

### TERM SHEET

The intent of this indicative and non-binding term sheet ("**Term Sheet**") is to describe, for negotiation purposes only, some key terms of the proposed agreement to be entered into between **Grand Anicut Trust-1**, ("**Investor**") an Indian trust registered with Securities and Exchange Board of India as an Alternative Investment Fund acting through its Trustee, UTPL Corporate Trustees Private Limited having office at A. 902 , *Marathon Futurex, NM Joshi Marg Lower Parel, Mumbai - 400013*. and represented by its investment manager, *Anicut Capital LLP*, a limited liability partnership registered under the Limited Liability Partnership Act, 2008 and having its registered office at *78/132 Dr Radhakrishnan Salai, Mylapore, Chennai 600004*, and **Lendingkart Technologies Pvt. Ltd.** (the "**Company**" or "**Issuer**"), a company incorporated under the provisions of Companies Act, 1956 or Companies Act, 2013, as the case may be and having its registered office at # *B12, Harekrishna Complex, Opposite apsara cinema, Kankaria, Ahmedabad - 380028* with respect to the proposed investment/s by the Investor in the Company ("**Proposed Transaction**"). This Term Sheet should not be construed as a binding offer by the Investors and any transaction contemplated herein, is subject to, among other things, the completion of a legal, financial and tax due diligence process satisfactory to the Investor in its sole and absolute discretion and the execution of the transaction documents ("**Definitive Documents**") by Investor and the Company, as well as the satisfaction of the other conditions which are set forth herein or in the Definitive Documents. Nothing contained herein shall constitute an offer to buy or sell the securities described in this Term Sheet.

Notwithstanding anything to the contrary, any obligations of Investor to complete or provide funding for any transaction, whether contemplated herein or otherwise, are subject to Investor's internal approval, completion of detailed due diligence covering business, financial, legal and tax due diligence, to the satisfaction of Investor in its sole and absolute discretion, all necessary corporate approvals having been obtained, and the parties hereto having negotiated, approved, executed and delivered the appropriate definitive agreements. Notwithstanding anything to the contrary, any obligations of the Company to complete any transaction, whether contemplated herein or otherwise, are subject to the parties hereto having negotiated, approved, executed and delivered the appropriate Definitive Documents and such Definitive Documents remaining in full force and effect.

This Term Sheet shall remain valid up to **10 days** from the date hereof, however, the same can be extended by additional **10 days** at the option of the Investor. If this Term Sheet remains unsigned after that time, Investor at its option may immediately terminate discussions with the Company or change any or all pricing, terms and conditions contained herein. Notwithstanding the foregoing, the Investor shall have the right to terminate this Term Sheet at any time before the expiry of the aforesaid period, at its sole and absolute discretion, without any liability or obligation whatsoever.

#### 1.0 Parties

|     |                             |  |
|-----|-----------------------------|--|
| 1.1 | <b>Investor</b>             | Grand Anicut Fund - 1                      |
| 1.2 | <b>Issuer / Company</b>     | Lendingkart Technologies Private Limited   |
| 1.3 | <b>Founders / Promoters</b> | Mr. Harshvardhan Luina<br>Mr. Mukul Sachan |



|     |                                       |  |
|-----|---------------------------------------|--|
| 1.4 | <b>Holding Companies</b>              | NA   |
| 1.5 | <b>Other Major Shareholders</b>       | Mayfield India - II Ltd<br>Saama Capital III Ltd<br>Bertelsmann Nederland BV |
| 1.6 | <b>Debenture Trustee</b>              | Milestone Trusteeship Services Private Limited                               |
| 1.7 | <b>Depository</b>                     | NSDL   |
| 1.8 | <b>Registrar &amp; Transfer Agent</b> |  |
| 1.9 | <b>Business of the Issuer</b>         | IT services  |

**2.0 Investment and Returns**

|     |                           |   |
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| 2.1 | <b>Type of Security</b>   | Unrated Unlisted Secured Non-Convertible<br>Debentures (" <b>NCDs</b> " / " <b>Debentures</b> ")  |
| 2.2 | <b>Face Value of NCDs</b> | 1000000   |
| 2.3 | <b>Issue Size</b>         | 300 NCDs to be issued by the Company at par for cash in dematerialized form.  |
| 2.4 | <b>Investment Amount</b>  | <p>Rs. 30,00,00,000 (Rupees Thirty Crores only) ("<b>Investment Amount</b>")</p> <p>Subject to the fulfilment of the terms and conditions set out in the Definitive Agreements, the Investor will invest the Investment Amount into the Company in 2 (two) tranches as specified below or in such other manner as may be agreed between the Parties in the Definitive Documents:</p> <p>(a) Rs.20,00,00,000 (Rupees Twenty Crore only) ("<b>Tranche 1 Investment Amount</b>") on the First Pay-In Date (<i>defined below</i>) in towards the subscription of 200 NCDs ("<b>Tranche 1 NCDs</b>"); and</p> <p>(b) Rs.10,00,00,000 (Rupees Ten Crore only) ("<b>Tranche 2 Investment Amount</b>") on the Second Pay-In Date (<i>defined below</i>) towards the subscription of 100 NCDs ("<b>Tranche 2 NCDs</b>").</p> <p>For the purpose of the Proposed Transaction, "<b>First Pay-In Date</b>" shall mean April, 2017 and "<b>Second Pay-In Date</b>" shall mean May, 2017, or such other dates as may be mutually agreed in writing between the Parties.</p> |



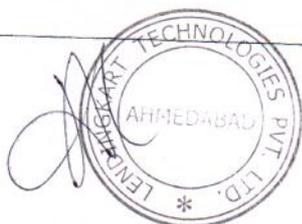
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|      |   | <b>Dates".</b><br><br>Notwithstanding anything stated herein, the Company acknowledges that the Investor's obligation to invest the Tranche 2 Investment Amount shall be subject to the terms and conditions set out in the Definitive Documents.   |
| 2.5  | <b>Deemed Date of Allotment</b>         | The date falling after the expiry of 2 (two) working days from each of the Pay-in Dates.  |
| 2.6  | <b>Interest on Subscription Amounts</b> | The Company shall be liable to pay interest at the rate of 16.5% per annum from the date of investment of the subscription monies till the Deemed Date of Allotment.  |
| 2.6  | <b>Maturity Date</b>                    | The maturity date for all the NCDs shall be the date falling on the expiry of 915 days from the Deemed Date of Allotment in respect of the Tranche 1 NCDs.  |
| 2.7  | <b>Coupon</b>                           | The NCDs shall be serviced at a coupon of 16.5% p.a., payable at advance monthly rests from each of the respective Deemed Date of Allotment.  |
| 2.8  | <b>Security</b>                         | The NCDs shall be secured by:<br>(a) hypothecation over all the moveable assets / receivables of the Company;<br>(b) hypothecation over all the intangible assets / intellectual property rights of the Company;<br>(c) personal guarantee from Mr. Harshvardhan Lunia.<br>(d) issue of demand promissory note by the Company;<br>(e) post-dated cheques for monthly coupon payments and principal payment instalments and an undated cheque for the entire Investment Amount; and<br>(f) such other security as may be created under the Definitive Documents. |
| 2.9  | <b>Warrants</b>                         | The Investor shall be entitled to Warrants to the extent of 15% of the Investment Amount, which when exercised, shall convert into equivalent equity shares of the Company at same terms and conditions that of the current \$ 10 million round lead by existing investors  |
| 2.10 | <b>End Use</b>                          | The Investment Amount will be utilized in the manner set forth in the business plan, primarily to meet the working capital requirements of the Company or such other purposes as may be agreed between the parties in writing.  |
| 2.11 | <b>Voluntary Prepayment</b>             | The Company shall not be entitled to prepay the Investment Amount or any part thereof until the expiry of 12 months from the Deemed Date of   |



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|      |                              | <p>Allotment of Tranche 1 NCDs. Post 12 months and before the Maturity date the company can redeem debentures in part or full with 30 days advance notice.</p> <p>It is clarified that the aforesaid stipulation shall not prevent the Investor from causing the Company to redeem all or any of the NCDs upon occurrence of an Event of Default (<i>defined hereunder</i>).</p>   |
| 2.12 | <b>Redemption Provisions</b> | <p>(a) The NCDs shall, if not redeemed earlier in the manner prescribed herein, be redeemed in entirety on the Maturity Date ("<b>Bullet Redemption</b>"), whereby the Company shall pay the entire Investment Amount along with the outstanding Coupon, Default Interest, if any, and any other amounts that may be outstanding and payable by the Company to the Investor.</p> <p>(b) Without prejudice to the provisions of Clause 2.12 (a) mentioned above, the Investor shall, have an option, exercisable at its own discretion, by giving a notice in writing ("<b>Redemption Notice</b>"), to cause the Company to redeem all the NCDs in a manner that, the Company shall pay and the Founders shall ensure that the Company shall pay, the Investment Amount to the Investor, in 10 days from the date of Investor serving the redemption notice on the Company. The Company shall pay, along with each instalment of the Investment Amount, the outstanding Coupon, Default Interest, if any, and any other amounts that may be outstanding and payable by the Company to the Investor.</p> <p>(c) Upon occurrence of an Event of Default, the Company shall be liable to redeem the NCDs and pay to the Investor, along with the Investment Amount and any other outstanding amount due and payable to the Investor, an Amount that gives the Investor a yield of 16.5% till the time all the NCDs are redeemed in full.</p> |
| 2.13 | <b>Grace Period</b>          | <p>The Company shall be provided with 15 (fifteen) cumulative calendar days of grace period commencing from the Maturity Date to enable the</p>  |



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|      |  | <p>Company to redeem the NCDs in case the Company is making Bullet Redemption.</p> <p>In the event the Company redeems the NCDs in the manner set out in Clause 2.12 (b) above, then, the Company shall have a grace period of not more than 7 (seven) consecutive days for payment of each instalment of Investment Amount. There shall be no grace period available to the Company for payment of Coupon.</p> <p>If the Company fails to make payments within the availed grace period set out above, it shall constitute an Event of Default.</p> <p>Notwithstanding the grace period mentioned hereinabove, the Company shall be liable to pay Default Interest (<i>defined below</i>) in case of any delay in payment of the Investment Amount or part thereof beyond the respective due dates.</p>   |
| 2.14 | <b>Default Interest</b>                              | <p>The Company shall be liable to pay default interest at the 2% per month in the event of any delay in repayment of the Investment Amount or part thereof, or the Coupon, on the applicable due dates and/or any other amounts payable to the Investor, in terms of the definitive documents.</p>   |
| 2.15 | <b>Events of Default and Consequences of Default</b> | <p>The following is an indicative list of events that shall be termed as Event(s) of Default:</p> <ul style="list-style-type: none"><li>(a) Any failure to pay any amounts due to the Investor (including coupon or principal amount of part thereof), including any amounts that become due and payable pursuant to Clause 2.12(a) and 2.12(b) above.;</li><li>(b) Any issue of a notice of default or withdrawal / reduction of the cash credit/working capital facilities of the Company/its subsidiaries due to financial stress in the Company, by any of the lenders / banks;</li><li>(c) Any issue of a notice of default from any lender to the Company in respect of any present or future indebtedness of the Company;</li><li>(d) Any capital raise event such as equity raise (through Initial Public Offering or Private Equity investment), either at the Parent Company or the Company level,</li></ul> |



- that happens at a valuation lower than the last round of infusion, without written consent of Investor. Exceptions - ESOPs (not exceeding 1% dilution on current cap table), warrants etc. already allotted or allotted going forward as part of structured finance;
- (e) Promoters not obtaining written consent from the investor prior any secondary sale during the tenure of Investment
- (f) The debt:equity ratio of the Company exceeds 2:1;
- (g) If any Security created by the Company or its Promoters in respect of the issuance is set aside, or rendered defective or invalid, or encumbered in any manner whatsoever or, in the sole opinion of the Investor is jeopardized or likely to be jeopardized;
- (h) Any punitive action on the Directors / Founders / Management as applicable of the Company/ its subsidiary / Holding Companies by Regulatory Authorities in lieu of non-compliance / non-payment / delayed payments of dues, statutory or otherwise;
- (i) Any representation, warranty or statement made by the Company (in the Definitive Documents with the Investor) is incorrect or misleading or the Company or the Founders breach any of the conditions or covenants provided in the Definitive Documents;
- (j) Bankruptcy, dissolution, insolvency, liquidation or winding up proceedings in relation to the Company or Parent / Holding Company, without the approval of the Investor.
- (k) Upon occurrence of an Event of Default, the Investor shall serve a notice in writing ("**Redemption Notice**") to the Company / Founders, and the repayment shall be as per Clause 2.12(c) above, within 30 days of serving of Redemption Notice. If there is any delay, beyond redemption notice, in payments as stated in Clause 2.12(c), the Investor may exercise any or all of the following rights, in any order:



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|  |  | <p>(l) Invoke the pledge agreement executed by the founders in favour of the investor.</p> <p>(m) Require the Company and/or the Holding Company and/or the Founders to mandatorily redeem and/or purchase the NCDs immediately such that the Investor receives an yield of 16.5% on the Investment Amount;</p> <p>(n) Enforce any one or more Security created for the benefit of the Investor;</p> <p>(o) Appoint nominee directors on the Board of the Company;</p> <p>(p) Take such other action expressly permitted under the Definitive Documents with the Investor or permitted under applicable laws.</p> |
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**3.0 Associated Rights**

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| 3.1 | <b>Transfer by Investor</b> | <p>At any time, there will be no restriction on the ability of Investor to transfer all or any of the Debentures held by it along with rights attached to such Debentures and the Company and the Founders shall do all such acts and deeds as may be necessary to give effect to such transfer.</p>  |
| 3.2 | <b>Information Rights</b>   | <p>The Company will prepare quarterly management reports and annual operating plans to a form and timetable acceptable to the Investor and provide any other information reasonably required by the Investor from time to time.</p> <p>Specifically, the Company will deliver to the Investor:</p> <ul style="list-style-type: none"> <li>(a) Audited annual financial statements within time frame as permitted by Companies Act, 2013 after the end of each fiscal year;</li> <li>(b) Monthly MIS in the format agreeable to the Investor;</li> <li>(c) Annual business plan (including quarterly budget containing an income statement, a statement of cash flow, a balance sheet and detailed break-down of working capital), no later than 15 (fifteen) days of the end of each fiscal year for the following fiscal year;</li> <li>(d) Quarterly reports on key performance indicators identified by the Investor and notified to the Company within 21 (twenty-</li> </ul> |

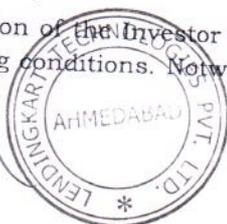
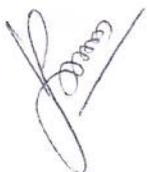
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|     |                              | <p>one) days after the end of each month, and other monitoring data identified by the Investors and notified to the Company on a quarterly and annual basis within 30 (thirty) days after the end of each quarter and 60 (sixty) days after the end of the relevant Financial Year.</p> <p>(e) Investor has a right to appoint an observer to the board anytime during the tenure of Investment</p> <p>The Investor shall also be entitled to inspection and visitation rights which shall be set out in detail in the Definitive Documents.</p>   |
| 3.3 | <b>Restrictive Covenants</b> | <p>The Company shall be subject to the following restrictive covenants during the tenor of the NCDs:</p> <ul style="list-style-type: none"><li>(a) No creation of lien or charge or encumbrance of any of the Security mentioned in Clause 2.8 above;</li><li>(b) Not undertake any capital raise event such as equity raise (through Initial Public Offering or Private Equity investment), either at the Parent Company or the Company level, that happens at a valuation lower than the last round of infusion;</li><li>(c) No sourcing of unsecured funding without the prior written consent from the Investor;</li><li>(d) No sourcing of any secured funding whether by way of equity, debt, loan finance, or any other mean whatsoever;</li><li>(e) Procuring prior written no objection certificate from the Investor before the sale/lease or in any way disposing of any material business or assets or undertaking of the Company exceeding Rs. 1000000 in a financial year;</li><li>(f) Not raise funds through equity, debentures, convertible instruments without the prior approval/ intimation of the Investor; and</li><li>(g) Such other restrictions/conditions as may be set out in the Definitive Documents.</li></ul> |

#### 4.0 Conditions to closing

The obligation of the Investor to invest in the Company shall be subject to *inter alia*, the following conditions. Notwithstanding the generality of the foregoing, the Investor

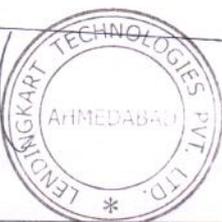


may enjoin such other conditions upon the Company, prior to making the investment, as it deems fit.

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| 4.1 | <b>Due Diligence</b>                                | The Investor shall complete a detailed due diligence covering business, financial, legal and tax areas, to its satisfaction.  |
| 4.2 | <b>Business Plan</b>                                | Finalization of business plan for 36 months from date of investment of the Investment Amount.   |
| 4.3 | <b>Undertakings, Representations Warranties and</b> | The Definitive Documents will contain customary representations, warranties, indemnities, undertakings and covenants, together with deal-specific provisions arising from the due diligence exercise. |
| 4.4 | <b>Approvals and Consent</b>                        | The Proposed Transaction must be approved by Investor's Investment Committee and by the Board of Directors and shareholders of the Company.   |

**5.0 Other Matters**

|     |                             |  |
|-----|-----------------------------|--|
| 5.1 | <b>Costs &amp; Expenses</b> | The drafting charges for the Definitive Documents, Trusteeship services and Diligence shall be borne by the Company on actuals Also, the Company shall bear all other costs and expenses pertaining to the Proposed Transaction, including the stamp duty and other expenses related to documentation and transaction closure.   |
| 5.2 | <b>Dispute resolution</b>   | Any dispute arising out of this Term Sheet shall be subject arbitration of a sole arbitrator mutually appointed by the parties herein. The Arbitration shall be held in Chennai, India, and the language of the proceedings shall be in English. The arbitration shall be conducted in accordance with the provisions of the Arbitration and Conciliation Act, 1996.   |
| 5.3 | <b>Governing law</b>        | The laws of India. Subject to Clause 5.2 above, the courts in Chennai shall have exclusive jurisdiction.   |
| 5.4 | <b>Exclusivity</b>          | The Company agrees, acknowledges and understands to not negotiate or enter into or continue discussions with any other person or entity or solicit or encourage, directly or indirectly, or furnish information to any other person or entity, with respect to transactions and arrangements contemplated in this Term Sheet, during the period of 30 days following the date of execution of this Term Sheet. |
| 5.5 | <b>Confidentiality</b>      | The parties shall keep confidential at all times the fact that the parties herein have executed this Term Sheet, the terms of this Term Sheet and the existence and content of any negotiations between  |



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|  | both the parties except that both parties may (i) inform advisors, counsels, and employees with a need to know as each party deems necessary, and (ii) make appropriate disclosures if required by applicable laws. |
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**ACCEPTED AND AGREED:**

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| <b>For Issuer / Company</b><br>Per: _____<br>Title: _____<br>Date: _____ | <b>For Investor</b><br>Per: _____<br>Title: _____<br>Date: _____ |
| <b>For Founders</b><br>Per: _____<br>Title: _____<br>Date: _____         |  |

