

Final 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/2020-21/008
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 4 days of deemed date of allotment and the debentures will be listed within 20 days of deemed date of allotment.</p> <p>In case of delay in listing of the Debentures beyond 20 days from the deemed date of allotment, the Issuer will pay penal interest of at least 1% p.a. from the expiry of 30 days from the Deemed Date of Allotment till the listing of the Debentures to the investor.</p> <p>If the debentures get delisted during the tenor of the NCD, issuer will bear all expenses for listing it again within 4 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; Outlook 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> <p>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 Any other investor eligible to invest in these Debentures</p>
Issue Size	INR 25,00,00,000/- (Indian Rupees Twenty Five Crore only)
Green Shoe/ Ability to Retain Oversubscription Upto	INR 50,00,00,000/- (Indian Rupees Fifty Crore only)

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CIN: U74899MH1991PLC340312 | Email: visu@incred.com | Contact: 022-4097 7000 | Website-www.incred.com



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	547 days from the date of Allotment																								
EBP Bidding Date	December 03, 2020																								
EBP Timing	11:00 am -12:30 pm																								
Issue Opening Date	December 03, 2020																								
Issue Closing Date	December 03, 2020																								
Redemption Date	<p>Final Redemption date – 04th June 2022 Principal to be payable as per below schedule:</p> <table> <tr> <td>25% of Principal Amount</td><td>07 September 2021</td></tr> <tr> <td>25% of Principal Amount</td><td>04 December, 2021</td></tr> <tr> <td>25% of Principal Amount</td><td>04 March 2022</td></tr> <tr> <td>25% of Principal Amount</td><td>04 June 2022</td></tr> </table>	25% of Principal Amount	07 September 2021	25% of Principal Amount	04 December, 2021	25% of Principal Amount	04 March 2022	25% of Principal Amount	04 June 2022																
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Coupon	9.10% p.a. payable quarterly and on maturity																								
Pay-in-Date	December 04, 2020																								
Deemed Date of Allotment	December 04, 2020																								
Manner of Bidding	Close Book Bidding																								
Mode of Allotment / Allotment Option	Uniform Yield																								
Mode of Settlement	<p>The pay-in of subscription monies for the Debentures shall be made by way of transfer of funds from the bank account(s) of the Eligible Investors (whose bids have been accepted) as registered with the Electronic Book Provider into the account of the ICCL, as specified in this regard below:</p> <table> <tr> <td>Name of Bank</td><td>HDFC BANK</td></tr> <tr> <td>IFSC Code</td><td>HDFC0000060</td></tr> <tr> <td>Account number</td><td>ICCLEB</td></tr> <tr> <td>Name of beneficiary</td><td>INDIAN CLEARING CORPORATION LIMITED</td></tr> </table> <table> <tr> <td>Name of Bank</td><td>ICICI Bank Ltd.</td></tr> <tr> <td>IFSC Code</td><td>ICIC0000106</td></tr> <tr> <td>Account number</td><td>ICCLEB</td></tr> <tr> <td>Name of beneficiary</td><td>INDIAN CLEARING CORPORATION LTD</td></tr> </table> <table> <tr> <td>Name of Bank</td><td>YES BANK</td></tr> <tr> <td>IFSC Code</td><td>YESB0CMSNOC</td></tr> <tr> <td>Account number</td><td>ICCLEB</td></tr> <tr> <td>Name of beneficiary</td><td>INDIAN CLEARING</td></tr> </table>	Name of Bank	HDFC BANK	IFSC Code	HDFC0000060	Account number	ICCLEB	Name of beneficiary	INDIAN CLEARING CORPORATION LIMITED	Name of Bank	ICICI Bank Ltd.	IFSC Code	ICIC0000106	Account number	ICCLEB	Name of beneficiary	INDIAN CLEARING CORPORATION LTD	Name of Bank	YES BANK	IFSC Code	YESB0CMSNOC	Account number	ICCLEB	Name of beneficiary	INDIAN CLEARING
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	CORPORATION LTD		
	Cheque(s)/ electronic clearing services (ECS)/credit through RTGS system/funds transfer to the specified bank account of the Debenture Holder		
	<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>		
Step up/Step down coupon rate	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		
Coupon payment frequency	Quarterly and on maturity		
Coupon payment dates	1 st Coupon Payment Date	04 March 2021	
	2 nd Coupon Payment Date	04 June 2021	
	3 rd Coupon Payment Date	04 September 2021	
	4 th Coupon Payment Date	04 December 2021	
	5 th Coupon Payment Date	04 March 2022	
	6 th Coupon Payment Date	04 June 2022	
Coupon type	Fixed, payable quarterly		
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.		

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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
Description regarding Security (where applicable) including type of security (movable / immovable / tangible etc.), type of charge (pledge / hypothecation / mortgage etc.), date of creation of security / likely date of creation of security, minimum security cover, revaluation, replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Trust Deed and disclosed in the Offer Document / Information Memorandum.	<p>The Debentures shall be secured by way of 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 1.25x 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 1.25x (One Decimal Point Two Five) time or 125.0% (One Hundred and Twenty Five Percent) of the aggregate amount of principal outstanding and redemption premium under the NCDs where at least 1.25x (One Decimal Point Two Five) time or 125.0% (One Hundred and Twenty Five Percent) 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</p>



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**");

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 1.25x (One Decimal Point Two Five) time or 125.0% (One Hundred and Twenty Five Percent) the aggregate amount of principal outstanding of the NCDs where at least 1.25x (One Decimal Point Two Five) time or 125.0% (One Decimal Point Two Five) of the Security Cover is maintained from principal receivables of the Company;

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;

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;

g) Security perfection to be completed within 90 days from date of allotment.

Non-Maintenance of Minimum-Security Cover as mentioned above will attract 2% p.a. penalty over and above the Coupon Rate as specified herein, for the period of non maintenance of such cover. However, in no case reinstatement of such security cover shall exceed 15 (Fifteen) days from the day such cover falls below the required cover.

Eligibility Criteria for the Hypothecated Receivables:

a) the receivables are existing at the time of selection and have not been terminated or pre-paid;

b) the receivables are current and have not been restructured or rescheduled;

c) all "Know Your Customer" norms have been complied with as prescribed by the Reserve Bank of India;

d) Each loan must satisfy the Company's underwriting and credit policies

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.

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	<p>f) Receivables pertaining to standard regular underlying assets are only eligible as security to the exposure from our bank.</p> <p>g) Receivables shall be the principal amount of the underlying asset.</p> <p>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. If the Issuer fails to execute the Debenture Trust Deed & Deed of Hypothecation within the timelines stipulated in the Transaction Documents, then the Issuer shall, at the option of the Debenture Holders, either (i) return the subscription amount with the agreed rate of interest or (ii) pay additional interest at the rate of 2% (two percent) per annum above the applicable Coupon Rate on all amounts outstanding under the NCDs (including the outstanding principal amounts and any accrued interest) from the Deemed Date of Allotment until such time the deed is executed and the conditions prescribed by Debenture Holders (if any) have been complied with.</p> <p>The assets on which charge is created are free from any encumbrances and in cases where the assets are already charged to secure a debt, the permission or consent to create a second or paripassu charge on the assets of the issuer has been obtained from the earlier creditor."</p>
Rating Covenants	<p>If the rating of the company goes below BBB then the debenture holder shall have right for accelerated redemption and it shall lead to full redemption of the debentures.</p>
Events of Default	<p>The occurrence of any one of the following events shall constitute an "Event of Default" by the Company:</p> <p>Default in redemption of debentures Default shall have occurred in the redemption of the Debentures together with redemption premium, if any, as and when the same shall have become due and payable.</p> <p>Default in payment of interest/principal amount Two Consecutive Default by the Company in the payment of any instalment of interest or the principal amount of the Debentures, as and when the same shall have become due and payable.</p> <p>Default in performance of covenants and conditions Default shall have occurred in the performance of any other covenants, conditions or agreements on the part of the Company under this Deed or the other Transaction Documents or deeds entered into between the Company and the Debentureholder(s)/Beneficial Owner(s)/ Debenture Trustee.</p>



Default in creation of Security

Any default in creation of the Security in the manner and within the timeframes stipulated therefor in the Transaction Documents. Non-maintenance of the security coverage ratio stipulated under this Deed shall be considered as an Event of Default.

Supply of misleading information

Any information given by the Company in the respective Disclosure Documents/Prospectus, the Transaction Documents and/or other information furnished and/or the representations and warranties given/deemed to have been given by the Company to the Debentureholder(s)/Beneficial Owner(s) for financial assistance by way of subscription to the Debentures is or proves to be misleading or incorrect in any material respect or is found to be incorrect.

Inability to pay debts

If the Borrower is unable to or admits in writing its inability to pay its debts as they mature or proceedings for taking it into liquidation have been admitted by any competent court or a special resolution has been passed by the shareholders of winding up of the Company¹

Sale, disposal and removal of assets

If without the prior approval of the Debenture Trustee and Debenture Holder(s)/Beneficial Owner(s) any land, buildings, structures, plant and machinery of the Company are sold, disposed of charged, encumbered or alienated or the said buildings, structures, machinery, plant or other equipment are removed pulled down or demolished.

Proceedings against Company

The Company shall have voluntarily or involuntarily become the subject of proceedings under bankruptcy or insolvency law.

Liquidation or dissolution of company

The Company has taken or suffered any action to be taken for its reorganization, insolvency, liquidation or dissolution.

Appointment of receiver or liquidator

A receiver or liquidator is appointed or allowed to be appointed of all or any part of the undertaking of the Company.

Attachment or distraint on Mortgaged Premises

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If an attachment or distraint is levied on the Mortgaged Premises or any part thereof and / or certificate proceedings are taken or commenced for recovery of any dues from the Company.

Extra-ordinary circumstances

If extraordinary circumstances have occurred which make it improbable for the Company to fulfill its obligations under this Agreement and/or in relation to the Debentures.

Company ceases to carry on business

If the Company ceases or threatens to cease to carry on its business or gives notice of its intention to do so.

Security is in jeopardy

When the company creates or attempts to create any charge on the Secured Assets or any part thereof without the prior approval of the Debenture Trustee/Debenture Holders. If, in the reasonable opinion of the Debenture Trustee, the security of the Debenture Holder(s)/Beneficial Owner(s) is in jeopardy or the security cover is not maintained by the Company.

Liabilities exceed the assets

If it is certified by an accountant or a firm of accountants appointed by the Debenture Trustee that the liabilities of the Company exceed its assets.

Expropriation

If any government authority shall have condemned, nationalised, seized, or otherwise expropriated all or any part of the assets of the Company or of the shares of the Company held by any director or the promoters, or shall have assumed custody or control of such shares or the business or operations of the Company or shall have taken any action for the dissolution of the Company or any action that would prevent the Company or its officers from carrying on its business or operations or a substantial part thereof.

Alteration in provisions of memorandum and/or articles of association

If the Company, shall without the previous consent in writing of the Debenture Trustee (based on the consents received from Beneficial Owners holding not less than three-fourth in value of Debentures), make or attempt to make any alteration in the provisions of its Memorandum and/or Articles of Association which might in the opinion of the Debenture Trustee detrimentally affect the interests of the Debenture-holder(s)/Beneficial Owner(s) and shall upon demand by the Debenture Trustee refuse or neglect or be unable to rescind such alteration.



	<p>Insolvency and Bankruptcy Code, 2016</p> <p>Initiation of any action by or against the Company under the Insolvency and Bankruptcy Code, 2016.</p> <p>Any Security Document once executed and delivered, ceases to be in full force and effect or fails to provide the Debenture Trustee and the Debenture Holder(s)/Beneficial Owners(s) with the Security Interests intended to be created thereby.</p> <p>Any of the necessary clearances required or desirable in relation to the project or Company or the Debentures in accordance with any of the Transaction Documents is not received or is revoked or terminated, withdrawn, suspended, modified or withheld or shall cease to be in full force and effect which shall, in the reasonable opinion of Debenture Holder(s)/Beneficial Owners(s), have Material Adverse Effect or the Company or in relation to the Debentures.</p> <p>The Company enters into any arrangement or composition with its creditors or commits any act of insolvency or any other act, the consequence of which may lead to the insolvency or liquidation of the Company.</p> <p>a petition for the reorganization, arrangement, adjustment, winding up or composition of debts of the Company is filed or the Company or have been admitted or makes an assignment for the benefit of its creditors generally and such proceeding (other than a proceeding commenced voluntarily by the Borrower is not stayed, quashed or dismissed).</p> <p>The Company is adjudged insolvent or takes advantage of any law for the relief of insolvent debtors;</p> <p>It is or becomes unlawful for the Company to perform any of its obligations under any Transaction Document in the reasonable opinion of the Debenture Holder/Beneficial Owner(s).</p> <p>The occurrence of any event or condition which, in the Trustee / Beneficial Owners(s) reasonable opinion, constitutes a Material Adverse Effect.</p> <p>Any failure to covenants will lead to event of default.</p> <p>Any other event described as an Event of Default in the respective Disclosure Documents/Prospectus and the Transaction Documents.</p>
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Representation and Warranties	<p><u>Status</u></p> <p>The Company is a company, duly incorporated and validly existing under the law of its jurisdiction of incorporation, and has the right to own its assets and carry on its business as it is being conducted, under the law of its jurisdiction of incorporation.</p> <p><u>Binding obligations</u></p> <p>The obligations expressed to be assumed by the Company under each of the Transaction Documents, to which it is a party, are legal, valid, binding and subject to any general principles of law limiting its obligations.</p> <p><u>Non-conflict with other obligations</u></p> <p>The entry into and performance by the Company of, and the transactions contemplated by, the Transaction Documents to which it is a party, do not and will not conflict with:</p> <p>any Applicable Law or order, writ, injunction or decree of any court or Governmental Authority having jurisdiction over the Company;</p> <p>(ii) its constitutional documents; or</p> <p>(iii) any agreement or instrument binding upon it or any of its assets,</p> <p><u>Validity and admissibility in evidence</u></p> <p>All authorisations required or desirable to make the Transaction Documents to which the Company is a party, admissible in evidence in its jurisdiction of incorporation, have been obtained or effected and are in full force and effect.</p> <p><u>No default</u></p> <p>No Default is continuing or might reasonably be expected to result from the entering into or performance by the Company of any of the Transaction Documents.</p> <p><u>No misleading information</u></p>
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Any factual information provided by or on behalf of the Company in connection with the issue of the Debentures was true and accurate in all material respects as at the date it was provided or as at the date (if any) at which it is stated.

No proceedings pending or threatened

No litigation, arbitration, investigative or administrative proceedings of or before any court, arbitral body or agency which, if adversely determined, will have a Material Adverse Effect have (to the best of its knowledge and belief after due and careful enquiry) been started or threatened against the Company.

Title

The Company has good and marketable title to, or valid leases and licences of or is otherwise entitled to use, all material assets necessary or desirable for it to carry on its business as it is being or is proposed to be conducted.

No immunity

The Company's assets are not entitled to immunity from suit, execution, attachment or other legal process India. The execution of this Deed constitutes, and the exercise of its rights and performance of and compliance with its obligations under this Deed will constitute, private and commercial acts done and performed for private and commercial purposes.

Solvency

The Company is able to, and has not admitted its inability to, pay its debts as they mature and has not suspended making payment on any of its debts.

The Company, by reason of actual or anticipated financial difficulties, has not commenced, and does not intend to commence, negotiations with one or more of its creditors with a view to rescheduling any of its indebtedness.

The value of the assets of the Company is more than its liabilities (taking into account contingent and prospective liabilities) and it has sufficient capital to carry on its business.



	<p>No moratorium has been, or may, in the reasonably foreseeable future be, declared in respect of any indebtedness of the Company.</p> <p><u>Approvals</u></p> <p>Except for any approvals as may be required in connection with the Project/business subsequent to the date hereof, the Company hereby confirms that all approvals necessary under Applicable Law with respect to the business of the Company, have been taken by it and the same are valid and subsisting as at the date hereof.</p> <p><u>Defaulter's List</u></p> <p>The names of the Company and/ or its directors do not figure in any list of defaulters circulated by the Reserve Bank of India or any bank or financial institution nor do the names of its directors appear in caution list issued by Reserve Bank of India/ ECGC / Director General of Foreign Trade etc.</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 1.25x 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	<p>The proceeds of the Issuance will be utilized for the following purposes:</p> <p>General corporate purposes for the ordinary course of business of the Issuer</p> <p>The proceeds of the issuance shall not be utilized for any purpose which may be in contravention of the Government / RBI / SEBI / Other regulatory guidelines.</p>
Settlement	<p>All payments must be made by ECS, NEFT, RTGS, or such other online payment mechanism permitted under the SEBI Debt Listing Regulations.</p>
Business Day Convention	<p>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</p>



	<p>the Disclosure Document falls 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.</p> <p>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>
<p>All covenants of the issue (including side letters, accelerated payment clause, etc.)]</p>	<p>The capital adequacy ratio (as defined in RBI Regulations) shall be equal to 20% or above at all points in time.</p> <p>The cumulative Asset – Liability Mismatch should always be within the limits prescribed by NHB/Company's ALM Policy.</p> <p>Net NPA/Net advances % of the company should be less than 5%</p> <p>TOL/NOF ratio should be less than 5</p> <p>"Gross Loan Portfolio" shall include on balance sheet and off balance sheet portfolio</p> <p>"Off Balance Sheet Portfolio" shall mean principal balance of loans securitized, assigned, originated on behalf of other institutions in respect of which the Issuer has provided credit enhancements in any form or manner whatsoever</p> <p>"PAR-90" shall mean the outstanding principal amount of all client loans that have one or more instalments of principal past due for ninety days or more.</p> <p>"Client Loan" means each loan made by the Company as a lender.</p> <p>"Gross NPA" shall have the meaning in accordance with the guidelines issued by the RBI.</p> <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</p>



	<p>year, starting from 31st March 2020 on consolidated and standalone balance sheet till the redemption of the Debentures.</p> <p>The covenants shall be certified by the Company within 60 (Sixty) calendar days from the end of each financial quarter.</p>
Transaction Documents	<p>Memorandum and Articles of Association of the Company. Consent Letter dated 26th November, 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 November 27, 2020 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.</p>
Conditions Precedent to Disbursement	<p>The Company shall fulfil the following Conditions Precedent the satisfaction of the Debenture Trustee and submit Conditions Precedent documentation where applicable to the Debenture Trustee, prior to the Pay in Date:</p> <p>) All corporate approvals from the Board of Directors and shareholders of the Issuer, if applicable, shall have been received for the issuance of the NCDs, and the execution, delivery and performance by the Issuer of the Transaction Documents in accordance with the Companies Act, 2013, the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other rules prescribed;</p> <p>) The Issuer shall have submitted to the Debenture Trustee the rating letter/rating rationale;</p>



	<p>) The Issuer shall have submitted to the Debenture Holders / Debenture Trustee, all required documents for the purpose of satisfying its respective KYC requirements;</p> <p>) The Issuer shall have submitted to the Debenture Trustee /Debenture Holders a certified true copy of the constitutional documents of the Company (the Memorandum and Articles of Association and the Certificate of Incorporation)</p> <p>) The Issuer shall have submitted to the Debenture Trustee/Debenture Holders its audited account statements for the most recent financial year or audited financial half-year;</p> <p>Subsequently, Disclosure Document/Information Memorandum will be filed with the relevant stock exchange and the Registrar of Companies, as applicable</p>
	<p>The Issuer shall ensure that the following documents are executed/activities are completed as per the time frame stipulated in the Debenture Trust Deed:</p> <p>a) The Issuer shall immediately on receipt of funds, take on all necessary steps to, including making all applicable filings in the Registrar of Companies and obtaining all necessary approvals including filing Form PAS 5 along with the Information Memorandum/Private Placement Offer Letter and Form PAS 3 along with requisite fee within prescribed timelines;</p> <p>b) Receive final listing approval from the BSE within 20 calendar days from the Deemed Date of Allotment.</p> <p>c) The Issuer shall ensure credit of demat account(s) of the allottee(s) with the number of NCDs allotted within 2 (Two) Business Days of the Deemed Date of Allotment.</p> <p>d) during the lifetime of this NCD, issuer will not permit, without the prior approval of Debenture Trustee in writing:</p> <ul style="list-style-type: none"> - formulate any scheme of amalgamation/ reconstruction - enter into restructuring, settlement of any borrowing <p>e) Promoter, directly or indirectly shall continue to hold more than 20% shareholding in the company except in the case of dilution by fresh equity.</p> <p>f) To Execute Debenture Trust Deed with Trustee whereby charge to be created within 90 days of Deemed Date of Allotment</p>
Conditions Subsequent to Disbursement	The Issuer shall ensure compliance with SEBI/ Companies Act 2013 (as applicable) for issuance of NCDs



<p>[Event of Default (including manner of voting /conditions of joining Inter Creditor Agreement)]</p>	<p>An Event of Default shall have occurred upon the happening of any event or circumstances, including those mentioned hereunder:</p> <p>The Issuer shall fail to promptly pay any amount now or hereafter owing to the Investors as and when the same shall become due and payable; Issuer does not pay, on the due date, any amount payable pursuant to any of the Transaction Documents;</p> <p>If Issuer voluntarily or compulsorily goes into liquidation or ever has a receiver appointed in respect of its assets or refers itself to the Board for Industrial and Financial Reconstruction or under any other law providing protection as a relief undertaking;</p> <p>If Issuer commences a voluntary proceeding under any applicable bankruptcy, insolvency, winding up or other similar law now or hereafter in effect, or admits inability to pay its respective debts as they fall due, or consents to the entry of an order for relief in an involuntary proceeding under any such law, or consents to the appointment of or the taking of possession by a receiver, liquidator, assignee (or similar official) for any or a substantial part of its respective property</p> <p>Illegality, cessation of business of the Issuer;</p> <p>Security in jeopardy;</p> <p>Bankruptcy, CDR proceedings filed with respect to the Issuer</p> <p>Breach of any of the terms of the Transaction Documents by the Issuer;</p> <p>Breach of any covenants mentioned in the Term sheet;</p> <p>The passing of any order of a court ordering, restraining or otherwise preventing the Issuer from conducting all or any material part of its business;</p> <p>Cross default/ default with any other financial indebtedness of the Issuer.</p> <p>Nationalization or expropriation of any of a substantial part of the assets of the Issuer;</p> <p>Breach of the covenants as specified above, which are not remedied within such period of time, if any, as the Debenture Trustee (acting on the instructions of the this transaction Debenture Holders) may allow. In case any of the Covenants is breached and continues breached for a period of 30 days from such breach coming to notice, the Debenture holders would reserve the right to recall the outstanding principal amount on the NCDs (ie. redemption at par) along with other monies/accrued interest due in respect thereof.</p>
<p>Consequences of Event of Default</p>	<p>The consequences of default will, include but not be limited to the following:</p> <p>Acceleration of all outstanding dues, cancellation of total Issue and enforcement of Security;</p> <p>To transfer assets of the Issuer comprised within the Security created in favour of Debenture Trustee or such other person by way of lease, leave and license, sale or otherwise. Any surplus realized from the transfer of</p>



	<p>assets after fulfilment of all the obligations of the Issuer under the Issue shall be paid to the Issuer;</p> <p>Enforce its right under the Transaction Documents;</p> <p>Appropriate any amount in the Accounts and utilize it for payment/repayment of any amount outstanding under the Issue;</p> <p>Charge Default Interest. It is clarified that the default interest shall be charged from the date of occurrence of event of default irrespective of the same being declared by the Investor(s) till such date the default subsists;</p> <p>Any cost incurred on any of the above shall be borne by the Issuer.</p> <p>The Recall option shall be exercised at PAR along with accrued interest, with a prior notice of 30 calendar days to the Issuer</p>
Creation of recovery expense fund	<p>The Company undertakes to create a recovery expense fund in the manner as may be specified by SEBI from time to time and inform the Debenture Trustee regarding the creation of such fund.</p> <p>Details:</p> <p>The Company shall within the timelines prescribed under SEBI REF circular create REF in relation to the issue by deposit of an amount equal to 0.01% of the issue size subject to maximum of Rs. 25 Lakhs towards REF with BSE in such forms as prescribed under SEBI REF Circular.</p> <p>Purpose:</p> <p>The creation of REF will aid debenture trustees in the enforcement of security in case of 'default' and towards meeting the recovery proceeding expenses.</p> <p>REF will be refunded to Issuer in accordance with SEBI REF Circular.</p>
Conditions for breach of covenants (as specified in Debenture Trust Deed)]	<p>Please refer to details provided in Section Consequence of Event of Defaults section.</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> <p>Call for periodical reports from the issuer.</p> <p>To enforce security in the interest of the debenture holders.</p> <p>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.</p> <p>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.</p> <p>To take appropriate measures for protecting the interest of debentureholders as soon as there is a breach of Trust Deed.</p> <p>To ascertain that the debentures have been redeemed or converted in accordance to the provisions of the offer document.</p>



	<p>To inform SEBI immediately of any breach of trust deed or provision and law.</p> <p>To appoint a Nominee Director on the Board of Issuer in the event of: Two consecutive defaults in payment of interest to the debentureholders or Default in creation of security for debentures</p> <p>As a Debenture Trustee it may have to take steps as he may deem fit 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> <p>To take steps to call a meeting of holders of Debentures as and when such meeting is required to be held.</p>
Risk factors pertaining to the issue]	Please refer to Section II - Risk Factors on page 14 of the Disclosure Document dated November 30, 2020
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>
Cost & Expenses	All costs and expenses associated with the transaction including the arranger's fees, fees for engaging lawyers, security trustee, rating agency, registrars, independent valuer's fees, etc. and stamp duties incurred and documented in relation to preparation, negotiation and execution of the Transaction Documents shall be to the account of the Issuer. These Cost and Expenses will be pre-approved by the Company and payable directly by the company.

