

ECAP EQUITIES LIMITED

CIN U67190TG2008PLC057122

A public limited company incorporated under the Companies Act, 1956.

Registered Office: 2nd Floor, MB Towers, Plot No 5, Road No 2, Banjara Hills, Hyderabad, Telangana, India, 500034.**Tel:** +91 40 4031 6900 ;**Corporate Office:** Edelweiss House, Off. C.S.T. Road, Kalina, Mumbai – 400098, Maharashtra, India**Tel:** +91 22 4009 4400; **Fax:** +91 22 4088 6310**Email:** cs@edelweissfin.com/spinvestor@edelweissfin.com**PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER**

ISSUE BY ECAP EQUITIES LIMITED (THE “COMPANY” OR THE “ISSUER”) OF UP TO 1672 TRANCHE 1 UNLISTED, SECURED, NON - PRINCIPAL PROTECTED NON – CONVERTIBLE REDEEMABLE DEBENTURES WITH A FACE VALUE OF INR 10,00,000 EACH (THE “NCD” OR THE “DEBENTURES”), AGGREGATING TO INR 167,20,00,000 (INR ONE HUNDRED SIXTY SEVEN CRORES TWENTY LAKHS ONLY) ISSUED AS PER THE RESPECTIVE SUMMARY TERM SHEET ON A PRIVATE PLACEMENT BASIS (THE “ISSUE”).

BACKGROUND

This Private Placement Offer cum application Letter (hereinafter referred to as the “Offer Letter”) is related to the NCDs to be issued by the Issuer on a private placement basis and contains relevant information and disclosures required for the purpose of issuing of the Debentures.

GENERAL RISK

AS THE ISSUE IS BEING MADE ON A PRIVATE PLACEMENT BASIS, THIS OFFER LETTER HAS NOT BEEN SUBMITTED TO OR CLEARED BY THE SECURITIES AND EXCHANGE BOARD OF INDIA (“SEBI”). THE ISSUE HAS NOT BEEN RECOMMENDED OR APPROVED BY SEBI NOR DOES SEBI GUARANTEE THE ACCURACY OR ADEQUACY OF THIS OFFER LETTER. INVESTMENT IN DEBT AND DEBT RELATED SECURITIES INVOLVE A DEGREE OF RISK AND INVESTORS SHOULD NOT INVEST ANY FUNDS IN DEBT INSTRUMENTS UNLESS THEY CAN AFFORD TO TAKE THE RISK ATTACHED TO SUCH INVESTMENTS. INVESTORS ARE ADVISED TO TAKE AN INFORMED DECISION AND TO READ THE RISK FACTORS CAREFULLY BEFORE INVESTING IN THE DEBENTURES. FOR TAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR EXAMINATION OF THE ISSUE INCLUDING THE RISKS INVOLVED IN IT. SPECIFIC ATTENTION OF THE INVESTORS IS INVITED TO THE SUMMARIZED RISK FACTORS MENTIONED ELSEWHERE IN THIS OFFER LETTER.

ISSUER’S ABSOLUTE RESPONSIBILITY

THE ISSUER, HAVING MADE ALL REASONABLE INQUIRIES, ACCEPTS RESPONSIBILITY FOR, AND CONFIRMS THAT THIS OFFER LETTER CONTAINS ALL INFORMATION WITH REGARD TO THE ISSUER AND THE ISSUE, WHICH IS MATERIAL IN THE CONTEXT OF THE ISSUE, THAT THE INFORMATION CONTAINED IN THIS OFFER LETTER 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 MAKES THIS OFFER LETTER AS A WHOLE OR ANY OF SUCH INFORMATION OR THE EXPRESSION OF ANY SUCH OPINIONS OR INTENTIONS MISLEADING IN ANY MATERIAL RESPECT.

LISTING

The Debentures offered through this Offer Letter will not be listed.

CREDIT RATINGS

The Debentures are not proposed to be rated.

DEBENTURE TRUSTEE	REGISTRAR TO ISSUE
 IDBI Trusteeship Services Limited] Address: Asian Building, Ground Floor, 17 R Kamani Marg, Mumbai – 400001 Tel No.: : (91) (22) 40807068 Contact person: Swapneil Tiwari Website: http://idbitrustee.com Email: swapneil.tiwari@idbitrustee.com	 Karvy Computershare Private Limited Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032 Tel: +91 40 6716 2222 Fax: +91 40 2300 1153 E-mail : varghese@karvy.com Website: https://karisma.karvy.com Contact Person: Mr. P A Varghese, Zonal Head- Corporate Registry

ISSUE SCHEDULE

Issue Opening Date : March 01 , 2019

Issue Closing Date : March 01 , 2019

The Issuer reserves the right to change the Issue Schedule, including the Deemed Date of Allotment at its sole discretion, and/or close the Issue prior to the Issue Closing Date without giving any reasons or prior notice. The Issue shall be open for subscription during the banking hours on each day during the period covered by the Issue Schedule.

Note: This Private Placement Offer Letter prepared under the Companies Act, 2013, the Companies (Prospectus and Allotment of Securities) Rules, 2014 for private placement of the Debentures is neither a prospectus nor a statement in lieu of prospectus and does not constitute an offer to the public generally to subscribe for or otherwise acquire the debt securities to be issued by the Issuer. This is only an information brochure intended for private use.

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DEFINITIONS/ ABBREVIATIONS/ TERMS USED

Term	Full Form / Meaning
Affiliate	As stipulated in the Debenture Trust Deed
Allotment Date	The date of allotment of the Debentures to the Debenture Holders
Application Form	The application form circulated along with this Offer Letter to be used for the purposes of applying for the Debentures
Articles of Association / Articles	The Articles of Association of the Company, as amended from time to time.
Board/Board of Directors	The Board of Directors of the Company and includes committee thereof.
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identification Number
Companies Act	The Companies Act, 1956 or the Companies Act, 2013, as applicable, as may be amended/ modified/ substituted from time to time
Companies Act, 1956	The Companies Act, 1956 and the rules made thereunder (without reference to the provisions thereof that have ceased to have effect upon the notification of the Notified Sections)
Companies Act, 2013	The Companies Act, 2013 and the rules made thereunder to the extent in force pursuant to the notification of the Notified Sections
Company / Issuer	ECap Equities Limited
Debentures	1672 – Tranche 1 – Unlisted Secured, Non - Principal Protected Non – Convertible Redeemable Debentures of the face value of Rs. 10,00,000/- each aggregating to Rs. 167,20,00,000/- issued as per the Respective summary term sheet
Debenture Holders	Persons who are for the time being holders of the Debentures and whose names are last mentioned in the Debentures / Debenture Register and shall include Beneficiaries.
Debenture Trustee	The trustee of the Debenture Holder(s), in this case being IDBI Trusteeship Services Limited .
Debenture Trustee Agreement	The debenture trustee agreement dated March 01, 2019 entered into between the Issuer and the Debenture Trustee.
Debenture Trust Deed	The debenture trust deed dated March 01, 2019 entered into between the Issuer and the Debenture Trustee in relation to the Debentures in terms of which the Debentures are being issued.
Depositories	A depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participant) Regulations, 1996, as amended from time to time, in this case being NSDL and CDSL
Depositories Act	The Depositories Act, 1996, as amended from time to time.
DP	Depository Participant
DP ID	Depository Participant identification number that is allocated to the Depository Participant by the Depository
Director(s)	Director(s) of the Company
Disclosure Document	This Disclosure Document/Private Placement Offer cum application Letter through which the Debentures are offered on private placement basis
Escrow Account	As stipulated in the Debenture Trust Deed
Escrow Amounts	As stipulated in the Debenture Trust Deed
Event of Default	As stipulated in the Debenture Trust Deed
Face Value/ Nominal Value	INR 10,00,000/- being the nominal value of each Debenture.
Final Redemption Date	As defined in the Debenture Trust Deed
Final Redemption Event	As defined in the Debenture Trust Deed
FY	Financial Year

Term	Full Form / Meaning	
GAAP	Generally accepted accounting principles, standards and practices in India	
INR/Rs. /Rupees	The lawful currency of the Republic of India	
Issue	Issue by the Issuer of up to 1672 Debentures, aggregating to INR 167,20,00,000/-	
Investors	Persons who fall under the category of eligibility to whom this Information Memorandum may be sent with a view to offering the Debentures on Private Placement basis.	
ISIN	International Securities Identification Number	
KCIPL	Kohinoor CTNL Infrastructure Company Private Limited	
Memorandum of Association	The Memorandum of Association of the Company	
NSDL	National Securities Depository Limited	
Notified Sections	Sections of the Companies Act, 2013 that have been notified by the Government of India	
Obligors	shall mean the Persons set out in the Debenture Trust Deed as Obligors and shall include their heirs, executors and administrators	
Offer Letter	This private placement offer cum application letter dated March 01, 2019 for private placement of the Debentures.	
PAN	Permanent Account Number.	
Private Placement	Private Placement means any offer of securities or invitation to subscribe securities to a select group of persons by a Company (other than by way of public offer) through issue of a Private Placement Offer cum application Letter and which satisfies the conditions specified in the Section 42 of the Companies Act, 2013 read with Rules framed thereunder	
PAS	Prospectus and Allotment of Securities	
RBI	Reserve Bank of India	
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act, 1992.	
Specified Account	Bank Name	ICICI Bank
	Branch	Nariman Point,Mumbai-21
	IFSC Code	ICIC0000004 / 400229002
	Beneficiary	ECAP EQUITIES LIMITED
	Account Number	000405114009
Working Days	All days except Saturday, Sunday and any public holiday.	
WDM	Wholesale debt market	
Any other Capitalised Terms other than above shall have the same meaning as defined under the Transaction Documents.		

DISCLOSURE REQUIREMENTS UNDER FORM NO. PAS – 4 PRESCRIBED UNDER THE SECTION 42 OF THE COMPANIES ACT, 2013 AND RULE 14(3) OF COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014,

The table below sets out the disclosure requirements as provided in PAS-4 and the relevant pages/references in this Placement Document where these disclosures, to the extent applicable, have been provided.

Sr. No.	Disclosure Requirements	Relevant Page of this Offer Letter
Part –A	PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER:	
1.	GENERAL INFORMATION	
(i)	Name, address, website and other contact details of the company indicating both registered office and corporate office.	11
(ii)	Date of incorporation of the company.	11
(iii)	Business carried on by the company and its subsidiaries with the details of branches or units, if any.	13
(iv)	Brief particulars of the management of the company.	14
(v)	Names, addresses, DIN and occupations of the directors.	14
(vi)	Management's perception of risk factors.	8
(vii)	Details of default, if any, including therein the amount involved, duration of default and present status, in repayment of:	16
a)	Statutory dues;	16
b)	Debentures and interest thereon;	16
c)	Deposits and interest thereon; and	16
d)	Loan from any bank or financial institution and interest thereon.	16
(viii)	Names, designation, address and phone number, email ID of the nodal/ compliance officer of the company, if any, for the private placement offer process.	11
(ix)	Any Default in Annual filing of the Company under the Companies Act, 2013, or the rules made thereunder	No
2.	PARTICULARS OF THE OFFER	
(i)	Financial position of the Company for the last 3 financial years;	17
(ii)	Date of passing of board resolution.	Refer Terms of the Issue
(iii)	Date of passing of resolution in the general meeting, authorizing the offer of securities.	Refer Terms of the Issue
(iv)	Kinds of securities offered (i.e. whether share or debenture) and class of security ; The total number of shares or other securities to be issued;	Refer Terms of the Issue
(v)	Price at which the security is being offered including the premium, if any, along with justification of the price.	Refer Terms of the Issue
(vi)	Name and address of the valuer who performed valuation of the security offered and basis on which the price has been arrived at along with report of the registered valuer;	Not applicable being NCD issuance
(vii)	Relevant date with reference to which the price has been arrived at;	
(viii)	The class or classes of persons to whom the allotment is proposed to be made;	Refer Terms of the Issue
(ix)	Intention of Promoters, Directors or Key Managerial Personnel to subscribe to the offer (applicable in case they intend to subscribe to the offer);	None
(x)	The proposed time within which the allotment shall be completed;	Refer Terms of the Issue
(xi)	The names of the proposed allottees and the percentage of	Not Applicable being

Sr. No.	Disclosure Requirements	Relevant Page of this Offer Letter
	post private placement capital that may be held by them;	NCD issuance
(xii)	The change in control, if any, in the company that would occur consequent to the private placement!	None
(xiii)	The number of persons to whom allotment on preferential basis / private placement / rights issue has already been made during the year, in terms of number of securities as well as price;	Refer Annexure
(xiv)	The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer;	Not applicable
(xv)	Amount which the company intends to raise by way of securities.	Refer Terms of the Issue
(xvi)	Terms of raising of securities:	
a)	Duration, if applicable;	
b)	Rate of dividend;	
c)	Rate of interest;	
d)	Mode of payment; and	
e)	Mode of repayment.	
(xvii)	Proposed time schedule for which the private placement offer cum application letter is valid.	
(xviii)	Purposes and objects of the offer.	None
(xix)	Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of such objects.	
(xx)	Principal terms of assets charged as security, if applicable.	Refer Terms of the Issue
(xxi)	The details of significant and material orders passed by the Regulators, Courts and Tribunals impacting the going concern status of the Company and its future operations;	None
(xxii)	The pre-issue and post-issue shareholding pattern of the Company	Not applicable being NCD issuance
3	MODE OF PAYMENT FOR SUBSCRIPTION: • Cheque; or • Demand Draft; or • Other Banking Channels	36
4.	DISCLOSURES WITH REGARD TO INTEREST OF DIRECTORS, LITIGATION ETC	
(i)	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.	None
(ii)	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 issue of the private placement offer cum application letter and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed.	17
(iii)	Remuneration of directors (during the current year and last three financial years).	16
(iv)	Related party transactions entered during the last three financial years immediately preceding the year of issue of the private placement offer cum application letter including with regard to loans made or, guarantees given or securities provided.	17

Sr. No.	Disclosure Requirements	Relevant Page of this Offer Letter
(v)	Summary of reservations or qualifications or adverse remarks of auditors in the last five financial years immediately preceding the year of circulation of offer letter 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.	17
(vi)	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 offer letter in the case of company and all of its subsidiaries. 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 offer letter and if so, section-wise details thereof for the company and all of its subsidiaries.	17
(vii)	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	17
5.	FINANCIAL POSITION OF THE COMPANY	
a.	The capital structure of the company in the following manner in a tabular form:	13
(i) (A)	The authorised, issued, subscribed and paid up capital (number of securities, description and aggregate nominal value);	13
(B)	Size of the present offer; and	
(C)	Paid up capital:	
(D)	After the offer; and	
(E)	After conversion of convertible instruments (if applicable);	
(F)	Share premium account (before and after the offer).	
(ii)	<p>The details of the existing share capital of the issuer company in a tabular form, indicating therein with regard to each allotment, the date of allotment, the number of shares allotted, the face value of the shares allotted, the price and the form of consideration.</p> <p>Provided that the issuer company shall also disclose the number and price at which each of the allotments were made in the last one year preceding the date of the offer letter separately indicating the allotments made for considerations other than cash and the details of the consideration in each case.</p>	14
b.	Profits of the company, before and after making provision for tax, for the three financial years immediately preceding the date of circulation of offer letter.	17
c.	Dividends declared by the company in respect of the said three financial years; interest coverage ratio for last three years (Cash profit after tax plus interest paid/interest paid).	17
d.	A summary of the financial position of the company as in the three audited balance sheets immediately preceding the date of circulation of offer letter.	17
e.	Audited Cash Flow Statement for the three years immediately preceding the date of issue of offer letter.	18
f.	Any change in accounting policies during the last three years	18

Sr. No.	Disclosure Requirements	Relevant Page of this Offer Letter
	and their effect on the profits and the reserves of the company.	
Part –B	Application Form	
6.	A DECLARATION BY THE DIRECTORS	

RISK FACTORS

Potential investors should carefully consider the risks and uncertainties described below, in addition to the other information contained in this Offer Letter before making any investment decision relating to the Issue. If any of the following risks or other risks that are not currently known or are deemed immaterial at this time, actually occur, our business, financial condition and results of operation could suffer, and you may lose all or part of your redemption amounts may be affected. Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. The order of the risk factors appearing hereunder is intended to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another. Unless the context requires otherwise, the risk factors described below apply to us / our operations.

You must rely on your own examination of our Company and this Issue, including the risks and uncertainties involved.

Reference to “our business” or “Company’s business” in this section refers to the business of the Company.

Risk Factors in relation to the Debentures

1. Taxation

Potential purchasers and sellers of the Debentures should be aware that they may be required to pay taxes in accordance with the laws and practices of India. Payment and/or delivery of any amount due in respect of the Debentures will be conditional upon the payment of all applicable taxes, duties and/or expenses.

Potential investors who are in any doubt as to their tax position should consult their own independent tax advisers. In addition, potential investors should be aware that tax regulations and their application by the relevant taxation authorities change from time to time. Accordingly, it is not possible to predict the precise tax treatment which will apply at any given time.

2. Non-principal protected investment

The funds available for distributions of the principal amounts and interest amounts due to the Debenture Holders will be limited to Escrow Amounts. Any amounts payable by the Issuer to the Debenture Holders shall be made only out of the Escrow Amount. There can be no assurance that the realization of the Escrow Amounts will be sufficient to make distributions to the Debenture Holders. The ability of the Issuer to pay the amounts due to the Debenture Holders will depend on the realization of the Escrow Amounts which will then lie to the credit of the Escrow Account. Accordingly, there is no assurance that the Issuer will be able to pay the indicated returns or redeem the Debentures in part or in full, as indicated in this Private Placement Offer Letter. Therefore, it must be noted that the Debenture Holders are not being offered a guaranteed or assured return and the Debentures are limited-recourse obligations of the Issuer. Notwithstanding anything contained in the Debenture Documents, the Debentures, being non principal protected,

3. Interest Rate Risk

All securities where a fixed rate of interest is offered are subject to price risk. The Yield realised on the Debentures will be dependent on the Escrow Amounts. The Issuer shall not be liable for payment of Yield in the event there is shortfall in Yield due to non receipt of funds in Escrow Amounts. The price of such securities will vary inversely with changes in prevailing interest rates, i.e. when interest rates rise, prices of fixed income securities fall and when interest rates drop, the prices increase. The extent of fluctuation in the prices is a function of the existing Yield, days to maturity and the increase or decrease in the level of prevailing interest rates. Any increase in rates of interest is likely to have a negative effect on the price of the Debentures.

4. *The Issuer has limited sources of funds to fulfil its obligations under the Debentures*

If there is a shortfall in any amounts then due and payable pursuant to the terms of the Debentures, the Issuer may not have sufficient funds to make payments on the Debentures and the Debenture Holders may incur a loss on the Debenture amount and Yield. The ability of the Issuer to meet its obligations to pay any amounts due to the Debenture Holders under the Debentures will ultimately be dependent upon Escrow Amounts being received which shall be deposited in Escrow Account. The Issuer is therefore generally exposed to the credit risk of the relevant counterparties in respect of such payments.

5. *The Debentures may not be a suitable investment for all investors*

Potential investors should ensure that they understand the nature of the Debentures and the extent of their exposure to risk, that they have sufficient knowledge, experience and access to professional advisers such as legal, tax, accounting and other advisers to make their own legal, tax, accounting and financial evaluation of the merits and risks of investment in the Debentures and that they consider the suitability of the Debentures as an investment in the light of their own circumstances and financial condition. These risks may include, among others, equity market risks, bond market risks, interest rate risks, market volatility and economic, political and regulatory risks and any combination of these and other risks.

6. *Delays in court proceedings in India*

If any dispute arises between the Issuer and any other party, the Issuer or such other party may need to take recourse to judicial proceedings before courts in India. It is not unusual for court proceedings in India to continue for extended periods. Disposition of cases may be further subject to various delays including multiple levels of appellate adjudication.

7. *Exercise of powers by the Debenture Trustee is subject to equitable principles and supervisory powers of courts*

The exercise by the Debenture Trustee of the powers and remedies conferred on it under the Debentures and the Debenture Documents or otherwise vested in it by law, will be subject to general equitable principles regarding the enforcement of security, the general supervisory powers and discretion of the Indian courts in the context thereof and the obtaining of any necessary governmental or regulatory consents, approvals, authorisations or orders.

8. *The right of the Debenture Holders to receive payments under the Debentures will be junior to certain tax and other liabilities preferred by law on an insolvency of the Issuer*

The Debentures will be subordinated to certain liabilities preferred by law such as claims of the Government of India on account of taxes and certain liabilities incurred in the ordinary course of the Issuer's business (including workmen's dues). Upon an order for winding-up in India, the assets of a company are vested in a liquidator who has wide powers to liquidate such company to pay its debt and administrative expenses.

Risk Factors in relation to the Issuer

We depend on the expertise of our senior management and skilled employees; our results of operations may be adversely affected by the departure of our senior management and experienced employees.

We are dependent on our directors and senior management for setting our strategic direction and managing our business, which are crucial to our success. Our continued success also depends upon our ability to attract and retain a large group of experienced professionals and staff. The loss of the services of our senior management or our inability to recruit, train or retain a sufficient number of experienced personnel could have a material adverse effect on our operations and profitability. Our ability to retain experienced staff members as well as senior management will in

part depend on us having in place appropriate staff remuneration and incentive schemes. We cannot be sure that the remuneration and incentive schemes we have in place will be sufficient to retain the services of our senior management and skilled employees.

GENERAL INFORMATION

(i) DETAILS OF THE COMPANY

Name of the Company: ECap Equities Limited

Date of Incorporation: January 11, 2008

Registered Office:

ECap Equities Limited
2nd Floor, M.B. Towers, Plot No. 5, Road No. 2,
Banjara Hills,
Hyderabad-500034,
Telangana, India.
Tel: +91 40 4031 6900; Fax: +91 40 4031 6905;
E-mail: cs@edelweissfin.com/ spinvestor@edelweissfin.com;
Website: www.edelweissfin.com

Corporate Office:

ECap Equities Limited
Edelweiss House, Off C.S.T. Road,
Kalina, Mumbai – 400 098,
Maharashtra, India.
Tel: +91 22 4009 4400; Fax: +91 22 4088 6310
E-mail: cs@edelweissfin.com/ spinvestor@edelweissfin.com;
Website: www.edelweissfin.com

Compliance Officer:

Name: Niket Joshi
Designation: Company Secretary
Address: Edelweiss House, Off C.S.T. Road, Kalina, Mumbai – 400 098, Maharashtra, India.
Telephone: +91 22 4009 4400
Fax: +91 22 4088 6310
E-Mail: spinvestor@edelweissfin.com

Chief Financial Officer:

Name: Mr. Ritesh Jain
Address: Edelweiss House, Off C.S.T. Road, Kalina, Mumbai – 400 098, Maharashtra, India.
Telephone: +91 22 4009 4400;
Fax: +91 22 4088 6310
E-mail: spinvestor@edelweissfin.com

Debenture Trustee to the Issue:

IDBI Trusteeship Services Limited

Address: Asian Building, Ground Floor, 17 R Kamani Marg, Mumbai – 400001
Tel No.: (91) (22) 40807068
Contact person: Swapneil Tiwari
Website: <http://idbitrustee.com/>.com
Email: swapneil.tiwari@idbitrustee.com

Registrar to the Issue:**Karvy Computershare Private Limited**

Karvy Selenium Tower B, Plot 31-32, Gachibowli ,Financial District, Nanakramguda,
Hyderabad - 500 032

Website: <https://karisma.karvy.com>

Contact person: - Mr. P A Varghese

Statutory Auditors:**Name: M/S. GMJ & Co., Chartered Accountants**

3rd & 4th Floor, Vaastu Darshan, "B" Wing, Above Central Bank of India, Azad Road,
Andheri (East), Mumbai 400 069

INFORMATION ABOUT THE COMPANY

1. Brief summary of the business/activities of the Company and its subsidiaries

(A) Overview

ECap Equities Limited (ECAP) was incorporated on January 11, 2008. The Company is a subsidiary of Edelweiss Financial Services Limited.

The Company's primary business is arbitrage trading, which is an integral part of its balance sheet management operations. Earnings in the arbitrage business are susceptible to opportunities in the market, which is inherently cyclical. Arbitrage volumes and earnings are heavily dependent on the level of trading activity in the capital markets. The company also has significant equity stake in group companies and has also invested in their preference shares. The company also has advisory business of loan syndication and arrangement and also does investment in securities.

(B) Corporate Structure

ECap Equities Limited is a wholly owned subsidiary of Edelweiss Financial Services Limited.

As of date, the Company has various subsidiaries.

1. Edelcap Securities Limited
2. Edelweiss Retail Finance Limited
3. Edelweiss Finvest Private Limited
4. Alternative Investment Market Advisors Private Limited
5. Edelweiss Holdings Limited
6. Edelweiss Trustee Services Limited

(C) Details of branches or Units: None

(D) Details of the share capital as on December 31, 2018

(in Rs. In crores)

SHARE CAPITAL	
Authorized Share Capital	
10,000,000 Equity Shares of Rs. 10 each	10
40,000,000 Preference Shares of Rs. 10 each	40
Issued, Subscribed and Paid-up Share Capital	
740,000 Equity Shares of Rs. 10 each	0.74
Size of the present offer	167.2
Paid up Capital of the Issuer after the Issue (after conversion of convertible instruments (if applicable))	Not applicable
SHARE PREMIUM ACCOUNT	
Before the Issue	
After the Issue	

(a) Share Capital History of the Company as on December 31, 2018

(i) Equity Share Capital History of the Company

Date of Allotment	No. of Shares	Face Value (Rs.)	Issue Price (Rs.)	Nature of Consideration	Reasons for Allotment
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March 28, 2018	5,00,000	10	2500	Cash	Rights issue for redemption of Preference Shares
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(ii) *Preference Share Capital History of the Company*

Date of Allotment	No. of Preference Shares	Face Value (Rs.)	Issue Price (Rs.)	Nature of Consideration	Reasons for Allotment	Cumulative No. of Preference Shares	Cumulative Paid-up Share Capital (Rs. In Cr)	Cumulative Share Premium (Rs. In Cr)	Remarks
March 29, 2012	18,00,000	10	1,000	Cash	---	18,00,000	1.8	178.2	Redeemed on March 28, 2018
December 20, 2013	18,00,000	10	10	Cash	---	36,00,000	3.6	Nil	Redeemed on March 28, 2018

(b) *Details of allotments made by the Company in the last one year*

(i) *Details of allotment of Equity Shares*

Date of Allotment	No. of Shares	Face Value (Rs.)	Issue Price (Rs.)	Nature of Consideration	Reasons for Allotment
March 28, 2018	5,00,000	10	2500	Cash	Rights issue for redemption of Preference Shares

(ii) *Details of allotment of Preference Shares*

Date of allotment	No. of Preference Shares	Face value (INR)	Details of Consideration
None			

(E) **DETAILS REGARDING MANAGEMENT OF THE COMPANY**

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

NAMES AND ADDRESSES OF THE DIRECTORS OF THE ISSUER AS ON DECEMBER 31, 2018:

Sr. No.	Name, Designation, DIN, Nationality, Occupation and Address	Age (Years)	Date of Appointment	Other Directorships
1.	Mr. Umesh Wadhwa Designation : Non –Executive Director DIN : 05157099 Nationality : Indian	45	06/08/2012	Nil

	Occupation : Service Address: 401/402, Samarth Anngan, Bldg No. 1-A, Lokhandwala Complex, Andheri (W), Mumbai – 400053.			
2.	Mr. T. K. Ramaswamy Designation : Non –Executive Director DIN : 05158707 Nationality : Indian Occupation : Service Address: B – Wing, 204, Tilak Dham CHS, Bldg No - 22, Tilak Nagar, Chembur, Mumbai – 400089.	48	11/03/2013	1. Edelweiss Comtrade Limited.
3.	Mr. Ganesan R Designation : Non –Executive Director DIN : 07446631 Nationality : Indian Occupation : Service Address: C-406, Navkar Apartment, Patharli, Dombivli East, Thane - 421204	49	17/03/2016	Nil
4.	Ms. Chetna Malaviya Designation : Independent Director DIN : 07300976 Nationality : Indian Occupation : Service Address: 101/A, Garden Estate, Link Road, Laxmi Nagar, Goregaon West, Mumbai - 400062	46	17/03/2016	1. EC Commodity Limited 2. EFSL Comtrade Limited
5	Mr. Bharat Bakshi Designation : Independent Director	58	02/05/2018	1. Edelweiss Finvest Private Limited (formerly known as Arum Finvest Private

DIN : 07648220 Nationality : Indian Occupation : Service Address: 1209(L) Navjivan Commercial Building, Lamington Road, Mumbai - 400 008.			Limited)
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Note: None of the Directors of the Company are in the RBI defaulter list and /or ECGF default list.

(b) Change in Directors since last three years (i.e. 2015-16, 2016-17 and 2017-18):

Name, Designation	DIN	Date of Appointment / Resignation	Director of the Company since (in case of resignation)	Remarks
Mr. Bharat Bakshi	07648220	02/05/2018	-	Appointment
Mr. Ravindra Ankam	03210147	02/05/2018	21/03/2015	Resignation
Ms. Chetna Malaviya	07300976	17/03/2016	--	Appointment
Mr. Ganesan R	07446631	17/03/2016	--	Appointment
Mr. Ketan Shah	07116011	17/03/2016	21/03/2015	Resignation
Mr. Mayank Toshniwal	07030634	17/03/2016	28/01/2015	Resignation
Mr. T. V. Rangaswami	01957380	28/01/2015	01/10/2009	Resignation

(c) Remuneration of directors

Remuneration paid to Directors during the last three Financial year:

No remuneration has been paid to the Directors except sitting fees for attending Board and Committee meetings during the last three financial years:

Sr. No.	Name of the Director	March 31, 2018 (Rs.)	March 31, 2017 (Rs.)	March 31, 2016 (Rs.)
1.	Mr. Ravindra Ankam	60,000	90,000	30,000
2.	Mr. Ketan Shah	N.A.	N.A.	90,000

2. DETAILS REGARDING FINANCIAL CONDITION OF THE COMPANY

(a) Details of default, if any, including therein the amount involved, duration of default and present status, in repayment of:

- (i) Statutory dues: None
- (ii) Debentures and interest thereon: None
- (iii) Deposits and interest thereon: None
- (iv) Loan from any bank or financial institution and interest thereon: None

- (b) Summary of reservations or qualifications or adverse remarks of auditors in the last five financial years immediately preceding the year of circulation of offer letter 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: NIL
- (c) Details of any litigation or legal action pending or taken by any Governmental or a statutory authority against the Promoter during the last three years immediately preceding the year of the circulation of the offer letter and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action: NIL
- (d) Related party transactions entered during the last three financial years : Refer annexure
- (e) Details of any inquiry, inspections or investigations initiated or conducted under the Companies Act against the Company and / or its subsidiaries and prosecutions filed (whether pending or not) fines imposed, compounding of offences by the Company and / or its subsidiaries in the last three years. if there were any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last three years and if so, section-wise details thereof for the company and all of its subsidiaries: NIL
- (f) 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: None
- (g) Profits of the Issuer, before and after making provision for tax, for the three financial years immediately preceding the date of circulation of the Offer Letter

Particulars	FY 2018-19 (Dec 31,18) (Rs in Crore)	FY 2017-18 (Rs in Crore)	FY 2016-17 (Rs in Crore)	FY 2015-16 (Rs in Crore)
Profit Before Tax	70.69	58.65	1.37	46.06
Tax	10.22	23.78	(0.48)	(3.84)
Profit After Tax	60.47	34.87	1.85	49.90

- (h) Dividends declared by the Issuer in respect of the said three financial years; interest coverage ratio for last three years (Cash profit after tax plus interest paid/interest paid):

Particulars	FY 2018-19 (Sept 18)	FY 2017-18	FY 2016-17	FY 2015-16
Dividend per equity share (in Rs.)	NIL	NIL	7%	NIL
Interest coverage ratio	1.69	1.28	1.01	1.32

- (i) A summary of the financial position of the Issuer as in the three audited balance sheets immediately preceding the date of circulation of offer letter

Key Operational and Financial Parameters for the half year ended September 30, 2018:

Parameters	(Rs. in crore)
	Financial Half Year ended September 30, 2018
Networth	300.40
Total Debt	4,576.37
of which – Non Current Maturities of Long Term Borrowing	1,457.74
- Short Term Borrowing	1,978.08

- Current Maturities of Long Term Borrowing	1,140.55
Net Fixed Assets	103.19
Non Current Assets	1,404.94
Cash and Cash Equivalents	11.09
Current Investments	0.05
Current Assets	3,469.23
Non Current Liabilities	57.09
Current Liabilities	54.64
Assets Under Management - Credit Book	
Off Balance Sheet Assets	
Interest Income	237.85
Interest Expense	136.83
Provisioning & Write-offs	20.13
PAT	73.62
Gross Debt: Equity Ratio of the Company:-	NA
Before the issue of debt securities (As on December 31, 2018)	17.30
After the issue of debt securities	17.95

Key Operational and Financial Parameters for the last three audited years:

Parameters	(Rs in Crore)		
	Financial Year ended March 31, 2018	Financial Year ended March 31, 2017	Financial Year ended March 31, 2016
Networth	194.24	251.84	249.99
Total Debt	3,794.40	1,669.58	872.26
of which – Non Current Maturities of Long Term Borrowing	1,165.79	1,215.84	110.00
- Short Term Borrowing	1,818.20	453.74	762.26
- Current Maturities of Long Term Borrowing	810.41	-	-
Net Fixed Assets	105.49	4.11	4.79
Non Current Assets	887.17	1,004.48	839.08
Cash and Cash Equivalents	67.06	56.37	69.55
Current Investments	0.05	0.98	-
Current Assets	3,092.63	1,545.26	905.31
Non Current Liabilities	7.01	0.96	1.16
Current Liabilities	156.76	688.82	695.32
Assets Under Management - Credit Book			
Off Balance Sheet Assets			
Interest Income	191.13	210.48	296.84
Interest Expense	255.03	181.47	144.36
Provisioning & Write-offs	21.91	3.11	(0.48)
PAT	34.87	1.85	49.90

- (j) **Audited Cash Flow Statement for the three years immediately preceding the date of circulation of offer letter: Refer Annexure**
- (k) **Any change in accounting policies during the last three years and their effect on the profits and the reserves of the Issuer. NIL**

TERMS OF THE ISSUE

Issuer	ECAP EQUITIES LIMITED
Security Name	ECAP – Secured Market Linked Non Convertible Debentures
Product Code	J0B901A
Date of resolution passed by the Board	February 1, 2019
Date of special resolution passed by the shareholders	February 11, 2019
Type of Instrument	1672 – Tranche 1 – Unlisted Secured, Non - Principal Protected Non – Convertible Redeemable Debentures of the face value of Rs. 10,00,000/- each aggregating to Rs. 167,20,00,000/- issued as per the Respective summary term sheet
Nature of Instrument	Secured
Seniority	The Debentures rank senior to other debt of the Issuer but rank pari passu among themselves
Principal Protection	Principal is not protected at maturity
Underlying NCD	1421 Listed secured rated redeemable principal-protected non-convertible debentures bearing face value of Rs. 10,00,000/- (Rupees ten lakhs only) issued by Kohinoor CTNL Infrastructure Company Private Limited bearing ISIN: INE409V07018 and listed on the wholesale debt segment of the Bombay Stock Exchange.
Mode of Issue	Private Placement
Option to retain oversubscription (Amount)	Not Applicable
Eligible Investors	Please refer to ' Who can apply ' section of Information relating to terms of offer.
Issue Size	INR 167,20,00,000
Minimum Application and multiples thereafter	100 Debenture and in multiples of 1 thereafter
Face Value	INR 10,00,000 each
Issue Price	INR 10,00,000 each
Underlying Equivalence	Each Debenture shall be deemed to be equivalent to 0.84988 Underlying NCDs.
Justification of Issue Price	N.A.
Discount at which security is issued and the effective Yield as a result of such discount.	Not applicable
Tenor in days	587 days
Issue Timings	
1. Issue Opening Date	March 01, 2019
2. Issue Closing Date	March 01, 2019
3. Pay-in date	March 01, 2019
4. Deemed Date of Allotment	March 01, 2019
Redemption Date	October 7, 2020
Yield	shall mean such amount constituting an internal rate of return of 20.2% on the Principal Amount Outstanding, inclusive of Tax Deductions, if any.
Yield and Redemption Amount and Schedule	<p>Bullet Payment of both Yield and Redemption Amount on October 7, 2020.</p> <p>Yield and Redemption Amount is 100% of the performance of the Underlying NCDs attributable to each Debenture as per the Underlying Equivalence.</p>

	<p>Escrow Amounts received during the Tenor shall be utilized for payment of Yield and Redemption Amounts, within 2 days, in the following manner:</p> <p>(a) firstly, towards Yield Amount Outstanding; and (b) secondly towards Redemption Amount</p> <p>The Issuer has a right to prepay all or part of Yield Amount Outstanding and / or Redemption Amount during the tenor of the instrument. In case the Yield and Redemption Amount has been fully paid, the Debentures shall redeemed early subject to compliance under existing regulations under law (i.e. minimum one year having passed from the Deemed Date of Allotment).</p>
Performance of the Underlying NCDs	<p>Performance of the Underlying NCDs includes all Escrow Amounts from the Underlying NCDs on interest and/or principal from the Allotment Date up till the Redemption Date.</p> <p>Performance of the Underlying NCDs will also include any gain/loss arising on account of purchase and / or sale of the Underlying NCDs, which shall be based solely on the discretion of the Issuer.</p>
Yield Reset Process (including rates, spread, effective date, interest rate cap and floor etc).	Not Applicable
Day Count Basis	Actual number of days elapsed in a year of 365 as the case may be.
Default interest rate	In case of default in payment of Escrow Amounts on scheduled repayment due date the Company shall pay to the Debenture Holders interest at 18.2% p.a. compounded on an annual basis on the amounts not deposited/caused to be deposited by the Company into the Escrow Account, for the period commencing on (and including) the date falling 10 (ten) days from the date such Event of Default occurred and ending on the date the Company deposits the relevant outstanding amounts (including the aforementioned interest) into the Escrow Account
Proposed time schedule for which the Disclosure Document is valid	Till redemption
Listing (including name of stock exchange where it will be listed and timeline for listing)	Unlisted
Rating of the instrument	Unrated
Purpose and Objects of the Issue	General corporate purposes, business operations and investments
Details of utilization of proceeds	The Issuer proposes to augment its resources to meet its requirements of funds to carry on its business operations. The proceeds of the issue of Debentures would be utilized for general corporate purposes.
Redemption Interest	NIL
Yield Payment Date	October 07, 2020
Interest on Application Money	NIL
Redemption Amount	Issue Size including Yield
Redemption Premium / Discount	Nil
Mode of redemption	Bank Transfer
Put option date	Not Applicable
Put option Price	Not Applicable

Call option Date	As mentioned in Yield and Redemption Amount and Schedule	
Call option Price	As mentioned in Yield and Redemption Amount and Schedule	
Put Notification Time	Not Applicable	
Call Notification Time	As per the Debenture Trust Deed	
Issuance mode of the Instrument	Demat only	
Trading mode of the Instrument	Demat only	
Mode of Payment	Mode	Time Period for Payment
	Electronic	During Issue Period, during banking hours.
Settlement mode of the Instrument	Cheque / pay order will be dispatched by courier or registered post at the address provided in the Application Form / at the address as subsequently notified to the Issuer in writing by Debenture-holder(s) or at the address on the Depository's record. Where applicable, settlement will be effected by account to account transfer vide Reserve Bank of India's Real Time Gross Settlement System.	
Depository	National Securities Depository Limited "NSDL" Central Depository Services (India) Limited "CDSL"	
Business Day Convention	<ul style="list-style-type: none"> - All days on which the banks are open for business in Mumbai other than a Saturday or a Sunday. - If any Interest Payment Date falls on a day that is not a Business Day, the payment shall be made by the Issuer on the immediately succeeding Business Day without any obligation for paying interest for the intervening period - If the Redemption Date falls on a day that is not a Business Day, the redemption proceeds shall be paid by the Issuer on the immediately preceding Business Day - In the event the Record Date falls on a day which is not a Business Day, the immediately succeeding Business Day will be considered as the Record Date. 	
Transaction Documents	(a) Debenture Trust Deed; (b) each Offer Letter; (c) the Debenture Trustee Agreement; (d) the Deed of Hypothecation; (e) the Pledge Agreement; (f) the Escrow Agreement; and (g) any other document which has been mutually agreed between the Company and Debenture Trustee to be designated and identified as a Debenture Document.	
Record Date	5 Business Days prior to each Redemption Date	
Security (where applicable) (Including description, type of security, type of charge, likely date of creation of security, minimum security cover, revaluation, replacement of security) and guarantees	1. Pledge on 1421 units of Underlying NCDs held by the company 2. Hypothecation and Escrow of receivables of 1421 Underlying NCDs held by the company	
Roles and Responsibilities of Debenture Trustee	As per Applicable Law	
Conditions Precedent to Disbursement	The Company shall complete each of the following Conditions Precedent, to the complete satisfaction of the Debenture Trustee, prior to the issuance:- (a) The Company shall have provided a certified true copy of the special resolution of the Company approving the issuance of the Debentures by the Company under Sections 180(1)(a) and 180(1)(c) of the Act and Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules,	

	<p>2014, as amended from time to time;</p> <p>(b) The Company shall have provided a certified true copy of the resolution passed by the Board or a duly authorised committee thereof under Sections 42, 179 and 71 of the Act, for the following purposes:</p> <ul style="list-style-type: none"> (i) approving the terms and execution of, and the transactions contemplated by the Debenture Documents; (ii) authorising a director or directors or other authorised signatories to execute the Debenture Documents; (iii) authorising a Person or Persons, on its behalf, to sign and/or dispatch all documents and notices to be signed and/or dispatched by it under or in connection with the Debenture Documents; and (iv) approving the borrowings contemplated by this Deed and creation of Security in accordance with the provisions of this Deed and the other Debenture Documents. <p>(c) The Company shall have provided the resolutions mentioned above (as applicable), in each case certified by the company secretary/director of the Company along with a specimen of the signature of each person authorised by the resolution referred to hereinabove.</p> <p>(d) The Company shall have provided a copy of:</p> <ul style="list-style-type: none"> (i) the most recently prepared financial statements and unaudited management accounts of the Company, certified as true by the relevant authorised officer and the most recently prepared audited financial statements of the Company, certified as true by the relevant authorised officer; and (ii) the Charter Documents of the Company certified as true by the authorized signatory of the Company. <p>(e) Each of the Debenture Documents shall have been duly stamped and executed, save and except for the Escrow Agreement which shall be executed as a Condition Subsequent in the manner contemplated under Clause 8.5.</p> <p>(f) The Company shall have recorded the names of the prospective subscribers to the Debentures as required under the Act and issued and circulated the relevant Offer Letter for the issuance of the relevant Debentures to such subscribers.</p> <p>(g) The Company shall have provided a certificate signed by at least one director of the Company, confirming that none of its directors appear in the</p>
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	<p>list of defaulters circulated by TransUnion CIBIL Limited (“TransUnion CIBIL”), the Export Credit Guarantee Corporation of India Limited (“ECGC”), or the Reserve Bank of India (“RBI”).</p> <p>(h) The Company shall have (a) furnished evidence, to the satisfaction of the Debenture Trustee, of filing of an application under Section 281 of the Income Tax Act, 1961, for the purpose of obtaining permission of the assessing officer for creation of Security; and (b) furnished a certificate from an independent chartered accountant (i) providing for the value of the tax proceedings pending against the Company before the assessing officer, (ii) providing for the face value of the Pledged Securities, and (iii) certifying that the Company has filed an application under Section 281 of the Income Tax Act for obtaining permission of the assessing officer for creation of Security.</p> <p>(i) The Company shall have furnished a certificate from an independent chartered accountant certifying that the issuance of the Debentures and/or creation of Security in accordance with the Debenture Documents shall not cause any limit binding on the Company to be exceeded (including any limits under Applicable Law and/or under its Charter Documents and/or any resolutions passed by the Board or its shareholders resolution.</p> <p>(j) The Company shall have furnished a certificate from an independent chartered accountant certifying that transfer of the Pledged Securities in accordance with the terms of the Debenture Documents shall not constitute disposal of whole or substantially whole of the undertaking of the Company under the provisions of Section 180(1)(a) of the Act.</p> <p>(k) The Company shall have provided all necessary information to the Debenture Trustee, as may be required and requested by the Debenture Trustee and/or Debenture Holders, for the purposes of compliance to all relevant know-your-customer requirements, and anti-money laundering regulations, as may be required under Applicable Law or any internal policies for compliances applicable to the Debenture Trustee and/or the Debenture Holders.</p> <p>(l) The Company shall have furnished such evidence to the Debenture Trustee, that all relevant and necessary documentation, agreements and arrangements for the purposes of dematerialization of the Debentures have been entered between the Company and intermediaries including but not limited to the registrar and transfer agent and the Depository.</p>
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	<p>(m) The Company shall have furnished a depository account statement confirming the ownership of the relevant Pledged Securities by the Company and confirming that there is no Encumbrance over such Pledged Securities.</p> <p>(n) A confirmation by the Agent that the Escrow Documents have been deposited with it and are in its possession and are held in escrow with it in accordance with the terms of Clause 10.4 of this Deed.</p> <p>(o) The Debenture Trustee shall have issued and delivered a letter to the KCIPL Debenture Trustee in relation to the relevant Pledged Securities in the form and manner set out in the Eighth Schedule to this Deed (and the KCIPL Debenture Trustee shall have acknowledged such letter).</p> <p>(p) The Company shall have issued a certificate signed by at least one director / authorized signatory of the Company certifying as follows:</p> <ul style="list-style-type: none"> (i) no Material Adverse Effect has occurred or is likely to occur due to issuance of the Debenture, creation of Security or the execution of Debenture Documents; (ii) all representations and warranties of the Company as set out in each of the Debenture Documents are true, accurate, correct and not misleading; (iii) no Event of Default has occurred or is continuing or would result from issuance of the Debentures, creation of Security or the execution of Debenture Documents; (iv) all Clearances for the issuance of Debentures, creation of Security and execution of the Debenture Documents have been obtained and are valid and subsisting.
<p>Conditions Subsequent to Disbursement</p>	<p>The Company shall comply with the following conditions subsequent on or after the relevant Deemed Date of Allotment, within the timelines as mentioned below:</p> <p>1. The Company shall:-</p> <ul style="list-style-type: none"> (a) within a period of 1 (one) Business Days of each Deemed Date of Allotment convene a meeting of its Board or a duly authorized committee thereof to pass a resolution for the purpose of allotment of the Debentures to the relevant Debenture Holders (b) within a period of 15 (fifteen) Business Days of each Deemed Date of Allotment file a return of allotment of securities in the Form PAS-3 (as required under the Act) with the applicable Registrar of Companies in connection with the relevant Tranche of Debentures together with a

	<p>complete list of all Debenture Holders and shall submit the challan in this relation to the Debenture Trustee; and</p> <p>(c) on each Deemed Date of Allotment create a first ranking and exclusive pledge over the Pledged Securities in favour of the Debenture Trustee (acting for the benefit of and on behalf of the Debenture Holders) in such manner as contemplated under the Pledge Agreement and to the complete satisfaction of the Debenture Trustee;</p> <p>2. Within a period of 2 Business Days from each Deemed Date of Allotment, the Company shall take all necessary actions to obtain dematerialization of the Debentures and shall do all actions as may be necessary for the purposes of ensuring the dematerialization of the Debentures including but not limited to initiating corporate actions, executing such agreements and filing such forms with the Depository and/or Registrar & Transfer Agent, as may be required and for ensuring that the Debentures allotted to each Debenture Holder are duly credited to its designated dematerialised securities account(s).</p> <p>3. Within a period of 30 (thirty) days of each Deemed Date of Allotment, the Company shall file Form CHG-9 (as required under the Act) with the applicable Registrar of Companies, for the purpose of recording the creation of Security and submit proof of the same to the Debenture Trustee as well as the certificate of registration of charge (pursuant to Section 77(1) and 78 of the Act).</p> <p>4. Within a period of 30 (thirty) days from each Deemed Date of Allotment, the Company shall furnish a certificate, in a form satisfactory to the Debenture Trustee, from an independent chartered accountant or its statutory auditor certifying the end use of the relevant Principal Amount.</p> <p>5. Within a period of 60 (sixty) days from the Tranche 1 Deemed Date of Allotment, the Company shall take all necessary actions, execute all necessary documents and complete all necessary filings and formalities for the purpose of and in connection with the opening and operationalizing of the Escrow Account, including execution of the Escrow Agreement and appointment of such Persons as nominated by the Debenture Trustee to be the sole signatories to the Escrow Account, to the satisfaction of the Debenture Trustee (which arrangement shall continue till the Final Settlement Date).</p>
Escrow Agent and Escrow Documents	<p>The Parties agree that on or before the date of this Deed, they shall deposit and place in escrow with IDBI Trusteeship Services Limited appointed as an agent of the Parties pursuant to the terms mentioned in the letter dated March 01, 2019</p>

	<p>("Agent"), the following documents:-</p> <ul style="list-style-type: none"> (a) signed and undated pledge release forms and receipt instructions slips by the Debenture Trustee; and (b) signed and undated transfer forms/ delivery instructions slips by the Company. <p>(collectively referred to as the "Escrow Documents")</p>
Specified Event	<p>"Specified Events" shall mean collectively</p> <ul style="list-style-type: none"> (a) the following as determined by the Debenture Trustee (acting upon the instructions of the Majority Debenture Holders):- <ul style="list-style-type: none"> a. the occurrence of any event of default (howsoever described) under the terms of any KCIPL Debenture Documents (including but not limited to failure to redeem KCIPL Debentures by KCIPL on the final redemption date as per the terms of the KCIPL Debenture Trust Deed); b. any illegality or invalidity in relation to the Debentures, the creation and/or perfection of the Security and/or under the Debenture Documents as well as any illegality or deficiency in relation to the title of the Company to / over the Pledged Securities; c. any default by the Company in repayment of any of its liabilities, obligations, existing borrowings or indebtedness when the Security is in jeopardy in the opinion of the debenture trustee; d. any breach or deviation by KCIPL of / from the terms of the resolution plan approved by the National Company Law Tribunal, Mumbai on February 21, 2018; e. if the Company enters into or proposes to enter into any scheme of compromise, scheme of arrangement, merger, amalgamation, demerger or corporate reconstruction, except where any such scheme has been expressly consented to in writing by the Debenture Trustee (acting on the instructions of the Majority Debenture Holders); or f. any other event, which the Debenture Trustee may determine to be a Specified Event under the terms of this Debenture Document; and (b) KCIPL Payment Default (as may be determined by the Debenture Trustee or the Company), <p>and "Specified Event" shall mean the occurrence of any of them.</p>
Consequences of Specified Event	<ol style="list-style-type: none"> 1. The Parties agree that the Debenture Trustee (acting upon the instructions of the Majority Debenture Holders) shall be entitled to, in its sole discretion, determine the occurrence of any Specified Event and any such determination of the occurrence of any Specified Event shall be final and binding on the Company and the Company hereby waives any rights or claims it may have to challenge or dispute such determination by the Debenture Trustee.

	<p>Notwithstanding anything contained in the Debenture Documents, the Parties agree that either Party can (at its sole discretion) determine that a Specified Event on account of KCIPL Payment Default has occurred and any such determination shall be final and binding on the Parties.</p> <p>2. The Parties agree that, without prejudice to the right and entitlement of the Debenture Trustee, the Company shall within 2 (two) Business Days of becoming aware of the occurrence of KCIPL Payment Default or any event (other than the event mentioned in (a)(f) of the definition of the Specified Event) which may become a Specified Event (upon determination by either Party in case of KCIPL Payment Default and by the Debenture Trustee in any other event), intimate the Debenture Trustee of the occurrence of such event.</p> <p>3. Each of the Parties hereby agree, acknowledge and confirm that upon determination of occurrence of a Specified Event in accordance with 1 and 2 above and upon issuance of a written notice determining the occurrence of such Specified Event in this regard by (i) the Debenture Trustee or the Company, in case of the determination of a Specified Event on account of occurrence of a KCIPL Payment Default; and (ii) the Debenture Trustee in case of determination of any other Specified Event (in each case, such notice being referred to as a “Specified Event Notice”) the following events shall occur:</p> <p>(a) the Debenture Trustee shall intimate the determination of the occurrence of the Specified Event to the Agent, within 2 (two) Business Days of the issuance of a Specified Event Notice in this regard;</p> <p>Provided that if a Specified Event Notice has been issued in case of the determination of a Specified Event on account of occurrence of a KCIPL Payment Default, such intimation shall be made by either the Debenture Trustee or the Company within 2 (two) Business Days of the issuance of a Specified Event Notice in this regard;</p> <p>(b) upon the intimation under (a) above, the Agent shall affix the date and complete the Escrow Documents, and shall simultaneously release and deposit and submit the Escrow Documents to the Depository Participant to cause the release of the pledge over the Pledged Securities and subsequent transfer of the Pledged Securities to: (i) any Person so identified by the Debenture Trustee (acting under the instructions of the Majority Debenture Holders) or (ii) the Debenture Trustee (if no Person has been identified within the specified time period mentioned in (d) below);</p>
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	<p>(c) the Company shall, promptly, pay all amounts payable by them (or deposit amounts required to be deposited by them, as applicable) under Clauses 12.1(a), 13.1, 13.2, 14.1 (a), (c), (d), (e) and 21 and paragraph 8 of the Second Schedule of the Debenture Trust Deed which is unpaid and is outstanding or has not been deposited, as applicable.</p> <p>(d) Subject to applicable law in India, upon the transfer of all (and not less than all) of the Pledged Securities in accordance with (b) above, unless any amount payable by the Company (or required to be deposited by the Company, as applicable) under Clauses 12.1(a), 13.1, 13.2, 14.1 (a), (c), (d), (e) and 21 and paragraph 8 of the Second Schedule of the Debenture Trust Deed is unpaid and is outstanding or has not been deposited, as applicable: (i) the Debentures shall stand fully redeemed and all obligations of the Company under each of the Debenture Documents in relation to each of the Debentures shall stand fully satisfied and discharged; and (ii) the Debenture Trustee shall, promptly, issue a "no-dues certificate" in the form mentioned in Schedule 7 of the Debenture Trust Deed to the Company recording the same;</p> <p>(e) the transfer of all (and not less than all) of the Pledged Securities in accordance with (b) above shall be undertaken and effected within 15 (fifteen) days of the issuance of the relevant Specified Event Notice; and</p> <p>(f) the Company and Debenture Trustee shall provide necessary co-operation (including doing all acts, deeds and things which shall be necessary) in respect of transfer of all of the Pledged Securities.</p> <p>4. Each of the Parties hereby authorise the Agent to, and the Agent shall, do all actions contemplated under this Clause, including to affix date and complete the Escrow Documents deposited with it and to submit / deposit the Escrow Documents to the Depository Participant and to further do all such acts as may be incidental thereto. It is hereby clarified that the Company's obligations under the Debenture Documents shall stand fully satisfied automatically and irrevocably within 15 (fifteen) days of issuance of the Specified Event Notice, without regard to completion of the process of actual transfer of Pledged Securities upon the occurrence of a Specified Event provided that (i) no amount payable by the Company (or required to be deposited by the Company, as applicable) under 12.1(a), 13.1, 13.2, 14.1 (a), (c), (d), (e) and 21 and paragraph 8 of the Second Schedule of the Debenture Trust Deed is unpaid and is outstanding or has not been deposited, as applicable, and (ii) all necessary co-operation (including doing all acts, deeds and things which shall be necessary) in respect of transfer of all of the Pledged Securities has</p>
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	been provided by the Company.
Events of Default	<p>The occurrence of any one of the following events shall constitute an “Event of Default” by the Company:</p> <p>(a) Payment Default</p> <p>(i) The Company does not make payments on the due date for any amount payable by it under any Debenture Documents by depositing the same/ causing the same to be deposited to the Escrow Account; and</p> <p>(ii) Where any Escrow Amount(s) are deposited to the credit of any bank account (other than the Escrow Account) and such Escrow Amount(s) is not transferred to the Escrow Account, within 2 (two) Business Days from the date of such deposit;</p> <p>It is expressly clarified that no payment default shall be deemed to have occurred under this Clause (a) if the Debenture Holders do not receive payment from the Company when (i) the Company has not received or realized any cash flows from the Pledged Securities; or (ii) the Company has deposited or caused to be deposited the Escrow Amounts in the Escrow Account and the Debenture Trustee has failed to transfer the Escrow Amounts to the Debenture Holders from the Escrow Account.</p> <p>(b) Incorrect representation and warranties</p> <p>Any representation or warranty or statement made or deemed to be made by the Company in the Debenture Documents or any other document delivered by or on behalf of the Company under or in connection with any Debenture Document is or proves to have been incorrect or misleading in any material respect when made or deemed to be made.</p> <p>(c) Proceedings against Company.</p> <p>(i) The Company has voluntarily become subject of proceedings under bankruptcy or insolvency law or if involuntarily then an order of moratorium or liquidation is passed by the Court of competent jurisdiction.</p> <p>(ii) Any petition or application initiated and/or filed against the Company for initiation of any insolvency or liquidation proceedings under the Insolvency and Bankruptcy Code, 2016 (“Code”) (whether voluntary or involuntary) and/or initiation of winding up proceedings under the Act which has not been withdrawn within a period of 14 (fourteen) days from date of its filing and/or initiation, whichever is earlier and/or which has been admitted by the relevant adjudicating authority.</p> <p>(d) Liquidation or dissolution of company</p>

	<p>The Company has taken or suffered any action taken, towards its liquidation or dissolution (including initiation of any action by the Company for voluntary liquidation).</p>
	<p>(e) Appointment of receiver or liquidator or insolvency resolution professional</p> <p>A liquidator or insolvency resolution professional or any other person is appointed or allowed to be appointed in relation to the Secured Assets of the Company.</p>
	<p>(f) Expropriation or nationalisation</p> <p>In the event of a Governmental Authority taking over the management of the Company and/or in the event of nationalisation of the Company or its business or a moratorium being passed or in case the running of the business of the Company or its management or control is taken away under any other Applicable Law or otherwise by a Governmental Authority.</p>
	<p>(g) Material Adverse Effect</p> <p>Any act or omission which causes a Material Adverse Effect.</p>
	<p>(h) Company ceases to carry on business</p> <p>If the Company ceases or threatens to cease to carry on its business or gives notice of its intention to do so and which causes a Material Adverse Effect.</p>
	<p>(i) Any action initiated or threatened to be taken by any Governmental Authority in relation to revocation, cancellation, illegality and/or invalidity of any authorisation, license, permit, consent, registration granted by any Governmental Authority to Company which is material for the conduct of operations and business of the Company and which is likely to cause a Material Adverse Effect. If Company repudiates or attempts to repudiate or causes the repudiation of any of the Debenture Documents without the prior written consent of the Debenture Trustee acting under the instructions of the Majority Debenture Holders.</p>
	<p>(j) Any failure of the Company to transfer all (and not less than all of the Pledged Securities) in accordance with the instructions of the Debenture Trustee (acting on the instructions of the Majority Debenture Holders) in terms of this Deed or any of the other Debenture Documents.</p>
	<p>(k) Any failure of the Company to create the security interest in favour of Debenture Trustee within the time-lines contemplated under this Deed and/or any of the other Debenture Documents.</p>
	<p>(l) Any illegality or invalidity in relation to the creation and/or perfection of the Security as per the Debenture Documents as well as any illegality or deficiency in</p>

	<p>relation to the title of the Company to / over the Pledged Securities.</p> <p>(m) Any transfer, alienation or disposition or any attempt to do any of such acts in relation to the Secured Assets by the Company and/or creation of any additional security interest, charge, encumbrance on the Secured Assets or any attempt to do so, without the prior written consent of the Debenture Trustee.</p> <p>(n) Default in performance of covenants and conditions under the Debenture Documents</p> <p>Default in the performance of any obligations, other than as specified above, on the part of the Company under this Deed or the other Debenture Documents.</p> <p>Provided that in case of default in providing any information in accordance with the information undertakings contained in Paragraph 1 (Information Undertakings) of the Sixth Schedule of the Debenture Trust Deed, such a default shall not be said to have occurred if it has been cured within a period of 15 (fifteen) days from the last date on which the information was to be provided by the Company to the Debenture Trustee in accordance with the terms contained in the Debenture Trust Deed.</p>
Consequences of Event of Default	<p>(a) The Company hereby agrees, undertakes and covenants that the Debenture Trustee (acting on the instructions of the Majority Debenture Holders) shall be entitled to, in its sole discretion, determine the occurrence of any Event of Default and any such determination of the occurrence of any Event of Default shall be final and binding on the Company. Without prejudice to the right and entitlement of the Debenture Trustee to determine the occurrence of any Event of Default, the Company hereby agrees, undertakes and covenants to promptly inform the Debenture Trustee as soon as the Company receives any information regarding or becomes aware of the occurrence of any Event of Default.</p> <p>(b) Upon the occurrence of an Event of Default specified in Clause 12.1(a) of the Debenture Trust Deed, the Company shall pay to the Debenture Holders interest at 18.2% p.a. compounded on an annual basis on the amounts not deposited/caused to be deposited by the Company into the Escrow Account, for the period commencing on (and including) the date falling 10 (ten) days from the date such Event of Default occurred and ending on the date the Company deposits the relevant outstanding amounts (including the aforementioned interest) into the Escrow Account to the satisfaction of the Debenture Trustee.</p> <p>(c) Upon the occurrence of any Event of Default, if so determined by the Debenture Trustee, the Debenture Trustee shall (acting upon the instructions of the Majority Debenture Holders) issue a written notice to the Company</p>

	<p>("EOD Notice") and exercise the following rights of the Debenture Trustee / Debenture Holders:-</p> <p>(i) The Debenture Trustee shall call upon the Company to redeem, within 3 (three) Business Days, the Debentures in accordance with the terms set out in Clause 14.1 of the the Debenture Trust Deed; and</p> <p>(ii) Upon failure of the Company to redeem the Debentures in accordance with the sub-clause (i) above, the Debenture Trustee shall:</p> <p>A. invoke and enforce the pledge created by the Company over the Pledged Securities in accordance with the provisions of the Debenture Documents and shall, in any event, invoke and enforce the Pledge, within the 15 (fifteen) days of the issuance of the EOD Notice by the Debenture Trustee in accordance with Clause 12.2(c) of the Debenture trust Deed;</p> <p>B. require the Company to immediately pay all amounts payable by the Company (or required to be deposited by the Company, as applicable) under Clauses 12.1(a), 13.1, 13.2, 14.1 (a), (c), (d), (e) and 21 and paragraph 8 of the Second Schedule of the Debenture trust Deed, which are unpaid and outstanding or has not been deposited, as applicable; and</p> <p>C. exercise its rights under the Deed of Hypothecation and the Escrow Agreement in relation to the amounts lying to the credit of the Escrow Account and all such amounts shall be appropriated by the Debenture Trustee towards satisfaction of the Debenture Outstanding Amounts and redemption of the Debentures, to the extent of the amounts available in the Escrow Account, in the manner contemplated therein.</p> <p>It is hereby clarified that the Company's obligations under the Debenture Documents shall stand fully satisfied automatically and irrevocably within 15 (fifteen) days of issuance of the EOD Notice, without regard to completion of the process of actual transfer of Pledged Securities upon the occurrence of a Event of Default provided that (i) no amount payable by the Company (or required to be deposited by the Company, as applicable) under Clauses 12.1(a), 13.1, 13.2, 14.1 (a), (c), (d), (e) and 21 and paragraph 8 of the Second Schedule of the Debenture Trust Deed is unpaid and is outstanding or has not been deposited, as applicable, and (ii) all necessary co-operation (including doing all acts, deeds and things which shall be necessary) in respect of transfer of all of the Pledged Securities has been provided by the Company.</p> <p>(d) Each of the Parties hereby agrees, confirms and acknowledges that the Debenture Trustee (acting upon instructions of the Majority Debenture Holders) and the Debenture Holders shall only:</p>
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	<p>(i) have rights mentioned in Clause 12.2 (c) and 12.2 (f) of the Debenture Trust Deed, and</p> <p>(ii) be entitled to exercise any and all rights and remedies that any of them may have under Applicable Law, (A) in the event that any amounts payable by the Company (or required to be deposited by the Company, as applicable) under Clauses 12.1(a), 13.1, 13.2, 14.1 (a), (c), (d), (e) and 21 and paragraph 8 of the Second Schedule of the Debenture trust Deed is unpaid and outstanding or has not been deposited, as applicable; and/or (B) to enforce the rights mentioned in Clause 12.2(c) and Clause 12.2(f) of the Debenture Trust Deed.</p> <p>Upon the invocation of the pledge over all (and not less than all) of the Pledged Securities by the Debenture Trustee in the manner contemplated in the Pledge Agreement and appropriation of all amounts lying to the credit of the Escrow Account by the Debenture Trustee, (i) the Debentures shall stand duly redeemed and all obligations of the Company under each of the Debenture Documents in relation to each of the Debentures shall stand fully satisfied and discharged; and (ii) promptly upon such transfer, the Debenture Trustee shall issue a “no dues certificate” in the form mentioned in the Seventh Schedule to the Company, provided that no amount payable by the Company (or required to be deposited by the Company, as applicable) under Clauses 12.1(a), 13.1, 13.2, 14.1 (a), (c), (d), (e) and 21 and paragraph 8 of the Second Schedule is unpaid and outstanding or has not been deposited, as applicable.</p> <p>(e) Notwithstanding anything contained in any Debenture Documents, including sub-clause (c) above, the Parties hereby agree that the Debentures are non-principal protected.</p> <p>(f) Notwithstanding the redemption of the Debentures in accordance with the terms of this Deed for any reason whatsoever (including, without limitation to, invocation / enforcement of the pledge over the Pledged Securities, transfer of the Pledged Securities, recovery of amounts payable by the Company (or required to be deposited by the Company, as applicable) under Clauses 12.1(a), 13.1, 13.2, 14.1 (a), (c), (d), (e) and 21 and paragraph 8 of the Second Schedule, redemption of the Debentures on the Final Redemption Date, etc.), the Company (without prejudice to any other rights or remedies of the Debenture Trustee and/or the Debenture Holders under Applicable Law or under contract) hereby unconditionally and irrevocably covenants with the Debenture Trustee and the Debenture Holders that the Company (collectively “Indemnified Persons”) shall, forthwith and on demand from the Debenture Trustee and/or Debenture Holders, without any delay, protest or demur, pay and reimburse and be liable to each such Indemnified Person for and indemnify and hold harmless each such Indemnified Person in respect of any and all loss, damage, demand, fees, costs, charges, sums, monies and expenses</p>
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	<p>(including reasonable legal expenses) (“Collectively “Indemnified Amounts””) on a full indemnity basis whatsoever suffered or incurred by any of the Indemnified Persons on account of:</p> <ul style="list-style-type: none"> (i) occurrence of an Event of Default under Clause 12.1(a) of this Deed provided that the Indemnified Amounts under this Clause shall not exceed the actual Escrow Amounts that the Company has received but failed to deposit / cause deposit of to the credit of the Escrow Account , and/ or (ii) any Enforcement Costs not paid by the Company under the terms of this Deed, and/or (iii) any fraud or malfeasance on the part of the Company (or any of its directors, key managerial personnel, officers or employees) in relation any of its obligations in respect of the ‘Reserved Matters’ as contemplated under the Pledge Agreement provided that the Indemnified Amounts under this Clause shall not exceed an amount equivalent to 16% (sixteen percent) of the peak aggregate of the Principal Amount Outstanding during the entire term of the Debentures. <p>It is hereby agreed between the Parties that the indemnity with respect to the occurrence of an Event of Default under 12.1(a) under the Clause 12.2(f) of the Debenture Trust Deed shall survive the termination of this Deed or the redemption of the Debentures in the manner contemplated herein until the expiry of a period of 3 (three) years from the deemed date of issuance of the “no dues certificate” in accordance with Clause 12.2(d) of the Debenture Trust Deed.</p>
Escrow Account	<p>The Company undertakes, confirms and agrees to comply with the following:</p> <ul style="list-style-type: none"> 1. on and from the Deemed Date of Allotment, all Pledged Securities Receivables and all Escrow Amounts shall be directly credited to or deposited only in the Escrow Account; 2. the Company shall ensure (and take all necessary actions in this regard to ensure) that the Escrow Account is capable of being operated only by sole signatories being such persons as nominated by the Debenture Trustee (acting on the instructions of the Majority Debenture Holders) at all times till the Final Redemption Date; 3. Immediately upon receipt of any Escrow Amounts in the Escrow Account and no later than 2 (two) Business Day from the receipt of such amounts, the Debenture Trustee through it authorized representative shall ensure that the Escrow Amounts shall be paid to the Debenture Holders and appropriated in the following manner:

	<p>(a) firstly, towards Yield Amount Outstanding, if any; and</p> <p>(b) secondly towards Principal Amount of the Debentures</p>
	<p>4. no amounts other than the Escrow Amounts in the Escrow Account shall be utilised for the purposes of payment of the Debentures Outstanding Amounts.</p> <p>5. The Company shall not do or permit to be done any act (including, without limitation, giving any instructions to any Person, including the Escrow Bank and/or KCIPL and/or the KCIPL Debenture Trustee) that is or would be contrary to the provisions of Escrow Account.</p> <p>6. If and to the extent that any Escrow Amounts are not deposited into the Escrow Account, without prejudice to any other rights or remedies of the Debenture Trustee and/or the Debenture Holders, the Company shall hold all such Escrow Amounts in trust for the Debenture Trustee and for the benefit of the Debenture Holders pending its application in accordance herewith.</p> <p>7. The Company shall issue necessary instructions and letters (in such form and manner to the satisfaction of the Debenture Trustee, acting on the instructions of the Majority Debenture Holders) to the KCIPL Debenture Trustee to ensure that the KCIPL Debenture Trustee shall deposit each of the Escrow Amounts (and any other Pledged Securities Receivables) only to the credit of the Escrow Account and not to the credit of any other account of the Company or any other Person.</p>
Role and Responsibilities of the Debenture Trustee	As set out in the Debenture Trust Deed
Governing Law and Jurisdiction	As set out in the Debenture Trust Deed
Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of such objects.	Not applicable

INFORMATION RELATING TO TERMS OF OFFER

Terms of issue of Debentures are set out in under the section “Terms of the Issue” above. Below are the general terms and conditions.

Issue

Issue of the Debentures of the face value Rs. 10,00,000 (Rupees Ten Lakhs only) each, aggregating to Rs. 167,20,00,000/- (Rupees One Hundred and Sixty Seven Crores Twenty Lakhs Only) on a private placement basis not open for public subscription.

Compliance with laws

The Issue of Debentures is being made in reliance upon Section 42 of the Companies Act, 2013, Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, relevant provisions of the Companies Act, 1956 and other applicable laws in this regard.

How to Apply

Applications for the Debentures must be made in the Application Form and must be completed in block letters in English by investors. Application Forms must be accompanied by either a demand draft or cheque or electronic fund transfer instruction drawn or made payable in favour of " ECap Equities Limited" and marked 'A/c Payee Only' in case of cheques. The full amount of the Debentures applied for has to be paid along with the delivery of the fully completed and executed Application Form together with other applicable documents described below.

Cheques/ /electronic fund transfer instruction may be drawn on any bank which is situated and is a member or sub-member of the Bankers' clearing houses located at Mumbai. Investors are required to make payments only through cheques//electronic transfer payable at Mumbai.

In case the payment is made by Real Time Gross Settlement (**RTGS**), the funds have to be credited to the issuer's current account, the details of which are given below:

Name of the Bank	ICICI Bank
Name of the account holder	ECap Equities Limited
Account Number	000405114009
IFSC Code	ICIC0000004 / 400229002

The Company assumes no responsibility for any applications/cheques/demand drafts lost in mail or in transit.

Who Can Apply

Nothing in this Disclosure Document shall constitute and/or deem to constitute an offer or an invitation to an offer, to be made to the Indian public or any section thereof through this Disclosure Document, and this Disclosure Document and its contents should not be construed to be a prospectus under the Companies Act.

The categories of investors mentioned in Eligible Investor Clause of Term Sheet are eligible to apply for this private placement of Debentures.

All investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this Issue.

This Disclosure Document and the contents hereof are restricted for only the intended recipient(s) who have been addressed and only such recipients are eligible to apply for the Debentures. Furthermore,

NRIs, OCBs, FIIs and other persons resident outside India are not eligible to apply for or hold the Debentures.

Only the persons who are specifically addressed through a communication by or on behalf of the Company directly by way of a serially numbered Offer Letter accompanied with the Application Form are eligible to apply for the Debentures. An application made by any other person will be deemed as an invalid application and rejected.

Application by Banks/Corporate Bodies/Mutual Funds/FIs/Trusts/Statutory Corporations

The applications must be accompanied by certified true copies of (i) Memorandum and Articles of Association/constitution/bye-laws/trust deed; (ii) resolution authorizing investment and containing operating instructions; and (iii) specimen signatures of authorized signatories; Application made by an Asset Management Company or custodian of Mutual Fund shall clearly indicate the name of the concerned scheme for which application is being made.

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 signatures of all authorised signatories must be lodged along with the submission of the completed Application Form. Further, modifications/additions in the power of attorney or authority should be delivered to the Company at its Corporate Office.

PAN

Each of the applicants should mention his/her/their PAN allotted under the IT Act. Applications without PAN will be considered incomplete and are liable to be rejected.

Basis of Allotment

The Company has the sole and absolute right to allot the Debentures to any applicant.

Right to Accept or Reject Applications

The Company is entitled at its sole and absolute discretion to accept or reject any application, in part or in full, without assigning any reason. Application Forms that are not complete in all respects shall be rejected at the sole and absolute discretion of the Company.

Payment of Yield

Yield if any will be paid only to the Debenture holders registered in the Register of Debenture holders or in the Depository Records. The determination of the persons entitled to receive Yield if any in respect of the Debentures (i.e., persons whose names are registered in the register of Debenture holders or the Depositories' record) shall be made on the Record Date. In the case of joint holders of Debentures, Yield if any shall be payable to the first named Debenture holder.

Redemption

The entire principal amount (including interest or redemption premium if any) of the Debentures will be repaid, on or before the Redemption Date. No surrender of debentures by the debenture holders will be allowed prior to the redemption date.

The Debentures held in the dematerialised form shall be taken as discharged on payment of the redemption amount by the Company on maturity to the registered Debenture Holders whose name appears in the Register of Debenture Holders on the record date. Such payment will be a legal discharge of the liability of the Company towards the Debenture Holders. On such payment being made, the Company will inform Depository and accordingly, the account of the Debenture Holders with Depository will be adjusted. On the Company dispatching the amount as specified above in respect of

the Debentures, the liability of the Company shall stand extinguished.

The Company's liability to the Debenture Holders towards all their rights including for payment or otherwise shall cease and stand extinguished from the due dates of redemption in all events. Further the Company will not be liable to pay any compensation from the dates of such redemption.

Place, Currency and Mode of Payment

All obligations of the Company on the Debentures including Yield, are payable at Mumbai in Indian Rupees only. The payments will be made through cheques or RTGS/NEFT/Fund Transfer mode.

Issue of Debentures in Dematerialised Form

The Debentures will be issued only in dematerialized form. The trading in Debentures will be in dematerialized mode only. The Company 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 Depository Participant's name, DP-ID and beneficiary account number must be mentioned at the appropriate place in the Application Form. The Company shall take necessary steps to credit the Debentures allotted to the depository account of the investor.

Succession

In the event of demise of a Registered Debenture holder of the Debentures, or the first holder in the case of joint holders, the Company will recognize the executor or administrator of the demised Debenture holder or the holder of succession certificate or other legal representative of the demised Debenture holder as the Registered Debentures holder of such Registered Holder's Debentures if such a person obtains probate or letter of administration or is the holder of succession certificate or other legal representation, as the case may be, from a Court in India having jurisdiction over the matter and delivers a copy of the same to the Company. The Company may in its absolute discretion, where it thinks fit, dispense with the production of the probate or letter of administration or succession certificate or other legal representation, in order to recognize such holder as being entitled to the Debentures standing in the name of the demised Debenture holder(s) on production of sufficient documentary proof or indemnity. In case a person other than individual holds the Debentures, the rights in the Debentures shall vest with the successor acquiring interest therein, including liquidator or such any person appointed as per the applicable law.

Notices

The notices, communications and writings to the Debenture holder(s) required to be given by the Company shall be deemed to have been given if sent by registered post to the Registered Debenture holder(s) at the address of the Debenture holder(s) registered with the Corporate Office.

All notices, communications and writings to be given by the Debenture holder(s) shall be sent by registered post or by hand delivery to the Company at its Corporate Office or to such persons at such address as may be notified by the Company from time to time and shall be deemed to have been received on actual receipt of the same.

Rights of Debenture holders

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

Modifications of Rights

The rights, privileges and conditions attached to the Debentures may be varied, modified or abrogated upon a Special Request or by a Special Resolution duly passed at the meeting of the Debenture

Holders convened in accordance with the provisions set out in the Schedules of the Debenture Trust Deed.

Future Borrowings

The Company shall be entitled, from time to time, to make further issue of Debentures, other debt securities (whether pari passu or junior to the Debentures) and other instruments and securities to any person or persons including to the public or a section of the public and/or members of the Company and/or to raise further loans, advances and/or avail further financial and/or guarantee facilities from financial institutions, banks and/or any other person(s) without any further approval from or notice to the Debenture holders/Debenture Trustee.

Tax Benefits

A debenture holder is advised to consider in his own case the tax implications in respect of subscription to the Debentures after consulting his tax advisor.

Refund Cheques

Loss of refund cheques should be intimated to the Company immediately. Upon receipt of request for issue of duplicate refund cheques, the Company shall consider the same and such issue of duplicate cheques shall be governed by applicable law and any other conditions as may be prescribed by the Company.

Debenture Trustee

The Company has appointed IDBI Trusteeship Services Limited as the Debenture Trustee. All the rights and remedies of the Debenture holders shall vest in and shall be exercised by the Debenture Trustee without referring to the Debenture holders. All investors are deemed to have irrevocably given their authority and consent to IDBI Trusteeship Services Limited to act as their debenture trustee and for doing such acts and signing such documents to carry out their duty in such capacity. Any payment by the Company to the Debenture Trustee on behalf of the Debenture holders shall discharge the Company *pro tanto* to the Debenture holders. Resignation/retirement of the Debenture Trustee shall be as per terms of the trust deed to be entered into between the Company and the Debenture Trustee. A notice in writing to the Debenture holders shall be provided for the same.

Anti Money Laundering

Since these debentures are issued in “compulsory demat mode” and the Company uses depository system for allotment of the debentures, KYC checks conducted by depository participants at the time of accepting the customer or transaction under the prevention of money laundering policy adopted by depositories or depository participant shall be considered adequate irrespective of risk level of the customer or transaction. However, as a matter of a good practice, Company may examine transactions/clients that may fall under “suspicious transactions” category as defined under Prevention of Money Laundering Act, 2002 and seek further information from the clients.

Right to Re-purchase and Re-issue the Debentures

The Company will have power, exercisable at its sole and absolute discretion from time to time, to re-purchase a part or all of its Debentures from the secondary markets or otherwise, at any time prior to the Redemption Date, subject to applicable law and in accordance with the applicable guidelines/regulations, if any. In the event of a part or all of its Debentures being repurchased as aforesaid or redeemed under any circumstances whatsoever, the Company shall have, and shall be deemed always to have had, the power to reissue the Debentures either by reissuing the same Debentures or by issuing other debentures in their place. Further the Company, in respect of such re-purchased/re-deemed Debentures shall have the power, exercisable either for a part or all of those Debentures, to cancel, keep alive, appoint nominee(s) to hold or reissue at such price and on such terms and conditions as it may deem fit and as permitted by law.

Right to further issue the Debentures

Company reserves right to make multiple issuances under the same ISIN with reference to SEBI Circular CIR/IMD/DF-1/ 67 /2017 dated June 30, 2017 and SEBI Circular CIR/DDHS/P/59/2018 dated March 28, 2018. 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 June 30, 2017 and SEBI Circular CIR/DDHS/P/59/2018 dated March 28, 2018.

Rights of Debenture holders

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

Modifications of Rights

The rights, privileges and conditions attached to the Debentures may be varied, modified or abrogated upon a Special Request or by a Special Resolution duly passed at the meeting of the Debenture Holders convened in accordance with the provisions set out in the Fifth Schedule of the Debenture Trust Deed.

Future Borrowings

Subject to the applicable regulations, the Company shall be entitled, from time to time, to make further issue of Debentures, other debt securities (whether pari passu or junior to the Debentures) and other instruments and securities to any person or persons including to the public or a section of the public and/or members of the Company and/or to raise further loans, advances and/or avail further financial and/or guarantee facilities from financial institutions, banks and/or any other person(s) without any further approval from or notice to the Debenture holders/Debenture Trustee.

Modification of Debentures

The terms and conditions of the Debentures may be modified by the Debenture Holders by a voting mechanism set out in the Debenture Trust Deed.

Right to accept or reject Applications

The Board 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.

List of Beneficiaries

The Issuer shall request the Depositories to provide a list of beneficiaries as at the end of the relevant Record Date. This shall be the list, which will be used for repayment of redemption monies, as the case may be.

Trustee for the Debenture Holder(s)

The Issuer has appointed IDBI Trusteeship Services Limited to act as trustee for the Debenture Holder(s). The Issuer and the Debenture Trustee entered into the Debenture Trust Deed *inter alia*, specifying the powers, authorities and obligations of the Debenture Trustee and the Issuer, as specified in the Debenture Trust Deed.

Any payment made by the Issuer to the Debenture Trustee on behalf of the Debenture Holder(s) shall discharge the Issuer *pro tanto* to the Debenture Holder(s). 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 Debenture Trust Deed shall more specifically set out rights and remedies of the Debenture Holders and the manner of enforcement thereof.

The Debenture Trustee *ipso facto* does not have the obligations of a borrower or a principal debtor or a guarantor as to the monies paid/invested by investors for the Debentures.

Sharing of Information

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

Debenture Holder not a Shareholder

The Debenture Holder(s) will not be entitled to any of the rights and privileges available to the shareholders of the Issuer. 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.

Notices

Notices and communications will be sent in accordance with the provisions of the Debenture Trust Deed.

Succession

In the event of winding-up of a Debenture Holder, the Issuer will recognize the executor or administrator of the concerned Debenture Holder, or the other legal representative as having title to the Debenture(s). The Issuer shall not be bound to recognise such executor or administrator or other legal representative as having title to the Debenture(s), 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 recognise such holder as being entitled to the Debenture(s) standing in the name of the concerned Debenture Holder on production of sufficient documentary proof or indemnity.

Mode of Transfer/ Transmission of Debentures

The Debenture Holders shall not assign, transfer or sell the Debentures to any other person without the prior written consent of the Issuer, except where such assignment, transfer or sale is to any Affiliate of any of the Debenture Holders where no consent of the Issuer shall be required. It is clarified that the Debentures are not intended to be held by any category of persons who are not Eligible Investors. Subject to the foregoing, the Debentures may be transferred and/or transmitted in accordance with the applicable provisions of the Companies Act, 2013. The Debentures held in dematerialised form shall be transferred subject to and in accordance with the rules/procedures as prescribed by Depositories and the relevant Depository Participants of the transfer 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, interest will be paid/redemption will be made to the person, whose name appears in the register of Debenture Holders maintained by the Depositories. In such cases, claims, if any, by the transferees would need to be settled with the transferor(s) and not with the Issuer.

Provided further that nothing in this section shall prejudice any power of the Issuer to register as Debenture Holder any person to whom the right to any Debenture of the Issuer has been transmitted by operation of law.

The normal procedure followed for transfer of securities held in dematerialized form shall be followed for transfer of these debentures held in electronic form. The seller should give delivery instructions containing details of the buyer's depository participant account to his depository participant. The Issuer undertakes that there will be a common transfer form / procedure for transfer of debentures.

The Debentures shall be issued only in dematerialised form in compliance with the provisions of the Depositories Act, 1996 (as amended from time to time), any other applicable regulations (including of any relevant stock exchange) and these conditions. No physical certificates of the Debentures would be issued. The issue of the Debentures shall be made in dematerialised form. However, the Issuer will use a common transfer form for physical Debentures if at a later stage there, pursuant to a change in applicable law, is any holding in physical form due to the Depository giving any investor the option to rematerialise the Debentures.

Purchase and Sale of Debentures by the Issuer

The Issuer may, at any time and from time to time, purchase Debentures at the price available in the debt market in accordance with the applicable laws. Such Debentures may, at the option of the Issuer, be cancelled, held or reissued at such a price and on such terms and conditions as the Issuer may deem fit and as permitted by law. In the event of purchase of Debentures by the Issuer, the Issuer will not be entitled to any of the rights and privileges available to the Debenture Holders including right to receive notices of or to attend and vote at meetings of the Debenture Holders.

Effect of Holidays

Should the Interest Payment Date fall on a day which is not a Business Day, the next working day shall be considered as the effective date(s) for that payment (provided that if the following payment date falls within the next calendar month, the payment date shall be the immediately preceding business day, so that the payment date falls within the same calendar month). The interest payable shall not be adjusted due to the payment being made on the next working day.

If the Redemption Date falls on a day which is not a Business Day, the previous working day shall be considered as effective date for that payment.

Letters of Allotment

The Issuer shall issue a letter of allotment to each Debenture Holder on the Deemed Date of Allotment evidencing the Debentures allotted to it. The aforesaid letter of allotment shall be replaced with the actual credit of Debentures, in dematerialised form, on the Deemed Date of Allotment.

Deemed Date of Allotment

All the benefits under the Debentures will accrue to the investor from the Deemed Date of Allotment.

Record Date

The record date for repayment of redemption amounts (along with payment of redemption premium) shall be 5 Business Days prior to the relevant date of redemption of such Debentures.

Tax Deduction at Source

Tax as applicable under the Income Tax Act, 1961 will be deducted at source. Tax exemption certificate/document, under Section 195(3) or Section 197(1) of the Income Tax Act, 1961, if any, must be lodged at the office of the Issuer before the Record Date. Tax exemption certificate for interest on application money, if any, should be lodged along with the Application Form.

Payment on Redemption

No action is required on the part of the Debenture Holder(s) for redemption purposes and the Escrow Amounts received will be paid by cheque/fund transfer/RTGS/EFT to those Debenture Holders whose names appear on the list of beneficiaries maintained by the Registrar. The names would be as per the Registrar's records on the relevant Record Date fixed for the purpose of redemption. All such Debentures will be simultaneously redeemed through appropriate debit corporate action.

Payments on each redemption date will be made by way of cheque(s)/ demand draft(s)/ credit through RTGS system/ funds transfer in the name of Debenture Holder(s) whose names appear on the list of Beneficial Owners given by the Depositories to the Issuer and the Registrar as on the Record Date.

The Debentures shall be taken as discharged to the relevant extent on payment of the applicable (in full or in part, as applicable) redemption amount by the Issuer on the related redemption date to the registered Debenture Holder(s) whose name appears in the Register of Debenture Holder(s) on the relevant Record Date as per the terms of Debenture Trust Deed.

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

Loss of Letter(s) of Allotment / Principal and Interest Payment Instruments

Loss of Letter(s) of Allotment and/ or principal payment instrument / interest payment instrument should be intimated to the Issuer along with the request for issue of a duplicate Letter(s) of Allotment/ payment instrument(s). If any Letter(s) of Allotment/ payment instrument(s) is lost, stolen, or destroyed, then upon production of proof thereof, to the satisfaction of the Issuer and upon furnishing such indemnity, as the Issuer may deem adequate and upon payment of any expenses incurred by the Issuer in connection thereof, new Letter(s) of Allotment / payment instrument(s) shall be issued. A fee will be charged by the Issuer, not exceeding such sum as may be prescribed by law.

Debenture Trust Deed

The Company has entered into the Debenture Trust Deed in connection with the issuance of the Debentures. Notwithstanding anything contained herein, in the event of any inconsistency between the terms of this Offer Letter and the Debenture Trust Deed, the terms of the Debenture Trust Deed shall prevail.

NOTE:

This Disclosure Document is not intended for distribution and it is meant solely for the consideration of the person to whom it is addressed and should not be reproduced by the recipient. The Debentures mentioned herein are being issued on a private placement basis and this offer does not constitute nor should it be considered a public offer/invitation. Nothing in this Disclosure Document shall constitute and/or deem to constitute an offer or an invitation to an offer to the Indian public or any section thereof to subscribe for or otherwise acquire the Debentures. This Disclosure Document and the contents hereof are restricted for only the intended recipient(s) who have been addressed directly through a communication by the Company and have been marked against the serial number provided herein and only such recipients are eligible to apply for the Debentures. Furthermore, NRIs, OCBs and other persons resident outside India (except as specifically provided in this Disclosure Document) are not eligible to apply for or hold the Debentures. All investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this Issue. The Company or any other parties, whose names appear herein, shall not be liable for any statements made herein or any event or circumstance arising there from. Potential investors are required to make their own independent evaluation and judgment before making the investment and are believed to be experienced in investing in debt markets and are able to bear the economic risk of investing in such instruments.

DISCLAIMER:

PLEASE NOTE THAT ONLY THOSE PERSONS TO WHOM THIS OFFER LETTER 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 COMPANY 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 COMPANY 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 COMPANY IS NOT, IN ANY WAY, DIRECTLY OR INDIRECTLY, RESPONSIBLE FOR ANY STATUTORY OR REGULATORY BREACHES BY ANY INVESTOR, NEITHER IS THE COMPANY REQUIRED TO CHECK OR CONFIRM THE SAME. NON RESIDENTS CANNOT APPLY FOR OR HOLD THESE DEBENTURES.

PLEASE NOTE THAT BY SIGNING THE APPLICATION FORM, THE INVESTOR ACKNOWLEDGES THAT THE INVESTOR IS DULY AUTHORISED, WHETHER UNDER APPLICABLE LAW, OR UNDER THE INVESTOR'S CONSTITUTION DOCUMENTS OR OTHERWISE TO SUBSCRIBE TO THE ISSUE AND THE PERSON SIGNING THE APPLICATION FORM IS A DULY AUTHORISED SIGNATORY IN THIS REGARD.

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