

Disclosure Document

**A. K. Capital Finance Private Limited**

A private limited company incorporated under the Companies Act, 1956

Date of Incorporation: February 03, 2006; CIN: U51900MH2006PTC214277

Registered Office: 30-39, Free Press House, Free Press Journal Marg,
215, Nariman Point – Mumbai-400021

Telephone No.: 022 6754 6500 Fax No.: 022 6610 0594

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Email: ncd_akcf@akgoup.co.in; Website: www.akcapindia.com

Disclosure Document UNDER COMPANIES ACT 2013, SCHEDULE I OF SEBI (ISSUE AND LISTING OF DEBT SECURITIES) REGULATIONS, 2008 AMENDED FROM TIME TO TIME AND RBI CIRCULAR FOR RAISING MONEY THROUGH PRIVATE PLACEMENT OF NON-CONVERTIBLE DEBENTURES (NCDS) BY NBFCs.

ISSUE: Disclosure Document FOR PRIVATE PLACEMENT OF 10,000 (TEN THOUSAND) SECURED, RATED, LISTED, REDEEMABLE NON-CONVERTIBLE DEBENTURES (NCDS) OF THE FACE VALUE OF RS. 1,00,000/- (RUPEES ONE LAKH ONLY) EACH AGGREGATING TO RS. 100,00,00,000/- (RUPEES ONE HUNDRED 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 (SEBI) nor does SEBI guarantee the accuracy or adequacy 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, 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 are rated "BWR AA (SO)" (pronounced Double A Structured Obligation) by Brickworks Ratings Pvt Limited. The rating letter from the credit rating agency is attached as Annexure II. The rating is not recommended 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 rating obtained is subject to revision at any point of time in the future. The rating agencies have a right to suspend, withdraw the rating at any time on the basis of new information etc.

LISTING: The Debentures are proposed to be listed on the wholesale debt market of the BSE Limited ("BSE").

Registrar & Share Transfer Agent

Link Intime India Pvt Limited

C 101, 247 Park,

L B S Marg, Vikhroli West,

Mumbai 400 083

Contact Person: Ganesh Jadhav

Tel No: +91 22 49186000; Fax: +91 22 49186060

Email: ganesh.jadhav@linkintime.co.inWebsite: www.linkintime.co.in**Debenture Trustee**

Catalyst Trusteeship Limited (Formerly GDA Trusteeship Ltd.)

Office No. 83 – 87, 8th floor, 'Mittal Tower',

'B' Wing, Nariman Point, Mumbai – 400021

Contact Person: Ms. Rakhi Kulkarni

Tel: +91 22 4922 0555; Fax: +91 22 4922 0505

Email: dt@ctltrustee.comWebsite: www.gdatrustee.com

This schedule prepared in conformity with SEBI (Issue & Listing of Debt Securities) Regulations, 2008 issued vide circular no. LAD-NRO/GN/2008/13/127878 dated June 6, 2008, SEBI (Issue & Listing of Debt Securities) (Amendment) Regulations, 2012 issued vide circular no. LAD-NRO/GN/2012-13/19/5392 dated October 12, 2012 and SEBI (Issue & Listing of Debt Securities) (Amendment) Regulations, 2014 issued vide circular no. LAD-NRO/GN/2013-14/43/207 dated January 31, 2014 (referred in this document "SEBI guidelines"), SEBI (Issue and Listing of Debt Securities)(Amendment) Regulations, 2016 issued vide circular no. LAD-NRO/GN/2014-15/25/539 Section 42 and rule 14(1) in Companies (Prospectus and Allotment of Securities) Rules, 2014 and circular issued by RBI - RBI/2014-15/475 DNBR (PD) CC No.021/03.10.001/2014-15), for private placement and does not constitute an offer to the public generally to subscribe for or otherwise acquire the Debentures to be issued by the Issuer.



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1. DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates or requires, the following terms shall have the meanings given below in this Disclosure Document.

Allot/Allotment/Allotted	Unless the context otherwise requires or implies, the allotment of the Debentures pursuant to this Issue.
Application Form	The form used by the recipient of this Disclosure Document, to apply for subscription to the Debentures.
Act or Companies Act	Shall mean the Companies Act, 2013 ("2013 Act"), and for any matters or affairs prior to the notification of the relevant provisions of the Companies Act, 2013, the Companies Act, 1956 ("1956 Act"), and shall include any re-enactment, amendment or modification of the Companies Act, 2013, as in effect from time to time
Beneficial Owner	Shall mean the Debenture Holder(s) of the Debentures in dematerialised form whose name is recorded as such with the Depository.
Board/Board of Directors	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 in Mumbai.
BSE	Means BSE Limited
Capital Adequacy Ratio	Means the capital adequacy ratio prescribed by the RBI for non-banking financial companies from time to time, currently being the aggregate of Tier I Capital and Tier II Capital divided by Risk Weighted Assets
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identification Number
Client Loan	Each loan made by the Issuer as a lender, and "Client Loans" shall refer to the aggregate of such loans.
Credit Rating Agency (CRA)	Brickworks Ratings India Limited or any SEBI registered Credit Rating Agency which shall be appointed from time to time.
Coupon	Shall mean the coupon payable on the Debentures on the Coupon Payment Date(s), at the Coupon Rate
Debentures / NCDs	10,000 Secured, Rated, Listed, Redeemable Non-Convertible Debentures to be issued on a private placement basis up to an aggregate amount of Rs. 100,00,00,000/- (Rupees One Hundred Crores only).
Debenture Holders/ Investors	The holders of the Debentures issued by the Issuer and shall include the registered transferees of the Debentures from time to time.
Debenture Trustee	Catalyst Trusteeship Limited or such other Debenture Trustee appointed by the Company from time to time.



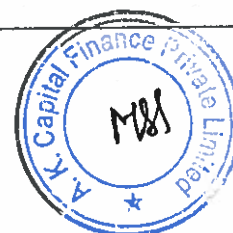
Debenture Trustee Agreement	Agreement to be executed by and between the Debenture Trustee and the Issuer for the purposes of appointment of the Debenture Trustee to act as debenture trustee in connection with the issuance of the Debentures
Debenture Trust Cum Mortgage Deed	Shall mean the debenture trust 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 and shall include the representations and warranties and the covenants to be provided by the Issuer.
Deed of Hypothecation	The deed of hypothecation entered/to be entered into between the Issuer and the Debenture Trustee, pursuant to which hypothecation over Hypothecated Assets shall be created by the Issuer in favour of the Debenture Trustee (acting for and on behalf of the Debenture Holder(s)).
Demat	Refers to dematerialized securities which are securities that are in electronic form, and not in physical form, with the entries noted by the Depository.
Depositories Act	The Depositories Act, 1996, as amended from time to time
Depository	A Depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996, as amended from time to time.
Depository Participant / DP	A depository participant as defined under the Depositories Act
Director(s)	Director(s) of the Issuer.
Deemed Date of Allotment(s)	Shall mean the date/s on which the Debentures are deemed to have been allotted to the Debenture Holder(s), as further specified in the relevant Term Sheet.
DP ID	Depository Participant Identification Number.
Due Date(s)	shall mean any date on which the Debenture Holder(s) are entitled to any payments in relation to the Debentures whether for redemption, redemption premium, if any or towards Coupon, as provided for in the relevant Term Sheet.
EFT	Electronic Fund Transfer
Events of Default	Shall mean the events of default as set out in Section 5.4 hereof and shall, in relation to the Debenture Holder(s), additionally mean any event or circumstances described as an event of default under the relevant Term Sheets in respect of such of Debentures.
Financial Year/ FY	Twelve months period commencing from April 1 of a particular 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.
Final Settlement Date(s)	Shall mean the date on which the Payments have been irrevocably discharged in full and / or 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	The President of India, the Government of India, the Governor and the Government of any State in India, any Ministry or Department of the same, any municipal or local government authority, any authority or private body exercising powers conferred by applicable law and any court, tribunal or other judicial or quasi-judicial body and shall include, without limitation, a stock exchange and any regulatory body.
Gross Loan Portfolio	Means the outstanding principal balance of all of the Company's outstanding Client Loans 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.
Issue	Private Placement of the Debentures.
Issuer/ Company	A. K. Capital Finance Private Limited
Majority Debenture Holder(s)	Means such number of Debenture Holders collectively holding more than 75% (Seventy Five percent) of the value of the Outstanding Principal Amounts of the Debentures
Minimum Security Cover	Means a Security Cover of at least 1.05
Majority Resolution	Means resolution approved by such number of Debenture Holders that represent more than 75% (Seventy Five percent) of the value of the Outstanding Principal Amounts of the Debentures held by the Debenture Holders who are present and voting or if a poll is demanded, by such number of Debenture Holders that represent more than 75% (Seventy Five percent) of the value of the Outstanding Principal Amounts of the Debentures held by the Debenture Holders who are present and voting in such poll.
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 Term Sheet
Material Adverse Effect	In relation to any entity, means, the effect or consequence of an event, circumstance, occurrence or condition which has caused, as of any date of determination, or could reasonably be expected to cause, a material and adverse effect on (i) the financial condition, business or operation of the entity, which in the opinion of the Debenture Trustee, is prejudicial to the ability of the entity to perform its obligations under the Transaction Documents; (ii) the ability of the Issuer to perform its obligations under the Transaction Documents; or (iii) the legality, validity or enforceability of any of the Transaction Documents.
NBFC	Non-Banking Financial Company
NBFC Master Directions	Means the Master Direction - Non-Banking Financial Company - Non-



	Systemically Important Non-Deposit taking Company (Reserve Bank) Directions and the Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions prescribed by the RBI from time to time, as may be applicable
Net Assets	Net Assets shall mean the total assets on the balance sheet of the Issuer excluding any securitised assets and managed (non-owned) loan portfolio.
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.
NSDL	National Securities Depository Limited.
PAN	Permanent Account Number.
Payments	Means all payments to be made by the Company in relation to the Debentures including payment of Coupon, Redemption Amount(s), Redemption Premium (if any), Default Interest (if any) remuneration of the Debenture Trustee, and all fees, costs, charges, expenses and other monies payable by the Company under the Transaction Documents
Principal Amount	On any particular date, the principal amount of the outstanding Debentures on such date.
RBI	Reserve Bank of India.
Rating Agency	SEBI registered credit rating agency appointed by the Issuer from time to time.
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, which shall be the date falling 15 (Fifteen) calendar days prior to any Due Date.
R&T Agent	Registrar and Transfer Agent to the Issue, in this case being Link Intime India Pvt Ltd or such other registrar appointed by the company from time to time.
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, the accrued Coupon, Default 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 relevant Term Sheet
Redemption Date(s)	shall Mean the date(s) on which the Redemption Amount(s) for the Debentures shall be redeemed by the Company as shall be specified in the relevant Term Sheet;
Risk Weighted Assets	Shall be calculated as per the method prescribed in the NBFC Master Directions
ROC	Registrar of Companies.
Rs. / INR	Indian National Rupee.
RTGS	Real Time Gross Settlement.



SEBI	Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992 (as amended from time to time).
SEBI Debt Listing Regulations	The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulation, 2008 issued by SEBI, as amended from time to time.
SEBI LODR Regulations	SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time
Secured Obligations	Shall mean all obligations at any time due, owing or incurred by the Company to the Debenture Trustee and the Debenture Holder(s) in respect of the Debentures and shall include the obligation to redeem the Debentures in terms thereof together with the Coupon accrued thereon, Redemption Premium if any , Default Interest, if any, accrued thereon, any outstanding remuneration of the Debenture Trustee and all fees, costs, charges and expenses payable to the Debenture Trustee and other monies payable by the Company in respect of the Debentures.
Security Cover	Shall mean the ratio of the value of the Secured Property to the amounts outstanding under the Debentures. The Security Cover to be maintained by the Company shall at all times be at least equal to the Minimum Security Cover, or such other security cover as may be agreed to by the Company and the Debenture Trustee/Debenture Holder(s) as stipulated in the relevant Term Sheet(s).
TDS	Tax Deducted at Source.
Term Sheet / Issue Addendum	Shall mean a document issued in respect of the Debentures which mentions key terms of the Debentures issued, including inter alia, interest rate, allotment date, maturity date, credit rating , security description , covenants if any and shall include amendments made thereto from time to time
Tax	Shall mean any and all present or future, direct or indirect, claims for tax, levy, impost, duty, cess, statutory due or other charge of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same) including on gross receipts, sales, turn-over, value addition, use, consumption, property, service, income, franchise, capital, occupation, license, excise, documents (such as stamp duties) and customs and other taxes, duties, assessments, or fees, however imposed, withheld, levied, or assessed by any Government, but shall not include tax on the income of any Party
Transaction Documents	Shall mean the documents executed or to be executed in relation to the issuance of the Debentures as more particularly set out Section 5.1 in Annexure I.
WDM	Wholesale Debt Market.



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. The issue of the Debentures to be listed on the WDM segment of the BSE is being made strictly on a private placement basis. 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 copy of this Disclosure Document and Private Placement Offer Letter shall be filed with the ROC and SEBI within the stipulated timelines under the Companies Act, 2013.

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 general 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 and the Companies (Prospectus and Allotment of Securities) Rules, 2014. 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.



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

As 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. However the Company undertakes to file this Disclosure Document with the Registrar of Companies (through the online portal provided by the Ministry of Corporate Affairs) and SEBI within 30 days from the Deemed Date of Allotment as per the provisions of the 2013 Act and the rules thereunder.



2.4 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

2.5 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, India. 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.

2.6 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.

2.7 ISSUE OF DEBENTURES IN DEMATERIALISED FORM

The Debentures will be issued in dematerialised form. The Issuer has made arrangements with the Depositories for the issue of the Debentures in dematerialised form. Investors will have to hold the Debentures in dematerialised 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 realisation of the application money.



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 Document and in the relevant Term Sheet and reach their own views prior to making any investment decision.

3.1 *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.

3.2 *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.

3.3 *Credit Risk & Rating Downgrade Risk*

The Rating Agency (ies) has/have 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 (ies) 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.



3.4 *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.

3.5 *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.

3.6 *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.

3.7 *Security maybe insufficient to redeem the debentures.*

In the event that the Company is unable to meet its payment and other obligations towards Investors under the terms of the Debentures, the Debenture Trustee may enforce the Security as per the terms of security documents, and other related documents. The Investors recovery in relation to the Debentures will be subject to (i) the market value of such secured property, (ii) finding willing buyers for the Security at a price sufficient to repay the potential Investors amounts outstanding under the Debentures. The value realised from the enforcement of the Security may be insufficient to redeem the Debentures.

3.8 *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.



3.9 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.

3.10 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.

3.11 RISKS RELATED TO THE BUSINESS OF THE ISSUER

- a. *If the Issuer is unable to control the level of non-performing loans ("NPAs") in the future, or if the Issuer's loan loss reserves are insufficient to cover future loan losses, the financial condition and results of operations may be materially and adversely affected.*

The Issuer's financial condition is directly correlated to its ability to control the level of Non-Performing Assets ("NPAs") in the future and if the Issuer's loan loss reserves are insufficient to cover future loan losses, its financial condition and results of operations may be materially and adversely affected.

The Issuer cannot assure that it will be able to effectively control 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 due to other factors beyond its control. If the Issuer is unable to manage its NPAs or adequately recover its loans, the results of its operations will be adversely affected.

The current loan loss reserves of the Issuer may not be adequate to cover an increase in the amount of NPAs or any future deterioration in the overall credit quality of Client Loans. As a result, if the quality of its total loan portfolio deteriorates the Issuer may be required to increase its loan loss reserves, which will adversely affect its financial condition and results of operations.



b. 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, with no guarantee that these operations will be successful

The Issuer plans to expand its operations in across all the states where it is operating in which it has a presence 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.

d. Competition from other financial institutions may adversely affect the Issuer's profitability

The Issuers considers that commercial banks and other NBFCs have generally not targeted its client base effectively. However, banks and NBFCs do offer loans to the education sector and/or to individual proprietors either on an unsecured basis or against the value of their personal property. There are also student finance and 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.

e. 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.

f. 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.

- g. *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% 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% 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

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

NBFCs in India are subject to strict regulation and supervision by the RBI. Pursuant to guidelines issued by the RBI (circular dated August 3, 2012) the Issuer is required to maintain its status as a NBFC. The Issuer requires certain approvals, licenses, registrations and permissions for operating its business, including registration with the RBI as a NBFC-ND. Further, such approvals, licenses, registrations and permissions must be maintained/renewed over time, applicable requirements may change and the Issuer may not be aware of or comply with all requirements all of the time. In particular, the Issuer is required to obtain a certificate of registration for carrying on business as a NBFC-ND that is subject to numerous conditions.



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 have been / shall be submitted to the BSE:

- 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. Copy of the Board Resolution dated February 07, 2017 authorizing issue of Non-Convertible Debentures and list of authorized signatories;
- e. Certified true copy of the resolution passed by the Company at the Annual General Meeting held on September 12, 2016 authorizing issue of Non-Convertible Debentures up to Rs 500 Crores in one or more series.
- f. Certified true copy of the resolution passed by the Company at the Annual General Meeting held on September 12, 2016 authorising the Company for a total borrowing, for an aggregate limit up to Rs 2,500 Crores at any time;
- g. Certified true copy of the resolution passed by the Company at the Annual General Meeting held on September 12, 2016 authorising the Company to create security, upon such terms as the Board may think fit;
- h. An undertaking from the Issuer stating that the necessary documents for the creation of the charge, including the Debenture Trust Cum Mortgage 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 *pari passu* charge being created, in favor 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.
- k. An undertaking that permission / consent from the prior creditor for a second or *pari passu* charge being created, where applicable, in favor of the trustees to the proposed issue has been obtained (if applicable).



4.2 Documents Submitted To Debenture Trustee

The following documents have been / shall be submitted to the Debenture Trustee in electronic form (soft copy) on or before the allotment of the Debentures:

- 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) year's 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 Issuer would, until the redemption of the Debentures, submit the details mentioned in point (D) above to the Debenture Trustee within the timelines as mentioned in Simplified Listing Agreement issued by SEBI vide circular No. SEBI/IMD/BOND/1/2009/11/05 dated May 11, 2009 / Uniform Listing Agreement as prescribed in SEBI's circular no. CFD/CMD/6/2015 dated October 13, 2015 as amended from time to time, for furnishing / publishing its half yearly/ annual result. Further, the Issuer shall within 180 (One Hundred and Eighty) calendar 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' and other existing debenture-holders within 2 (two) Business Days of their specific request.



4.3 Name And Address Of Registered Office Of The Issuer

Name:	A. K. Capital Finance Private Limited
Registered Office of Issuer:	30-39, Free Press House, Free Press Journal Marg, 215, Nariman Point, Mumbai – 400021 Tel: 022 67546500; Fax: 022 66100594
Corporate Office of Issuer:	30-39, Free Press House, Free Press Journal Marg, 215, Nariman Point, Mumbai – 400021 Tel: 022 67546500; Fax: 022 66100594
Compliance Officer of Issuer:	Ms. Meeta Sanghvi
CFO of Issuer:	Mr. Mahesh Bhootra
Registration Number:	N-13.01991
CIN	U51900MH2006PTC214277
Contact Person:	Ms. Meeta Sanghvi
Email:	ncd_akcf@akgoup.co.in
Website of Issuer:	www.akcapindia.com
Auditors of the Issuer	Suresh Surana & Associates LLP 301-309, Technopolis Knowledge Park, Mahakali Caves Road, Andheri (East) Mumbai – 400 093
Trustee to the Issue	Catalyst Trusteeship Limited (Formerly known as GDA Trusteeship Ltd.) Office No. 83 – 87, 8th floor, 'Mittal Tower', 'B' Wing, Nariman Point, Mumbai – 400021 Contact Person: Mrs. Bhagyashree Bhide Tel: +91 22 4922 0555 Fax: +91 22 4922 0505 Email: dt@ctltrustee.com Website: www.gdatrustee.com
Registrar	Link Intime India Pvt Limited C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400 083 Tel No: +91 22 49186000 Fax: +91 22 49186060 Email: ganesh.jadhav@linkintime.co.in Website: http:// www.linkintime.co.in



Credit Rating Agency	<p>Brickworks Ratings India Pvt Limited (Brickworks)</p> <p><i>The Issuer reserves the right to obtain additional credit rating at any time during the tenure of the NCDs, from any SEBI registered Credit Rating Agency for full or part of the issue, which shall be at least equivalent to the prevailing credit rating to the issue and a prior consent shall not be required for the same.</i></p>
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As per the resolution passed by the Board of Directors A. K. Capital Finance Private Limited at their meeting dated February 07, 2017; each member of Debenture Committee are authorized to issue the Disclosure Document:

Below mention members of Debenture Committee:-

Sr. No.	Name	Designation
1.	Mr. A. K. Mittal	Managing Director
2.	Mr. Alpesh Busa	Associate Director
3.	Ms. Shraddha Joshi	Vice President
4.	Ms. Lajwanti Jhamnani	Vice President
5.	Ms. Meeta Sanghvi	Company Secretary



4.4 A Brief Summary Of Business / Activities Of The Issuer And Its Line Of Business

a. Overview

History of the Issuer

A.K. Capital Finance Private Limited was incorporated on February 03, 2006 as 'Girdhar Vanijya Private Limited' under the provisions of Companies Act, 1956. The Company was registered as a Non Deposit Accepting-Non Banking Financial Company (ND-NBFC) with Reserve Bank of India (RBI) bearing certificate No.N-05.06698.

The name of the Company was changed from 'Girdhar Vanijya Private Limited' to 'A.K. Capital Finance Private Limited' vide the shareholders resolution dated September 24, 2009 and a fresh certificate of incorporation consequent on change of name was issued by the Registrar of Companies, on October 05, 2009.

The Company further changed its Registered Office from the state of Kolkata to the state of Maharashtra vide the shareholders resolution dated March 22, 2010 and a fresh certificate of incorporation consequent to the change in state was issued by the Registrar of Companies, Maharashtra on March 07, 2011. Pursuant to the said change, a fresh certificate of registration was also issued by RBI on May 24, 2011 bearing RBI registration no. N-13.01991

The Company is a subsidiary of 'A.K. Capital Services Limited', one of the leading SEBI registered Category – I Merchant Banker in India.

Business of the Issuer

A.K. Capital Finance Private Limited is engaged in the business of extending advances to high credit quality corporate borrowers and lending against highly rated securities.

The Company primarily operates a hybrid business model, under which the revenue streams comprises of a continual & stable Interest income from its growing Loan book, Fees Income and Treasury based Income from its Investment book.

The total Asset under Management (AUM) of A.K. Capital Finance Private Limited comprises of Core Loan Book & Treasury Investments. The Growth in the AUM for last three years is as under:

(Rs. in Crores)

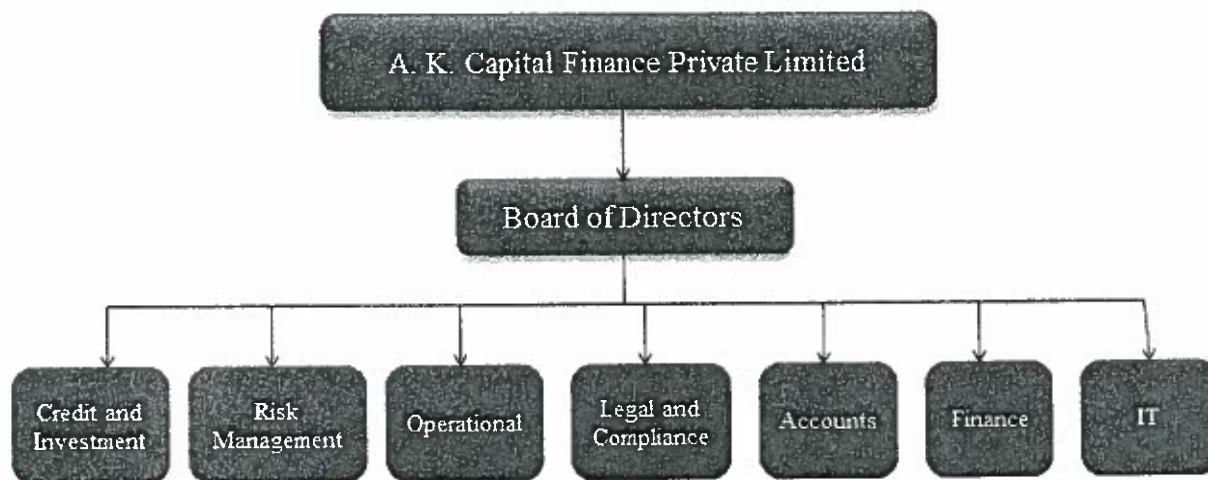
Particulars	2013-14	2014-15	2015-16	Growth -
	Audited	Audited	Audited	CAGR
Core Loan Book AUM (in form of Loans)	42.60	106.00	273.01	153.15%
Core Loan Book AUM (in form of Securities)	24.50	11.65	205.64	189.71%
Treasury Investment AUM	598.57	738.07	973.71	27.54%
Total AUM	665.67	855.72	1452.37	47.71%

The Company is amongst one of the few NBFCs having CBLO (Collateralized Borrowing and Lending Obligation) membership given by the Clearing Corporation of India Limited (CCIL) which enables the company to access fund on tap against pledge of SLR securities like G-Secs at very competitive cost.



The Company in its onward lending segment has a strong risk management policies and credit appraisal system in place thereby having maintained Strong Asset Quality, which is reflected by the fact that there is NIL NPA's and ZERO delinquency in its portfolio as on March 31, 2016.

b. Corporate Structure



c. Key Operational and Financial Parameters for the last 3 audited years

Standalone financial highlights are as under

(Rs. in Crores)

Parameters	Unaudited 30-Sep-16	Audited 31-Mar-16	Audited 31-Mar-15	Audited 31-Mar-14
Networth	369.65	353.49	301.90	280.83
Total Debt	1,179.95	1,202.31	643.79	473.34
of which – Non Current Maturities of Long Term Borrowing	127.18	132.33	53.29	10.59
- Short Term Borrowing	1,002.48	1,039.09	580.90	459.75
- Current Maturities of Long Term Borrowing	50.29	30.89	9.60	3.00
Net Fixed Assets	10.07	8.51	9.31	9.31
Non-Current Assets	127.89	200.77	211.37	284.46
Cash and Cash Equivalents	1.39	2.35	2.66	6.92
Current Investments	715.06	649.78	390.98	Nil
Inventory	431.06	498.65	245.45	417.29
Current Assets	1,427.35	1,360.53	737.54	472.76
Current Liabilities	1,057.37	1,074.52	593.07	465.51
Assets Under Management	1,442.66	1,452.37	855.72	665.67
Off Balance Sheet Assets	Nil	Nil	Nil	Nil
Interest Income	59.12	97.23	74.98	58.98
Interest Expense	43.35	69.70	58.29	44.00
Provisioning & Write-offs	0.23	0.56	0.16	0.07
PAT	16.16	21.59	21.07	13.11
Gross NPA (%)	Nil	Nil	Nil	Nil
Net NPA (%)	Nil	Nil	Nil	Nil
Tier I Capital Adequacy Ratio (%)	46.35	39.88	78.92	55.30
Tier II Capital Adequacy Ratio (%)	0.13	0.10	0.07	0.02



d. Gross Debt: Equity Ratio of the Company:

Before the issue of debt securities	3.19
After the issue of debt securities.	3.73

Calculations

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

Debt (INR crores)	1,179.95
Equity (INR crores)	369.95
Debt/Equity	3.19

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

Debt (INR crores)	1,279.95
Equity (INR crores)	369.95
Debt/Equity	3.46

e. Project cost and means of financing, in case of funding new projects: - Not Applicable**f. Related Party Transactions****RELATIONSHIPS****Key Management Personnel**

A. K. Mittal

Abhinav Kumar Mittal

Sneh Lata Mittal

Relative of Key Management Personnel

Anshu

Holding Company

A. K. Capital Services Limited

Fellow Subsidiary

A. K. Stockmart Private Limited

Enterprise in which key management personal is having significant influence

M. Square Automobile Private Limited

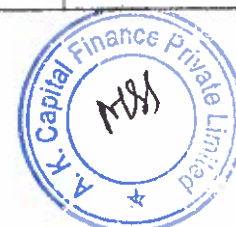
A. K. Services Private Limited

Enterprise in which relative of key management personal is having significant influence

Goodwill Capital Services Private Limited



Transactions	Rs in Crores		
	For the FY ended 2016	For the FY ended 2015	For the FY ended 2014
Brokerage paid			
A. K. Stockmart Private Limited	0.86	1.21	0.26
Demat charges paid			
A. K. Stockmart Private Limited	0.02	0.00	-
Directors remuneration			
Abhinav Kumar Mittal	0.72	0.72	0.54
A. K. Mittal	0.96	0.24	0.30
Sneh Lata Mittal	0.06	0.01	-
Rent Paid			
A. K. Mittal	0.27	-	0.02
Abhinav Kumar Mittal	0.24	-	-
Anshu	0.15	-	-
Purchase of Car			
M Square Automobile Private Limited	-	-	0.65
Refund of Capital Advance			
M Square Automobile Private Limited	-	-	0.10
Repair & Maintenance - Car			
M Square Automobile Private Limited	0.01	0.07	0.06
Interest Income on Loan given			
A. K. Services Private Limited	0.01	-	-
Goodwill Capital Services Private Limited	0.02	-	-
Loan Given during the year			
A. K. Services Private Limited	22.75	-	-
Goodwill Capital Services Private Limited	30.50	-	-
Issue of Share capital including share premium			
A. K. Capital Services Limited	30.00	-	-
Rent deposit given outstanding as at year end			
A. K. Mittal	1.00	-	-
Abhinav Kumar Mittal	1.00	-	-
Anshu	0.50	-	-
Balances Receivable			



Transactions	For the FY ended 2016	For the FY ended 2015	For the FY ended 2014
A. K. Stockmart Private Limited	-	0.02	-
Balances Payable			
A. K. Stockmart Private Limited	0.01	0.00	-
Outstanding Balance of Loan Given			
A. K. Services Private Limited	22.75	-	-
Goodwill Capital Services Private Limited	30.50	-	-
Interest Accrued but not due on Loan Given (net of TDS)			
A. K. Services Private Limited	0.01	-	-
Goodwill Capital Services Private Limited	0.01	-	-

g. **Change in accounting policies:**

Any change in accounting policies during the last three years and their effect on the profits and the reserves of the Company

There has been no significant change in accounting policies.



4.5 Brief History Of Issuer Since Its Incorporation Giving Details Of Its Following Activities:

a. Details of Share Capital as on last quarter end i.e. December 31, 2016:

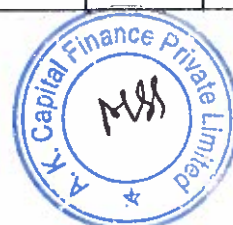
Share Capital	Rs. in Crores
Authorised Capital	
30,000,000 Equity shares of Rs. 10 each	30.00
Total	30.00
Issued Capital	
21,950,000 Equity shares of Rs. 10 each fully paid up	21.95
Total	21.95
Subscribed and Paid Up Capital	
21,950,000 Equity shares of Rs. 10 each fully paid up	21.95
Total	21.95

b. Changes in its capital structure as on the last quarter end i.e. December 31, 2016, for the last five years:

Date of Change	Particulars	Rs. in Crores
EGM dated-February 6, 2012	The Authorised Share Capital was increased from 10 crores to 20 crores	20.00
EGM dated-March 7, 2013	The Authorised Share Capital was increased from 20 crores to 30 crores	30.00

c. Equity Share Capital History of the Company as on last quarter end i.e. December 31, 2016, for the last five years:

Date of allotment	No. of equity shares	Face Value (Rs)	Issue Price (Rs)	Consideration	Nature of allotment	No of equity shares	Cumulative Equity share capital (Rs in Crs)	Equity share premium (in Rs.)	Remarks
16.03.2012	1,00,00,000	10	125	Cash	Preferential allotment	1,49,45,000	14.95	115	-
21.03.2013	38,50,000	10	130	Cash	Preferential allotment	1,87,95,000	18.80	120	-
31.03.2013	11,55,000	10	130	Cash	Preferential allotment	1,99,50,000	19.95	120	-
31.03.2016	20,00,000	10	150	Cash	Preferential allotment	2,19,50,000	21.95	140	-



d. Details of any Acquisition or Amalgamation in the last 1 (one) year:

There has been no acquisition or amalgamation in the last 1 (one) year.

e. Details of any Reorganization or Reconstruction in the last 1 (one) year:

There has been no reorganization or reconstruction in the last 1 (one) year.

4.6 Details of the shareholding of the company as on the latest quarter end, i.e. December 31, 2016

i. Shareholding pattern of the Company as on last quarter end, i.e. December 31, 2016

Sl.	Particulars	Total No of Equity Shares	Number of shares held in dematerialised Form	Total Shareholding as % of total number of equity shares
1	A. K. Capital Services Limited	2,16,53,740	-	98.65
2	Mr. Atul Kumar Mittal	2,62,090	-	1.20
3	Mrs. Anshu	18090	-	0.08
4	Ms. Aditi Mittal	16080	-	0.07
	Total	2,19,50,000	-	100.00

Notes: Details of shares pledged or encumbered by the promoters (if any): Nil

ii. List of top 10 holders of equity shares of the Company as on the latest quarter end, i.e. December 31, 2016

Sl.	Particulars	Total No of Equity Shares	Number of shares held in dematerialised Form	Total Shareholding as % of total number of equity shares
1	A. K. Capital Services Limited	2,16,53,740	-	98.65
2	Mr. Atul Kumar Mittal	2,62,090	-	1.20
3	Mrs. Anshu	18090	-	0.08
4	Ms. Aditi Mittal	16080	-	0.07
	Total	2,19,50,000	-	100.00



4.7 Following details regarding the directors of the company:

i. Details of the Current Directors of the Company:

This table sets out the details regarding the Company's Board of Directors as on date of this Disclosure Document:

Sl.	Name of the Directors, Designation & DIN	Age	Address	Director of the co. since	Director in other company#
1	Mr. Atul Kumar Mittal Designation: Managing Director DIN: 00698377	62 years	143, 14th Floor, Sunflower Apartments Cuffe Parade, Mumbai 400005	2012	<ul style="list-style-type: none"> • A. K. Capital Services Limited • A. K. Capital Markets Limited • A. K. Commodities Pvt Ltd • A. K. Capital Retail Pvt Ltd • A. K. Capital Corporation Pvt Ltd • A. K. Wealth Management Pvt Ltd
2	Mr. Deepak Mittal Designation: Director DIN: 00043685	46 years	A-204, May Fair Apartments, 96, I.P. Extension Patparganj New Delhi 110092	2008	<ul style="list-style-type: none"> • A. K. Capital Services Limited
3	Mr. Abhinav Kumar Mittal Designation: Director DIN: 00698436	31 years	143, 14th Floor, Sunflower Apartments Cuffe Parade, Mumbai 400005	2010	<ul style="list-style-type: none"> • M Square Corporation Pvt Ltd • M Square Automobile Pvt Ltd • M Square Infrastructure Pvt Ltd
4	Mrs. Sneha Lata Mittal Designation: Director DIN: 01308868	87 years	143, 14th floor, Sunflower Apartments Cuffe Parade, Mumbai 400005	2008	<ul style="list-style-type: none"> • A. K. Capital Markets Limited



Sl.	Name of the Directors, Designation & DIN	Age	Address	Director of the co. since	Director in other company#
5	Mr. Rajiv Kumar Bakshi Designation: Independent Director DIN: 00264007	64 years	A 803, Shiromani Towers, Rajkamal Studio Compound, Dr. S. S. Rao Road, Parel Mumbai 400012	2014	<ul style="list-style-type: none"> • W H Brady and Company Limited • Regency Hospital Limited
6	Mr. Raghubinder Rai Designation: Independent Director DIN: 00851994	76 years	BL-37, Jail Road Anand Vihar New Delhi 110064	2014	<ul style="list-style-type: none"> • A. K. Capital Services Limited • Skyair Services Private Limited

Domestic Directorship of all the directors have been disclosed.

*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.

ii. Details of change in directors since last three years:

Name	Designation	DIN	Date of Appointment/ Resignation	Director of the Company since (in case of resignation)	Remarks
Mr. Subhash Chandra Bhargava	Independent Director	00020021	23.05.2014	30.11.2012	Resignation
Mr. Rajiv Kumar Bakshi	Independent Director	00264007	19.05.2014	-	Appointment
Mr. Raghubinder Rai	Independent Director	00851994	19.05.2014	-	Appointment



4.8 Details of Management of the Company

a. Brief profile of Directors of the Company

Sl.	Name of Director	Designation	Profile of the Director
1.	Mr. Atul Kumar Mittal	Managing Director	Mr. Atul Kumar Mittal is Chartered Accountant and Bachelors in Law by qualification. He has over 24 years of experience in financial Service Industry. He is a first generation Entrepreneur having strong desire to contribute towards developing Indian bond Market. A. K. Capital Services Limited along with its group entities have continuously strived towards creating innovation in the debt market. Mr Mittal has guided the group to become one of the most respected name in Indian Debt Market. He was felicitated with SME and Entrepreneurship Excellence Award by SME Chamber of India in 2010.
2.	Mr. Abhinav Kumar Mittal	Director	Mr. Abhinav Kumar Mittal is Bachelors of Commerce by qualification and has over 7 Years of experience in risk management, dealing of debt securities with institutions and HNIs. He is also experienced in lending business and having excellent relations with HNIs, Corporates, stock brokers etc.
3.	Mrs Sneh Lata Mittal	Director	Mrs. Sneh Lata Mittal has over 20 years' experience in Financial Services Sector. She is actively involved in decision making for lending and borrowing of the company. She is involved in managing and supervising the compliance and regulatory framework of the Company with regards to RBI regulations.
4.	Mr. Deepak Mittal	Director	Mr. Deepak Mittal is Bachelors of Commerce and Chartered Accountant by qualification having over 21 years of experience in origination and structuring for debt syndication, equity placement, financial restructuring, financial advisory for all state government undertakings (SLUs) and private sector corporates. He has been instrumental in taking the Company to top position as arranger of debt for all state government undertakings in India. Presently he is Head - Origination (debt) for state government undertakings - India and Origination (debt & equity) for private sector corporates - North India.
5.	Mr. Raghubinder Rai	Independent Director	Mr. Raghubinder Rai is Bachelors of Arts and Bachelors in Law by qualification. He was working with Indian Airlines Limited (a government of India enterprise) and retired as G. M. Commercial after 39 years of service.
6.	Mr. Rajiv Kumar Bakshi	Independent Director	Mr. Rajiv Kumar Bakshi is Masters in Science, CAIIB and Diploma In Bank Management by qualification. He has over



Sl.	Name of Director	Designation	Profile of the Director
			38 years of experience as a Career Banker, rising to General Manager in Bank of India and then as Executive Director of Bank of Baroda for 4 years.

b. Brief profile of Senior Management

Sl.	Name of KMP	Designation	Profile of the Director
1.	Mr. Mahesh Bhootra	Chief Financial Officer	He is Chartered Accountant and Bachelors of Commerce by qualification. He has over 11 years' experience in Accounts, Finance and Taxation.
2.	Ms. Meeta Sanghvi	Company Secretary	She is Company Secretary, Bachelors in Law and Bachelors in Commerce by qualification. She has over 10 years of work experience in banking and financial services particularly in the field of Legal, Secretarial and Compliance.

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

Particulars	2013-2014	2014-2015	2015-2016	As on Sept 2016
Mr. Atul Kumar Mittal	Rs.30,00,000/-	Rs.24,00,000/-	Rs.96,00,000/-	Rs.48,00,000/-
Mr. Abhinav Kumar Mittal	Rs.54,00,000/-	Rs.72,00,000/-	Rs.72,00,000/-	Rs.36,00,000/-
Mrs. Sneha Lata Mittal	-	Rs.50,000/-	Rs.6,00,000/-	Rs.3,00,000/-

4.10 Disclosures With Regard To Interest Of Directors

Any financial or other material interest of the directors, promoters or key managerial personnel in the offer and the effect of such interest in so far as it is different from the interests of other persons. NIL



4.11 Following details regarding the auditors of the company:

i. Details of the auditor of the Company:

Name	Address	Auditor since
Suresh Surana & Associates LLP	301-309, Technopolis Knowledge Park, Mahakali Caves Road, Andheri (East) Mumbai - 400 093	From Financial Year 2011-12

ii. Details of change in auditors since last three years:

Name	Address	Date of Appointment / Resignation	Auditor of the Company since (in case of resignation)	Remarks
NIL				

iii. 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 2011-12

Auditors' reservations or qualifications or adverse remarks: - NIL

For the year 2012-13

Auditors' reservations or qualifications or adverse remarks: - NIL

For the year 2013-14

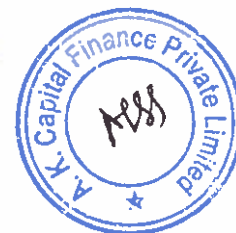
Auditors' reservations or qualifications or adverse remarks: - NIL

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



4.12 Details Of Borrowings Of The Company, As On Latest Quarter End:
i. Details of Secured Loan Facilities as on December 31, 2016:

Rs. in Crores

Sl.	Lender's Name	Type of Facility	Amount Sanctioned	Principal Outstanding	Repayment Date/ Schedule	Security
1	HDFC Bank Limited	Car Loan	0.12	0.03	Repayment in monthly instalment	Hypothecation of Car
2	The Federal Bank Limited	Car Loan	1.30	1.24	Repayment in monthly instalment	Hypothecation of Car
3	HDFC Limited	Housing Loan	7.50	6.96	Repayment in monthly instalment	Mortgage of the immovable property
4	Andhra Bank	Borrowing against Receivable	50.00	48.44	Repayment in quarterly instalment after end of Moratorium period	Borrowing against Receivable
5	Bank of India	Borrowing against Receivable	25.00	11.58	Cash Credit	Borrowing against Receivable
6	Bank of Maharashtra	Borrowing against Receivable	50.00	50.00	Repayment in quarterly instalment after end of Moratorium period	Borrowing against Receivable
7	The Federal Bank Limited	Borrowing against Receivable	25.00	23.44	Repayment in quarterly instalment after end of Moratorium period	Borrowing against Receivable
8	Karur Vysya Bank	Borrowing against Receivable	30.00	20.00	Repayment in quarterly instalment after end of Moratorium period	Borrowing against Receivable
9	Lakshmi Vilas Bank	Borrowing against	25.00	8.75	Repayment in quarterly	Borrowing against



Sl.	Lender's Name	Type of Facility	Amount Sanctioned	Principal Outstanding	Repayment Date/ Schedule	Security
		Receivable			instalment after end of Moratorium period	Receivable
10	South Indian Bank	Borrowing against Receivable	25.00	9.18	Repayment in quarterly instalment after end of Moratorium period	Borrowing against Receivable
	Total			179.62		

ii. Working Capital as on December 31, 2016:

(Rs. in Crores)

Sr. no	Lender's Name	Type of Facility	Amount Sanctioned	Principal Outstanding	Repayment Date/ Schedule
1	Bank of India	WCDL From Bank	150.00	148.93	Not applicable
2	Federal Bank	WCDL From Bank	150.00	69.74	Not applicable
3	South Indian Bank	WCDL From Bank	100.00	100.00	Not applicable
4	HDFC Bank Ltd	WCDL From Bank	50.00	8.14	Not applicable
5	Clearing Corporation of India Limited		NA	456.50	Not applicable
6	Aditya Birla Finance Limited	WCDL from NBFC	100.00	50.00	Not applicable
7	IIFL Wealth Finance Limited	WCDL from NBFC	50.00	28.00	Not applicable
	Total			861.31	

iii. Details of Unsecured Loan Facilities as on December 31, 2016

(Rs in Crores)

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



iv. *Details of Non-Convertible Debentures as on December 31, 2016*

Debt Series	Tenor/Period of Maturity	Coupon (Rate of Interest)	Amount	Date of allotment	Redemption Date/Schedule	Credit Rating	Secured/Unsecured	Security
Nil								

v. *List of Top 10 Debenture Holder(s) as on December 31, 2016*

Sl.	Name of Debenture Holders	Amount (Rs. Crs.)
Nil		

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

vi. *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. (if any)*

The Company has not issued any corporate guarantee to any third party as on December 31, 2016.

vii. *Details of Commercial Paper:*

Maturity Date	Rs in Crores Amount Outstanding
January 24, 2017	1.00
February 20, 2017	25.00
June 02, 2017	50.00
Total	76.00

viii. *Details of rest of the borrowing (if any including hybrid debt like FCCB, Optionally Convertible Debentures / Preference Shares) as on December 31, 2016:*

NIL

ix. *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



- x. *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

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

- a) statutory dues: There is no material litigation which will impact the business of the Company.
(Material – Amount involving more than 10 lakhs)
- b) debentures and interest thereon; NIL
- c) deposits and interest thereon; NIL
- d) loan from any bank or financial institution and interest thereon. NIL



4.13 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

4.14 Details Of Promoters Of The Company:

- i. Details of Promoter Holding in Company as on latest quarter end, i.e. December 31, 2016

Sl.	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	A. K. Capital Services Limited	2,16,53,740	-	98.65	-	-
2	Mr. A. K. Mittal	2,62,090	-	1.20	-	-
3	Mrs Anshu	18,090	-	0.08	-	-
4	Ms. Aditi Mittal	16,080	-	0.07	-	-
	Total	2,19,50,000		100.00		



4.15 Abridged Version Of The Audited [Consolidated And Standalone Financial Information (Like Profit And Loss Statement, Balance Sheet And Cash Flow Statement) For At Least Last Three Years And Auditor Qualifications, If Any.

[Note: Financial information submitted must be in line with the timelines specified in the Simplified Listing Agreement, issued vide Circular no. SEBI/IMD/BOND/1/2009/11/05, dated May 11, 2009/ uniform Listing Agreement dated October 13, 2015 (as amended from time to time)]

Standalone

Rs in Crores

Profit and Loss Statement (INR)	31.03.2016 Audited	31.03.2015 Audited	31.03.2014 Audited
Interest Income	97.23	74.98	58.98
Less: Interest Expenses	69.70	58.29	44.00
Net Interest Income	27.53	16.69	14.98
Other Income	21.25	29.08	16.35
Total Income	48.78	45.77	31.33
Operating Expenses	18.03	16.65	11.46
Provisions & Write Offs	0.56	0.16	0.07
Operating Profit	30.19	28.96	19.80
Depreciation	0.44	0.46	0.21
Profit Before Tax	29.75	28.50	19.59
Provisions for tax	8.16	7.43	6.48
Profit After Tax	21.59	21.07	13.11

Balance Sheet (INR)	31.03.2016	31.03.2015	31.03.2014
Equity capital	21.95	19.95	19.95
Reserve & Surplus	331.54	281.95	260.88
TNW (A)	353.49	301.90	280.83
Total Debt	1,202.31	643.79	473.34
Current Liabilities+ Provisions	5.50	3.21	3.04
Total Outside Liabilities (B)	1,207.81	647.00	476.38
Total Liabilities (A + B)	1,561.30	948.90	757.21
Fixed assets (Net)	8.47	9.25	9.18
Investments (Non-Current & Current)	743.99	563.51	261.93
Gross Advances	273.01	106.00	42.60
Inventory	498.65	245.45	417.29
Cash / Liquid Investments	2.35	2.66	6.92
Other Non-Current assets	-	-	-
Other current assets	34.75	21.94	19.14
Deferred Tax Assets	-	-	-
Intangible Assets	0.05	0.07	0.13
Other Long Term Assets	0.03	0.02	0.02
Total Assets	1,561.30	948.90	757.21



Cash Flow Statement (INR)	31.03.2016	31.03.2015	31.03.2014
A) CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit	21.59	21.07	13.11
Provision for Taxation	8.16	7.43	6.48
Total	29.75	28.50	19.59
Add: Financial Expenses	68.11	57.02	43.36
Depreciation	0.44	0.46	0.21
Provision against Non - Performing assets	-	-	-
General Provision on Standard Assets	0.56	0.16	0.07
Provision for Gratuity	-	-	-
(Profit)/loss on sale of Fixed Assets	0.13	-	-
(Profit)/loss on sale of investments	(7.67)	(15.35)	-
Interest/Dividend Income	(51.24)	(26.63)	(11.43)
Operating Profit Before Working Capital Changes	40.08	44.16	51.80
Add:			
(Increase) Decrease in Loans and Advances	(165.98)	(30.22)	(26.00)
(Increase) Decrease in Other Receivables	(7.74)	4.29	7.87
(Increase) Decrease in Other Current Assets	(5.44)	(21.54)	0.26
(Increase) Decrease in Inventory	(253.20)	171.84	7.66
(Increase) Decrease in Other Non - Current Assets	-	-	-
Increase (Decrease) in Current Liabilities	0.10	0.12	0.04
Increase (Decrease) in Other Current Liabilities	0.19	0.32	(0.05)
Financial Expenses	-	-	-
Direct Taxes Paid	(7.40)	(7.88)	(6.48)
Net Cash from Operating Activities (A)	(399.39)	161.09	35.10
B) CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Fixed Assets	(0.14)	(0.47)	(8.54)
Sale of Fixed Assets	0.36	-	-
Investments in Fixed Deposit	-	-	-
Sale of Investments	(172.82)	(286.22)	(169.42)



Interest received on investments	49.90	7.00	5.60
Dividend income on investments	0.69	0.90	1.08
Net Cash from Investing Activities (B)	(122.01)	(278.79)	(171.28)
C) CASH FLOW FROM FINANCING ACTIVITIES			
<u>Long Term & Medium Term</u>			
Increase in Share Capital	2.00	-	-
Increase in Share Premium	28.00	-	-
Proceeds from Issue of Debentures	-	-	-
Debentures Redeemed	-	-	-
Increase (Decrease) in Term Loans from Banks & Others	100.57	49.30	12.35
Increase (Decrease) in Loan from Directors	-	-	-
Increase (Decrease) in Other Borrowings	-	-	-
Interest Paid	(67.67)	(57.01)	(43.85)
<u>Short Term</u>			
Increase (Decrease) in Bank Borrowings	458.19	121.15	132.65
Dividend paid (Including Corporate Dividend Tax)	-	-	-
Net Cash from Financing Activities (C)	521.09	113.44	101.15
Net Increase in Cash and Cash Equivalents (A) + (B) + (C)	(0.31)	(4.26)	(35.03)
Cash and Cash Equivalents at the Beginning of the Year	2.66	6.92	41.95
Cash and Cash Equivalents at the End of the Year	2.35	2.66	6.92
Components of Cash and Cash Equivalents at the end of the Year			
Cash on Hand	0.24	0.10	0.05
Cash with Scheduled Banks	2.11	2.56	6.87
Cash and Cash Equivalents	2.35	2.66	6.92



4.16 Abridged version of latest audited/ limited review half yearly [consolidated and standalone] financial information and auditors qualifications, if any.

[Note: Financial information submitted must be in line with the timelines specified in the Simplified Listing Agreement, issued vide Circular no. SEBI/IMD/BOND/1/2009/11/05, dated May 11, 2009/ Uniform Listing Agreement as prescribed in SEBI's circular no. CFD/CMD/6/2015 dated October 13, 2015 as amended from time to time]

Standalone

(In Rs.)

Particulars	As at 30th September 2016	As at 31 st March 2016
A EQUITY AND LIABILITIES		
1 Shareholders' funds		
(a) Share capital	219,500,000	219,500,000
(b) Reserves and surplus	3,476,980,956	3,315,422,031
	3,696,480,956	3,534,922,031
2 Non-current liabilities		
(a) Long term borrowings	1,271,825,246	1,323,344,036
(b) Long term provisions	5,105,122	4,908,199
(c) Deferred Tax liabilities (Net)	5,343,513	4,562,617
	1,282,273,881	1,332,814,852
3 Current liabilities		
(a) Short Term borrowings	10,024,767,624	10,390,912,333
(b) Trade payables	7,059,128	3,102,185
(c) Other current liabilities	523,592,503	326,944,752
(d) Short term provisions	18,230,891	24,266,237
	10,573,650,146	10,745,225,507
TOTAL	15,552,404,983	15,612,962,390
B ASSETS		
1 Non- current assets		
(a) Fixed assets		
(i) Tangible assets	100,155,880	84,662,715
(ii) Intangible assets	505,484	461,703
(b) Non-Current Investments	567,281,498	942,129,640
(c) Long term loans and advances	610,958,844	980,445,250
	1,278,901,706	2,007,699,308



Particulars	As at 30th September 2016	As at 31 st March 2016
2 Current assets		
(a) Current Investments	7,150,603,450	6,497,773,500
(b) Inventories	4,310,583,712	4,986,460,694
(c) Trade Receivables	220,538,811	171,394,051
(d) Cash and Cash equivalent	13,896,850	23,520,313
(e) Short term loans and advances	1,766,601,056	1,369,749,091
(f) Other Current Assets	811,279,398	556,365,433
	14,273,503,277	13,605,263,082
TOTAL	15,552,404,983	15,612,962,390

Particulars	For the period ended September 30, 2016	For the period ended March 31, 2016
REVENUE		
Revenue from Operations	757,222,818	1,184,659,258
Other Income	-	112,363
Total Revenue	757,222,818	1,184,771,621
EXPENSES		
Employee benefit expenses	49,453,079	106,892,476
Finance costs	433,475,141	696,952,461
Depreciation / Amortization Expenses	2,135,713	4,425,898
Other expenses	60,000,403	73,373,904
Contingent Provisions against standard assets	2,318,661	5,610,142
Total Expenses	547,382,997	887,254,881
Profit Before Tax	209,839,821	297,516,740
Tax expenses		
Current tax expenses	47,500,000	80,000,000
Deferred tax	780,896	1,560,884
Earlier period tax adjustments	-	3,150
	48,280,896	81,564,034
Profit for the Year	161,558,925	215,952,706



- 4.17** *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 have been no other material events or developments or changes at the time of this Issue or subsequent to the Issue which may affect the Issue or the Investors' decision to invest/ continue to invest in the Issue.

4.18 *Names of the Debentures Trustees and Consents thereof*

The Debenture Trustee of the proposed Debentures is Catalyst Trusteeship Limited (formerly known as GDA Trusteeship Ltd) which has given its written consent for its appointment as debenture trustee to the Issue and inclusion of its name in the form and context in which it appears in this Disclosure Document and in all the subsequent periodical communications sent to the Debenture Holder(s). The consent letter from Debenture Trustee is provided in Annexure II of this Disclosure Document.

- 4.19** *Rating Rationale(s) adopted (not older than one year on the date of opening of the Issue)/ credit rating letter issued (not older than one month on the date of opening of the Issue).*

The Debentures have been rated "BWR AA (SO) (pronounced as Brickworks Double A Structured Obligation) by Brickworks ratings India Pvt Limited attached as Annexure 2.

Instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk.

Ratings are not a recommendation to buy, sell or hold securities and investors should take their own decision. The ratings may be subject to revision or withdrawal at any time by the assigning rating agencies and each rating should be evaluated independently of any other rating. The ratings obtained are subject to revision at any point of time in future. The rating agencies have the right to suspend, withdraw the rating at any time on the basis of new information etc.

The Issuer reserves the right to obtain 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, no prior consent shall be required for the same.

Also the Issuer reserves the right to substitute the prevailing Credit Rating to the Issue with no prior consent, 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.



- 4.20 *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.*

NA

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

The Debentures are proposed to be listed on the WDM segment of the BSE. The Issuer shall comply with the requirements of the listing agreement for debt securities to the extent applicable to it on a continuous basis.

The Company shall forward the listing application to the designated exchange within the 15 days from the deemed date of allotment(s).

In case of delay in listing of the debt securities beyond 20 days from the deemed date of allotment(s), the Company will pay penal interest of 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.

- 4.22 *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. However, if required by applicable law during the tenor of the Debentures the Company shall create and maintain a debenture redemption reserve as may be required under applicable law.

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 SEBI Debt Listing Regulations, the SEBI LODR Regulations, and the applicable RBI guidelines.



c. Application process:

The application process for the Issue is as provided in Section 7 of this Disclosure Document.

4.23 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 4.00 pm on working days.

Sl.	Nature of Contract
1	Certified true copy of the Memorandum & Articles of Association of the Issuer
2	Board Resolution dated February 07, 2017 authorizing issue of Debentures offered under terms of this Disclosure Document.
4	Shareholder Resolution dated September 12, 2016 authorizing the issue of non-convertible debentures by the Company.
5	Shareholder Resolution dated September 12, 2016 authorizing the borrowing by the Company
6	Shareholder Resolution dated September 12, 2016 authorizing the creation of security by the Company.
7	Copies of Annual Reports of the Company for the last three financial years
8	Credit rating letter from the Rating Agency
9	Letter from Catalyst Trusteeship Limited (formerly known as GDA Trusteeship Ltd) or such other Debenture Trustee appointed by the company from time to time giving its consent to act as Debenture Trustee
10	Letter from Registrar and Transfer Agent
11	Certified true copy of the certificate of incorporation of the Company
12	Certified true copy of the tripartite agreement between the Company, the Registrar & Transfer Agent and NSDL/CDSL

4.24 Details of Debt Securities Sought to be Issued

Under the purview of the current document, the Issuer intends to raise an amount of Rs. 100,00,00,000/- (Rupees One Hundred Crores only) by the issue of Secured Rated Listed Redeemable Non-Convertible Debentures on a private placement basis.

Please refer to **Annexure I** to this Disclosure Document for further details on the Issue.

4.25 Issue Size

The aggregate issue size for the Debentures is Rs. 100,00,00,000/- (Rupees One Hundred Crores only).



4.26 Price at which the security is being offered

Each Debenture has a face value of Rs.1.00 Lakh each.

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

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

4.28 Underwriting

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

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

The holding company and/or any of the promoters, directors of the issuer reserves the option to subscribe in the present issue, subject to applicable law

4.30 Object & Utilization of the Issue Proceeds

The object of the issue is to augment medium to long-term resources of the Company and for on-ward lending purposes.

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 of the NCDs would be utilized by the Issuer directly/indirectly towards equity capital markets. Hence, the subscription to the current NCD issue would not be considered /treated as capital market exposure. Further, the Company undertakes that Issue proceeds from NCDs allotted to banks would not be utilized for any purposes which may be in contravention to any RBI /SEBI regulations.

4.31 Principle terms of Assets charged as Security

The Debentures issued under this document shall be secured by a first charge over the identified 'Business Assets' of the Company and a *pari passu* charge over identified immovable property of the Company.

The Company with respect to Debentures shall at all times provides Security Cover of 1.05 (One Decimal Point Zero Five) times of the outstanding Debentures along with coupon thereon.



The actual form, mode and method of security creation shall be decided in mutual consultation with the Trustee and the relevant documents shall be executed thereto include a deed of hypothecation (including any supplements or amendments thereto) and the Debenture Trust cum Mortgage Deed (DTMD). The details in regards to the security in a elaborate manner shall form a part of the DTMD. The Company shall at all times in consultation of the Trustees maintain a minimum security cover of 1.05 (One Decimal Point Zero Five) times of the value of the outstanding Debentures proposed to be issued by the Company under the current Disclosure Document.

Subject to compliance with the Companies Act, applicable RBI Guidelines and the SEBI Debt Listing Regulations, the Company shall execute the Debenture Trust cum Mortgage Deed in favor of the Debenture Trustee within three months from the Issue Closure Date(s).

The Trustee shall provide consent to create pari-passu charge in future in favour of such other Lender (s) as may be requested by the Company, subject to the maintaining of the Minimum Security Cover of at least 1.05 (One Decimal Point Zero Five) times. Prior consent of the Debenture holder(s) will not be required for the same. The Issuer can raise additional debentures/loans/capital at any point of time subject to maintenance of Minimum Security Cover of 1.05 (One Decimal Point Zero Five) times.

If the Company fails to execute the Debenture Trust cum Mortgage Deed or the Deed of hypothecation, on or before the expiry of three months from the respective Issue Closure Date, then the Company shall, at the option of the Debenture Holders, either (i) return the subscription amount with the agreed rate of interest or (ii) pay additional interest at the rate of 2% (Two Percent) per annum above the applicable 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 deed is executed.

Further, the Debenture Trustee shall have the right to provide consent to replace the assets provided as security for the NCDs, in part or full, with any other specific asset of the company, subject to maintenance of Minimum Security Cover as stipulated above, on the basis of the valuation as per the latest available FIMMDA Matrix for bond valuation. Prior consent of the debenture holders will not be required for the same.

Non Maintenance of Minimum Security Cover as mentioned above will attract 1 % (One Percent) p.a. penalty over and above the Coupon Rate as specified in the Term Sheet, for the period of non-maintenance of cover.

4.32 Minimum Subscription

As the current Issue 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.

4.33 *Right to Re-purchase and Re-issue the Debenture*

The Company will have power, exercisable at its sole and absolute discretion from time to time to repurchase a part or all of the Debentures from the secondary markets or otherwise with mutual consent of the Debenture holder(s) at any time prior to the date of maturity, at par, as per the prevailing guidelines, rules/regulations of Reserve Bank of India, the Securities and Exchange Board of India, and other Authorities.

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 either extinguish or 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.

4.34 *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, coupon and all other monies secured 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.

4.35 *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 borrower 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 Cum Mortgage Deed/Trustee Agreement



4.36 *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 a Special Resolution passed by such holders 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.

4.37 *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 Cum Mortgage Deed shall prevail and override the provisions mentioned elsewhere.

4.38 *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. PROVIDED THAT, in the event of any conflict between this Disclosure Document and/or the Term Sheet(s), the Term Sheet shall prevail for the purposes of Debentures issued thereunder. PROVIDED FURTHER THAT, in the event of any conflict between this Disclosure Document, the Term Sheet(s) and/or the Debenture Trust Cum Mortgage Deed, the terms of the Debenture Trust Cum Mortgage Deed shall prevail.

4.39 *Issue Details*

As per the Term Sheet attached as Annexure I



5. TRANSACTION DOCUMENTS AND KEY TERMS

5.1 Transaction Documents

The following documents shall be executed in relation to the Issue ("**Transaction Documents**");

- a. Debenture Trustee Agreement, which will confirm the appointment of Catalyst Trusteeship Limited as the Debenture Trustee ("**Debenture Trustee Agreement**");
- b. Debenture Trust Cum Mortgage Deed, where under the debentures shall be issued and will set out the terms upon which the Debentures are being issued including the detailed representations and warranties and the covenants to be provided by the Issuer and shall create mortgage over the identified immovable property of the Company ("**Debenture Trust Cum Mortgage Deed**");
- c. Deed of Hypothecation whereby the Issuer will create a first charge by way of hypothecation over identified business assets of the Company comprising the Hypothecated Assets in favour of the Debenture Trustee to secure its obligations in respect of the Debentures and any supplements, addendums or amendments thereto ("**Deed of Hypothecation**");
- d. Term sheets / Issue Addendums containing the details of Debentures under this Issue read with this Disclosure Document
- e. Such other documents as agreed between the Issuer and the Debenture Trustee.

5.2 Representations and Warranties of the Issuer

The Issuer hereby makes the following representations and warranties and the same shall also be set out in the Transaction Documents. The below are indicative only, and the Issuer may also provide additional representations and warranties in the Transaction Documents.

a. Authority and Capacity

- i. The Issuer has been duly incorporated, organized and is validly existing, under applicable law.
- ii. The Issuer 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.



- iii. The Issuer is in compliance with all laws for the performance of its obligations with respect to this Issue.
- iv. The Issuer represents that all consents, and actions of, filings with and notices to any governmental authority as may be required to be obtained by the Issuer in connection with the Issue have been obtained and are in full force and effect.

b. 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:
 - A. are up-to-date and have been maintained in accordance with applicable law;
 - B. comprise complete and accurate records of all information required to be recorded in such books and records; and
 - C. no notice or allegation that any of them are incorrect and/ or should be rectified has been received.

c. Non-conflict with other obligations

The Issue (or any of the obligations undertaken by the Issuer in relation thereto) does not and will not conflict with any applicable law to which the Issuer is subject, including but not limited to any laws and regulations regarding anti-money laundering/ terrorism financing and similar financial sanctions as well as any agreement or instrument binding upon it or any of its assets, including but not limited to any terms and conditions of the existing financial indebtedness of the Issuer.

d. 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 if any 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.

e. Taxation Matters



- i. 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.
- ii. There are no [pending statutory dues exceeding Rs. 10,00,000 (Rupees Ten Lakh) which would have a Material Adverse Effect on the Debentures (or the holders thereof) or on the ability of the Issuer to make the scheduled payments in relation to the Debentures.

f. Legal / Litigation Matters

- i. There are no claims, investigations or proceedings before any court, tribunal or governmental authority in progress or pending against or relating to the Issuer, which would have a Material Adverse Effect on the Debentures (or the holders thereof) or on the ability of the Issuer to make the scheduled payments in relation to the Debentures.
- ii. There are no unfulfilled or unsatisfied judgments or court orders of which the Issuer has notice and which is outstanding against the Issuer, which would have a Material Adverse Effect on the Debentures (or the holders thereof) or on the ability of the Issuer to make the scheduled payments in relation to the Debentures
- iii. The Issuer has not taken any action nor has any order been passed for its winding-up, dissolution or re-organisation 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.

g. Assets

Except for the security interests and encumbrances created and recorded with the Ministry of Corporate Affairs (available using CIN U51900MH2006PTC214277) on the website <http://www.mca.gov.in/MCA21/index.html> under the heading Index of Charges), is and has 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.

h. Employees

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



i. Pari Passu Ranking

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

j. No Default

The Issuer hereby represents that there is no event of default that has currently occurred or is continuing as on the date hereof.

k. Material Adverse Effect

The Issuer hereby represents that there is no Material Adverse Effect existing and that there are no circumstances existing which could give rise, with the passage of time or otherwise, to a Material Adverse Effect.

l. No Immunity

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.

m. Information

All information provided by the Issuer is true and accurate in all material respects as at the date it was provided or as at the date at which it was stated.

n. 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 the Debenture Trust cum Mortgage Deed until the Maturity Date.



5.3 Covenants of the Issuer

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

Affirmative Covenants

In addition to the specific affirmative covenants as may be contained in the Transaction Documents, the Company hereby covenants with the Debenture Trustee that the Issuer shall (except as may otherwise be previously agreed in writing by the Debenture Trustee):

a. Validity of Transaction Documents

Ensure that the Transaction Documents shall be validly executed and delivered and will continue in full force and effect and will constitute valid, enforceable and binding obligations of the Issuer.

b. Further documents and acts

Execute all such deeds, documents, instruments and assurances and do all such acts and things as the Debenture Trustee may reasonably require for exercising the rights under the Debenture Trust cum Mortgage Deed for perfecting the Security or for effectuating and completing the Security intended to be hereby created and shall from time to time and at all times after the Security hereby constituted shall become enforceable, execute and do all such deeds, documents, assurance, acts, and things as the Debenture Trustee may require for facilitating realisation of the secured property and in particular the Issuer shall execute all transfers, conveyances, assignments and assurance of the secured property whether to the Debenture Trustee or to their nominees and shall give all notices and directions which the Debenture Trustee may think expedient.

c. Make the Relevant filings with the Registrar of Companies/BSE/SEBI

Pursuant to the Act and the relevant rules thereunder, the Issuer undertakes to make the necessary filings of the documents mandated with the Registrar of Companies, sub-registrar of assurances, CERSAI /BSEand/or SEBI within the timelines stipulated under applicable law.

d. Compliance with laws

The Issuer shall comply with:



- i. all laws, rules, regulations and guidelines (including the Act) as applicable in respect to the Issue, and obtain such regulatory approvals as may be required from time to time, including but not limited, in relation to the following (i) the SEBI Debt Listing Regulations, as may be in force from time to time during the currency of the Debentures; (ii) the provisions of the listing agreement entered into by the Company with the stock exchange in relation to the Debentures including the SEBI LODR Regulations, and (iii) the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the other notified rules under the Act;
- ii. comply with all the provisions as mentioned in the Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993, the SEBI Debt Listing Regulations, the Act, RBI circular for raising money through private placement of non-convertible debentures (NCDS) by NBFCs, from time to time.

e. Financial Statements

The Issuer shall:

- i. Submit to the Debenture Trustee (and to the Debenture Holder(s) if so requested), its duly audited annual accounts, within 120 (One Hundred and Twenty) days from the close of its accounting year.
- ii. Submit to the Debenture Trustee (and to the Debenture Holder(s) if so requested), its provisional quarterly financials, within 45 (Forty Five) calendar days from the close of each of its accounting quarters.

f. Notify the Debenture Trustee

The Issuer shall provide / cause to be provided information in respect of the following promptly and no later than 2 (Two) Business Days from the occurrence of such event (unless otherwise specifically provided):

- i. Forthwith notify the Debenture Trustee in writing, of any notice of an application for winding up having been made or receipt of any statutory notice of winding up under the provisions of the Act or any other notice under any other law or otherwise of any suit or legal process intended to be filed affecting the title to the property of the Issuer.
- ii. notify the Debenture Trustee in writing, if it becomes aware of any fact, matter or circumstance which would cause any of the representations and warranties under any of the Transaction Documents to become untrue or inaccurate or misleading in any material respect.



- iii. Forthwith notify the Debenture Trustee promptly in writing, of any event which constitutes an Event of Default, specifying the nature of such event and any steps the Issuer is taking and proposes to take to remedy the same.
- iv. provide to the Debenture Trustee such further information regarding the financial condition, business and operations of the Issuer as the Debenture Trustee may reasonably request in relation to the payments due to be made on the Debentures;
- v. forward the details on utilisation of funds raised through the issue of Debentures duly certified by the Company's chartered accountants/ statutory auditors, to the Debenture Trustee within 30 (thirty) Business Days from the Deemed Date of Allotment and if required as per the applicable regulations, at the end of each financial year.
- vi. notify the Debenture Trustee promptly of any revision in the rating /assignment of a fresh rating provided by the Rating Agency to this Issue.
- vii. The Issuer agrees that it shall forward to the Debenture Trustee promptly, which information can be forwarded in electronic form or fax:
 - (a) a copy of the Statutory Auditors' and Directors' Annual Report, Balance Sheet and Profit & Loss Account and of all periodical and special reports at the same time as they are issued;
 - (b) a copy of all notices, resolutions and circulars relating to new issue of debt securities at the same time as they are sent to shareholders/ holders of debt securities;
 - (c) a copy of all the notices, call letters, circulars, etc. of the meetings of debt security holders at the same time as they are sent to the holders of debt securities or advertised in the media;

g. Preserve Corporate Status

Diligently preserve its corporate existence and status and its license to conduct business as a non-banking financial company and any other rights, licenses and franchises necessary for its obligations under the Debentures and the Transaction Documents and continue to be a validly existing organization in good standing and at all times act and proceed in relation to its affairs and business in compliance with Applicable Law.

h. Furnish Information to Debenture Trustee

- i. Give to the Debenture Trustee or their nominee(s) (and to the Debenture Holder(s), if so requested), information in respect of the following within a maximum of 15 (Fifteen) calendar days from the occurrence of such event;



- ii. Submit to the Debenture Holder (in a format which shall be provided by the Debenture Holder from time to time) such other information relevant to the Issue that the Debenture Holder may reasonably request on a monthly, quarterly and annual basis or pursuant to an annual diligence by the Debenture Holder, subject to such information being available with the Company.
- iii. Submit to the Debenture Trustee, if so requested, a statement that the assets of the Company which are available by way of security is/are sufficient to discharge the claims of the Debenture Holders as and when they become due.
- iv. Such information as the Debenture Holders may require as to all matters relating to the business, property and affairs of the Company that materially impacts the interests of the Debenture Holders and provide access to relevant books of accounts and records in relation to this Issue and to enter into or upon and to view and inspect the state and condition of all the mortgaged property/ secured property, together with all records, registers relating to the secured property as required by the Debenture Trustee.
- v. Furnish quarterly report to the Debenture Trustee containing the following particulars:-
 - a) Updated list of the names and addresses of the Debenture Holder(s).
 - b) Details of the Coupon and principal payments to be made, but unpaid and reasons for the non-payment thereof;
 - c) The number and nature of grievances received from the Debenture Holder(s) and resolved by the Issuer, and those grievances not yet solved to the satisfaction of the Debenture Holder(s);
 - d) A statement that those assets of the Issuer which are available by way of security are sufficient to discharge the claims of the Debenture Holder(s) as and when they become due;
 - e) A statement signed by an authorized signatory of the Issuer (supported by the Auditor's/Chartered Accountant's certificate) confirming that the Security Cover is being maintained as per the provisions of the Deed of Hypothecation;
 - f) Promptly and expeditiously attend to and redress the grievances, if any, of the Debenture Holder(s). The Issuer further undertakes that it shall promptly comply with the suggestions and directions that may be given in this regard, from time to time, by the Debenture Trustee and shall advise the Debenture Trustee periodically of its compliance.
- vi. The Issuer shall provide to the Debenture Trustee such information as it may require for any filings, statements, reports that the Debenture Trustee is required to provide to any Governmental Authority under Applicable Law.
- vii. The Issuer shall, while submitting half yearly/ annual financial results to the BSE disclose inter alia the following line items along with the financial results accompanied by a certificate from the



Debenture Trustee confirming that it has taken note of the said content and the same shall be communicated to the Debenture Holder(s) on a half-yearly basis:

- (a) Credit rating of the Issue and change in credit rating, if any;
- (b) Asset Cover available;
- (c) Debt- equity ratio of the Company;
- (d) Previous due date for the payment of interest/ repayment of principal and whether the same has been paid or not;
- (e) Next due date of payment along with the amount of interest/ principal along with the amount of interest/redemption payable;
- (f) Debenture Redemption Reserve;
- (g) Net worth;
- (h) Net profit after tax; and
- (i) Earnings per share.

viii. **Transfer of unclaimed Redemption Amounts.**

Comply with the provisions of the Act relating to transfer of unclaimed redemption and coupon amounts of Debentures/ to Investor Education and Protection Fund ("IEPF"), if applicable to it.

Negative Covenants

The below are indicative only, and the Issuer may also provide negative affirmative covenants in the Transaction Documents.

The Issuer hereby covenants with the Debenture Trustee that the Issuer shall not (except as may otherwise be previously agreed in writing by the Debenture Trustee, acting on behalf of the Majority Debenture Holder(s)):

a. Dividend

- Declare or pay any dividend to its shareholders during any financial year unless it has paid all the dues to the Debenture-Holder(s)/Trustee upto the date on which the dividend is proposed to be declared or paid or has made satisfactory provisions therefor.
- Declare or pay dividend, if an Event of Default has occurred and is subsisting

b. Arrangement with creditors/shareholders

Enter into any compromise or arrangement or settlement with any of its creditors/shareholders.



c. Winding up

Apply to the court for the winding up of the Issuer or agree to the winding up of the Company.

d. Disposal

Sell, transfer or otherwise dispose of all or substantially all of its assets other than in the normal course of business of the Issuer.

e. Constitutional Documents

Make any amendments to its Memorandum of Association and Articles of Association in a manner which would prejudicially affect the interests of the Debenture Holder(s).

5.4 Events of Default

The below are indicative only, and additional Events of Default may be included in the Transaction Documents.

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) If the Company defaults in making repayment of the Coupon and/or the Redemption Amount(s) on the respective Due Date(s) in full or in part, unless such failure to pay is caused by technical error in the banking system and payment is made within 2 (Two) Business Day of its Due Date;
- (ii) Except for point (i), the breach of any terms, covenant, obligation, representation or warranty of the Issuer and any other obligations of the Issuer under the Transaction Documents including in the maintenance of the Security Cover and such breach has continued for a period of 30 (Thirty) calendar days.
- (iii) The Issuer fails to create charge over security within three months from the Issue closure Date.
- (iv) 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.
- (v) 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.

- (vi) There shall have occurred Material Adverse Effect and such Material Adverse Effect has not been remedied or rectified within period of 30 (Thirty) calendar days from the occurrence thereof.
- (vii) 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 Issuer;
 - (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.
- (viii) 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.
- (ix) 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.
- (x) The Issuer repudiates any of the Transaction Documents, or evidences an intention to repudiate any of the Transaction Documents.
- (xi) Any of the Transaction Documents failing to provide the security interests, rights, title, remedies, powers or privileges intended to be created thereby (including the priority intended to be created thereby), or such security interests failing to have the priority contemplated under the Transaction Documents, or the security interests becoming unlawful, invalid or unenforceable.
- (xii) 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 Issuer or any action that would prevent the Issuer or its officers from carrying on all or a substantial part of its business or operations.



- (xiii) 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.
- (xiv) The listing of the Debentures ceases or is suspended at any point of time prior to the Maturity Date, except if the Debentures are delisted in accordance with the consent of the Majority Debenture Holder(s)
- (xv) The Issuer ceases to carry on its business or any substantial part thereof or gives notice of its intention to do so.

5.5 Consequences of Events of Default

The below are indicative only, and additional consequences may be included in the Transaction Documents.

Upon the happening of an Event of Default, the Debenture Trustee shall be entitled to exercise any and all remedies in accordance with the terms contained in the Transaction Documents.

On and at any time after the occurrence of an Event of Default, unless such Event of Default at the request of the Issuer is expressly waived by the Debenture Trustee acting on the instructions of the Debenture Holder(s), (a) upon the expiry of the cure period provided to the Issuer, or (b) if the cure period provided is mutually extended by the Parties hereto upon the expiry of such extended period or (c) where it is not practical to provide a cure period, then forthwith, or (d) where no cure period has been provided and the parties mutually agree to provide for a cure period, upon the expiry of such mutually agreed cure period, the Debenture Trustee shall if so directed by the Majority Debenture Holder(s):

- i. declare by written notice, that all or part of the Secured Obligations be immediately due and payable, whereupon they shall become immediately due and payable;
- ii. accelerate the redemption of the Debentures
- iii. enforce the charge over the secured assets in accordance with the terms of the Transaction Documents;
- iv. exercise any other right that the Debenture Trustee and / or Debenture Holder(s) may have under the Transaction Documents or under Indian law.



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*:

1. Name of the Bank declaring the entity as a Wilful Defaulter: **NIL**
2. The year in which the entity is declared as a Wilful Defaulter: **NIL**
3. Outstanding amount when the entity is declared as a Wilful Defaulter: **NIL**
4. Name of the entity declared as a Wilful Defaulter: **NIL**
5. Steps taken, if any, for the removal from the list of Wilful defaulters: **NIL**
6. Other disclosures, as deemed fit by the Issuer in order to enable investors to take informed decisions:
NIL



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, 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 Dematerialised Form*

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

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



7.3 *Trustee for the Debenture Holder(s)*

The Issuer has appointed Catalyst Trusteeship Limited (formerly known as GDA Trusteeship Ltd) to act as trustee for the Debenture Holder(s). The Issuer and the Debenture Trustee intends to enter into the Debenture Trustee Agreement and the Debenture Trust cum Mortgage 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 cum Mortgage 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 of shall more specifically set out the rights and remedies of the Debenture Holder(s) and the manner of enforcement thereof.

7.4 *Sharing of Information*

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

7.5 *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.

7.6 *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.



7.7 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.

7.8 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).

7.9 Issue Procedure

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

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



7.10 Application Procedure

Eligible investors will be invited to subscribe to any 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

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. The RTGS details of the Issuer are as under:

Beneficiary Name	A. K. Capital Finance Private Limited NCD Application Money Account
Beneficiary Account No.	016020110000328
Beneficiary Address	Mumbai
Beneficiary Bank	BANK OF INDIA
Beneficiary Branch	LCB, Fort
Account Type	Current
IFSC Code	BKID0000160

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. Provident Funds and Pension Funds
- d. Trust inclusive of public charitable trust subject to their investment guidelines
- e. Corporates
- f. Banks
- g. Insurance Companies
- h. Individual

Any other person eligible to invest in the Debentures subject the relevant prevalent guidelines.

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

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

7.15 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/Dematerialised 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/Dematerialised 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 dematerialised 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 EFT/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) in Mumbai shall be a "Business Day."

If any Coupon Payment Date or the due date 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.

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 dematerialised 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 dematerialised form.

7.26 Deemed Date of Allotment

The Deemed Date of Allotment of the Debentures will be as specified in the relevant Term Sheet issued.

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 7.30 is being paid by the Company).

7.29 Interest on Application Money

At the Coupon rate /IRR (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 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 relevant term sheet issued (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 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.

If any Coupon Payment Date or the due date 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 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 interest of at least at the rate of 2% per annum over the Coupon Rate will be payable by the Company for the defaulting period.

7.31 Put /Call option

There is no Put / Call option

7.32 Future Borrowing

The Company shall be entitled to make further issue of secured non-convertible debentures and/or 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.

7.33 Pan Number

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



7.34 Redemption

The face value of the Debentures will be redeemed as per Term sheet.

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

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).

7.35 Payment on Redemption

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

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

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

Cash flow from Debentures

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



8. 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 A. K Capital Finance Private Limited



Authorised Signatory

Name: Ms. Meeta Sanghvi

Title: Company Secretary & Compliance Officer

Date: March 22, 2017

ANNEXURE I: TERM SHEET/ ISSUE ADDENDUM

Security Name	Secured Redeemable Non-Convertible Debentures ('NCD'/'Debentures')
Issuer	A. K. Capital Finance Private Limited(Issuer/AKCFPL/Company)
Nature of Instrument	Secured
Type of Instrument	Secured Rated, Listed, Redeemable Non-Convertible Debentures (NCDs/Debenture)
Seniority	Senior
Mode of Issue	Private placement
Eligible Investors	<ul style="list-style-type: none"> a. Mutual Funds b. NBFCs c. Provident Funds and Pension Funds d. Trust inclusive of public charitable trust subject to their investment guidelines e. Corporates f. Banks g. Insurance Companies h. Individual <p>Any other person eligible to invest in the Debentures subject the relevant prevalent guidelines.</p>
Listing	<p>Debentures are proposed to be listed on the WDM of the BSE</p> <p><i>In case of delay in listing of the debt securities beyond 20 (Twenty) calendar days from the Deemed Date of Allotment, the Issuer will pay penal interest of 1 % p.a. over the Coupon Rate from the expiry of 30 (Thirty) calendar days from the Deemed Date of Allotment till the listing of such Debentures</i></p>
Rating of Instrument	<p>"BWR AA(SO)" by Brickworks</p> <p><i>The Issuer reserves the right to obtain an additional credit rating 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.</i></p>
Option to retain oversubscription	N.A.
Issue Price & Face Value	The Debenture would be having face value of Rs. 1,00,000/- (Rupees One Lakh only) each.



Objects & Details of the utilization of the Proceeds	<p>The object of the issue is to augment medium to long-term resources of the Company and for on-ward lending purposes.</p> <p>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.</p>
Trustee	Catalyst Trusteeship Limited (formerly known as GDA Trusteeship Ltd)
Amount	Rs 100 crores
Tenor	5 Years 21 days
Redemption	At Par, on Maturity
Coupon Rate	9.55 % p.a.
Coupon Payment Frequency	Annual
Coupon Type	Fixed Coupon
Principle terms of Assets charged as Security	<p>The Debentures issued under this document shall be secured by a first charge over on the identified 'business assets' of the Company and a pari passu charge over the immovable property of the Company.</p> <p>The Company with respect to each category of Debentures which shall at all times provides security cover of 1.05 (One Decimal Point Zero Five) times of the outstanding NCDs.</p> <p>The actual form, mode and method of security creation shall be decided in mutual consultation with the Trustees. The Company shall at all times in consultation of the Trustees maintain a minimum Security Cover of 1.05 (One Decimal Point Zero Five) times of the value of the outstanding Debentures proposed to be issued by the Company under the current Disclosure Document.</p> <p>Subject to compliance with the Companies Act, NBFC directions prescribed by the RBI, and the SEBI Debt Listing Regulations, the Company shall execute the Debenture Trust cum Mortgage Deed in favor of the Debenture Trustee within three months from the Issue Closure Date(s).</p> <p>The Trustee shall provide consent to create pari-passu charge in future in favour of such other Lender (s) as may be requested by the Company, subject to the</p>



	<p>maintaining of the Security Cover of 1.05(One Decimal Point Zero Five) times. Prior consent of the Debenture holder(s) will not be required for the same. The Issuer can raise additional debentures/loans/capital at any point of time subject to maintenance of minimum Security Cover of 1.05(One Decimal Point Zero Five) times.</p> <p>If the Company fails to execute the Debenture Trust cum Mortgage Deed or the deed of hypothecation, on or before the expiry of three months from the respective Issue Closure Date, then the Company shall, at the option of the Debenture Holders, either (i) return the subscription amount with the agreed rate of interest or (ii) pay additional interest at the rate of 2% (Two Percent) per annum above the applicable 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 deed is executed .</p> <p>Further, the Debenture Trustee shall have the right to provide consent to replace the assets provided as security for the NCDs, in part or full, with any other specific asset of the company, subject to maintenance of minimum asset cover as stipulated above, to the satisfaction of the Debenture Trustee. Prior consent of the debenture holders will not be required for the same.</p> <p>Non Maintenance of minimum security cover as mentioned above will attract 1 % (One Percent) p.a. penalty over and above the coupon rate as specified in the term sheet, for the period of non-maintenance of cover.</p>
Material Adverse Effect definition	<p>"Material Adverse Effect" means in relation to any entity, the effect or consequence of an event, circumstance, occurrence or condition which has caused, as of any date of determination, or could reasonably be expected to cause a material and adverse effect on (i) the financial condition, business or operation of the entity which in the opinion of the Debenture Trustee is prejudicial to the ability of the entity to perform its obligations under the Transaction Documents; (ii) the ability of the entity to perform its obligations under the Transaction Documents; or (iii) the legality, validity or enforceability of any of the Transaction Documents.</p>
Exercise Date/Coupon Reset Date	N.A.
Coupon Reset Process	N.A.
Day Count Basis	Actual / Actual



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 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. As more particularly provided in the caption titled "Interest on Application Money" in the Disclosure Document
Representations and Warranties of the Issuer	As mentioned in the caption titled "Representations And Warranties Of The Issuer" in the Disclosure Document to the Issue. The Representations and Warranties shall be continuous in nature and shall be deemed to occur on every day till redemption of the Debentures.
Minimum Application size and in multiples Debt Security thereafter	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
Trading mode of the Instrument	Demat only
Settlement mode of the Instrument	RTGS/ Any other electronic mode
Depositories	NSDL/CDSL
Put / Call Option	None
Put / Call Price	NA
Put / Call Notification Time	NA
Business Day	Any being a day excluding Saturdays, Sundays or a public holiday in Mumbai.
Business Day Convention	<p>If any Coupon Payment Date or the due date 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.</p> <p>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.</p>



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, which shall be the date falling 7 (seven) calendar days prior to any Due Date.
Transaction Documents	<ul style="list-style-type: none"> i. Debenture Trustee Agreement, which confirms the appointment of Catalyst Trusteeship Services Limited (formerly known as GDA Trusteeship Ltd) as the Debenture Trustee ("Debenture Trustee Agreement"); ii. Debenture Trust Cum Mortgage Deed, iii. Deed of Hypothecation iv. Disclosure Document and Term Sheet(s) for each tranche/series ; v. PAS-4 vi. Any Term Sheet and supplements to the above mentioned Transaction Documents <p>Such other documents as agreed between the Issuer and the Debenture Trustee.</p>
Conditions Precedent to Disbursement	<ul style="list-style-type: none"> 1. Execution of Disclosure Document 2. Credit Rating Letter & Rationale 3. Trustee Consent Letter 4. Resolution of the shareholders of the Company under Section 180(1)(c) and 180(1)(a) of the Act 5. Resolution of the shareholders of the Company under Section 42 of the Act 6. Resolution of the Company's Board of Directors authorizing the issuance of debentures 7. Resolution of the Company's Debenture Committee authorizing the issuance and allotment of debentures 8. Execution of the Debenture Trustee Agreement
Conditions Subsequent to Disbursement	<p>The Company shall fulfil the following conditions subsequent, to the satisfaction of the Debenture Trustee, pursuant to the Deemed Date of Allotment:</p> <ul 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 of the respective Series; 2. The Company will ensure listing of Debentures on the BSE; 3. the Company shall, inter alia, file a copy of Form PAS-4 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 in respect of the issue of the Debentures with the ROC and SEBI with the prescribed fee within 30 (thirty) days from the date of the Private Placement Offer Letter and 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 30 (thirty) days of the allotment of Debentures along with a list of the Debenture Holders and with the prescribed fee or such other time as



	<p>prescribed by law whichever is earlier; and</p> <ol style="list-style-type: none"> 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 ROC and SEBI within 30 (thirty) days from the date of the Private Placement Offer Letter or such other time as prescribed by law whichever is earlier; 5. Execution of Debenture Trust Cum Mortgage Deed and its registration with the relevant sub-registrar of assurances within the timeline prescribed under applicable law 6. Execution of the Deed of Hypothecation 7. Filing of CHG 9 with the jurisdictional registrar of companies and Form I with CERSAI in respect of the Debenture Trust Cum Mortgage Deed and the Deed of Hypothecation within 30 days of execution thereof. 8. Execution of Such other documents as may be required
Default Interest Rate/Additional Interest Rate / Penal Charges	<p>Without prejudice to any other rights and remedies available to the Debenture Trustee pursuant to the terms of Transaction Documents:</p> <ol style="list-style-type: none"> 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 under the relevant series of Debentures (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. b) If the Company fails to execute the Debenture Trust cum Mortgage Deed and/or the deed of hypothecation on or before the expiry of three months from the respective Issue Closure Date, then the Company shall, at the option of the Debenture Holders, either (i) return the subscription amount with the agreed rate of interest or (ii) pay additional interest at the rate of 2% (Two Percent) per annum over above the applicable Interest Rate on all amounts outstanding NCDs from the Issue Closure Date until such time the deed is executed and the conditions prescribed by Debenture Holders (if any) have been complied with. c) 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 Interest Rate, from the expiry of 30 (thirty) calendar days from the Deemed Date of Allotment till the listing of the NCDs is completed.
Events of Default	The below are indicative only, and additional Events of Default may be included



in the Transaction Documents.

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

- (xvi) If the Company defaults in making repayment of the Coupon and/or the Redemption Amount(s) on the respective Due Date(s) in full or in part, unless such failure to pay is caused by technical error in the banking system and payment is made within 2 (Two) Business Day of its Due Date;
- (xvii) Except for point (i), the breach of any terms, covenant, obligation, representation or warranty of the Issuer and any other obligations of the Issuer under the Transaction Documents including in the maintenance of the Security Cover and such breach has continued for a period of 30 (Thirty) calendar days.
- (xviii) The Issuer fails to create charge over security within three months from the Issue closure Date.
- (xix) 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.
- (xx) 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.
- (xxi) There shall have occurred Material Adverse Effect and such Material Adverse Effect has not been remedied or rectified within period of 30 (Thirty) calendar days from the occurrence thereof.
- (xxii) 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 Issuer;
- (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.

(xxlii) 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.

(xxiv) 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.

(xxv) The Issuer repudiates any of the Transaction Documents, or evidences an intention to repudiate any of the Transaction Documents.

(xxvi) Any of the Transaction Documents failing to provide the security interests, rights, title, remedies, powers or privileges intended to be created thereby (including the priority intended to be created thereby), or such security interests failing to have the priority contemplated under the Transaction Documents, or the security interests becoming unlawful, invalid or unenforceable.

(xxvii) 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 Issuer or any action that would prevent the Issuer or its officers from carrying on all or a substantial part of its business or operations.

(xxviii) The Issuer's organizational status or any licenses or franchise is revoked or suspended by any government agency or authority after the



	<p>Issuer has exhausted all remedies and appeals relating thereof.</p> <p>(xxix) The listing of the Debentures ceases or is suspended at any point of time prior to the Maturity Date, except if the Debentures are delisted in accordance with the consent of the Majority Debenture Holder(s)</p> <p>(xxx) The Issuer ceases to carry on its business or any substantial part thereof or gives notice of its intention to do so.</p>
Consequences Of Events Of Default	<p>The below are indicative only, and additional consequences may be included in the Transaction Documents.</p> <p>Upon the happening of an Event of Default, the Debenture Trustee shall be entitled to exercise any and all remedies in accordance with the terms contained in the Transaction Documents.</p> <p>On and at any time after the occurrence of an Event of Default, unless such Event of Default at the request of the Issuer is expressly waived by the Debenture Trustee acting on the instructions of the Debenture Holder(s), (a) upon the expiry of the cure period provided to the Issuer, or (b) if the cure period provided is mutually extended by the Parties hereto upon the expiry of such extended period or (c) where it is not practical to provide a cure period, then forthwith, or (d) where no cure period has been provided and the parties mutually agree to provide for a cure period, upon the expiry of such mutually agreed cure period, the Debenture Trustee shall if so directed by the Majority Debenture Holder(s):</p> <ul style="list-style-type: none"> v. declare by written notice, that all or part of the Secured Obligations be immediately due and payable, whereupon they shall become immediately due and payable; vi. accelerate the redemption of the Debentures vii. enforce the charge over the secured assets in accordance with the terms of the Transaction Documents; viii. exercise any other right that the Debenture Trustee and / or Debenture Holder(s) may have under the Transaction Documents or under Indian law.
Role and Responsibilities of Debenture Trustee	To oversee and monitor the overall transaction for and on behalf of the Debenture Holder(s).
Governing Law	The Debentures / and documentation 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 Timing & Tranche Amount	
Issue Opening Date	March 24,2017
Issue Pay-In Date	March 24,2017
Issue Closing Date	March 24,2017
Issue Deemed Date of Allotment	March 24,2017



ANNEXURE II: CREDIT RATING LETTER



BWR/NCD/HO/ERC/MM/0717/2016-17
March 17, 2017

Mr. A. K. Mittal
Managing Director
A. K. Capital Finance Private Limited
30-39, Free Press House
Free Press Journal Marg
215, Nariman Point
Mumbai- 400 021

Dear Sir,

Sub: Review of Rating of the Long Term Secured NCD issue up to ₹ 200 Crores of A. K. Capital Finance Private Limited rated by Brickwork Ratings

On a review of A. K. Capital Finance Private Limited's performance based on the information and clarifications provided by your company, as well as information available in public sources, we are pleased to inform that Brickwork Ratings has reaffirmed the rating as detailed below:

Issue	Issue Size (₹ Cr)	O/S as of March 14, 2017 (₹ Cr)	Tenure	Rating History (Feb 2017)	Rating
Secured NCD	200	110	Long Term	BWR AA (SO) Outlook: Stable	BWR AA (SO) Outlook: Stable (Reaffirmed)

Instruments with this rating are considered to have **high degree** of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk.

The Rating is valid up to March 16, 2018 and subject to the terms and conditions that were agreed in your mandates, our rating letter and other correspondence, if any, and Brickwork Ratings' standard disclaimer appended below.



Brickwork Ratings India Pvt. Ltd.

3rd Floor, Raj Alkan Park, 29/3 & 32/2 Kalena Agrahara, Bannerghatta Road, Bangalore - 560 076
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Almedabad • Bengaluru • Chandigarh • Chennai • Guwahati • Hyderabad • Kolkata • Mumbai • New Delhi
CIN: U67190KA2007PTC043591

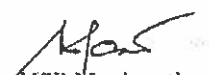


**A.K. Capital Finance Private Limited**

Brickwork Ratings would conduct surveillance every year till maturity/redemption of the instrument. Please note that Brickwork Ratings would need to be kept informed of any information/development that may affect your Company's finances/performance without any delay.

Kindly acknowledge.

Best Regards,


MSR Manjunatha
Director -- Ratings



Note: In case of all valid Ratings, respective Rating Rationale is published on Brickwork Ratings website. Interested persons are well advised to refer to our website www.brickworkratings.com, if they are unable to view the rationale, they are requested to inform us on brickworkhelp@brickworkratings.com

Disclaimer: Brickwork Ratings (BWR) has assigned the rating based on the information obtained from the issuer and other reliable sources, which are deemed to be accurate. BWR has taken considerable steps to avoid any data distortion; however, it does not examine the precision or completeness of the information obtained. And hence, the information in this report is presented "as is" without any express or implied warranty of any kind. BWR does not make any representation in respect to the truth or accuracy of any such information. The rating assigned by BWR should be treated as an opinion rather than a recommendation to buy, sell or hold the rated instrument and BWR shall not be liable for any losses incurred by users from any use of this report or its contents. BWR has the right to change, suspend or withdraw the ratings at any time for any reasons.





BWR/NCD/HO/ERC/MM/0716/2016-17

March 17, 2017

Mr. A. K. Mittal
Managing Director
A. K. Capital Finance Private Limited
30-39, Free Press House
Free Press Journal Marg
215, Nariman Point
Mumbai- 400 021

Dear Sir,

Sub: Rating of proposed Long Term Secured Non-Convertible Debentures (NCD) issue up to ₹ 50 Crores of A. K. Capital Finance Private Limited

Ref: Your mandate dated March 15, 2017

Thank you for giving us an opportunity to undertake Rating of the proposed issue of **Long Term Secured NCD of A. K. Capital Finance Private Limited**. Based on the information and clarifications provided by your company, draft terms of issue shared with us as well as information available in public sources, Brickwork Ratings is pleased to inform you that **A. K. Capital Finance Private Limited's proposed Long Term Secured NCD issue up to ₹ 50 Crores** has been assigned a rating of **BWR AA (SO) [BWR Double A (Structured Obligation)]**, with **Stable Outlook**.

The letters 'SO' indicate the credit enhancement factored on account of the underlying securities structure in place. Instruments with this rating are considered to have **high degree of safety** regarding timely servicing of financial obligations. Such instruments carry very low credit risk.

The Rating is valid for one year from the date of this letter subject to the terms and conditions that were agreed in your mandates referred above and other correspondence, if any, and Brickwork Ratings' standard disclaimer appended below.



Brickwork Ratings India Pvt. Ltd.

3rd Floor, Raj Alka Park, 29/3 & 32/2 Kalena Agrahara, Bannerghatta Road, Bengaluru - 560 076

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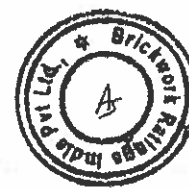
**A. K. Capital Finance Private Limited**

Brickwork Ratings would conduct surveillance every year till maturity/redemption of the instrument. Please note that Brickwork Ratings would need to be kept informed of any information/development that may affect your Company's finances/performance without any delay.

Please let us have your acceptance of the above Rating within two days of the date of this letter. Kindly note that unless acceptance is received by us, the rating is not valid and should not be used for any purpose whatsoever.

Best Regards,


MSR Manjunatha
Director-Ratings



Note: In case of all valid Ratings, respective Rating Rationale is published on Brickwork Ratings website. Interested persons are well advised to refer to our website www.brickworkratings.com, if they are unable to view the rationale, they are requested to inform us on brickworkhelp@brickworkratings.com

Disclaimer: Brickwork Ratings (BWR) has assigned the rating based on the information obtained from the issuer and other reliable sources, which are deemed to be accurate. BWR has taken considerable steps to avoid any data distortion; however, it does not examine the precision or completeness of the information obtained. And hence, the information in this report is presented "as is" without any express or implied warranty of any kind. BWR does not make any representation in respect to the truth or accuracy of any such information. The rating assigned by BWR should be treated as an opinion rather than a recommendation to buy, sell or hold the rated instrument and BWR shall not be liable for any losses incurred by users from any use of this report or its contents. BWR has the right to change, suspend or withdraw the ratings at any time for any reasons.



ANNEXURE III: TRUSTEE CONSENT LETTER

CATALYST
FINANCIAL SERVICES PRIVATE LIMITED


A.K/CIL/PUN/18-17/DEB/178

22.03.2017

Mr. Mahesh Bhadra
 Chief Financial Officer
 A.K. Capital Finance Pvt. Ltd.
 3D-3B, Free Press House,
 3rd Floor, Free Press Journal Marg,
 24B, Narayan Point,
 Mumbai - 400021

Dear Ma'am,

Re: Consent to act as Debenture Trustee for Private Placement of Secured, Listed, Rated, Redeemable, Non-Convertible Debentures of INR 100 Crore in single / multiple tranches

We refer to your mail dated 22.03.2017 requesting us to give our consent to act as Debenture Trustee for the proposed issue of Secured, Listed, Rated, Redeemable, Non-Convertible Debentures of INR 100 Crore in single / multiple tranches on private placement basis.

We hereby give our consent to act as Debenture Trustee for the said issue of Secured, Listed, Rated, Redeemable, Non-Convertible Debentures of INR 100 Crore in single / multiple tranches.

The Company and the Trustee shall enter into relevant Trustee Agreement as required by Regulation 13 of SEBI (Debenture Trustee) Regulations, 1993. The company shall also create the security offered within three months from the date of closure of issue and comply with the provisions of applicable laws.

Assuring you of our best professional services.

Thanking you,

Yours faithfully,

S.B. Sule, w.d.e.
 Authorized Signatory

CATALYST FINANCIAL SERVICES PRIVATE LIMITED
 Regd. Office: 3D-3B, Free Press House, 3rd Floor, Free Press Journal Marg, Narayan Point, Mumbai - 400021. Email: catalyst@akcapitalfinance.com
 Tel: +91 (022) 4218-0001 Fax: +91 (022) 4218-0002
 Branch Office: 210/2, 2nd Flr, 87, Narayan Point, Mumbai - 400021. Email: catalyst@akcapitalfinance.com Tel: +91 (022) 4218-0003 Fax: +91 (022) 4218-0005
 Pune | New Delhi | Bhopal | Jaipur | Kolkata | Chennai



ANNEXURE IV: ILLUSTRATIONS OF THE BOND CASH FLOW

Illustrations of the Bond Cash flows shall be provided for in the relevant Term Sheet

