vivek Singh <i>(Head – Treasury)</i>	Mr. Vivek Singh is a Post Graduate with specialization in the field of finance, accounts, tax and international business. He is a Chartered accountant and PGDIB in International Business from India Institute of Foreign Trade (New Delhi). He started his career with Traxun Towers Limited and has spent almost 14+ years in the field of

Sl.	Name & Designation	Experience
		Corporate Finance in the past while working with Corporate Group's such as RPG Enterprise, Ladder up Finance Limited and Reliance ADAG.
11.	Mr. Rajeev Yadav (Vice President (Legal))	Rajeev Yadav PGDBM (Marketing) and a Law graduate by qualification. He has in all a total experience of 15+ years. He started his career with Cipla Limited in the year 2000 and then moved on to Hinduja Leyland Ltd, Mahindra Finance and ICICI Bank Limited. He has diversified experience of sales, compliance, collection, banking regulations of NBFCs and Bank. He heads legal department for the company and currently takes care of all the legal matters on behalf of the company.
12.	Mr. Harendra Singh Rathore (Associate Vice President (Collection))	Mr. Harendra started his career with Ess Kay Fincorp Limited in the year 1995. He moved on to different organization through his career and has worked with organization like GE, ICICI Bank Limited and Kotak Mahindra Bank. He started his career as an executive level manager but with his ability and understanding of geography and business has now attained the position of State Collection Manager for the state of Rajasthan. He has worked in various sphere of Collection /Debts Recovery and Risk Management during his entire stint with various organization.
13.	Ms. Anagha Bangur (Company Secretary)	Ms. Anagha Bangur a Company Secretary by qualification, has served in salt manufacturing company viz. with Saboo Sodium Chloro Limited which was listed on Bombay Stock Exchange. Anagha Joined Esskay Fincorp in 2013. Has experience in formulation of Group Financial Policies, Corporate Laws, Merchant Banking, Equity and Debt Listing and ensuring adherence to the statutory regulations of listed, non listed Companies.
14.	Mr. Abhijeet Sharma (State Collection Manager)	Abhijeet Sharma a Graduate in Law from Rajasthan University, having experience of more than 15+ years in the field of collection. He started his Career in with ICICI Bank and has worked with Airtel and Indiabulls in various positions predominantly in the state of Rajasthan and Gujarat. He is associated with of Ess Kay Fincorp since 2010 and through his acumen and ability has scaled to the level of Senior Manager (Collection).
15.	Mr. Ritesh Kumar (Deputy Vice President Operation)	With 5 years of field experience he joined Ess Kay in 2008 as an operation executive, with his dedication and continuous skill up-gradation, he currently holds the position on Operation Head.
16.	Mr. Anil Sharma (Associate Vice President Accounts))	An MBA in Human Resource from Annamalai University, having experience of 12 yrs in HR Domain with Vehicle Finance Industry. He has worked with Mahindra & Mahindra Ltd, L& T Finance, IndusInd Bank, Infosys and many other companies. He also has exposure comprising of 7 Northern states
17.	Mr. Honey Jain (Associate Vice President Accounts)	A Chartered Accountant and a Company Secretary by qualification, has 5 years of core accounting and auditing experience. He started his career as an Internal Audit Head in the company and is now acting as the Associate Vice President (Accounts) of the company.

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



Shalini

Name of the Director	Remuneration (in Lakhs)
2020 (Current Year (as on date))	
Rajendra Kumar Setia	13.03
Shalini Setia	1.95
Amar Lal Daultani	1.60(Sitting Fees)
Anand Raghavan	1.60(Sitting Fees)
Munish Dayal	0.70(Sitting Fees)
2019	
Rajendra Kumar Setia	128.20
Shalini Setia	11.71
Amar Chand Chug	1.15(Sitting Fees)
Amar Lal Daultani	4.15(Sitting Fees)
Anand Raghavan	4.15(Sitting Fees)
Munish Dayal	0.70
2018	
Rajendra Kumar Setia	77.13
Shalini Setia	11.13
Amar Chand Chug	4.00 (Sitting Fees)
Amar Lal Daultani	4.00(Sitting Fees)
2017	
Rajendra Kumar Setia	48.00
Shalini Setia	7.20
Amar Chand Chug	1.24 (Sitting Fees)
Amar Lal Daultani	3.00(Sitting Fees)

4.14 Following Details Regarding The Auditors Of The Company:-
a. Details of the auditor of the Company:-

Name	Address	Auditor since	Remark
B S R & Co. LLP	5th Floor .Lodha Excelus Apollo Mills Compound N.M Joshi Marg Mahalaxmi Mumbai-4000 11	11.09.2018	N.A.

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

Name	Address	Date of Appointment / Resignation	Auditor of the Company since (in case of resignation)	Remarks
Gopal Ghiya and Associates	B-49 Gautam Marg Hanuman Nagar Jaipur-302021	24.11.1994	Since incorporation i.e. 24.11.1994 to 30.09.2014	Appointment & Resignation
SS Kothari Mehta	146-148 Tribhuvan Complex, Ishwar Nagar, Mathura road, New Delhi 110017	30.09.2014	30.09.2014 to 1.09.2018	Appointment & Resignation
M/s B S R & Co. LLP	5th Floor, Lodha Excelus Apollo Mills Compound N.M. Joshi Marg, Mahalaxmi, Mumbai, Maharashtra-400011	11.09.2018	-	Appointment

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 Disclosure Document 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 2014-15

Auditors' reservations or qualifications or adverse remarks: - NIL

For the year 2015-16

Auditors' reservations or qualifications or adverse remarks: - NIL

For the year 2016-17

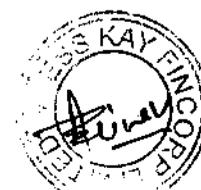
Auditors' reservations or qualifications or adverse remarks: - NIL

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



4.15 Details Of Borrowings Of The Company, As On The Latest Quarter End:-

a. Details of Secured Loan Facilities as on June 30,2019:-

(Rs.in Crores)

Lenders Name	Type of Facility	Amount Sanctioned	Principal Amt. O/s	Repayment Date / Schedule	Primary Security (book debt hypothecation)
RBL Bank Limited	Term Loan	15.00	5.50	30 months	133%
RBL Bank Limited	Term Loan	22.90	15.43	36 months	133%
RBL Bank Limited	Term Loan	40.00	32.00	36 months	133%
HDFC Bank Limited	Term Loan	10.00	2.79	36 months	133%
HDFC Bank Limited	Term Loan	10.00	7.27	36 months	133%
HDFC Bank Limited	Term Loan	15.00	13.45	48 Months	133%
HDFC Bank Limited	Term Loan	25.00	25.00	36 months	133%
The South Indian Bank Ltd	Term Loan	5.00	1.33	48 months	125%
The South Indian Bank Limited	Term Loan	12.00	5.25	48 months	125%
Karnataka Bank Limited	Term Loan	5.00	1.64	42 months	133%
Tamilnad Mercantile Bank Limited	Term Loan	10.00	0.28	42 months	133%
Oriental Bank of Commerce	Term Loan	10.00	4.16	36 months	120%
DCB Bank Limited	Term Loan	10.00	1.32	36 months	133%
DCB Bank Limited	Term Loan	13.00	6.88	36 months	133%
Yes Bank Limited	Term Loan	45.00	11.77	18 months	133%
Andhra Bank	Term Loan	15.00	6.25	36 months	133%
Axis Bank	Term Loan	25.00	10.53	42 months	120%
Vijaya Bank	Term Loan	5.00	3.42	60 months	125%
Au Small Finance Bank	Term Loan	55.00	22.56	39 months	110%
Au Small Finance Bank -II	Term Loan	25.00	19.64	42 months	110%
Indusind Bank Limited	Term Loan	25.00	14.83	36 months	133%
Indusind Bank Limited	Term Loan	15.00	13.97	48 Months	120%
Utkarsh Small Finance Bank	Term Loan	20.00	13.33	36 months	110%
Ujjivan Small Finance Bank Ltd	Term Loan	20.00	17.50	24 months	120%
Small Industries Development Bank of India II	Term Loan	15.00	9.50	66 months	133%
Hinduja Leyland Finance Limited	Term Loan	10.00	1.61	36 months	110%
Hinduja Leyland Finance Limited	Term Loan	17.00	7.00	36 months	110%
Hinduja Leyland Finance Limited	Term Loan	7.00	3.40	36 months	110%
Hinduja Leyland Finance Limited	Term Loan	7.50	4.47	36 months	110%
Hinduja Leyland Finance	Term Loan	20.00	14.03	36 months	120%

Lenders Name	Type of Facility	Amount Sanctioned	Principal Amt. O/s	Repayment Date / Schedule	Primary Security (book debt hypothecation)
Limited					
Tata Capital Finance Service Limited	Term Loan	15.00	6.37	36 months	120%
Mahindra & Mahindra Finance Services Ltd	Term Loan	30.00	4.34	12 months	110%
Mahindra & Mahindra Finance Services Limited-II	Term Loan	50.00	6.50	12 months	110%
Bajaj Finance Limited	Term Loan	20.00	12.31	42 months	120%
Bajaj Finance Limited-II	Term Loan	25.00	24.31	36 months	120%
Nabkisan Finance Ltd	Term Loan	15.00	11.24	51 months	110%
Nabkisan Finance Limited	Term Loan	7.75	7.75	63 months	110%
Manappuram Finance Limited	Term Loan	25.00	16.07	42 months	110%
Manappuram Finance Limited-II	Term Loan	50.00	50.00	36 months	110%
CLIX Capital India Unlimited	Term Loan	30.00	17.85	36 months	133%
Fedbank Financial Service Limited	Term Loan	15.00	4.86	12 months	110%
Magma Fincorp Limited	Term Loan	10.00	6.47	36 months	100%
Tata Capital Finance Service Limited	Term Loan	5.00	3.75	36 months	120%
Fedbank Financial Service Limited	Term Loan	5.00	4.04	48 months	110%
Fedbank Financial Service Limited	Term Loan	5.00	2.78	12 months	110%
Volkswagen Finance Pvt Ltd.(T.L)	Term Loan	20.00	17.58	36 months	110%
Vivriti Capital Pvt Ltd	Term Loan	10.00	10.00	42 months	110%
Bank of Maharashtra	Cash Credit	4.50	3.51	NA	133%
Bank of Maharashtra-WCDL	WCDL	10.50	10.50	NA	
State Bank of India	Cash Credit	6.00	5.87	NA	133%
State Bank of India - WCDL	WCDL	39.00	39.00	NA	133%
RBL Bank Limited	Cash Credit	5.00	0.00	NA	133%
HDFC Bank Limited	Cash Credit	10.00	0.00	NA	133%
Au Small Finance Bank	Cash Credit	49.00	0.00	NA	110%
Axis Bank	Cash Credit	5.00	0.02	NA	120%
Aavas Financiers Ltd	RCF	25.00	0.00	NA	120%
Tata Capital Finance Service Limited	RCF	10.00	0.00	NA	120%
Total			561.26		

b. Details of Unsecured Loan Facilities as on June 30,2019



(Rs.in Crores)

Lender's Name	Type of Facility	Amount Sanctioned	Principal Amount O/s	Repayment Date/Schedule
IFMR FIMPACT Long Term Multi Asset Class Fund	NCD	20.00	20.00	72 Months
Reliance Mutual Fund	NCD	25.00	25.00	42 Months

c. Details of Non-convertible debentures as of June 30,2019

(Rs.in Crores)

Deben- ture Series	Tenor/ Period of Maturity	Coupon (Rate of Interest)	Amou- nt	Date of allotm- ent	Redemptio- n Date/ Schedule	Credit Rating	Secured / Unsecur- ed	Security
2751- 3230	5 years	14.75%	4800.0 0	28/05/2 014	533.33 Lacs each at 30.05.2015, 30.11.2015, 30.05.2016, 30.11.2016, 30.05.2017, 30.11.2017, 30.05.2018, 30.11.2018, 30.05.2019	CARE BBB	Secured	120% of the aggregate of the outstandi- ng principal amount of the Debentur- es or 100% of the aggregate of the outstandi- ng principal amount of the Debentur- es and the value of all future interest payments on those outstandi- ng Debentur- es, whicheve- r is greater.
3231- 192185	3.37 years	12.05% P.A	944.77 5	21/12/2 015	05/02/2019 05/05/2019	CARE BBB	Secured	Secured Key way of



Deben- ture Series	Tenor/ Period of Maturity	Coupon (Rate of Interest)	Amou- nt	Date of allotm- ent	Redemptio- n Date/ Schedule	Credit Rating	Secured / Unsecur- ed	Security
								hypothec- ation of book debt which shall be maintaine- d at 110% of debenture outstandi- ng.
192186 - 192385	6 Years	13.00%	2000.0 0	29/09/2 016	29/09/2022	CARE BBB-	Unsecur- ed	NIL
192586 - 194085	1.5 Years	11.50%	15.00	20- Mar-17	20-Sep-18 Quarterly instalments after a period of 9 months	CARE BBB	Secured	Nil
195586 - 195835	42 months	Market Linked	250000 000	12/07/1 7	12/01/21	[CARE] BBB+	Unsecur- ed	NIL
195836 - 197335	15 months	11.00%	150000 000	16/08/1 8	16/02/18 16/05/18 16/08/18 16/11/18	[CARE] BBB+	Secured	And first exclusive charge with 1.33 times (133%) security cover over the book debts of the company.
197336 - 204835	36 Months	Market Linked	150000 000	18/08/1 7	18/08/2020	[CARE] BBB+	Secured	Exclusive charge via a deed of hypothec- ation over specific standard asset portfolio of Kreenvable



Deben- ture Series	Tenor/ Period of Maturity	Coupon (Rate of Interest)	Amou- nt	Date of allotm- ent	Redemptio- n Date/ Schedule	Credit Rating	Secured / Unsecur- ed	Security
								s covering security of 1.1X at all times & Pari passu charge over the immovable property of the Company
204836 - 205035	24 Months	10.85% Monthly	20,00,0 0,000	27 Decem- ber 2017	31.01.2018 28.02.2018 30.03.2018 30.04.2018 31.05.2018 29.06.2018 31.07.2018 31.08.2018 28.09.2018 31.10.2018 30.11.2018 31.12.2018 31.01.2019 28.02.2019 29.03.2019 30.04.2019 31.05.2019 28.06.2019 31.07.2019 30.08.2019 30.09.2019 31.10.2019 29.11.2019 27.12.2019	IND A (SO)	Secured	Exclusive charge via a deed of hypothecation over specific standard asset portfolio of receivables covering security of 1.2X at all times & Pari passu charge over the immovable property of the Company
205036 - 205335	24 Months	10.85% Monthly	30,00,0 0,000	28 Dec20 17	31.01.2018 28.02.2018 30.03.2018 30.04.2018 31.05.2018 29.06.2018 31.07.2018 31.08.2018	IND A (SO)	Secured	Exclusive charge via a deed of hypothecation over specific standard asset

Deben Series	Tenor/ Period of Maturity	Coupon (Rate of Interest)	Amount	Date of allotment	Redemptio n Date/ Schedule	Credit Rating	Secured / Unsecu red	Security
205336	24 Months	10.60%	350000	18th Januar y, 2018	28.09.2018 31.10.2018 30.11.2018 31.12.2018 31.01.2019 28.02.2019 29.03.2019 30.04.2019 31.05.2019 28.06.2019 31.07.2019 30.08.2019 30.09.2019 31.10.2019 29.11.2019 27.12.2019		Secured	portfolio of receivable s covering security of 1.2X at all times & Part passu charge over the immovabl e property of the Company
205685	- Months	10.60%	000	18th Januar y, 2018	16.02.2018 18.05.2018 18.06.2018 18.07.2018 17.08.2018 18.09.2018 18.10.2018 16.11.2018 18.12.2018 18.01.2019 18.02.2019 18.03.2019 18.04.2019 17.05.2019 18.06.2019 18.07.2019 16.08.2019 18.09.2019 18.10.2019 18.11.2019 18.12.2019 17.01.2020		Secured	Exclusive charge via a deed of hypothec ation over specific standard asset portfolio of receivable s covering security of 1.2X at all times & Part passu charge over the immovabl e property of the Company
205686	22 Months	10.60%	25,00,0 0,000	27th Februa ry, 2018	30.03.2018 30.04.2018 31.05.2018 29.06.2018		Secured	Exclusive charge via a deed of hypothec
205935	- Months							



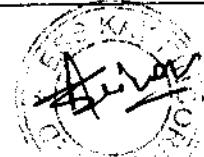
Deben- ture Series	Tenor/ Period of Maturity	Coupon (Rate of Interest)	Amou- nt	Date of allotm- ent	Redemptio- n Date/ Schedule	Credit Rating	Secured / Unsecur- ed	Security
					31.07.2018 31.08.2018 28.09.2018 31.10.2018 30.11.2018 31.12.2018 31.01.2019 28.02.2019 29.03.2019 30.04.2019 31.05.2019 28.06.2019 31.07.2019 30.08.2019 30.09.2019 31.10.2019 29.11.2019 27.12.2019			ation over specific standard asset portfolio of receivable s covering security of 1.2X at all times & Pari passu charge over the immovabl- e property of the Company
205936 - 207935	18 Months	9.75%	20,00,0 0,000	12th March, 2018	12.09.2018 12.10.2018 12.11.2018 12.12.2018 12.01.2019 12.02.2019 12.03.2019 12.04.2019 12.05.2019 12.06.2019 12.07.2019 12.08.2019 12.09.2019	[CARE] BBB+	Secured	Exclusive charge via a deed of hypothe- cation over specific standard asset portfolio of receivable s covering security of 1.2X at all times & Pari passu charge over the immovabl- e property of the Company



Deben- ture Series	Tenor/ Period of Maturity	Coupon (Rate of Interest)	Amou- nt	Date of allotm- ent	Redemptio- n Date/ Schedule	Credit Rating	Secured / Unsecur- ed	Security
207936 - 210435	1277 Days	Linked to Referenc- e Index	25,00,0 0,000	15th May 2018	Bullet Payment	CARE PP-MLD BBB+	Secured	First ranking, exclusive and continuin- g charge on identified receivable s covering security of 110.0% (One Hundred and Ten Percent) the aggregate amount of principal outstandi- ng of the NCDs
210436 - 211935	36 Months	11.23% p.a	75,00,0 0,000	24th May 2018	26.11.2018 24.05.2019 25.11.2019 25.05.2020 24.11.2020 24.05.2021	CARE BBB+	Secured	The Debentur- e shall be first ranking exclusive charge on Hypothec- ated Assets of Receivabl- es which shall be maintaine- d at 1.20x times of debenture s outstandi- ng.
211936 - 212435	36 Months	10.9007 % p.a	50,00,0 0,000	14th June 2018	31.05.2019 29.05.2020 11.06.2021	BWR A	Secured	First ranking, exclusive and



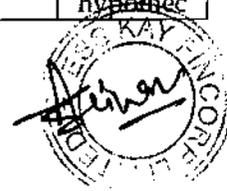
Deben- ture Series	Tenor/ Period of Maturity	Coupon (Rate of Interest)	Amou- nt	Date of allotm- ent	Redemptio- n Date/ Schedule	Credit Rating	Secured / Unsecur- ed	Security
								continuin- g charge on identified receivable s covering security of 105.0% the aggregate amount of principal outstandi- ng of the NCDs
212436 - 213185	15 months	10.85% XIRR	75,00,0 0,000	29th June 2018	28-09-2018 28-12-2018 29-03-2019 28-06-2019 27-09-2019	BWR A	Secured	Exclusive charge via a deed of hypothec- ation over specific standard asset portfolio of receivable s covering security of 105% aggregate amount of principal outstandi- ng at all times & Pari passu charge over the immovabl- e property of the Company
213186 - 213935	36 Months	10.9007 % monthly	75,00,0 0,000	27th July 2018	31 May 2019 29 May	Brickwo- rk Ratings	Secured	First ranking, exclusive



Deben- ture Series	Tenor/ Period of Maturity	Coupon (Rate of Interest)	Amou- nt	Date of allotm- ent	Redemptio- n Date/ Schedule	Credit Rating	Secured / Unsecur- ed	Security
		coupon, compou- nded monthly and payable annually			2020 11 June 2021	(A Stable)		and continui- ng charge on identified receivable s covering security of 105.0% the aggregate amount of principal outstandi- ng of the NCDs
213936 - 214185	24 Months	11.14% p.a	25,00,0 0,000	31st August 2018	01 March 2019 02 September 2019 02 March 2020 31 August 2020	CARE A-	Secured	first ranking exclusive charge by way of hypothe- cation in favour of the Debentur- e Trustee on behalf of and for the benefit of the Debentur- e Holders over the Hypothe- cated Assets
214436 - 215185	24 Months	11.14% p.a	75,00,0 0,000	26th Sept 2018	22 March 2019 22 September 2019 22 March 2020 22 August 2020			first ranking exclusive charge by way of hypothe- cation in favour of the



Deben- ture Series	Tenor/ Period of Maturity	Coupon (Rate of Interest)	Amou- nt	Date of allotm- ent	Redemptio- n Date/ Schedule	Credit Rating	Secured / Unsecur- ed	Security
					22 September 2020			Debentur- e Trustee on behalf of and for the benefit of the Debentur- e Holders over the Hypothec- ated Assets
215186 - 215935	36 Months	10.9007 % monthly coupon, compou- nded monthly and payable annual- ly	75,00,0 0,000	28th Septem- ber 2018	31 May 2019 29 May 2020 11 June 2021	Brickwo- rk Ratings (A Stable)	Secured	First ranking, exclusive and continuin- g charge on identified receivable s covering security of 105.0% the aggregate
215936 - 521593 5	63 Months	11.1610 % coupon (equival- ent to 11.75% XIRR)	50,00,0 0,000	21st Decem- ber 2018	5th March 2024	CARE A-	Secured	Secured by way of hypothec- ation of book debts which shall be maintaine- d at 100% of debenture s outstandi- ng.
521593 6- 521993	731 days	PPMLD	36.65	07.06.2 019	04.06.2021	CRISIL A Stable	Secured	Secured by way of hypothec



Deben- ture Series	Tenor/ Period of Maturity	Coupon (Rate of Interest)	Amou- nt	Date of allotm- ent	Redemptio- n Date/ Schedule	Credit Rating	Secured / Unsecur- ed	Security
5								ation of book debts which shall be maintaine- d at 120% of debenture s outstandi- ng.
521993 6- 522018 5	23 Months	11.50	25	14.06.2 019	14.05.2021	CRISIL A Stable	Secured	Secured by way of hypothe- cation of book debts which shall be maintaine- d at 105.0% of debenture s outstandi- ng.
522018 6- 522043 5	24 Months	11.50	25	14.06.2 019	14.06.2021	CRISIL A Stable	Secured	Secured by way of hypothe- cation of book debts which shall be maintaine- d at 105.0% of debenture s outstandi- ng.
522043 6-	25 Months	11.50	25	14.06.2 019	14.07.2021	CRISIL A Stable	Secured	Secured by way of



Deben- ture Series	Tenor/ Period of Maturity	Coupon (Rate of Interest)	Amou- nt	Date of allotm- ent	Redemptio- n Date/ Schedule	Credit Rating	Secured / Unsecur- ed	Security
522068 5								hypothe- cation of book debts which shall be maintaine- d at 105.0% of debenture s outstandi- ng.
522068 6- 522143 5	26 Months	11.85	75	14.06.2 019	14.08.2021	CRISIL A Stable	Secured	Secured by way of hypothe- cation of book debts which shall be maintaine- d at 105.0% of debenture s outstandi- ng.

d. List of Top 10 Debenture Holders as on June 30,2019: -

Sl.	Name of the Debenture Holders	Amount o/s
1	Franklin Templeton	200
2	Sachin Bansal	150
3	Franklin Templeton	75
4	Karvy Capital	50
5	PPMLD	36.65
6	Axis Mutual Fund	35
7	Principal Mutual Fund	30
8	Northern Arc Capital L & Unifi AIF	25
9	Northern Arc Capital (IFMR Fim pact Income Builder)	25
10	IFMR Fim pact Long Term Multi Asset Class Fund	20

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 June 30, 2019 - 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

4.16 *Details of default, if any, including therein the amount involved, duration of default and present status, in repayment of -*

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



4.17 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 Disclosure Document 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 Disclosure Document 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 Disclosure Document 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 persons

- NIL

4.18 Details Of Promoters Of The Company:-

Details of Promoter Holding in the Company as on June 30, 2019 :-

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	Rajendra Kumar Setia	96,01,097	96,01,097	41.71%	Nil	N.A.
2	Shalini Setia	7,27,100	7,27,100	3.16%	Nil	N.A.
3	Yash Setia	650	650	0.00%	Nil	N.A.
4	Bhajan Devi Setia	650	650	0.00%	Nil	N.A.
5	Rajendra Kumar Setia HUF	62,500	62,500	0.27%	Nil	N.A.



- 4.19 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*.

Profit & Loss Account

(Rs. in Crores)

Particulars	31-Mar-17	31-Mar-18	31-Mar-19
Revenue from Operations	151.67	225.99	360.56
Other Income	5.54	1.34	4.37
Total Income	157.21	227.33	364.93
Expenses:-			
Total Operating Expenses	67.62	102.62	147.77
EBITDA	89.59	124.71	217.17
Less: Depreciation	1.61	2.34	3.21
EBIT	87.98	122.38	213.95
Less: Interest & Fin Charges	69.16	89.45	138.46
Less: Exceptional Item	-	-	-
PBT	18.82	32.92	75.49
Tax	6.52	10.97	23.26
PAT	12.30	21.95	52.23

Balance Sheet

(Rs.in Crores)

Particulars	31-Mar-17	31-Mar-18	31-Mar-19
D) SOURCES OF FUNDS			
Shareholders' funds			
a) Share capital	2.71	3.51	4.60
b) Reserves and surplus	83.56	202.79	550.58
Non-current liabilities			
a) Long term borrowings	568.64	812.40	1234.12
b) Provisions	18.51	33.00	61.31
Current liabilities			
a) Short Term borrowings	45.97	85.23	65.05
b) Trade payables			
c) Other current liabilities	56.12	84.07	47.53
d) Provisions			
TOTAL	775.51	1221.00	1963.19
ASSETS			
Fixed Assets	10.38	13.54	

Particulars	31-Mar-17	31-Mar-18	31-Mar-19
Non- current assets			
a) Deferred tax assets(net)	4.33	6.24	8.24
b) Long term receivables under financing activity	369.61	669.90	991.73
c) Long term loans and advances			
d) Other Assets	14.07	9.71	16.96
Current assets			
a) Cash and Bank Balances	55.43	29.37	277.61
b) Short term receivables under financing activity	266.80	440.36	646.24
c) Short term loans and advances			
d) Current Investments	16.51	4.67	15.67
e) Other Current Assets	38.41	47.23	19.02
TOTAL	775.54	1221.02	1993.16

Cash flow Statements:

(Rs.in Crores)

Particulars	31-Mar-17	31-Mar-18	31-Mar-19
A) Cash Flow From Operating Activities			
Net Profit before Tax	18.82	32.92	75.49
Adjustments For:			
Contingent Provision on Standard Assets	5.60	21.69	29.18
Finance costs		84.79	130.96
Interest Income from bank deposits		(165.61)	(286.46)
Depreciation	1.61	2.34	3.21
Loss on Sale of Fixed Assets	0.04	0.00	0.01
Provision for employee benefits		1.63	2.40
Gain on sale of investments		(0.08)	(0.04)
Operating Profit Before Working Capital Changes	26.07	(22.32)	(45.25)
Add:			
(Increase) Decrease in receivables under financing activities (Long term)	(126.16)	(212.18)	(321.78)
(Increase) Decrease in receivables under financing activities (Short term)	(46.93)	(300.31)	(202.99)
Increase (Decrease) in Other Current Assets	(14.43)	20.08	(1.17)
Increase (Decrease) in Other Non Current Assets	(10.70)	1.47	(4.37)
Increase (Decrease) in Other Current Liabilities	32.31	22.39	(27.41)

Particulars	31-Mar-17	31-Mar-18	31-Mar-19
Increase (Decrease) in Other Long term Liabilities	5.63	8.17	17.10
Increase (Decrease) in Other Long term Provisions	0.57	(0.16)	(0.20)
Increase (Decrease) in Other Short term Provisions	(0.01)	0.00	0.80
(Increase) Decrease in Trade Receivables	(0.67)	1.65	0.21
(Increase) Decrease in Bank Deposits	5.82	(4.85)	(183.15)
Direct tax paid	(6.65)	(11.59)	(28.65)
Interest Paid		(82.00)	(107.36)
Interest Received		161.23	289.46
Net Cash from Operating Activities (A)	(135.15)	(418.42)	(614.77)
B) Cash Flow From Investing Activities			
Purchase of Investments	(16.51)	0.00	(50.00)
Sale of Investments		11.92	39.04
Purchase of Fixed Assets	(6.96)	(5.55)	(7.52)
Sale of Fixed Assets	0.10	0.05	0.14
Net Cash from Investing Activities (B)	(23.37)	6.42	(18.34)
C) Cash Flow From Financing Activities			
Proceeds from issue of equity shares		0.80	1.09
Proceeds from share premium		97.28	295.56
Issuance of NCDs	70.00	185.00	600.00
Repayment of NCDs	(13.42)	(76.22)	(141.55)
Amount received from Long term borrowings	370.28	505.47	105.07
Repayment from Long term borrowings	(206.27)	(370.49)	(141.80)
Short term borrowings	(27.34)	39.26	(20.18)
Dividend tax paid	0.00	0.00	0.00
Net Cash from Financing Activities (C)	193.25	381.09	698.19
Net Increase in Cash and Cash Equivalents (A) + (B) + (C)	34.73	-30.90	65.09
Cash and Cash Equivalents at the Beginning of the Year	5.36	40.09	9.19
Cash and Cash Equivalents at the End of the Year	40.09	9.19	74.28

4.20 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*.



N.A.

* The Issuer undertakes that it shall provide latest Audited or Limited Review Financials in line with timelines as mentioned 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 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.

- 4.21 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.

- 4.22 Name of the Debenture Trustee and Consent thereof

Beacon Trusteeship Limited has agreed to act as the trustees for and on behalf of the Debenture holder vide their letter dated August 02, 2019 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.

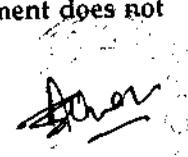
- 4.23 Rating Rationale Adopted by the Rating Agencies

The Debentures are rated "CRISL A"; outlook: Stable by CRISIL Limited. 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 letter has been provided in Annexure III of this Disclosure Document.

*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.*

- 4.24 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.

Unconditional & Irrevocable Personal Guarantee of Mr. Rajendra Kumar Setia, Promoter and Managing Director of the Issuer for all the dues under the NCDs issued under this document.

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

The NCDs shall be Unlisted on Issuance.

However, the debentures can be listed at the WDM segment of BSE on the option of the Debenture holder (s) during the tenure of the NCDs. The Issuer undertakes to provide the necessary documentations for listing.



4.26 Other Details

a) Debenture Redemption Reserve Creation:

As per Section 71 of the Act, any company that intends to issue debentures must create a debenture redemption reserve to which adequate amounts shall be credited out of the profits of the company until the redemption of the debentures. However, at present, under the Companies (Issuance of Share Capital and Debentures) Rules, 2014, non-banking financial companies are exempt from this requirement in respect of privately placed debentures. Pursuant to this exemption, the Company does not presently intend to create any reserve funds for the redemption of the Debentures. The Company undertakes that, if required to do so, it would create a Debenture Redemption Reserve ("DRR") as per the provisions of the Act and the guidelines issued by SEBI, and if during the currency of the Debentures, any guidelines are formulated (or modified or revised) by any government agency having authority under Law in respect of creation of DRR, the Company shall abide by such guidelines and execute all such supplemental letters, agreements and deeds of modifications as may be required by the Trustee. Where applicable, the Company shall submit to the Trustee, within 45 (Forty Five) days from the end of each Financial Year, a certificate issued by its auditors certifying that the Company has created and maintained the DRR in accordance with the provisions of the Act.

b) 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 and the SEBI Debt Listing Regulations, the SEBI LODR Regulations whenever applicable.

c) Application process

The application process for the Issue is as provided in Section 7.10 of this Disclosure Document.

4.27 Issue Details

As per Annexure 1 of this Disclosure Document

4.28 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	Copy of the Board resolution dated August 06, 2019 authorizing the issue/offer of non-convertible debentures;
3	Copy of the Executive Committee resolution dated August 08, 2019 authorizing the offer of non-convertible debentures and list of authorised signatories;
4	Certified true copy of the resolution passed by the Company at the Annual General Meeting held on June 15, 2019 authorizing the Company to borrow, upon such terms as the Board may think fit, upto an aggregate amount of Rs 3250 Crores;

Sl.	Nature of Contract
5	Copies of Annual Reports of the Company for the last three financial years
6	Credit rating letter from the Rating Agency
7	Letter from Beacon Trusteeship Limited giving its consent to act as Debenture Trustee
9	Certified true copy of the certificate of incorporation of the Company
10	Certified true copy of the tripartite agreement between the Company, the Registrar & Transfer Agent and NSDL/CDSL

4.29 Details of Debt Securities Sought to be Issued

Under the purview of the current document, the Issuer intends to raise an amount upto Rs. 50,00,00,000/- (Rupees Fifty Crores only) by issue of Secured, Rated, Partly Paid Up, Redeemable Non-Convertible Debentures on a private placement basis. Please refer to Annexure I to this Disclosure Document for further details on the Issue.

4.30 Issue Size

The Issuer intends to issue Secured, Rated, Partly Paid Up, Redeemable, Non-Convertible Debentures Issue aggregating upto Rs. 50,00,00,000/- (Rupees Fifty Crores only) as more specifically mentioned in Annexure I of this Disclosure Document.

4.31 Price at which the security is being offered

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

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

The security being in the nature of debentures and being issued at par, are not required to be valued by a valuer.

4.33 Underwriting

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

4.34 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 NCDs, promoters or directors contribution is not required.

4.35 Authority for the Placement

This private placement of Debentures is being made pursuant to the resolution of the Board of Directors passed at its meeting held on August 06, 2019 which has approved the placement of Debentures upto Rs 3250 Crores and shareholders resolution dated June 15, 2019 pursuant to section 42 of the Companies Act, 2013. The present issue of Rs. 50,00,00,000/- (Rupees Fifty Crores only) is within the general borrowing limits in terms of the resolution passed under Section 180(1)(c) of the Companies Act, 2013, at the Annual General Meeting of the shareholders of the Company held on June 15, 2019 giving their consent to the borrowing by the Directors of the Company from time to time not exceeding Rs. 3250 Crores subject to any



restrictions imposed by the terms of the agreement entered into from time to time for grant of loans to the Company of all monies deemed by them to be requisite or proper for the purpose of carrying on the business of the Company. The borrowings under these Debentures will be within the prescribed limits as aforesaid.



4.36 Utilization of the Issue Proceeds

The issue proceeds will be to meet funding requirements of the Issuer for on lending purpose.

The Issuer undertakes that the proceeds of this Issue shall be utilized for the deployment of funds on its own balance sheet and not to facilitate resource requests of its group entities/parent Company/associates. No part of the proceeds shall be utilized directly/ indirectly towards capital markets (debt & equity), land acquisition or usages that are restricted for bank financing.

The Company undertakes that proceeds of this Issue shall not be utilized for the following purposes as specified in the RBI Master Circular No. DBOD.BP.BC.No.5/21.04.172/2015-16 dated July 1, 2015 including inter alia:

- 1) Bills discounted / rediscounted by NBFCs, except for rediscounting of bills discounted by NBFCs arising out of: Commercial vehicles (including light commercial vehicles) and two wheeler and three wheeler vehicles, subject to the following conditions: The bills should have been drawn by the manufacturer on dealers only; The bills should represent genuine sale transactions as may be ascertained from the chassis / engine number and; Before rediscounting the bills, the bona fides and track record of NBFCs which have discounted the bills would be verified.
- 2) Investments of NBFCs both of current and long-term nature, in any company / entity by way of shares, debentures, etc. However, Stock Broking Companies may be provided need-based credit against shares and debentures held by them as stock-in-trade.
- 3) Unsecured loans / inter-corporate deposits by NBFCs to / in any company.
- 4) All types of loans and advances by NBFCs to their subsidiaries, group companies / entities.
- 5) Finance to NBFCs for further lending to individuals for subscribing to Initial Public Offerings (IPO) and for purchase of shares from secondary market.

4.37 Principle Terms of Assets charged as Security

The Outstanding Amounts shall be secured by way of (a) exclusive and continuing fixed charge on over specific asset portfolio of receivables including present and future receivables ("Company's Specific Receivables/ Hypothecated Receivables") created pursuant to the Deed of Hypothecation to be executed between the Company and the Debenture Trustee as described herein; (b) a first *pari passu* mortgage on the Mortgaged Property and as described under the Debenture Trust cum Mortgage Deed; and (c) the Personal Guarantee. The Hypothecated Receivables shall at all times be equal to 1.20x the value of the Outstanding Principal Amount of the Debentures together with other Outstanding Amounts.

The Issuer undertakes:

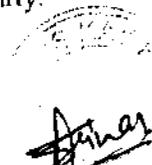
- to maintain receivables cover at all times equal to 1.2x of the aggregate amount of principal outstanding of the NCDs together with the Outstanding Amounts at all times during the tenure of the NCDs ("Security Cover").
- To execute Debenture trust cum mortgage deed and Deed of Hypothecation not later than 15 (Fifteen) calendar days after the Deemed Date of Allotment and perfect the same by filing CHG-9 Form within 30 (Thirty) calendar days of creation/modification of security document.



- either (i) return the subscription amount with the agreed rate of interest or (ii) to pay additional interest of 2.0% (Two Percent) p.a. over the coupon rate on all amounts outstanding Debentures (including the Outstanding Principal amounts and any accrued interest) from the Deemed Date of Allotment until such time the security is created/modified, in case there is any delay in the creation, registration, modification and perfection of the security over the Company's Specific Receivables
- To provide a list on a monthly basis, of specific loan receivables/identified book debts to the Debenture Trustee over which the charge is created and subsisting by way of hypothecation in favor of the Debenture Trustee (for the benefit of the Debenture holders) ("Monthly Hypothecated Asset Report").
- The Company's Specific Receivables provided as Security shall be current. If a Hypothecated Receivables becomes delinquent over 30 (Thirty) calendar days, such receivable shall be replaced and file the requisite forms with ROC within 15 (Fifteen) calendar days from the said change
- In case security cover fall below the required cover, the Issuer to pay 2% per annum additional interest over coupon for the period till the security cover is restored back to the requisite levels. However, in no case reinstatement of such security cover shall exceed 30 days from the day such cover falls below the required cover.
- The Company shall promptly and in no event later than 7 (Seven) calendar days from the date on which the value of the assets falls below the Minimum Security Cover, create additional Security Interests over such additional Company's Specific Receivables of the Company (which are acceptable to the Debenture Trustee (acting on the instructions of the Debenture Holders) as may be required to maintain the Minimum Security Cover and shall execute such deeds, documents and writings and do such acts and things in this regard as may be required by the Debenture Trustee.

Eligibility Criteria for the Company's Specific Receivables

1. Company's Specific Receivables must be 'standard assets' (with a DPD of not above 30 days) in the books of the Issuer;
2. Company's Specific Receivable to be provided to the Debenture Trustee must comprise of only loans directly originated by the Issuer and not loans purchased from the third party.
3. Company's Specific Receivable to be provided to the Debenture Trustee must comprise of only secured portfolio.
4. Company's Specific Receivable to be provided to the Debenture Trustee to comprise of sanctioned loans (collectively to single Borrower) of not more than Rs. 10 lakhs
5. Company's Specific Receivables are existing at the time of selection, and have not been terminated or prepaid;
6. Company's Specific Receivables should not have been restructured or rescheduled;
7. Company's Specific Receivables are free from all Encumbrances and are not subject to any lien or charge;
8. All loans hypothecated under the deed of hypothecation should comply with RBI norms and guidelines.
9. The Company's Specific Receivables being charged must comply with all extant 'know your customer' norms specified by RBI;
10. The Company's Specific receivables generated from lending to Issuer's associate/s & subsidiary/s and/or Related Party shall not be considered for asset cover calculation for this issuance. No drawing power for shall be provided for Company's Specific Receivables generated from the lending to Issuer's associate/s /subsidiary/s/ Related Party.



Additionally, on the Deemed Date of Allotment, the Issuer shall deposit Post Dated Cheques (PDC(s)) for Interest & Principal, towards all Coupon and installments of principal payment along with 4 undated cheques for an amount not exceeding the principal amount of the NCD, to be signed by Mr. Rajendra Kumar Setia in favor of the Debenture Trustees.

The Coupon and Principal repayment to be serviced by way of RTGS to the Debenture Holders.

4.38 Minimum Subscription

As the current Issue of NCDs is being made on private placement basis, the requirement of minimum subscription as described in the SEBI Guidelines shall not be applicable and therefore the Company shall not be liable to refund the Issue subscription(s)/proceed(s) in the event of the total Issue collection falling short of Issue size or certain percentage of Issue size.

4.39 Put Option Details & Procedure

Kindly Refer – Annexure I of this Disclosure Document for Put Option Details.

Procedure for exercise Put Option

In case of exercise of “Put Option” by Debenture holder , it shall notify its intention to do so through notice sent by registered post/ courier to the Issuer at least 30 (Thirty) calendar days prior to the put due date at their registered addresses.

In case the Put option due date falls on a day which is not a Business Day, then previous business day shall be considered as the effective payment date and on such date, the redemption proceeds shall be paid along with the interest amount on the outstanding value of the debentures computed as per the section on ‘Coupon rate on Debentures’.

Payment on exercise of put option’ will be made by credit any electronic mode in the name of the Debenture holders whose name appears on the list of the beneficial owners as provided by the depository to the Company as on the record Date. However where it is not possible to use electronic mode of payment, ‘payable at par’ warrants or Cheques may be issued which shall be sent by speed post.

The Debentures shall be taken as discharged on payment of the redemption amount by the Company on exercise of Put Option to the list of the beneficial owners as provided by the depository to the Company as on the Record Date.

The Company’s liability to the debenture holders towards all their rights including the payment or otherwise shall cease and stand extinguished from the date of exercise of Put Option and due payment by the company in all events. Further, the company will not be liable to pay any interest or compensation from the date of exercise of Put Option.

4.40 Holding Covenant:

During the currency of the Debentures the Issuer to seek prior-written consent of the debenture holders/debenture trustee, of any change on the following:



- 1) "Mr. Rajendra Kumar Setia" to remain part of the Promoter Group and to continue to be designated as the "Managing Director" of the Company & to be on the Board of the Company.
- 2) Existing Promoter Group to maintain atleast 35% (on fully diluted basis) of equity holding on fully diluted basis in the Company.

In the absence of the availability of such consent, the Debenture Holders shall have the right but not an obligation to exercise Optionally Accelerated Redemption.

4.41 Rating Covenant

The Issuer to obtain a rating of minimum "A" by all its existing credit rating agencies within 6 (six) months from the Deemed Date of Allotment.

In case of non-compliance of above-mentioned covenant, the Debenture Holders shall have the right but not an obligation to exercise Optionally Accelerated Redemption.

4.42 Optional Accelerated Redemption

The Issuer shall maintain the below mentioned covenants during the entire tenor of the Debentures and till all the amounts outstanding are been duly repaid:

1. The Credit rating of the Issuer is downgraded to BBB+ or below by any rating agency. ("Minimum Rating Threshold")*
2. No Withdrawal/Suspension of long term rating of the instrument.
3. The rating that is outstanding with "Issuer / Issuer / Company not cooperating" or such similar words
4. Breach of any of the "Holding Covenant" as mentioned in this Disclosure Document.
5. Non -Compliance of the Rating Covenant.

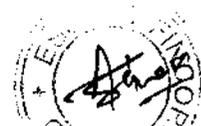
*(*In case the Issuer offers a higher threshold to any debenture issuance during the entire tenor of the NCD and till all the amounts outstanding are been duly repaid, then the "Minimum Rating Threshold" mentioned herein stands revised to such higher threshold.)*

In case of the breach of any above mentioned criteria, the Debenture Holders shall have the option to require the Company to redeem the Debentures along with accrued interest ("Optional Accelerated Redemption")

The occurrence of events above will be determined by the Debenture Holders solely and at its discretion.

Upon the exercise of the 'Optional Accelerated Redemption' option by the Debenture Holders, the Debenture Trustee shall issue a notice to the Company for redemption of all amounts outstanding in relation to the Debentures (including any unpaid principal, accrued but unpaid Coupon, Default Interest (if applicable)) as on the date of exercise of the 'Optional Accelerated Redemption' Option ("Optional Accelerated Redemption Date").

The Company shall be required to make payment of the aggregate amounts outstanding in relation to the Debentures, including any -unpaid Principal Amount, accrued but unpaid Coupon, Default Interest (if applicable) and liquidated damages (if applicable) within 7 (Seven) Calendar days of the Optional Accelerated Redemption Date.



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

Further the Company, 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.

4.44 Status of Debentures

The Debentures shall rank pari-passu inter se and without any preference or priority among themselves. Subject to any obligations preferred by mandatory provisions of the law prevailing from time to time, the Debentures shall also, as regards the principal amount of the Debentures, interest and all other monies in respect of the Debentures, rank pari-passu with all other present and future holders of debentures issued by the Company in the same category.

Each Debenture issued by the Issuer will constitute direct, senior and secured obligations of the Issuer. The claims of the Debenture Holders shall be akin to the claims of senior, secured investors / lenders and shall rank pari passu to all senior, secured indebtedness of the Issuer.

4.45 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.

4.46 Modification of Rights

The rights, privileges, terms and conditions attached to the Debentures may be varied, modified or abrogated with the consent, in writing, of those holders of the Debentures who hold at least three fourth of the outstanding amount of the Debentures or with the sanction accorded pursuant to a resolution passed at a meeting of the Debenture holders, provided that nothing in such consent or resolution shall be operative against the Company where such consent or resolution modifies or varies the terms and conditions of the Debentures, if the same are not acceptable to the Company.

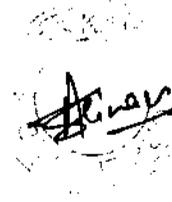
4.47 Conflict



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 the Debenture Trust Deed shall prevail and override the provisions mentioned elsewhere.

4.48 Interpretation

The terms and conditions mentioned in this disclosure document are to be read and understood in conjunction with the terms contained in the other transaction documents to be executed by the Company of this Issue.



SECTION 5: TRANSACTION DOCUMENTS AND KEY TERMS

5.1 Transaction Documents

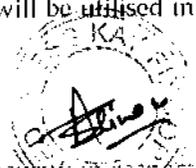
The Issuer has executed/shall execute the documents including but not limited to the following, as required, in connection with the Issue as per Companies Act 2013 (as applicable) for issuance of NCDs through private placement ("Transaction Documents"):

- a. Debenture Trustee Agreement, which will confirm the appointment of Beacon Trusteeship Limited as the Debenture Trustee ("Debenture Trustee Agreement");
- b. Debenture Trust cum Mortgage Deed, which will set out the terms upon which the Debentures are being issued pari-passu charge on Immovable property and shall include the representations and warranties and the covenants to be provided by the Issuer ("Debenture Trust cum Mortgage Deed");
- c. Deed of Hypothecation whereby the Issuer will create an exclusive charge by way of hypothecation over Hypothecated Receivables in favour of the Debenture Trustee to secure its obligations in respect of the Debentures ("Deed of Hypothecation");
- d. Deed of irrevocable and unconditional personal guarantee of Mr. Rajendra Kumar Setia, the Promoter & Managing Director of the Issuer in favor of Debenture Trustee ("Deed of Irrevocable and Unconditional Personal Guarantee");
- e. This Disclosure Document together with the Issue Addendum/ Term Sheet(s);
- f. Private Placement Offer Letter (Form PAS-4);
- g. Certified copy of the Board Resolution dated August 06, 2019 read with the resolution passed by the Executive Committee of the Board of Directors dated August 08, 2019 authorizing the issuance of the Debentures;
- h. Certified true copy of the shareholders' resolution passed by the Company at the Annual General Meeting held on June 15, 2019 authorizing the Company to borrow, upon such terms as the Board may think fit, upto an aggregate limit of INR 32,50,00,00,000 (Indian Rupees Three Thousand Two Hundred and Fifty Crore only);
- i. Certified true copy of the shareholders' resolution passed by the Company at the Annual General Meeting held on June 15, 2019 authorizing the Company to create security in respect of its borrowings under Section 180(1)(a) of the Companies Act, 2013;
Certified true copy of the shareholders' resolution passed by the Company at the Annual General Meeting held on June 15, 2019 authorizing the Company to issue non-convertible debentures under Section 42 of the Companies Act, 2013;
- j. Such other documents as agreed between the Issuer and the Debenture Trustee.

5.2 Representations, Warranties, And Covenants Of The Company

1. Utilization of proceeds of the Debentures

The issue proceeds will be to meet funding requirements of the Issuer for on lending purpose. No parts of the proceeds shall be utilized directly/indirectly towards capital markets (debt and equity), land acquisition or usages that are restricted for bank financing. The issue proceeds will be utilised in accordance with applicable Laws.



2. Representations and Warranties

The Company makes the representations and warranties set out in this Clause to the Debenture Trustee for the benefit of the Debenture Holders on the date of this Disclosure Document, which representations shall be true and valid and deemed to be repeated on each date until the Final Settlement Date.

a. Status, Authority and Capacity

- i. It is a company, duly incorporated, registered and validly existing under Applicable Law.
- ii. As on date, the Company is registered with the Reserve Bank of India as a non-banking financial company (NBFC).
- iii. The Company has the corporate power, authority and all material permits, approvals, authorizations, licenses, registrations, and consents including registrations, to own and operate its assets and to carry on its business in substantially the same manner as it is currently conducted.
- iv. The Company is in compliance with applicable Law for the performance of its obligations with respect to this Issue.
- v. The Company represents that all consents, and actions of, filings with and notices to any Governmental Authority as may be required to be obtained by the Company in connection with the Issue has been obtained and is in full force and effect.

b. Binding obligations

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

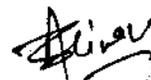
c. Corporate Matters

- i. All the legal and procedural requirements specified in the constitutional documents or required under applicable law have been duly complied with in all respects in relation to the Issue.
- ii. The registers and minute books (including the minutes of board and shareholders meeting) required to be maintained by the Issuer under applicable law:
 - are up-to-date and have been maintained in accordance with applicable law;
 - comprise complete and accurate records of all information required to be recorded in such books and records; and
 - no notice or allegation that any of them are incorrect and/ or should be rectified has been received.

d. Non-conflict with other obligations

The Issue (or any of the obligations undertaken by the Issuer in relation thereto) and the entry into and performance by the Company of, the transactions contemplated by the Transaction Documents do not and will not conflict with:

- i. any Law or regulation applicable to it (including but not limited to any laws and regulations regarding anti-money laundering/ terrorism financing and similar financial sanctions);
- ii. its Constitutional Documents; or
- iii. any agreement or instrument binding upon it or any of its Assets (assets, including but not limited to any terms and conditions of the existing Financial Indebtedness of the Issuer).



e. *Accounts and Records*

The books of accounts of the Issuer and its subsidiaries have been fairly and properly maintained, the accounts of the Issuer and its subsidiaries have been prepared in accordance with law and in accordance with applicable GAAP, so as to give a true and fair view of the business (including the assets, liabilities and state of affairs) of the Issuer and its subsidiaries.

f. *Taxation Matters*

The Issuer has complied with all the requirements as specified under the respective tax laws as applicable to it in relation to returns, computations, notices and information which are or are required to be made or given by the Issuer to any tax authority for taxation and for any other tax or duty purposes, have been made and are correct.

g. *Power and authority*

It has the power to issue the Debentures and enter into, perform and deliver, and has taken all necessary action to authorize its entry into, performance and delivery of, the Transaction Documents to which it is a party and the transactions contemplated by those Transaction Documents.

h. *Validity and admissibility in evidence*

All approvals, authorizations, 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 in 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.

i. *No default*

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. 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 Company or any of its Assets or which might have a Material Adverse Effect.

j. *Pari-passu ranking*

Its payment obligations under the Transaction Documents rank 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.

k. *No proceedings pending*



Except as disclosed by the Company herein, annual reports and financial statements, no litigation, arbitration or administrative proceedings of or before any court, arbitral body or agency which have been started or threatened against the Company not limited to: (A) Claims, investigations or proceedings before any court, tribunal or governmental authority in progress or pending against or relating to the Issuer; (B) Unfulfilled or unsatisfied judgments or court orders of which the Issuer has notice and which is outstanding against the Issuer, (C) Any action nor has any order been passed for its winding-up, dissolution or reorganization or for the enforcement of any security over its assets or for the appointment of a liquidator, supervisor, receiver, administrator, administrative receiver, compulsory manager, trustee or other similar officer for it or in respect of its assets), where such proceedings could result in or cause a Material Adverse Effect or on the ability of the Issuer to make the scheduled payments in relation to the Debentures. Details of litigations and arbitrations as on the date of this letter are provided in Annexure IV.

l. No misleading information

- i. All information provided by the Company to the Debenture Trustee/Debenture Holders for the purposes of this Issue 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.
- ii. It has disclosed all information in this Shelf Disclosure Document that is relevant for the Applicants to apply for subscription of the Debentures.

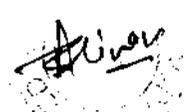
m. Compliance

- i. The Company has complied with Law and save and except as specified in the Transaction Document, there has not been and there is no investigation or enquiry by, or order, decree, decision or judgment of, any Governmental Authority been issued or outstanding or to the best of the Company's knowledge (after making due and careful enquiry), anticipated against the Company which would have a Material Adverse Effect on the Company, nor has any notice or other communication (official or otherwise) from any Governmental Authority been issued or outstanding or to the best of the Company'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.
- ii. The Company shall complete all necessary formalities including all filings with the relevant regulatory authorities, including but not limited to SEBI, BSE, CERSAI and the ROC and obtain all consents and approvals required for the completion of the Issue.

n. Future Borrowing

The Company shall be entitled to make further issue of secured/unsecured non-convertible debentures and/or to borrow and/or to raise term loans or raise further funds, in any manner as deemed fit by the Company, from time to time from any persons/banks/financial institutions/body corporate or any other agency as per the prevailing guidelines/regulations of Reserve Bank of India and other authorities.

The Company may also issue secured/unsecured non-convertible debentures under the same ISIN(s) for the current and the future issues in accordance with the SEBI circular No. CIR/IMD/DF-1/67/2017 dated June 30, 2017 on "Specifications related to International Securities Identification Number (ISINs) for debt securities issued under the SEBI (Issue and Listing of Debt Securities) Regulations, 2008 and any further clarification/amendments/circular issued thereafter.



o. Assets

Except for the security interests and encumbrances created and recorded with the ROC updated from time to time, the Company 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 Assets necessary for the conduct of its business as it is being, and is proposed to be, conducted.

p. Financial statements

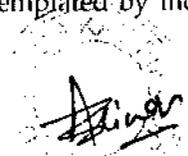
- i. Its financial statements most recently supplied to the Debenture Trustee were prepared in accordance with IND AS consistently applied save to the extent expressly disclosed in such financial statements.
- ii. Its financial statements most recently supplied to the Debenture Trustee give a true and fair view and represent its financial condition and operations during the relevant Financial Year save to the extent expressly disclosed in such financial statements.

q. Solvency

- i. The Company 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 will not be deemed by a court to be unable to pay its debts within the meaning of the applicable Law, nor in any such case, will it become so in consequence of entering into the Transaction Document.
- ii. The Company, 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 indebtedness.
- iii. The value of the Assets of the Company is more than its liabilities (taking into account contingent and prospective liabilities) and it has sufficient capital to carry on its business.
- iv. The Company has not taken any corporate action nor has it taken any legal proceedings or other procedure or steps in relation to any bankruptcy proceedings.
- v. No insolvency or bankruptcy process has commenced or steps have been initiated or action has been taken under the (Indian) Insolvency and Bankruptcy Code, 2016 (to the extent applicable) in respect of the Company.
- vi. No reference has been made, or enquiry or proceedings commenced, in respect of the Company, before the National Companies Law Tribunal or under any mechanism or prescription of the RBI in respect of resolution/restructuring of stressed assets (including without limitation, under the RBI's circular no. DBR.No.BP.BC.101/21.04.048/2017-18 dated February 12, 2018 on "Resolution of Stressed Assets – Revised Framework").

r. Security

- i. The Hypothecated Receivables and Mortgaged Property are the sole and absolute property of the Company 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 and that the Issuer has a clear and marketable title to the Security. It is however, clarified that the Mortgaged Property will also be mortgaged by the Issuer in favour of various Debenture Trustees/ debenture trustees as security for the borrowings made by the Issuer..
- ii. The Company has power to grant, convey, transfer, assure and assign unto the Debenture Trustee the Mortgaged Property in the manner contemplated by these presents.



- iii. The Transaction Documents executed or to be executed constitute and will constitute legal, valid and enforceable security interest in favor of the Debenture Trustee and for the benefit of the Debenture Holders on all the assets thereby secured prior and superior to all other security interest (unless otherwise specified) and all necessary and appropriate consents for the creation, effectiveness, priority and enforcement of such security have been obtained.
- iv. It shall be lawful for the Debenture Trustee upon entering into or taking possession under the provisions herein contained of the Immovable Property, thenceforth to hold and enjoy the same and to receive the rents and profits thereof without any interruption or disturbance by the Issuer or any other person or persons claiming by, through, under or in trust of the Issuer and that freed and discharged from or otherwise by the Issuer sufficiently indemnified against all encumbrances and demands whatsoever.

s. *No immunity*

The Company is not entitled to any immunity or privilege (sovereign or otherwise) from any set-off, judgment, execution, attachment or other legal process. Neither the Issuer nor any of its assets is entitled to immunity from suit, execution, attachment or other legal process in its jurisdiction of incorporation. This Issue (and the documents to be executed in relation thereto) constitutes, and the exercise of its rights and performance of and compliance with its obligations in relation thereto, will constitute, private and commercial acts done and performed for private and commercial purposes.

t. *Legal and Beneficial Ownership*

Except for the security interests and encumbrances created and recorded with the Ministry of Corporate Affairs (available using CIN: CIN U65923RJ1994PLC009051 on the website <http://www.mca.gov.in/MCA21/index.html> under the heading "Index of Charges"), the Company 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.

v. *Compliance with Laws*

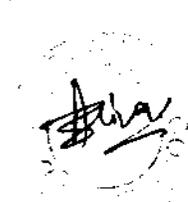
The Company and its affiliates are generally in compliance in all respects with all Applicable Laws, including but not limited to environmental, social and taxation related laws, for them to carry on their business.

w. *Anti-terrorism Laws*

The Company and its affiliates are in compliance in all respects with all Anti-Terrorism Laws, and are adhering to all regulatory requirements pertaining to Anti-Terrorism and Anti-Money Laundering.

x. *No Corrupt Practices*

Neither the Company nor its Promoter(s) or affiliates have indulged in any corrupt practices pertaining to the business such as fraud, misappropriation of financial and other resources or gains unreported in the audited financial statements



y. *Disclosures in Shelf Disclosure Document*

The extent of disclosures made in the Shelf Disclosure Document consistent with disclosures permitted by Government Authorities in relation to the issue of securities, borrowings made by the Company prior to the issue of the Debentures.

z. *Audit*

The Company annual accounts are audited by an auditor from a reputable firm of independent chartered accountants.

aa. *Good Business Standard*

The Company in its business transactions with its shareholders, partners, managers, staff, affiliates or affiliates of such entities or persons keeps within normal, good and acceptable business standards, including transactions being on arm's length.

bb. *Proper book-keeping and accounting*

The Company has a proper, efficient and effective book-keeping and accounting system in place as well as adequate professional staff, including maintaining of accounts showing the loan drawings, payments, interest etc.

cc. *Employees*

The Company is generally in compliance with all obligations under the applicable labour laws and other applicable Laws in relation to its employees.

dd. *Compliance with RBI/SEBI Regulations and the Act's Requirements*

The Debentures are being issued in compliance with the applicable regulations of the RBI/SEBI and the relevant provisions of the Act as applicable to issue debt/bonds. Any provision in the Deed which is not in compliance with regulations of the /RBI/SEBI and the relevant provisions of the Act can be amended by the Company and the Debenture Trustee by executing an amendment to the Deed and the Debenture Holders shall have no right to raise any objection thereto.

ee. *Material Adverse Effect*

No Material Adverse Effect has occurred and there are no circumstances existing which could give rise, with the passage of time or otherwise, to a Material Adverse Effect.

ff. *Illegality*

It is not illegal or unlawful for the Company to perform any of its obligations under the Transaction Documents.

gg. *Execution of Transaction Documents*

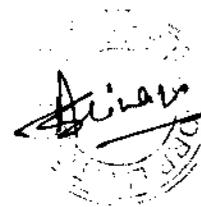
- i. The Transaction Documents executed or to be executed constitute/ shall constitute legal, valid and enforceable security interest in favor of the Debenture Trustee for the benefit of the Debenture Holders on all the assets thereby secured.



- ii. The Transaction Documents executed or to be executed constitute legal, valid and enforceable obligations of the Company and all necessary and appropriate consents for the creation, effectiveness, priority and enforcement of the Transaction Documents and the Security thereunder have been obtained.

hh. *Nature of Representations and Warranties*

Each of the representations and warranties set out above shall be repeated on each date commencing from the date of the execution of this Deed until the Maturity Date and till the NCDs are fully redeemed.

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3. Company's Covenants

3.1 Affirmative Covenants

The below are indicative only, and the Issuer may also provide additional affirmative covenants in the Transaction Documents. The Company shall:

i. Maintenance of Legal Validity

The Company shall obtain and comply with the terms of, and do all that is necessary to maintain in full force and effect, all authorisations, in order to enable it to lawfully enter into and perform its obligations under the Transaction Documents and to ensure the legality, validity, enforceability or admissibility as valid evidence in the courts of India, of the Transaction Documents.

ii. Compliance with Applicable Law

The Obligors shall comply with and fulfil all requirements under any applicable Law relating to the transaction hereunder. Further, the Obligors shall comply with all statutory requirements and stipulations in relation to its business. The Obligors shall obtain all permissions, licenses and approvals necessary for its business and shall ensure that the same shall continue to be valid and subsisting during the currency of the Issue.

iii. Maintenance of Books and Records

The Issuer shall maintain all of its books and records in accordance with good industry practice and in compliance with applicable Law and generally acceptable accounting principles and standards or such other standards, as is applicable to the company from time to time. The Company shall make true and proper entries of all dealings and transactions of and in relation to the business of the Issuer including in relation to the Debentures and keep the said books of accounts and all other books, register and other documents relating to the affairs of the Issuer at its registered office or, where permitted by applicable Law, at other place or places where the books of account and documents of a similar nature may be kept. The Issuer shall ensure that its accounting policies are applied on a consistent basis.

iv. Maintenance of Licenses and Approvals

The Issuer shall obtain and maintain all necessary licenses, permissions and approvals required for the business carried out by it and all activities of the Issuer in relation to its business shall be undertaken and continue to be undertaken in compliance with all such licenses / permissions / approvals.

v. Amendments to Documents

The Issuer or the Personal Guarantor shall not, without the prior written consent of the Debenture Trustee, amend, supplement, supersede or waive any term of the Debenture Trust Deed, the irrevocable and unconditional Personal Guarantee or any of the Transaction Documents.

vi. Notice of winding up or other legal process



The Issuer shall promptly inform the Debenture Trustee if it has notice of any application for winding up having been made or any statutory notice of winding up under the provisions of the Act or any other notice under any other statute relating to winding up or otherwise of any suit or other legal process intended to be filed or initiated against the Company. Further, the Issuer shall notify the Debenture Trustee in writing in respect of any application under the Insolvency and Bankruptcy Code, 2016 filed by or against the Issuer, within a period of 1 (one) calendar day of becoming aware of such application;

vii. **Loss or damage by uncovered risks**

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

viii. **Costs and expenses**

The Issuer shall pay all sums, costs, charges and expenses in any way incurred by the Debenture Trustee or any Receiver, attorney, agent or other person appointed by the Trustee for all or any of the purposes mentioned in these presents immediately on receipt of a notice of demand from them in this behalf and all such sums shall carry interest at the rate of interest payable on the Debentures from the date towards protection of Debenture Holders' interests, including traveling and other allowances and such taxes, duties, costs, charges and expenses in connection with or relating to the Debentures;

ix. **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 Company (including with respect to the Mortgaged Property) as and when the same shall become payable and when required by the Debenture Trustee produce the receipts of such payment and also punctually pay and discharge all debts and obligations and liabilities which may have priority over the Debentures and observe, perform and comply with all covenants and obligations which ought to be observed and performed by the Company under the Transaction Documents;

x. **Pari Passu Ranking**

Its payment obligations under the Transaction Documents rank at least pari passu with the claims of all of its other senior creditors, except for obligations mandatorily preferred by law applying to companies generally. Following the creation of Security, its payment obligations under the Transaction Documents rank at least pari passu with the claims of all of its other senior and unsecured creditors, except for obligations mandatorily preferred by law applying to companies generally.

xi. **Preserve corporate status; authorizations**

The Issuer shall:

- diligently preserve and maintain its corporate existence and status and all rights, contracts privileges, and concessions now held or hereafter acquired by it in the conduct of its business and comply with each and every term of the said franchises and

concessions and all acts, authorizations, consents, permissions, rules, regulations, orders and directions of any legislative, executive, administrative or judicial body applicable to its Assets or any part thereof PROVIDED THAT the Company may contest in good faith the validity of any such acts, rules, regulations, orders and directions and pending the determination of such contest may postpone compliance therewith if the rights enforceable under the Debentures are not thereby materially endangered or impaired. The Company will 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 principal of or interest on the Debentures might or would be hindered or delayed; and

- conduct its business with due diligence and efficiency and in accordance with sound technical, managerial and financial standards and business practices with qualified and experienced management and personnel;
- promptly obtain all consents and authorizations as maybe necessary for performing its obligations in relation to the issue of the Debentures;
- comply with all applicable directions, regulations and guidelines issued by any Governmental Authority including but not limited to the issue of Debentures;
- shall promptly supply certified copies to the Trustee of any authorisation required under any law or regulation to enable it to perform its obligations under the Transaction Documents (including, without limitation, in connection with any payment to be made hereunder) and to ensure the legality, validity, enforceability or admissibility in evidence in its jurisdiction of incorporation of the Transaction Documents.

xii. Pay stamp duty

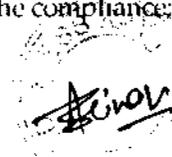
The Issuer shall pay all such stamp duty (including any additional stamp duty), other duties, taxes, charges and penalties, if and when the Company may be required to pay according to the Applicable Laws including applicable state laws and in the event of the Company failing to pay such stamp duty, other duties, taxes and penalties as aforesaid, the Debenture Trustee will be at liberty (but shall not be bound) to pay the same and the Company shall reimburse the same to the Debenture Trustee on demand;

xiii. Furnish information to Debenture Trustee

The Issuer shall give to the Debenture Trustee or its nominee(s)/ agent(s) such information/copies of relevant extracts as they shall require as to all matters relating to the business of the Company or any part thereof and to investigate the affairs thereof and the Company shall allow the Debenture Trustee to make such examination and investigation as and when felt necessary and shall furnish him with all such information as they may require and shall pay all reasonable costs, charges and expenses incidental to such examination and investigation;

xiv. Grievance

The Issuer shall promptly and expeditiously attend to and redress the grievances, if any, of the Debenture Holders. The Company 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;



xv. Specific Information to be provided to the Debenture Trustee

The Issuer shall inform and provide the Debenture Trustee with applicable documents in respect of the following:

- (i) notice of any Event of Default or potential Event of Default;
- (ii) notice of any change in nature and conduct of business of the Issuer;
- (iii) periodic review of the ratings obtained by the Company by the credit rating agencies and any revision in the rating details of any material litigation, arbitration or administrative proceedings, etc.;
- (iv) any and all information required to be provided to the Debenture Holders; and
- (v) the declaration or distribution of dividend;
- (vi) the Company shall notify any application filed against it by any person under the Insolvency and Bankruptcy Code, 2016 within 1 (One) calendar day of becoming aware of the same.

xvi. Comply with Investor Education and Protection Fund requirements

The Issuer shall 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 Company hereby further agrees and undertakes that during the currency of this Issue, it shall abide by the guidelines/listing requirements, if any, issued from time to time by the SEBI/RBI;

xvii. Further assurances

The Issuer shall

- (i) execute and/or do, at their 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 Law require or consider necessary in relation to enforcing or exercising any of the rights and authorities of the Debenture Trustee;
- (ii) furnish to the Debenture Trustee details of all grievances received from the Debenture Holders and the steps taken by the Company to redress the same. At the request of any Debenture Holder, the Debenture Trustee shall, by notice to the Company call upon the Company to take appropriate steps to redress such grievance and the Company shall comply with the instructions of the Debenture Trustee issued in this regard;
- (iii) obtain, comply with the terms of and do all that is necessary to maintain in full force and effect all authorizations necessary to enable it to lawfully enter into and perform its obligations under the Transaction Documents or to ensure the legality, validity, enforceability or admissibility in evidence in India of Transaction Documents ;
- (iv) comply with:
 - (a) all Laws, rules, regulations and guidelines (including but not limited to 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;



- (b) the Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993 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;
- (c) the provisions of the Act in relation to the issue of the Debentures;
- (d) procure that the Debentures are rated and continued to be rated until the redemption of the Debentures; and
- (e) The Company shall 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 Company shall do so in the manner that is most tax efficient for the Debenture Holders (including withholding tax benefit) but without, in any way, requiring the Company to incur any additional costs, expenses or taxes and the Company shall avail of all the benefits available under any treaty applicable to the Company and/or the Debenture Holders.

xviii. Where Debenture Holder is a Foreign Investor

In the event a Debenture Holder is a foreign portfolio investor, foreign institutional investor or sub-account of foreign institutional investors, or qualified foreign investor, the Company shall, in relation to each Interest Payment Date and in relation to each date when any other payment is due by the Company under the Debentures (each a "Relevant Payment Date"), courier to the Debenture Holders (or their designated agent, as confirmed by the Debenture Holders) within 1 (One) Business Day after a Relevant Payment Date, the duly completed and signed Form 15 CA/CB. A scanned copy of such duly completed and signed Form 15 CA/CB shall be sent to the Debenture Holders on the Relevant Payment Date by e-mail;

xix. Books of Account

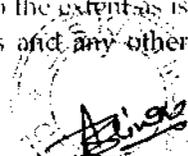
The Issuer shall maintain proper books of account as required by the Act and therein make true and proper entries of all dealings and transactions of and in relation to the business of the Company and keep such books of account and all other books, registers and other documents relating to the affairs of the Company at its registered office or, where permitted by Law, at other place or places where the books of account and documents of a similar nature may be kept. The Company will ensure that all entries in the same relating to the business of the Company shall at all reasonable times be open for inspection of the Debenture Trustee / Debenture Holders and such person or persons as the Debenture Trustee shall, from time to time, in writing for the purpose, appoint.

xx. Material Adverse Effect

The Issuer shall promptly inform the Debenture Trustee in writing of the occurrence of any, or the occurrence of any event that is likely to have a, Material Adverse Effect, together with explanation of the reasons thereof;

xxi. Insurance

The Issuer shall maintain insurances on and in relation to its business and assets (including the Mortgaged Property) with insurance companies against those risks and to the extent as is usual for companies carrying on the same or substantially similar business and any other



insurances as may be required by Law and ensure that all premiums are paid on time and other obligations of the Company under the insurance policies are duly complied with;

xxii. Corporate Governance

- (i) the Issuer shall maintain the highest standards of corporate governance in accordance with the RBI regulations;
- (ii) the Company shall at all times comply with the applicable RBI Regulations (including the Fair Practices Code) and the applicable SEBI regulations;

xxiii. General

- (i) the Company shall perform all of its obligations under the terms of the Transactions Documents and maintain in full force and effect each of the Transaction Documents;
- (ii) the Company shall promptly pay and discharge all its financial obligations and regularly make all payments due and payable by the Company, including but not limited to taxes and also such payment due and payable under or in respect of the Issue or any documents executed in connection there with;
- (iii) the Company shall give the Debenture Trustee any information, relating to the business, property, affairs of the Company, that materially impacts the interests of the Debenture Holders;
- (iv) the Company shall at all times act and proceed in relation to its affairs and business in compliance with Law; and
- (v) Maintain internal control for the purposes of-
 - Preventing fraud on monies lent by the Company and
 - Preventing money being used for money laundering or illegal purposes.
- (vi) Comply with any monitoring and/or servicing requests from the Debenture Holders.

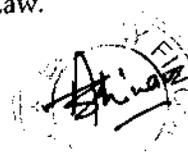
xxiv. Access

The Issuer shall permit the Debenture Trustee / Debenture Holders and/or their respective accountants or other professional advisers and contractors access at all reasonable times and on reasonable notice of the Company to:

- (i) check the management of the funds made available through subscription to the Debentures;
- (ii) inspect and take copies and extracts from the books, accounts and records of the Company;
- (iii) visit and inspect the premises of the Company; and
- (iv) meet and discuss matters with senior management of the Company.

xxv. Other Covenants

- a. In case of Event of Default, amount outstanding would be first appropriated towards the cost, charges and expenses, penal Coupon, normal Coupon and then towards principal outstanding.
- b. The Issuer gives consent for the disclosure of all or any such information and data relating to the Issuer or to the Loans or defaults, as the Debenture Holder/s/ Debenture Trustee may deem appropriate and necessary to the CIBIL, or any institution or any other agencies authorized by RBI or under Applicable Law.



- c. The Issuer agrees that in case of the Issuer fails in discharging its liability in repayment of the principal amount of the Loan(s) or payment of Coupon as demanded by the Debenture Holder/s/ Debenture Trustee, the Debenture Holder/s/ Debenture Trustee and/or Reserve Bank of India shall have an unqualified right to disclose or publish the details of the default and the name of its directors as defaulters in such manner and through medium as the Debenture Holder/s/ Debenture Trustees and/or Reserve Bank of India may think fit.

The Issuer shall be responsible to do all the statutory compliance as may be prescribed by the regulator relating to the aforementioned NCDs.



3.2 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:

(a) Change of business; Role of Promoter

- i. Change the general nature of its business from that which is permitted as 'Non-Banking Financial Company' by the RBI.
- ii. Change its Constitutional Documents in any material way or reduce its authorized capital in any way which would prejudicially affect the interests of the Debenture Holders.
- iii. The Company will ensure that prior to the Final Redemption Date, there will be no sale, disposal or transfer in any matter whatsoever of the equity shares held by the Promoter in the Company, nor will the Promoter encumber (in any manner whatsoever) the equity shares held by the Promoter in the Company.
- iv. Change in the financial year end from 31st March (or such other date as may be approved by Debenture Holders
- v. Until the Final Redemption Date, the Company will procure and ensure that the Promoter will not exit from or reduce its involvement from the management activities of the Company as is subsisting on the Effective Date. Without prejudice to the foregoing, the Company will procure and ensure that Promoter will continue to maintain an executive role in the Company until the Final Redemption Date.

(b) Dividend

Declare or pay any dividend or make any distributions on its share capital (other than dividends or distributions payable on shares of the Company), unless:

- i. the proposed payment or distribution is out of net income of the current Financial Year (excluding any amount resulting from the revaluation of any of the Company's assets);
- ii. no 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; and
- iii. the Company is in compliance with the financial covenants.

(c) Merger, consolidation, etc.

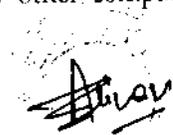
Undertake or permit any merger, consolidation, re-organization, scheme of arrangement or compromise with its creditors or shareholders or effect any scheme of amalgamation or reconstruction

(d) Associates, Subsidiaries, and Joint Ventures

Dispose of, acquire or incorporate any associates (as defined in the Act), subsidiary (as defined in the Act) or joint ventures.

(e) Acquisition

Acquire, without the prior written consent of the Majority Debenture Holders, any company, business or undertaking if the amount of the acquisition cost, whether paid by cash or otherwise, when aggregated with the aggregate acquisition cost of any other companies,



business or undertaking acquired by it during that financial year exceeds 10% (ten percent) of the Equity.



(f) **Joint Venture**

- i. acquire (or agree to acquire) any shares, stocks, securities or other interest in any joint venture;
- ii. transfer any assets or lend to or guarantee or indemnify or give security for the obligations of a joint venture (or agree to transfer, lend, guarantee, indemnify or give security for the obligations of a joint venture).

(g) **Loans and Guarantees**

The Company shall not undertake to guarantee the liabilities of any individual or entity (unless the entity is a wholly owned subsidiary of the Company).

(h) **Arm's length basis; No profit sharing arrangements**

The Company shall not, without the prior written consent of the Majority Debenture Holders:

- i. enter into any transaction with any person or enter into or continue business relations with its shareholders, employees, affiliate(s), holding company(ies), and/or subsidiary(ies) except on proper commercial terms negotiated on an arm's length basis;
- ii. enter into or establish any partnership, profit sharing, royalty agreement or other similar other arrangement whereby the Company's income or profits are, or might be, shared with any other person; or
- iii. enter into any management contract or similar arrangement whereby its business or operations are managed by any other person.

(i) **Immunity**

Claim any immunity or limitation of liability against any payment obligations arising towards the Debenture Holders.

(j) **Statutory Auditor**

Change its auditor without the prior intimation of the Debenture Holders. The Company shall authorize its auditors to communicate directly with the Debenture Trustee and the Debenture Holders.

(k) **Disposal of Assets**

Sell, transfer, or otherwise dispose of in any manner whatsoever any material Assets of the Company, other than any securitization/portfolio sale of assets undertaken by the Company in its ordinary course of business.

(l) **Material compromise or Settlement**

Enter into material compromise or arrangement or settlement with any of its creditors (secured and unsecured) that would prejudicially affect the interest of the Debenture Holders.

(m) **Anti-money laundering**



Permit any of the Debenture proceeds to be used to fund:

- i. any form of violent political activity, terrorists or terrorist organizations, 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; or
- ii. Permit any of the Debenture proceeds to be used to fund any activity on the Exclusion List.

(n) Other Negative Covenants

- i. Effect any change in their capital structure or any change in business
- ii. Any change in the existing shareholding pattern of the company
- iii. Appoint any person as Director who has been a willful defaulter
- iv. Undertake any guarantee obligations on behalf of any other third party / organization
- v. Participate in any involuntary process under Insolvency and Bankruptcy Code 2016
- vi. Undertake/permit any voluntary process under the Insolvency and Bankruptcy Code 2016 (IBC).
- vii. Enter into any contractual obligation which may adversely affect the financials standing.

3.3 Financial Covenants

The Issuer shall maintain the below mentioned covenants during the entire tenor of the Debentures and till all the amounts outstanding are been duly repaid:

- a) Total Debt/Equity ratio to be within 5.00 x
- b) The capital adequacy ratio (as defined in NBFC Regulations) shall be above 18% and Tier 1 capital shall be above 14% during the tenor of the NCDs.
- c) Par 90+dpd not to exceed 5.50% of Gross Loan Portfolio
- d) Tangible Net Worth to Net NPA shall not exceed 8 times.
- e) Company to maintain a minimum Net-worth of Rs. 550 crores.
- f) No Loans exceeding 15% of Tangible Net-worth to any single party and/or guarantees on behalf of third parties
- g) Current Ratio shall remain minimum at 1.10 x. Issuer shall maintain liquidity in the form of cash, fixed deposits and/or unutilized fund-based bank lines for debt maturities due over the next 30 calendar days. Monthly statements/details to be shared with Debenture Trustee.
- h) The share of off-balance sheet portfolio shall not exceed forty percent of the Gross Loan Portfolio.
- i) Earnings: After-tax Net Income to remain positive
- j) There shall not be any cumulative mismatches in any of the buckets till one year of ALM statement after incorporating all the liabilities of the company. Unutilized bank lines shall not be taken into account while testing the same.



- k) There shall not be any cumulative mismatches in any of the buckets till the next three months of ALM statement after incorporating all the liabilities of the company including Put Options. The asset will also include all the unencumbered Cash and Cash equivalent maturing across all the buckets of the ALM as part of the opening asset balance. Unutilized CC lines with identified drawing power shall be taken into account while testing the same.

All covenants would be tested on quarterly basis for the Company i.e. as on 31 March, 30 June, 30 Sept and 31 Dec every year, starting from September 30, 2019 on consolidated and standalone balance sheet till the redemption of the Debentures

In case the Issuer offers any favorable threshold/s in terms of points (a) to (h) as mentioned above during the entire tenor of the NCD and till all the amounts outstanding are been duly repaid, the same shall be applicable to the debentures issued under this termsheet.

Definitions

- a) *Capital Adequacy Ratio* means the capital adequacy ratio for non-banking financial institutions as defined by the Reserve Bank of India from time to time;
- b) *Total Debt* shall include the following:
- All Long Term Borrowings,
 - All Short Term Borrowing
 - Current Maturities
 - Financial Guarantees Provided if any
 - Letter of Comfort/Shortfall undertaking provided by the Issuer, if any
- c) *Equity* Shall Include the following:
- Equity Share issued by the company
 - CCPS issued by the company
 - Reserve and Surplus of the company
- d) *"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 Coupon) overdue for 90 days or more or any restructured loans"
- e) *"Gross Loan Portfolio"* shall include on balance sheet and off-balance sheet portfolio.
- f) *"Off Balance Sheet Portfolio"* shall mean principal balance of loans securitized, assigned, originated on behalf of other institutions in respect of which the Issuer has provided credit enhancements in any form or manner whatsoever.
- g) *"Net NPA"* shall be arrived at in accordance with applicable RBI regulations governing asset classification and provisions for NBFCs.
- h) *"Tangible Net-worth"* shall mean the equity share capital plus all reserves and surplus, as reduced by the, intangible assets, deferred tax assets, revaluation reserve, miscellaneous expenses and any credit enhancement provided by the Company on managed asset book
- For the purpose of calculating the Current Ratio,
- i) *"Current Assets"* shall include all assets which are current in nature as on the date (excluding all delinquencies) of the testing to be realisable within one year.
- j) *"Current Liabilities"* shall include all liabilities (including the put options) due within one year.

3.4 Reporting Covenants

The Issuer shall maintain the below mentioned covenants during the entire tenor of the Debentures and till all the amounts outstanding are been duly repaid:

- i. **Monthly Reports** : within 15 (Fifteen) calendar days from the end of the each month.
 - ALM
 - Debt Profile certified by the Management.

- ii. **Quarterly Reports**

within 30 (Thirty) calendar days from the end of each financial quarter

 - Shareholding Pattern
 - List of Board of Directors
 - Information on operations, portfolio cuts and asset quality (static pool), collection efficiency and portfolio at risk data), disbursement data, funding data, in formats acceptable to the Debenture holders.
 - Debt profile of the Company certified by an Independent Chartered Accountant.
 - Information of the Financials of the Company
 - Copy of returns filed with the Reserve Bank of India ("RBI") and the SEBI (as applicable)

within 45 (Forty-Five) calendar days from the end of the each financial quarter

 - Financial Covenant compliance certificate to be signed by the CFO or the authorised signatory of the Company
 - Information on:
 - o New products introduced or change in the existing product features
 - o Revision in Business Plan
 - o Changes in accounting policy
 - o Any fraud amounting to more than 1% of Gross Loan Portfolio

- iii. **Half Yearly**

Independent Chartered Accountant certified for the period ended March 31st and September 30th of each year till the tenure of the NCDs. The same shall be submitted on or before May 31st and November 30th each year till the tenure of the NCDs for:

 - Debt Profile (including guarantee obligations)
 - Financial covenant compliance certificate

- iv. **Annual Reports** -within 120 (One Hundred and Twenty) calendar days from the end of each financial year
 - Audited financial statements
 - A certificate from a Director/ Chief Financial Officer confirming that there is no Potential Default or Event of Default and
 - Copy of all annual information submitted to the RBI

- v. **Event Based Reports**- within 5 (Five) Business Days of the event occurring
 - Change in Shareholding structure
 - Change of Credit Rating of the Company
 - Change in senior management officials (any CXO or equivalent)
 - Board approval of annual business plan
 - Change in constitutional documents of the company
 - Material Adverse effect
 - Any dispute, litigation, investigation or other proceeding which could result in Material Adverse Effect



- Winding up proceedings
- Any Event of Default or Potential Default

vi. **Asset Cover Statement (in the format specified by the Debenture holder/s)-**

- Issuer to provide Management Certified a list (on monthly basis) of specific loan receivables/identified book debts to the Debenture Trustee over which the charge is created and subsisting by way of hypothecation in favour of the Debenture Trustee ("Monthly Hypothecated Asset Report") on the letter head of the Issuer signed by authorized signatory within 15 (Fifteen) calendar days of the end of each month
- The Issuer shall provide to the Debenture Trustee a certificate certified by an Independent Chartered Accountant confirming the Hypothecated Assets on a quarterly basis within 30 (Thirty) calendar days from the end of each quarter.
- The Issuer to provide certificate from Statutory Auditor on Annual basis certifying list of specific loan receivables/ identified book debts to the Debenture Trustee over which the charge is created and subsisting by way of hypothecation in favour of the Debenture Trustee with 60 (Sixty) calendar days from the end from each financial year..

4 Register of Debenture Holders

A Register of Debenture Holders shall be maintained at the registered office of the Company or with their Registrar and the Register of Debenture Holders/ the Register of Beneficial Owners, shall be closed seven (7) days prior to each Interest Payment Date, the final Redemption Date or any other payment date by acceleration.

In case of dissolution/bankruptcy/insolvency/winding up of Debenture Holders, the debenture certificates shall be transmittable to the legal representative(s) / successor(s) or the liquidator as the case may be in accordance with the applicable provisions of Law on such terms as may be deemed appropriate by the Company.

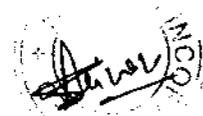
5 Costs

All expenses incurred by the Debenture Trustee prior to or following the occurrence of an Event of Default, including in connection with:

- collection of amounts due under the Transaction Documents;
 - engaging all intermediaries;
 - all expenses in relation to issue of Debentures;
 - legal costs / enforcement costs; and
 - stamp duty on any Transaction Documents,
- shall be payable by the Company.

6 Discretionary Audit

The Company agrees to the Debenture Trustee or any Person authorised by it and/or any Debenture Holder or any Person authorised by it conducting an audit on the review of collection standards, management, governance, internal systems and processes, and data integrity of the Company at any time on or prior to the final Redemption Date. The scope of such audit shall *inter alia* cover visit to operational (field) areas of the Company as well as the head office and/or any regional or state level or other branch offices and discussions with employees of the Company as well as with clients of the Company.



7 Events Of Default

Each of the following shall constitute an Event of Default with respect to the Debentures and shall be set out in the Transaction Documents:

- (i) The Issuer does not pay on the Due Date(s) any amount payable pursuant to the Trust Deed of the Debentures (whether at scheduled maturity, by acceleration, as a result of Debenture Holders exercising the Optional Accelerated Redemption or otherwise) at the place at and in the currency in which it is expressed to be payable, unless its failure to pay is caused by technical error and payment is made within 1 (one) calendar day of its due date;
- (ii) The Issuer fails to create charge over security and execute Debenture Trust cum Mortgage Deed within 15 (Fifteen) calendar days from the deemed date of allotment.
- (iii) Failure to perfect the security and file requisite forms with ROC within stipulated timeline.
- (iv) Non-Submission of the company's identified loan receivables (free of charge) which shall be exclusively charged and as per agreed terms within stipulated time.
- (v) Non- Maintenance of the stipulated minimum security cover.
- (vi) Except for point (i), (ii), (iii), (iv) & (v) ,The breach of any terms, covenants (including but not limited to negative covenants, affirmative covenants, reporting covenants), obligation, representation or warranty of the Issuer and any other obligations of the Issuer under the Transaction Documents including maintenance of Security Cover and such breach has continued for a period of 30 (Thirty) calendar days
- (vii) The Issuer admits in writing its inability to pay its debts as they fall due or suspends making payments on any of its debts or by reason of actual financial difficulties commences negotiations with one or more creditors with a view to rescheduling its indebtedness;
- (viii) 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.
- (ix) There shall have occurred Material Adverse Effect and such Material Adverse Effect has not been remedied or rectified within a period of 30 (Thirty) calendar days.
- (x) Non-sharing of information of the Company as per the "Reporting Covenant" within stipulated timelines or such other information required by the Debenture Trustee/ Debenture Holder from time to time.
- (xi) Any corporate action, legal proceedings or other procedure or step is taken in relation:
 - (a) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganization (by way of voluntary arrangement, scheme of arrangement or otherwise) of the Company;
 - (b) composition, compromise, assignment or arrangement with any creditor of the Company;



- (c) the appointment of a liquidator, receiver or similar other officer in respect of the Issuer, a composition, compromise, assignment or arrangement with any creditor of the Issuer,
 - (d) enforcement of any security over any assets of the Issuer or any analogous procedure or step is taken in any jurisdiction
 - (e) any other event occurs or proceeding is instituted that under any applicable law would have an effect analogous to any of the events listed in clauses (a), (b), (c) and (d) above.
- (xii) The Disclosure Document or any other Transaction Document in whole or in part, becomes invalid or ceases to be a legally valid, binding and enforceable obligation of the Issuer.
- (xiii) It is or becomes unlawful 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.
- (xiv) The Issuer repudiates any of the Transaction Documents, or evidences an intention to repudiate any of the Transaction Documents.
- (xv) Any Governmental Authority condemns, nationalizes, seizes, expropriates or otherwise assumes custody or control of all or any substantial part of the business, operations, property or other assets (including assets forming part of the Security) of the Company or of its share capital, or takes any action for the dissolution of the Company or any action that would prevent the Company or its officers from carrying on all or a substantial part of its business or operations.
- (xvi) The Issuer's organizational status or any licenses or franchise is revoked or suspended by any government agency or authority after the Issuer has exhausted all remedies and appeals relating thereof
- (xvii) The listing of the Debentures ceases or is suspended at any point of time prior to the Maturity Date if it gets listed, except if the Debentures are delisted in accordance with the consent of the Majority Debenture Holder(s).
- (xviii) The Company ceases to carry on its business or any substantial part thereof or gives notice of its intention to do so.
- (xix) Insolvency, winding up, liquidation.
- (xx) Erosion of 50% or more of the Company's Net-worth.
- (xxi) Creditor's processes initiated against the Issuer
- (xxii) 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.
- (xxiii) The Promoter/s or the Directors or the Key Managerial Personnel of the Company are accused of, charged with, arrested or convicted a criminal offence involving moral turpitude, dishonesty or declared as willful defaulters which otherwise impinges on the integrity of



the promoter/s and/or director or key managerial personnel, including any accusations, charges and/or convictions of any offence relating to bribery

(xxiv) A petition for the reorganization, arrangement, adjustment, winding up or composition of debts of the Company is filed on the Company (voluntary or otherwise) or have been admitted or makes an assignment for the benefit of its creditors generally and such proceeding is not contested by the company for staying, quashing or dismissed within 15 (Fifteen) days

(xxv) Cross default:

An event of default shall arise if the Company/Promoter/Promoter Group/Personal Guarantor of the Issuer:

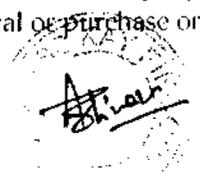
- a. defaults in any payment of Financial Indebtedness beyond the period of grace if any, provided in the instrument or agreement under which such Financial Indebtedness was created; or
- b. defaults in the observance or performance of any agreement or condition relating to any Financial Indebtedness 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
- c. due to any default or an event of default, any Financial Indebtedness of the Issuer is declared to be due and payable, or would permit 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.

Upon occurrence of any of the aforesaid Event of Default, the Debenture Trustee may by a notice (unless instructed otherwise by the any of the Debenture Holders) in writing to the Company initiate actions as may be contemplated in the Transaction Documents including the following:

- i. require the Company to mandatorily redeem the Debentures and repay the principal amount on the Debentures, along with accrued but unpaid Coupon, and other costs, charges and expenses incurred under or in connection with the Transaction Documents;
- ii. 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)
- iii. accelerate the redemption of the Debentures;
- iv. Deposit of PDCs&/ or UDCs;
- v. enforce such security in such a manner as the Debenture Holders may deem fit;
- vi. Enforce the Personal Guarantee, provided by the Personal Guarantor, in the manner and upon the terms and conditions mentioned in the Personal guarantee agreement executed in relation to this issuance;
- vii. Appoint a nominee director in accordance with the applicable Laws;
- viii. Exercise any other right that the Debenture Trustee and / or Debenture Holder(s) may have under the Transaction Documents or under Indian law.

8 Dividend

As long as Event of Default subsists or if the Debenture Trustee has exercised any of the remedies under Clause 7 above, then until the rectification of the Event of Default or until the redemption of the Debentures in full to the satisfaction of the Debenture Trustee, the Company shall not, declare or pay any dividend or make any distribution of its share capital or purchase or



redeem or otherwise acquire any part of its own share capital or in any other way transfer funds from the Company to the shareholders.

9 Notice on the Occurrence of an Event of Default

If any Event of Default or any event which, after the notice, or lapse of time, or both, would constitute an Event of Default, has happened, the Company shall, forthwith, and in any event within 5 (Five) Calendar Days after the Company obtains or reasonably should have obtained actual knowledge thereof, give notice thereof to the Debenture Holders and the Debenture Trustee in writing specifying the nature of such Event of Default, or of such event.

10 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



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 Disclosure Document 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; however, it is clarified that no Investor shall be entitled to transfer the Debentures to a person who is not entitled to subscribe to the Debentures. 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 dematerialised 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 Beacon Trusteeship Limited to act as trustee for the Debenture Holder(s). The Issuer and the Debenture Trustee intends to enter into the Debenture Trust 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.

In the case of a delay in the execution of Debenture Trust Deed and the Deed of Hypothecation, the Issuer shall refund the subscription with the agreed rate of interest or shall pay penal interest of 2% (Two Percent) per annum over and above the applicable Coupon Rate until such time the conditions have been complied with at the option of the Investor.

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.

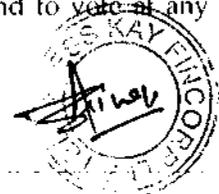
7.5 Default in Payment and/ or Listing

In case of default in payment of Interest and/or principal redemption on the due dates, additional interest of at least 2% p.a. over the coupon rate will be payable by the Company for the defaulting period.

In case of delay in listing of the debt securities beyond 20 days from the deemed date of allotment, the Company will pay penal interest of at least 1 % p.a. over the coupon rate from the expiry of 30 days from the deemed date of allotment till the listing of such debt securities to the investor.

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 Disclosure Document or any Term sheet(s), 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

Any notice may be served by the Issuer/ Debenture Trustee upon the Debenture Holder(s) through registered post, recognized overnight courier service, hand delivery or by facsimile transmission addressed to such Debenture Holder(s) at its/his registered address, e-mail or facsimile number.

All notice(s) to be given by the Debenture Holder(s) to the Issuer/ Debenture Trustee shall be sent by registered post, recognized overnight courier service, hand delivery, e-mail or by facsimile transmission to the Issuer or to such persons at such address/ facsimile number as may be notified by the Issuer from time to time through suitable communication. All correspondence regarding the Debentures should be marked "Private Placement of Debentures".

Notice(s) shall be deemed to be effective (a) in the case of registered mail, 5 (Five) Business Days after posting via certified or registered mail, return receipt requested; (b) 1 (One) Business Day after delivery by recognized overnight courier service, if sent for next Business day delivery (c) in the case of facsimile at the time when dispatched with a report confirming proper transmission; (d) in the case of personal delivery, at the time of delivery or (e) or in case of e-mail at the time of the sending thereof (provided no delivery failure notification is received by the sender within 24 hours of sending such email).

7.10 Application Procedure

Eligible investors will be invited to subscribe to Debentures by way of the Application Form prescribed in the Disclosure Document 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.

7.11 Fictitious Application

A handwritten signature in black ink is written over a circular stamp. The stamp contains the text "K FINANCE" around the perimeter.

All fictitious applications will be rejected.

7.12 *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

7.13 *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 in the account details as mentioned in the application form for the proposed issuance..

7.14 *Eligible Investors*

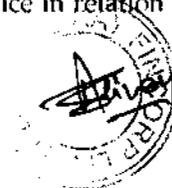
The following categories of Investors, when specifically approached, and identified upfront by the Issuer, shall be eligible to apply for this private placement of Debentures subject to fulfilling their respective investment norms/rules and compliance with laws applicable to them by submitting all the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

- (a) Mutual Funds
- (b) NBFCs
- (c) HFCs
- (d) Provident Funds and Pension Funds
- (e) Trust inclusive of public charitable trust subject to their investment guidelines
- (f) Corporates
- (g) Banks
- (h) Insurance Companies
- (i) Individual

Any other person eligible to invest in the Debentures subject the relevant prevalent guidelines and as permitted under applicable laws.

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.



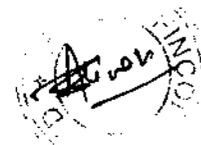
7.15 Procedure for Applying for Dematerialized Facility

- (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.

7.16 Depository Arrangements

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

7.17 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.

7.18 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.

7.19 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.

7.20 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.



7.21 Succession

In the event of winding-up of the holder of the Debenture(s), 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.

7.22 Mode of Payment

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

7.23 Business Day Convention

Any day of the week (excluding Saturdays, Sundays and any day which is a public holiday for the purpose of Section 25 of the Negotiable Instruments Act, 1881 (26 of 1881) and on which money market is functioning in Mumbai shall be a "Business Day."

If any Coupon Payment Date or the Due Date (s) for the performance of any event falls on a day that is not a Business Day, the payment shall be made on the immediately succeeding Business Day. The interest for such additional period shall be adjusted and paid in the next coupon cycle. Hence the subsequent coupon payment period remains intact. In other words, the subsequent coupon schedule would not be disturbed merely because the payment date in respect of one particular coupon payment has been postponed earlier because of it having fallen on a holiday.

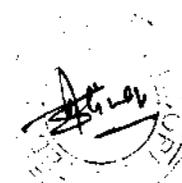
If the Redemption Date/Maturity Date (also being the last Coupon Payment Date) of the Debentures falls on a day that is not a Business Day, the redemption proceeds shall be paid on the immediately preceding Business Day, along with coupon/interest accrued on the Debentures until but excluding the date of such payment.

7.24 Tax Deduction at Source

Tax as applicable under the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof will be deducted at source. For seeking TDS exemption/lower rate of TDS, relevant certificate/document must be lodged by the Debenture Holder(s) at the office of the R&T Agents of the Issuer at least 15 (Fifteen) calendar days before the relevant payment becoming due. Tax exemption certificate / declaration of non-deduction of tax at source on interest on application money, should be submitted along with the Application Form.

7.25 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.

7.26 Deemed Date of Allotment

The Deemed Date of Allotment of the Debentures will be as specified in the Issue Details.

All benefits relating to the Debentures will be available to the investors from the respective Deemed Date of Allotment(s). 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.

7.27 Record Date

The Record Date will be 7 (Seven) Calendar days prior to any Due Date(s).

7.28 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 12% per annum, from the expiry of the allotment period (except where interest under Section 7.28 is being paid by the Company).

7.29 Interest on Application Money

At the Coupon rate (subject to deduction of tax at source, as applicable) from the date of realization of cheque(s)/ demand draft(s)/ RTGS up to one day prior to the respective Deemed Date of Allotment. Where pay-in Date and Deemed date of Allotment are the same, no interest on Application money is to be paid.

7.30 Interest on NCDs

The Debentures shall carry coupon at the rate as specified in the Issue Details for that (subject to deduction of tax at source at the rates prevailing from time to time under the provisions of the



Income Tax Act, 1961, or any other statutory modification or re-enactment thereof for which a certificate will be issued by the Company) accrued to the holders of Debentures (the "Holders" and each, a "Holder") as of the relevant Record Date. The interest payable on any Coupon Payment Date will be paid to the Debenture holder(s) whose names appear in the list of beneficial owners given by the Depository to the Company as on the Record Date.

Interest shall be computed on the amount outstanding on an Actual/ Actual day count basis, i.e. actual number of days elapsed divided by the actual number of days in the year.

In case the Deemed Date of Allotment is revised (pre-poned/ postponed) then the above interest payment date may also be revised pre-poned/ postponed) accordingly by the Company at its sole and absolute discretion.

In case of default in payment of coupon and/or principal or redemption on the due dates, additional spread of at least at the rate of 200 bps (Two Hundred Basis points) per annum over the Coupon Rate will be payable by the Company for the defaulting period.

7.31 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.

7.32 Redemption

The face value of the Debentures will be redeemed at par.

The Debenture holders may at the request of the Company in suitable circumstances and also in the absolute discretion of the Debenture holders, subject to the statutory guidelines as may be applicable for the purpose, revise / pre pone / postpone redemption of the Debentures. Or any part thereof on such terms and conditions as may be decided by the Company in consultation with the Debenture holders (see Modification of Rights).

7.33 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



SECTION 9: DECLARATION

The Issuer declares as of the date of this Disclosure Document that all the relevant provisions of the regulations/guideline issued by SEBI and other applicable laws have been complied with and no statement made in this Disclosure Document 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 Disclosure Document is as applicable to privately placed debt securities and subject to information available with the Issuer.

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

For Ess Kay Fincorp Limited



Name: Abhinav Gupta

Designation-Assistant Manager Finance

Date: 09/08/2019

Place: Jaipur

ESS KAY FINCORP LIMITED

(Formerly Known as ESS KAY AUTO FINANCE PVT. LTD.)

Regd. Office : G 1-2, New Market, Khasa Kothi, Jaipur-302001

Ph.: +91-141-4161300-500 | Toll Free Number: 1800 1039 039

E-mail : info@skfin.in | Website : www.skfin.in

CIN : U65923RJ1994PLC009051 | GSTIN : 08AAACE5115F1Z2

SECTION 9: DECLARATION

The Issuer declares as of the date of this Disclosure Document 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 Disclosure Document 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 Disclosure Document is as applicable to privately placed debt securities and subject to information available with the Issuer.

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

For Ess Kay Fincorp Limited

Name: Vivek Singh
Designation-Head Treasury

Date: 09/08/2019
Place: Jaipur

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 as under:

Company	XYZ Limited
Face Value (per security)	1,00,000
Issue Date/Date of Allotment	13-11-2013
Redemption	13-11-2018
Coupon Rate	8.95%
Frequency of the Interest Payment with specified dates	First Interest on 13.11.2014 and subsequently on 13th November every year till maturity
Day Count Convention	Actual / Actual

Cash Flows

	Date	No. of days in Coupon Period	Amount (in Rupees)
1st Coupon	Thursday, 13 Nov 2014	365.00	8,950.00
2nd Coupon	Friday, 13 Nov 2015	365.00	8,950.00
3rd Coupon	Sunday, 13 Nov 2016*	366.00	8,950.00
4th Coupon	Sunday, 13 November 2017	365.00	8,950.00
5th Coupon	Tuesday, 13 Nov 2018	365.00	8,950.00
Principal	Tuesday, 13 Nov 2018	365.00	1,00,000.00
			1,44,750.00

* F.Y. 2016 is a leap year and the coupon payment date is falling on a Sunday, therefore the coupon is paid on next Business Day Business Day. The interest for such additional period shall be adjusted and paid in the next coupon cycle. Hence the subsequent coupon payment period remains intact. The Issuer shall consider a Financial Year format for the purpose of a Leap Year.



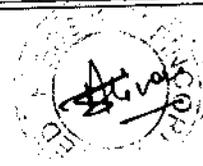
SECTION 10: ANNEXURES

ANNEXURE I: ISSUE DETAILS

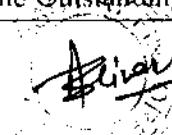
Parties Involved In The Issue	
Issuer / Company	Ess Kay Fincorp Limited ("Company"/ "Esskay"/ "Issuer")
Debenture Trustee	Beacon Trusteeship Limited.
Depositories	NSDL and CDSL
Registrar & Transfer Agent	Karvy Fintech Private Limited
Rating Agency	CRISIL Limited
Arranger / Advisor	N.A.
Legal Counsel	Anoma Law Group LLP
Guarantor(s)	Mr. Rajendra Setia – Managing Director of the Company
Promoter & Promoter Group	As per SEBI (Substantial Acquisition of Share & Take overs) Regulations
Eligible Investors	<p>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:</p> <ol style="list-style-type: none"> Mutual Funds NBFCs HFCs Provident Funds and Pension Funds Trust inclusive of public charitable trust subject to their investment guidelines Corporates Banks Insurance Companies Individual Any other person eligible to invest in the Debentures subject the relevant prevalent guidelines and as permitted under Applicable Laws.
Objects & Details of the utilization of the Proceeds	The issue proceeds will be to meet funding requirements of the Issuer for on lending purpose. No parts of the proceeds shall be utilized directly/indirectly towards capital markets (debt and equity), land acquisition or usages that are restricted for bank financing.
Rating of Instrument	"CRISIL A" (Pronounced as "Crisil Single A") by Crisil Ltd
Details Of The Instrument	
Type of instrument	Secured, Rated, Partly Paid Up, Redeemable, Non-Convertible Debentures
Nature of instrument	Secured
Seniority	Senior
Issue Details	



Mode of Issue	Private placement														
Aggregate Issue size	Upto Rs. 50,00,00,000/- (Rupees Fifty Crores only)														
Face Value	Rs. 1,00,000/- (Rupees One Lakh only) each.														
Issue Price	Rs. 1,00,000/- (Rupees One Lakh only) each, in multiple tranches as follows: On the Pay in Date: INR 5,000 (Rupees Five Thousand only) per Debenture. At any time after the date of expiry of 12 (twelve) months from the Deemed Date of Allotment if the Put Option has not been exercised: INR 95,000 (Rupees Ninety Five Thousand only) per Debenture.														
Tenor	36 Months from Deemed Date of Allotment														
Coupon Rate	<table border="1"> <thead> <tr> <th>Period</th> <th>Coupon Rate p.a. payable monthly</th> </tr> </thead> <tbody> <tr> <td>0-12 Months</td> <td>11.00 %</td> </tr> <tr> <td>13-18 Months</td> <td>11.50 %</td> </tr> <tr> <td>19-24 Months</td> <td>11.75 %</td> </tr> <tr> <td>25-30 Months</td> <td>12.00 %</td> </tr> <tr> <td>31-36 Months</td> <td>12.25 %</td> </tr> </tbody> </table>			Period	Coupon Rate p.a. payable monthly	0-12 Months	11.00 %	13-18 Months	11.50 %	19-24 Months	11.75 %	25-30 Months	12.00 %	31-36 Months	12.25 %
Period	Coupon Rate p.a. payable monthly														
0-12 Months	11.00 %														
13-18 Months	11.50 %														
19-24 Months	11.75 %														
25-30 Months	12.00 %														
31-36 Months	12.25 %														
Coupon Type	Variable														
Coupon Payment Frequency	Monthly & on Redemption subject exercise of Put Option and/ or Optional Accelerated Redemption														
Coupon Payment Date (s)	Payable on 13 th of every month and on Redemption date subject to Business Day Convention														
Coupon Reset Frequency & Mechanism	NA														
Principal Redemption	Bullet at Par, on the Redemption Date, on paid up value of NCDs, subject to the exercise of the Put Option.														
Redemption Date	August 13, 2022, subject to the exercise of the Put Option.														
Put Option/Put Option Date	<p>The Debenture Holder(s) can exercise Put Option on the Put Option Notification Date. In the event the Put Option is exercised, the Issuer will redeem the Debentures as per the below schedule –</p> <table border="1"> <thead> <tr> <th>Put Option Date</th> <th></th> </tr> </thead> <tbody> <tr> <td>August 13, 2020</td> <td></td> </tr> <tr> <td>February 13, 2021</td> <td></td> </tr> <tr> <td>August 13, 2021</td> <td></td> </tr> <tr> <td>February 13, 2022</td> <td></td> </tr> </tbody> </table>			Put Option Date		August 13, 2020		February 13, 2021		August 13, 2021		February 13, 2022			
Put Option Date															
August 13, 2020															
February 13, 2021															
August 13, 2021															
February 13, 2022															
Payment mechanism on the Exercise of the Put Option	Amount Payable on the exercise of the PUT Option on aggregate basis.	On the Put option date	Within 15 calendar days from such Put Option Date												
	Upto or Equal to Rs 25 crs.	Amount due as per Put Option shall be paid in full.	NA												



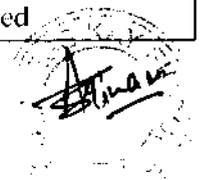
	Above Rs. 25 crs.	Rs.25 crs.	Balance outstanding of the Put Option exercised.
Call Option/Call Option date	NA		
Put Option Price	At par		
Call Option Price	Nil		
Put Notification Time	On or Before 30 (Thirty) calendar days prior to each Put Option Date		
Call Notification Time	Nil		
Listing	<p>The proposed NCDs are unlisted at the time of issuance.</p> <p><i>However, the debentures can be listed at the WDM segment of BSE on the option of the Debenture holder (s) during the tenure of the NCDs. The Issuer undertakes to provide the necessary documentations for listing</i></p>		
Step Up Coupon Rate	In case of any downgrade, by any Credit Rating Agency, the Coupon rate for the balance period increase by 25 bps for each notch downgrade in rating and the same will be with effect from the rating downgrade date.		
Other Conditions			
Day Count Basis	Actual / Actual		
Default Interest Rate/ Additional Interest Rate	<p>Without prejudice to any other rights and remedies available to the Debenture Trustee pursuant to the terms of Transaction Documents:</p> <p>a) If, at any time, a Payment Default occurs, the Company agrees to pay additional interest at the rate of 2% (Two Percent) per annum over and above the applicable Coupon Rate on all amounts outstanding (including the Outstanding Principal Amounts and any accrued but unpaid interest) from the date of occurrence of such a Payment Default until such Payment Default is cured or the Debentures are fully redeemed.</p> <p>b) If the Company fails to execute the Debenture Trust cum Mortgage Deed and Deed Of Hypothecation on or before the expiry of 15 (Fifteen) calendar days from the Deemed date of Allotment and/or fails to perfect or modify the security with requisite timelines, then the Company pay additional interest at the rate of 2% (Two Percent) per annum over and above the applicable Coupon Rate on all amounts outstanding under the NCDs (including the Outstanding Principal Amounts and any accrued interest) from the Deemed date of Allotment until such time the deed is executed and the conditions prescribed by Debenture Holders (if any) have been complied with.</p> <p>c) If the Issuer fails to submit identified loan receivables (free of charge) which shall be exclusively charged and as per agreed timelines during the entire tenor of the NCDs, the Issuer agrees to pay additional coupon at the rate of 2% (Two Percent) per annum over and above the applicable Coupon Rate on all amounts outstanding (including the Outstanding</p>		



	<p>Principal Amounts and any accrued but unpaid interest) from the date of occurrence of such a breach, until the Debentures are fully redeemed or till the covenants criteria has been replenished.</p> <p>d) If, at any time, a breach of any terms, covenant, obligation, representation or warranty of the Issuer and any other obligations of the Issuer under the Transaction Documents, the Issuer agrees to pay additional coupon at the rate of 2% (Two Percent) per annum over and above the applicable Coupon Rate on all amounts outstanding (including the Outstanding Principal Amounts and any accrued but unpaid interest) from the date of occurrence of such a breach, until the Debentures are fully redeemed or till the covenants criteria has been replenished.</p> <p>e) In the event there is any delay in listing of the Debentures beyond 20 (twenty) calendar days from the Deemed Date of Allotment, the Company will pay additional interest of 1% (One percent) per annum over the Coupon Rate, from the expiry of 30 (thirty) calendar days from the Deemed Date of Allotment till the listing of the NCDs are completed.</p>
Minimum Application size	The minimum application size for the Issue shall be 100 Debentures and in multiples of 1 Debenture thereafter.
Issuance mode of the Instrument	Demat only /Private placements
Trading mode of the Instrument	Demat only
Reissuance	Company reserves the right to make multiple issuances under the same ISIN with reference to SEBI circular CIR/IMD/DF-1/67/2017 dated 30 th June 2017. Issue can be made either by way of creation of fresh ISIN or by way of issuance under the existing ISIN at premium / par / discount as the case may be in line with SEBI circular CIR/IMD/DF-1/67/2017 dated 30 th June 2017.
Conditions Precedent to Disbursement	<p>The Company shall fulfil the following conditions precedent, to the satisfaction of the Debenture Trustee, prior to the Deemed Date of Allotment:</p> <ol style="list-style-type: none"> 1. Execution of Disclosure Document 2. Issue of Private Placement Offer Letter to each proposed eligible investor 3. Provide Credit Rating Letter & Rationale to the Debenture Trustee 4. Provide Trustee Consent Letter to the Debenture Trustee 5. Execution of the Debenture Trustee Agreement 6. Execution of Personal Guarantee 7. Finalization of the executable version of the Deed of Hypothecation & Debenture cum Mortgage Deed 8. Submission of the following additional documents



	<ol style="list-style-type: none"> a. Resolution of the Company's board of directors authorizing the issuance of debentures b. Resolution of the shareholders of the Company under 180(1)(c) & 180(1)(a) of the Companies Act. c. Resolution of the shareholders of the Company under 42 of the Companies Act. d. Company-Certified copy of Memorandum and Articles of Association of the Issuer along with the Certificate of Incorporation and NBFC Registration Certificate. e. Company Certified KYC Documents of the Issuer. f. Self-certified KYC documents of the Authorized Signatories of the Issuer and Personal Guarantor g. Latest debt profile of the Issuer including the list of Guarantees provided by the Issuer duly certified by the Chief Financial Officer h. Latest Shareholding pattern and list of Directors of the Issuer, duly certified by practicing Chartered Accountant (CA) or Company Secretary (CS) i. Latest audited financials for last three financial years duly certified by the authorized signatory of the Issuer j. Latest Net worth Certificate of the Issuer & the Personal Guarantor duly certified by Independent Practicing Chartered Accountant (CA). k. The Issuer shall submit to the Debenture Trustee a list of specimen signatures of its authorized signatories <p>9. Deposit PDCs & UDCs as set out in this Disclosure Document on the Deemed Date of Allotment.</p> <p>Any Other documents as indicated by the Debenture Trustee / Debenture Holders.</p>
<p>Conditions Subsequent to Disbursement</p>	<p>The Company shall fulfil the following conditions subsequent, to the satisfaction of the Debenture Trustee, pursuant to the Deemed Date of Allotment:</p> <ol style="list-style-type: none"> 1. the Company shall ensure that the Debentures are credited into the demat account(s) of the Debenture Holders within 2 (two) Business Days from the Deemed Date of Allotment; 2. the Company will ensure listing of Debentures on the BSE; 3. the Company shall, inter alia, file a return of allotment of securities under Form PAS-3 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 with the ROC within 15 (Fifteen) days of the allotment of Debentures along with a list of the Debenture Holders and with the prescribed fee; and 4. the Company shall file a copy of Form PAS-5 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 in respect of the issue of the relevant series of Debentures along with a copy of the Private Placement Offer Letter with SEBI within 30 (thirty) days from the date of the Private Placement Offer Letter 5. Execution of Debenture Trust cum Mortgage Deed



	<p>6. Execution of Deed of Hypothecation</p> <p>7. Filing of CHG 9 with the jurisdictional registrar of companies within agreed timelines as mentioned in the Transaction document and Form I with CERSAI in respect of the Debenture Trust Cum Mortgage Deed and the Deed of Hypothecation within 30 (Thirty) calendar days of creation/ modification thereof.</p> <p>8. Execution of any other documents as customary for transaction of a similar nature and size.</p>
Ranking	<p>Each Debenture issued by the Issuer will constitute direct, senior and secured obligations of the Issuer. The claims of the Debenture Holders shall be akin to the claims of senior, secured investors / lenders and shall rank pari passu to all senior, secured indebtedness of the Issuer. Each of the Debenture Holders of this Series shall inter-se rank pari passu in relation to their rights and benefits in relation to the Debentures, without any preference or privilege.</p>
Role and Responsibilities of Debenture Trustee	To oversee and monitor the overall transaction for and on behalf of the Debenture Holder(s).
Indemnification	The Issuer will indemnify and hold harmless the Debenture Holders from and against any claim, liability, demand, loss, damage, judgment or other obligation or right of action which may arise as a result of breach of any of the Transaction Documents by the Issuer or its Promoters.
Confidentiality	The terms and conditions described in the Transaction Documents, including its existence, shall be confidential information and shall not be disclosed to any third party except to each Party's advisors and counsel. Provided however that if any of the Parties is required by law to disclose information regarding the Transaction Documents or to file any of the Transaction Documents with any regulatory body, it shall, at a reasonable time after making any such disclosure or filing, informing the other parties.
Governing Law	The Debentures and the Transaction Documents will be governed by and construed in accordance with the laws of India and the parties submit to the exclusive jurisdiction of the courts in Mumbai and as more particularly provided for in the Debenture Trust cum Mortgage Deed.
Issue Schedule	
Issue Opening Date	August 13, 2019
Issue Pay-In Date	August 13, 2019
Issue Closing Date	August 13, 2019
Issue Deemed Date of Allotment	August 13, 2019



ANNEXURE II: TRUSTEE CONSENT LETTER

BEACON

BEACON TRUSTEESHIP LIMITED
Date August 1, 2019

Ess Kay Finance Limited
G1-0, New Market,
Chhaya City, Jaipur
Rajasthan-302002

Kind Attn: - Mr. Vivek Singh

Dear Sir,

Sub: Consent to act as Debenture Trustee for Listed/Unlisted, Secured, Redeemable, Non-Convertible Debentures aggregating to Rs. 100 Crores in one or more tranches.

This is with reference to the discussion we had regarding appointment of Beacon Trusteeship Ltd. as Debenture Trustee for Listed/Unlisted, Secured, Redeemable and Non-Convertible Debentures aggregating to Rs. 100 Crores to be raised by your company in one or more tranches.

In this regard it would indeed be our pleasure to be associated with your esteemed organization as Debenture Trustee. In the connection we confirm our acceptance to act as Debenture Trustee for the same.

We are also agreeable for inclusion of our name as Trustee 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.

Looking forward to a long and fruitful association with your esteemed organization.

Yours faithfully,

For Beacon Trusteeship Limited

Authorized Signatory

BEACON TRUSTEESHIP LTD.

Corporate Office: 40, B-0, Siddhivayal Chambers, Gandhi Nagar, Old BPO, Greater Gurgaon, Gurgaon, Haryana
CIN: 07499994M2015PL211788
Phone: 012-26158754 | Email: contact@beacontrustee.co.in | Website: www.beacontrustee.co.in



ANNEXURE III

RATING LETTER

Ratings

CRISIL

An ISO Global Company

CONFIDENTIAL

ESKAFPL28604NCTD0819002156

August 09, 2019

Mr. Vivek Singh
Vice President

Es Kay FinCorp Limited

G-1 & G-2, New Market

Adarsh Plaza Building

Kharu Kohli Road

Jajpur - 702001

Dear Mr. Vivek Singh,

Re: CRISIL Rating on the Rs.100 Crore Non-Convertible Debentures of Es Kay FinCorp Limited

We refer to your request for a rating for the captioned Non-Convertible Debentures.

CRISIL has, after due consideration, assigned its "CRISIL A/Stable" (pronounced as CRISIL A) rating with Stable outlook) rating to the captioned debt instrument. Instruments with this rating are considered to have adequate degree of safety regarding timely servicing of financial obligations. Such instruments carry low credit risk.

For the purpose of issuance of the captioned debt instrument, this letter is valid for 180 calendar days from the date of the issue. In the event of your proposal not placing the above instrument within this period, or in the event of any change in the size/structure of your proposal, the rating shall have to be reviewed and a letter of re-validation shall have to be issued to you. Once the instrument is issued, the above rating is valid throughout the life of the captioned debt instrument.

As per our Rating Agreement, CRISIL would disseminate the rating along with outlook through its publications and other media, and keep the rating along with outlook under surveillance for the life of the instrument. CRISIL reserves the right to withdraw or revise the ratings assigned to the captioned instrument in any event, on the basis of new information, or unavailability of information or other circumstances, which CRISIL believes may have an impact on the rating.

As per the latest SEBI circular (reference number CRISIL/DIP/17/2013, dated October 22, 2013) on centralized database for corporate bond/debt issuances, you are required to provide international securities identification number (ISIN) along with the reference number and the date of the rating letter of all bond/debt issuance made against this rating. We request you to mail us all the necessary information within 2 days after the allotment of the ISIN. We request you to mail us all the necessary and relevant information at debtsa@crsil.com. For all enable CRISIL to verify and confirm to the depositors, including NSDL and CDSL, the ISIN details of their rated by us, as required by SEBI. Feel free to contact us for any clarifications you may have at debtsa@crsil.com.

Should you require any clarifications, please feel free to get in touch with us.
With warm regards,

Yours sincerely,

Ajit Velamuri
Director - CRISIL Ratings

Nivedita Shaha
Associate Director - CRISIL Ratings



ANNEXURE IV

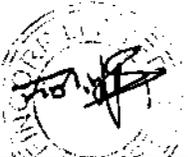
Illustrations of the Bond Cash flows: Cash Flow:

1) Scenario - 1 - Upto 12 months and Debentures are Partly Paid.

Months	Date	Actual IP Payout	Net Cash Flow	Principal	Interest	Principal O/s	days
0	Tuesday, 13 August, 2019	Tuesday, 13 August, 2019	(5,000)			5,000.00	31
1	Friday, 13 September, 2019	Friday, 13 September, 2019	46.58			5,000.00	31
2	Sunday, 13 October, 2019	Monday, 14 October, 2019	45.08			5,000.00	30
3	Wednesday, 13 November, 2019	Wednesday, 13 November, 2019	46.58			5,000.00	31
4	Friday, 13 December, 2019	Friday, 13 December, 2019	45.08			5,000.00	30
5	Monday, 13 January, 2020	Monday, 13 January, 2020	46.58			5,000.00	31
6	Thursday, 13 February, 2020	Thursday, 13 February, 2020	46.58			5,000.00	31
7	Friday, 13 March, 2020	Friday, 13 March, 2020	43.58			5,000.00	29
8	Monday, 13 April, 2020	Monday, 13 April, 2020	46.71			5,000.00	31
9	Wednesday, 13 May, 2020	Wednesday, 13 May, 2020	45.21			5,000.00	30
10	Saturday, 13 June, 2020	Monday, 15 June, 2020	46.71			5,000.00	31
11	Monday, 13 July, 2020	Monday, 13 July, 2020	45.21			5,000.00	30
12	Thursday, 13 August, 2020	Thursday, 13 August, 2020	46.71			5,000.00	31
Face Value		1,00,000					
Initial Subscription Amount		5,000					
Period		Coupon Rate p.a. payable monthly		11.00%			

2) Scenario - 2 - If PUT not exercised and Debentures are Fully Paid.

Months	Date	Actual IP Payout	Net Cash Flow	Principal	Interest	Principal O/s	days
0	Tuesday, 13 August, 2019	Tuesday, 13 August, 2019	(5,000)			5,000.00	31
1	Friday, 13 September, 2019	Friday, 13 September, 2019	46.58			5,000.00	31
Face Value		1,00,000					
Initial Subscription Amount		5,000					
Period		Coupon Rate p.a. payable monthly		11.00%			
				11.50%			
				11.75%			
				12.00%			
				12.25%			





2	Sunday, 13 October, 2019	Monday, 14 October, 2019	45.08	-	45.08	5,000.00	30
3	Wednesday, 13 November, 2019	Wednesday, 13 November, 2019	46.58	-	46.58	5,000.00	31
4	Friday, 13 December, 2019	Friday, 13 December, 2019	45.08	-	45.08	5,000.00	30
5	Monday, 13 January, 2020	Monday, 13 January, 2020	46.58	-	46.58	5,000.00	31
6	Thursday, 13 February, 2020	Thursday, 13 February, 2020	46.58	-	46.58	5,000.00	31
6	Thursday, 13 February, 2020	Thursday, 13 February, 2020	(95,000.00)	-		1,00,000.00	
7	Friday, 13 March, 2020	Friday, 13 March, 2020	871.58	-	871.58	1,00,000.00	29
8	Monday, 13 April, 2020	Monday, 13 April, 2020	934.25	-	934.25	1,00,000.00	31
9	Wednesday, 13 May, 2020	Wednesday, 13 May, 2020	904.11	-	904.11	1,00,000.00	30
10	Saturday, 13 June, 2020	Monday, 15 June, 2020	934.25	-	934.25	1,00,000.00	31
11	Monday, 13 July, 2020	Monday, 13 July, 2020	904.11	-	904.11	1,00,000.00	30
12	Thursday, 13 August, 2020	Thursday, 13 August, 2020	934.25	-	934.25	1,00,000.00	31
13	Sunday, 13 September, 2020	Monday, 14 September, 2020	976.71	-	976.71	1,00,000.00	31
14	Tuesday, 13 October, 2020	Tuesday, 13 October, 2020	945.21	-	945.21	1,00,000.00	30
15	Friday, 13 November, 2020	Friday, 13 November, 2020	976.71	-	976.71	1,00,000.00	31
16	Sunday, 13 December, 2020	Monday, 14 December, 2020	945.21	-	945.21	1,00,000.00	30
17	Wednesday, 13 January, 2021	Wednesday, 13 January, 2021	976.71	-	976.71	1,00,000.00	31
18	Saturday, 13 March, 2021	Monday, 15 March, 2021	901.37	-	901.37	1,00,000.00	28
19	Tuesday, 13 April, 2021	Tuesday, 13 April, 2021	997.95	-	997.95	1,00,000.00	31
20	Thursday, 13 May, 2021	Thursday, 13 May, 2021	965.75	-	965.75	1,00,000.00	30
21	Thursday, 13 May, 2021	Thursday, 13 May, 2021	965.75	-	965.75	1,00,000.00	30
22	Sunday, 13 June, 2021	Monday, 14 June, 2021	997.95	-	997.95	1,00,000.00	31
23	Tuesday, 13 July, 2021	Tuesday, 13 July, 2021	965.75	-	965.75	1,00,000.00	30
24	Friday, 13 August, 2021	Friday, 13 August, 2021	997.95	-	997.95	1,00,000.00	31
25	Monday, 13 September, 2021	Monday, 13 September, 2021	1,019.18	-	1,019.18	1,00,000.00	31
26	Wednesday, 13 October, 2021	Wednesday, 13 October, 2021	986.30	-	986.30	1,00,000.00	30
27	Saturday, 13 November, 2021	Monday, 15 November, 2021	1,019.18	-	1,019.18	1,00,000.00	31
28	Monday, 13 December, 2021	Monday, 13 December, 2021	986.30	-	986.30	1,00,000.00	30
29	Thursday, 13 January, 2022	Thursday, 13 January, 2022	1,019.18	-	1,019.18	1,00,000.00	31
30	Sunday, 13 February, 2022	Monday, 14 February, 2022	1,019.18	-	1,019.18	1,00,000.00	31
31	Sunday, 13 March, 2022	Monday, 14 March, 2022	939.73	-	939.73	1,00,000.00	28
32	Wednesday, 13 April, 2022	Wednesday, 13 April, 2022	1,040.41	-	1,040.41	1,00,000.00	31
33	Friday, 13 May, 2022	Friday, 13 May, 2022	1,006.85	-	1,006.85	1,00,000.00	30
34	Monday, 13 June, 2022	Monday, 13 June, 2022	1,040.41	-	1,040.41	1,00,000.00	31
35	Wednesday, 13 July, 2022	Wednesday, 13 July, 2022	1,006.85	-	1,006.85	1,00,000.00	30
36	Saturday, 13 August, 2022	Friday, 12 August, 2022	1,01,040.41	-	1,01,040.41	1,00,000.00	31



Months	Date	Actual Payout	Net Cash Flow	Principal	Interest	Principal O/s	days
0	Tuesday, 13 August, 2019	Tuesday, 13 August, 2019	(5,000)			5,000.00	
1	Friday, 13 September, 2019	Friday, 13 September, 2019	46.58			5,000.00	31
2	Sunday, 13 October, 2019	Monday, 14 October, 2019	45.08			5,000.00	30
3	Wednesday, 13 November, 2019	Wednesday, 13 November, 2019	46.58			5,000.00	31
4	Friday, 13 December, 2019	Friday, 13 December, 2019	45.08			5,000.00	30
5	Monday, 13 January, 2020	Monday, 13 January, 2020	46.58			5,000.00	31
6	Thursday, 13 February, 2020	Thursday, 13 February, 2020	46.58			5,000.00	31
6	Thursday, 13 February, 2020	Thursday, 13 February, 2020	(95,000.00)			1,00,000.00	
7	Friday, 13 March, 2020	Friday, 13 March, 2020	871.58			1,00,000.00	29
8	Monday, 13 April, 2020	Monday, 13 April, 2020	934.25			1,00,000.00	31
9	Wednesday, 13 May, 2020	Wednesday, 13 May, 2020	904.11			1,00,000.00	30
10	Saturday, 13 June, 2020	Monday, 15 June, 2020	934.25			1,00,000.00	31
11	Monday, 13 July, 2020	Monday, 13 July, 2020	904.11			1,00,000.00	30
12	Thursday, 13 August, 2020	Thursday, 13 August, 2020	934.25			1,00,000.00	31
13	Sunday, 13 September, 2020	Monday, 14 September, 2020	976.71			1,00,000.00	31
14	Tuesday, 13 October, 2020	Tuesday, 13 October, 2020	945.21			1,00,000.00	30
15	Friday, 13 November, 2020	Friday, 13 November, 2020	976.71			1,00,000.00	31
16	Sunday, 13 December, 2020	Monday, 14 December, 2020	945.21			1,00,000.00	30
17	Wednesday, 13 January, 2021	Wednesday, 13 January, 2021	976.71			1,00,000.00	31
18	Saturday, 13 February, 2021	Monday, 15 February, 2021	976.71			1,00,000.00	31
19	Saturday, 13 March, 2021	Monday, 15 March, 2021	901.37			1,00,000.00	28
20	Tuesday, 13 April, 2021	Tuesday, 13 April, 2021	997.95			1,00,000.00	31
21	Thursday, 13 May, 2021	Thursday, 13 May, 2021	965.75			1,00,000.00	30
22	Sunday, 13 June, 2021	Monday, 14 June, 2021	997.95			1,00,000.00	31
23	Tuesday, 13 July, 2021	Tuesday, 13 July, 2021	965.75			1,00,000.00	30
24	Friday, 13 August, 2021	Friday, 13 August, 2021	997.95			1,00,000.00	31

3) Scenario - 3 - If PLT exercised at end of 30 months and Debentures are Fully Paid.



Months	Date	Actual IP payout	Net Cash Flow	Principal	Interest	Principal O/s	days
0	Tuesday, 13 August, 2019	Tuesday, 13 August, 2019	(5,000)			5,000.00	
1	Friday, 13 September, 2019	Friday, 13 September, 2019	46.58			5,000.00	31
2	Sunday, 13 October, 2019	Monday, 14 October, 2019	45.08			5,000.00	30
3	Wednesday, 13 November, 2019	Wednesday, 13 November, 2019	46.58			5,000.00	31
4	Friday, 13 December, 2019	Friday, 13 December, 2019	45.08			5,000.00	30
5	Monday, 13 January, 2020	Monday, 13 January, 2020	46.58			5,000.00	31
6	Thursday, 13 February, 2020	Thursday, 13 February, 2020	46.58			5,000.00	31
6	Thursday, 13 February, 2020	Thursday, 13 February, 2020	(95,000.00)			1,00,000.00	
7	Friday, 13 March, 2020	Friday, 13 March, 2020	871.58			1,00,000.00	29
8	Monday, 13 April, 2020	Monday, 13 April, 2020	934.25			1,00,000.00	31
9	Wednesday, 13 May, 2020	Wednesday, 13 May, 2020	904.11			1,00,000.00	30
10	Saturday, 13 June, 2020	Monday, 15 June, 2020	934.25			1,00,000.00	31
11	Monday, 13 July, 2020	Monday, 13 July, 2020	904.11			1,00,000.00	30
12	Thursday, 13 August, 2020	Thursday, 13 August, 2020	934.25			1,00,000.00	31
13	Sunday, 13 September, 2020	Monday, 14 September, 2020	976.71			1,00,000.00	31
14	Tuesday, 13 October, 2020	Tuesday, 13 October, 2020	945.21			1,00,000.00	30
15	Friday, 13 November, 2020	Friday, 13 November, 2020	976.71			1,00,000.00	31
16	Sunday, 13 December, 2020	Monday, 14 December, 2020	945.21			1,00,000.00	30
17	Wednesday, 13 January, 2021	Wednesday, 13 January, 2021	976.71			1,00,000.00	31

4) Scenario - 4 - If PUT exercised at end of 24 months and Debentures are Fully Paid

Face Value	Initial Subscription Amount	Period	Coupon Rate p.a. payable monthly	0-12 Months	13-18 Months	19-24 Months
1,00,000	5,000			11.00%	11.50%	11.75%

25	Monday, 13 September, 2021	Monday, 13 September, 2021	1,019.18			1,019.18	31
26	Wednesday, 13 October, 2021	Wednesday, 13 October, 2021	986.30			1,00,000.00	30
27	Saturday, 13 November, 2021	Monday, 15 November, 2021	1,019.18			1,00,000.00	31
28	Monday, 13 December, 2021	Monday, 13 December, 2021	986.30			1,00,000.00	30
29	Thursday, 13 January, 2022	Thursday, 13 January, 2022	1,019.18			1,00,000.00	31
30	Sunday, 13 February, 2022	Monday, 14 February, 2022	1,019.18			1,00,000.00	31



Months	Date	Actual IP Payout	Net Cash Flow	Principal	Interest	Principal O/s	days
0	Tuesday, 13 August, 2019	Tuesday, 13 August, 2019	(5,000)			5,000.00	
1	Friday, 13 September, 2019	Friday, 13 September, 2019	46.58			5,000.00	31
2	Sunday, 13 October, 2019	Monday, 14 October, 2019	45.08			5,000.00	30
3	Wednesday, 13 November, 2019	Wednesday, 13 November, 2019	46.58			5,000.00	31
4	Friday, 13 December, 2019	Friday, 13 December, 2019	45.08			5,000.00	30
5	Monday, 13 January, 2020	Monday, 13 January, 2020	46.58			5,000.00	31
6	Thursday, 13 February, 2020	Thursday, 13 February, 2020	46.58			5,000.00	31
6	Thursday, 13 February, 2020	Thursday, 13 February, 2020	(95,000.00)			1,00,000.00	
7	Friday, 13 March, 2020	Friday, 13 March, 2020	871.58			1,00,000.00	29
8	Monday, 13 April, 2020	Monday, 13 April, 2020	934.25			1,00,000.00	31
9	Wednesday, 13 May, 2020	Wednesday, 13 May, 2020	904.11			1,00,000.00	30
10	Saturday, 13 June, 2020	Monday, 15 June, 2020	934.25			1,00,000.00	31
11	Monday, 13 July, 2020	Monday, 13 July, 2020	904.11			1,00,000.00	30
12	Thursday, 13 August, 2020	Thursday, 13 August, 2020	934.25			1,00,000.00	31
13	Sunday, 13 September, 2020	Monday, 14 September, 2020	976.71			1,00,000.00	31
14	Tuesday, 13 October, 2020	Tuesday, 13 October, 2020	945.21			1,00,000.00	30
15	Friday, 13 November, 2020	Friday, 13 November, 2020	976.71			1,00,000.00	31
16	Sunday, 13 December, 2020	Monday, 14 December, 2020	945.21			1,00,000.00	30
17	Wednesday, 13 January, 2021	Wednesday, 13 January, 2021	976.71			1,00,000.00	31
18	Saturday, 13 February, 2021	Monday, 15 February, 2021	1,00,976.71			1,00,000.00	31
Face Value		1,00,000					
Initial Subscription Amount		5,000					

5) Scenario - 5 - If PVT exercised at end of 18 months and Debentures are Fully Paid.

2021	Monday, 15 February, 2021	976.71				1,00,000.00	31
18	Saturday, 13 February, 2021	Monday, 15 March, 2021	901.37			1,00,000.00	28
19	Saturday, 13 March, 2021	Tuesday, 13 April, 2021	997.95			1,00,000.00	31
20	Tuesday, 13 April, 2021	Thursday, 13 May, 2021	965.75			1,00,000.00	30
21	Thursday, 13 May, 2021	Monday, 14 June, 2021	997.95			1,00,000.00	31
22	Sunday, 13 June, 2021	Tuesday, 13 July, 2021	965.75			1,00,000.00	30
23	Tuesday, 13 July, 2021	Friday, 13 August, 2021	997.95			1,00,000.00	31
24	Friday, 13 August, 2021						

ANNEXURE V

ESS KAY FINCORP LIMITED
 Notes to the financial statements for the year ended March 31, 2019

29 Related party disclosures
 As per the Accounting Standard 18 on Related party disclosures, the disclosure of related parties of the Company are as follows:

List of related party : where control exist
 Company has no subsidiary and holding company

A Major equity shareholder

Rajendra Kumar Sella
 (Husband: Meenua Parthiva K. M. M. S. S.)

B Key management personnel

Rajendra Kumar Sella	Managing Director
Shashi Sella	Director
Amer Chand Chug	Independent Director
Amer Lal Desai	Independent Director
Anand Rajgurun	Independent Director
Munish Deyal	Chief Financial Officer
Atul Arora	Company Secretary
Anagha Bangur	

C Relatives of key management personnel

Ashw Dns Sella	Father of Rajendra Kumar Sella
Raj Kumar Sella	Brother of Rajendra Kumar Sella
Swandha Kumar Sella	Brother of Rajendra Kumar Sella
Samraj Arora	Brother of Shashi Sella
Sanjeev Arora	Brother of Shashi Sella
Yash Sella	Son of Rajendra Kumar Sella

D Enterprises owned and significantly influenced by key management personnel or their relatives

Sharma Brothers (Partnership firm)	Brother of Rajendra Kumar Sella (Managing Director) is Partner
Shikham Leasing & Finance Company (Sole proprietorship)	Brother of Rajendra Kumar Sella (Managing Director) is Proprietor
Diamond Capital Pvt. Ltd	Brother of Rajendra Kumar Sella(Managing Director) is Director
Chamunda Computers (Partnership firm)	Sister of Rajendra Kumar Sella (Managing Director) is Partner
Ratnam Credit Private Limited	Brother of Rajendra Kumar Sella(Managing Director) is Director

		(Amount in Rs.)	
		March 31, 2019	March 31, 2018
Expenses			
Salary	Key management personnel	13,216,912	7,713,461
	Rajendra Kumar Sella	1,171,812	1,112,299
	Shashi Sella	2,472,808	2,145,834
	Atul Arora	770,080	642,485
	Anagha Bangur		
	Relative of key management personnel	4,617,744	2,871,299
	Samraj Arora	474,243	712,980
	Sanjeev Arora	838,216	
	Yash Sella		
Office fees	Key management personnel	315,000	400,000
	Amer Chand Chug	415,000	400,000
	Amer Lal Desai	415,000	
	Anand Rajgurun	70,000	
	Munish Deyal		
Insurance expense	Key management personnel	428,000	428,000
	Rajendra Kumar Sella		
Commission	Relative of key management personnel		393,380
	Swandha Kumar Sella	1,182,463	
	Raj Kumar Sella		
	Enterprises under significant influence	1,325,342	600,385
	Shikham Leasing & Finance Company		21,601
	Diamond Capital Private Limited		
Travel expense	Key management personnel	3,125,000	2,600,000
	Shashi Sella		
Vehicle running & maintenance	Enterprises under significant influence	513,758	454,465
	Sharma Brothers		
Issue of share capital	Major equity shareholder	856,174,545	549,947,318
	Harwal Venture Partners X - Mauritius	166,858,056	
	Rajendra Kumar Sella		

