



FOR PRIVATE CIRCULATION ONLY

Serial No. _____

AAVAS FINANCIERS LIMITED

(Formerly known as Au Housing Finance Limited)

CIN No.L65922RJ2011PLC034297

A public limited company incorporated under the Companies Act, 1956

Date of Incorporation: February 23, 2011*

Registered Office: 201-202, 2nd Floor, Southend Sqaure, Mansarovar Industrial Area, Jaipur-302020

Telephone No.: 0141-4110060,

Website: www.aavas.in

*On conversion of AAVAS FINANCIERS LIMITED (Formerly known as Au Housing Finance Limited), a fresh certificate of incorporation has been issued on 29th March, 2017.

INFORMATION MEMORANDUM FOR PRIVATE PLACEMENT BY AAVAS FINANCIERS LIMITED OF SECURED REDEEMABLE NON-CONVERTIBLE DEBENTURES OF FACE VALUE OF Rs.10,00,000/- EACH FOR CASH AT PAR AGGREGATING UP TO Rs. 150 CRORES (the "Issue")

SCHEDULE – I DISCLOSURE IN ACCORDANCE WITH REGULATION 5(2) (B) OF SEBI (ISSUE AND LISTING OF DEBT SECURITIES) REGULATIONS, 2008 AS AMENDED

BACKGROUND
This Information Memorandum is related to the Debentures to be issued by AAVAS FINANCIERS LIMITED(Formerly Known as Au Housing Limited)(the "Issuer" or "Company") on a private placement basis and contains relevant information and disclosures required for the purpose of issuing of the Debentures. The Issue of the Debentures comprised in the Issue and described under this Information Memorandum has been authorized by the Issuer through a resolution passed by the Executive Committee of Board of Directors of the Issuer on June 17, 2020 and in accordance with the provisions of the Companies Act, 2013. Pursuant to the resolution dated August 01, 2019 passed by the Company's shareholders in accordance with provisions of the Companies Act, 2013, the Board has been authorized to borrow, for the purpose of the Company, upon such terms and conditions as the Board may think fit for amounts up to Rs. 10000,00,00,000 (Rupees Ten Thousand Crores only). The present Issue of Debentures in terms of this Information Memorandum is within the overall powers of the Board as per the above shareholder resolution.
GENERAL RISK
Investors are advised to read the Risk Factors carefully before taking an investment decision in this offering. For taking an investment decision the investor must rely on their examination of the offer or and the offer including the risks involved. The Issue of Debentures has not been recommended or approved by Securities and Exchange Board of India (—SEBI") nor does SEBI guarantee the accuracy or adequacy of this document.
ISSUER'S ABSOLUTE RESPONSIBILITY
The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this Disclosure Document contains information with regard to the Issuer and the Issue, which is material in the context of the issue, that the information contained in the Disclosure Document is true and correct in all material aspects 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 make this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.
CREDIT RATING

The Debentures proposed to be issued by our Issuer have been **rated by ICRA Limited (“Rating Agency”)**. The Rating Agency has vide its letter dated 12th June 2020 assigned **a rating of ICRA A +** in respect of the Debentures. The above rating is 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 Rating Agency and should be evaluated independently of any other ratings. Please refer to Annexure II of this Information Memorandum for the letter dated 12th June 2020 from ICRA assigning the credit rating abovementioned and the letter dated 12th June 2020 issued by ICRA disclosing the rating rationale adopted for the aforesaid rating.

LISTING

The Secured Redeemable Non-Convertible Debentures are proposed to be listed on the WDM segment of BSE Limited (BSE)

Information Memorandum Date	17 th June 2020
Issue Opening Date	19 th June 2020
Issue Closing Date	19 th June 2020
Pay-in Date & Allotment Date	22 nd June 2020

The Issuer reserves the right to change the issue closing date and in such an event, the Date of Allotment for the Debentures may also be revised by the issuer at its sole and absolute discretion.



DEBENTURE TRUSTEE	REGISTRAR TO THE ISSUE
 IDBI Trusteeship Services Limited Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai – 400 001 Website: http://www.idbitrustee.com Email: services@idbitrustee.com	 Link Intime India Pvt. Ltd. C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai - 400078 Email: parab.trupti@linkintime.co.in Website: www.linkintime.co.in

TABLE OF CONTENTS

SECTION 1:	DEFINITIONS AND ABBREVIATIONS	5
SECTION 2:	NOTICE TO INVESTORS AND DISCLAIMERS	9
SECTION 3:	RISK FACTORS	13
SECTION 4:	FINANCIAL STATEMENTS	18
SECTION 5:	REGULATORY DISCLOSURES	19
SECTION 5A:	DISCLOSURE PERTAINING TO WILFUL DEFAULTS	53
SECTION 6:	TRANSACTION DOCUMENTS AND KEY TERM	54
SECTION 7:	OTHER INFORMATION AND APPLICATION PROCESS	75
SECTION 8:	DECLARATION	87
ANNEXURE I:	TERM SHEET	88
ANNEXURE II:	RATING LETTER	93
ANNEXURE III:	CONSENT LETTER FROM THE DEBENTURE TRUSTEE	96
ANNEXURE IV:	APPLICATION FORM	98
ANNEXURE V:	LAST AUDITED FINANCIAL STATEMENTS	101
ANNEXURE VI:	ILLUSTRATION OF BOND CASH FLOWS	102

SECTION 1: DEFINITIONS AND ABBREVIATIONS

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

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, which is annexed to this Information Memorandum and marked as Annexure IV
Board/Board of Directors	The Board of Directors of the Issuer
Executive Committee	Committee constituted by the Board of Directors of issuer
Business Day	Shall mean a day (other than a public holiday, Saturday or a Sunday) on which banks are normally open for business in Mumbai and Jaipur.
Rating Agency	ICRA Limited
Debentures / NCDs	1500 (Fifteen Hundred) Rated Listed Secured Redeemable Non-Convertible Debentures bearing a face value of Rs. 10,00,000/- (Rupees Ten Lakhs only) each aggregating up to Rs. 150,00,00,000/- (Rupees One Hundred and Fifty crore only)
Debenture Holders / Investors	The holders of the Debentures and shall also mean and include any of their successors and assigns, from time to time, whose names are listed in the list of beneficial owners as prepared, held and issued by the Depository.
Deemed Date of Allotment	The Deemed Date of Allotment is as per term Sheet mentioned in Annexure I.
Debenture Trustee	IDBI Trusteeship Services Limited or any other trustee the Company appoints.
Debenture Trustee Agreement	Agreement to be executed by and between the Debenture Trustee and the Company for the purposes of appointment of the Debenture Trustee to act as Debenture Trustee in connection with the issuance of the Debentures
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), with whom the Company has made arrangements for dematerializing the Debentures, being NSDL
Depository Participant / DP	A Depository Participant as defined under the Depositories Act
Director(s)	Director(s) of the Issuer
Disclosure Document / Information Memorandum	This document which sets out the information regarding the Debentures being issued on a private placement basis
DP ID	Depository Participant Identification Number
Due Date	Any date on which the holders of the Debentures (or any Series / Tranche thereof) are entitled to any payments, whether towards coupon or repayment of the principal amounts due in respect of the Debentures.
EFT	Electronic Fund Transfer

Final Settlement	Shall mean the date/dates on which the Debentures are fully redeemed on the Maturity Date
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
GAAP	Generally Accepted Accounting Principles
Hypothecated Assets	All the right, title, interest, benefit, claims and demands of the Issuer, in, to, or in respect of, certain specified/identified, book debts and/or loan receivables and/or lien marked fixed deposits and/or other current assets of the Issuer as more particularly described in the Deed of Hypothecation
Issue	Private Placement of 1500 (Fifteen Hundred) Rated Listed Secured Redeemable Non-Convertible Debentures bearing a face value of Rs. 10,00,000/- (Rupees Ten Lakhs only) each aggregating up to Rs. 150,00,00,000/- (Rupees One Hundred and Fifty crores only)
Issue Opening Date	As per term Sheet mentioned in Annexure I.
Issue Closing Date	As per term Sheet mentioned in Annexure I.
Issuer/ Company	AAVAS FINANCIERS LIMITED
Majority Debenture Holders	Debenture Holders whose participation or share in the principal amount(s) outstanding with respect to the Debentures aggregate to more than 66.66% (Sixty Six Decimal Point Sixty Six percent) of the value of the nominal amount of the Debentures for the time being outstanding. It is however clarified that if a resolution is required to be passed in relation to a matter concerning a particular Series only then the term "Majority Debenture Holder(s)" shall mean the Debenture Holder(s) of that Series holding an aggregate amount representing not less than 66.66% (Sixty Six Decimal Point Sixty Six percent) of the value of the nominal amount of the Debentures comprised in that Series for the time being outstanding;
Management Control	shall means, (a) with respect to the Company (i) the right to appoint a majority of the directors of the Company, or (ii) the right to control the management or policy decisions of the Company, each exercisable by a person or persons acting individually or in concert, directly or indirectly, including by virtue of their shareholding or management rights or shareholders agreements or voting agreements or in any other manner. It is clarified that the foregoing will not include a director or officer merely by virtue of such person holding such position in the Company, and (b) in any other case, "control" as defined in the Act.
Material Adverse Effect	shall mean the effect or consequence of an event, circumstance, occurrence or condition which has caused, as of any date of determination, a material and adverse effect or a material and adverse change (each in the sole discretion of Debenture Trustee) in: (a) the business, operations, property, assets, condition (financial or otherwise) or

	<p>prospects of the Company;</p> <p>(b) on the ability of the Company to perform its obligations under the Transaction Documents;</p> <p>(c) on the validity or enforceability of any of the Transaction Documents (including the ability of any party to enforce any of its remedies thereunder);</p> <p>(d) on the rights or remedies of the Debenture Trustee acting for the benefit of the Debenture Holders hereunder or under any other Transaction Document; or</p> <p>any event which in the reasonable opinion of Debenture Holders and Debenture Trustee could adversely affect the repayment of the Outstanding Amounts or impact the security interest underlying the Debentures.</p>
N.A	Not Applicable
Maturity Date	As per Term Sheet mentioned in Annexure I.
NSDL	National Securities Depository Limited
Offer Documents	Shall mean this Information Memorandum and the Private Placement Offer Letter.
PAN	Permanent Account Number
Private Placement Offer Letter	The letter issued by the Issuer pursuant to Section 42 of the Companies Act read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 in the format set out in the said rules.
Promoter/Promoter Group	Shall mean collectively, Lake District Holdings Limited, Partners Group Private Equity Master Fund LLC and Partners Group ESCL Limited. “
RBI	Reserve Bank of India
Rating Agency	ICRA Limited or any other credit rating agency as may be appointed by the Company for a particular Series / Tranche.
Record Date	The date which will be used for determining the Debenture Holders 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.
Redemption	Shall mean Redemption of the Debentures at Par at maturity.
R&T Agent	Registrar and Transfer Agent to the Issue, in this case being Link Intime India Private Limited
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)
Security	The security to be created in relation to the Issue as specified in Annexure I
Security Cover	Shall mean the ratio of (a) the value of the Hypothecated Property; and (b) aggregate of the principal amount of the Debentures, currently outstanding and the accrued Coupon/interest amount (i.e. the portion of the Coupon accrued)
TDS	Tax Deducted at Source
The Companies Act/ the Act	The Companies Act, 1956 or the Companies Act, 2013 as applicable
Transaction Documents	Shall mean the documents executed or to be executed in relation to the issuance of the Debentures as more particularly set out in Annexure I
Yield	As per the Term Sheet mentioned in Annexure I
WDM	Wholesale Debt Market

SECTION 2: NOTICE TO INVESTORS AND DISCLAIMERS

2.1 ISSUER'S DISCLAIMER

This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus and should not be construed to be a prospectus or a statement in lieu of a prospectus under the Companies Act. The Issue of the Debentures to be listed on the WDM segment of the BSE is being made strictly on a private placement basis and this Information Memorandum is not intended to be circulated to more than 49 (Forty Nine) persons. Multiple copies hereof given to the same entity shall be deemed to be given to the same person and shall be treated as such. This Information Memorandum does not constitute and shall not be deemed to constitute an offer or invitation to subscribe to the Debentures to the public in general.

As per the applicable provisions, it is not necessary for a copy of this Information Memorandum/ Disclosure Document to be filed or submitted to the SEBI for its review and/or approval. Further, since the Issue is being made on a private placement basis, the provision of Section 26 of the Act shall not be applicable and accordingly, a copy of this Information Memorandum / Disclosure Document has not been filed with the ROC.

This Information Memorandum has been prepared in conformity with the SEBI (Issue and Listing of Debt Securities) Regulations, 2008 as amended from time to time. This Information Memorandum has been prepared solely to provide general information about the Issuer to eligible investors to whom it is addressed and who are willing and eligible to subscribe to the Debentures. This Information Memorandum does not purport to contain all the information that any eligible investor may require. Further, this Information Memorandum has been prepared for informational purposes relating to this transaction only and upon the express understanding that it will be used only for the purposes set forth herein.

Neither this Information Memorandum nor any other information supplied in connection with the Debentures is intended to provide the basis of any credit or other evaluation and any recipient of this Information Memorandum should not consider such receipt as a recommendation to subscribe to any Debentures. Each 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 Investor's particular circumstances.

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

the Issuer and anyone placing reliance on any source of information other than this Information Memorandum would be doing so at its own risk.

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

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

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

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

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

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

2.2 DISCLAIMER CLAUSE OF STOCK EXCHANGES

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

2.3 DISCLAIMER CLAUSE OF SEBI

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

2.4 DISCLAIMER IN RESPECT OF JURISDICTION

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

2.5 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.

2.6 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 beneficial owner account maintained by the Investor with its depository participant. The Issuer will make the Allotment to Investors on the Deemed

Date of Allotment after verification of the Application Form, the accompanying documents and on realisation of the application money.

SECTION 3: RISK FACTORS

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

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 THE 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 Debenture until redemption to realize any value.

3.3 CREDIT RISK & RATING DOWNGRADE RISK

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

3.4 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 professional advisors to determine any financial, legal, tax and other implications of this investment.

3.5 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.

3.6 SECURITY MAY BE 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 Hypothecated Property, (ii) finding willing buyers for the Hypothecated Property 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;

3.7 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.

3.8 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.

3.9 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.

3.10 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.

As on March 31, 2020, the gross NPA was 0.46%.

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 or inability to realize the debt. 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 enables 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. 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.

E. 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.

F. The Issuer's business and results of operations would be adversely affected by strikes, work stoppages or increased wage demands by employees

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

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

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

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

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

HFCs in India are subject to strict regulation and supervision by the NHB. Pursuant to guidelines issued by the NHB, the Issuer is required to maintain its status as an HFC. The Issuer requires certain approvals, licenses, registrations, compliances and permissions for operating its business, including registration with the NHB as an HFC. Further, such approvals, licenses, registrations, compliance requirements 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 an HFC that is subject to numerous conditions.

I. Outbreak of COVID-19 has had, and could further have, a material adverse effect on the Company's business, financial condition and results of operations.

The Company's business could also be adversely affected by the effects of coronavirus or other similar virus, pandemic or endemic outbreaks of infectious diseases. In December 2019, a novel strain of coronavirus, COVID-19, was reported to have surfaced in Wuhan City, Hubei Province, China and the World Health Organisation has declared the outbreak a —pandemic on March 12, 2020. There have been border controls and travel restrictions imposed by various countries as a result of the COVID-19 outbreak. Such outbreak of an infectious disease together with any resulting restrictions on travel and/or imposition of quarantine measures may result in protracted volatility in national/international markets and/or result in a global recession and may adversely impact the operations, revenues, cash flows and profitability of the Company. There can be no assurance that any precautionary or other measures taken against infectious diseases would be effective. In particular, the COVID-19 outbreak has caused stock markets worldwide to lose significant value and impacted economic activity worldwide. A number of governments (including the Indian government) revised gross domestic product growth forecasts for 2020 downwards in response to the economic slowdown caused by the spread of COVID-19, and it is possible that the outbreak of COVID-19 will cause a prolonged global economic crisis or recession.

The risk factors mentioned above are not exhaustive in nature.

SECTION 4: FINANCIAL STATEMENTS

Set out in **Annexure V** hereto

REGULATORY DISCLOSURES

The Information Memorandum is 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 Financial Statement;
- C. Statement containing particulars of, dates of, and parties to all material contracts and agreements;
- D. Copy of the Board / Committee Resolution authorizing the borrowing and list of authorized signatories;
- E. Certified true copy of the resolution passed by the shareholders of the Company at the Annual - General Meeting held on August 01, 2019 authorising the Board of Directors and its committee to borrow, for the purpose of the Issuer, upon such terms as the Board may think fit, upto an aggregate limit of Rs. 10000,00,00,000/- (Rupees Ten Thousand Crore only);
- F. Any other particulars or documents that the recognized stock exchange may call for as it deems fit.
- G. An undertaking that permission / consent from the prior creditor for a second or pari passu charge being created, where applicable, in favor of the trustees to the proposed issue has been obtained.

4.2 Documents Submitted to Debenture Trustee

The following documents have been / shall be submitted to the Debenture Trustee in electronic form (soft copy) at the time of allotment of the debt securities:

- A. Memorandum and Articles of Association of the Issuer and necessary resolution(s) for the Allotment of the Debentures;
- B. Copy of last 3 (Three) years audited Financial Statement;
- 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 debt securities, 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 & Corporate Office of the Issuer

Particulars	Details
Name of the Issuer	AAVAS FINANCIERS LIMITED
Registered Office of Issuer	201-202, 2nd Floor, Southend Square, Mansarovar Industrial Area, Jaipur-302020
Corporate Office of Issuer	201-202, 2nd Floor, Southend Square, Mansarovar Industrial Area, Jaipur-302020
Registration Number	034297
Corporate Identification Number:	L65922RJ2011PLC034297
Phone No.	0141-6618839
Contact Person	Mr. Sharad Pathak
Email	sharad.pathak@aavas.in
Website of issuer	www.aavas.in
Compliance Officer of Issuer	Mr. Sharad Pathak 201-202, 2nd Floor, Southend Square, Mansarovar Industrial Area, Jaipur-302020
CFO of the Issuer	Mr. Ghanshyam Rawat 201-202, 2nd Floor, Southend Square, Mansarovar Industrial Area, Jaipur-302020
Trustee to the Issue	IDBI Trusteeship Services Limited Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai 400 001, Maharashtra, India
Registrar to the Issue	Link Intime India Pvt. Ltd. C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai - 400078
Credit Rating Agencies of the Issue	ICRA Limited 1105, Kailash Building, 11th Floor, 26, Kasturba Gandhi Marg New Delhi-110001
Auditors of the Issuer	S R Batliboi & Associates, LLP 14 th Floor, The Ruby, 29 SenapatiBapat Marg, Dadar (West), Mumbai - 400 028
Name of the Electronic Book Provider	BSE Limited 20th Floor, P J Towers, Dalal Street, Mumbai – 400 001.

4.4 A brief summary of business / activities of Issuer and its line of business

(a) Overview

Incorporation: AAVAS FINANCIERS LIMITED (Formerly known as Au Housing Limited), was originally incorporated as a private limited company in February 2011, Changed its name to AAVAS FINANCIERS LIMITED from Au HOUSING FINANCE LIMITED with a fresh certificate of incorporation in March 2017.

AAVAS FINANCIERS LIMITED is registered with National Housing Bank as a Housing Finance Company and got the license from National Housing Bank in August, 2011.

Product Segment: AAVAS FINANCIERS LIMITED("AAVAS") is engaged mainly in 4 types of products mentioned below under its Housing Finance business:-

1. **Finance for purchase** - Ready built Property/Flat (including apartments in Low cost buildings, cluster units, residential units, etc.).
2. **Finance for construction on a land already acquired** - The product is designed to offer loans for construction on a plot of land, which has been already acquired.
3. **Finance for home extension:** This product is designed to offer loans to individuals for extension of an existing home unit, which can include construction of additional rooms, floor etc.
4. **Finance for affordable housing:** Especially under the Indian Government's credit linked subsidy scheme, Pradhan Mantri Awas Yojna (PMAY).

Branch Network: The Company caters the needs of various small families in towns and semi urban areas to meet their life time dream to own their own house. Presently AAVAS is operating in 10 states namely Rajasthan, Gujarat, Maharashtra, Madhya Pradesh, Delhi, Uttar Pradesh, Haryana, Chattisgarh, Uttarakhand and Punjab with the network of 250 branches as on 31 March 2020. Company would expand its Branches in these states to leverage the customer base for housing finance business in rural and semi urban areas.

Subsidiary: As on the date of this offer letter, the Company has one wholly owned Subsidiary named as Aavas Finserv Limited ("Aavas Finserv").

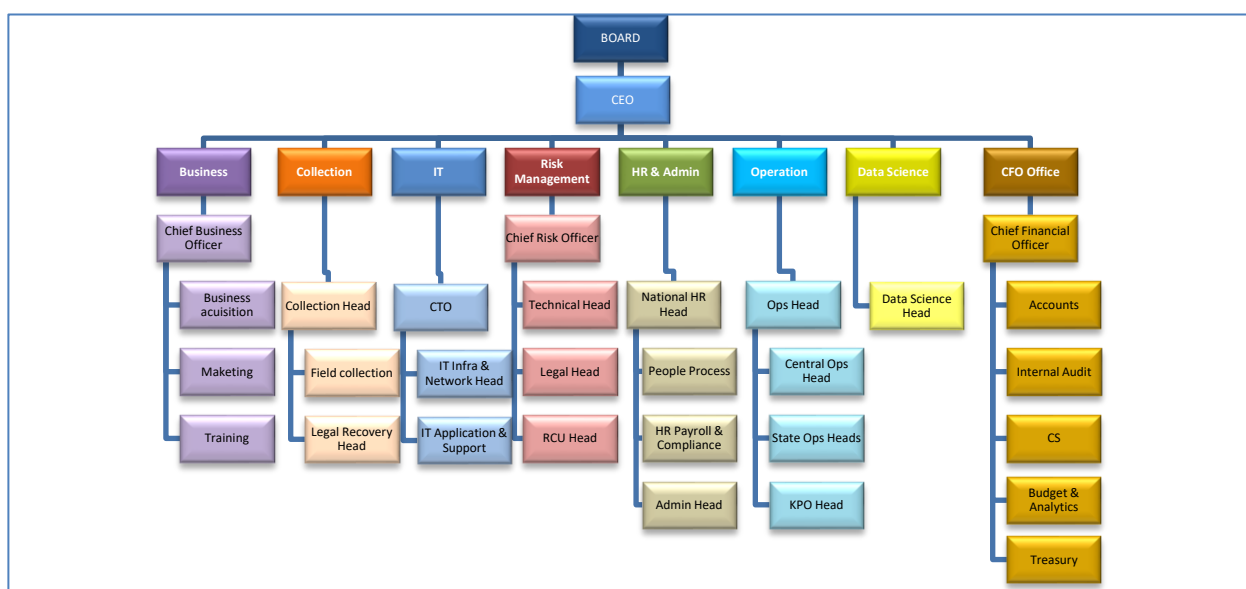
Aavas Finserv was incorporated under the Companies Act, 2013 on November 30, 2017 as a public limited company with the RoC with CIN U65929RJ2017PLC059623 and registered office located at 203-205, 2nd Floor, South End Square Mansarovar Industrial Area, Jaipur 302 020, Rajasthan, India. Aavas Finserv is authorised, by its memorandum of association, to engage in the business of providing finance whether by way of loans or advances to individuals, association of individuals (whether incorporated or not), industry or corporates. Aavas Finserv has not yet commenced its business operations.

Aavas Foundation is a Public Charitable Trust settled by the Company for the purpose of carrying its CSR (Corporate Social Responsibilities) Activities. The Trust has been formed vide a Registered Trust Deed on

March 26, 2019 registered by Sub Registrar, Registration and Stamps Dept., Govt. of Rajasthan under Document No. 201901190002048.

Customer Segment: AAVAS is primarily engaged in the business of providing housing loan to customers belonging to low and middle income segment in semi urban and rural areas. These are credit worthy customers who may or may not have the income proof documents like IT return, salary slip and hence are financially excluded by other large mortgage companies. AAVAS uses unique appraisal methodology to assess these customers individually. The financing solution need to be appropriated and suitable to them.

(b) **Corporate Structure**



(c) **Key Operational and Financial Parameters for the last 3 audited years**

Parameters (Rs. in Lakhs)		FY 2019-20 (Ind AS)	FY 2018-19 (Ind AS)	FY 2017-18 (Ind AS)
Networth		2,09,791.5	183,702.01	118,984.64
Total Debt		5,35,203.6	365,325.10	273,756.02
Comprising of	Debt Securities	1,16,846.54	43,705.08	38,819.83
	Borrowings (other than Debt Securities)	4,08,391.40	311,661.72	224,988.15
	Subordinated liabilities	9,965.61	9,958.30	9,948.04
Net Fixed Assets (Tangible)		2,731.96	1,922.97	1,545.44
Other Non-Financial Assets		630.46	434.92	385.18
Cash,Bank and Cash/Bank Equivalents		119,672.50	68,381.60	56,946.11
Current Investments		-	-	-

Other Financial Assets	18,111.12	16,348.94	10,876.63
Other Financial Liabilities	10,694.78	7,163.18	7,993.67
Assets Under Management	7,79,609.17	594,169.23	407,301.97
Off Balance Sheet Assets	1,73,963.91	135,238.40	89,445.75
Interest Income	78,667.67	59,374.89	39,263.81
Interest Expense	35,607.15	25,536.71	19,308.76
Impairment on financial instruments	1,533.78	889.77	258.87
PAT	24,904.16	17,603.09	9,303.56
Gross NPA (%)	0.46%	0.47%	0.46%
Net NPA (%)	0.34%	0.37%	0.39%
Tier I Capital Adequacy Ratio (%)*	53.67%	64.25%	55.94%
Tier II Capital Adequacy Ratio (%)*	2.18%	3.52%	5.61%

**Tier I & II Capital Adequacy Ratio is as per IGAAP.*

Gross Debt: Equity Ratio of the Company:

Before the Issue of debt securities (as on May 31, 2020)	2.65 x
After the Issue of debt securities	2.72 x

** Equity includes Tier II Capital and Debt excludes Tier II Capital.*

(d) Project cost and means of financing, in case of funding new projects:

N.A

(e) Related Party Transactions:

Please refer Annexure V.

4.5 Brief history of Issuer since its incorporation

AAVAS FINANCIERS LIMITED(Formerly known as Au HOUSING FINANCE LIMITED) was originally incorporated as a private limited company under the Companies Act, 1956 on February 23, 2011. as a wholly owned subsidiary of Au FINANCIERS (INDIA) LTD.

Subsequently, AAVAS FINANCIERS LIMITED converted into a public limited company, as per the provisions of the Companies Act, and was issued a fresh certificate of incorporation on January 11, 2013.

Subsequently, Au Small Finance Bank Limited (Formerly known as Au FINANCIERS (INDIA) LTD), which was granted in principle approval of RBI for setting up Small Finance Bank, divested its majority of stake in the company, in compliance of guidelines issued by RBI for this purpose, in favour of Lake District Holdings Limited and Kedaara Capital Alternative Investment Fund – Kedaara Capital AIF 1, collectively be referred to as “**Kedaara**”) and Partners Group Private

Equity Master Fund LLC and Partners Group ESCL Limited, collectively be referred to as “Partners Group”),

AAVAS FINANCIERS LIMITED is a Housing Finance Company registered with the National Housing Bank vide certificate of registration no. 04.0151.17 dated April 19, 2017 (the earlier certificate of registration bearing no. 02.0104.13 dated February 8, 2013 and No. 08.0095.11 dated August 4, 2011 was in the name of “Au Housing Finance Limited” and “Au Housing Finance Private limited” respectively).

The Shares of the Company were successfully listed on the BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”) with effect from October 08, 2018.

AAVAS FINANCIERS LIMITED is engaged in the business of providing housing loans, primarily in the un-served, unreachd and under-served market which include the States of Rajasthan, Maharashtra, Gujarat, Madhya Pradesh, Haryana, Delhi, Chattisgarh, Haryana, Punjab and Uttarakhand.

(a) **Details of Share Capital as on. March 31, 2020:**

SHARE CAPITAL		AMOUNT (Rs.)
AUTHORIZED SHARE CAPITAL		
8,50,00,000 Equity Shares of Rs. 10/- each	(A)	85,00,00,000
Total Authorized Share capital		85,00,00,000
ISSUED & SUBSCRIBED SHARE CAPITAL		
7,83,22,661 Equity Shares of Rs. 10/- each	(B)	78,32,26,610
Total Issued Share Capital		78,32,26,610
PAID UP SHARE CAPITAL		
7,83,22,661 Equity Shares of Rs. 10/- each	(C)	78,32,26,610
Total paid up Capital		78,32,26,610

(b) **Changes in its capital structure as on March 31, 2020, for the last five years:**

Date of Change (AGM/EGM)	Rs.	Particulars
18.03.2014	30,00,00,000/-	Company authorized capital was increased from Rs. 27.25 Crores to Rs. 30.00 Crores by addition of Rs. 2.75 Crores Equity shares
05.02.2015	33,00,00,000/-	Company authorized capital was increased from Rs. 30.00 Crores to Rs. 33.00 Crores by addition of Rs. 3.00 Crores Equity shares
01.09.2015	38,00,00,000/-	Company authorized capital was increased from Rs. 33.00 Crores to Rs. 38.00 Crores by addition of Rs. 5.00 Crores Equity shares
07.03.2016	40,00,00,000/-	Company authorized capital was increased from Rs. 38.00

Date of Change (AGM/EGM)	Rs.	Particulars
		Crores to Rs. 40.00 Crores by addition of Rs. 2.00 Crores Equity shares
27.05.2016	60,00,00,000/-	Company authorized capital was increased from Rs.40.00 Crores to Rs. 60.00 Crores by addition of Rs. 20.00 Crores Equity shares
23-2-2017	65,00,00,000/-	Company authorised capital was increased from Rs. 60.00 Crore to Rs 65.00 Crore by addition of Rs. 5.00 Crore
22-02-2018	85,00,00,000/-	Company authorised capital was increased from Rs. 65.00 Crore to Rs 85.00 Crore by addition of Rs. 20.00 Crore

(c) **Equity Share Capital History of the Company as on. March 31, 2020, for the last five years:**

Date of Allotment	No of Equity Shares	Face Value (Rs)	Issue Price (Rs)	Consideration (Cash, other than cash, etc)	Nature of Allotment	Cumulative			Remarks
						No. of Equity Shares	Equity Share Capital (Rs)	Equity Share Premium (in Rs)	
15.03.2011	22,40,000	10	10	Cash	-	22,50,000	2,25,00,000	00.00	
10.03.2012	2,50,00,000	10	10	Cash	-	27250000	27,25,00,000	00.00	
29.03.2014	26,66,667	10	75	Cash	-	2,99,16,667	29,91,66,670	17,33,33,355	
06.02.2015	10,00,000	10	100	Cash	Private Placement	3,09,16,667	30,91,66,670	9,00,00,000	
28.02.2015	20,00,000	10	1	Cash	Private Placement	3,29,16,667	32,91,66,670	18,00,00,000	
30-09-2015	20,00,000	10	150	Cash	Private Placement	3,49,16,667	34,91,66,670	28,00,00,000	
19-11-2015	26,66,667	10	150	Cash	Private Placement	3,75,83,334	37,58,33,340	37,33,33,380	
30-03-2016	8,00,000	10	50	Cash	Private Placement	3,83,83,334	38,38,33,340	3,20,00,000	
30-05-2016	1,00,000	10	53	Cash	Private Placement	3,84,83,334	38,48,33,340	43,00,000	
03-06-2016	5,366,658	10	10	Bonus Issue		4,38,49,992	43,84,99,920	0.00	
23.06.2016	92,91,521	10	215.25	Cash	Right Issue	5,31,41,513	53,14,15,130	190,70,84,685	
23.06.2016	5,57,492	10	215.25	Cash	Right Issue	5,36,99,005	53,25,30,114	22,885,047	Partly paid up
10.08.2016	1,85,830	10	215.25	Cash	Private Placement	5,38,84,835	53,43,88,414	38,141,608	
07.12.2016	1,62,602	10	215.25	Cash	Private Placement	5,40,47,437	53,47,13,618	6674812.10	Partly paid up
27.12.2016	46,458	10	215.25	Cash	Private Placement	5,40,93,895	53,51,78,198	9,535,505	
15.03.2017	46,45,762	10	215.25	Cash	Private Placement	5,87,39,657	58,16,35,818	95,35,42,651	

21.06.2017	N/A	N/A	N/A	N/A	N/A	5,87,39,657	58,30,76,006	2,95,59,859	
12.12.2017	432,500	10	328	Cash	Private Placement	5,91,72,157	58,39,41,006	2,75,07,000	Partly paid up
19.12.2017	264,662	10	328	Cash	Private Placement	5,94,36,819	58,65,87,626	8,41,62,516	
06.03.2018	12,22,551	10	215.25	Cash	ESOP Exercise	60,659,370	598,813,136	250,928,593	
28.03.2018	9,291,521	10	430.50	Cash	Right Issue	69,950,891	691,728,346	3,907,084,581	
08.06.2018*	-	-	-	-	Partly-paid Equity Shares issued on June 23, 2016 and December 7, 2016 were made fully paid-up	69,950,891	696,048,910	8,86,79,576.1	
08.06.2018**	-	-	-	-	Partly-paid Equity Shares issued on December 12, 2017 were made fully paid-up	69,950,891	69,95,08,910	11,00,28,000	
08.06.2018	3,60,000	10	328	Cash	Conversion of 360,000 convertible share warrants	70,310,891	70,31,08,910	11,44,80,000	
08.06.2018	4,40,000	10	430.50	Cash	Conversion of 440,000 convertible share warrants	70,750,891	70,75,08,910	18,50,20,000	
21.08.2018	7,49,054	10	215.25	Cash	Allotment pursuant to ESOP-2016	71,499,945	714,999,450	15,37,43,334	
21.08.2018	2,223,059	10	215.25	Cash	Allotment pursuant to ESOP-2016	73,723,004	737,230,040	45,62,82,860	
04.10.2018	43,84,897	10	821	Cash	Allotment pursuant to IPO	78,107,901	781,079,010	35,56,151,467	

28.08.2019	60,450	10	328.00	Cash	Allotment pursuant to ESOP-2016	78,168,351	781,683,510	19,223,100	
02.12.2019	121,890	10	215.25	Cash	Allotment pursuant to ESOP-2016	78,290,241	782,902,410	25,017,923	
02.12.2019	11,921	10	328.00	Cash	Allotment pursuant to ESOP-2016	78,302,162	783,021,620	3,790,878	
22.02.2020	19,738	10	215.25	Cash	Allotment pursuant to ESOP-2016	78,321,900	783,219,000	4,051,225	
22.02.2020	761	10	328.00	Cash	Allotment pursuant to ESOP-2016	78,322,661	783,226,610	241,998	

*The Board by its resolution dated June 8, 2018 noted that the balance of ₹ 6 per equity share towards face value and ₹ 123.15 per equity share towards premium amount has been made fully paid-up.

**The Board by its resolution dated June 8, 2018 noted that the balance of ₹ 8 per equity share towards face value and ₹ 254.40 per equity share towards premium amount has been made fully paid-up.

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

N.A

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

N.A.

4.6 Details of the shareholding of the Company as on the latest quarter end, i.e. March 31, 2020:

(a) Shareholding patterns of the Company as on March 31, 2020:

Category of Shareholders	Total number of Shares	Shares held in Demat form	Percentage (%) of Shares
A. Promoters*			
(1) Indian	-	-	-
(2) Foreign	-	-	-
a) Bodies Corp.	4,18,72,130	4,18,72,130	53.46
TOTAL SHAREHOLDING OF PROMOTER (A)	4,18,72,130	4,18,72,130	53.46
B. Public Shareholding			
1. Institutions			
a) Mutual Funds	35,78,456	35,78,456	4.57
b) Banks / FI	49,94,955	49,94,955	6.38
c) Others (Alternative Investment Fund and Foreign body Corporate)	2,04,87,085	2,04,87,085	26.16
Sub-total (B)(1):-	2,90,60,496	2,90,60,496	37.11
2. Non-Institutions			
a) Bodies Corp.			

i) Indian	-	-	-
ii) Overseas	-	-	-
b) Individuals	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	14,07,414	14,07,414	1.80
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	52,62,862	52,62,862	6.72
c) Others (specify)	-	-	-
NBFCs registered with RBI	-	-	-
Trusts	2,578	2,578	0.00
Hindu Undivided Family	25,560	25,560	0.03
Non Resident Indians (Non Repatriable)	26,377	26,377	0.03
Non Resident Indians (Repatriable)	49,285	49,285	0.06
Clearing Member	1,64,393	1,64,393	0.21
Bodies Corporate	4,51,566	4,51,566	0.58
Sub-total (B)(2):-	73,90,035	73,90,035	9.43
TOTAL PUBLIC SHAREHOLDING (B) = (B)(1) + (B)(2)	3,64,50,531	3,64,50,531	46.54
C. Shares held by Custodian for GDRs & ADRs	-	-	-
Grand Total (A+B+C)	7,83,22,661	7,83,22,661	100

Notes: Details of shares pledged or encumbered by the Promoters (if any): N.A

(b) List of top 10 holders of equity shares of the Company as on March 31, 2020:

Sr. No.	Name of the Shareholders	Total no. of Equity Shares	No of Shares held in Demat Form	Shares as % of Total No. of Shares
1	Lake District Holdings Limited	23140827	23140827	29.55%
2	Partners Group ESCL Limited	13018256	13018256	16.62%
3	Partners Group Private Equity (Master Fund), LLC	5713047	5713047	7.29%
4	Au Small Finance Bank Limited	4965757	4965757	6.34%
5	Smallcap World Fund, LLC	3798298	3798298	4.85%
6	Sushil Kumar Agarwal	2921812	2921812	3.73%
7	SBI Equity Hybrid Fund	2785000	2785000	3.56%
8	Kotak Funds-India Midcap Funds	1653328	1653328	2.11%
9	ST. James's Place Emerging Markets Equity Unit Trust Managed by Wasatch Advisors Inc	1241761	1241761	1.59%
10	Buena Vista Asian Opportunities Master Fund Ltd	1166310	1166310	1.49%

4.7 Following details regarding the Directors of the Company:

(a) Details of current Directors of the Company:*

This table sets out the details regarding the Company's Board of Directors as on date of the Information Memorandum:

S. No.	Name, Designation and DIN	Age (years)	Address	Director of the company since	Details of other directorship
--------	---------------------------	-------------	---------	-------------------------------	-------------------------------

S. No.	Name, Designation and DIN	Age (years)	Address	Director of the company since	Details of other directorship
1.	Mr. Sandeep Tandon, (Chairperson of the Board and Independent Director) DIN: 00054553	50	Tandon Beach House, Plot 35-C/2, CTS No. 1069, Tps-2 Azad Road, Juhu Koliwada, Santacruz West, Mumbai 400 049, Maharashtra, India	27-07-2017	1. Radical Plastics Private Limited 2. Infix Services Private Limited 3. Syrma Technology Private Limited 4. Memory Electronics Private Limited 5. Tancom Electronics Private Limited 6. JT Holdings Private Limited 7. Ebony Electronics Private Limited 8. Welltime Gold and Investments Private Limited 9. Dreamplug Technologies Private Limited 10. Tulp Street Pvt. Ltd.
2	Mr. Sushil Kumar Agarwal (Managing Director and Chief Executive Officer) DIN: 03154532	43	19, Jagdamba Colony, Naya Kheda Ambabari, Jaipur, 302023, Rajasthan, India	23-02-2011	1. Aavas Finserv Limited
3	Mrs. Kalpana Iyer (Independent Director) DIN: 01874130	54	601, Ann Abode 18-A, St Martin Road, Bandra (W) Mumbai 400050, Maharashtra, India	23-06-2016	2. Svakarma Finance Private Limited
4	Mrs. Soumya Rajan (Additional Director-Independent) DIN: 03579199	49	Hill Park Building 2, Fiat-22, 3rd Floor, Dr AG Bell Road, Malabar Hill Mumbai – 400006	29-08-2019	3. Waterfield Advisors Private Limited 4. Waterfield Financial and Investment Advisors Private Limited 5. The Rajan family charitable foundation 6. Swami Swaprakashananda Education and Healthcare Foundation 7. S R Iyer and Srilata Iyer Music Foundation 8. Center for Study of Science Technology and Policy
5	Mr. Ramachandra Kasargod Kamath (Nominee Director) DIN: 01715073	64	B/2004, Neptune Chsl, Sun City, Adi Shankaracharya Marg, Powai Mumbai 400076, Maharashtra, India	14-07-2016	1. Spandana Sphoorty Financial Limited 2. Centrum Capital Limited 3. Manipal Technologies 4. Conatus Finserv Private Limited 5. Ashimara Housing Private Limited 6. BQ Padmavathy Finance Academy Private Limited 7. New Opportunity Consultancy Private Limited
6	Mr. Vivek Vig (Nominee Director) DIN: 01117418	57	1901, Flr : 19, Beaumonde, Appasaheb Marathe Mg, Prabhadevi Mumbai 400025, Maharashtra, India	14-07-2016	1. Centrum Housing Finance Limited 2. Svakarma Finance Private Limited 3. Svakarma Social Foundation 4. International Development Enterprises (India)
7	Mr. Nishant Sharma (Promoter Nominee Director) DIN: 03117012	41	Tower 2 APT 102 Planet Godrej Simplex Mills Mahalaxmi Mumbai 400 011, Maharashtra, India	23-06-2016	1. Vishal E-Commerce Private Limited 2. Vishal Mega Mart Private limited 3. Vijaya Diagnostic Centre Private Limited 4. Aavas Finserv Limited 5. Veritas Finance Private Limited
8	Mr. Manas Tandon (Promoter Nominee Director) DIN: 05254602	42	A-1402, 14th Floor, Lodha Bellissimo, N M Joshi Marg, Near	23-06-2016	1. Vishal Mega Mart Private Limited 2. Partners Group (India) Private

S. No.	Name, Designation and DIN	Age (years)	Address	Director of the company since	Details of other directorship
			Apolo Mill Compound, Mahalaxmi, Mumbai 400 011, Maharashtra, India		Limited 3. Aavas Finserv Limited 4. Teoler Education Services Private Limited
9	Mr. Kartikeya Dhruv Kaji (Promoter Nominee Director) DIN: 07641723	37	The Imperial, Apartment 3901, B B Nakashe Marg, Tardeo AC Market, Tardeo, Tulsiwadi, Mumbai 400 034, Maharashtra, India	27-07-2017	1. Spandana Sphoorty Financial Limited 2. Criss Financial Holdings Limited

*Company to disclose name of the current Directors who are appearing in the RBI defaulter list and/or Export Credit Guarantee Corporation of India Limited default list, if any: N.A

Confirmations

1. None of the Directors are identified as willful defaulters by the RBI, ECGC or any government authority.
2. **Neither the Issuer nor any of its Promoters or Directors has been declared as a willful defaulter.**

(b) Details of change in Directors since last three years:

Name of Director	Date	Remark
Nishant Sharma	June 23, 2016	Appointment as non- executive nominee Director*
Manas Tandon	June 23, 2016	Appointment as non- executive nominee Director*
Sanjay Agarwal	June 23, 2016	Cessation as managing director
Uttam Tibrewal	June 23, 2016	Cessation as non-executive director
Mannil Venugopalan	June 23, 2016	Cessation as independent Director
Kalpna Iyer	June 23, 2016	Appointment as independent Director
Ramachandra Kasargod Kamath	July 14, 2016	Appointment as non-executive nominee Director**
Vivek Vig	July 14, 2016	Appointment as non-executive nominee Director**
Sandeep Tandon	July 27, 2017	Appointment as independent Director***
Kartikeya Dhruv Kaji	July 27, 2017	Appointment as non-executive nominee Director***
Sushil Kumar Agarwal	May 3, 2019	Change in Designation from WTD & CEO to MD & CEO
Krishan Kant Rathi	August 28, 2019	Cessation as Independent Director
Soumya Rajan	August 28, 2019	Appointment as Additional Director in the capacity of Independent Director

* Appointment regularised pursuant to the shareholders' resolution dated June 24, 2016.

** Appointment regularised pursuant to the shareholders' resolution dated July 15, 2016

*** Appointment regularised pursuant to the shareholders' resolution dated August 17, 2017. Post the regularization, the appointment was made with effect from August 17, 2017.

4.8 Details of Management of the Company

(a) Brief profile of Directors of the Company

Mr. Sandeep Tandon – Chairperson of the Board and Independent Director

He is the Chairperson of the Board and an Independent Director of Aavas. He holds a bachelor's degree in science (electrical engineering) from the University of Southern California. Additionally, Sandeep Tandon has completed the Harvard Business School YPO President Program. He has previously served as the Managing Director of Tandon Advance Device Private Limited and as a Director on the Board of Accelyst Solutions Private Limited. At present, Mr. Tandon is acting as the Executive Director of Syrma Technology Private Limited and serve as a Director in various Private Companies..

Mrs. Kalpana Iyer – Independent Director

She is an Independent Director of Aavas. She holds a bachelor's degree in commerce from the Madurai Kamaraj University. She is a qualified chartered accountant and a member of the Institute of Chartered Accountants of India. Kalpana Iyer was previously associated with Citibank N.A., India as its senior vice-president, during which she was responsible for women's banking and microfinance business. She has also previously held the position of a director at IncValue Advisors Private Limited. At present, she is acting as a Managing Director of Svakarma Finance Private Limited.

Mrs. Soumya Rajan – Additional Director (Independent)

Mrs. Soumya Rajan is the Founder, MD and CEO of Waterfield Advisors, India's largest independent Multi-Family Office and Wealth Advisory firm that advises on assets of ~US\$3.5bn. She previously worked at Standard Chartered Bank India for 16 years, where she headed their Private Banking Division from 2008 to 2010. Prior to that, Ms. Rajan was the Head of SME Risk at Standard Chartered and spent 5 years in Credit and Risk Management both in India and Singapore. Ms. Rajan currently serves on the Boards of several non-profit organisations - Peepul, an education-based charity that focuses on creating a school transformation platform for government schools, as an Advisory Council Member of the Indian Institute of Technology (IIT) Gandhinagar's Research Park and Entrepreneurship Centre and as a Board Member of CSTEP, a research think tank that recommends public policy on the use of new emerging technologies for social and economic development in the areas of energy, environment and infrastructure. Ms. Soumya Rajan has a post graduate degree in Mathematics from Oxford University, UK and was recognized in 2019 by the Association of International Wealth Management of India as amongst India's Top 100 Women in Finance.

Mr. Sushil Kumar Agarwal - Managing Director and CEO

He has been associated with our Company since its incorporation in 2011. He is a qualified Chartered Accountant and Company Secretary with more than 19 years of professional experience in SME & Housing finance and financial services sector. He was previously associated with AU Small Finance Bank as its Business Head – SME & Mortgages. He has also worked with ICICI Bank Limited as its chief manager and with Kotak Mahindra Primus Limited as an Assistant Manager.

He has a versatile experience in the areas of retail finance, business development, financial management, administration and manpower management.

Mr. Ramachandra Kasargod Kamath – Nominee Director

He is a Nominee Director appointed on the Board of Aavas by Lake District and Kedaara AIF-1. He holds a bachelor's degree in commerce from the University of Mysore. He is a honorary Fellow of the Indian Institute of Banking and Finance. Further, Mr. Kamath is a Certified Associate of the Indian Institute of Bankers. He was previously associated with Corporation Bank as its General Manager; and with Punjab National Bank as its Chairman and Managing Director. Mr. Kamath has also served as the Chairman and Managing director of Allahabad Bank and as an Executive Director of Bank of India.

Mr. Vivek Vig – Nominee Director

He is a Nominee Director appointed on the Board of Aavas by Partners Group ESCL and Partners Group Master Fund. He holds a post-graduate diploma in management from Indian Institute of Management at Bangalore. Vivek Vig has previously served as the managing director and chief executive officer of Destimoney Enterprises Limited. Further, he was previously associated with the Centurion Bank of Punjab (which was subsequently merged with HDFC Bank) as its country head - retail bank and has also acted as a director on the board of PNB Housing Finance Limited. Additionally, in the past, he has also been associated with Citibank N.A., India, where he has held various positions across the consumer bank.

Mr. Nishant Sharma – Promoter Nominee Director

Mr. Sharma is a Promoter Nominee Director appointed on the Board of Aavas by one of our Promoters, Lake District Holdings Limited. He is the Co-Founder and Partner of Kedaara Capital , a leading India focused private equity firm. Mr. Sharma has over 14 years of investment experience, encompassing the full lifecycle of private equity from sourcing investments across sectors, driving value creation to successfully divesting investments over this period. Before co-founding Kedaara, Mr. Sharma was at General Atlantic (“GA”) and co-led GA’s investments across financial services, healthcare, business services & technology including investments in IndusInd Bank, Jubilant Lifesciences, IBS Software among others. Prior to GA, Mr. Sharma worked as a management consultant with McKinsey & Company serving clients across IT/BPO, financial services, healthcare and public policy. In addition, Mr. Sharma worked at the Bill & Melinda Gates Foundation in setting up the largest HIV/AIDS prevention program in India. Mr. Sharma holds the Economic Times 40 under 40 award given to business leaders in India. Mr. Sharma holds an M.B.A. from Harvard Business School, and a Dual Degree (B.Tech. and M.Tech) in Biochemical Engineering and Biotechnology from Indian Institute of Technology, Delhi.

Mr. Manas Tandon – Promoter Nominee Director

Mr. Tandon is a Promoter Nominee Director appointed on the Board of Aavas by ESCL, one of our Promoters. He is the Head of Private Equity in Asia for Partners Group and is a member of its Private Equity Directs Investment Committee. Prior to joining Partners Group, Mr. Tandon co-led TPG Growth's investments in India, having started his investing career with Matrix Partners, where he was responsible for investments in mobility and financial services. Before that, Manas was engaged in designing and selling cutting-edge telecom solutions for start-ups such as MaxComm Technologies (acquired by Cisco Systems) and Camiant Inc (now part of Oracle). Mr. Tandon holds an MBA in Finance from The Wharton

School of the University of Pennsylvania, where he was a Palmer Scholar, and a Bachelors Degree in Technology (Electrical Engineering) from the Indian Institute of Technology, Kanpur, where he was awarded the General Proficiency Medal for outstanding academic performance. Mr. Tandon holds eight US patents and is a member of the Mumbai chapters of the Young Presidents' Organization (YPO) and the Entrepreneurs' Organization (EO).

Mr. Kartikeya Kaji – Promoter Nominee Director

Mr. Kaji is a Promoter Nominee Director, and is appointed on the Board of Aavas by one of our Promoters, Lake District Holdings Limited. He is a Director at Kedaara Capital, a leading India-focused private equity firm, where he leads the financial services investing practice. Mr. Kaji has over 9 years of investment experience, encompassing the full lifecycle of private equity, across geographies and sectors. Prior to Kedaara, Mr. Kaji was at the Mumbai office of the global investment firm Temasek Holdings, where he focused on public and private market investments across sectors. Previously, he worked as investment banker in New York, first at Merrill Lynch & Co., and then at leading boutique firm Perella Weinberg Partners. Mr. Kaji holds an MBA from The Wharton School of the University of Pennsylvania, and a Bachelor of Arts in Economics from Dartmouth College. He is a member of the Mumbai chapter of the Entrepreneurs' Organization.

(b) Brief profile of Key Managerial Personnel

S.No.	Name of Key Management Personnel	Brief Profile
1	Mr. Ghanshyam Rawat (Chief Financial Officer)	Mr. Ghanshyam Rawat is a Chartered Accountant by Qualification having the vast experience of 23 years in Finance, Service and Manufacturing industry for corporate finance, Funds Raising, Treasury Management, Forex & Interest Risk management, Merger & Acquisition, Finalization of accounts, IFRS & SAP System.
2	Mr. Sharad Pathak (Company Secretary and Compliance officer)	He is our Company Secretary and Compliance Officer. He holds a bachelor's degree in commerce from the Rajasthan University and is a fellow Company Secretary. He has been associated with Star Agriwarehousing & Collateral Management Limited as Company Secretary. He has been with the Company since inception.

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

Details of the remuneration paid to the Directors including sitting fees for attending Board and Committee meetings during the last three financial years are as follows:-

Particulars	2019-2020	2018-2019	2017-2018
Remuneration (in lakh)	310.91	265.66	245.86

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:

(a) Details of the auditor of the Company:

Name	Address	Auditor since
M/s. S.R. BATLIBOI & ASSOCIATES LLP	14th Floor, The Ruby, 29, SenapatiBapat Marg, Dadar (W), Mumbai - 400 028, Maharashtra	11.07.2015

(b) Details of change in auditors since last three years: There is No change in the auditors since last three years.

(c) Auditors Qualifications::

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

For the year 2017-18 - Auditors' reservations or qualifications or adverse remarks: - Nil

For the year 2018-19 - Auditors' reservations or qualifications or adverse remarks: - Nil

For the year 2019-20 - Auditors' reservations or qualifications or adverse remarks: - Nil

4.12 Details of borrowings of the Company, as on latest quarter end (March 31, 2020):

(a) Details of Secured Loan Facilities:

> Cash credit facility:

S. No.	Ledger's Name	Type of Facility	Amount Sanctioned (in crs.)	Principal Amount Outstanding As on 31st March, 2020 (in crs.)	Repayment Date / Schedule	Security
1	Axis Bank	Cash Credit	25.00	0.00	Repayable on demand	Hypothecation of receivables of loan assets / book debts
2	Central Bank of India	Cash Credit	20.00	0.00	Repayable on demand	Hypothecation of receivables of loan assets / book debts
3	HDFC	Cash	40.00	0.00	Repayable on	Hypothecation of receivables

	BANK	Credit			demand	of loan assets / book debts
4	ICICI Bank	Cash Credit	10.00	0.00	Repayable on demand	Hypothecation of receivables of loan assets / book debts
5	INDUSIND BANK	Cash Credit	18.00	0.01	Repayable on demand	Hypothecation of receivables of loan assets / book debts
6	Kotak Mahindra Bank	Cash Credit	4.00	0.00	Repayable on demand	Hypothecation of receivables of loan assets / book debts
7	RBL Bank	Cash Credit	25.00	24.55	Repayable on demand	Hypothecation of receivables of loan assets / book debts
	Total		142.00	24.57		

➤ **Term Loan facility**

S. No.	Lender's Name	Type of Facility	Amount Sanctioned (n crs.)	Principal Amount Outstanding (in crs.)	Repayment Date / Schedule	Security
1	Allahabad Bank	Term Loan	50.00	30.53	Repayable in 72 monthly installments. Maturity in Dec-2023	Hypothecation of receivables of loan assets / book debts
		Term Loan	60.00	58.01	Repayable in 120 monthly installments. Maturity in Nov-2029	Hypothecation of receivables of loan assets / book debts
2	Andhra Bank	Term Loan	25.00	3.21	Repayable in 78 Monthly installments. Maturity on 21 January, 2021	Hypothecation of receivables of loan assets / book debts
		Term Loan	25.00	16.67	Repayable in 36 Quarterly installments. Maturity on 28 March, 2026	Hypothecation of receivables of loan assets / book debts
		Term Loan	100.00	88.91	Repayable in 36 Quarterly installments. Maturity in March, 2028	Hypothecation of receivables of loan assets / book debts
		Term Loan	50.00	36.11	Repayable in 36 Quarterly installments. Maturity on 12 July, 2026	Hypothecation of receivables of loan assets / book debts
		Term Loan	50.00	10.00	Repayable in 36 Quarterly installments. Maturity in December, 2029	Hypothecation of receivables of loan assets / book debts
3	AXIS BANK	Term Loan	50.00	31.93	Repayable in 36 quarterly instalments. Maturity on 31 March, 2026	Hypothecation of receivables of loan assets / book debts
		Term Loan	150.00	120.82	Repayable in 36 quarterly instalments. Repayable on 1 Jan, 2028	Hypothecation of receivables of loan assets / book debts
		Term Loan	50.00	28.12	Repayable in 16 quarterly instalments. Maturity on	Hypothecation of receivables of loan

					30 Sep, 2022.	assets / book debts
		Term Loan	100.00	94.47	Repayable in 32 quarterly instalments. Maturity on 30 Sep, 2027.	Hypothecation of receivables of loan assets / book debts
4	BANK of BARODA	Term Loan	25.00	11.92	Repayable in 25 quarterly instalments Maturity on 12-Jun, 2023.	Hypothecation of receivables of loan assets / book debts
		Term Loan	100.00	56.67	Repayable in 108 monthly instalments Maturity in March, 2026.	Hypothecation of receivables of loan assets / book debts
		Term Loan	15.00	11.25	Repayable in 24 Quarterly installments. Maturity in September 2024.	Hypothecation of receivables of loan assets / book debts
		Term Loan	35.00	31.11	Repayable in 36 Quarterly installments Maturity in March, 2028.	Hypothecation of receivables of loan assets / book debts
5	BANK of INDIA	Term Loan	25.00	4.18	Repayable in 24 equal quarterly instalments Maturity on 30 June, 2021.	Hypothecation of receivables of loan assets / book debts
		Term Loan	25.00	0.71	Repayable in 78 monthly instalments Maturity on 16 Jun, 2020.	Hypothecation of receivables of loan assets / book debts
6	Canara Bank	Term Loan	50.00	36.10	Repayable in 36 Quarterly installments Maturity on Sep, 2026.	Hypothecation of receivables of loan assets / book debts
		Term Loan	50.00	38.86	Repayable in 36 Quarterly installments Maturity in Mar, 2027.	Hypothecation of receivables of loan assets / book debts
		Term Loan	100.00	83.33	Repayable in 36 Quarterly installments Maturity in September 2027.	Hypothecation of receivables of loan assets / book debts
7	Central Bank of India	Term Loan	100.00	83.32	Repayable in 36 Quarterly installments Maturity in August 2027.	Hypothecation of receivables of loan assets / book debts
		Term Loan	100.00	100.00	Repayable in 36 Quarterly installments Maturity in September 2029.	Hypothecation of receivables of loan assets / book debts
		Term Loan	190.00	100.00	Repayable in 36 Quarterly installments Maturity in March 2030.	Hypothecation of receivables of loan assets / book debts
8	Corporation Bank	Term Loan	50.00	48.24	Repayable in 114 Monthly installments Maturity on 5 April 2029.	Hypothecation of receivables of loan assets / book debts
9	Development Credit Bank	Term Loan	15.00	6.56	Repayable in 16 Quarterly installments. Maturity on	Hypothecation of receivables of loan

					30 Nov, 2021.	assets / book debts
10	Federal Bank	Term Loan	25.00	23.75	Repayable in 20 Quarterly installments. Maturity on 30 Nov, 2024.	Hypothecation of receivables of loan assets / book debts
			25.00	23.75	Repayable in 20 Quarterly installments. Maturity on 31 Dec, 2024.	Hypothecation of receivables of loan assets / book debts
11	HDFC BANK	Term Loan	25.00	15.51	Repayable in 32 quarterly instalments Maturity on 7 Jan, 2025.	Hypothecation of receivables of loan assets / book debts
		Term Loan	25.00	15.61	Repayable in 32 quarterly instalments Maturity on 7 Feb, 2025.	Hypothecation of receivables of loan assets / book debts
		Term Loan	60.00	42.90	Repayable in 60 monthly instalments Maturity on 7 July, 2023.	Hypothecation of receivables of loan assets / book debts
		Term Loan	100.00	83.51	Repayable in 60 monthly instalments Maturity in March, 2024.	Hypothecation of receivables of loan assets / book debts
		Term Loan	200.00	98.54	Repayable in 96 monthly instalments Maturity in January, 2028.	Hypothecation of receivables of loan assets / book debts
12	ICICI BANK	Term Loan	10.00	4.38	Repayable in 32 quarterly instalments Maturity on 31 July, 2023.	Hypothecation of receivables of loan assets / book debts
		Term Loan	10.00	1.07	Repayable in 28 quarterly instalments Maturity on 31 December, 2020.	Hypothecation of receivables of loan assets / book debts
		Term Loan	70.00	8.46	Repayable in 26 quarterly instalments Maturity on 31 Aug, 20125.	Hypothecation of receivables of loan assets / book debts
13	IDBI BANK	Term Loan	25.00	2.88	Repayable in 78 monthly instalments. Maturity on 31 December, 2020.	Hypothecation of receivables of loan assets / book debts
		Term Loan	100.00	61.40	Repayable in 114 monthly instalments Maturity in January, 2026.	Hypothecation of receivables of loan assets / book debts
14	Indian Bank	Term Loan	100.00	94.41	Repayable in 36 yearly installments Maturity in August, 2028.	Hypothecation of receivables of loan assets / book debts
15	INDUSIND BANK	Term Loan	30.00	15.63	Repayable in 24 quarterly instalments Maturity in March, 2023.	Hypothecation of receivables of loan assets / book debts
16	Karnataka Bank	Term Loan	25.00	15.96	Repayable in 36 quarterly instalments Maturity on 30 November, 2025	Hypothecation of receivables of loan assets / book debts

		Term Loan	25.00	19.44	Repayable in 36 quarterly instalments Maturity on 31 March, 2027.	Hypothecation of receivables of loan assets / book debts
17	Kotak Mahindra Bank	Term Loan	20.00	9.00	Repayable in 20 quarterly instalments. Maturity on 30 May 2022.	Hypothecation of receivables of loan assets / book debts
		Term Loan	50.00	42.50	Repayable in 20 quarterly instalments. Maturity in May 2024.	Hypothecation of receivables of loan assets / book debts
		Term Loan	50.00	42.50	Repayable in 20 quarterly instalments. Maturity in June 2024.	Hypothecation of receivables of loan assets / book debts
		Term Loan	50.00	47.50	Repayable in 20 quarterly instalments. Maturity in Dec 2024.	Hypothecation of receivables of loan assets / book debts
		Term Loan	50.00	50.00	Repayable in 20 quarterly instalments. Maturity in Feb 2025.	Hypothecation of receivables of loan assets / book debts
18	Oriental Bank of Commerce	Term Loan	50.00	30.51	Repayable in 36 quarterly instalments. Maturity in July 2025.	Hypothecation of receivables of loan assets / book debts
		Term Loan	50.00	40.28	Repayable in 36 quarterly instalments. Maturity in July 2027.	Hypothecation of receivables of loan assets / book debts
		Term Loan	15.00	13.75	Repayable in 36 quarterly instalments. Maturity in June 2028.	Hypothecation of receivables of loan assets / book debts
		Term Loan	85.00	80.28	Repayable in 36 quarterly instalments. Maturity in June 2028.	Hypothecation of receivables of loan assets / book debts
		Term Loan	50.00	50.00	Repayable in 36 quarterly instalments. Maturity in September 2029.	Hypothecation of receivables of loan assets / book debts
		Term Loan	50.00	50.00	Repayable in 36 quarterly instalments. Maturity in December 2029.	Hypothecation of receivables of loan assets / book debts
19	Punjab National Bank	Term Loan	200.00	100.00	Repayable in 36 quarterly instalments. Maturity in March 2030.	Hypothecation of receivables of loan assets / book debts
20	SBI Life Insurance	Term Loan	100.00	93.75	Repayable in 16 half yearly instalments. Maturity in September 2027.	Hypothecation of receivables of loan assets / book debts
21	South Indian Bank	Term Loan	20.00	14.44	Repayable in 36 Quarterly instalments Maturity in April, 2026.	Hypothecation of receivables of loan assets / book debts

		Term Loan	25.00	19.40	Repayable in 36 Quarterly instalments Maturity in January, 2027.	Hypothecation of receivables of loan assets / book debts
		Term Loan	30.00	25.83	Repayable in 36 Quarterly installments. Maturity in December, 2027.	Hypothecation of receivables of loan assets / book debts
22	State Bank of India	Term Loan	50.00	31.97	Repayable in 108 Quarterly installments. Maturity on 31 December, 2025.	Hypothecation of receivables of loan assets / book debts
		Term Loan	130.00	93.76	Repayable in 36 Quarterly installments. Maturity on 31 December, 2026.	Hypothecation of receivables of loan assets / book debts
		Term Loan	50.00	31.93	Repayable in 36 Quarterly installments. Maturity on 31 March, 2026.	Hypothecation of receivables of loan assets / book debts
23	Syndicate Bank	Term Loan	12.50	12.50	Repayable in 36 Quarterly installments. Maturity on 31 May, 2029.	Hypothecation of receivables of loan assets / book debts
		Term Loan	12.50	12.50	Repayable in 36 Quarterly installments. Maturity on 31 May, 2029.	Hypothecation of receivables of loan assets / book debts
24	UCO BANK	Term Loan	25.00	7.40	Repayable in 78 monthly instalments Maturity on 28 February, 2022.	Hypothecation of receivables of loan assets / book debts
		Term Loan	50.00	41.66	Repayable in 36 Quarterly installments. Maturity in August, 2027.	Hypothecation of receivables of loan assets / book debts
		Term Loan	50.00	50.00	Repayable in 36 Quarterly installments. Maturity in September, 2029.	Hypothecation of receivables of loan assets / book debts
		Term Loan	100.00	99.98	Repayable in 36 Quarterly installments. Maturity in November, 2029.	Hypothecation of receivables of loan assets / book debts
25	Union Bank	Term Loan	60.00	49.99	Repayable in 36 quarterly instalments. Repayable in June 2027.	Hypothecation of receivables of loan assets / book debts
		Term Loan	75.00	75.00	Repayable in 36 quarterly instalments. Repayable in March 2030.	Hypothecation of receivables of loan assets / book debts
26	United Bank	Term Loan	55.00	42.65	Repayable in 36 quarterly instalments. Repayable on 30 June, 2027.	Hypothecation of receivables of loan assets / book debts
		Term Loan	50.00	50.00	Repayable in 36 quarterly instalments. Repayable in September, 2029.	Hypothecation of receivables of loan assets / book debts
27	NHB	Term	5.00	1.89	Equal quarterly	Hypothecation of

		Loan			instalments. Maturity Date: 01-Jul-30.	receivables of loan assets / book debts
		Term Loan	5.00	0.40	Equal quarterly instalments. Maturity Date: 01-Jul-30.	Hypothecation of receivables of loan assets / book debts
		Term Loan	2.00	0.93	Equal quarterly instalments. Maturity Date: 01-Jul-30.	Hypothecation of receivables of loan assets / book debts
		Term Loan	2.33	0.00	Equal quarterly instalments. Maturity Date: 01-Jan-25.	Hypothecation of receivables of loan assets / book debts
		Term Loan	5.82	0.70	Equal quarterly instalments. Maturity Date: 01-Jul-22.	Hypothecation of receivables of loan assets / book debts
		Term Loan	4.18	0.00	Equal quarterly instalments. Maturity Date: 01-Jan-21.	Hypothecation of receivables of loan assets / book debts
		Term Loan	10.00	0.74	Equal quarterly instalments. Maturity Date: 01-Oct-21.	Hypothecation of receivables of loan assets / book debts
		Term Loan	5.00	0.46	Equal quarterly instalments. Maturity Date: 01-Oct-21.	Hypothecation of receivables of loan assets / book debts
		Term Loan	18.84	7.60	Equal quarterly instalments. Maturity Date: 01-Jan-28.	Hypothecation of receivables of loan assets / book debts
		Term Loan	6.16	1.89	Equal quarterly instalments. Maturity Date: 01-Jan-30	Hypothecation of receivables of loan assets / book debts
		Term Loan	25.00	8.54	Equal quarterly instalments. Maturity Date: 01-Jun-30.	Hypothecation of receivables of loan assets / book debts
		Term Loan	25.00	12.46	Equal quarterly instalments. Maturity Date: 01-Jun-30.	Hypothecation of receivables of loan assets / book debts
		Term Loan	15.00	6.68	Equal quarterly instalments. Maturity Date: 01-Jan-28.	Hypothecation of receivables of loan assets / book debts
		Term Loan	10.00	2.83	Equal quarterly instalments. Maturity Date: 01-Jan-31.	Hypothecation of receivables of loan assets / book debts
		Term Loan	45.00	30.11	Equal quarterly instalments. Maturity in March 2032	Hypothecation of receivables of loan assets / book debts
		Term Loan	100.00	51.30	Equal quarterly instalments. Maturity in June 2032	Hypothecation of receivables of loan assets / book debts

Term Loan	55.00	33.61	Equal quarterly instalments.Maturity in June 2032	Hypothecation of receivables of loan assets / book debts
Term Loan	25.01	30.12	Equal quarterly instalments.Maturity in Oct 2032	Hypothecation of receivables of loan assets / book debts
Term Loan	26.40	16.57	Equal quarterly instalments.Maturity in Oct-27	Hypothecation of receivables of loan assets / book debts
Term Loan	35.72	18.32	Equal quarterly instalments.Maturity in Jan-31	Hypothecation of receivables of loan assets / book debts
Term Loan	10.00	7.82	Equal quarterly instalments.Maturity in Apr-32	Hypothecation of receivables of loan assets / book debts
Term Loan	48.70	37.88	Equal quarterly instalments.Maturity in Mar-25	Hypothecation of receivables of loan assets / book debts
Term Loan	50.01	42.15	Equal quarterly instalments.Maturity in Apr-33	Hypothecation of receivables of loan assets / book debts
Term Loan	40.00	35.41	Equal quarterly instalments.Maturity in Jan-26	Hypothecation of receivables of loan assets / book debts
Term Loan	60.00	54.97	Equal quarterly instalments.Maturity in Jan-34	Hypothecation of receivables of loan assets / book debts
Term Loan	40.00	35.41	Equal quarterly instalments.Maturity in Jan-26	Hypothecation of receivables of loan assets / book debts
Term Loan	60.00	47.97	Equal quarterly instalments.Maturity in Jan-34	Hypothecation of receivables of loan assets / book debts
Term Loan	120.00	104.94	Equal quarterly instalments.Maturity in Jan-34	Hypothecation of receivables of loan assets / book debts
Term Loan	80.00	70.79	Equal quarterly instalments.Maturity in Jan-26	Hypothecation of receivables of loan assets / book debts
Term Loan	77.00	68.69	Equal quarterly instalments.Maturity in Jan-34	Hypothecation of receivables of loan assets / book debts
Term Loan	23.00	20.12	Equal quarterly instalments.Maturity in Jan-26	Hypothecation of receivables of loan assets / book debts
Term Loan	120.00	120.00	Equal quarterly instalments.Maturity in	Hypothecation of receivables of loan

					Jan-30	assets / book debts
		Term Loan	80.00	80.00	Equal quarterly instalments.Maturity in Jan-27	Hypothecation of receivables of loan assets / book debts
		Total	5295.17	3918.59		

(b) **Details of Unsecured Loan Facilities:**

Company has not have any unsecured loan facilities outstanding as on the quarter ended on March 31, 2020.

(c) **Details of Non-Convertible Debentures/Bonds outstanding as on March 31st, 2020:**

S. No.	Debenture Series	Tenor / Period of Maturity	Coupon (p.a.)	Amount (Rs. in crores)	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Details of Security
1	Not Applicable	2 Years 10 Months	SBI Linked MCLR + Spread	50.00	20-Dec-16	19 th Oct 2020	ICRA A+ Positive	Secured	Hypothecation of receivables of loan assets / book debt to the extent of 100%
2	Not Applicable	4 year 10 Months	8.43%	130.00	18-Jul-17	18 th May, 2022	ICRA A+ Positive	Secured	Hypothecation of receivables of loan assets / book debt to the extent of 110%
3	Not Applicable	6 years	9.49%	100.00	22-Dec-17	22nd Dec 2023	CARE AA- Stable	Unsecured	-
4	Not Applicable	5 years	9.10%	10.00	17-Apr-18	17-Apr-23	ICRA A+ Positive	Secured	Hypothecation of receivables of loan assets / book debt to the extent of 110%
5	Not Applicable	7 Years	9.23%	200.00	20-Dec-18	20-Dec-25	-	Unsecured	-
6	Not Applicable	5 Years	8.57%	345.00	16-Sep-19	15-Sep-24	CARE AA- Stable	Secured	Hypothecation of receivables of loan assets / book debt to the extent of 110%

S. No.	Debenture Series	Tenor / Period of Maturity	Coupon (p.a.)	Amount (Rs. in crores)	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Details of Security
7	Not Applicable	8 Years	8.83%	444.40	30-Mar-20	13 Half yearly instalments . Final maturity at 30 March 2028	CARE AA-Stable	Secured	Hypothecation of receivables of loan assets / book debt to the extent of 110%
Total				1279.40					

(d) **List of Top 10 Debenture Holders (as on March 31, 2020):**

S. No.	Name of Debenture Holders	Amount (Rs. In crore)
1	ASIAN DEVELOPMENT BANK	444.40
2	INTERNATIONAL FINANCE CORPORATION	345.00
3	INTERNATIONAL FINANCE CORPORATION	130.00
4	ICICI PRUDENTIAL CREDIT RISK FUND	100.00
5	RELIANCE CAPITAL TRUSTEE CO LTD-A/C NIPPON INDIA FIXED HORIZON FUND - XXXII - SERIES 4	46.00
6	Max Life Insurance Company Limited A/c - ULIF00125/06/04LIFEGROWTH104 - Growth Fund	10.00
7	RELIANCE CAPITAL TRUSTEE CO LTD-A/C NIPPON INDIA FIXED HORIZON FUND - XXXII - SERIES 1	04.00

(e) **The amount of corporate guarantee issued by the Issuer along with name of the counterparty (like name of the subsidiary, JV entity, group company, etc.) on behalf of whom it has been issued (if any) as on March 31, 2020:**

N.A

(f) **Details of Commercial Paper as on March 31, 2020:**

Company has not any Commercial Papers Outstanding as on the quarter ended on 31st March, 2020.

(g) **Details of rest of the borrowing (if any including hybrid debt like FCCB, Optionally Convertible Debentures / Preference Shares) as on March 31, 2020:**

N.A

(h) **Details of all default/s and/or delay in payments of interest and principal of any kind of term loans, debt securities and other financial indebtedness including corporate guarantee issued by the Company, in the past 5 years:**

N.A

- (i) **Details of any outstanding borrowings taken / debt securities issued where taken / issued (i) for consideration other than cash, whether in whole or part, (ii) at a premium or discount, or (iii) in pursuance of an option:**

N. A.

- (j) **The details of Debentures issued at a discount and outstanding as March 31, 2020 is given hereunder:**

NIL

- (k) **The details of Debentures issued at a premium and outstanding as on March 31, 2020 is given hereunder:**

NIL

- (l) **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 Material 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:

- (a) **Details of Promoter Holding in Company as on latest quarter end, i.e. March 31, 2020:**

Sr. No.	Name of the shareholders	Total no. of equity shares	No. of shares in demat form	Total shareholding as % of total no. of equity shares	No. of shares pledged	% of shares pledged with respect to shares owned
1	Lake District Holdings Limited	23140827	23140827	29.55	-	-
2	Partners Group ESCL Limited	13018256	13018256	16.62	-	-

- 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.**

Attached to this Information Memorandum in Annexure V.

- 4.16 Abridged version of Latest Audited/ Limited Review Half Yearly Consolidated and Standalone Financial Information and auditors qualifications, if any.**

Attached to this Information Memorandum in Annexure V.

- 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 World Health Organization (WHO) on March 11, 2020 declared the outbreak of Coronavirus (COVID-19) as a global "pandemic". The declaration from WHO came at a time when COVID-19 cases rapidly increased across the world. The spread of virus has triggered panic across the world and financial markets.

Like some of the other countries in the World, the virus' impact led the Hon'ble Prime Minister of India, Shri Narendra Modi to announce a lockdown across the country from March 25, 2020 to restrict it from spreading further and to break the cycle of infection. As a result, the Country's economy activities came to a standstill.

4.18 Names of the Debentures Trustees and Consents thereof

The Debenture Trustee of the proposed Debentures is **IDBI Trusteeship Services Limited**. IDBI Trusteeship Services Limited 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 Information Memorandum and in all subsequent periodical communications sent to the Debenture Holders, in accordance with regulation 4(4) of the SEBI (Issue and Listing of Debt Securities) Regulations, 2008.

4.19 Rating and Rating Rationale

The Rating Agency has assigned ratings of **"ICRA A+/Positive"** to the Debentures. Instruments with this rating are considered to have adequate degree of safety regarding timely servicing of financial obligations. Such instruments carry low credit risk.

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 Documents.

N/A

4.21 Copy of consent letter from the Debenture Trustee

The consent letter from Debenture Trustee is provided in Annexure III of this Information Memorandum.

4.22 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 in-principle approval of the BSE has been obtained in this regard.

4.23 Other details:

(a) DRR Creation:

As per the provisions of the Companies Act, pursuant to Rule 18(7)(b)(ii) of the Companies (Share Capital and Debenture) Rules 2014 as amended by the Companies (Share Capital and Debentures) Amendment Rules, 2014, Housing Finance Companies registered with the National Housing Bank issuing privately placed debentures are not required to create DRR, hence requirement to create a DRR is not applicable on the Company. If required to do so as per Applicable Law, it will create a debenture redemption reserve as per the provisions of the Act (and the rules and regulations made thereunder) and the guidelines issued by the SEBI. Further,

if during the tenor of the Debentures, any guidelines are formulated (or modified or revised) by any Governmental Authority in respect of creation of DRR, the Company shall abide by such guidelines and shall do all deed, acts and things as may be required by the Debenture Trustee.

(b) Issue / instrument specific regulations:

The shareholders of the Company, subject to the Memorandum and Articles of Association of the Company, have passed a resolution under Section 180(1)(c) of the Companies Act, 2013 in a meeting held on August 1, 2019 which prescribes the maximum monetary limit for the purpose of borrowing as Rs. 10000,00,00,000/- (Rupees ten thousand crore). The aggregate value of Debentures offered through this document is within the approved borrowing limits.

Further, the Issue of Debentures offered through this Information Memorandum is being made pursuant to the resolution under Section 179(3)(c) of the Companies Act. Board of Directors of the Company, passed at their meeting held on June 17, 2020 which authorises the Company to Issue Debentures and list them on BSE for an amount not more than Rs. 150,00,00,000/- (Rupees One hundred and Fifty crore).

(c) Application process:

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

4.24 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 our Company between 10.00 am to 4.00 pm on working days.

Sr. No.	Nature of Contract
1	Certified true copy of the Memorandum & Articles of Association of the Issuer
2	Shareholders Resolution dated August 1, 2019 approving NCD limit
3	Executive Committee Resolution dated 17 th June 2020 authorizing Issue of Debentures offered under terms of this Disclosure Document
4	Copies of Annual Reports of our Company for the last three Financial Years
5	Credit rating letter from the Rating Agency
6	Letter from IDBI Trusteeship Services Limited giving its consent to act as Debenture Trustee
7	Letter for Register and Transfer Agent
8	Certified true copy of the certificate of incorporation of the Company
9	Certified true copy of the tripartite agreement between the Company, the R & T Agent and the NSDL
10	Copy of application made to BSE for grant of in-principle approval for listing of Debentures.

4.25 Details of Debt Securities Sought to be Issued

Under the purview of current document, the Issuer intends to raise an amount of Rs. 150,00,00,000/- (Rupees One hundred and Fifty crore) by Issue of Rated, Secured, Redeemable, Listed Non-Convertible Debentures, on a private placement basis.

For further details of the Debentures, please refer to the terms and conditions of the debentures set out in **Annexure I** of this Information Memorandum.

4.26 Issue Size

The aggregate issue size for the Debentures is upto Rs. 150,00,00,000/- (Rupees One hundred and Fifty crore).

4.27 Utilization of the Issue Proceeds

The proceeds shall be used for the general corporate purposes and / or for onward lending of mortgage loan in the course of business of the Company.

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.

4.28 Security

- a. The Debentures shall be secured (i) by way of a first ranking exclusive and continuing charge to be created pursuant to an unattested deed of hypothecation, dated on or about the Deemed Date of Allotment, executed or to be executed and delivered by the Company in a form acceptable to the Debenture Trustee ("**Deed of Hypothecation**") over, specified/identified, book debts and/or loan receivables and/or lien marked fixed deposits and/or other current assets of the Company as described therein (the "**Charged Assets**") and such other security interest as may be agreed between the Company and the Debenture Holders (hereinafter referred to as the "**Security**").
- b. The charge over the Charged Assets at all times be (i) at least 1.1 (One decimal one zero) times the value of the Outstanding Amounts; (collectively, the "**Security Cover**") and shall be maintained at all times until all the Obligations are satisfied by the Company. For the purpose of calculation of Security Cover only principal receivable from Client Loans, fixed deposits, term deposits and other current assets shall be considered.
- c. The Company shall create the charge over the Charged Assets on or prior to the Deemed Date of Allotment and perfect such security by filing Form CHG-9 with the ROC and Form I with CERSAI in respect thereof within 30 (Thirty) calendar days from the Deemed Date of Allotment.

4.29 Put option

Nil

4.30 Call Option

Nil

4.31 Step Up Coupon Rate

If the credit rating of the Debentures is downgraded below the existing rating of ICRA A+ by two notches (ICRA A- or below), the Interest Rate shall be increased by 0.25% (zero decimal two five percent) per annum ("**Step Up Rate**") and such Step Up Rate shall be applicable on the Outstanding Principal Amounts from the immediately next occurring Interest Payment Date until the date the rating is restored to the Rating (or its equivalent rating).

4.32 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 Deed / Trustee Agreement

4.33 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 of the relevant Series 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.

4.34 Conflict

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

4.35 Conjunction

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.

4.36 Issue Details

Security Name	6.60% Aavas Financiers Limited, Dec'2021
----------------------	--

Issuer	AAVAS FINANCIERS LIMITED
Type of Instrument	Rated, secured, redeemable, listed non-convertible debentures denominated in Indian Rupees on a private placement basis. ("NCD")
Nature of Instrument	Non-Convertible
Seniority	Senior
Mode Of Issue	Private Placement
Eligible Investor	As mentioned in clause 7.17 of this document
Listing	Proposed to be listed on the WDM of BSE within a maximum period of 15 (Fifteen) days from the Deemed Date of Allotment.
Rating of Instrument	A+/Positive by ICRA
Issue Size	Indian Rupee 150 Crs.
Option to retain oversubscription	N.A
Objects of the Issue	For augmenting the long term of resources of the Company.
Details of the utilization of the Proceeds	<p>The proceeds of the Issuance will be utilized for the following purposes:</p> <ul style="list-style-type: none"> • General Corporate Purpose • For On-lending of mortgage loans <p>No part of the proceeds shall be utilized directly/indirectly towards the purpose which are restricted by RBI and/or NHB from time to time.</p>
Coupon Rate	6.60% payable half yearly.
Step up/Step Down Coupon Rate	As per clause 5.31 of the document
Coupon Payment Frequency	Half Yearly
Coupon Payment dates	22 nd December 2020, 22 nd June 2021 and 22 nd December 2021
Coupon Type	Fixed
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc).	N.A
Day Count Basis	Actual / Actual
Interest on Application Money	At the respective Yield rate, as applicable from the date of realisation of the application monies by the Issuer up to 1 (One) day prior to the Deemed Date of Allotment.
Default Interest Rate	2%
Tenor	18 Months from the allotment date
Redemption Premium/Discount	N.A
Issue Price	Rs. 10,00,000/- (Rupees Ten Lakhs only) per Debenture
Discount at which security is issued and the effective yield as result of such discount.	N.A
Put Option Date	N.A
Put Option Price	N.A
Call Option Date	N.A
Call Option Price	N.A

Put Notification Time	N.A
Call Notification Time	N.A
Face Value	Rs. 10,00,000/- (Rupees Ten Lakhs only) per Debenture
Minimum Application Size	10 Debentures equivalent to Rs. 1,00,00,000
Issue Timing	Issue Opening Date: 19 th June 2020 Issue Closing Date: 19 th June 2020 Pay-in Date: 22 nd June 2020 Deemed Date of Allotment: 22 nd June 2020
Issuance mode of the Instrument	Demat only
Trading mode of the Instrument	Demat only
Settlement mode of the Instrument	RTGS / EFT
Depository	NSDL
Business Day Convention	Means a day (other than a Sunday or a public holiday for the purpose of Section 25 of the Negotiable Instruments Act, 1881 (26 of 1881)) on which banks are open for general business in Mumbai. If the Due Date for payment falls on a day that is not a Business Day, then the Due Date in respect of such payment shall be the preceding Business Day.
Record Date	7 (Seven) Calendar Days prior to any payment due and Redemption date.
Security	As per Term sheet mentioned in Annexure I.
Transaction Documents	Information Memorandum Debenture Trustee Agreement Debenture Trust Deed Deed of Hypothecation and; any other document as required by the debenture trustee.
Condition Precedent to Disbursement	As customary for transaction of a similar nature and size including execution of the Debenture Trustee Agreement.
Condition Subsequent to Disbursement	As customary for transaction of a similar nature and size; (a) the Company shall ensure that the Debentures are credited into the demat accounts of the respective Debenture Holders within 3 (three) Business Days from the Deemed Date of Allotment; (b) the Company shall, inter alia, file a return of allotment of securities under Form PAS-3 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 with the ROC within 15 (fifteen) days of the allotment of Debentures along with a list of the Debenture Holders and with the prescribed fee; (c) the Company shall file Form CHG 9 with the ROC and Form I with CERSAI within 30 (Thirty) days of Deemed Date of Allotment; and (d) the Company shall obtain listing of the Debentures within 15

	<p>(fifteen) days of Deemed Date of Allotment.</p> <p>(e) submission of a copy of the certificate from Company's auditor within 90 (ninety) days confirming that the issuance of the Debentures complies with the eligibility and other criteria prescribed in the NHB NCD Directions.</p> <p>(f) As applicable to the Issuer in accordance with the Applicable Law(s), relevant filings in the prescribed form to be made with an information utility registered with the Insolvency and Bankruptcy Board of India in accordance with Section 215 of the Insolvency Code and other regulations including the Insolvency and Bankruptcy Board of India (Information Utilities) Regulations, 2017 no later than 30 (thirty) days after the date of this Deed</p>
Event of Defaults	As mentioned in Clause 6.8 of this document
Provisions related to Cross Default Clause	As mentioned in Clause 6.8(f) of this document
Role and Responsibility of Debenture Trustee	To oversee and monitor the overall transaction for and on behalf of the Debenture Holders as customary for transaction of a similar nature and size
Governing Law and Jurisdiction	The Debentures and documentation will be governed by and construed in accordance with the laws of India and the parties submit to the non-exclusive jurisdiction in New Delhi; provided however that the jurisdiction has be kept non-exclusive only for the benefit of the Debenture Holders and the other parties to the transaction will have to compulsorily submit any dispute to courts and tribunals in New Delhi.
Pay in Date	T+1 (where T refers to the date of Bidding/Issue day)
Manner of Bidding	Open Book
Mode of Allotment / Allocation option	Uniform Yield
Mode of Settlement	Indian Clearing Corporation Limited (ICCL)

SECTION 5A: DISCLOSURE PERTAINING TO WILFUL DEFAULTS

<i>Name of the bank declaring the entity as a wilful defaulter</i>	N.A
<i>The year in which the entity is declared as a wilful defaulter</i>	N.A
<i>outstanding amount when the entity is declared as a wilful defaulter</i>	N.A
<i>name of the entity declared as a wilful defaulter</i>	N.A
<i>steps taken, if any, for the removal from the list of wilful defaulters</i>	N.A
<i>other disclosures as deemed fit by the issuer in order to enable the investors to make informed decisions</i>	N.A
<i>any other disclosure as specified by the board</i>	N.A

SECTION 5: TRANSACTION DOCUMENTS AND KEY TERM

5.1 Transaction Documents

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

- (a) Information Memorandum ("**IM**")
- (b) Debenture Trustee Agreement, which will confirm the appointment of IDBI Trusteeship Services Limited as the Debenture Trustee ("**Debenture Trustee Agreement**");
- (c) Debenture Trust cum Mortgage Deed, which will set out the terms upon which the Debentures are being issued and shall include the representations and warranties and the covenants to be provided by the Issuer ("**Debenture Trust Deed**");
- (d) Deed of Hypothecation whereby the Issuer will create an exclusive charge by way of hypothecation over the Hypothecated Assets in favour of the Debenture Trustee to secure its obligations in respect of the Debentures ("**Deed of Hypothecation**")
- (e) Such other documents as agreed between the Issuer and the Debenture Trustee.

The Transaction Documents shall be executed on or prior to the Deemed Date of Allotment.

5.2 Representations and Warranties of the Issuer

The Company makes the representations and warranties set out in this Clause 6.2 to the Debenture Trustee for the benefit of the Debenture Holders as on the date of this DTD, which representations shall be true and valid until the Final Settlement Date.

(a) **Status**

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

(b) **Binding obligations**

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

(c) **Issue**

- (i) The Issue and the Debentures comply with the requirements prescribed by the NHB (including without limitation, the eligibility and other criteria prescribed in

the NHB NCD Directions).

- (ii) The Company has obtained the Rating, and the Rating is current and has not fallen due for review.
- (iii) The Rating fulfills the requirements prescribed under the NHB NCD Directions.
- (iv) The amount of the Debentures is within the limit prescribed by the board of directors of the Company or the amount prescribed in the Rating, whichever is lower.
- (v) The Company has a policy approved by its board of directors for resource raising, which, *inter alia*, covers the horizon and the periodicity of private placement of non-convertible debentures by the Company.

(d) ***Non-conflict with other obligations***

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

- (i) any Applicable Law or regulation applicable to it (including without limitation, the NHB NCD Directions);
- (ii) its Constitutional Documents; or
- (iii) any agreement or instrument binding upon it or any of its Assets.

(e) ***Power and authority***

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

(f) ***Validity and admissibility in evidence***

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

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

(g) ***No default***

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

(h) ***Pari passu ranking***

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

(i) ***No proceedings pending***

Except as disclosed by the Company in its Information Memorandum, annual reports and financial statements, no material litigation, arbitration or administrative proceedings of or before any court, arbitral body or agency have been started against the Company or its Officers, which if adversely determined, may have a Material Adverse Effect on the Company, and the Company is not aware of any such proceeding being threatened.

(j) ***No misleading information***

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

(k) ***Compliance***

- (i) The Company has complied with Applicable Law (including without limitation, the NHB NCD Directions).
- (ii) There has not been and there is no investigation or enquiry by, or order, decree, decision or judgment of any Governmental Authority issued or outstanding or to the best of the Company's knowledge (after making due and careful enquiry), anticipated against the Company which would have a Material Adverse Effect on the Company, nor has any notice or other communication (official or otherwise) from any Governmental Authority been issued or is outstanding or to the best of the Company's knowledge (after making due and careful enquiry), anticipated

with respect to an alleged, actual or potential violation and/or failure to comply with any such Applicable Laws or requiring them to take or omit any action.

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

(l) ***Assets***

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

(m) ***Financial statements and Accounts***

- (i) Its financial statements most recently supplied to the Debenture Trustee as of March 31, 2020 were prepared in accordance with Accounting Standards consistently applied save to the extent expressly disclosed in such financial statements.
- (ii) Its financial statements as of March 31, 2020 supplied to the Debenture Trustee, give a true and fair view and represent its financial condition and operations during the Financial Year save to the extent expressly disclosed in such financial statements.
- (iii) The financial statements of the Company will be prepared in accordance with Accounting Standards or any other such accounting standards as may be mandated under Applicable Law.

(n) ***Solvency***

- (i) The Company is able to, and has not admitted its inability to, pay its debts as they mature and has not suspended making payment on any of its debts and it has not been deemed by a court to be unable to pay its debts for the purposes of Applicable Law, nor will it become unable to pay its debts for the purposes of Applicable Law as a consequence of entering into this DTD or any other Transaction Document.
- (ii) The Company, by reason of actual or anticipated financial difficulties, has not commenced, and does not intend to commence, negotiations with one or more of its creditors with a view to rescheduling its Indebtedness.
- (iii) The value of the Assets of the Company is more than its liabilities (taking into account contingent and prospective liabilities) and it has sufficient capital to carry on its business.

- (iv) The Company has not taken any corporate action nor has it taken any legal proceedings or other procedure or steps in relation to any bankruptcy proceedings.
- (v) No insolvency or bankruptcy process has commenced under the (Indian) Insolvency and Bankruptcy Code, 2016 (to the extent applicable) in respect of any of the Company.
- (vi) No reference has been made, or enquiry or proceedings commenced, in relation to the Company, before the National Companies Law Tribunal or under any mechanism or prescription of the RBI in respect of resolution/restructuring of stressed assets (including without limitation, under the RBI's circular no. DBR.No.BP.BC.101/21.04.048/2017-18 dated February 12, 2018 on "Resolution of Stressed Assets – Revised Framework").

(o) ***Security***

- (i) As of the Effective Date, the Charged Assets are the sole and absolute property of the Company and are free from any other mortgage, charge or encumbrance and are not subject to any *lis pendens*, attachment, or other order or process issued by any Governmental Authority.
- (ii) The Company has done all acts and deeds and has taken all actions that are required to create and perfect the Security in accordance with Transaction Documents.
- (iii) The Debenture Trustee will have a first exclusive charge over the Charged Assets pursuant to the creation of the Security in accordance with the Transaction Documents.
- (iv) The Transaction Documents executed or to be executed constitute legal, valid and enforceable security interest in favour of the Debenture Trustee and for the benefit of the Debenture Holders on all the assets thereby secured and all necessary and appropriate consents for the creation, effectiveness, priority and enforcement of such security have been obtained.

(p) ***Material Adverse Effect***

No Material Adverse Effect on the Company has occurred and is continuing or would reasonably be expected to result from the execution or performance of any Transaction Documents or the issuance of the Debentures.

(q) ***Illegality***

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

(r) ***Execution of Transaction Documents***

- (i) This DTD and the Transaction Documents executed or to be executed constitute legal, valid and enforceable security interest in favour of the Debenture Trustee for the benefit of the Debenture Holders on all the assets thereby secured.

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

5.3 Financial Covenants

- (a) Until the Final Settlement Date, the Company shall maintain a Capital Adequacy Ratio as may be prescribed by the Supervisory Authorities from time to time.
- (b) Until the Final Settlement Date, the Company shall maintain the Debt to Equity Ratio of less than 10 (eight) times.
- (c) Until the Final Settlement Date, ensure and procure that the net NPAs (post provisioning and write-offs) of the Company shall be less than 3% (Three percent) of the Gross Loan Portfolio.
- (d) Until the Final Settlement Date, the covenants prescribed in sub-Clauses (a) to (c) above shall be tested on each end of financial year on the basis of consolidated and standalone balance sheets of the Company.

The Company shall provide a certificate from authorised signatory certifying compliance with the financial covenants set out in this Clause 6.3 within 90 (ninety days) from each end of each financial year.

5.4 Reporting Covenants

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

- (a) As soon as available, and in any event within 120 (One Hundred and Twenty) calendar days after the end of each Financial Year of the Company:
 - (i) certified copies of its audited consolidated and non-consolidated (if any) financial statements for its most recently completed fiscal year, prepared in accordance with Accounting Standards including its balance sheet, income statement and statement of cash flow.;
 - (ii) a certificate from the statutory auditor/chartered accountant of the Company confirming the value the Charged Assets; and
 - (iii) such additional information or documents as the Debenture Trustee may reasonably request.

- (b) As soon as practicable, and in any event within 45 (forty five) calendar days after each Quarterly Date, a certificate from an independent chartered accountant confirming the value of the Charged Assets.
- (c) As soon as practicable, and in any event within 15 (fifteen) Business Days after the Company obtains or reasonably should have obtained actual knowledge thereof, notice of the occurrence of any event or circumstance that could reasonably be expected to result in a Material Adverse Effect on the Company.
- (d) As soon as practicable, and in any event within 15 (fifteen) Business Days after the Company obtains or reasonably should have obtained actual knowledge thereof obtains or reasonably, notice of the occurrence of any Event of Default or potential event of default including any steps taken to cure such event.
- (e) As soon as practicable, and in any event within 45 (forty five) days of any change in its Constitutional Documents.
- (f) As soon as practicable and in any event within 30 (Thirty) calendar days of receipt of a request, such additional documents or information as the Debenture Trustee or the Debenture Holders, may reasonably request from time to time.
- (g) As soon as practicable and in any event within 6 (six) months from the Deemed Date of Allotment, a statement in respect of the end use of the proceeds of the Issue.
- (h) As soon as practicable and in any event within 7 (Seven) calendar days from the relevant board meeting in which it is approved or within 45 (Forty Five) from March 31 and September 30 of each calendar year, whichever is earlier, the periodical status/performance reports of the Company.

As soon as practicable and in any event 7 (Seven) calendar days prior to the Promoters, directly or indirectly, ceasing to Control of the Company, the information in respect of such change in Control should be intimated.

5.5 Affirmative Covenants

The Company shall:

(a) ***Use of Proceeds***

Use the proceeds of the Issue only for the Purpose and in accordance with Clause 5.27;

(b) ***Notice of winding up or other legal process***

Promptly, and in any case not later than 10 (ten) Business Days, inform the Debenture Trustee if it has notice of any application for winding up having been made or any statutory notice of winding up under the provisions of the Act or any other notice under any other statute relating to winding up or otherwise of any suit or other legal process intended to be filed or initiated against the Company;

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

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

(d) ***Costs and expenses***

pay all costs, charges and expenses in any way incurred by the Debenture Trustee towards protection of Debenture Holders' interests, including traveling and other allowances and such taxes, duties, costs, charges and expenses in connection with or relating to the Debentures subject to such expenses, costs or charges being approved in writing by the Company before they are incurred and shall not include any foreign travel costs;

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

punctually pay all rents, royalties, taxes, rates, levies, cesses, assessments, impositions and outgoings, governmental, municipal or otherwise imposed upon or payable by the Company as and when the same shall become payable and when required by the Debenture Trustee produce the receipts of such payment and also punctually pay and discharge all debts and obligations and liabilities which may have priority over the Debentures and observe, perform and comply with all covenants and obligations which ought to be observed and performed by the Company under this DTD;

(f) ***Preserve corporate status***

diligently preserve and maintain its corporate existence and status and all rights, contracts, privileges, franchises and concessions now held or hereafter acquired by it in the conduct of its business and comply with each and every term of the said franchises and concessions and all acts, authorizations, consents, permissions, rules, regulations, orders and directions of any legislative, executive, administrative or judicial body applicable to its Assets or any part thereof provided that the Company may contest in good faith the validity of any such acts, rules, regulations, orders and directions and pending the determination of such contest may postpone compliance therewith if the rights enforceable under the Debentures are not thereby materially endangered or impaired. The Company will not do or voluntarily suffer or permit to be done any act or thing whereby its right to transact its business might or could be terminated or whereby payment of the principal of or interest on the Debentures might or would be hindered or delayed;

(g) ***Pay stamp duty***

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

same to the Debenture Trustee on demand;

(h) ***Furnish information to trustee***

- (i) provide to the Debenture Trustee or its nominee(s)/ agent(s) such information/copies of relevant extracts as they may require on any matters relating to the business of the Company or to investigate the affairs of the Company. The Company shall allow the Debenture Trustee to make such examination and investigation as and when deemed necessary and shall furnish the Debenture Trustee with all such information as they may require and shall pay all reasonable costs, charges and expenses incidental to such examination and investigation. Without prejudice to the foregoing, the Company undertakes that it will permit the Debenture Trustee to examine the books and records of the Company and to discuss the affairs, finances and accounts of the Company with, and be advised as to the same by, officers and independent accountants of the Company, all upon reasonable prior notice and at such reasonable times and intervals as the Debenture Trustee may reasonably request;
- (ii) shall furnish quarterly report to the Debenture Trustee (as may be required in accordance with SEBI/BSE guidelines or regulations) containing the following particulars:
 - (A) updated list of the names and addresses of the Debenture Holders;
 - (B) details of the interest due, but unpaid and reasons thereof;
 - (C) the number and nature of grievances received from the Debenture Holders and (a) resolved by the Company and (b) unresolved by the Company and the reasons for the same; and
 - (D) a statement that the Charged Assets are sufficient to discharge the claims of the Debenture Holders as and when they become due;
- (iii) inform and provide the Debenture Trustee with applicable documents in respect of the following:
 - (A) notice of any Event of Default or potential Event of Default; and
 - (B) any and all information required to be provided to the Debenture Holders under the listing agreement to be entered into between the Company and the BSE;
- (iv) ***Redressal of grievances***

promptly and expeditiously attend to and redress the grievances, if any, of the

Debenture Holders. The Company further undertakes that it shall promptly comply with the suggestions and directions that may be given in this regard, from time to time, by the Debenture Trustee and shall advise the Debenture Trustee periodically of the compliance.

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

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

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

(vi) ***Corporate Governance***

comply with any corporate governance requirements applicable to the Company (as may be prescribed by the RBI, SEBI, or any stock exchange) and the fair practices code prescribed by the Supervisory Authorities.

(vii) ***Further assurances***

- (A) provide details of any litigation, arbitration or administrative proceedings that if determined adversely could have a Material Adverse Effect on the Company;
- (B) comply with any monitoring and/or servicing requests from Debenture Holders;
- (C) comply and execute and/or do, at their own expense, all such deeds, assurances, documents, instruments, acts, matters and things, in such form and otherwise as the Debenture Trustee may reasonably or by law require or consider necessary in relation to enforcing or exercising any of the rights and authorities of the Debenture Trustee;
- (D) obtain, comply with the terms of and do all that is necessary to maintain in full force and effect all authorisations necessary to enable it to lawfully enter into and perform its obligations under this DTD or to ensure the legality, validity, enforceability or admissibility in evidence in India of this DTD;
- (E) comply with:
 - (1) all laws, rules, regulations and guidelines (including but not limited to environmental, social and taxation related laws), as applicable in respect of the Debentures and obtain such

regulatory approvals as may be required from time to time;

- (2) the Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993 as in force from time to time, in so far as they are applicable to the Debentures and furnish to the Debenture Trustee such data, information, statements and reports as may be deemed necessary by the Debenture Trustee in order to enable them to comply with the provisions of Regulation 15 thereof in performance of their duties in accordance therewith to the extent applicable to the Debentures;
- (3) the provisions of the Act in relation to the issue of the Debentures;
- (4) procure that the Debentures are rated and a rating is continued until redemption of the Debentures; and
- (5) ensure that, at time of making any payment of interest or repayment of the principal amount of the Debentures in full or in part, the Company shall do so in the manner that is most tax efficient for the Debenture Holders but without, in any way requiring the Company to incur any additional costs, expenses or taxes and the Company shall avail of all the benefits available under any treaty applicable to the Company and/or the Debenture Holders.

(i) ***Security***

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

- (i) the Debentures shall be secured by a first ranking exclusive continuing security by way of a first ranking exclusive charge on the Charged Assets in favour of the Debenture Trustee for the benefit of the Debenture Holders;;
- (ii) that all the Charged Assets that will be charged to the Debenture Trustee shall always be kept distinguishable and held as the exclusive property of the Company specifically appropriated to this Security. The Company shall not create any charge, lien or other encumbrance upon or over the Charged Assets or any part thereof except in favour of the Debenture Trustee nor will it do or allow anything that may prejudice this Security. The Debenture Trustee shall be at liberty to incur all costs and expenses as may be necessary to preserve this Security and to maintain the same undiminished and claim reimbursement thereof;
- (iii) to create the security over the Charged Assets as contemplated in the Transaction Documents on or before the Deemed Date of Allotment by executing the required duly stamped documents/instruments and to register and perfect the security interest created thereunder by filing Form CHG-9 with

the concerned ROC and Form I with CERSAI in relation thereto as soon as practicable and no later than 30 (Thirty) calendar days the date of execution thereof;

- (iv) As applicable to the Issuer in accordance with the applicable Law(s), relevant filings in the prescribed form to be made with an information utility registered with the Insolvency and Bankruptcy Board of India in accordance with Section 215 of the Insolvency Code and other regulations including the Insolvency and Bankruptcy Board of India (Information Utilities) Regulations, 2017 no later than 30 (thirty) days after the date of deemed allotment of Debenture.
- (v) until the Final Settlement Date, the Company shall, within 20 (twenty) calendar days of each Quarterly Date, provide a list Charged Assets to the Debenture Trustee over which charge is created and subsisting by way of hypothecation in favour of the Debenture Trustee (for the benefit of the Debenture Holders) and sufficient to maintain the Security Cover ("**Quarterly Hypothecated Assets Report**");
- (vi) to keep the Application Money in a designated bank account in the event this DTD and the other Transaction Documents are not executed on or before the Deemed Date of Allotment or in the event the value of the Security Cover is not maintained/provided;
- (vii) the Company shall, on each Top-up Date (as defined in the Deed of Hypothecation), add fresh specified/identified book debts and/or loan receivables and/or lien marked fixed deposit(s) and/or other current assets to the Charged Assets so as to ensure that the Security Cover is maintained or to replace such Charged Assets that do not satisfy the eligibility criteria prescribed in the Transaction Documents;
- (viii) the Company shall, on a half yearly basis, as also whenever required by the Debenture Trustee, give full particulars to the Debenture Trustee of all the Charged Assets from time to time and shall furnish and verify all statements, reports, returns, certificates and information from time to time and as required by the Debenture Trustee and furnish and execute all necessary documents to give effect to the Charged Assets;
- (ix) the security interest created on the Charged Assets shall be a continuing security;
- (x) the Charged Assets shall satisfy the eligibility criteria set out in the Transaction Documents;
- (xi) nothing contained herein shall prejudice the rights or remedies of the Debenture Trustee and/ or the Debenture Holders in respect of any present or future security, guarantee obligation or decree for any indebtedness or liability of the Company to the Debenture Trustee and/ or the Debenture Holders;
- (xii) the Debenture Holders shall have a beneficial interest in the moveable Assets of

the Company which have been charged to the Debenture Trustee to the extent of the Outstanding Amounts of the Debentures under this DTD; and

- (xiii) forthwith upon demand by the Debenture Trustee, reimburse to the Debenture Trustee all amounts paid by the Debenture Trustee to reasonably protect the Charged Assets and such amounts shall be deemed to be secured by the Charged Assets;

(j) ***Filings; Compliance with BSE requirements***

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

- (i) while submitting half yearly / annual financial results in accordance with Regulation 52 of the LODR Regulations, the Company shall file with the BSE for dissemination, along with a noting certificate of the Debenture Trustee, containing *inter alia* the following information:
 - (A) credit rating (and any change thereto);
 - (B) asset cover
 - (C) debt to equity ratio;
 - (D) previous Due Date for the payment of interest/principal and whether the same has been paid or not; and
 - (E) next Due Date for the payment of interest/principal;
 - (F) net worth;
 - (G) net profit after tax;
 - (H) earnings per share;
- (ii) in accordance with Regulation 52 of the LODR Regulations, the Company shall file with the BSE the prescribed statements, financial statements and noting certificate of the Debenture Trustee within the timelines prescribed therein;
- (iii) in accordance with Regulation 56 of the LODR Regulations, the Company shall submit the following to the Debenture Trustee:
 - (A) a copy of the annual report at the same time as it is issued and a copy of the certificate from the Company's auditors in respect of utilisation of funds raised by the issue of the Debentures, at the same time or at the end of each Financial Year until such funds have been fully utilized or the purpose for which such funds were intended has been achieved;

- (B) a copy of all notices, resolutions and circulars relating to any new issue of non-convertible debt securities (at the same time as they are sent to shareholders/holders of non-convertible debt securities), the meetings of holders of non-convertible debt securities (at the same time as they are sent to the holders of non-convertible debt securities or advertised in the media including those relating to proceedings of the meetings);
 - (C) intimations regarding any revision in the rating or any default in timely payment of interest or redemption or both in respect of the non-convertible debt securities issued by the Company or any failure to create charge on the assets; and
 - (D) a copy of the statement, if any filed with the BSE in compliance of Regulation 52(7) of the LODR Regulations indicating material deviations, if any, in the use of funds raised by the issue of the Debentures from the object stated in the Information Memorandum.
- (iv) in accordance with Regulation 58 of the LODR Regulations, the Company shall furnish the following to the Debenture Holders in the manner prescribed therein:
- (A) physical copies of full annual reports to those Debenture Holders who request the same;
 - (B) notice of all meetings of the Debenture Holders specifically stating that the provisions for appointment of proxy in accordance with Section 105 of the Act shall be applicable for such meeting; and
 - (C) proxy forms for the Debenture Holders clearly providing the Debenture Holders to vote for each resolution in such a manner that they may vote either for or against each resolution;

The Company shall, forthwith upon demand by the Debenture Trustee, reimburse to the Debenture Trustee all amounts paid by the Debenture Trustee to reasonably protect the Charged Assets and such amounts shall be deemed to be secured by the Charged Assets.

(k) ***Execution of Security Documents***

In the event of any delay in the execution of the documentation in respect of the Charged Assets, the Company will, at the option of the Debenture Holders, either:

- (i) refund the Application Money as set out in this DTD, to the Debenture Holders; or
- (ii) pay to the Debenture Holders penal interest at the rate of 2% p.a. (two percent) charged on the Outstanding Principal Amount in addition to the Interest Rate till the aforementioned documentation is duly executed.

(l) ***Internal Control***

The Company shall maintain internal control for the purpose of:

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

(m) ***Audit and Inspection***

The Company shall permit visits and inspection of books of records, documents and accounts to the Debenture Trustee and representatives of Debenture Holders as and when required by them. The Company hereby authorizes the Debenture Holder to institute an audit on the Company at the Debenture Holder's cost, provided such audit and request for information does not interfere with the operations of the Company. The Company agrees to render reasonable assistance at its own cost to any enquiry, evaluation and/or audit performed by persons or institutes indicated by the Debenture Holder. The Debenture Holder shall notify the Company in writing if and when such an audit will take place. The findings of the audit will be discussed with the Company before finally being recorded in a report.

(n) ***Books and Records***

The Company shall maintain its accounts and records in accordance with Applicable Law.

5.6 Negative Covenants

The Company shall not take any action in relation to the items set out in this Clause 6.6 without the prior written permission of the Debenture Trustee. The Debenture Trustee shall give its prior written approval/dissent within 15 (fifteen) Business Days after receiving a request to provide its approval PROVIDED such request is accompanied by the relevant information substantiating the request for the Debenture Holders to make a conscious discussion. The Debenture Trustee reserves the right to take the consent of the Majority Debenture Holders prior to any such approval/dissent, if it deems necessary.

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

- (i) Change the general nature of its business from that which is permitted as a housing finance company registered with the NHB.
- (ii) Any changes to its Constitutional Documents where such changes will lead to or are likely to lead to a Material Adverse Effect on the Company.

(b) ***Dividend***

If an Event of Default has occurred and is continuing, declare or pay any dividend to its

shareholders during any Financial Year unless it has paid or made arrangements to pay (to the satisfaction of the Debenture Trustee) all the dues to the Debenture Holders/ Debenture Trustee upto the date on which the dividend is proposed to be declared or paid or has made satisfactory provisions thereof.

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

- (i) In any Financial Year, undertake or permit any merger, acquisition, re-structuring or amalgamation in excess of 10% of the Net Worth of the Company; and
- (ii) enter into any merger, de-merger, consolidation, re-organization, scheme of arrangement or compromise with its creditors or shareholders or effect any scheme of amalgamation or reconstruction. PROVIDED HOWEVER THAT, this shall not apply in case where due to the Company not entering into any such any merger, de-merger, consolidation, re-organization, scheme of arrangement or compromise with its creditors or shareholders or effect any scheme of amalgamation or reconstruction, may lead to an Event of Default or potential Event of Default.

(d) ***Disposal of Assets***

Sell, transfer, or otherwise dispose of in any manner whatsoever any Assets of the Company (whether in a single transaction or in a series of transactions (whether related or not) or any other transactions which cumulatively have the same effect) other than any securitization/portfolio sale of assets undertaken by the Company in its ordinary course of business that has the effect of exiting the current business of the Company or re-structuring of the existing business.

(e) ***Anti-money laundering***

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

(f) ***Change in Capital Structure***

- (i) Permit or undertake any change in capital structure that would lead to a reduction in the paid-up capital or authorized capital of the Company.
- (ii) Purchase or redeem any of its issued shares or reduce its share capital without the prior written consent of the Debenture Trustee (acting on the instructions of the Debenture Holders).

(g) ***Business***

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

5.7 Events of Default and Remedies

If one or more events specified in Clause 6.8 occur(s), the Debenture Trustee may, in its discretion, and, upon request, in writing, of the Special Majority Debenture Holders or by a Special Resolution duly passed at the meeting of the Debenture Holders held in accordance with the provisions set out in Schedule II hereto by a notice in writing to the Company initiate the following course of action:

- (a) subject to Applicable Law, require the Company to mandatorily redeem the Debentures and repay the principal amount on the Debentures, along with accrued but unpaid interest and other costs, charges and expenses incurred under or in connection with this DTD and other Transaction Documents;
- (b) subject to Applicable Law, declare that all or part of the Obligations be immediately due and payable, whereupon they shall become immediately due and payable;
- (c) to take all such other action expressly permitted under this DTD or in the other Transaction Documents or permitted under Applicable Law;
- (d) to exercise such other rights as the Debenture Trustee may deem fit under Applicable Law to protect the interest of the Debenture Holders;
- (e) to accelerate the redemption of the Debentures;
- (f) enforce the charge over the Charged Assets in accordance with the terms of the Transaction Documents; and
- (g) exercise any other right that the Debenture Trustee and / or Debenture Holder(s) may have under the Transaction Documents or under Applicable Laws..

5.8 Event of Default

(a) ***Payment Defaults***

The Company does not pay on the Due Date any amount payable pursuant to this DTD and the Debentures at the place and in the currency in which it is expressed to be payable, unless its failure to pay is caused by technical error and payment is made on the immediately succeeding Business Day.

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

- (i) The Company is unable or admits inability to pay its debts as they fall due, suspends making payments on any of its debts or, by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to rescheduling any of its Indebtedness.
- (ii) Without prejudice to (i) above, the commencement of an insolvency resolution

process under the (Indian) Insolvency and Bankruptcy Code, 2016 (to the extent applicable) in respect of the Company.

(c) ***Business***

The Company:

- (i) ceases to carry on its business or gives notice of its intention to do so;
- (ii) any Supervisory Authority or any competent court or tribunal or Governmental Authority requires the Company to cease to do business; or
- (iii) any approval or consent or authorization given by any person (including any Supervisory Authority or any creditor) to the Company in respect of its business is withdrawn or the Company fails to obtain or renew any such approval or consent or authorization.

(d) ***Misrepresentation***

Any representation or warranty made by the Company in any Transaction Document or in any certificate, financial statement or other document delivered to the Debenture Trustee/Debenture Holders by the Company, shall prove to have been incorrect, false or misleading in any respect when made or deemed made and such event/occurrence has a Material Adverse Effect on the Company.

(e) ***Material Adverse Change***

The occurrence of a Material Adverse Effect on the Company.

(f) ***Cross Default***

The Company:

- (i) defaults in any payment of any Indebtedness beyond the period of grace, if any, provided in the instrument or agreement under which such Indebtedness was created;
- (ii) defaults in the observance or performance of any agreement or condition relating to any Indebtedness or contained in any instrument or agreement evidencing, securing or relating thereto or any other event shall occur or condition exist, the effect of which default or other event or condition is to cause or to permit the holder or holders of such Indebtedness to cause (determined without regard to whether any notice is required) any such Indebtedness to become due prior to its stated maturity; or
- (iii) any Indebtedness of the Company shall be declared to be due and payable, or required to be prepaid other than by a regularly scheduled required prepayment or the mutual agreement between the Company and the relevant creditor, prior to the stated maturity thereof.

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

- (i) Any corporate action, legal proceedings or other procedure or step is taken in relation to:
 - (A) the suspension of payments, a moratorium of any Indebtedness, winding-up, dissolution, administration or re-organisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of the Company;
 - (B) a composition, compromise, assignment or arrangement with any creditor of the Company;
 - (C) the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of the Company; or
 - (D) any enquiry or proceedings commenced before the National Companies Law Tribunal or under any mechanism or prescription of the RBI in respect of resolution/restructuring of stressed assets (including without limitation, under the RBI's circular no. DBR.No.BP.BC.101/21.04.048/2017-18 dated February 12, 2018 on "Resolution of Stressed Assets – Revised Framework");
 - (E) the commencement of an insolvency resolution process under the (Indian) Insolvency and Bankruptcy Code, 2016 (to the extent applicable) or under any other Applicable Law, in respect of the Company; or
 - (F) enforcement of any security over any Assets of the Company or any analogous procedure or step is taken in any jurisdiction.

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

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

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

- (i) Any expropriation, attachment, garnishee, sequestration, distress or execution affects any Assets of the Company and is not discharged within 75 (seventy five) calendar days or as otherwise provided in any order of any competent court or tribunal relating to the aforementioned actions.

- (ii) Any expropriation, attachment, garnishee, sequestration, distress or execution affects any Charged Assets or part thereof.
- (iii) All or a part of the undertaking, Assets, rights or revenues of the Company are condemned, seized, nationalised, expropriated or compulsorily acquired, or shall have assumed custody or control of the business or operations of the Company, or shall have taken any action for the dissolution of the Company, or any action that would prevent the Company, their member, or their officers from carrying on their business or operations or a substantial part thereof, by or under the authority of any Government or any Government Authority.

(i) ***Judgment Defaults***

One or more judgments or decrees entered against the Company involving a liability (not paid or not covered by a reputable and solvent insurance company), provided such judgments or decrees are either final and non-appealable or have not been vacated, discharged or stayed pending appeal for any period of 30 (Thirty) consecutive calendar days.

(j) ***Transaction Documents***

This DTD or any other Transaction Document (in whole or in part), is terminated or ceases to be effective or ceases to be in full force or no longer constitutes valid, binding and enforceable obligations of the Company.

(k) ***Unlawfulness***

It is or becomes unlawful for the Company to perform any of its obligations under the Transaction Documents and/or any obligation or obligations of the Company under any Transaction Document are not or cease to be valid, binding or enforceable.

(l) ***Repudiation***

The Company repudiates any of the Transaction Documents, or evidences an intention to repudiate any of the Transaction Documents.

(m) ***Security in Jeopardy***

In the opinion of the Debenture Trustee any Charged Asset(s) is in jeopardy including any depreciation in the value of the Charged Assets.

(n) ***Security***

- (i) The value of the Charged Assets is insufficient to maintain the Security Cover and the Company fails to maintain the Security Cover (including by way of

providing additional/alternate security to the satisfaction of the Debenture Trustee) within the stipulated timelines prescribed in the relevant Transaction Document.

- (ii) Any of the Transaction Documents fails to provide the security interests, rights, title, remedies, powers or privileges intended to be created thereby (including the priority intended to be created thereby), or such security interests fail to have the priority contemplated under the Transaction Documents, or the security interests become unlawful, invalid or unenforceable.
- (iii) The Company creates or attempts to create any charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having similar effect, over the Charged Assets, without the prior consent of the Debenture Trustee.

(o) ***Merger or Acquisition***

The Company takes or permits to be taken any action for re-organisation of its capital or any rearrangement, merger or amalgamation. PROVIDED THAT this sub-Clause will not apply or where the written consent of the Debenture Holders is obtained prior to the taking of any of the aforementioned actions.

(p) ***Fraud and Embezzlement***

The Company or the management of the Company commits any act of fraud, embezzlement, misstatement, misappropriation or siphoning off of the funds of the Company or revenues or any other act having a similar effect being committed by the management of the Company.

(q) ***Breach of Other Covenants***

Any breach of any covenant or undertaking of the Company in the Transaction Documents (other than Clauses 6.8(a) to 6.8(p) above) which is not cured within 15 (fifteen) Business Days of occurrence.

5.9 Notice on the Occurrence of an Event of Default

If any Event of Default or any event which, after the notice, or lapse of time, or both, would constitute an Event of Default, has occurred, the Company shall, forthwith give notice thereof to the Debenture Holders and the Debenture Trustee in writing specifying the nature of such event or Event of Default (as applicable)..

SECTION 6: OTHER INFORMATION AND APPLICATION PROCESS

The Debentures being offered as part of the Issue are subject to the provisions of the Companies Act, the Memorandum and Articles of Association of the Issuer, the terms of this Information Memorandum, Application Form and other terms and conditions as may be incorporated in the Transaction Documents.

6.1 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 Debenture(s) shall be transferred and/or transmitted in accordance with the applicable provisions of the Companies Act 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 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 Holders 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.

6.2 Debentures held in Dematerialised Form

The Debentures shall be held in dematerialised form and no action is required on the part of the Debenture Holders for Redemption purposes and the Redemption proceeds will be paid by EFT/RTGS to those Debenture Holders 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 debit 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 Holders for Redemption payments.

6.3 Trustee for the Debenture Holders

The Issuer has appointed IDBI Trusteeship Services Limited to act as trustee for the Debenture Holders. The Issuer and the Debenture Trustee intends to enter into the Debenture Trust Agreement and the Debenture Trust Deed *inter alia*, specifying the powers, authorities and obligations of the Debenture Trustee and the Issuer. The Debenture Holders 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 Holders. Any payment made by the Issuer to the Debenture Trustee on behalf of the

Debenture Holders shall discharge the Issuer *pro tanto* to the Debenture Holders. The Debenture Trustee will protect the interest of the Debenture Holders in regard to the repayment of principal and Yield thereon and they will take necessary action, subject to and in accordance with the Debenture Trustee Agreement and the Debenture Trust Deed, at the cost of the Issuer. No Debenture Holder shall be entitled to proceed directly against the Issuer unless the Debenture Trustee, having become so bound to proceed, fails to do so. The Debenture Trustee Agreement and the Debenture Trust Deed shall more specifically set out the rights and remedies of the Debenture Holders and the manner of enforcement thereof.

6.4 Obligations of Investors

Notwithstanding anything contained hereinabove, every potential investor/ investor of the Debentures must read, understand and accept, and shall be deemed to have read, understood and accepted, the terms and conditions of this Shelf Disclosure Document read with the relevant Supplemental Memorandum prior to investing in the Debentures. As a Debenture Holder, every initial investor undertakes by virtue of this Shelf Disclosure Document, that if the initial investor as the Debenture Holder sells the Debentures to subsequent investors, the initial investor as the Debenture Holder shall ensure that such subsequent investors receive from the Debenture Holder, a copy of this Shelf Disclosure Document and every Supplemental Memorandum issued hereunder, and shall sell the Debentures to a subsequent investor only if such subsequent investor has read, understood and accepted all the terms and conditions referred to above and is an investor who falls within the categories specified under the section titled "Who can apply". Any such subsequent investor shall be deemed to have read, understood and accepted the terms and conditions in the documents referred to above prior to investing in the Debentures.

6.5 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 Holders 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.

6.6 Debenture Holder not a Shareholder

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

6.7 Modification of Debentures

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

Any other change or modification to the terms of the Debentures shall require approval by the Majority Debenture Holders.

For the avoidance of doubt, the following matters require the consent of Majority Debenture Holders, either by providing their express consent in writing or by way of a resolution at a duly convened meeting of the Debenture Holders:

- (a) Creating of any additional security; and
- (b) Amendment to the terms and conditions of the Debentures or the Transaction Documents.

6.8 Right to accept or reject Applications

The Board of Directors/Committee of Directors 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.

6.9 Notices

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

All notice(s) to be given by the Debenture Holders to the Issuer/ Debenture Trustee shall be sent by registered post, recognized overnight courier service, hand delivery 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, 3 (three) calendar days after posting; (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 or (d) in the case of personal delivery, at the time of delivery.

6.10 Reissuance

Company reserve the right to make multiple issuance under the same ISIN with reference to SEBI circular CIR/IMD/DF-1/67/2017 dated 30th June 2017.

Issue can be made either by way of creation of fresh ISIN or by way of issuance under the existing ISIN at premium / par / discount as the case may be in line with SEBI circular CIR/IMD/DF-1/67/2017 dated 30th June 2017.

6.11 Electronic Book Mechanism

In terms of SEBI Circular number SEBI/HO/DDHS/CIR/P/2018/05 on January 05, 2018, electronic book mechanism is mandatory for all private placements of debt securities in primary market if it is:

1. a single issue, inclusive of green shoe option, if any, of Rs 200 crore or more
2. a shelf issue, consisting of multiple tranches, which cumulatively amounts to Rs 200 crore or more, in a financial year

3. a subsequent issue, where aggregate of all previous issues by an issuer in a financial year equals or exceeds Rs 200 crore.

The said circular stated that the electronic book mechanism shall be provided by the recognized stock exchanges. Accordingly the Company has signed an agreement with both, BSE and NSE for issuance of debt securities on private placement basis through their Electronic Book Mechanism.

6.12 Issue Procedure

Only eligible Investors as given hereunder may apply for the Debentures by completing the Application Form in the prescribed format in block letters in English as per the instructions contained therein. The minimum number of Debentures that can be applied for and the multiples thereof 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 final subscription to the Debentures shall be made by the Eligible Investors through the Electronic Book Mechanism as prescribed by SEBI under the SEBI Electronic Book Mechanism Guidelines by placing bids on the Electronic Book Platform during the Issue period.

Successful bidders shall make pay-in of funds towards the allocation made to them, in the bank account of the clearing corporation, the details of which are as set out below, on or before 10:30 a.m. on the Deemed Date of Allotment.

The funds pay-in by the successful bidders will be made only from the bank account(s), which have been provided/updated in the EBP system. Upon the transfer of funds into the aforesaid account and the Issuer confirming its decision to proceed with the allotment of the Debentures in favour of the Debenture Holder(s) to the Indian Clearing Corporation Limited, the R&T Agent shall provide corporate action file along with all requisite documents to Depositories by 12:00 hours and subsequently, the pay-in funds shall be released into the Issuer's bank account, the details of which are as set out below:

All transfers/RTGS must be made payable to "ICCL". Details for RTGS payments are mentioned herein below:

Name of Bank	HDFC BANK
IFSC Code	HDFC0000060
Account number	ICCLEB
Name of beneficiary	INDIAN CLEARING CORPORATION LIMITED

Name of Bank	ICICI Bank Ltd.
IFSC Code	ICIC0000106
Account number	ICCLEB
Name of beneficiary	INDIAN CLEARING CORPORATION LTD

Name of Bank	YES BANK
--------------	----------

IFSC Code	YESB0CMSNOC
Account number	ICCLEB
Name of beneficiary	INDIAN CLEARING CORPORATION LTD

6.13 Application Procedure

Potential Investors will be invited to subscribe by way of the Application Form prescribed in the Information Memorandum during the period between the Issue Opening Date and the Issue Closing Date (both dates inclusive). The Issuer reserves the right to change the Issue schedule including the Deemed Date of Allotment at its sole discretion, without giving any reasons or prior notice. The Issue will be open for subscription during the banking hours on each day during the period covered by the Issue Schedule.

6.14 Fictitious Application

All fictitious Applications will be rejected.

6.15 Basis of Allotment

Notwithstanding anything stated elsewhere, 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 Issuer by the Deemed Date of Allotment.

6.16 Payment Instructions

The Application Form should be submitted with the Issuer. The entire amount of Rs. 10,00,000/- (Rs. Ten Lakhs only) per NCD is payable along with the making of an application. Applicants can alternatively remit the application amount through EFT/RTGS on Pay-in Date. The bank details of the Issuer are as under:

Beneficiary Name : AAVAS FINANCIERS LIMITED
Bank Account No. : 50200013838325
IFSC CODE : HDFC0000987
Bank Name : HDFC Bank Ltd
Branch Address : ICG Campus, Gurukul Marg, SFS, Mansarovar, Jaipur-302020 Rajasthan India

6.17 Eligible Investors

The following categories of Investors, when specifically approached, are 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) Non-banking financial companies
- (c) Provident Funds and Pension Funds
- (d) Corporates
- (e) Banks
- (f) FIIs
- (g) Insurance Companies
- (h) Investment holding companies of high net worth individuals

All 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. The Issuer shall not be bound to verify compliance of such regulatory requirements and shall not be responsible/liable for any contravention of such regulatory requirements by the Applicants.

6.18 Procedure for Applying for Dematerialised Facility

- (a) The applicant must have at least one beneficiary account with any of the DP's of NSDL 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 R&T 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 Holders 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, till 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.

6.19 Depository Arrangements

The Issuer shall make necessary arrangement with NSDL for Issue and holding of Debenture in dematerialised form.

6.20 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.

6.21 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.

6.22 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

6.23 Documents to be provided by Investors

Investors need to submit the following documents, as applicable

- (a) Memorandum and Articles of Association or other constitutional documents
- (b) Resolution authorising investment
- (c) Certified true copy of Power of Attorney
- (d) Specimen signatures of the authorised signatories duly certified by an appropriate authority
- (e) SEBI registration certificate (for Mutual Funds)
- (f) Copy of PAN card to be submitted
- (g) Application Form (including EFT/RTGS details)

6.24 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 Holders through EFT/RTGS.

6.25 Succession

In the event of winding-up of the holder of the Debentures, the Issuer will recognize the executor or administrator of the concerned Debenture Holders, or the other legal representative as having title to the Debentures. The Issuer shall not be bound to recognize such executor or administrator or other legal representative as having title to the Debentures, unless such executor or administrator obtains probate or letter of administration or other legal representation, as the case may be, from a court in India having jurisdiction over the matter.

The Issuer may, in its absolute discretion, where it thinks fit, dispense with production of probate or letter of administration or other legal representation, in order to recognize such holder as being entitled to the Debentures standing in the name of the concerned Debenture Holder on production of sufficient documentary proof and/or an indemnity.

6.26 Mode of Payment

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

6.27 Effect of Holidays

Should the date of payment of any Coupon which is due in respect of any Series of Debentures fall on a Saturday, Sunday, Bank Holiday in Mumbai or any day on which Real Time Gross Settlement (RTGS) does not take place in the city of Mumbai, for any reason whatsoever, the immediately succeeding Business Day shall be considered as the effective date(s) for that payment.

In the event that the date of payment of the redemption amounts in respect of any Series of Debentures fall on a Saturday, Sunday, Bank Holiday in Mumbai or any day on which Real Time Gross Settlement (RTGS) does not take place in the city of Mumbai, for any reason whatsoever, the immediately preceding Business Day shall be considered as the effective date for that payment

6.28 Debentures to Rank Pari Passu

The Debenture(s) of this Issue shall rank first pari passu inter-se without preference or priority of one over the other or others.

6.29 Payments at Par

Payment of the principal, all interest and other monies will be made to the Registered Debenture Holder(s)/ Beneficial Owner(s) and in case of joint holders to the one whose name stands first in the list of Beneficial Owner(s) provided to the Company by the Depository (NSDL). Such payments shall be made by cheque or warrant drawn by the Company on its bankers or funds will be transferred by way of RTGS.

6.30 Right to Re-Purchase and Re-Issue Debenture (s)

The Company will have the power, as provided for under the Act, exercisable at its absolute discretion from time to time to repurchase some or all the Debenture(s) at any time prior to the specified date of redemption. This right does not construe a call option. In the event of the Debenture(s) being bought back, or redeemed before maturity in any circumstance whatsoever, the Company shall be deemed to always have the right, subject to the provisions of Section 121 of the Companies Act to re-issue such Debentures either by re-issuing the same Debenture(s) or by issuing other Debentures in their place.

The Company may also, at its discretion, at any time purchase Debenture(s) at discount, at par or at premium in the open market. Such Debenture(s) may, at the option of Company, be cancelled, held or resold at such price and on such terms and conditions as the Company may deem fit and as permitted by law.

6.31 Variation of Debenture Holder(s) rights

The rights, privileges and conditions attached to the Debenture(s) and this Information Memorandum may be varied, modified or abrogated in accordance with the Articles of Association of the Company and

the Act and with the consent of the Majority Debenture Holder(s) provided that nothing in such resolution shall be operative against the Company where such resolution modifies or varies the terms and conditions governing the Debenture(s) if the same are not acceptable to the Company.

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

6.32 Issue of Debenture(s)

After completion of all legal formalities in respect of any Tranche of the Debentures, the securities held by the investor, under the ISIN representing the Letter(s) of Allotment, shall be converted into Non Convertible Debenture(s) as per the procedure laid down by NSDL in this behalf.

6.33 Register of Debenture Holder(s)

The Company shall request the Depository to provide a list of Beneficial Owners as at end of every Record date. This shall be the list, which shall be considered for payment of interest/ redemption premium and repayment of principal, as the case maybe. The list so provided by the Depository shall be deemed to be the Register of Debenture Holders in terms of Section 152 A of the Companies Act.

6.34 Early Redemption of the Debentures

- (i) If an Early Redemption Event occurs, the Issuer shall promptly notify the Trustee.
- (ii) The Trustee (acting in accordance with relevant instructions) shall, by not less than 30 (Thirty) business days' notice to the Issuer, require the Issuer to redeem in full all the Debentures at the Early Redemption Amount notified by the Debentureholders to the Trustee.
- (iii) The Issuer shall, on the date specified by the Trustee in the notice referred to in paragraph (ii) above, credit to the Designated Account of each Debentureholder on the relevant Record Date in immediately available funds an amount in Indian Rupees that is equal to the Early Redemption Amount for the Debentures held by that Debentureholder. The Early Redemption Amount will be notified and finalized at least 2 (two) Business Days prior to the Early Redemption Date.

6.35 Premature exit

- (i) **Voluntary premature redemption:**
With the mutual consent of the Company and the Debenture Holder(s), the Company shall arrange for the buyback/early redemption of such number of debentures as may be mutually agreed by the Debenture Holders and the Company. Such Premature Redemption shall occur on the terms which shall be mutually agreed by Debenture Holders and the Company and a request for Premature Redemption by an Debenture Holders shall not be considered if made within 06 (six) months from the Deemed Date of Allotment.
- (ii) **Premature Redemption :**

In the event of a rating downgrade to "BBB+" or below or in the event of a suspension or withdrawal of the credit rating of the Debentures by the Rating Agency ("Early Redemption Event"), without prejudice to the rights of the Debenture holders under transaction document, the Debenture Trustee shall have the right to seek redemption of the Debentures, whether in part or in whole, in such form and manner as may be agreed by the Debenture Trustee and the Company.

6.36 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 Holders at the office of the Transfer Agents of the Corporation at least 15 (Fifteen) 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.

6.37 Letters of Allotment

The letter of Allotment, indicating Allotment of the Debentures, will be credited in dematerialised form within 3 (Three) 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, within 90 (Ninety) days from the Deemed Date of Allotment.

6.38 Deemed Date of Allotment

All the benefits under the Debentures, will accrue to the Investor from the specified Deemed Date of Allotment. The Deemed Date of Allotment for the Issue is as per Term Sheet mentioned in Annexure I by which date the Investors would be intimated of Allotment.

6.39 Record Date

The Record Date will be 7 (Seven) calendar days prior to any Due Date and redemption date. The list of Beneficial Owner(s) provided by the Depository as at end of day of Record Date shall be used to determine the name(s) of person(s) to whom the interest/ redemption premium and/or principal instalment is to be paid.

6.40 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 Registrar shall upon receiving instructions in relation to the same from the Issuer repay the moneys to the extent of such excess, if any.

6.41 Interest on Application Money

Interest at the Interest Rate per annum, payable semi-annually will be paid on Application Money to the Applicants from the date of receipt of such Application Money up to 1 (one) day prior to the Deemed

Date of Allotment for all valid applications, within 5 (five) Business Days from the Deemed Date of Allotment. Where the entire subscription amount has been refunded, the interest on Application Money will be paid along with the refunded amount. Where an Applicant is allotted a lesser number of Debentures than applied for, the excess amount paid on application will be refunded to the applicant in the bank account of the Applicant as described in the Application Form towards interest on the refunded money by electronic mode of transfer like RTGS/NEFT/direct credit. Details of allotment will be sent to every successful Applicant. In all cases, the interest instruments will be sent, at the sole risk of the Applicant / first Applicant.

6.42 Payment of Interest on Allotted Debenture(s)

Interest on the face value of the Debentures outstanding (subject to deduction of Income Tax at the prescribed rate under the Income Tax Act, 1961 or any statutory modification or re-enactment being in force) shall be due from the Deemed Date of Allotment up to the Maturity Date.

The interest payments for each Series will be computed as outstanding principal* the per annum coupon rate applicable to such Series * actual number of days/actual number of days in a year.

Please note that if the Deemed Date(s) of Allotment for any Series is shifted for any reason whatsoever, the interest payment dates for the relevant Series may also be shifted, at the discretion of the Company.

Interest warrant(s)/cheque(s)/pay order(s) will be mailed or funds will be transferred by way of RTGS to those Debenture Holder(s) whose names appear on the list of Beneficial Owners as on the Record Date, provided to the Company by the Depository. However, in case the list of Beneficial Owner(s) as at Record Date is not available from the Depository for any reason whatsoever and because of which payment of interest is delayed beyond the relevant interest payment date, the Company shall pay interest at the coupon rate on the interest amount due from interest payment date up to 1 day prior to actual payment date (both days included).

Investors may also request for payment of interest by way of a RTGS transfer. In such case, the investor will have to request the Company by way of an application, the format of which is provided as Annexure VI.

In case of dispute of interest claim, the matter should be settled between the transferor(s) and the transferee(s), and not with the Company. All interest on the Debenture(s) shall cease on the date of redemption on maturity of Debenture(s), whichever is earlier.

The Issuer agrees that it will not forfeit unclaimed interest before the claim becomes barred by law and that such forfeiture, when effected, may be annulled if so decided by the Company.

In case of default in payment of interest/ redemption premium and/or principal on their respective due dates, the Company shall become liable to pay default interest for the defaulting period.

6.43 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.

6.44 Payment on Redemption

Payment on Redemption will be made by way of cheque(s)/redemption warrant(s)/demand draft(s)/credit through RTGS system/funds transfer in the name of the Debenture Holders 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 by the Issuer on maturity to the registered Debenture Holders whose name appears in the Register of Debenture Holders on the Record Date. On such payment being made, the Issuer will inform NSDL and accordingly the account of the Debenture Holders with NSDL 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.

6.45 Future Borrowings

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

Disclaimer: Please note that only those persons to whom this memorandum has been specifically addressed are eligible to apply. However, an application, even if complete in all respects, is liable to be rejected without assigning any reason for the same. The list of documents provided above is only indicative, and an investor is required to provide all those documents / authorizations / information, which are likely to be required by the Issuer. The Issuer may, but is not bound to revert to any investor for any additional documents / information, and can accept or reject an application as it deems fit. Investment by Investors falling in the categories mentioned above are merely indicative and the Issuer does not warrant that they are permitted to invest as per extant laws, regulations, etc. Each of the above categories of Investors is required to check and comply with extant rules/regulations/ guidelines, etc. Governing or regulating their investments as applicable to them and the Issuer is not, in any way, directly or indirectly, responsible for any statutory or regulatory breaches by any investor, neither is the Issuer required to check or confirm the same.

SECTION 7: DECLARATION

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

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

We declare that: (a) the Company has complied with all the relevant provisions of the Companies Act, 1956 and the Companies Act, 2013 (the “Act”), and Rules made thereunder, the guidelines issued by the Government and the guidelines and circulars issued by SEBI established under Section 3 of the Securities and Exchange Board of India Act, 1992 and Raising Money through Private Placement of Non-Convertible Debentures (NCDs) by NHBs-Debentures, etc. vide NHB Notification No. NHB.HFC.NCDDIR.1/CMD/2014 dated March 19, 2014 as amended from time to time, have been complied with and no statement made in this Disclosure Document is contrary to the provisions of the Companies Act, 1956 and the notified sections of the Companies Act, 2013 or the Securities and Exchange Board of India Act, 1992 or rules, guidelines and circulars issued thereunder; (b) the compliance with the said Act and the Rules made thereunder do not imply that payment of interest or repayment of debentures is guaranteed by Central Government; (c) the monies received under this offer shall be used only for the purposes and objects indicated in Disclosure Document.

We, authorised by the Executive Committee of Board of Directors of the Company vide resolution dated August 1, 2019 to sign this form and Disclosure Documents and declare that all the requirements of the Companies Act, 2013 and the Rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and Disclosure Document and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association.

For AAVAS FINANCIERS LIMITED
Authorised Signatory

Name: Sharad Pathak
Title: Company Secretary
Date: 17th June, 2020.

ANNEXURE I: TERM SHEET

Issuer	AAVAS FINANCIERS LIMITED
Security Name	6.60% Aavas Financiers Limited, Dec’2021
Promoters / Sponsors	Shall mean collectively, Lake District Holdings Limited, Partners Group Private Equity Master Fund LLC and Partners Group ESCL Limited. “
Instrument	Rated, secured, redeemable, listed non-convertible debentures denominated in Indian Rupees on a private placement basis. (“NCD”)
Amount offered	Indian Rupee 150 Crs.

Tenor	18 Months from the Deemed Date of Allotment.
Seniority	Senior
Details of the utilization of the proceeds	<p>The proceeds of the Issuance will be utilized for the following purposes:</p> <ul style="list-style-type: none"> • General Corporate Purpose • For On-lending of mortgage loans <p>No part of the proceeds shall be utilized directly/indirectly towards the purpose which are restricted by RBI and/or NHB from time to time.</p>
Eligible Investor	As mentioned in clause 7.17 of this document
Listing	Proposed to be listed on the WDM of BSE within a maximum period of 15 (Fifteen) days from the Deemed Date of Allotment.
Option to retain oversubscription	N.A
Coupon Rate	6.60% payable half yearly.
Floating Rate Reference Rate	NA
Floating Rate Reference Rate Reset	NA
Day Count Basis	Actual / Actual
Interest on Application Money	At the respective Yield rate, as applicable from the date of realisation of the application monies by the Issuer up to 1 (One) day prior to the Deemed Date of Allotment.
Coupon Payment Frequency	Half yearly
Delay Penalty	<p>In the case of a delay in the execution of Debenture Trust Deed and the documents for creation of the Security, the Issuer shall refund the subscription with the agreed rate of interest or shall pay penal interest of 2% (two Percent) per annum over and above the Yield until such time the conditions have been complied with at the option of the Investor.</p> <p>In case of default in payment of Interest and/or principal redemption on the due dates, additional interest of atleast @ 2% p.a. over the coupon rate shall be payable by the Issuer for the defaulting period.</p> <p>In case of delay in listing of the debt securities beyond 20 days from the deemed date of allotment, the Issuer shall pay penal interest of atleast @ 2 % 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.</p>
Rating	A+/Positive by ICRA
Mode of Placement	Private Placement
Redemption	Bullet
Redemption Amount	The face value of the Debentures, plus Default Interest (if any) payable under the Transaction Documents.
Redemption Premium/Discount	N.A.
Issue Price	Rs. 10,00,000/- (Rupees Ten Lakhs only) per Debenture
Discount at which	N.A.

security is issued and the effective yield as a result of such discount	
Put Option Date	N.A.
Put Option Price	N.A.
Call Option Date	N.A.
Call Option Price	N.A.
Put Notification Time	N.A.
Call Notification Time	N.A.
Security	The Debentures shall be secured by way of a first ranking exclusive and continuing charge over specified/identified, book debts and/or loan receivables and/or lien marked fixed deposits and/or other current assets of the Company as described therein and such other security interest as may be agreed between the Company and the Debenture Holders.
Security Creation Time Period	Within 90 days from the Deemed Date of Allotment.
Face Value	Rs. 10,00,000/- (Rupees Ten Lakhs only) per Debenture
Minimum Application size	The minimum subscription amount for a potential Investor shall be Rs. 1,00,00,000 (Rupees One Crore only) and in multiples of Rs. 10,00,000 (Rupees Ten Lakh only) thereafter. It is clarified that the potential Investor shall not be entitled to purchase a fraction of a Debenture.
Issue Timing	Issue Opening Date: 19 th June 2020 Issue Closing Date: 19 th June 2020 Pay-in Date: 22 nd June 2020 Deemed Date of Allotment: 22 nd June 2020
Issuance mode of the Instrument	Demat only
Trading mode of the Instrument	Demat only
Settlement mode of the Instrument	EFT / RTGS
Depositories	NSDL
Business Days	Means a day (other than a Sunday or a public holiday for the purpose of Section 25 of the Negotiable Instruments Act, 1881 (26 of 1881)) on which banks are open for general business in Mumbai. If the Due Date for payment falls on a day that is not a Business Day, then the Due Date in respect of such payment shall be the preceding Business Day.
Record Date	7 (Seven) Calendar Days prior to any payment due and Redemption date.
Transaction Documents	Information Memorandum Debenture Trustee Agreement Debenture Trust Deed Deed of Hypothecation and; any other document as required by the debenture trustee.
Conditions	As customary for transaction of a similar nature and size including execution of

Precedent to Disbursement	the Debenture Trustee Agreement.
Conditions Subsequent to Disbursement	<p>As customary for transaction of a similar nature and size;</p> <p>(a) the Company shall ensure that the Debentures are credited into the demat accounts of the respective Debenture Holders within 3 (three) Business Days from the Deemed Date of Allotment;</p> <p>(b) the Company shall, inter alia, file a return of allotment of securities under Form PAS-3 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 with the ROC within 15 (fifteen) days of the allotment of Debentures along with a list of the Debenture Holders and with the prescribed fee;</p> <p>(c) the Company shall file Form CHG 9 with the ROC and Form I with CERSAI within 30 (Thirty) days of Deemed Date of Allotment; and</p> <p>(d) the Company shall obtain listing of the Debentures within 15 (fifteen) days of Deemed Date of Allotment.</p> <p>(e) submission of a copy of the certificate from Company's auditor within 90 (ninety) days confirming that the issuance of the Debentures complies with the eligibility and other criteria prescribed in the NHB NCD Directions.</p> <p>As applicable to the Issuer in accordance with the Applicable Law(s), relevant filings in the prescribed form to be made with an information utility registered with the Insolvency and Bankruptcy Board of India in accordance with Section 215 of the Insolvency Code and other regulations including the Insolvency and Bankruptcy Board of India (Information Utilities) Regulations, 2017 no later than 30 (thirty) days after the date of this Deed</p>
Maturity Date	22 nd December 2021
Default Interest	In case of default in payment of interest and/ or principal redemption on the due dates, additional interest @ 2% p.a. over the Coupon Rate will be payable by the Issuer for the defaulting period.
Consequences of EoD	<p>Upon the occurrence of an Event of Default, the NCD Holders may exercise, in addition to the rights available to the NCD Holders under applicable law, exercise all or any one or more of the following rights:</p> <ul style="list-style-type: none"> • Accelerate the redemption of the NCDs; • Enforce the Security; <p>Exercise any other right that NCD Holders may have under the transaction Documents and/or under Indian law.</p>
Material Adverse Effect	As mentinned in definitions & abbreviations
Events of Default	As mentioned in Clause 6.8 of this document
Provisions related to Cross Default Clause	As mentioned in Clause 6.8(f) of this document

Role and Responsibilities of Debenture Trustee	To oversee and monitor the overall transaction for and on behalf of the Debenture Holders as customary for transaction of a similar nature and size
Financial Covenants	As mentioned in Clause 6.3 of this document
Representation and warranties	As mentioned in Clause 6.2 of this document
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 non-exclusive jurisdiction in New Delhi; provided however that the jurisdiction has be kept non-exclusive only for the benefit of the Debenture Holders and the other parties to the transaction will have to compulsorily submit any dispute to courts and tribunals in New Delhi.

ANNEXURE II:RATING LETTER



ICRA Limited

D/RAT/2020-21/A-508/01

June 12, 2020

Mr. Ghanshyam Rawat
Chief Financial Officer
Aavas Financiers Limited
201-202, Southend Square SP-1, 2nd Floor
Mansarovar Industrial Area
Jaipur 302020

Dear Sir,

Re: ICRA rating for Rs. 350 crore (Outstanding: Rs. 140 crore) NCD Programme of Aavas Financiers Limited

Please refer to your request for revalidating the rating letter issued for the captioned programme.

We confirm that the [ICRA]A+ (pronounced as ICRA A plus) rating assigned to your captioned programme and last communicated to you vide our letter dated July 24, 2019 stands. Instruments with this rating are considered to have adequate degree of safety regarding timely servicing of financial obligations. Such instruments carry low credit risk. The modifiers + (plus) or - (minus) appended to the rating symbols indicate their relative position within the rating categories concerned. The outlook on the long-term rating is 'Positive'.

The other terms and conditions for the credit rating of the aforementioned instrument shall remain the same as communicated vide our letter Ref: D/RAT/2019-20/A-508/03 dated July 24, 2019.

We look forward to further strengthening our existing relationship and assure you of our best services.

With kind regards,

Yours sincerely,

For ICRA Limited

SRINIVASAN
RANGASWAMY

Srinivasan Rangaswamy
Vice President
s.srinivasan@icraindia.com

Karumuttu Centre, 5th Floor
634, Anna Salai, Nandanam
Chennai 600035

Registered Office : 1105, Kailash Building, 11th Floor, 26 Kasturba Gandhi Marg, New Delhi - 110001. Tel : +91.11.23357940-45

Tel : +91.44.45964300
CIN : L74999DL1991PLC042749

Website : www.icra.in
Email : info@icraindia.com
Helpdesk : +91.124.2866928

RATING • RESEARCH • INFORMATION



Annexure I: Instrument details

ISIN No.	Date of Issuance	Date of Maturity	Amount Rated (Rs. in Crores)	Rating
INE216P07134	18-Jul-17	18-May-22	130.00	[ICRA]A+ (Positive)
INE216P07139	17-Apr-18	17-Apr-23	10.00	[ICRA]A+ (Positive)
Yet to be placed	-	-	210.0	[ICRA]A+ (Positive)

ANNEXURE III: CONSENT LETTER FROM THE DEBENTURE TRUSTEE

IDBI Trusteeship Services Ltd
CIN : U65999MH2001GOI131154



ITSL/CL/20-21/DEB/201
Date: 15.06.2020

AAVAS FINANCIERS LIMITED
201 202, 2nd Floor,
Southend Square,
Mansarovar Industrial Area, Jaipur 302020

Kind Attn:- Mr. Rahul Khandelwal

Dear Sir,

Subject: Consent to act as Debenture Trustee for Listed, rated, Secured Redeemable Non-Convertible Debentures (NCDs) aggregating up to Rs. 150 crs only (Period 18 Months).

This is with reference to our discussion and your approval mail dated 12.06.2020 regarding appointment of IDBI Trusteeship Services Limited as Debenture Trustee for Listed, rated, Secured Redeemable Non-Convertible Debentures (NCDs) aggregating up to Rs. 150 crs only.

We are agreeable for inclusion of our name as trustee in the offer document/disclosure document or any other authority as required subject to the following conditions:

1. The Company shall enter into Written Debenture Trustee Agreement for the said issue before the opening of Subscription list for issue of debentures.
2. The Company agrees and undertakes to create the securities over such of its immovable and moveable properties and on such terms and conditions as agreed by the Debenture holders and disclose in the Information Memorandum or Disclosure Document and execute, the Debenture/Bond Trust Deed and other necessary security documents for each series of debentures as approved by the Debenture Trustee, within a period as agreed by us in the Information Memorandum or Disclosure Document within three months from the closure of the issue or offer of debentures.
3. The Company agrees & undertakes to pay to the Debenture Trustees so long as they hold the office of the Debenture Trustee, remuneration as stated above for their services as Debenture/Bond Trustee in addition to all legal, traveling and other costs, charges and expenses which the Debenture Trustee or their officers, employees or agents may incur in relation to execution of the Debenture/Bond Trust Deed and all other Documents affecting the Security till the monies in respect of the Debentures/Bond have been fully paid-off and the requisite formalities for satisfaction of charge in all respects, have been complied with.
4. The Company shall agree & undertake to comply with the provisions of SEBI (Debenture Trustees) Regulations, 1993, SEBI (Issue and Listing of Debt Securities) Regulations, 2008, SEBI Circular No. SEBI/IMD/BOND/1/2009/11/05 dated the 11th May, 2009 on Simplified Listing Agreement for Debt Securities read with the SEBI Circular No. SEBI/IMD/DOF-1/BOND/Cir-5/2009 dated the 26th November, 2009, the Companies Act, 1956 and the Companies Act, 2013, as amended from time to time and other applicable provisions and agree to furnish to Trustees such information in terms the same on regular basis.

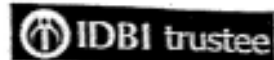
Any payment in respect of Debentures required to be made by the Debenture Trustee to a Debenture Holder (who is a FI Entity) at the time of enforcement would, if required by applicable law, be subject to the prior

Please feel free to contact us for query. For information on our services, visit website www.idbitrustee.co.in

Regd. Office : Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai - 400 001.
Tel. : 022-4080 7000 • Fax : 022-6631 1776 • Email : itsl@idbitrustee.com • response@idbitrustee.com
Website : www.idbitrustee.com



IDBI Trusteeship Services Ltd
CIN : U65991MH2001GO1131154



approval of RBI for such remittance through an Authorised Dealer. The Company/Investor shall obtain all such approvals, if required, to ensure prompt and timely payments to the said Debenture Holder. Such remittance shall not exceed total investment (and interest provided for herein) made by the Debenture/Bond Holder (who is a FI).

Looking forward to a fruitful association with you and assuring you of our best services at all times.

Thanking you,

For IDBI TRUSTEESHIP SERVICES LIMITED

(Authorized Signatory)

We accept the above terms
FOR AAVAS FINANCIERS LIMITED

(Authorized Signatory)



For more details, contact us for more. For information on our services, visit website www.idbitrustee.co.in

ANNEXURE IV: APPLICATION FORM

AAVAS FINANCIERS LIMITED

CIN No. L65922RJ2011PLC034297

A public limited company incorporated under the Companies Act, 1956

Date of Incorporation: February 23, 2011*

Registered Office: 201-202, Southend Square SP-1, 2nd Floor, Mansarovar Industrial Area, Jaipur – 302020

Telephone No.: 0141-4110060

Website: www.aavas.in

*On conversion of AAVAS FINANCIERS LIMITED (Formerly known as Au Housing Finance Limited) a fresh certificate of incorporation has been issued on 29th March 2017.

DEBENTURE APPLICATION FORM SERIAL NO.	10								
---------------------------------------	----	--	--	--	--	--	--	--	--

ISSUE OF UPTO 1500 RATED LISTED SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES OF

RS.10,00,000/- (RUPEES TEN LAKHS ONLY) EACH AGGREGATING UPTO RS. 150,00,00,000/- (RUPEES ONE HUNDRED AND FIFTY CRORE), FULLY PAID UP FOR CASH AT PAR TO THE FACE VALUE

DEBENTURE APPLIED FOR :

Number of Debentures _____ In words _____

Amount Rs. /- in words Rupees _____

DETAILS OF PAYMENT:

EFT/ RTGS

Funds transferred to AAVAS FINANCIERS LIMITED

Dated _____

Total Amount Enclosed

(In Figures) _____ (In words) _____

APPLICANT'S NAME IN FULL (CAPITALS) SPECIMEN SIGNATURE

APPLICANT'S ADDRESS

ADDRESS																			
STREET																			

CITY																			
PIN						PHONE							FAX						

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

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

We have read and understood the Terms and Conditions of the Issue of Debentures including the Risk Factors described in the Memorandum and have considered these in making our decision to apply. We bind ourselves to these Terms and Conditions and wish to apply for Allotment of these Debentures. We request you to please place our name(s) on the Register of Holders.

Name of the Authorized Signatory(ies)	Designation	Signature

Applicant's
Signature

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

DEPOSITORY	NSDL ()
DEPOSITORY PARTICIPANT NAME	
DPID	
BENEFICIARY ACCOUNT NUMBER	
NAME OF THE APPLICANT(S)	

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

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

(Note: Cheque and Drafts are subject to realisation)

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

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

We understand that we are assuming on our own account, all risk of loss that may occur or be suffered by us including as to the returns on and/or the sale value of the Debentures and shall not look directly or indirectly to the Issuer (or to any person acting on its or their behalf) to indemnify or otherwise hold us harmless in respect of any such loss and/or damage. We undertake that upon sale or transfer to subsequent investor or transferee ("Transferee"), we shall convey all the terms and conditions contained herein and in this Information Memorandum to such Transferee.

Applicant's
Signature

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

(Note : Cheque and Drafts are subject to realisation)

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

[•]- ACKNOWLEDGMENT SLIP

(To be filled in by Applicant) SERIAL NO.	10								
---	----	--	--	--	--	--	--	--	--

Received from _____

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

ANNEXURE V: LAST AUDITED FINANCIAL STATMENTS

Financial Statements of the Company for the F.Y 2017-18 and 2018-19.
(Please refer Company's Website- www.aavas.in)

Financial Statements of the Company for the F.Y 2019-20.
(Please refer <http://webmail.aavas.in/webmail/?/Min/Share/kHuhnnZnnG>)

ANNEXURE VI: ILLUSTRATION OF BOND CASH FLOWS

Face Value per Debenture (Rs.)	10,00,000.00
Number of Debenture	1500
Redemption Value per Debenture (Rs.)	10,00,000.00

Cash flow per Debenture

<i>(in INR)</i>				
Date	Number of Days	Amount of Interest per Debenture	Amount of Principal Payment	Total amount of Cumulative Payment
22 nd December, 2020	183	33,090.41	-	33,090.41
22 nd June, 2021	182	32,909.59	-	32,909.59
22 nd December, 2021	183	33,090.41	10,00,000.00	10,33,090.41
	TOTAL	99,090.41	10,00,000.00	10,99,090.41