

Addressed to: AU Small Finance Bank Limited
Serial No: NCD/2021/002

June 23, 2020



AUXILO FINSERVE PRIVATE LIMITED

A private limited company incorporated under the Companies Act, 2013

Date of Incorporation: October 4, 2016; **CIN:** U65990MH2016PTC286516

Registered Office: LG-B-13 & 14, Lower Ground Floor, Art Guild House, Phoenix Market City,
LBS Marg, Kurla West, Mumbai -400070

Telephone No.: 022 6246 3333

Email: treasury@auxilo.com; **Website:** http:// www.auxilo.com/

FORM PAS-4

PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER

[Pursuant to Section 42 and Rule 14 (3) of the Companies (Prospectus and Allotment of Securities) Rules, 2014]

Note: This Form PAS-4 prepared in accordance with the Companies (Prospectus and Allotment of Securities) Rules, 2014 is to be read in conjunction with Section 5 (Regulatory Disclosures) of the Information Memorandum and shall together constitute the "Information Memorandum".

Issue of 250 (Two Hundred and Fifty) Secured, Rated, Listed, Redeemable, Non-Convertible Debentures of face value of Rs. 10,00,000/- (Rupees Ten Lakhs only) aggregating up to Rs. 25,00,00,000/- (Rupees Twenty Five Crores only) on a private placement basis (the "Issue").

1.1 General Information:

A. Name, address, website and other contact details of the Company, indicating both registered office and the corporate office:

Issuer / Company: Auxilo Finserve Private Limited ("Company" or "Auxilo" or "Issuer")
Registered Office: LG-B-13 & 14, Lower Ground Floor, Art Guild House, Phoenix Market City, LBS Marg, Kurla West, Mumbai -400070
Corporate Office: LG-B-13 & 14, Lower Ground Floor, Art Guild House, Phoenix Market City, LBS Marg, Kurla West, Mumbai -400070
Telephone No.: 022 6246 3333
Website: http:// www.auxilo.com/
Contact Person: Mr. Raghavendra Prabhu
Email: treasury@auxilo.com

B. Date of Incorporation of the Company:

October 4, 2016

C. Business carried on by the Company and its subsidiaries with the details of branches or units, if any:

Auxilo is a pro-education NBFC poised on serving the financing gaps in the Indian education sector, with its focus on students and scaling the education infrastructure through innovative



financial solution delivery. Our endeavor is to create a brand which is trusted and respected in education space.

Our Business Model could be broadly divided in to two segments:

- Loan to Students for Higher Education (B2C) - Aims to serve aspiring students across segments for their Graduate or Post Graduate study in India or Overseas.
- Education Institution Loan (B2B) - To improve the quality of education at schools we would provide loans ranging from INR 20 Lakh to INR 7 Crore. These loans are focused towards helping schools towards building or improving the existing infrastructure and also for working capital needs.

In future, Auxilo envisages to cater to the financing requirements of the complete education ecosystem, thus having better efficiencies and control and take a leadership position in this space.

As at March 31, 2020, the gross NPA was NIL on a gross portfolio of Rs. 490 Crores (including managed / securitized portfolio of ~Rs. 20 Crores).

D. Brief particulars of the management of the Company:

Name	Experience
Neeraj Saxena <i>CEO & Managing Director</i>	Neeraj has more than 16 years of experience in the Indian Retail and Financial Services industry. The core vision that's been embodied in Auxilo is led ably by him. Before this he led the path for Avanse an education NBFC. A science graduate from Agra University, he holds a Post Graduate in Management from NIFT, Bangalore.
Mr. Akash Bhanshali <i>Director</i>	Mr. Bhanshali leads the principal investments unit of Enam Holdings Pvt Ltd. He is recognized for identifying the potential in businesses and providing them capital and expertise to scale. Mr. Bhanshali has identified and invested in business leaders across numerous industries who have turned their companies into sector icons. Mr. Bhanshali has a Master's degree in Commerce and is a qualified Chartered Accountant.
Mr. Vivek Saraogi <i>Director</i>	Mr. Vivek Saraogi holds an honors degree in commerce and he is an Industrialist of repute. Mr. Saraogi was a past President of Indian Sugar Mills Association and had served as a Member of the Management Board of Dwarikesh Sugar Industries Limited until April 2005 and also as the Chairman of Indian Sugar Exim Corporation Limited. Mr. Saraogi has been renowned for his expertise in the sugar industry. He has been on the Board of Balrampur Chini Mills Limited (BCML) since 3rd July, 1987 and is presently serving as its Managing Director.
Mr. Manish Chokhani <i>Independent Director</i>	Mr. Manish Chokhani serves the board in an independent capacity. He is one of the youngest MBAs to have graduated from the London Business School and a Chartered Accountant. Mr. Chokhani is one of the India's most respected financial advisors. He was the MD & CEO of Enam Securities, India's leading investment bank that was the trusted "house banker" to several leading corporates. Mr. Chokhani has also helped devise and implement the India investment strategies of several funds including the India Capital Fund, ZA Capital Fund and TPG Growth India (as Chairman). Mr. Chokhani is currently a Senior Advisor to TPG Capital. He also serves on the boards of the publicly listed Zee Entertainment, Westlife Developers (McDonalds) and Shoppers Stop as well as on the Governing body of Flame University.
Mr. Gautam Jain <i>Director</i>	Mr. Gautam Jain has been associated with Enam Group under diverse roles for over 25 years in the areas of Investment Banking and Advisory services. Upon the demerger of Enam's financial services business to Axis Capital, Mr. Jain also served Axis Capital as Managing Director -



	Investment Banking until 2014. Mr. Jain graduated from Birla Institute of Technology & Sciences (BITS), Pilani with a degree in Master of Management Studies (M.M.S).
Mr. Ashwin Jain <i>Director</i>	Mr. Ashwin P. Jain has completed his Bachelor's in Accounts from Mumbai University, in May, 1989. Mr. Jain has approximately 25 years of experience in the field of handling transactions relating Capital Markets, also areas of accounts, finance, taxation and compliances. Mr. Jain has been a director of a Non-Banking Financial Companies, since last 7 years and his experience has been of a great value to the Company.
Mr. C. Illango <i>Independent Director</i>	Mr. C. Ilango has completed his M.Sc. (Agri) - Post-Graduate in Agricultural Economics. He started his career as an Officer in Canara Bank in the year 1980. Retired with 36 years of experience in commercial banking service including a 5 year stint in Housing Finance industry in CanFin Homes as Managing Director. Creative and dynamic marketer with proven expertise in consistently penetrating new markets to ensure sustainable revenue growth.

E. Name, addresses, Director Identification Number (DIN) and occupations of the directors:

Sl.	Name of the Directors, Designation & Occupation	Address	DIN	Director of the co. since	Director in other company
1.	Mr. Neeraj Saxena <i>CEO & Managing Director Service</i>	B-607, Oberoi Splendor, Jogeshwari Vikhroli Link Road, Opp Majas Depot, Jogeshwari East,	07951705	02-01-2018	Nil
2.	Mr. Akash Bhanshali <i>Director Service</i>	12, Laxmi Vilas, Nepean Sea Road	00265600	02-01-2018	<ul style="list-style-type: none"> • Enam Holdings Private Limited • Elme Advisors Llp • Aadi Financial Advisors Llp • Gyanmayinvestment Advisors Llp • Sapientia Holdings Llp • One India Capital Advisors Llp • Khas Advisory Llp
3.	Mr. Vivek Saraogi <i>Director Service</i>	7, Lower Rawdon Street, Kolkata 700020, West Bengal	00221419	20-04-2018	<ul style="list-style-type: none"> • Balrampur Chini Mills Ltd • Novel Suppliers Pvt Ltd • Vm Vinimay Private Limited • Neoworth Commercial Pvt Ltd
4.	Mr. Manish Chokhani	161, Silver Arch, 66 L Jagmohandas	00204011	08-09-2017	<ul style="list-style-type: none"> • Parksons Packaging Limited



Sl.	Name of the Directors, Designation & Occupation	Address	DIN	Director of the co. since	Director in other company
	<i>Independent Director</i> Professional	Marg, Nr. Petit Hall Compound, Nepeansea Road, Malabar H, Mumbai, 400006			<ul style="list-style-type: none"> • Shoppers Stop Limited • Sears Securities And Investments Private Limited • Laxmi Organic Industries Limited • Quadrillion Capital Private Limited • Zee Entertainment Enterprises Limited • Westlife Development Limited
5.	Mr. Gautam Jain <i>Director</i> Service	112-A, 11th Floor, Paradise Apartment, 44 Nepean Sea Road, Mumbai – 400026	00296575	04-10-2016	<ul style="list-style-type: none"> • Profitex Shares & Securities Private Limited • Liberty General Insurance Limited • Amity Solar Power Park Private Limited • Desh Apnayen Sahayog Foundation • Real Trustee Advisory Company Private Limited • Perihelion General Finance Private Limited • Samvibhag Trusteeship Private Limited • Aadi Financial Advisors Llp • Gyanmayinvestment Advisors Llp
6.	Mr. Ashwin Jain <i>Director</i> Service	B-3-246, Kasturi Plaza, Manpada Road, Dombivali(E), Mumbai, 421201	00173983	04-10-2016	<ul style="list-style-type: none"> • Parag Plastics Industries Private Limited • Shreenath Investment Company Limited • Profitex Shares & Securities Private Limited



Sl.	Name of the Directors, Designation & Occupation	Address	DIN	Director of the co. since	Director in other company
					<ul style="list-style-type: none"> • Asami Farmer Finance Private Limited • Enam Infrastructure Fund Management Company Private Limited • Va Friendship Solar Park Private Limited • Perihelion General Finance Private Limited
7.	Mr. C. Illango	175 KPC Nagar, Vellakoil, Tamil Nadu - 638111	03498879	29-05-2020	<ul style="list-style-type: none"> • Kadaieshwar Homefin Private Limited

F. MANAGEMENT'S PERCEPTION OF RISK FACTORS:

I. REPAYMENT IS SUBJECT TO THE CREDIT RISK OF THE ISSUER.

Potential investors should be aware that receipt of the principal amount (i.e. the redemption amount) and any other amounts that may be due in respect of the Debentures is subject to the credit risk of the Issuer including whereby the investors may or may not recover all or part of the invested funds in case of default by the Issuer. Potential investors assume the risk that the Issuer will not be able to satisfy their obligations under the Debentures. In the event that bankruptcy proceedings or composition, scheme of arrangement or similar proceedings to avert bankruptcy are instituted by or against the Issuer, the payment of sums due on the Debentures may not be made or may be substantially reduced or delayed.

II. THE SECONDARY MARKET FOR DEBENTURES MAY BE ILLIQUID.

The Debentures may be very illiquid, and no secondary market may develop in respect thereof. Even if there is a secondary market for the Debentures, it is not likely to provide significant liquidity. Potential investors may have to hold the Debentures until redemption to realize any value.

III. CREDIT RISK & RATING DOWNGRADE RISK

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

IV. CHANGES IN INTEREST RATES MAY AFFECT THE PRICE OF NCDs.

All securities where a fixed rate of interest is offered, such as this Issue, are subject to price risk. The price of such securities will vary inversely with changes in prevailing interest rates, i.e. when interest rates rise, prices of fixed income securities fall and when interest rates drop, the prices increase. The extent of fall or rise in the prices is a function of the existing coupon, days to maturity and the increase or decrease in the level of prevailing interest rates. Increased rates of



interest, which frequently accompany inflation and/or a growing economy, are likely to have a negative effect on the pricing of the Debentures.

V. TAX CONSIDERATIONS AND LEGAL CONSIDERATIONS

Special tax considerations and legal considerations may apply to certain types of investors. Potential investors are urged to consult with their own financial, legal, tax and other advisors to determine any financial, legal, tax and other implications of this investment.

VI. ACCOUNTING CONSIDERATIONS

Special accounting considerations may apply to certain types of taxpayers. Potential investors are urged to consult with their own accounting advisors to determine implications of this investment.

VII. MATERIAL CHANGES IN REGULATIONS TO WHICH THE ISSUER IS SUBJECT COULD IMPAIR THE ISSUER'S ABILITY TO MEET PAYMENT OR OTHER OBLIGATIONS.

The Issuer is subject generally to changes in Indian law, as well as to changes in government regulations and policies and accounting principles. Any changes in the regulatory framework could adversely affect the profitability of the Issuer or its future financial performance, by requiring a restructuring of its activities, increasing costs or otherwise.

VIII. LEGALITY OF PURCHASE

Potential investors of the Debentures will be responsible for the lawfulness of the acquisition of the Debentures, whether under the laws of the jurisdiction of its incorporation or the jurisdiction in which it operates or for compliance by that potential investor with any law, regulation or regulatory policy applicable to it.

IX. POLITICAL AND ECONOMIC RISK IN INDIA

The Issuer operates only within India and, accordingly, all of its revenues are derived from the domestic market. As a result, it is highly dependent on prevailing economic conditions in India and its results of operations are significantly affected by factors influencing the Indian economy. An uncertain economic situation, in India and globally, could result in a further slowdown in economic growth, investment and consumption. A slowdown in the rate of growth in the Indian economy could result in lower demand for credit and other financial products and services and higher defaults. Any slowdown in the growth or negative growth of sectors where the Issuer has a relatively higher exposure could adversely impact its performance. Any such slowdown could adversely affect its business, prospects, results of operations and financial condition.

X. RETURNS ON DEBENTURES ARE SUBJECT TO MODEL RISK

The returns on the Debentures are based on the basis of complex mathematical models involving multiple derivative exposures which may or may not be hedged and the actual behaviour of the securities selected for hedging may significantly differ from the returns predicted by the mathematical models.

XI. RISKS RELATED TO THE BUSINESS OF THE ISSUER

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



The Issuer cannot assure that it will be able to effectively control and reduce the level of the NPAs of its Client Loans. The amount of its reported NPAs may increase in the future as a result of growth of Client Loans, and also due to factors beyond its control. If the Issuer is unable to manage its NPAs or adequately recover its loans, the results of its operations will be adversely affected.

As on March 31, 2020, the gross NPA was NIL on a gross portfolio of ~ Rs 490 crores (including managed / securitized portfolio of ~ Rs. 20 crores).

The Issuer cannot assure that the Issuer will be able to effectively control and reduce the level of the impaired loans in its total loan portfolio. The amount of the Issuer's reported non-performing loans may increase in the future as a result of growth in the total loan portfolio, and also due to factors beyond the Issuer's control, such as over-extended member credit that we are unaware of. Failure to manage NPAs or effect recoveries will result in operations being adversely affected.

The Issuer's current loan loss reserves may not be adequate to cover an increase in the amount of NPAs or any future deterioration in the overall credit quality of the Issuer's total loan portfolio. As a result, if the quality of the Issuer's total loan portfolio deteriorates the Issuer may be required to increase the loan loss reserves, which will adversely affect the Issuer's financial condition and results of operations. The Issuer's members largely belong to low-income segment and, as a result, might be vulnerable if economic conditions worsen or growth rates decelerate in India, or if there are natural disasters such as floods and droughts in areas where the Issuer's members live. Moreover, there is no precise method for predicting loan and credit losses, and the Issuer cannot assure that the Issuer's monitoring and risk management procedures will effectively predict such losses or that loan loss reserves will be sufficient to cover actual losses. If the Issuer is unable to control or reduce the level of its NPAs or poor credit quality loans, the Issuer's financial condition and results of the Issuer's operations could be materially and adversely affected.

B. Liquidity Risks or risk of asset liability mismatch

The issuer being an NBFC is always subject to asset liability management risks i.e. the risk of repaying the liabilities on timely basis or risk of not being able to infuse additional capital or risk of not being able to raise fresh funds from banks or markets to meet its liabilities. This liquidity risk may arise due to various macro or micro factors which may not be in control of the Company.

C. Large scale attrition, especially at the senior management level, can make it difficult for the Issuer to manage its business.

If the Issuer is not able to attract, motivate, integrate or retain qualified personnel at levels of experience that are necessary to maintain the Issuer's quality and reputation, it will be difficult for the Issuer to manage its business and growth. The Issuer depends on the services of its executive officers and key employees for its continued operations and growth. In particular, the Issuer's senior management has significant experience in the banking and financial services industries. The loss of the services of such personnel or the inability to identify, attract and retain qualified personnel in the future would make it difficult for the Issuer to manage its business and growth and to meet key objectives.

D. Competition from banks and financial institutions, as well as state-sponsored social programs, may adversely affect our profitability and position in the Indian lending industry

The Issuer faces most significant competition from other NBFCs and banks in India. Many of the institutions with which Issuer competes have greater assets and better access to, and lower cost of, funding than the issuer. In certain areas, they may also have better name recognition and larger member bases than Issuer. The Issuer anticipates that it may encounter greater competition as they continue expanding the operations in India, which may result in an adverse effect on the business, results of operations and financial condition.



E. *The economic fallout from the spread of the COVID-19 virus may impact the Issuer's business prospects, financial condition, result of operations and credit risk*

The spread of the COVID-19 virus has affected millions across the globe and the same coupled with measures taken by the governments including lockdowns/ curfew has not only affected day to day lives of people but has also given a hard blow to the supply chain of factories, with trade routes being disturbed and slowing down of the industry, trade, commerce and business activities across all sectors.

The COVID-19 virus pandemic is adversely affecting, and is expected to continue to adversely affect, our operations, business, liquidity and cashflows, and we have experienced and expect to continue to experience unpredictable reductions in demand for certain of our products and services. Further, since a good fraction of our borrowers are small transport road operators, the disruption due to COVID-19 virus will also have an impact on their business as well as repayment capacity of the loans taken from us.

However, the extent of negative financial impact cannot be reasonably estimated at this time but a sustained economic slowdown may significantly affect our business, financial condition, liquidity, cashflows and results of operations and the same will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the COVID-19 virus and the actions to contain the COVID-19 virus or treat its impact, among others. Consequently, there may be a negative effect on the Company's ability to service the obligations in relation to the Debentures.

F. **Details of defaults, if any, including the amounts involved, duration of default, and present status, in repayment of:**

- (i) Statutory Dues: NIL
- (ii) Debenture and interest thereon: NIL
- (iii) Deposits and interest thereon: NIL
- (iv) Loans from any banks or financial institutions and interest thereon: NIL

G. **Name, designation, address and phone number, email ID of the nodal / compliance officer of the Company, if any, for the Issue/private placement offer process:**

Name: Ms Deepika Chauhan
Designation: Company Secretary
Address: LG-B-13 & 14, Art Guild House, Phoenix Market City, LBS Marg, Kurla West, Mumbai – 400070
Telephone No.: 022 6246 3333
Email: deepika.chauhan@auxilo.com

H. **Any default in annual filing of the Company under the Companies Act, 2013 or the rules made thereunder:**

NIL

1.2 Particulars of the Offer:

Financial position of the Company for the last 3 (three) financial years	Please refer Annexure I.
Date of passing of Board Resolution	June 8, 2020 and June 19, 2020 read with the resolution passed by the Borrowing Committee of the Board of Directors dated



	June 18, 2020. A copy of the said board resolution is annexed herewith and marked as Annexure IV .
Date of passing of resolution in general meeting, authorizing the offer of securities	February 07, 2020. A copy of the said shareholders resolution is annexed herewith and marked as Annexure V .
Kind of securities offered (i.e. whether share or debenture) and class of security; the total number of shares or other securities to be issued	250 (Two Hundred and Fifty) Secured, Rated, Listed, Redeemable, Non-Convertible Debentures of face value of Rs. 10,00,000/- (Rupees Ten Lakhs only) each aggregating up to Rs. 25,00,00,000/- (Rupees Twenty Five Crores only) (" Debentures ") on a private placement basis (the " Issue ").
Price at which the security is being offered, including premium if any, along with justification of the price	The Debentures are being offered at face value of Rs. 10,00,000/- (Rupees Ten Lakhs only) per Debenture. Not applicable as each Debenture is a non-convertible debt instrument which is being issued at face value.
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 as the Debentures are being offered at face value of Rs. 10,00,000/- (Rupees Ten Lakhs only) per Debenture.
Relevant date with reference to which the price has been arrived at [Relevant Date means a date at least 30 days prior to the date on which the general meeting of the Company is scheduled to be held]	Not applicable.
The class or classes of persons to whom the allotment is proposed to be made	AU Small Finance Bank Limited, being a small finance bank duly licensed under Section 22 of the Banking Regulation Act, 1949 (as amended from time to time).
Intention of promoters, directors or key managerial personnel to subscribe to the offer (applicable in case they intend to subscribe to the offer) [Not required in case of issue of non-convertible debentures]	Not applicable.
The proposed time within which the allotment shall be completed	Issue Opening Date: June 23, 2020 Issue Closing Date: June 23, 2020 Pay-in Date: June 23, 2020 Deemed Date of Allotment: June 23, 2020
The names of the proposed allottees and the percentage of post private placement capital that may be held	Not applicable.



by them [Not applicable in case of issue of non-convertible debentures]							
The change in control, if any, in the company that would occur consequent to the private placement	No change in control would occur consequent to this private placement as Debentures proposed to be issued are non-convertible debt instruments.						
The number of persons to whom allotment on preferential basis / private placement / rights issue has already been made during the year, in terms of securities as well as price	Please refer Annexure III.						
The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer	Not Applicable						
Amount, which the Company intends to raise by way of proposed offer of securities	Up to INR 25,00,00,000/- (Rupees Twenty Five Crores only)						
Terms of raising of securities:	<table border="1"> <tr> <td>Duration, if applicable:</td> <td>36 (Thirty Six) months from the Deemed Date of Allotment being June 23, 2023.</td> </tr> <tr> <td>Rate of Interest or Coupon:</td> <td>shall mean 10.25% (Ten Decimal Point Twenty Five Percent) per annum, payable on a monthly basis in respect of the Debentures on each Coupon Payment Date as set out in the Information Memorandum and the Debenture Trust Deed. The aforesaid Coupon Rate shall be reset upon the occurrence of a rating downgrade event set out particularly in paragraph 2.3 (<i>Rating Downgrade</i>) of Schedule II (<i>Financial Terms and Conditions</i>) of the Debenture Trust Deed;</td> </tr> <tr> <td>Mode of Payment</td> <td>Cheque(s)/ demand draft/ electronic clearing services (ECS)/credit through RTGS system/funds transfer.</td> </tr> </table>	Duration, if applicable:	36 (Thirty Six) months from the Deemed Date of Allotment being June 23, 2023.	Rate of Interest or Coupon:	shall mean 10.25% (Ten Decimal Point Twenty Five Percent) per annum, payable on a monthly basis in respect of the Debentures on each Coupon Payment Date as set out in the Information Memorandum and the Debenture Trust Deed. The aforesaid Coupon Rate shall be reset upon the occurrence of a rating downgrade event set out particularly in paragraph 2.3 (<i>Rating Downgrade</i>) of Schedule II (<i>Financial Terms and Conditions</i>) of the Debenture Trust Deed;	Mode of Payment	Cheque(s)/ demand draft/ electronic clearing services (ECS)/credit through RTGS system/funds transfer.
Duration, if applicable:	36 (Thirty Six) months from the Deemed Date of Allotment being June 23, 2023.						
Rate of Interest or Coupon:	shall mean 10.25% (Ten Decimal Point Twenty Five Percent) per annum, payable on a monthly basis in respect of the Debentures on each Coupon Payment Date as set out in the Information Memorandum and the Debenture Trust Deed. The aforesaid Coupon Rate shall be reset upon the occurrence of a rating downgrade event set out particularly in paragraph 2.3 (<i>Rating Downgrade</i>) of Schedule II (<i>Financial Terms and Conditions</i>) of the Debenture Trust Deed;						
Mode of Payment	Cheque(s)/ demand draft/ electronic clearing services (ECS)/credit through RTGS system/funds transfer.						



	Mode of Repayment	Cheque(s)/ electronic clearing services (ECS)/credit through RTGS system/funds transfer
Proposed time schedule for which the Issue/Offer Letter is valid	June 23, 2020.	
Purpose and objects of the Issue/Offer	<p>To raise debt to the extent of up to Rs. 25,00,00,000/- (Rupees Twenty Five Crores only) for augmenting the long term resource of the Company.</p> <p>The proceeds of this issue shall be utilized for repayment or re-financing of existing debt of the Company, to finance the growth of the portfolio of the Company as permitted for bank finance by the Reserve Bank of India and augment long term growth of the Company.</p> <p>(a). The Issuer shall not use the proceeds of the Issue towards:</p> <ul style="list-style-type: none"> (i) any capital market instrument such as equity, debt, debt linked and equity linked instruments or any other capital market related activities; or (ii) any speculative purposes; or (iii) any activity on the Exclusion List; or (iv) investment in the real estate sector. <p>(b). The Issuer undertakes that no part of the proceeds of the Debentures shall be utilised in any manner for onward lending to other non-banking financial companies and/or financial institutions without the prior written permission of the Debenture Holder(s).</p>	
Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of such objects	N.A.	
Principal terms of assets charged as security, if applicable	<p>The Issue shall be secured by a charge created by the Issuer in favour of the Debenture Trustee (for the benefit of the Debenture Holders) being an exclusive first ranking charge by way of hypothecation over specific identified receivables, present and future (as set out more particularly in the Deed of Hypothecation), representing amounts due from the various borrowers of the Company at all times to the extent equal to an amount aggregating to the total outstanding in relation to the Issue ("Hypothecated Assets") such that the value of security shall be equal to 1.15 (One Decimal Point One Five) times the aggregate amount of principal amount outstanding of the Debentures ("Asset Cover"). The Issuer undertakes:</p> <ul style="list-style-type: none"> (a) to maintain the value of the Asset Cover at all times till the obligations under the Issue are discharged. (b) to create the security over the Hypothecated Assets by executing a duly stamped deed of hypothecation ("Deed of Hypothecation") within 30 (Thirty) calendar days from the Deemed Date of Allotment. 	



	<p>(c) To perfect the security created over the Hypothecated Assets by filing the relevant Form CHG-9 with the Registrar of Companies immediately and no later than 30 (Thirty) calendar days from the Deemed Date of Allotment.</p> <p>(d) Upon the execution of the Deed of Hypothecation, in the event of any fall in the Asset Cover, additional Hypothecated Assets shall be taken in the manner as provided for in the Deed of Hypothecation.</p> <p>(e) Upon the execution of the Deed of Hypothecation, to provide a list, on a monthly basis, of specific loan receivables / identified book debt to the Debenture Trustee and over Debenture Holders over which charge is created and subsisting by way of hypothecation in favour of the Debenture Trustee (for the benefit of the Debenture Holders) and sufficient to maintain the Asset Cover ("Monthly Hypothecated Assets Report").</p>
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	Not Applicable

The pre-issue and post-issue shareholding pattern of the Company in the following format:

S. No.	Category	Pre-Issue		Post-Issue	
		No. of Share	%of share holding	No. of Share	%of share holding
A.	Promoters Holding				
1	Indian				
	Individual	-	-	-	-
	Bodies Corporate	15,50,00,000	45.05	15,50,00,000	45.05
	Sub-Total	15,50,00,000	45.05	15,50,00,000	45.05
2.	Foreign promoters	-	-	-	-
	Sub-Total (A)	-	-	-	-
B	Non-Promoters Holding				
1	Institutional Investors	-	-	-	-
2	Non-Institutional Investors				
	Private Corporate Bodies	18,90,62,153	54.95	18,90,62,153	54.95
	Directors & Relatives	-	-	-	-
	Indian Public	-	-	-	-
	Others (including Non-Residents NRIs)	-	-	-	-
	Sub Total (B)	18,90,62,153	54.95	18,90,62,153	54.95
	Grand Total	34,40,62,153	100.00	34,40,62,153	100.00



<p>RBI Disclaimer:</p> <p>The Issuer is having a valid certificate of registration dated September 11, 2017 issued by the RBI under Section 45-IA of the Reserve Bank of India Act, 1934. However, the RBI does not accept any responsibility or guarantee about the present position as to the financial soundness of the Issuer or the correctness of any of the statements or representations made or opinion expressed by the Issuer and for repayment of deposits/discharge of liabilities by the Issuer.</p>

1.3 Mode of payment for subscription (Cheque/ Demand Draft/ other banking channels): Other banking channels - RTGS

1.4 Disclosure with regard to interest of directors, litigation, etc:

<p>Any financial or other material interest of the directors, promoters or key managerial personnel in the offer/ Issue and the effect of such interest in so far as it is different from the interests of other persons</p>	NIL	
<p>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 3 (three) years immediately preceding the year of the issue of 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</p>	NIL	
<p>Remuneration of directors (during the current year and last 3 (three) financial years)</p>	<p>Name of the Director</p>	<p>Remuneration (in Lakhs)</p>
	<p>MD Remuneration</p>	
	<p>2020-21(till date)</p>	
	<p>2019-2020</p>	<p>INR 112.79 Lakh</p>
	<p>2018-19</p>	<p>INR 112.79 Lakh</p>
	<p>2017-18</p>	<p>INR 121.34 Lakh</p>
<p>Related party transactions entered during the last 3 (three) financial years immediately preceding the year of issue of this Offer Letter including with regard to loans made or,</p>	Annexure VI	



guarantees given or securities provided	
Summary of reservations or qualifications or adverse remarks of auditors in the last 5 (five) financial years immediately preceding the year of issue of this 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
Details of any inquiry, inspections or investigations initiated or conducted under the Companies Act or any previous company law in the last 3 (three) years immediately preceding the year of circulation of the Offer Letter in the case of the Company and all of its subsidiaries and if there were any were any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last 3 (three) years immediately preceding the year of this Offer Letter and if so, section-wise details thereof for the Company and all of its subsidiaries	NIL
Details of acts of material frauds committed against the Company in the last 3 (three) years, if any, and if so, the action taken by the company	NIL

1.5 Financial Position of the Company:

The capital structure of the company in the tabular form:

The authorized, issued, subscribed and paid up capital (number of securities, description and aggregate nominal value)	Share Capital	Rs.
		Authorised
	200,00,00,000 (Previous Year: 22,50,00,000) Equity Shares of INR10 each	20,00,00,00,000
	80,00,000 (Previous Year: 80,00,000) Preference Shares of INR10 each	8,00,00,000
	TOTAL	20,08,00,00,000



	Issued, Subscribed and Fully Paid- up																																														
	3,440,62,153 (Previous Year: 15,00,00,000) Equity Shares of INR10 each, fully paid up	3,44,06,21,530																																													
	80,00,000 (Previous Year: 80,00,000) Preference Shares of INR10 each, partly paid up	8,00,000																																													
	TOTAL	3,44,14,21,530																																													
Size of the Present Offer	Up to INR 25,00,00,000/- (Rupees Twenty Five Crores only).																																														
Paid-up Capital:																																															
a. After the offer:	Rs. 3,44,06,21,530/-																																														
b. After the conversion of Convertible Instruments (if applicable)	Not applicable as each Debenture is a non-convertible debt instrument which is being issued at face value.																																														
Share Premium Account:																																															
a. Before the offer:	Rs. 22,03,10,765																																														
b. After the offer:	Rs. 22,03,10,765																																														
Details of the existing share capital of the Issuer including details of allotments made by the Company in the last one year prior to the date of this Offer Letter for consideration other than cash and details of the consideration in each case:																																															
	<table border="1"> <thead> <tr> <th rowspan="2">Date of Allotment</th> <th rowspan="2">No of Equity Shares</th> <th rowspan="2">Face Value</th> <th rowspan="2">Issue Price</th> <th rowspan="2">Consideration</th> <th rowspan="2">Nature of Allotment</th> <th colspan="3">Cumulative Paid Up Capital</th> </tr> <tr> <th>No of Equity Shares</th> <th>Equity Share Capital</th> <th>Equity Share Premium</th> </tr> </thead> <tbody> <tr> <td>09.04.2019</td> <td>7,50,00,000</td> <td>10</td> <td>10</td> <td>75,00,00,000</td> <td>Rights issue</td> <td>22,50,00,000</td> <td>2,25,00,00,000</td> <td>0</td> </tr> <tr> <td>12.09.2019</td> <td>7,50,00,000</td> <td>10</td> <td>10</td> <td>75,00,00,000</td> <td>Rights issue</td> <td>30,00,00,000</td> <td>3,00,00,00,000</td> <td>0</td> </tr> <tr> <td>26.03.2020</td> <td>4,40,62,153</td> <td>10</td> <td>15</td> <td>66,09,32,295</td> <td>Preferential Allotment</td> <td>34,40,62,153</td> <td>3,44,06,21,530</td> <td>22,03,10,765</td> </tr> </tbody> </table>								Date of Allotment	No of Equity Shares	Face Value	Issue Price	Consideration	Nature of Allotment	Cumulative Paid Up Capital			No of Equity Shares	Equity Share Capital	Equity Share Premium	09.04.2019	7,50,00,000	10	10	75,00,00,000	Rights issue	22,50,00,000	2,25,00,00,000	0	12.09.2019	7,50,00,000	10	10	75,00,00,000	Rights issue	30,00,00,000	3,00,00,00,000	0	26.03.2020	4,40,62,153	10	15	66,09,32,295	Preferential Allotment	34,40,62,153	3,44,06,21,530	22,03,10,765
Date of Allotment	No of Equity Shares	Face Value	Issue Price	Consideration	Nature of Allotment	Cumulative Paid Up Capital																																									
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Details of allotments made by the Company in the last one year prior to the date of this Offer Letter for consideration other than cash and details of the consideration in each case.	NIL																																														
Profits of the Company, before and after making provision for tax, for the 3 (three) financial years immediately preceding the date of circulation of this Offer Letter (Standalone)	<table border="1"> <thead> <tr> <th>Year</th> <th>PBT (Rs in Crs)</th> <th>PAT (Rs in Crs)</th> </tr> </thead> <tbody> <tr> <td>FY 2020</td> <td>9.90</td> <td>9.94</td> </tr> <tr> <td>FY 2019</td> <td>-4.55</td> <td>-4.55</td> </tr> <tr> <td>FY 2018</td> <td>-9.09</td> <td>-9.10</td> </tr> </tbody> </table>								Year	PBT (Rs in Crs)	PAT (Rs in Crs)	FY 2020	9.90	9.94	FY 2019	-4.55	-4.55	FY 2018	-9.09	-9.10																											
Year	PBT (Rs in Crs)	PAT (Rs in Crs)																																													
FY 2020	9.90	9.94																																													
FY 2019	-4.55	-4.55																																													
FY 2018	-9.09	-9.10																																													



Dividends declared by the Company in respect of the said 3 (three) financial years;	Year	Dividend Declared
	FY 2020	-
	FY 2019	-
	FY 2018	-
Interest coverage ratio for last three years (cash profit before tax plus interest paid/interest paid)	Year	Interest Coverage Ratio
	FY 2020	1.63
	FY 2019	0.01
	FY 2018	N.A.
A summary of the financial position of the Company as in the 3 (three) audited balance sheets immediately preceding the date of issue of this Private Placement Offer cum Application Letter	Please refer Annexure I.	
Audited Cash Flow Statement for the 3 (three) years immediately preceding the date of circulation of this Offer Letter	Please refer Annexure II.	
Any change in accounting policies during the last 3 (three) years and their effect on the profits and the reserves of the Company	NIL	

1.6 PART B (To be filed by the Applicant)

- (i) Name: AU Small Finance Bank Limited;
- (ii) Father's name: N/A;
- (iii) Complete Address including Flat / House Number, Street, Locality, Pin Code: 19-A Dhuleshwar Garden, Jaipur, Rajasthan-302001
- (iv) Phone number, if any: _____
- (v) Email ID, if any: tbo@aubank.in
- (vi) PAN Number: AAACL2777N; and
- (vii) Bank Account details:

Beneficiary name	Treasury Control Account
Beneficiary Bank name	AU Small Finance Bank Limited
Account no	250200003
IFSC Code	AUBL0000001



Signature

Initial of the Officer of the Company designated to keep the record

1.7 DECLARATION BY DIRECTORS THAT:

- A. The Company has complied with the provisions of the Companies Act, 2013 and the rules made hereunder;
- B. The compliance with the Companies Act, 2013 and the rules made thereunder do not imply that payment of dividend or interest or repayment of the Debentures, if applicable, is guaranteed by the Central Government;
- C. the monies received under the offer shall be used only for the purposes and objects indicated in this Offer Letter;

I am authorized by the Board of Directors of the Company *vide* resolution of the Board of Directors dated June 19, 2020 read with the resolution passed by the Borrowing Committee of the Board of Directors dated June 18, 2020 to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of the Offer Letter has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

For Auxilio Finserve Private Limited



Authorised Signatory
Name: Raghavendra Prabhu
Title: CFO
Date: June 23, 2020
Place: Mumbai



Enclosed

Financial Position of the Company (Annexure I)
Audited Cash Flow Statement (Annexure II)
Allotment on preferential basis/private placement/ rights issue (Annexure III)
Copy of Board Resolution (Annexure IV)
Copy of Shareholders Resolution (Annexure V)
Related party transactions (Annexure VI)
Optional Attachments, if any

ANNEXURE I: FINANCIAL POSITION OF THE COMPANY AS IN THE 3 (THREE) AUDITED BALANCE SHEETS IMMEDIATELY PRECEDING THE DATE OF CIRCULATION OF THIS OFFER LETTER

Balance Sheet (INR)	31.03.2018 Audited	31.03.2019 Audited	31.03.2020 Audited
Equity capital	75.08	150.08	344.14
Reserve & Surplus	-9.09	-13.65	18.32
TNW (A)	65.99	136.43	362.46
Total Non-Current Liabilities	0.39	33.73	173.18
Current Liabilities + Provisions	2.09	113.72	78.76
Total Outside Liabilities (B)	2.48	147.46	251.94
Total Liabilities (A + B)	68.46	283.89	614.40
Fixed assets (Net)	1.54	1.81	1.64
Investments	-	-	-
Gross Advances	13.05	265.07	470.25
Less: Loan Loss Reserve	0.05	1.07	2.15
Net Loan Outstanding	13.00	264.00	468.10
Cash / Liquid Investments	52.10	10.37	122.82
Other current assets	0.60	4.71	6.76
Deferred Tax Assets	-	-	0.64
Intangible Assets	0.09	0.22	1.12
Other Non-Current Assets	1.08	1.72	11.17
Total Assets	68.46	283.89	614.40

Profit and Loss Statement (INR)	31.03.2018	31.03.2019	31.03.2020
	Audited	Audited	Audited
Interest Income	0.16	14.28	52.00
Less: Interest Expenses	-	3.99	17.21
Net Interest Income	0.16	10.29	34.79
Other Income	0.86	10.53	6.85
Total Income	1.02	24.81	58.85
Operating Expenses	9.86	23.75	29.75
Provisions & Write Offs	0.05	1.01	1.08
Operating Profit	-8.89	-3.94	10.81
Depreciation	0.20	0.62	0.91
Profit Before Tax	-9.09	-4.55	9.90
Provisions for tax	0.01	-	-0.03
Profit After Tax	-9.10	-4.55	9.94



**ANNEXURE II: AUDITED CASH FLOW STATEMENT FOR THE 3 (THREE) YEARS
IMMEDIATELY PRECEDING THE DATE OF CIRCULATION OF THIS OFFER LETTER**

Cash Flow Statement (INR Crore)	31.03.2018	31.03.2019	31.03.2020
	Audited	Audited	Audited
A. Cash Flow From Operating Activities			
Net Profit Before Tax	-9.09	-4.55	9.90
Adjustment For			
Depreciation	0.20	0.62	0.91
(Gain) / Loss on Treasury Investment	-0.59	-2.25	-1.00
Interest on Fixed Deposit	-0.06	-0.54	-0.05
Provision for Contingencies	0.05	1.01	1.08
Expense on account of increase in Authorised Share Capital	0.79	0.71	1.51
Provision for Leave Encashment	0.06	0.06	0.03
Provision for Lease Equalisation	0.16	0.01	0.01
Provision for Gratuity	0.05	0.10	0.14
	0.67	-0.28	2.62
Operating Profit before Working Capital Changes	-8.42	-4.83	12.53
Working Capital Changes	1.57	-0.65	6.79
Cash Generated from Operations During the Year	-6.86	-5.48	19.31
Tax Paid	0.01	-	0.61
A.	-6.87	-5.48	18.71
B. Cash Flow from Investing Activities			
Net Income from Treasury Investment	0.59	2.25	1.00
Securitised consideration receivable	-	-	-6.47
Movement in FD (credit enhancement for securitisation transaction)	-	-	-1.18
Movement in Security Deposits	-0.53	-0.09	-0.21
Net Addition to Fixed Assets	-2.39	-1.22	-0.88
Realisation on sale of Fixed Asset	0.06	0.54	0.05
B.	-2.27	1.48	-7.69
C. Cashflow From Financing Activities			
Issue of Equity Shares	73.00	75.00	194.06
Premium on Issue of Equity Shares	-	-	22.03
Issue of Preference Shares	0.08	-	-
Proceeds from Loan Securitised	-	-	20.54
Other Liability	-	90.00	-
Loans Received from Banks / Institutions	-	50.00	190.00
Issue of NCDs and Sub Debts	-	-	25.00
Education Loan Repayments (Net of securitisation)	0.04	8.36	41.26
Loans Repaid to Banks / Institutions	-	-	-32.97
Expense on account of increase in Authorised Share Capital	-0.79	-0.71	-1.51
Education Loan Disbursed	-13.09	-260.38	-266.98
Other Liabilities	-0.04	-	-90.00
C.	59.20	-37.73	101.44
Net Increase / (Decrease) in Cash & Cash Equivalents (A + B + C)	50.07	-41.74	112.46



Cash & Cash Equivalent Balance			
At the Beginning of the Year	2.03	52.10	10.37
At the Close of the Year	52.10	10.37	122.82



ANNEXURE III: THE NUMBER OF PERSONS TO WHOM ALLOTMENT ON PREFERENTIAL BASIS / PRIVATE PLACEMENT / RIGHTS ISSUE HAS ALREADY BEEN MADE DURING THE YEAR, IN TERMS OF SECURITIES AS WELL AS PRICE

Date of Allotment	Name of Investor	No of Equity Shares	Face Value	Issue Price	Nature of Allotment
09.04.2019	M/s. Elme Advisors LLP	3,71,25,000	10	10	Rights issue
	Mr. Akash Bhanshali	3,75,000	10	10	
	M/s. Balrampur Chini Mills Ltd	3,75,00,000	10	10	
12.09.2019	M/s. Elme Advisors LLP	3,71,25,000	10	10	Rights issue
	Mr. Akash Bhanshali	3,75,000	10	10	
	M/s. Balrampur Chini Mills Ltd	3,75,00,000	10	10	
26.03.2020	M/s Elme Advisors LLP	50,00,000	10	15	Pref. Allotment
	M/s Balrampur Chini Mills Limited (BCML)	50,00,000	10	15	
	M/s ICICI Bank Limited	3,40,62,153	10	15	



ANNEXURE IV: COPY OF BOARD RESOLUTION

Attached separately.



ANNEXURE V: COPY OF SHAREHOLDERS RESOLUTION

Attached separately.



ANNEXURE VI: RELATED PARTY TRANSACTIONS

For FY1920 & FY1819

i) Transactions with related parties as mentioned above:

Particulars	Entities / Persons having Significant Influence		Key Management Personnel		Total	
	April 1, 2019 to March 31, 2020 (Rupees)	April 1, 2018 to March 31, 2019 (Rupees)	April 1, 2019 to March 31, 2020 (Rupees)	April 1, 2018 to March 31, 2019 (Rupees)	April 1, 2019 to March 31, 2020 (Rupees)	April 1, 2018 to March 31, 2019 (Rupees)
1. Managerial Remuneration *	-	-	1,12,78,740	1,12,78,740	1,12,78,740	1,12,78,740
2. Issuance of share capital (incl. Share premium)						
Balrampur Chini Mills Limited	82,50,00,000	37,50,00,000	-	-	82,50,00,000	37,50,00,000
Elme Advisors LLP (Erstwhile known as Payash Solar Energy Park LLP)	81,75,00,000	37,12,50,000	-	-	81,75,00,000	37,12,50,000
Akash Bhanshali	75,00,000	37,50,000	-	-	75,00,000	37,50,000

* Incentives / bonus / gratuity are considered on payment basis.

FY1819 & FY1718

ii) Transactions with related parties as mentioned above:

Particulars	Entities / Persons having Significant Influence		Key Management Personnel		Total	
	April 1, 2018 to March 31, 2019	April 1, 2017 to March 31, 2018	April 1, 2018 to March 31, 2019	April 1, 2017 to March 31, 2018	April 1, 2018 to March 31, 2019	April 1, 2017 to March 31, 2018
1. Unsecured Loans						
Proceeds from Borrowings	-	-	-	-	-	-
Repayment of Borrowings	-	423,700	-	-	-	423,700
2. Managerial Remuneration *	-	-	11,278,740	12,134,055	11,278,740	12,134,055
3. Issuance of share capital	750,000,000	730,000,000	-	800,000	750,000,000	730,800,000

* Incentives / bonus / gratuity are considered on payment basis



CERTIFIED TRUE COPY OF RESOLUTION PASSED AT THE MEETING OF THE BOARD OF DIRECTORS ("THE BOARD") OF AUXILO FINSERVE PRIVATE LIMITED ("THE COMPANY") HELD BY WAY OF CIRCULATION ON FRIDAY, THE 19TH DAY OF JUNE, 2020

To consider identifying M/s AU Small Finance Bank Limited as the investor, to enable the Company to make private placement of the Debentures

"RESOLVED THAT pursuant to Section 42(2) of the Companies Act, 2013, the Board hereby identifies AU Small Finance Bank Limited, as an identified person to whom the Company can make private placement of 250 (Two Hundred and Fifty) Secured Rated Listed Redeemable Non-Convertible Debentures of Rs.10,00,000/- (Rupees Ten Lakhs only) each aggregating upto Rs. 25,00,00,000/- (Rupees Twenty Five Crores only) ("Debentures").

CERTIFIED TRUE COPY

FOR AUXILO FINSERVE PRIVATE LIMITED

Deepika
Thakur
Chauhan

Digitally signed by Deepika Thakur
DN: cn=Deepika Thakur,
o=AUXILO FINSERVE PRIVATE LIMITED,
ou=Legal, email=deepika.thakur@auxilo.com,
c=IN

Deepika Thakur Chauhan
Company Secretary & Head - Legal
Date: 19th June, 2020



CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY THE BORROWING COMMITTEE OF AUXILO FINSERVE PRIVATE LIMITED AT THE MEETING HELD ON THURSDAY, 18TH JUNE, 2020 AT 3.30 PM

To consider issuance of upto 250 (Two Hundred and Fifty) Secured Rated Listed Redeemable Non Convertible Debentures of Rs.10,00,000/- (Rupees Ten Lakhs only) on a private placement basis to AU Small Finance Bank Limited

“RESOLVED THAT pursuant to the provisions of Memorandum and Articles of Association of the Company, Section 42, Section 71, Section 179(3)(c) of the Companies Act, 2013 and all other applicable provisions of the Companies Act, 2013 and rules & regulations made thereunder, if any (including any statutory modification or re-enactment thereof for the time being in force), the applicable regulations issued by the Securities and Exchange Board of India (“SEBI”) and other applicable laws, if any, and pursuant to the relevant clauses of the Articles of Association of the Company and pursuant to the resolution passed by the Board of Directors of the Company dated 8th June, 2020 the Committee hereby approves the terms and conditions of the issuance and the Company be and is hereby authorised to issue upto 250 (Two Hundred and Fifty) Secured Rated Listed Redeemable Non-Convertible Debentures of Rs. 10,00,000/- (Rupees Ten Lakhs only) each, aggregating upto Rs. 25,00,00,000/- (Rupees Twenty Five Crores only), for cash, at par, in dematerialised form on a private placement basis (“**Debentures**”), on the terms and conditions set out in the Information Memorandum and the Debenture Trust Deed.

“RESOLVED FURTHER THAT pursuant to Section 42(2) of the Companies Act, 2013, the Committee hereby identifies AU Small Finance Bank Limited (“**Identified Persons**”), as identified persons to whom the Company can make private placement of the Debentures.

RESOLVED FURTHER THAT the Company be and is hereby authorised obtain listing of the Debentures on the WDM segment of the Bombay Stock Exchange of India Limited (“**BSE**”) under the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (the “**Listing Regulations**”) and to do all such acts, deeds and things and execute or ratify such documents, papers and writings as may be necessary for the purpose.

RESOLVED FURTHER THAT Mr. Neeraj Saxena, the Managing Director & Chief Executive Officer, Mr. Raghavendra Prabhu, Chief Financial Officer and Mr. Sameer Dalvi, AVP – Treasury, (**Authorized Signatories**), be and are hereby severally authorised to make such applications and do all such acts, deeds and things as may be necessary or desirable in connection with the listing including in particular making applications to and liaising with the concerned authorities including the Bombay Stock Exchange of India Limited and the Securities and Exchange Board of India and negotiating, finalizing and executing or ratifying such documents, papers and writings including the Listing Agreement as may be necessary for the purpose.

RESOLVED FURTHER THAT the Company be and is hereby authorised to appoint M/s Catalyst Trusteeship Limited as the debenture trustee for the issue of the Debentures.

RESOLVED FURTHER THAT the **Authorized Signatories** and Shri. Sachin Lekhi, Location Sales Head and Shri. Abhishek Kumar Srivastava, Customer Experience Manager, be and are hereby severally authorized to negotiate, finalise and execute or ratify, on behalf of the Company, the Debenture Trust Agreement for the appointment of the the Debenture Trust Agreement for the appointment of the Debenture Trustee and the Debenture Trust Deed setting out *inter alia* the terms upon which the Debentures are being issued and to do all such acts, deeds and things as may be necessary or expedient to implement this resolution and to do and execute all acts and deeds as may be required by the Debenture Trustee in connection with the aforesaid.

RESOLVED FURTHER THAT the Company be and is hereby authorised to execute and issue the Information Memorandum and/or the Private Placement Offer cum Application Letter(s) and the **Authorized**



Signatories, be and are hereby severally authorized to finalise and execute the Information Memorandum and/or and the Private Placement Offer cum Application Letter(s) on behalf of the Company;

RESOLVED FURTHER THAT the Company be and is hereby authorised to create the Security in favour of Catalyst Trusteeship Limited and to do all such acts, deeds and things as may be necessary for the purpose and for perfecting the Security so created including filing necessary forms with the applicable Registrar of Companies;

RESOLVED FURTHER THAT the **Authorised Signatories** and Shri. Sachin Lekhi, Location Sales Head and Shri. Abhishek Kumar Srivastava, Customer Experience Manager, be and are hereby severally authorized to negotiate, finalise and execute or ratify on behalf of the Company, the necessary security documents in favour of Catalyst Trusteeship Limited including in particular the Deed of Hypothecation and also to approve, finalise and execute or cause to be executed or ratify on behalf of the Company all other deeds, documents, undertakings, mandates, agreements, assignments, guarantees, pledge, hypothecation deeds, powers of attorney, promissory notes and instruments and writings in favour of Catalyst Trusteeship Limited in connection with the Debentures and the Security as may be required under the Debenture Trust Deed.

RESOLVED FURTHER THAT the Company be and is hereby authorised to get itself and the Debentures admitted to the National Securities Depository Limited and Central Depository Services (India) Limited and to execute or ratify the necessary or requisite agreement(s) with those depositories and the registrar and transfer agent and any other agreements, undertakings or other writings required for the issue of the Debentures in the dematerialised form and **Authorized Signatories** be and are hereby severally authorized to negotiate, finalise and execute or ratify the same.

RESOLVED FURTHER THAT Authorized Signatories and Shri. Sachin Lekhi, Location Sales Head and Shri. Abhishek Kumar Srivastava, Customer Experience Manager be and are hereby severally authorized to negotiate, finalise and execute or ratify amendments to such executed documents and other documents as and when they become necessary and to sign letters of undertaking, declarations, agreements and other papers which may be required.

RESOLVED FURTHER THAT Authorized Signatories be and are hereby severally authorised to appoint M/s Link Intime India Private Limited as the registrar and transfer agent for the issue of the Debentures;

RESOLVED FURTHER THAT Authorized Signatories be and are hereby severally authorized to do all such acts, deeds, things and execute or ratify all such documents whatsoever as may be required in connection with the issue of the Debentures including without limitation the opening of bank accounts, opening of demat accounts, appointment of legal counsel, the sole arranger, the registrar to the issue, the rating agency and other advisors as may be required and making payment of their fees.

RESOLVED FURTHER THAT Authorized Signatories be and are hereby authorised to do or authorise any other Director to do all such acts, deeds and things and execute or ratify all such resolutions or documents whatsoever as may be required in connection with the allotment of the Debentures.

RESOLVED FURTHER THAT the aforesaid resolutions shall come into effect immediately and a copy of the foregoing resolution certified to be a true copy by any of the Directors, Chief Financial Officer or the Company Secretary may be furnished to such parties concerned with respect to the issue of Debentures.

CERTIFIED TRUE COPY

FOR AUXILO FINSERVE PRIVATE LIMITED

Deepika
Thakur
Chauhan

Digitally signed by Deepika Thakur Chauhan
DN: cn=Deepika Thakur Chauhan, o=Auxilo Finserve Private Limited, email=deepika.thakur@auxilofinserve.com, c=IN

Deepika Thakur Chauhan
Company Secretary & Head - Legal
Date: 19th June, 2020



CERTIFIED TRUE COPY OF THE SPECIAL RESOLUTION PASSED BY THE SHAREHOLDERS OF AUXILO FINSERVE PRIVATE LIMITED ("COMPANY") AT THEIR MEETING HELD ON FRIDAY, FEBRUARY 07, 2020 AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT LG-B-13 & 14, LOWER GROUND FLOOR, ART GUILD HOUSE, PHOENIX MARKET CITY, LBS MARG, MUMBAI - 400070

"RESOLVED THAT pursuant to the provisions of Section 42 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") read together with the Companies (Prospectus and Allotment of Securities) Rules, 2014, including any modification, amendment, substitution or re-enactment thereof, for the time being in force and the provisions of the memorandum of association and the articles of association of the Company, the approval and consent of the members of the Company, be and is hereby accorded to the board of directors of the Company ("Board") to issue, and to make offer(s) and/or invitation(s) to eligible persons to subscribe to, non-convertible debentures ((a) subordinated, (b) listed or unlisted, (c) senior secured, (d) senior unsecured, (e) unsecured, and/or (f) any others (as may be determined)) ("NCDs"), on a private placement basis, in one or more tranches, for a period of one year from the date of passing of this resolution, provided that the outstanding amounts of all such NCDs at any time during the period shall not exceed INR 500 Crores (Indian Rupees Five Hundred Crores)."

"RESOLVED FURTHER THAT the Board be and is hereby authorised and empowered to arrange, settle and determine the terms and conditions (including without limitation, interest, repayment, security or otherwise) as it may think fit of such NCDs, and to do all such acts, deeds, and things, and to execute all such documents, instruments and writings as may be required to give effect to these resolutions."

"RESOLVED FURTHER THAT the Board be and is hereby ratifies any arrangement, the terms and conditions (including without limitation, interest, repayment, security or otherwise) agreed by the Authorized Officers, for the purpose of issuance of such NCDs, and to do all such acts, deeds, and things, and to execute all such documents, instruments and writings as may be required to give effect to these resolutions."

CERTIFIED TO BE TRUE

FOR AUXILO FINSERVE PRIVATE LIMITED

Deepika
Thakur
Chauhan

Digitally signed by Deepika Thakur Chauhan
DN: cn=Deepika Thakur Chauhan, o=Auxilo Finserv Private Limited, email=deepika.thakur@auxilo.com, c=IN



Deepika Thakur Chauhan
Company Secretary
Date: 15/05/2020
Place: Mumbai