



Satya MicroCapital Limited
: DPT 519, DLF Prime Towers, Block F, Okhla Phase-1,
New Delhi - 110020, India

Phnom Penh, 20-July-2018

Dear Mr. Vivek Tiwari,

FINAL TERM SHEET

Thank you for your interest in working with BlueOrchard Finance Ltd. ("BlueOrchard" or the "Fund Manager") to support your funding needs for FY 2018-2019. We would be pleased to support SATYA MICROCAPITAL LIMITED ("SATYA." or the "Issuer") through funding from Japan ASEAN Women Empowerment Fund (JAWEF) (the "Subscriber"), managed by BlueOrchard.

Please find below final terms and conditions upon which we would be prepared to provide financing via subscription to a Non-Convertible Debenture ("NCD") to be issued by SATYA. This final term sheet is neither binding on the Subscriber or Fund Manager, nor a commitment to lend, but merely a summary of terms and conditions that the Fund Manager, on behalf of the Subscriber, considers appropriate for a facility of this nature under current market conditions. The final terms and conditions provided in this letter are valid for a period of three months from the date of this letter, unless extended by the Fund Manager, at its sole discretion, in writing.

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| Issuer | SATYA MICROCAPITAL LIMITED |
| Subscriber | Japan ASEAN Women Empowerment Fund (JAWEF) |
| Fund Manager | BlueOrchard Finance Ltd. |
| Facility | Listed Non-convertible Debenture |
| Commitment | Up to INR 17.0 Crores (equivalent of approximately USD 2.5 million) |
| Currency | Indian Rupees ("INR") |
| Disbursement Date | July 2018 |
| Maturity | 36 months |
| Put / Call Option | Not Applicable |
| Amortization | 12 M(25%), 24 M (25%) and 36 M(50%) |
| Interest Rate | Net INR interest rate of 12.8574% p.a. The interest rate is the net rate (and is exclusive of current withholding tax rate of 5.4600%) and the debenture trust deed will include language to protect the Subscriber against increases in the withholding tax rates. At the prevailing tax rate, the gross interest rate inclusive of withholding taxes would be 13.60% p.a. The above interest rate would be applicable over the tenor of the loan – i.e. for 36 months of the NCD term. Note: The interest rate is subject to change if hedge costs increase and |

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| | should the USD return fall below JAWEF's minimum return requirement. |
| Interest Payments | Semi-annually |
| Upfront Fee | No upfront fee |
| Other Costs | Any issue related expenses including rating, listing, legal, trustee, stamp duty and other costs associated with the NCD issuance will be borne by the Issuer. |
| Voluntary Prepayment | Not earlier than 12 months from the date of the transaction documents, the Issuer may prepay the outstanding principal amount in full or in part on an interest payment date. On such date, the Issuer shall pay the principal amount, all accrued interest, a prepayment fee of 2.00% on the principal amount, any breakage costs and any legal or other fees incurred as a result of the voluntary prepayment or otherwise. Amounts repaid or prepaid cannot be re-borrowed. |
| Penalty Interest Rate | At any time there is a payment default of any amount of principal, interest, fees or other obligations due (whether by acceleration, at maturity or otherwise) or an event of default, the issuer shall pay an additional interest rate of 2.00% p.a. above the Interest Rate on the outstanding principal amount until such default is cured. |
| Hedging Arrangement | The Subscriber shall enter into a hedging instrument with a third-party counterparty in order to provide this Facility. Any costs associated with the early termination of the hedge arrangement shall be borne by the Issuer. |
| Commitment Fee | 0.50% per annum, if the Commitment is not fully disbursed within ninety (90) days from the date of the corresponding Loan Agreement, the Borrower shall pay a Commitment Fee from the date of the Loan Agreement, calculated on the undrawn portion of the Commitment. |
| Security | Security coverage to be maintained at 110% of principal outstanding. Security creation and registration required as per regulation. Reporting of loan receivables and security top-up on a monthly basis |
| Financial Covenants | Covenants shall include, but are not limited to, the following: <ul style="list-style-type: none"> • The Issuer shall at all times maintain the ratio of the sum of (x) Portfolio At Risk over 30 days + Restructured Loans + Net Charge-offs during the last 12 months divided by (y) the Outstanding Gross Loan Portfolio of not greater than 12%. • The Issuer shall at all times maintain the ratio of the sum of (x) Portfolio At Risk over 90 days +Restructured Loans – Loan Loss Reserve divided by Tier 1 Capital of not greater than 10%. • The Issuer shall maintain a ratio of Return on Assets greater than –4.0% until 30 Sep 2018; >-2.0% until 31 Dec 2018 and >0% |

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| | <p>thereafter during the preceding twelve month period.</p> <ul style="list-style-type: none"> The Issuer shall at all times maintain the absolute value of the net open aggregated currency position of no greater than 50% with the net open aggregated currency position being the ratio of Foreign-Currency Assets minus Foreign-Currency Liabilities divided by Equity. <p>The detailed calculation of this ratio must be as follows: [absolute value (Foreign Currency 1 assets – Foreign Currency 1 liabilities + off balance sheet hedges in Foreign Currency 1) + absolute value (Foreign Currency 2 assets – Foreign Currency 2 liabilities + off balance sheet hedges in Foreign Currency 2) + absolute value (Foreign Currency 3 assets – Foreign Currency 3 liabilities + off balance sheet hedges in Foreign Currency 3) + etc. for each Foreign Currency] divided by Equity.</p> <p>The Issuer shall at all times maintain a Capital Adequacy Ratio, calculated according to the Capital Adequacy Standards as established by Reserve Bank of India, of at least 15%.</p> |
| Non-Financial Covenant | The proposed equity raise of USD 5.8 mm by July 2018 would be a precondition before any disbursement to Satya. |
| Legal Fees | A Legal Counsel is to be appointed by the NCD Subscriber. A legal opinion covering the transaction must be provided to JAWEF. All legal fees are to be borne by the Issuer. |

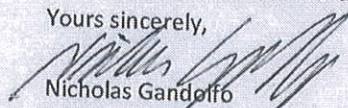
This final term sheet is not an offer, commitment or agreement to lend or provide financing to SATYA.; it is for discussion purposes only and is subject to change without notice. Please note that it only summarizes some of the terms and conditions which may be reflected in final documentation and that nothing herein obligates the Subscriber or its affiliates to provide, arrange or syndicate any credit or other financing in favour of the Issuer or its affiliates. Pricing in the term sheet is based on the credit markets as of today, and on the current evaluation we have of your institution.

This final term sheet is for the confidential use of SATYA. only and is not to be reproduced, used for any other purpose, nor disseminated to any other parties without the prior written consent of the Fund Manager.

We would welcome your feedback and be pleased to discuss this final term sheet with you in further detail. Should you wish to proceed, please kindly confirm to us via email or in writing, to allow us to start cooperating with you in order to best meet your funding needs.

We look forward to collaborating with you.

Yours sincerely,


Nicholas Gandolfo
Regional Manager - Asia

For Satya MicroCapital Limited
(Formerly known as TFC Finvest Limited)



(Vivek Tiwari)
(Managing Director & CEO)

BlueOrchard Finance Ltd.

COMMITMENT TO PURSUE ISSUANCE OF NCD TO JAWEF

SATYA MICROCAPITAL LIMITED acknowledges the receipt of the Indicative Term Sheet sent by BlueOrchard Finance Ltd and agrees to pursue, in good faith, the NCD issuance for subscription by Japan ASEAN Women Empowerment Fund (JAWEF).

Signed: **For Satya MicroCapital Limited**
(Formerly known as TFC Finvest Limited)

Title: _____

(Vivek Tiwari)
(Managing Director & CEO)

Date: _____

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