

Term Sheet for Secured, Redeemable, NCD issue by Small Business Fincredit India Private Limited (Formerly known as MAPE Finserve Private Limited)

Security Name	9.40% SBF IPL 2020
Issuer	Small Business Fincredit India Private Limited (Formerly known as MAPE Finserve Private Limited) (SBFC)
Sole Arranger	Kotak Mahindra Bank Limited
Type of instrument	Secured Rated Redeemable Non-Convertible Debentures (Debentures)
Nature of instrument	Secured
Seniority	Senior
Mode of issue	Private Placement
Eligible Investors	<p>The following categories of investors, specifically approached, are eligible to apply for this private placement of Debentures.</p> <ol style="list-style-type: none"> <li>1. Scheduled Commercial Banks;</li> <li>2. Financial Institutions;</li> <li>3. Insurance Companies;</li> <li>4. Primary/ State/ District/ Central Co-operative Banks (subject to permission from RBI);</li> <li>5. Regional Rural Banks;</li> <li>6. Mutual Funds;</li> <li>7. Companies, Bodies Corporate authorized to invest in Debentures;</li> <li>8. Trusts, Provident Funds, Gratuity, Superannuation &amp; Pension Funds, subject to their Investment guidelines.</li> <li>9. Any other investor(s) authorized to invest in the private placement.</li> </ol>
Rating of the instrument	"A" by the ICRA Limited ("Rating Agency")
Issue Size	400,00,00,000/- (Rupees Four Hundred Crores Only)
Option to retain oversubscription	N.A.
Object of the Issue	To raise funds upto the extent of Rs. 400,00,00,000/- (Rupees Four Hundred Crores Only) which shall be utilised as set out in the row titled 'Details of utilisation of proceeds' below.
Details of utilisation of proceeds	As per PAS-4
Coupon Rate	9.40% p.a (Nine Decimal Point Four Zero percent per annum)
Step Up/Step Down Coupon Rate	The Coupon Rate applicable to the Debentures may be increased in the manner and upon the terms and conditions as set out in the row titled 'Superior Borrowing Clause'.
Coupon Payment Frequency	Annually
Coupon Payment Dates	1 <sup>st</sup> Coupon Payment Date: 27 <sup>th</sup> Sep 2018 2 <sup>nd</sup> Coupon Payment Date: 27 <sup>th</sup> Sep 2019 3 <sup>rd</sup> Coupon Payment Date: 25 <sup>th</sup> Sep 2020
Coupon Type	Fixed
Coupon Reset Process	The Coupon Rate applicable to the Debentures may be increased in the manner and upon the terms and conditions as set out in the row titled 'Superior Borrowing Clause'.

Small Business FinCredit India Pvt. Ltd.  
(Erstwhile Mape Finserve Pvt Ltd)

Registered Office : Unit No. 762, Bldg. No. 7, 6<sup>th</sup> Floor, Solitaire Corporate Park, Andheri (E), Mumbai - 400 093

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CIN No : U67190MH2008PTC178270



<b>Day Count Basis</b>	Actual/Actual.
<b>Interest on Application Money</b>	The Issuer shall be liable to pay the Debenture Holder(s), interest on application money at the Coupon Rate per annum compounded annually for the period commencing from the Issue Pay-in Date and ending on the Deemed Date of Allotment. Interest on application money, if any, due and payable to the Debenture Holders, shall be paid to the Debenture Holders on the first Coupon Payment Date.
<b>Refunds</b>	For applicants whose applications have been rejected or allotted in part, refund orders will be dispatched within 1 (One) Business Day from the Deemed Date of Allotment.
	In case of default in payment of Coupon and/or payment of principal amount (at scheduled maturity or prior thereto, in terms hereof) additional interest of 2% (Two Percent) per annum over and above the Coupon Rate shall be payable by the Issuer for the defaulting period.
<b>Default Interest Rate</b>	In case of the Issuer fails to execute the Deed of Hypothecation, within 45 (Forty Five) calendar days of the Deemed Date of Allotment, the Issuer shall pay penal interest of 2% (Two Percent) per annum over and above the applicable Coupon Rate from the date falling at the expiry of 45 (Forty Five) calendar days from the Deemed Date of Allotment upto the date of execution of the Deed of Hypothecation.
<b>Tenor</b>	36 (Thirty Six) months from the Deemed Date of Allotment.
<b>Redemption Date</b>	The date falling at the expiry of 36 (Thirty Six) months from the Deemed Date of Allotment, being 25 <sup>th</sup> September 2020
<b>Redemption Amount</b>	The face value of the Debentures, plus the accrued Coupon, plus Default Interest (if any) and any other amounts which are payable by the Issuer in respect of the Debentures under the Transaction Documents on the Redemption Date.
<b>Redemption Premium/Discount</b>	N.A.
<b>Issue Price</b>	Rs. 10,00,000/- (Rupees Ten Lakh) per Debenture.
<b>Discount at which security is issued and the effective yield as a result of such discount</b>	N.A.
<b>Put Option Date</b>	N.A.
<b>Put Option Price</b>	N.A.
<b>Call Option Date</b>	N.A.
<b>Call Option Price</b>	N.A.
<b>Put Notification Time</b>	N.A.
<b>Call Notification Time</b>	N.A.
<b>Face Value</b>	Rs 10,00,000/- (Rupees Ten Lakh) per Debenture.
<b>Minimum Application size and in multiples of 1 thereafter</b>	10 Debenture and in multiple of 1 thereafter.
<b>Issue Timing</b>	Issue Opening Date: 27 <sup>th</sup> Sep 2017 Issue Closing Date: 27 <sup>th</sup> Sep 2017 Pay-in Date: 27 <sup>th</sup> Sep 2017 Deemed Date of Allotment: 27 <sup>th</sup> Sep 2017



<b>Issuance mode of the Instrument</b>	Dematerialised only.
<b>Trading mode of the Instrument</b>	Dematerialised only.
<b>Settlement mode of the Instrument</b>	Cheque / NEFT/ RTGS
<b>Depositories</b>	NSDL
<b>Business Day</b>	Any day of the week (excluding Saturdays, Sundays and any day which is a public holiday for the purpose of Section 25 of the Negotiable Instruments Act, 1881 (26 of 1881)) on which the money market is functioning in Mumbai and "Business Days" shall be construed accordingly.
<b>Business Day</b> <b>Convention</b>	In case the date for performance of any event or any Coupon Payment Date falls on a day that is not a Business Day, the payment to be made on such date or the due date for such performance of the event shall be the immediately succeeding Business Day, except where the Redemption Date falls on a day that is not a Business Day, in which case all payments to be made on the Redemption Date (including accrued Coupon) shall be paid on the immediately preceding Business Day.
<b>Record Date</b>	The 'Record Date' for the Debentures shall be 15 (Fifteen) calendar days prior to each Coupon Payment Date and/ or Redemption Date.
<b>Security</b>	Secured
<b>Transaction Documents</b>	<ul style="list-style-type: none"> <li>• Letter appointing IDBI Trusteeship Services Limited, as Debenture Trustee in respect of the Issue;</li> <li>• Letter appointing NSDL Database Management Limited as Registrar and Transfer Agent;</li> <li>• Letter from the Rating Agency conveying the credit rating for the Debentures of the Issuer and the rating rationale pertaining thereto;</li> <li>• Debenture Trust Deed, executed between the Debenture Trustee and the Issuer;</li> <li>• Deed of Hypothecation, executed by the Issuer, in favour of the Debenture Trustee, for the creation of the Charge;</li> <li>• Debenture Trustee Agreement, executed by and between the Issuer and the Debenture Trustee, in respect of the appointment of the Debenture Trustee, as debenture trustee for the Issue;</li> <li>• The Escrow Agreement 1;</li> <li>• The Escrow Agreement 2; and</li> <li>• Any other documentation in form and substance customary for transactions of this nature.</li> </ul>
<b>Conditions Precedent for Investment</b>	As per debenture trust deed
<b>Conditions Subsequent for Disbursement</b>	As per debenture trust deed
<b>Majority Debenture Holders</b>	Debenture Holders whose participation or share in the principal amount(s) outstanding with respect to the Debentures aggregate to 51% (Fifty One per cent) or more of the value of the nominal amount of the Debentures for the time being outstanding.
<b>Accelerated Redemption</b>	As per debenture trust deed



Event/Financial Covenants	
Covenants	As per debenture trust deed
Superior Borrowing Clause	<ul style="list-style-type: none"> <li>If the Issuer, within a period of 6 (Six) months from the Deemed Date of Allotment, chooses to issue any non-convertible debentures, which bear a rate of interest which is higher than the Coupon Rate, the Issuer shall inform each of the Debenture Holders, in writing of such higher interest rate which is offered in respect of such other debentures;</li> <li>On and from the issuance of such other debentures, the higher interest rate which has been offered by the Issuer for such other debentures, shall become automatically applicable to the Debentures.</li> </ul>
Other Covenants	As per debenture trust deed
Reporting Covenants/ Information Covenants	As per debenture trust deed
Event of default	As per debenture trust deed
Implications of Event of Default	As per debenture trust deed
Debenture Trustee	IDBI Trusteeship Limited
R&T Agent	NSDL database management limited
Provisions related to Cross Default Clause	As set out in the row titled 'Event of Default'
Escrow Mechanism	As per debenture trust deed
Role and Responsibilities of Debenture Trustee	As per the Transaction Documents.
Governing laws and jurisdiction	This Term Sheet and the Debentures shall be governed by and will be construed in accordance with the Indian law and the courts and tribunals in Mumbai shall have exclusive jurisdiction with respect to matters contained herein and/or relating to the Debentures.
Approvals	Issuer agrees to comply with all applicable rules and regulations in respect of the transaction. Issuer will be responsible for taking necessary authorizations and / or approvals internal, external regulatory, statutory or otherwise.

### Illustration of Cashflows

Per NCD	10,00,000.00		
Coupon	9.40%		
Events	Days	Dates	Per NCD Cashflow
Principle Payin	Tue	27-09-2017	10,00,000.00
1st Coupon payment	Thu	27-09-2018	94,000.00
2nd Coupon payment	Fri	27-09-2019	94,000.00
3rd Coupon payment	Fri	25-09-2020	93,486.34
Redemption	Fri	25-09-2020	10,00,000.00



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