

Term Sheet

Issuer	Incred Financial Services Limited (IFSL) (Formerly known as Visu Leasing and Finance Private Limited) ("Company", "Issuer")
Type of Instrument	Secured Redeemable Listed Non-Convertible Debenture (NCD)
Debenture Trustee	Catalyst Trusteeship Ltd.
Security Name	IFSL/2020-21/06
Nature of Instrument	Secured
Seniority	Senior Debt
Mode of Issue	Private Placement
Underlying/ Reference Index	NA
Listing (including the name of the Stock exchange(s) where it will be listed and timeline of listing)	<p>On the wholesale Debt market (WDM) segment of Bombay Stock Exchange (BSE). The issuer confirms that application for listing of Debentures will be made within 15 days of deemed date of allotment and the debentures will be listed within 30 days of deemed date of allotment.</p> <p>In case of delay in listing of the Debentures beyond 30 days from the deemed date of allotment, the investor has a right to redeem the debenture with 7 working days notice.</p> <p>If the debentures get delisted during the tenor of the NCD, issuer will bear all expenses for listing it again within 15 days from date of delisting. During the period the NCD remains delisted company shall pay penal interest of 2% over and above the coupon rate.</p>
Rating of Instrument	CARE A; Negative(Single A; Outlook – Negative)
Eligible Investors	<p>The following categories of investors, when specifically approached, are eligible to apply for this private placement of Debentures</p> <ul style="list-style-type: none"> • Individuals • Hindu Undivided Family • Trust • Limited Liability Partnerships (LLPs) • Partnership Firm • Portfolio Managers registered with SEBI • Association of Person • Companies and Bodies Corporate including Public Sector Undertakings • Commercial banks • Regional Rural bank • Financial Institutions • Insurance Companies • Mutual Funds • FPI/FII's/sub accounts of FII <p>Any other investor eligible to invest in these Debentures</p>
Issue Size	INR 50,00,00,000/- (Indian Rupees Fifty Crore only)
Green Shoe/ Ability to Retain Oversubscription Upto	INR 50,00,00,000/- (Indian Rupees Fifty Crore only)
Minimum application Size	10 Debentures bearing face value of Rs. 10,00,000/- each and in multiples of



	1 debenture(s) thereafter
Face Value	Rs. 10,00,000/- Per Debenture
Issue price	Rs. 10,00,000/- Per Debenture
Justification of Issue Price	Not Applicable
Tenor in Days	549 from deemed date of allotment
EBP Bidding Date	September 10, 2020
EBP Timing	11:00 am to 12.30 pm
Issue Opening Date	September 10, 2020
Issue Closing Date	September 10, 2020
Redemption Date	March 14, 2022
Coupon	9.40% payable Semi annually and on maturity
Pay-in-Date	September 11, 2020
Deemed Date of Allotment	September 11, 2020
Manner of Bidding	Close Book Bidding
Mode of Allotment / Allotment Option	Uniform Yield
Mode of Settlement	ICCL
Step up/Step down coupon rate	Not applicable
Coupon payment frequency	Semi-Annually
Coupon payment dates	Semi Annually and at maturity
Coupon type	Fixed
Coupon Reset Process (including rates, spread, effective date, ROI etc.)	Not Applicable
Day Count Basis	Actual/Actual. For this purpose, the year to comprise of 365 days. In the case of the leap year, if February 29, falls during the tenor of the security, then the no. of days shall be reckoned as 366 days for a whole one year (SEBI Circular- CIR/IMD/DF/1/22/2016 dated November 11, 2016)
Default interest rate	In case of default in payment of Interest or Principal on due dates, additional interest @ 2.00% over the coupon rate will be payable by the company for the defaulting period. In absence of demand such interest shall be payable on coupon payment date.
Penal interest rate	2% p.a. payable over and above the Coupon of the facility, in the event of non-compliance of material (to be detailed in Debenture Trust Deed) the terms set forth in this term-sheet. In absence of demand such interest shall be payable on coupon payment date.
Proposed time schedule for which the disclosure document is valid	Till redemption
Redemption Premium / Discount	Not Applicable
Premature Redemption	Not Applicable
Put Option	None
Put Option Price	Not Applicable
Put Notification Time	Not Applicable
Call Option	None



Call Option Date	Not Applicable
Call Option Price	Not Applicable
Call Notification Time	Not applicable
Issuance mode of Debenture	DEMAT form
Trading mode of the Debenture	DEMAT form only
Security	<p>The Debentures shall be secured by way of</p> <p>a) First ranking pari passu charge on the loan receivables (Hypothecated Receivables) to be created pursuant to the deed of hypothecation and debenture trust deed to be executed between the company and the Debenture Trustee within 90 days of Deemed Date of Allotment.</p> <p>Form CHG 9 will be filed within 30 days for execution of Debenture Trust Deed.</p> <p>The Hypothecated Receivables shall always be equal to 1.20x the value of debenture principal and redemption premium.</p> <p>The issuer undertakes to the following and covenants as follows:</p> <p>a) to ensure that the security provided by the Hypothecated Receivables at all times is equal to 1.20x time or 120.0% (One Hundred and Twenty Percent) of the aggregate amount of principal outstanding and redemption premium under the NCDs where at least 1.20x (One Decimal Point Two Zero) time or 120.0% (of the security cover is maintained from principal receivables of the Company ("Security Cover");</p> <p>b) to pay a default interest of 2.0% (Two Percent) p.a. over the Coupon Rate in case there is any delay in the creation, registration and perfection of the security over the Hypothecated Assets for the period of default;</p> <p>c) to provide a list on a Quarterly basis, of hypothecated loan receivables/ book debts to the Debenture Trustee over which the charge is created and subsisting by way of hypothecation in favour of the Debenture Trustee (for the benefit of the Debenture Holders) ("Quarterly Hypothecated Asset Report");</p> <p>d) to hypothecate and charge fresh / additional loan assets in favour of the Debenture Trustee pursuant to the Deed of Hypothecation to ensure that the Security Cover is maintained and the value of the Hypothecated Assets is equal to 1.20x time or 120.0% the aggregate amount of principal outstanding of the NCDs where at least 1.20x time or 120.0 of the Security Cover is maintained from principal receivables of the Company;</p>



	<p>e) to replace any Hypothecated Receivables that become overdue by 90 days with additional/current/ standard receivables. Such replacement shall be affected within 15 (Fifteen) Business Days of the original receivables becoming overdue by 90 days;</p> <p>f) Form CHG 9 with respect to the additional receivables charged in favour of the Debenture Trustee will also be filed within the aforementioned 30 days' timeline;</p> <p>g) Financial Indebtedness (includes all secured and unsecured loans, guarantees issued, any contractual obligations with recourse to the company, etc.) shall not exceed more than 4x of adjusted Net Owned Funds (as defined by Reserve Bank of India). This covenant would be tested every quarter from the financials provided by the company.</p> <p>h) Security perfection to be completed within 90 days from date of allotment.</p> <p><u>Eligibility Criteria for the Hypothecated Receivables:</u></p> <p>a) the receivables are existing at the time of selection and have not been terminated or pre-paid;</p> <p>b) the receivables are current and have not been restructured or rescheduled;</p> <p>c) all "Know Your Customer" norms have been complied with as prescribed by the Reserve Bank of India;</p> <p>d) Each loan must satisfy the Company's underwriting and credit policies</p> <p>e) No loan in the Hypothecated Receivables should be more than 90 days DPD for the tenor of this NCD. Issuer will replace such loans within 15 days of such loans becoming overdue.</p>
Step up/Step down Coupon rate	<p>The Coupon Rate payable on the principal amount of the Debentures shall increase by 0.25% (Zero Decimal Point Fifty Percent)] for every one notch downgrade by the rating agency from the existing rating</p> <p>If the rating of the Debentures is downgraded below existing rating the Interest Rate shall be increased by 0.25% (zero decimal two five percent) for each downgrade of 1 (one) notch and such increased rate of Interest shall be applicable on the Outstanding Principal Amounts from the date of such downgrade. Step Up, in accordance with this provision shall not require any notice, intimation or action on behalf of the Debenture Trustee or the Debenture Holders.</p> <p>Following the Step Up until the rating of the Debentures is restored to the exist Rating , i.e. if the rating of the Debentures is upgraded, the prevailing Step Up Rate shall be decreased by 0.25% (zero decimal two five percent) for each upgrade of 1 (one) notch from the rating of the Debentures (until the rating of the Debentures is restored to the existing Rating) and such decreased rate of Interest shall be applicable on the Outstanding Principal Amounts from the date of such upgrade. The decrease in the rate of Interest</p>



	<p>in accordance with this provision shall not require any notice, intimation or action on behalf of the Debenture Trustee or the Debenture Holders.</p> <p>However, the bank shall have a right of call for early redemption at par in case the ratings fall by two notches from current rating ("Recall Option")</p> <p>The Recall option shall be exercised at PAR, with a prior notice of 30 calendar days to the Issuer.</p> <ul style="list-style-type: none"> For the purpose of this clause, if the issue is rated by more than one agency, then the lowest of the ratings shall be considered
Covenants	<p>Financial Covenants:</p> <p>To be prescribed in the Transaction Documents. Including but not limited to:</p> <ul style="list-style-type: none"> Debt equity ratio should be maintained below 4.00 during entire tenor of debenture till maturity; Minimum CRAR shall be maintained at 20% during entire tenor of debenture till maturity of the subject debenture; Net NPA should be maintained below 2.5% during entire tenor of debenture till maturity; If the debentures get delisted during the tenor of the NCD, issuer will bear all expenses for listing it again within 30 days from date of delisting. <p>All covenants would be tested on quarterly basis for the Company, i.e. as on 31st March, 30th June, 30th September and 31st December every year, on standalone balance sheet till the redemption of the Debentures.</p> <p>Within 45 days from the end of each quarter, the Issuer shall submit covenant compliance certificate issued by CFO/authorised signatory in favour of the Debenture Trustee and Debenture Holders.</p> <p>Affirmative Covenants:</p> <ol style="list-style-type: none"> To utilise the proceeds of this issue in accordance with applicable laws and regulations; To comply with corporate governance, fair practices code prescribed by the RBI; Notification of any potential Event of Default or Event of Default; Obtain, comply with and maintain all licenses / authorizations; Provide details of any material litigation, arbitration or administrative proceedings (materiality threshold to be finalized during documentation); Maintain internal control for the purpose of (i) preventing fraud on monies lent by the Company; and (ii) preventing money being used for money laundering or illegal purposes; Permit visits and inspection of books of records, documents and accounts to Debenture Trustee as and when required by them; <p>Comply with any monitoring and/or servicing requests from Debenture Trustee; and</p> <ol style="list-style-type: none"> As provided in the Transaction Documents <p>Negative Covenants:</p> <p>The Company hereby covenants that until the Final Settlement Date, the</p>



Company shall not for so long as any amount remains outstanding under the Transaction Documents, except as may otherwise be previously agreed to in writing by the Debenture Trustee (acting upon the receipt of the prior written approval of the Majority Debenture Holder(s), take any action in relation to:

- (a) Change in management control
- (b) Change in Managing Director
- (c) Merger, restructuring
- (d) Arrangement with creditors/shareholders
- (e) Purchase or redemption of share capital
- (f) Material Adverse Effect
- (g) Amendment of Transaction Documents,
- (h) Change in financial year
- (i) Dividend and buyback of shares till any amount remains overdue to the any lender
- (j) Change of business
- (k) Acquisition & joint venture if such acquisition and joint ventures results into breach of any of the financial covenant
- (l) No profit-sharing arrangement
- (m) Breach of any conditions as mandated by partial credit guarantee scheme

In addition, the Issuer shall not permit to use of the Debenture proceeds for any anti-money laundering activities and illegal activities.

Reporting Covenants:

Quarterly Reports – within 45 (Forty-Five) calendar days from the end of each financial quarter

1. Information on financials
2. Financial and other covenant compliance certificate signed by the CFO/ authorised signatory of the company.
3. Audited Annual Reports & list comprising all material financial liabilities – within 120 (One Hundred and Twenty) calendar days from the end of each financial year
4. Quarterly MIS data pack- To be submitted within 45 days of each quarter end. It shall cover the following: Half yearly financials with schedules, product-wise portfolio cuts, latest operational information, collection efficiency, quarterly DPD, quarterly write-off, shareholding pattern, borrowing profile, quarterly dynamic ALM, Half yearly Structural ALM, book debt assigned to the Debenture Holder with its delinquency status, etc.
5. Change in list of Board of Directors
6. Change in Shareholding structure
7. Change in senior management officials (any CXO or equivalent)
8. Material changes in accounting policy
9. New segment of business other than the business carried out by the Issuer presently

Event Based Reports – In case of changes initiated by the company requiring



	<p>approval of the board, the reporting would be 5 days post approval of the board, all others will be 15 days.</p> <ol style="list-style-type: none"> 1. Any fraud amounting to more than 1% of Gross Loan Portfolio 2. Material change in the constitutional documents of the Company that are prejudicial to the interests of the Debenture Holders 3. Material Adverse Effect 4. Any dispute, litigation, investigation or other proceeding which could result in a Material Adverse Effect. 5. Winding up proceedings 6. Any Event of Default or Potential Default, and any steps taken / proposed to remedy the same. 7. Application of insolvency petition under bankruptcy code/NCLT by the Issuer needs to be notified within 1 calendar day <p>And as set out in greater detail in the Debenture Trust Deed and continuing in nature.</p>
Provisions related to Cross Default	<p>Any default in making any payments of coupons/interest, redemption amounts, default interest or any other monies when due to, or breach of any of the terms of the debenture related documents executed for the benefit of, the Existing Debenture Holders and such default/breach is not cured within the applicable cure periods granted for the same by such debenture holders/their trustee.</p>
Events of Default	<ol style="list-style-type: none"> 1. Default in payment of monies within 7 Business Days from the due date in respect of Interest and/or Principal Amounts owing upon the Debentures or in payment of any other monies including costs, charges and expenses incurred by the Trustees; 2. Breach in the performance or observance of any covenant, condition or provision contained in the Transaction Documents; 3. Any breach or default in terms of the existing debenture documents executed in relation to the issue and allotment of non-convertible debentures to the Existing Debenture Holders; 4. The end-use not as per the objects of the Issue; 5. The Issuer admits in writing its inability to pay its debt with respect to the Transaction Documents as they mature; 6. A receiver or a liquidator is appointed or allowed to be appointed of all or any part of Issuer's undertaking; 7. The Issuer ceases to carry on its business; or 8. Expropriation, nationalization of assets of the Issuer or assuming control of the Issuer's business by any governmental authority or any approval or permission to carry on the Issuer's material business is revoked by the competent government authority and such disability has not been remedied for at least 150 (one hundred and fifty) days; 9. Any petition for winding-up of the Issuer being instituted or appointment of a receiver or liquidator for any part of the Issuer's property and in each case such action has not been dismissed within 150 (one hundred and fifty) days of its occurrence; and 10. Any execution, attachment or restraint has been levied against all or any material part of the Issuer's assets and in each case if such disability has not been remedied within 150 days.



	The Issuer shall have a cure period of (i) 7 (seven) days to remedy the default specified in 1 above and (ii) 45 (forty-five) days to remedy all other defaults specified above.
Representation and Warranties	<p>As mentioned in the caption titled "Representations and Warranties of the Issuer" in the Shelf Disclosure document to the Issue. The Representations and Warranties shall be continuous in nature and shall be deemed to occur on every day till redemption of the Debentures.</p> <ol style="list-style-type: none"> 1. The Company is registered with the RBI as an NBFC. 2. No Event of Default has occurred and is continuing on the date of this transaction. 3. The Debentures under this Issuance shall rank <i>pari passu</i> amongst themselves, and with all other secured creditors. 4. Binding obligation of Transaction Documents. 5. No conflict with other obligations / constitutional documents. 6. No Material Adverse Change in business, condition or operations of the Issuer. 7. Company has the power and authority to issue Debentures and such Transactions Documents are valid and admissible in evidence. <p>And as set out in greater detail in the Debenture Trust Deed</p>
Ranking	<p>The first ranking charge to be created on the Hypothecated Receivables, shall rank <i>pari passu</i> with the present and future lenders and debenture holders of the Company having first charge over the Secured Assets. The Company reserves the right to create further <i>pari passu</i> charge or encumbrances on the Secured Assets without seeking the consent of the Debenture Trustee or the Debenture Holders so long as the security cover of 1.20x times of the face value and Redemption Premium of Debentures is maintained.</p> <p>The Security provided in relation to this Issue shall be shared <i>pari passu</i> with other issuances and lenders of the Company at the discretion of the Company.</p>
Purpose and objects of the Issue	<ul style="list-style-type: none"> • The Issue proceeds will utilize to meet funding requirements of the Issuer for on-lending purposes. • General Corporate purposes <p>The Issuer undertakes that no part of the proceeds of the Debentures shall be utilized by the Company directly or indirectly towards capital markets (including equity, debt, debt linked and equity linked instruments or any other capital market land activities), any speculative purposes, land acquisition or usages that are restricted for bank financing, any activity in the Exclusion List or investment in the real estate sector.</p> <ul style="list-style-type: none"> • The object of the instrument should comply with PGC guidelines
Settlement	All payments must be made by ECS, NEFT, RTGS, or such other online payment mechanism permitted under the SEBI Debt Listing Regulations.
Business Day Convention	If any of the date(s), including the Record Date, as defined in the Disclosure Document fall on a Sunday or a public holiday, the next working day shall be considered as the effective date. However, if any Initial Fixing Date, Final Fixing Date or Observation Date as defined in the Disclosure Document falls



	<p>on an expiry day, which is thereafter declared as a public holiday/trading holiday, then the day notified by the Exchanges/Regulators as the new expiry day shall be considered as the effective date for the above mentioned dates.</p> <p>However, in case Redemption Date (for payment of Principal and Coupon, if any) falls on Sunday or a public holiday, the previous working day shall be considered as the effective date</p>
Interest on Application Money	<p>The Issuer shall be liable to pay the Debenture Holder(s) interest on application money at the Coupon rate per annum for the period commencing from the credit of subscription monies in respect of the Debentures in the account of the Issuer until the Deemed Date of Allotment. Where Pay-in Date and Deemed Date of Allotment are the same, no Interest on Application money is to be paid.</p>
Record Date	<p>The date, as may be fixed by the Company, which will be 15 days prior to the redemption date on which the determination of the persons entitled to receive coupon/redemption amount in respect of the Debentures (i.e., persons whose names are registered in the register of Debenture Holders or NSDL/CDSL record) shall be made.</p>
Transaction Documents	<ul style="list-style-type: none"> • Memorandum and Articles of Association of the Company. • Consent Letter dated August 20, 2020 from Catalyst Trusteeship Limited for acting as Debenture Trustee for and on behalf of the holder(s) of the Debentures. • Debenture Trust deed between Company and Trustee Company Limited to be executed within 90 days of deemed date of allotment • Certified copy of the Board Resolution passed on March 4, 2020 • Certified copy of the Shareholders Resolution passed on May 20, 2020 • Letter from CARE Limited conveying the credit rating for the Debentures of the Company and the rating rationale pertaining thereto. • Consent Letter dated September 04, 2020 from Link Intime India Private Limited for acting as Registrars to the Issue. • Tripartite Agreement between the Company, National Securities Depository Limited ("NSDL") and the Registrar for the Issue of Debentures in dematerialised form. • Tripartite Agreement between the Company, Central Depository Services (India) Limited ("CDSL") and the Registrar for the Issue of Debentures in dematerialised form. • PAS-4 • Undertaking from the Issuer mentioning all the borrowing facilities of the Company are standard in nature. • Letter of Undertaking from the issuer undertaking that total issuance covered under "Extended Partial Guarantee Scheme" offered by Government of India to all Public Sector Banks should be capped at 1.25 times of Issuer's total maturing liability over a period of six month from date of issuance of bond/debenture/cp. • Letter of Undertaking from the issuer undertaking that it would rework the Asset Liability structure within three months to have positive ALM in each bucket for the first three months and on cumulative basis for the remaining period.
Conditions Precedent to Disbursement	<p>The Issuer shall, prior to the Deemed Date of Allotment, fulfil the following conditions precedent, each in a form and manner satisfactory and</p>



	<p>acceptable to the Debenture Trustee/the Applicants:</p> <ul style="list-style-type: none"> (a) a copy of the Issuer's Constitutional Documents certified as correct, complete and in full force and effect by the appropriate officer; (b) copies of the authorisations and licenses received by the Issuer from the RBI; (c) a copy of resolution of the debenture allotment committee of the Issuer's board of directors, together with a copy of resolution of the Issuer's board of directors authorising the execution, delivery and performance of the Transaction Documents certified as correct, complete and in full force and effect by an appropriate officer of the Issuer; (d) copies of the resolution of the shareholders of the Issuer under Section 42 of the 2013 Act, certified as correct, complete and in full force and effect by an appropriate officer of the Issuer; (e) a copy of the resolution of the shareholders of the Issuer in accordance with Section 180(1)(c) of the 2013 Act approving the borrowing contemplated under the Transaction Documents OR a certificate of an authorised person of the Issuer confirming the non-applicability of Section 180(1)(c) of the 2013 Act; (f) a copy of the resolution of the shareholders of the Issuer in accordance with Section 180(1)(a) of the 2013 Act approving the creation of Security over the Hypothecated Assets OR a certificate of an authorised person of the Issuer confirming the non-applicability of Section 180(1)(a) of the 2013 Act; (g) a copy of the rating letter and the rating rationale issued by the Rating Agency in relation to the Debentures; (h) a copy of the consent from the Debenture Trustee to act as the debenture trustee for the issue of Debentures; (i) a copy of the consent from the Registrar to act as the registrar and transfer agent for the issue of Debentures; (j) execution, delivery and stamping of the Debenture Trustee Agreement by the Issuer in a form and manner satisfactory to the Debenture Trustee and the Applicants; (k) evidence that all "know your customer" requirements prescribed by the Debenture Trustee and the Applicants have been provided/fulfilled; (l) the audited financial results of the Issuer for the year ended March 31, 2020; (m) BSE In-principle Approval for Listing <p>such other information, documents, certificates, opinions and instruments as the Debenture Trustee and the Applicants may request in connection with the transactions contemplated under the DTD and the other Transaction Documents.</p>
Conditions Subsequent to Disbursement	<p>The Issuer shall fulfil the following conditions subsequent, to the satisfaction of the Debenture Trustee, following the Deemed Date of Allotment:</p> <ul style="list-style-type: none"> (a) The Issuer shall execute Debenture Trust Deed and Deed of Hypothecation and perfect the charge created by the Debenture Trust Deed and Deed of Hypothecation by filing requisite forms with the Registrar of Companies ("ROC") within 90 days from the Issue Closure Date. (b) the Issuer shall ensure that the Debentures are credited into the demat accounts of the respective Debenture Holders within 2 (two) Business Days from the Deemed Date of Allotment;



	<p>(c) the Issuer shall file a return of allotment of securities under Form PAS-3 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 with the ROC within 15 (fifteen) calendar days of the allotment of the Debentures along with a list of the Debenture Holders or within such other extended time as permissible by the Ministry of Corporate Affairs and with the prescribed fee; along with a list of the Debenture Holders ;</p> <p>(d) the Issuer shall obtain listing of the Debentures within 30 (thirty) calendar days of Deemed Date of Allotment, and deliver evidence in a form and manner satisfactory to the Debenture Holders of the final listing of Debentures within 30 (thirty) days of the Deemed Date of Allotment;</p> <p>(e) the Issuer shall assist the Debenture Trustee in filing Form I with CERSAI within 30 (thirty) calendar days from the date of execution of the Deed of Hypothecation;</p> <p>(f) within 15 (fifteen) days (or such other time period prescribed by the Debenture Trustee (acting on the instructions of the Debenture Holders)) of the filing of charges pursuant to paragraph (e) above, receipt of certified true copy of the certificate of registration of charge issued by the ROC;</p> <p>(g) within 90 (ninety) calendar days from the date of execution of the Deed of Hypothecation, provide such other documents/comply with such other requirement as may be prescribed by Debenture Trustee for the perfection of the security created under the Deed of Hypothecation; and</p> <p>(h) provide such other information, documents, certificates, opinions and instruments as the Debenture Trustee and the Debenture Holders may request in connection with the transactions contemplated under the DTD and the other Transaction Documents.</p> <p>The Issuer shall ensure compliance with SEBI / Companies Act , 2013(as applicable) for the issuance of the NCDs.</p>
Roles and Responsibilities of Debenture Trustee	<p>Regulation 15 of SEBI (Debenture Trustees) Regulation 1993, prescribes duties of the Debenture Trustees including following:</p> <ul style="list-style-type: none"> • Call for periodical reports from the issuer. • To enforce security in the interest of the debenture holders. • To ensure on a continuous basis that the security charged to debentures is always available and adequate to discharge the interest and principal amount payable to debenture holders. • To exercise due diligence to ensure compliance by the issuer with the provisions of the Companies Act, the listing agreement of the stock exchange or the trust deed. • To take appropriate measures for protecting the interest of debentureholders as soon as there is a breach of Trust Deed. • To ascertain that the debentures have been redeemed or converted in accordance to the provisions of the offer document. • To inform SEBI immediately of any breach of trust deed or provision and law. • To appoint a Nominee Director on the Board of Issuer in the event of: <ul style="list-style-type: none"> ○ Two consecutive defaults in payment of interest to the debentureholders or ○ Default in creation of security for debentures <p>As a Debenture Trustee it may have to take steps as he may deem fit</p>



	<ul style="list-style-type: none"> • To ensure that the assets of the Company issuing debentures are always sufficient to discharge the principal amount. • To satisfy himself that the prospectus does not contain any matter which is inconsistent with the terms of the Debentures. • To ensure that the Company does not commit any breach of covenants of the Trust Deed or Terms of issue of Debentures. • To take such reasonable steps to remedy any breach of the covenants of the Trust Deed. <p>To take steps to call a meeting of holders of Debentures as and when such meeting is required to be held.</p>
Governing Laws and Jurisdiction	<p>The Debentures and the Transaction Documents (including the Debenture Trust Deed) are governed by and will be construed in accordance with the Indian laws.</p> <p>The courts and tribunals of Mumbai, India have exclusive jurisdiction to settle any dispute arising out of or in connection with the Debentures or the Transaction Documents.</p> <p>Notwithstanding anything to the contrary contained in any other Transaction Document/Disclosure Document, the Debenture Trustee/Debenture Holders may commence any legal action/proceedings arising out of the Debentures or the Transaction Documents in a court, tribunal or any other appropriate forum in India and the Company hereby consents to that jurisdiction</p>
Transaction Costs	<p>The Issuer shall bear all transaction related costs incurred by the Debenture Holder with respect to legal counsel, valuers and auditors/ consultants. Such costs include:</p> <ul style="list-style-type: none"> • Trustee fees • Rating fees • Stamping and registration costs in relation to all Transaction Documents <p>Any other reasonable transaction related expense incurred by the Debenture Holders</p>



Forcred Financial Services Limited

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Director/Authorised Signatory