

No. 01

Addressed to: Covid-19 Emerging and Frontier Markets MSME Support Fund SCSp SICAV-RAIF *AfrAsia*
sub-fund (as managed by BlueOrchard Finance Ltd.)

INFORMATION MEMORANDUM

SATYA MICROCAPITAL LIMITED

A public limited company incorporated under the Companies Act, 1956

Date of Incorporation: May 18, 1995

Registered Office: 519, 5th Floor, DLF Prime Towers, Okhla Industrial Area,
Phase-I, New Delhi - 110020

Telephone No.: +91-11-49724000

Website: <http://www.satyamicrocapital.com>

Information Memorandum for issue of Debentures on a private placement basis

Dated: June 23, 2021

Issue of 221 (two hundred and twenty one) Secured, Rated, Listed, Redeemable, Non-convertible Debentures of face value of Rs. 10,00,000/- (Rupees Ten Lakh) each, aggregating up to Rs. 22,10,00,000/- (Rupees Twenty Two Crore and Ten Lakh) on a private placement basis (the "Issue").

Background

This Information Memorandum is related to the Debentures to be issued by SATYA MicroCapital Limited (the "Issuer" or "Company") on a private placement basis and contains relevant information and disclosures required for the purpose of issuing of the Debentures. The issue of the Debentures comprised in the Issue and described under this Information Memorandum has been authorised by the Issuer through resolutions passed by the shareholders of the Issuer on August 27, 2020 and the Board of Directors of the Issuer on May 21, 2021, and the Memorandum and Articles of Association of the Company. Pursuant to the resolution passed by the Company's shareholders dated August 27, 2020 in accordance with provisions of the Companies Act, 2013, the Company has been authorised to raise funds, by way of issuance of non-convertible debentures, upon such terms and conditions as the Board may think fit for aggregate amounts not exceeding INR 1,500 Crore (Rupees One Thousand Five Hundred Crore only). The present issue of Debentures in terms of this Information Memorandum is within the overall powers of the Board as per the above shareholder resolution(s).

Credit Rating

The Debentures proposed to be issued by the Issuer have been rated by ICRA Limited ("Rating Agency" / "ICRA") The Rating Agency has vide its letter dated June 15, 2021 assigned a rating of "[ICRA]BBB" (pronounced as "ICRA Triple B") with 'Stable' outlook in respect of the Debentures. The above rating is not a recommendation to buy, sell or hold securities and investors should take their own decision. The ratings may be subject to revision or withdrawal at any time by the rating agency and should be evaluated independently of any other ratings. Please refer to **Annexure II** of this Information Memorandum for the letter dated June 15, 2021 from the Rating Agency assigning the credit rating abovementioned.

Issue Schedule

Issue Opening on: June 30, 2021

Issue Closing on: June 30, 2021

Deemed Date of Allotment: June 30, 2021



The Issuer reserves the right to change the Issue Schedule including the Deemed Date of Allotment at its sole discretion, without giving any reasons or prior notice. The Issue shall be open for subscription during the

Debenture Trustee	Rating Agency	Registrar and Transfer Agent
Catalyst Trusteeship Limited Address: Windsor, 06th Floor Office No. 604, C.S.T Road, Kalina, Santacruz (East) Mumbai - 400098 Tel: 022-49220555 Fax: +91 (022) 49220505 Email: Suhani.merchant@ctltrustee.com Contact Person: Ms. Suhani Merchant	ICRA Limited Address: 1105, Kailash Building, 11th Floor; 26 Kasturba Gandhi Marg; New Delhi - 110001 Telephone No.: +91.11.23357940-45 CIN: L74999DL1991PLC042749	Link Intime India Private Limited Address: C 101, 247 Park, LBS Road, Vikhroli West, Mumbai, Maharashtra 400083 Tel: +91-22 49186000 Email: ganesh.jadhav@linkintime.co.in Contact Person: Mr. Ganesh Jadhav

banking hours on each day during the period covered by the Issue Schedule.

The Debentures are proposed to be listed on the wholesale debt market of the BSE Limited ("BSE").



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SECTION 1: DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates or requires, the following terms shall have the meanings given below in this Information Memorandum.

Act	means the Companies Act, 2013, and shall include any re-enactment, amendment or modification of the Companies Act, 2013, as in effect from time to time.
Allot/Allotment/Allotted	The allotment of the Debentures pursuant to this Issue.
Applicable Law	Includes all applicable statutes, enactments or acts of any legislative body in India, laws, ordinances, rules, bye-laws, regulations, notifications, guidelines, policies, directions, directives and orders of any Governmental Authority and any modifications or re-enactments thereof.
Applicable Accounting Standards	means the generally accepted accounting principles, standards and practices in India or any other prevailing accounting standard in India as may be applicable, and includes IND AS.
Application Form	The form used by the recipient of this Information Memorandum, to apply for subscription to the Debentures, which is in the form annexed to this Information Memorandum and marked as Annexure IV .
Assets	means, for any date of determination, the assets of the Issuer on such date as the same would be determined in accordance with Applicable Accounting Standards
Beneficial Owner(s)	means the holder(s) of the Debentures in dematerialized form whose name is recorded as such with the Depository
Board / Board of Directors	The Board of Directors of the Issuer.
BSE	means the Bombay Stock Exchange/BSE Limited.
Business Day	Any day, other than a Saturday, Sunday or any day which is a public holiday, on which the money market is functioning in Mumbai, India and New York, United States of America and “ Business Days ” shall be construed accordingly.
Call Option	means the option(s) available to the Issuer to redeem the Debentures, in full or in part held by the Debenture Holder(s) in terms of and subject to the provisions of Section 5.23 of this Information Memorandum.
Call Option Notice	has the meaning given to it in Section 5.23 of this Information Memorandum
Capital Adequacy Ratio	means the ratio as defined by the Reserve Bank of India from time to time as applicable for non-banking financial companies.
CDSL	Central Depository Services (India) Limited.
CERSAI	shall mean the Central Registry of Securitisation Asset Reconstruction and Security Interest.
Charge-Offs	for a period means the cumulative total amount of defaulted Client Loans that have been deleted from the Issuer's balance sheet and expensed / written-off against the Loan Loss Reserve.
Client Loan	means each loan made by the Issuer as a lender and “Client Loans” shall refer to the aggregate of such loans.
Company/Issuer	SATYA MicroCapital Limited, a public limited company incorporated under the Companies Act, 1956 and having its registered office at 519, 5th Floor, DLF Prime Towers, Okhla Industrial Area, Phase-1, New Delhi - 110020.
Conditions Precedent	means the conditions precedent set out under the heading in Section 5.23 of this Information Memorandum.



Conditions Subsequent	means the conditions subsequent set out in Section 5.23 of this Information Memorandum.
Corruption	shall mean the promise, offering or giving to, and/or the solicitation or acceptance by, any person, directly or indirectly, of anything of value, in order improperly to induce any person to take action or refrain from action in connection with any business or public function and includes, <i>inter alia</i> , any act that would constitute a violation of the UK Bribery Act 2010 ("UK Act"), if performed by a person subject to the jurisdiction of the UK Act, or a violation of any other anti-corruption law of any jurisdiction that is applicable to the Company.
Coupon	means the coupon payable on the Debentures on the Coupon Payment Date(s), at the Coupon Rate.
Coupon Payment Date	mean the date(s) as specified in Schedule VI of this Information Memorandum.
Coupon Rate	means 11.6778% (eleven decimal six seven seven eight percent) per annum, net of withholding taxes, payable semi-annually until the Coupon Reset Date. For the period between the Coupon Reset Date and the Maturity Date, the Coupon Rate shall, in the absence of an agreement on the Coupon Rate between the Debenture Holder(s) and the Company, continue to be 11.6778% (eleven decimal six seven seven eight percent), net of withholding taxes. The Coupon Rate as on the date of this Information Memorandum, gross of withholding taxes, shall amount to 12.4000% (twelve decimal four zero zero zero percent).
Coupon Reset Date	means June 30, 2024, being the date falling on the completion of 36 (thirty six) months from the Deemed Date of Allotment;
Crore	means ten million
Debentures/NCDs	221 (two hundred and twenty one) senior, secured, rated, listed, redeemable, transferable, non-convertible debentures bearing a face value of Rs. 10,00,000/- (Rupees Ten Lakh) each, aggregating to Rs. 22,10,00,000/- (Rupees Twenty Two Crore and Ten Lakh).
Debenture Holders / Investors	means each who fulfils the following requirements: (a) Persons who are registered as Beneficial Owners; and (b) Persons who are registered as debenture holder(s) in the Register of Debenture Holder(s), (and shall include registered transferees of the Debentures from time to time with the Issuer and the Depository) and in the event of any inconsistency between sub paragraph (a) and (b) above, sub paragraph (a) shall prevail.
Debenture Trustee	Catalyst Trusteeship Limited.
Debenture Trustee Agreement	means the agreement executed / to be executed by and between the Debenture Trustee and the Company for the purposes of appointment of the Debenture Trustee to act as debenture trustee in connection with the issuance of the Debentures.
Debenture Trust Deed/DTD	means the trust deed executed / to be executed by and between the Debenture Trustee and the Company which will set out the terms upon which the Debentures are being issued and shall include the representations and warranties and the covenants to be provided by the Issuer.



Deed of Hypothecation	means the unattested deed of hypothecation executed and delivered by the Issuer in favour of the Debenture Trustee to evidence creation of first ranking exclusive charge by the Issuer in favour of the Debenture Trustee (for the benefit of the Debenture Holders) over the Hypothecated Property (in a form acceptable to the Majority Debenture Holders).
Deemed Date of Allotment	June 30, 2021
Default Interest	shall have the meaning assigned to such term in Section 5.23 of this Information Memorandum.
Demat	means dematerialized securities which are securities that are in electronic form, and not in physical form, with the entries noted by the Depository.
Depositories Act	The Depositories Act, 1996, as amended from time to time
Depository	means a Depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 2018, as amended from time to time.
Depository Participant / DP	A depository participant as defined under the Depositories Act
Director(s)	Director(s) of the Issuer.
Disclosure Document / Information Memorandum	means this document which sets out the information regarding the Debentures being issued on a private placement basis.
DP ID	Depository Participant Identification Number.
Due Date	means any date on which the holders of the Debentures are entitled to any payments whether on maturity (or upon exercise of the option to redeem the Debentures) or otherwise prior to the scheduled Redemption Date or upon acceleration.
EFT	Electronic Fund Transfer
EHS Guidelines	shall mean the World Bank Group Environmental, Health, and Safety Guidelines available at: https://www.ifc.org/wps/wcm/connect/Topics_Ext_Content/IFC_External_Corporate_Site/Sustainability-At-IFC/Policies-Standards/EHS-Guidelines
Eligible Investors	Shall have the meaning specified in 8.14 below.
Equity	means the total equity of the Company, including shareholder's equity, reserves, retained earnings or losses and current year cumulated net income or loss
Event of Default	means the events of default set out in Section 5.23 of this Information Memorandum.
Exclusion List	means the list of prohibited activities set out in the DTD.
Exercise Date	means June 30, 2024 being the date falling on the completion of 36 (thirty six) months from the Deemed Date of Allotment.
Final Settlement Date	shall mean the date on which the Payments have been irrevocably discharged in full and/or the Debentures have been redeemed by the Company in full in accordance with the terms of the Transaction Documents.
Financial Indebtedness	means any indebtedness for or in respect of: <ul style="list-style-type: none"> (a) monies borrowed; (b) any amount availed of by acceptance of any credit facility; (c) any amount raised pursuant to the issuance of any notes, bonds, debentures, loan stock or any other similar securities or instruments;



	<p>(d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with generally accepted principles of accounting in India, be treated as a finance or capital lease;</p> <p>(e) receivables sold or discounted (other than any receivables sold in the ordinary course of business or to the extent that they are sold on a non-recourse basis);</p> <p>(f) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing;</p> <p>(g) any derivative transaction entered into in connection with protection against or benefit from fluctuation in price (and, when calculating the value of any derivative transaction, only the marked to market value shall be taken into account);</p> <p>(h) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution;</p> <p>(i) the amount of any liability under an advance or deferred purchase agreement if one of the primary reasons behind the entry into such agreement is to raise finance;</p> <p>(j) any put option, guarantees, keep fit letter(s), letter of comfort, etc. by whatever name called, which gives or may give rise to any financial obligation(s);</p> <p>(k) any preference shares (excluding any compulsorily convertible preference shares); or</p> <p>(l) (without double counting) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (a) to (k) above.</p>
Financial Year/ FY	Twelve months period commencing from April 1 of a particular calendar year and ending on March 31 of the subsequent calendar year
Foreign Currency	means a currency other than Indian Rupees.
Foreign-Currency Asset	means any asset of the Issuer consisting of a loan, deposit, claim or other asset that by its terms is payable in Foreign Currency.
Foreign-Currency Liability	means any liability of the Issuer consisting of a loan, deposit, claim or other liability that by its terms is payable in Foreign Currency; provided that a loan payable in Foreign Currency that is indexed to the domestic currency of the Issuer or that is hedged against exchange rate fluctuations with the domestic currency of the Issuer shall not be considered a Foreign-Currency Liability. A loan payable in Foreign Currency that is hedged through back-to-back arrangements will be considered a Foreign-Currency Liability.
Gender-Based Violence Convention	shall mean the International Labor Organisation's Core Labour Convention 190 (Violence and Harassment).
Governmental Authority	shall include the President of India, the Government of India, the Governor and the Government of any State in India, any Ministry or Department of the same, any municipal or local government authority, any authority or private body exercising powers conferred by Applicable Law and any court, tribunal or other judicial or quasi-judicial body and shall include, without limitation, a stock exchange and any regulatory body.
Hypothecated Property	has the meaning given to it in the Deed of Hypothecation.



IBC	shall mean the Insolvency and Bankruptcy Code, 2016, and the rules and regulations made thereunder which are in effect from time to time and shall include any other statutory amendment or re-enactment thereof.
IFC Performance Standards	shall mean the International Finance Corporation's Environmental and Social Performance Standards, available at: https://www.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/sustainability-at-ifc/policies-standards/performance-standards/performance-standards ;
IFC Performance Standards 1	shall mean the International Finance Corporation's Performance Standard 1, available at: https://www.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/sustainability-at-ifc/policies-standards/performance-standards/ps1
IFC Performance Standards 2	shall mean the International Finance Corporation's Performance Standard 2, available at: https://www.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/sustainability-at-ifc/policies-standards/performance-standards/ps2
ILO Fundamental Conventions	shall mean the International Labour Organisation Fundamental Conventions being (available at: https://www.ilo.org/global/standards/introduction-to-international-labour-standards/conventions-and-recommendations/lang-en/index.htm); (a) <u>Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87)</u> (b) <u>Right to Organise and Collective Bargaining Convention, 1949 (No. 98)</u> (c) <u>Forced Labour Convention, 1930 (No. 29) (and its 2014 Protocol)</u> (d) <u>Abolition of Forced Labour Convention, 1957 (No. 105)</u> (e) <u>Minimum Age Convention, 1973 (No. 138)</u> (f) <u>Worst Forms of Child Labour Convention, 1999 (No. 182)</u> (g) <u>Equal Remuneration Convention, 1951 (No. 100)</u> (h) <u>Discrimination (Employment and Occupation) Convention, 1958 (No. 111).</u>
Increased Costs	shall include any fees or costs incurred by the Debenture Holder(s) to enable subscription to this Issue, including but not limited to, all such costs arising out of the termination or liquidation of any swaps or hedging arrangement entered into by the Debenture Holder(s) to enable subscription to this Issue.
IND AS	shall mean the Indian generally accepted accounting principles issued under the Companies (Indian Accounting Standards) Rules, 2015, as amended, together with any pronouncements issued under applicable law thereon from time to time and applied on a consistent basis by the Company.
Information Memorandum	means this information memorandum issued by the Issuer for the issue of the Debentures on a private placement basis in accordance with Applicable Laws (including the SEBI Debt Listing Regulations).
Information Utility	means the National E-Governance Services Limited or any other entity registered as an information utility under the Insolvency and Bankruptcy Board of India (Information Utilities) Regulations, 2017.



Issue	means the private placement of the Debentures.
Issue Closing Date	June 30, 2021
Issue Opening Date	June 30, 2021
Liability / Liabilities	means, for any date of determination, the liabilities of the Issuer on such date as the same would be determined in accordance with the Applicable Accounting Standards.
Loan Loss Reserves	means the portion of the Issuer's portfolio of Client Loans that has been expensed (provisioned for) in anticipation of losses due to default
Local Currency	means the lawful currency of India.
LODR Regulations	means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
Majority Debenture Holders	means the Debenture Holders whose participation or share in the principal amount(s) outstanding with respect to the Debentures aggregate to 100% (One Hundred Percent) of the value of the nominal amount of the Debentures for the time being outstanding.
Material Adverse Effect	The effect or consequence of an event, circumstance, occurrence or condition which has caused, as of any date of determination, a material and adverse effect on (i) the financial condition, business or operation of the Issuer; (ii) the ability of the Issuer to perform their obligations under the Transaction Documents; or (iii) the validity or enforceability of any of the Transaction Documents (including the ability of any party to enforce any of its remedies thereunder).
Maturity Date/Redemption Date	means June 30, 2027, being 72 (seventy two) months from the Deemed Date of Allotment subject to a Put Option or Call Option or, such other date on which the final payment of the principal of the Debentures becomes due and payable as therein or herein provided, whether at such stated maturity date, by declaration of acceleration, or otherwise.
MFI	Micro Finance Institution
Monthly Hypothecated Property Report	has the meaning given to it in Section 5.23 of this Information Memorandum.
NBFC	Non-banking financial company
NBFC-MFI	Non-Banking Financial Company –Micro Finance Institution
NBFC Directions	means the Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 dated September 1, 2016 and/or the Non-Banking Financial Company - Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 dated September 1, 2016 (each as amended, modified or restated from time to time) as may be applicable, read together with the Master Circular on "Non-Banking Financial Company-Micro Finance Institutions' (NBFC-MFIs) – Direction" issued by the RBI (as amended, modified or restated from time to time).
NCD Issuance Directions	means, collectively, the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2017 and the Foreign Exchange Management (Debt Instruments) Regulations, 2019 read together with: <p>(a) the RBI's circular no. A.P. (DIR Series) Circular No. 31 dated June 15, 2018 on "Investment by Foreign Portfolio Investors (FPI) in Debt - Review", the RBI's circular no. A.P. (DIR Series) Circular No. 19 dated February 15, 2019 on "Investment by Foreign Portfolio Investors (FPI) in Debt", and</p>



	<p>the RBI's circular no. A.P. (DIR Series) Circular No. 18 dated January 23, 2020 on "Investment by Foreign Portfolio Investors (FPI) in Debt";</p> <p>(b) SEBI's circular no. IMD/FPIC/CIR/P/2018/101 dated June 15, 2018 on "Review of Investment by Foreign Portfolio Investors (FPI) in Debt" and the SEBI's circular no. IMD/FPIC/CIR/P/2019/37 dated March 12, 2019 on "Review of Investment by Foreign Portfolio Investors (FPI) in Debt Securities"; and</p> <p>(c) the RBI's circular no. A.P. (DIR Series) Circular No. 21 dated March 1, 2019 on "Voluntary Retention Route (VRR) for Foreign Portfolio Investors (FPIs) investment in debt", the RBI's circular no. A.P. (DIR Series) Circular No. 34 dated May 24, 2019 on "Voluntary Retention Route (VRR) for Foreign Portfolio Investors (FPIs) investment in debt", and the RBI's circular no. A.P. (DIR Series) Circular No. 19 dated January 23, 2020 on "Voluntary Retention Route (VRR) for Foreign Portfolio Investors (FPIs) investment in debt - relaxations".</p>
Net Charge-Offs	shall mean total Charge-Offs net of recoveries of previously charged-off loans, over the preceding 12 (Twelve) months from the Deemed Date of Allotment;
Net Income	shall mean, for any particular period and with respect to the Issuer, all revenue (including donations and grants) less all expenses (including taxes, if any for such period).
N.A.	Not Applicable
NSDL	National Securities Depository Limited
Outstanding Gross Loan Portfolio	means the outstanding principal balance of all of the Company's outstanding Client Loans including current, delinquent and restructured Client Loans, but not including Charge-Offs. It does not include interest receivables and accrued interest
Outstanding Principal Amount	means, at any date, the principal amount outstanding under the Debentures.
PAN	Permanent Account Number
Payments	means all payments, including any partial payment, to be made by the Company in relation to the Issue including without limitation, payment of Coupon, Outstanding Principal Amount, Default Interest, remuneration of the Debenture Trustee, and all fees, costs, charges, expenses and other monies.
Payment Default	means any event, act or condition which, with notice or lapse of time, or both, would constitute an Event of Default under paragraph (a) under the section named "Events of Default" under Section 5.23 of this Information Memorandum.
Person	shall include an individual, natural person, corporation, partnership, joint venture, incorporated or unincorporated body or association, company, Government Authority and in case of a company and a body corporate shall include their respective successors and assigns and in case of any individual his/her respective legal representative, administrators, executors and heirs and in case of trust shall include the trustee(s) for the time being and from time to time. The term "Persons" shall be construed accordingly.
Portfolio at Risk	shall mean the outstanding principal amount of all Client Loans that have one or more instalments of principal, interest, penalty interest,



	fees or any other expected payments past due more than a specified number of days.
Private Placement Offer cum Application Letter/PPOA	The offer cum application letter prepared in compliance with Section 42 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014.
Principal Payment Date(s)	means the payment dates as specified in Annexure VI of this Information Memorandum.
Put Option	shall mean the option available to each Debenture Holder to require the Issuer to redeem the Debentures, in full or in part, held by the Debenture Holder in terms of and subject to the provisions of Section 5.23 of this Information Memorandum.
Put Option Notice	has the meaning given to it in Section 5.23 of this Information Memorandum
Rating Agency	ICRA Limited, being a credit rating agency registered with SEBI pursuant to SEBI (Credit Rating Agencies) Regulations 1999, as amended from time to time and having its registered office at 1105, Kailash Building, 11th Floor, 26 Kasturba Gandhi Marg, New Delhi - 110001, India.
RBI	Reserve Bank of India.
Record Date	mean the date being 15 (Fifteen) calendar days prior to the due date on which any Payments are to be made to the Debenture Holder(s) in accordance with the terms of the Debentures on the basis of which the determination of the persons entitled to receive redemption of principal, Coupon, and other Payments, if any, as the case may be, in respect of the Debentures shall be made.
REF / Recovery Expense Fund	means the recovery expense fund created/to be created by the Issuer with the BSE.
Register of Debenture Holders	The register maintained by the Company containing the name of Debenture holders entitled to receive Coupon/ Redemption Amount in respect of the Debentures on the Record Date, which shall be maintained at the Registered Office of the Company.
Restructured Loans	means the total amount of Client Loans for which the initial repayment schedule has been modified in favour of the Issuer's client, either through modifications of the prior loan contract or through a new loan contract.
Return on Assets	for any period means the Issuer's Net Income divided by its average Assets over that same period.
R&T Agent	Registrar and Transfer Agent to the Issue, in this case being Link Intime India Private Limited.
ROC	Registrar of Companies.
Rs. / INR	Indian Rupees.
RTGS	Real Time Gross Settlement.
Safeguarding Violation	shall mean any action or series of actions, undertaken by the Company that: (a) involves any work or service which is exacted from any person under the menace of any penalty and for which that person has not offered themselves voluntarily, or that otherwise contravenes the requirements of the ILO Conventions ; (b) contravenes the requirements of the Gender-Based Violence Convention, or that otherwise involves the exploitation, abuse or harassment (being any form of unwanted verbal, non-verbal or physical conduct, whether by force or under unequal or coercive conditions) of any person that is directed at such person because of their perceived or real sex or gender,

	or that disproportionately affects people of a particular sex or gender; or (c) involves the exploitation or abuse of a child.
SEBI	Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992 (as amended from time to time).
SEBI Debt Listing Regulations	The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulation, 2008 issued by SEBI, as amended from time to time.
SEBI Defaults (Procedure) Circular	means the circular no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/203 dated October 13, 2020 on "Standardisation of procedure to be followed by Debenture Trustee(s) in case of 'Default' by Issuers of listed debt securities" issued by SEBI.
SEBI Due Diligence Circular	means the SEBI circular bearing reference number SEBI/HO/MIRSD/CRADT/CIR/P/2020/218 dated November 3, 2020 on "Creation of Security in issuance of listed debt securities and 'due diligence' by debenture trustee(s)".
SEBI RFF Circular	means the circular no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/207 dated October 22, 2020 on "Contribution by Issuers of listed or proposed to be listed debt securities towards creation of "Recovery Expense Fund" issued by SEBI.
Security	The security for the Debentures as specified in Section 5.23 hereto.
Secured Obligations	Shall mean the redemption of the principal amounts, Coupon, the remuneration of the Debenture Trustee, and all costs, charges, expenses and other monies payable by the Company in respect of the Debentures.
Security Cover	means the aggregate value of all the Hypothecated Property which is to be maintained by the Issuer, on and from the Deemed Date of Allotment till the Maturity Date, at 1.10 (one decimal one zero) times the aggregate of the Outstanding Principal Amount of the Debentures and the outstanding Coupon of the Debentures.
Special Resolution	means: (a) a resolution passed at a meeting of the Debenture Holders duly convened and held in accordance with the Debenture Trust Deed; or (b) written instructions given by the Majority Debenture Holders.
TDS	Tax Deducted at Source.
Terms & Conditions	The terms and conditions pertaining to the Issue as outlined in the Transaction Documents.
Tier I Capital	shall have the meaning assigned to such term in the applicable RBI regulations.
Total Assets	means, for any date of determination, the total Assets of the Issuer on such date.
Total Liabilities	means, for any date of determination, the total Liabilities of the Issuer on such date.
Transaction Documents	The documents executed or to be executed in relation to the issuance of the Debentures as more particularly set out in Section 7 of this Information Memorandum.
WDM	Wholesale Debt Market segment of the BSF
Wilful Defaulter	Shall mean an Issuer who is categorized as a wilful defaulter by any Bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India



	and includes an issuer whose director or promoter is categorized as such.
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SECTION 2: NOTICE TO INVESTORS AND DISCLAIMERS

2.1 ISSUER'S DISCLAIMER

This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus and should not be construed to be a prospectus or a statement in lieu of a prospectus under the Companies Act. The issue of the Debentures to be listed on the WDM segment of the BSE is being made strictly on a private placement basis. Multiple copies hereof given to the same entity shall be deemed to be given to the same person and shall be treated as such. This Information Memorandum does not constitute and shall not be deemed to constitute an offer or invitation to subscribe to the Debentures to the public in general.

As per the applicable provisions, it is not necessary for a copy of this Information Memorandum to be filed or submitted to the SEBI for its review and/or approval. This Information Memorandum has been prepared in conformity with the SEBI Debt Listing Regulations as amended from time to time and applicable RBI regulations governing private placements of debentures by NBFCs. This Information Memorandum has been prepared solely to provide general information about the Issuer to Eligible Investors (as defined below) to whom it is addressed and who are willing and eligible to subscribe to the Debentures. This Information Memorandum does not purport to contain all the information that any Eligible Investor may require. Further, this Information Memorandum has been prepared for informational purposes relating to this transaction only and upon the express understanding that it will be used only for the purposes set forth herein.

Neither this Information Memorandum nor any other information supplied in connection with the Debentures is intended to provide the basis of any credit or other evaluation and any recipient of this Information Memorandum should not consider such receipt as a recommendation to subscribe to any Debentures. Each potential Investor contemplating subscription to any Debentures should make its own independent investigation of the financial condition and affairs of the Issuer, and its own appraisal of the creditworthiness of the Issuer. Potential investors should consult their own financial, legal, tax and other professional advisors as to the risks and investment considerations arising from an investment in the Debentures and should possess the appropriate resources to analyze such investment and the suitability of such investment to such potential Investor's particular circumstances.

The Issuer confirms that, as of the date hereof, this Information Memorandum (including the documents incorporated by reference herein, if any) contains all the information that is material in the context of the Issue and regulatory requirements in relation to the Issue and is accurate in all such material respects. No person has been authorized to give any information or to make any representation not contained or incorporated by reference in this Information Memorandum or in any material made available by the Issuer to any potential Investor pursuant hereto and, if given or made, such information or representation must not be relied upon as having being authorized by the Issuer. The Issuer certifies that the disclosures made in this Information Memorandum and/or the Private Placement Offer cum Application Letter are adequate and in conformity with the SEBI Debt Listing Regulations and the Companies (Prospectus and Allotment of Securities) Rules, 2014. Further, the Issuer accepts no responsibility for statements made otherwise than in the Information Memorandum or any other material issued by or at the instance of the Issuer and anyone placing reliance on any source of information other than this Information Memorandum would be doing so at its own risk.

This Information Memorandum, the Private Placement Offer cum Application Letter and the respective contents hereof respectively, are restricted only for the intended recipient(s) who have been addressed directly and specifically through a communication by the Issuer and only such recipients are eligible to apply for the Debentures. All Investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this Issue. The contents of this Information Memorandum and/or the Private Placement Offer cum Application Letter are intended to be used only by those Investors to whom it is distributed. It



is not intended for distribution to any other person and should not be reproduced by the recipient.

No invitation is being made to any persons other than those to whom Application Forms along with this Information Memorandum and/or the Private Placement Offer cum Application Letter being issued have been sent. Any application by a person to whom the Information Memorandum and/or the Private Placement Offer cum Application Letter has not been sent by the Issuer shall be rejected without assigning any reason.

The person who is in receipt of this Information Memorandum and/or the Private Placement Offer cum Application Letter shall not reproduce or distribute in whole or in part or make any announcement in public or to a third party regarding the contents hereof without the consent of the Issuer. The recipient agrees to keep confidential all information provided (or made available hereafter), including, without limitation, the existence and terms of the Issue, any specific pricing information related to the Issue or the amount or terms of any fees payable to us or other parties in connection with the Issue. This Information Memorandum and/or the Private Placement Offer cum Application Letter may not be photocopied, reproduced, or distributed to others at any time without the prior written consent of the Issuer. Upon request, the recipients will promptly return all material received from the Issuer (including this Information Memorandum) without retaining any copies hereof. If any recipient of this Information Memorandum and/or the Private Placement Offer cum Application Letter decides not to participate in the Issue, that recipient must promptly return this Information Memorandum and/or the Private Placement Offer cum Application Letter and all reproductions whether in whole or in part and any other information statement, notice, opinion, memorandum, expression or forecast made or supplied at any time in relation thereto or received in connection with the Issue to the Issuer.

The Issuer does not undertake to update the Information Memorandum and/or the Private Placement Offer cum Application Letter to reflect subsequent events after the date of Information Memorandum and/or the Private Placement Offer cum Application Letter and thus it should not be relied upon with respect to such subsequent events without first confirming its accuracy with the Issuer.

Neither the delivery of this Information Memorandum and/or the Private Placement Offer cum Application Letter nor any sale of Debentures made hereafter shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of the Issuer since the date hereof.

This Information Memorandum and/or the Private Placement Offer cum Application Letter does not constitute, nor may it be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation. No action is being taken to permit an offering of the Debentures or the distribution of this Information Memorandum and/or the Private Placement Offer cum Application Letter in any jurisdiction where such action is required. Persons into whose possession this Information Memorandum and/or the Private Placement Offer cum Application Letter comes are required to inform themselves of, and to observe, any such restrictions. The Information Memorandum is made available to potential Investors in the Issue on the strict understanding that it is confidential.

2.2 DISCLAIMER CLAUSE OF STOCK EXCHANGES

As required, a copy of this Information Memorandum has been/shall be filed with the BSE in terms of the SEBI Debt Listing Regulations. It is to be distinctly understood that submission of this Information Memorandum to the BSE should not in any way be deemed or construed to mean that this Information Memorandum has been reviewed, cleared, or approved by the BSE; nor does the BSE in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Information Memorandum, nor does the BSE warrant that the Issuer's Debentures will be listed or will continue to be listed on the BSE; nor does the BSE take any responsibility for the



soundness of the financial and other conditions of the Issuer, its promoters, its management or any scheme or project of the Issuer.

2.3 DISCLAIMER CLAUSE OF RBI

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

2.4 DISCLAIMER CLAUSE OF SEBI

As per the provisions of the SEBI Debt Listing Regulations, it is not stipulated that a copy of this Information Memorandum has to be filed with or submitted to the SEBI for its review / approval. It is to be distinctly understood that this Information Memorandum should not in any way be deemed or construed to have been approved or vetted by SEBI and that this Issue is not recommended or approved by SEBI. SEBI does not take any responsibility either for the financial soundness of any proposal for which the Debentures issued thereof is proposed to be made or for the correctness of the statements made or opinions expressed in this Information Memorandum.

2.5 DISCLAIMER IN RESPECT OF JURISDICTION

This Issue is made in India to investors as specified under the paragraph titled "Eligible Investors" of this Information Memorandum, who shall be/have been identified upfront by the Issuer. This Information Memorandum and/or the Private Placement Offer cum Application Letter does not constitute an offer to sell or an invitation to subscribe to Debentures offered hereby to any person to whom it is not specifically addressed. Any disputes arising out of this Issue will be subject to the exclusive jurisdiction of the courts and tribunals at New Delhi, India. This Information Memorandum and/or the Private Placement Offer cum Application Letter does not constitute an offer to sell or an invitation to subscribe to the Debentures herein, in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction.

2.6 DISCLAIMER IN RESPECT OF RATING AGENCIES

Ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. The Rating Agency has based its ratings on information obtained from sources believed by it to be accurate and reliable. The Rating Agency does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by the Rating Agency have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

2.7 ISSUE OF DEBENTURES IN DEMATERIALISED FORM

The Debentures will be issued in dematerialised form. The Issuer has made arrangements with the Depositories for the issue of the Debentures in dematerialised form. Investors will have to hold the Debentures in dematerialised form as per the provisions of Depositories Act. The Issuer shall take necessary steps to credit the Debentures allotted to the beneficiary account maintained by the Investor with its depository participant. The Issuer will make the Allotment to the Investors on the Deemed Date of Allotment after verification of the Application Form, the accompanying documents and on realisation of the application money.



SECTION 3: RISK FACTORS

The following are the risks relating to the Company, the Debentures and the market in general envisaged by the management of the Company. Potential Investors should carefully consider all the risk factors stated in this Information Memorandum and/or the Private Placement Offer cum Application Letter for evaluating the Company and its business and the Debentures before making any investment decision relating to the Debentures. The Company believes that the factors described below represent the principal risks inherent in investing in the Debentures but does not represent that the statements below regarding risks of holding the Debentures are exhaustive. The ordering of the risk factors is intended to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another. Potential Investors should also read the detailed information set out elsewhere in this Information Memorandum and/or the Private Placement Offer cum Application Letter and reach their own views prior to making any investment decision.

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

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

3.2 THE SECONDARY MARKET FOR DEBENTURES MAY BE ILLIQUID.

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

3.3 CREDIT RISK & RATING DOWNGRADE RISK

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

3.4 CHANGES IN INTEREST RATES MAY AFFECT THE PRICE OF DEBENTURES.

All securities where a fixed rate of interest is offered, such as this Issue, are subject to price risk. The price of such securities will vary inversely with changes in prevailing interest rates, i.e. when interest rates rise, prices of fixed income securities fall and when interest rates drop, the prices increase. The extent of fall or rise in the prices is a function of the existing coupon, days to maturity and the increase or decrease in the level of prevailing interest rates. Increased rates of interest, which frequently accompany inflation and/or a growing economy, are likely to have a negative effect on the pricing of the Debentures.

3.5 TAX CONSIDERATIONS AND LEGAL CONSIDERATIONS

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



3.6 ACCOUNTING CONSIDERATIONS

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

3.7 SECURITY MAY BE INSUFFICIENT TO REDEEM THE DEBENTURES

In the event that the Company is unable to meet its payment and other obligations towards Investors under the terms of the Debentures, the Debenture Trustee may enforce the Security as per the terms of security documents, and other related documents. The Debenture Holder(s)' recovery in relation to the Debentures will be subject to (i) the market value of such secured property, (ii) finding willing buyers for the Security at a price sufficient to repay the Debenture Holder(s)' amounts outstanding under the Debentures. The value realised from the enforcement of the Security may be insufficient to redeem the Debentures.

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

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

3.9 LEGALITY OF PURCHASE

Potential Investors in the Debentures will be responsible for the lawfulness of the acquisition of the Debentures, whether under the laws of the jurisdiction of their incorporation or the jurisdiction in which they operate or for compliance by that potential Investor with any law, regulation or regulatory policy applicable to it.

3.10 POLITICAL AND ECONOMIC RISK IN INDIA

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

3.11 RISKS RELATED TO THE BUSINESS OF THE ISSUER

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

A majority of the Issuer's loans are unsecured and the clients of these unsecured loans are of the high risk category. There is uncertainty on the client's ability to fulfil its loan obligations as MFI clients typically do not have bank accounts or proper income proof verification so it can be difficult to verify all client details and assess the risk. Such non-performing or low credit quality loans can negatively impact our results of operations.



The Issuer has various procedures and process controls in place to mitigate the risk. All group lending loans are provided under the Grameen Model and based on the joint liability of the group.

As at March 31, 2021, the gross NPA was INR 14.57 Crore on a gross portfolio of INR 1,476.16 Crore (including managed / securitized portfolio of INR 254.18 Crore).

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

The current loan loss reserves of the Issuer may not be adequate to cover an increase in the amount of NPAs or any future deterioration in the overall credit quality of Client Loans. As a result, if the quality of its total loan portfolio deteriorates the Issuer may be required to increase its loan loss reserves, which will adversely affect its financial condition and results of operations.

The members are poor and, as a result, might be vulnerable if economic conditions worsen or growth rates decelerate in India, or if there are natural disasters such as floods and droughts in areas where the Issuer's members live. Moreover, there is no precise method for predicting loan and credit losses, and the Issuer cannot assure that its monitoring and risk management procedures will effectively predict such losses or that loan loss reserves will be sufficient to cover actual losses. If the Issuer are unable to control or reduce the level of its NPAs or poor credit quality loans, its financial condition and results of its operations could be materially and adversely affected.

- (c) ***The Issuer's business may be exposed to operational risks including fraud***

The Issuer is exposed to operational risks, including fraud, petty theft and embezzlement, as it handles a large amount of cash due to high volume of small transactions. This could harm its operations and its financial position.

As the Issuer handles a large amount of cash through a high volume of small transactions taking place in its network, the Issuer is exposed to the risk of fraud or other misconduct by its employees or outsiders. These risks are further compounded due to the high level of delegation of power and responsibilities that the Issuer's business model requires. Given the high volume of transactions processed by the Issuer, certain instances of fraud and misconduct may go unnoticed before they are discovered and successfully rectified. Even when the Issuer discovers such instances of fraud or theft and pursue them to the full extent of the law or with its insurance carriers, there can be no assurance that the Issuer will recover any such amounts. In addition, the Issuer's dependence upon automated systems to record and process transactions may further increase the risk that technical system flaws or employee tampering or manipulation of those systems will result in losses that are difficult to detect.

The Issuer maintains an internal audit process to ensure the operations team follows the defined procedures and reports any deviations to the operations staff and management team. The Issuer also has a strong MIS system that has a wide range of data that can be used to monitor financial and operational performance.

To mitigate the above risk, the Issuer maintains an internal audit process to ensure the operations team follows the defined procedures and reports any deviations to the operations staff and management team. The Issuer also has a MIS system able to generate data analysis that can be used to monitor financial and operational performance.

- (d) ***The Issuer is exposed to certain political, regulatory and concentration of risks***



Due to the nature of its operations, the Issuer is exposed to political, regulatory and concentration risks. The Issuer believes a mitigant to this is to expand its geographical reach and may consequently expand its operations other states. If it is not effectively able to manage such operations and expansion, it may lose money invested in such expansion, which could adversely affect its business and results of operations.

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

If the Issuer is not able to attract, motivate, integrate or retain qualified personnel at levels of experience that are necessary to maintain the Issuer's quality and reputation, it will be difficult for the Issuer to manage its business and growth. The Issuer depends on the services of its executive officers and key employees for its continued operations and growth. In particular, the Issuer's senior management has significant experience in the microfinance, banking and financial services industries. The loss of any of the Issuer's executive officers, key employees or senior managers could negatively affect its ability to execute its business strategy, including its ability to manage its rapid growth. The Issuer's business is also dependent on its team of personnel who directly manage its relationships with its members. The Issuer's business and profits would suffer adversely if a substantial number of such personnel left the Issuer or became ineffective in servicing its members over a period of time. The Issuer's future success will depend in large part on its ability to identify, attract and retain highly skilled managerial and other personnel. Competition for individuals with such specialized knowledge and experience is intense in this industry, and the Issuer may be unable to attract, motivate, integrate or retain qualified personnel at levels of experience that are necessary to maintain its quality and reputation or to sustain or expand its operations. The loss of the services of such personnel or the inability to identify, attract and retain qualified personnel in the future would make it difficult for the Issuer to manage its business and growth and to meet key objectives.

- (e) ***The Issuer's business and results of operations would be adversely affected by strikes, work stoppages or increased wage demands by employees***

The employees are not currently unionized. However, there can be no assurance that they will not unionize in the future. If the employees unionize, it may become difficult to maintain flexible labour policies, and could result in high labour costs, which would adversely affect the Issuer's business and results of operations.

- (f) ***The Issuer's insurance coverage may not adequately protect it against losses. Successful claims that exceed its insurance coverage could harm the Issuer's results of operations and diminish its financial position***

There are various types of risks and losses for which the Issuer does not maintain insurance, such as losses due to business interruption and natural disasters, because they are uninsurable. A successful assertion of such large claims against the Issuer that exceeds its available insurance coverage or results in changes in its insurance policies, including premium increases or the imposition of a larger deductible or co-insurance requirement, could adversely affect the Issuer's business, financial condition and results of operations. Such risks are normally minimized through strong Risk Management practices of the Company.

- (g) ***Issuer requires certain statutory and regulatory approvals for conducting business and failure to obtain or retain them in a timely manner, or at all, may adversely affect operations.***

NBFCs in India are subject to strict regulation and supervision by the RBI. Pursuant to guidelines issued by the RBI (circular dated August 3, 2012 and NBFC-MFI Directions) the Issuer is required to maintain its status as a NBFC-MFI in order to be eligible for categorization as priority sector advance for bank loans. The Issuer requires certain approvals, licenses, registrations and permissions for operating its business, including registration with the RBI as a NBFC-MFI. Further, such approvals, licenses, registrations



and permissions must be maintained/renewed over time, applicable requirements may change and the Issuer may not be aware of or comply with all requirements all of the time. Additionally, the Issuer may need additional approvals from regulators to introduce new insurance and other fee based products to its members. In particular, the Issuer is required to obtain a certificate of registration for carrying on business as a NBFC-MFI that is subject to numerous conditions. In addition, its branches are required to be registered under the relevant shops and establishments laws of the states in which they are located. The shops and establishments laws regulate various employment conditions, including working hours, holidays and leave and overtime compensation. If the Issuer fails to obtain or retain any of these approvals or licenses, or renewals thereof, in a timely manner, or at all, its business may be adversely affected. If the Issuer fails to comply, or a regulator claims that it has not complied, with any of these conditions, the Issuer's certificate of registration may be suspended or cancelled and it shall not be able to carry on such activities. If the Issuer fails to comply with the NBFC-MFI Directions and the RBI NBFC-MFI Master Directions, 2016 and fails to maintain the status of NBFC-MFI, it will not be eligible for priority sector loans from the Indian banking sector and may also attract penal provisions under the RBI Act, 1934 for non-compliance.

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

The spread of the COVID-19 virus has affected millions across the globe and the same coupled with measures taken by the governments including lockdowns/ curfew has not only affected day to day lives of people but has also given a hard blow to the supply chain of factories, with trade routes being disturbed and slowing down of the industry, trade, commerce and business activities across all sectors. The COVID-19 virus pandemic is adversely affecting, and is expected to continue to adversely affect, our operations, business, liquidity and cashflows, and we have experienced and expect to continue to experience unpredictable reductions in demand for certain of our products and services. Further, since a good fraction of our borrowers are small transport road operators, the disruption due to COVID-19 virus will also have an impact on their business as well as repayment capacity of the loans taken from us. However, the extent of negative financial impact cannot be reasonably estimated at this time but a sustained economic slowdown may significantly affect our business, financial condition, liquidity, cashflows and results of operations and the same will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the COVID-19 virus and the actions to contain the COVID-19 virus or treat its impact, among others. Consequently, there may be a negative effect on the Company's ability to service the obligations in relation to the Debentures.

SECTION 4: FINANCIAL STATEMENTS

The audited financial statements of the Issuer for the year ended 31st March 2021 are set out in Annexure V hereto.



SECTION 5: REGULATORY DISCLOSURES

The Information Memorandum is prepared in accordance with the provisions of SEBI Debt Listing Regulations and in this section, the Issuer has set out the details required as per Schedule I of the SEBI Debt Listing Regulations.

5.1 Documents Submitted to the Exchanges

The following documents have been / shall be submitted to the BSE:

- (a) Memorandum and Articles of Association of the Issuer and necessary resolution(s) for the allotment of the Debentures;
- (b) Copy of last 3 (Three) years audited Annual Reports;
- (c) Statement containing particulars of, dates of, and parties to all material contracts and agreements;
- (d) Copy of the resolution passed by the shareholders of the Company at the Annual General Meeting held on August 27, 2020 authorizing the issue / offer of non-convertible debentures by the Company;
- (e) Copies of the resolutions passed by the shareholders of the Company at the Annual General Meeting held on August 27, 2020 authorising the Company to borrow, upon such terms as the Board may think fit, upto an aggregate limit of Rs. 35,00,00,00,000/- (Rupees Three Thousand Five Hundred Crores only);
- (f) Copy of the resolution passed by the Board of Directors of the Company dated May 21, 2021 authorizing the issuance of the Debentures and the list of authorized signatories;
- (g) An undertaking from the Issuer stating that the necessary documents for the creation of the charge, where applicable, including the Trust Deed would be executed within the time frame prescribed in the relevant regulations/acts/rules etc. and the same would be uploaded on the website of the BSE, where the debt securities have been listed, within 5 (five) working days of execution of the same.
- (h) Where applicable, an undertaking that permission/consent from the prior creditor for a second or *pari passu* charge being created, in favor of the trustees to the proposed issue has been obtained;
- (i) Any other particulars or documents that the recognized stock exchange may call for as it deems fit; and
- (j) Due diligence certificate from the Debenture Trustee as per the format specified in Annexure B of the SEBI Due Diligence Circular.

The following documents have been / shall be submitted to BSE at the time of filing the draft of this Information Memorandum:

- (a) Due diligence certificate from the Debenture Trustee as per the format specified in Annexure A of the SEBI Due Diligence Circular.

5.2 Documents Submitted to Debenture Trustee

The following documents have been / shall be submitted to the Debenture Trustee in electronic form (soft copy) on or before the allotment of the Debentures:

- (a) Memorandum and Articles of Association of the Issuer and necessary resolution(s) for the allotment of the Debentures;
- (b) Copy of last 3 (Three) years audited Annual Reports;
- (c) Statement containing particulars of, dates of, and parties to all material contracts and agreements;

- (d) Latest audited / limited review half yearly consolidated (wherever available) and standalone financial information (profit & loss statement, balance sheet and cash flow statement) and auditor qualifications, if any;
- (e) An undertaking to the effect that the Issuer would, until the redemption of the debt securities, submit the details mentioned in point (d) above to the Debenture Trustee within the timelines as mentioned in the Simplified Listing Agreement issued by SEBI vide circular No. SEBI/MD/BOND/1/2009/11/05 dated May 11, 2009/ Uniform Listing Agreement as prescribed in SEBI's circular no. CFD/CMD/6/2015 dated October 13, 2015 as amended from time to time, for furnishing / publishing its half yearly/ annual results. Further, the Issuer shall within 180 (One Hundred and Eighty) days from the end of the financial year, submit a copy of the latest annual report to the Debenture Trustee and the Debenture Trustee shall be obliged to share the details submitted under this clause with all 'Qualified Institutional Buyers' (QIBs) and other existing debenture-holders within 2 (Two) working days of their specific request.

5.3 Name and Address of Registered Office of the Issuer

Name of the Issuer:	SATYA MicroCapital Limited
Registered Office of Issuer:	519, 5th Floor, DLF Prime Towers, Okhla Industrial Area, Phase-I, New Delhi - 110020, India
Corporate Office of Issuer:	519, 5th Floor, DLF Prime Towers, Okhla Industrial Area, Phase-I, New Delhi - 110020, India
Compliance Officer of Issuer:	Mr. Amit Jain
CFO of Issuer:	Mr. Sudhindra Kumar Sharma
Registration Number of Issuer:	14.01513 (RBI)
Corporate Identification Number of Issuer:	U74899DL1995PLC068688
Phone No of Issuer.:	+91 11 49724000
Fax No of Issuer.:	+91-11-49724051
Contact Person of Issuer:	Mr. Sanjay Goel
Email of Issuer:	sanjay.goel@satyamicrocapital.com
Website of Issuer:	http://www.satyamicrocapital.com
Auditors of the Issuer:	S.R. Batliboi & Associates Golf View Corporate Tower-B, Sector-42, Sector Road, Gurugram, Haryana-HR-122002
Arranger, if any, of the instrument:	N. A
Trustee to the Issuer:	Catalyst Trusteeship Limited, Address: Windsor, 6th Floor, Office No. 604, C.S.T. Road, Kalina, Santacruz (East), Mumbai - 400 098, India
Registrar to the Issuer:	Link Intime India Pvt Limited Address: C-101, 247 Park L.B.S. Marg, Vikhroli West



Mumbai - 400 083, India

Credit Rating Agency
of the Issue:

ICRA Limited,
Address: 1105, Kailash Building, 11th Floor; 26 Kasturba
Gandhi Marg; New Delhi - 110001, India, India

5.4 A brief summary of business / activities of the Issuer and its line of business containing atleast the following information:

(a) Overview

SATYA MicroCapital Limited (Formerly known as TFC Finvest Limited) is a Delhi based "NBFC" which was incorporated as Limited Company in the year 1995. Now SATYA MicroCapital Limited (SATYA) has received the NBFC-MFI license from RBI.

SATYA started its microfinance operations by adopting the "Joint Liability Group (JLG) Model" with adequate use of technology and new adaptations. JLGs of SATYA means implementations of Joint Liability of group members which exists up to 10 instalments in biweekly collections.

The JLG lending operation focuses solely on women (in case of SATYA, their husbands act as co-borrower) through a credit product that allows them to start new businesses or enhance their existing businesses as well. SATYA provides prompt, convenient and affordable collateral-free credit to people at the bottom of pyramid through a strong credit assessment and centralized approval.

The Company has started its microfinance operation from Sikandrabad Branch, Bulandshar District of Uttar Pradesh and the first token disbursement was done on 1st November 2016. SATYA has utilized demonetization as an opportunity to rework on the business strategy through cashless collections and disbursements. The Company is spreading social awareness messages in its area of operation and with passing time, will adopt few more programs which are valuable for the society.

SATYA has established 187 branches in 160 Districts in 21 States viz, Assam, Bihar, Chattisgarh, Gujarat, Haryana, Himachal Pradesh, Jharkhand, Karnataka, Madhya Pradesh, Odisha, Punjab, Rajasthan, Tamil Nadu, Tripura, Uttar Pradesh, Uttarakhand, West Bengal, Chandigarh, Delhi, Pondicherry, Jammu & Kashmir.

As on March 31, 2021, the company had presence in 187 branches in 160 Districts in 21 States with top 3 states i.e. Uttar Pradesh (22.02%), Bihar (16.24%) and Punjab (11.83%) accounting for 50.08% of the total portfolio outstanding.

(b) Corporate Structure / Organization Structure:





Experienced promoter and second line of management

S. No.	Name	Designation	Profile
1	Vivek Tiwari	Managing Director, CEO & CIO	Vivek has an experience of nearly two decades in the microfinance and development sector on initiatives to further financial inclusion, social entrepreneurship and impact investing. As Managing Director, CEO & CIO of SATYA, Vivek has taken the responsibility of spearheading the company's strategic efforts and driving its expansion with morality and a vision to develop entrepreneurship and livelihood at the bottom of the pyramid. He holds a postgraduate diploma in Rural Development and Management from the Institute of Engineering and Rural Technology, Allahabad. The India International Friendship Society has also awarded him with "Bharat Jyoti Award" for playing a pivotal role in accelerating the JLG/WSHG movement.



2	Ratnesh Tiwari	Director	<p>Ratnesh is an engineering postgraduate and has a doctoral degree (Ph.D.) from Indian Institute of Technology (IIT) Delhi with his research targeted towards biomass-based renewable energy. He has over five years of experience of working on different sustainable development programs sponsored by different National and International agencies like Ministry of New & Renewable Energy, Ministry of Human Resource Development, The Energy & Resource Institute, Container Corporation of India Ltd, GIZ Germany, World Bank and United Nation Foundation, USA. He is the Chief Executive Officer at Koshish Renewable Energy Services Pvt Ltd. Koshish focuses on promoting sustainable energy solutions, sustainable agriculture practices and sustainable eco-friendly products leading to sustainable economic growth with environmental upgradation leading to irreversible human development. He is passionate about socio-economic development of villages. He has an excellent interpersonal and leadership skills.</p>
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Management details:

S. No.	Name	Designation	Profile
1	Sudhindra Kumar Sharma	Chief Financial Officer	As a chartered accountant, Sudhindra is known for serving large companies within the Financial Services, Manufacturing and Service Sector in his 17 years of experience with his expertise in the field of Finance and Accounts. He has joined 'SATYA' with a wealth of experience in the financial projects and has worked in the field of Corporate Finance, Accounts, Compliances and Risk Management with specialization in Financial Analysis, Budgeting and Controls. His last assignment was with Intec Capital Limited as Chief Financial Officer. In the past, he has been associated with Ingersoll Rand, BPL and Ruby Tuesday.
2	Gaurangini Jain	Deputy CEO	A result-driven professional with over 17 years' experience in banking products across Agricultural/ Retail Asset segment. She has rich knowledge in Banking industry pertaining to market scanning, Product offering, credit analysis, negotiation,

			and relationship management. She has steered relationship and coordination with Ministry of Finance for PMJDY and UIDAI for Aadhar Projects. She has also gained Mortgage exposure with corporate client base- Hero Honda, Maruti Industries Ltd., Sono Koyo, Sunbeam, Rico Auto Industries Ltd., British Airways and various other corporates of Gurgaon. She also spearheaded project for customized financial solutions people residing in rural areas for building up value chain; led project for Melinda and Gates Foundation which involved in providing access of financial services to the people residing in rural areas
3	Ranjeet Kumar Mishra	Chief Credit & Risk Officer	He is a graduate from Patna University & Associate members of Institute of Chartered Accountants of India (ICAI) and Institute of Cost and Management Accountants of India (ICMAI). He has more than 15 years' experience in financial services which includes Risk Management, Underwriting, Internal Controls & Credit Risks Management, emerging technology developments, policy & regulatory engagements. He has worked with ICRA, Religare, IndusInd Bank and many more.
4	Vasudha Goel	Head-& Internal Audit	Vasudha has done graduation from the prestigious Lady Shriram College, Delhi University & MBA from the reputed Amity Business School, Noida. She comes with a rich experience of 20 years with a Banking and NBFC background. She has spent 19 years with India's largest Private Sector Bank and one of the Best Brands, HDFC Bank wherein she had been instrumental in managing Teams, setting up Processes & innovating Sales & Resource level Productivity. She comes with a rich experience of Sales, Operations & Compliance. In addition to her vast Banking experience, she had been instrumental in setting up processes and procedures in a mid-size NBFC.
5	Sanjay Goel	Head- Finance	Sanjay is a Commerce graduate from Delhi University. He has above 26 years of relevant experience in Finance & Accounts at different levels. Before becoming a part of SATYA, he worked with SCNL as Senior Manager Finance. During his longest tenure of services for more than 14 years with SCNL, he has played a major role in team building, mobilising funds and relationship building with investors Prior to that, he has worked with Berger Paints (India) Ltd. - Rajdoot Division and Bora Knitwears Pvt Ltd (Sister concern of Woodland Shoes).
6	Ajay Kumar	Head-Human Capital	Ajay holds a post graduate degree in personnel management (PGDPM) from Sambalpur University, Odisha and a Diploma in Labour Law from NILEM, Chennai. He has a rich experience of over 15 years in the areas of recruitment & Training, Rewards & Recognitions, Manpower Planning and Management, Performance Management, Employee Engagement and Statutory Compliances. Before joining SATYA, he has worked with SCNL in the capacity of Senior Manager- Human Resources. Prior to that he has worked with Teracom Ltd. and Global Impex.
7	Bibhuti Chourasia	Head- Accounts	He is MBA-Finance from Alagappa University. He is having more than 19 years' experience in Financial Accounting, Budgeting, Regulatory & Statutory Compliance & Taxation.



			He has worked with Max Life Insurance, ManiBhavnam Home Finance and more.
8	Ashutosh Kumar Srivastava	Head- Information Technology	Ashutosh holds a degree of master's in computer application from AAIDU, Allahabad. He has a versatile experience spanning 10 years in Information Technology and Project Management. Before joining SATYA, he has worked with SCNL as a Deputy Manager-MIS where he spearheaded the project implementation team and handled various solutions such as Microfinance, Bank and Insurance. He has expertise in planning & controlling the operational requirements. Ashutosh has earlier served at Information Communication & Technology (ICT) in Cashpor Micro Credit.
9	Neha Maheshwari	Head- Credit	A post graduate from Indian institute of Finance, Neha has over 13 years of experience in Risk & Credit Management, Audit & Compliance, Monitoring & Control, Transaction Structuring, Corporate Lending and so on. She started her innings as a banker with ICICI Bank in 2006 and since then had been associated with Barclays Shared Services (India), DMI Finance and L&T Finance before joining Satya. She has previously worked in various industry segments ranging from MSME, NBFC-MFI, Corporate, Retail, Consumer Loans and Real Estate Project Financing, Multi-National Corporates and so on. During her tenure with L&T, she had also spearheaded projects linked to enabling CBS for RRB's and on-boarding of digital partners and Credit policy formulation along with control framework for digital business model.
10	Amit Jain	Head -Legal, Secretary & Compliance Officer	A Company Secretary by profession, he holds a degree in (LL.B.) from Law Centre-I (DU). He is having more than 24 years' experience in the areas of years in Investor Relations, Corp. Governance, Risk Mgt. & Regulatory Compliances. He has worked with as Company Secretary & Legal Counsel with Jindal Poly Films Ltd., Rolta India Ltd., Hero FinCorp Ltd. and many listed Companies. During his tenure there he played a major role in Litigation, M&A, IPO, IPR, Compliance, Board & Shareholders related matters, Audit, Offshore Technology Tie-Ups, Legal Aspects of International Business, Whistle Blower Policy, Legal Advice and Awareness, Property Matters, Competition Law and other Legal Functions

(c) **Key Operational and Financial Parameters for the last 3 audited years on a consolidated basis (wherever available) else on a standalone basis:**

(Rs. in crores)

Parameters	31-Mar-19	31-Mar-20	31-Mar-21	Upto latest half year
	Audited (In Cr)- Ind As	Audited (In Cr)- Ind As	Audited (In Cr)- Ind As	Audited
Net worth	86.5	171.77	404.43	N. A
Total Debt	742.43	923.05	1127.07	N. A
- Non-current maturities of long term borrowings	379.7	398.54	551.85	N. A
- short term borrowings	-	-	-	N. A
- Current maturities of long term borrowings (Including CCD)	362.74	524.52	575.22	N. A

Parameters	31-Mar-19	31-Mar-20	31-Mar-21	Upto latest half year
	Audited (In Cr)- Ind As	Audited (In Cr)- Ind As	Audited (In Cr)- Ind As	Audited
Net Fixed Assets	2.66	4.45	7.66	N. A
Non-Current Assets	319.68	424.04	595.78	N. A
Cash and Cash equivalents	36.22	47.18	168.91	N. A
Current investments	-	-	-	N. A
Current Assets	488.77	627.85	814.98	N. A
Current Liabilities	17.86	7.54	53.78	N. A
Non Current Liabilities	0.53	1.16	2.04	N. A
Provisions on Standard assets	-15.31	-6.26	-35.26	N. A
Assets Under Management	621.71	1,007.85	1476.16	N. A
Off balance sheet assets	14.07	85.22	239.91	N. A
Interest Income (Revenue from operations)	100.48	208.5	266.76	N. A
Other income	1.23	0.11	0.45	N. A
Interest Expense	60.25	115.9	127.81	N. A
Other Expenses	37.61	71.69	98.66	N. A
Provisioning & write Offs	4.19	9.93	25.64	N. A
Tax	-0.08	3.57	4.88	N. A
PAT	-0.26	7.53	10.22	N. A
Gross NPA (%)	0.04%	1.62%	1.54%	N. A
Net NPA (%)	0.04%	0.56%	0.66%	N. A
Tier I Capital Adequacy Ratio (%)	14.93%	19.63%	31.64%	N. A
Tier II Capital Adequacy Ratio (%)	5.47%	5.84%	2.98%	N. A

(d) **Gross Debt: Equity Ratio of the Company (As on March 31, 2021):**

Before the issue of debt securities	2.79
After the issue of debt securities	2.841

Calculations

As on March 31, 2021, debt-to-equity ratio is calculated as follows:

Debt	1127.07
Equity	404.42
Debt/Equity	2.79

Subsequent to the issue, debt-to-equity ratio shall be calculated as follows:

Debt	1149.17
Equity	404.42
Debt/Equity	2.841526

Equity includes Tier I and Tier II Capital

#Debt Includes Subordinated Debt

(e) **Project cost and means of financing, in case of funding new projects: N. A**



5.5 Brief history of Issuer since its incorporation giving details of its following activities:

(a) Details of Share Capital as on last quarter end, i.e., March 31, 2021:

Share Capital	Rs.
Authorised	
8,00,00,000 Equity Shares of Rs. 10/- each	80,00,00,000
2,00,00,000 Preference Shares of Rs. 10/- each	20,00,00,000
TOTAL	100,00,00,000
Issued, Subscribed and Fully Paid- up	
Issued 48,724,506 Equity Shares of Rs. 10 /- Each	487,245,060
Subscribed & Fully Paid-up 46,224,506 Equity Shares of Rs. 10 /- Each	46,224,5060
Subscribed & Partly Paid-up 25,00,000 Equity Shares of Rs. 10 /- Each Rs. 2.5 per share paid-up.	62,50,000
Total Paid-up Capital	468,495,060

(b) Changes in its capital structure as on last quarter end i.e., March 31, 2021 for the last five years:

Date of Change (AGM/EGM)	Authorised Capital in Rs.	Particulars
27/10/2016 (EGM)	10 Cr	Authorised Capital increased from 2 Cr to 10 Cr
03/06/2017 (AGM)	30 Cr	Authorised Capital increased from 10 Cr to 30 Cr
20/08/2018 (AGM)	50 Cr	Authorised Capital increased from 30 Cr to 50 Cr
26/06/2019 (EGM)	70 Cr	Authorised Capital increased from 50 Cr to 70 Cr
27/01/2021 (EGM)	100 Cr	Authorised Capital increased from 70 Cr to 100 Cr

(c) Equity Share Capital History of the Company as on last quarter end i.e., March 31, 2021 for the last five years:

Date of Allotment	No. of Equity Shares	Face Value (in Rs)	Issue Price (in Rs)	Consideration (Cash, other than cash etc.)	Nature of Allotment	No of Equity Shares	Equity Share Capital (Rs in Crore)	Equity Share Premium (Rs. In Crore)	Remarks
18/05/1995	6,005	10	10	-	-	6,005	60,050	-	-
31/08/1995	43,000	10	10	-	-	49,005	490,050	-	-
29/12/1995	84,000	10	10	-	-	133,005	1,330,050	-	-
30/03/1996	49,000	10	10	-	-	182,005	1,820,050	-	-



Date of Allotment	No. of Equity Shares	Face Value (in Rs)	Issue Price (in Rs)	Consideration (Cash, other than cash etc.)	Nature of Allotment	No of Equity Shares	Equity Share Capital (Rs in Crore)	Equity Share Premium (Rs. In Crore)	Remarks
31/03/1997	1,20,000	10	10	-	-	302,005	3,020.050	-	-
27/02/1998	7,000	10	10	-	-	309,005	3,090.050	-	-
30/03/1998	40,500	10	10	-	-	349,505	3,495.050	-	-
31/03/2005	2,45,000	10	10	-	-	594,505.00	5,945.050	-	-
31/03/2006	24,000	10	10	-	-	618,505	6,185.050	-	-
31/03/2007	412,000	10	10	-	-	1,030,505	10,305.050	-	-
31/03/2008	32,495	10	10	-	-	1,063,000	10,630.000	-	-
31/03/2012	320,000	10	10	-	-	1,383,000	13,830.000	-	-
02/01/2017	36,67,000	10	10	Cash	Rights Issue	5,050,000	50,500.000	-	N.A
15/02/2017	22,70,750	10	10	Cash	Private placement	7,320,750	73,207.500	-	N.A
31/08/2017	14,07,480	10	20	Cash	Private placement	8,728,230	87,282.300	22707500	N.A
31/08/2017	8,50,000	10	27	Sweat Equity issue	Private placement	9,578,230	95,782.300	46634660	N.A
09/10/2017	30,000	10	-	Consideration other than cash	Private placement	9,608,230	96,082.300	46634660	N.A
09/10/2017	32,00,000	10	30	Cash	Private placement	12,808,230	128,082.300	47234660	N.A
7/5/2018	2551000	10	30	Cash	Right Issue	15,359,230	153,592.300	130434660	N.A
28/05/2018	850000	10	45	Sweat Equity issue	Private placement	16,209,230	162,092.300	219719660	N.A
9/7/2018	277778	10	-	Cash	Conversion of CCD into Equity	16,487,008	164,870.080	219719660	N.A



Date of Allotment	No. of Equity Shares	Face Value (in Rs)	Issue Price (in Rs)	Consideration (Cash, other than cash etc.)	Nature of Allotment	No of Equity Shares	Equity Share Capital (Rs in Crore)	Equity Share Premium (Rs. In Crore)	Remarks
31/7/2018	7024384	10	61	Cash	Private placement	23,511,392	235,113,920	585,185,472	N.A
31/7/2018	818824	10	42.5	Cash	Conversion of CCD into Equity	24,330,216	243,302,160	611,797,252	N.A
25.02.2019	70,000	10	-	Consideration other than cash	Private placement	2,44,00,216	244,002,160	613,197,252	N.A
25.03.2019	20,09,614	10	61	Cash	Private placement	2,64,09,830	26,40,98,300	715,687,566	N.A
26.07.2019	3,033,333	10	75	Cash	Private placement	29,443,163	271,931,630	750,354,211	N.A
04.09.2019	1,018,700	10	75	Cash	Private placement	30,461,863	282,118,630	816,569,711	N.A
04.09.2019	344,250	10	61	Cash	Private placement	30,806,113	285,561,130	834,126,461	N.A
04.09.2019	2,500,000	10		Cash (Rs. 1.5 received on partly paid shares)	Private placement	30,806,113	289,311,130	834,126,461	N.A
18.10.2019	2,515,615	10	110	Cash	Rights Issue	33,321,728	314,467,280	1,085,687,961	N.A
27.01.2021	7,777,778	10	135	Conversion of CCPS to Equity	Conversion of CCPS to Equity	41,099,506	392,245,060	2,057,910,211	N.A
01.02.2021	7,625,000	10	201	Cash	Private Placement	48,724,506	468,495,060	3,514,285,211	N.A

Notes, if any: NIL

Details of the existing Preference share capital of the Issuer including details of allotments made by the Company in the last one year prior to the date of this Offer Letter for consideration other than cash and details of the consideration in each case:

S. No.	Date of allotment	No. of preference shares issued	Face value	Cumulative number of preference shares	Cumulative paid up share capital (in Cr)	Cumulative share premium (In Rs. Cr)	Form of Consideration	Price of shares allotted (Rs.)
1.	31/03/2020	27,22,222	10	27,22,222	2,72,22,220	34,02,77,750	Cash	135
2.	22/05/2020	50,55,556	10	77,77,778	7,77,77,780	97,22,22,250	Cash	135



Notes: The above 77,77,778 Preference Shares have been converted to Equity Shares of the Company in the ratio 1:1 as on 27th January, 2021. The Company has no outstanding Preference Shares as on 31st March, 2021.

(d) **Details of any Acquisition or Amalgamation in the last 1 (one) year:**

There has been no acquisition or amalgamation in the last 1 (one) year.

(e) **Details of any Reorganization or Reconstruction in the last 1 (one) year:**

There has been no reorganization or reconstruction in the last 1 (one) year.

There has been no acquisition or amalgamation in the last 1 (one) year.

Type of Event	Date of Announcement	Date of Completion	Details
N. A	N. A	N. A	N. A

5.6 Details of the shareholding of the Company as on the latest quarter end, i.e., March 31, 2021

(a) **Shareholding pattern of the Company as on last quarter end, i.e. March 31, 2021**

Sr No	Name of Equity Shareholder/Particulars	Total No of Equity Shares	No. of shares in demat form	Total Shareholding as a % of total no of equity shares
	FULLY PAID SHARES	No. of shares	No. of shares	%
1	Vivek Tiwari	9,116,200	9,116,200	18.71
2	Other Promoters	1,892,100	1,892,100	3.88
3	Dia Vikas Capital Private Limited	6,773,475	6,773,475	13.90
4	Gojo & Company, Inc.	24,138,315	24,138,315	49.54
5	Others	3,399,402	31,981	6.98
6	Satya Employee Welfare Trust	905,014	905,014	1.86
	TOTAL (A)	46,224,506	46,224,506	94.87
	PARTLY PAID SHARES			
1	Vivek Tiwari (Rs. 2.50 per equity share has been paid up)	2,500,000	25,00,000	5.13
	TOTAL(B)	2,500,000	25,00,000	5.13
	TOTAL (A+B)	48,724,506	4,53,57,085	100.00

Notes: Details of shares pledged or encumbered by the promoters (if any): Approx. 15,00,000 Equity Shares of Mr. Vivek Tiwari, Managing Director, CEO & CIO of the Company are pledged.

(b) **List of top 10 holders of equity shares of the Company as on the latest quarter end, i.e March 31, 2021:**



Sr. No.	Name of the Shareholder / Particulars	Class	Total Number of equity shares	Total Shareholding as % of total no of equity shares	Number of shares in Demat Form
1.	Vivek Tiwari*	Equity	1,16,16,200	23.84	11616200
2.	Gojo & Company, Inc.	Equity	81,35,537	16.69	8135537
3.	Dia Vikas Capital Private Limited	Equity	67,73,475	13.9	67,73,475
4.	Satya Employee Welfare Trust	Equity	9,05,014	1.85	9,05,014
5.	Shekhar Mahajan	Equity	3,39,090	0.69	3,39,090
6.	Koshish Sustainable Solutions Private Limited	Equity	2,92,367	0.60	2,92,367
7.	Neeraj Maheshwari	Equity	1,56,000	0.32	156000
8.	Mahabal Metals Private Limited	Equity	1,25,000	0.25	125000
9.	Prime M2i Consulting Private Limited	Equity	1,06,000	0.21	1,06,000
10.	Sudhindra Kumar Sharma	Equity	98,000	0.20	98,000
	TOTAL		28,546,683	58.58	28,546,683

**includes 25,00,000 partly paid Equity Shares*

5.7 Following details regarding the directors of the Company*:

(a) Details of the current directors of the Company:

This table sets out the details regarding the Company's Board of Directors as on date of the Information Memorandum:

S. No.	Name of the Director	Designation	Date of Birth	Age	Address	DIN	Director of the company since	Details of other directorships
1	Surekha Marandi	Independent Director	27.07.1959	61	401, Sun Plazzo, Senapati Bapat Marg Near Alkem Laboratories, Delisle Road, Lower Parel Mumbai-400013	06952573	28.02.2020	Origo Commodities India Private Limited



2	Mohan Chandanathil Pappachan	Independent Director	27.05.1956	64	65/1928 A Chandanathil House Manakaparampil Lane, Azad Road, Near Renewal Center Kaloor Ernakulam-682017	02661757	11.08.2017	ESAF Small Finance Bank Limited
3	Naveen Surya	Independent Director	15.01.1972	48	A-233, Kalptaru Horizon, S K Ahire Marg, Opp Doordarshan, Worli, Mumbai 400018	00094514	29.08.2019	1. ITX Trading And Financial Services Private Limited; 2. Epilepsy Foundation; 3. Ditya Finance Private Limited
4	Vivek Tiwari	Managing Director, CEO & CIO	01.04.1978	42	Flat No. A-406 Gaur Grandeur, Sector-119, Parthala Khanjarpur Gautam Buddha Nagar, Up-201304	02174160	18.02.2016	1. Koshish Sustainable Solutions Private Limited 2. Satya Shakti Foundation 3. Satyapath Social Foundation
5	Mukul Jaiswal	Independent Director	01.01.1972	48	B-22/234 Khojawan Varanasi, Up- 221002	02696656	12.01.2017	1. Cashpor Micro Credit 2. Cashpor Financial And Technical Services Private Limited 3. Jeevanshree Inclusive Finance Indiaprivate Limited



								4. Aayushya Foundation 5. Cashpor Financial Services Private Limited
6	Saneesh Singh	Nominee Director	19.09.1968	52	Flat No. 224, Dlf Park Place, Dlf City Phase - 5, Gurgaon Sector 56 Gurgaon, Haryana-122011	022548 68	26.10.2017	1. ESAF Financial Holdings Private Limited 2. Cashpor Micro Credit 3. MI India Capital & Investment Private Limited 4. ESAF Small Finance Bank Limited 5. Growing Opportunity Finance (India) Private Limited 6. MI India Capital Consultants Private Limited 7. Dia Vikas Capital Private Limited
7	Sanjay Gandhi	Nominee Director	06.02.1966	54	2/7, Hamelia Street, Vatika City, Sohna Road, Sector 49, South City-II Gurgaon, Haryana-122018	022342 98	01.08.2018	1. LF Financial Services Private Limited 2. Aviom India Housing Finance Private Limited 3. Ananya Finance For Inclusive Growth private Limited

								4. Frame Technology Marketing Services Private Limited 5. Mock Rate Plus Private Limited
8	Ratnesh Tiwari	Director	07.04.1987	33	1/10712, UGF, Subhash Park, Jhulewala Park, Naveen Shahadra, Shahadra North East Delhi 110032	07131331	28.10.2016	1. Koshish Sustainable Solutions Private limited 2. Koshish Marketing Solutions Private Limited 3. Satya Shakti Foundation
9	Taejun Shin	Nominee Director	01-10-1981	39	5-10-49-1210 Yashio, Shinagawa, Tokyo, Japan 1400003	08056236	18.01.2021	Ananya Finance for Inclusive Growth Private Limited

**Company to disclose name of the current directors who are appearing in the RBI defaulter list and/or ECGC default list, if any: N.A.*

(b) Details of change in directors since last three years:

Name	Designation	DIN	Date of Appointment / Resignation	Director of the Company since (in case of resignation)	Remarks
Sanjay Gandhi	Nominee Director	02234298	01.08.2018	-	Appointed
Naveen Surya	Independent Director	00094514	29.08.2019		Appointed



Vijayalakshmi Das	Independent Director	00624128	08.02.2020	Cessation due to death	cessation
Surekha Marandi	Independent Director	06952573	28.02.2020	-	Appointed
Rahul Gupta	Independent Director	07478822	08.01.2021	Resigned due to personal reasons	Cessation
Taejun Shin	Nominee Director	08056236	18.01.2021	-	Appointed

5.8 Following details regarding the auditors of the Company:

(a) Details of the auditor of the Company:

Name	Address	Auditor since	Remark
S.R Batliboi & Associates	Golf View Corporate Tower-B Sector-42, Sector Road, Gurugram, Haryana-HR-122002	2017	-

(b) Details of change in auditors since last three years:

Name	Address	Date of appointment / resignation	Auditor of the Company since (in case of resignation)	Remarks
Gitesh Sharma & Associates	1810, 3rd Floor, Outram Lines Kingsway camp Delhi 110009	02.12.2016 and not regularized in AGM (June 03, 2017)	02.12.2016	Resigned
Bacchoo Singh Rathore & Co.	199A/18, Onkar Nagar, Trinagar, Delhi 110035	Resigned 28.11.2016	27.07.2013	Resigned
S.R Batliboi & Associates LLP	Golf View Corporate Tower-B, Sector-42, Sector Road, Gurugram-122002, Haryana	01.04.2017	-	Appointed for 5 years

5.9 Details of borrowings of the Company, as on latest quarter end, i.e March 31, 2021:

(a) Details of Secured Loan Facilities (as on March 31, 2021):

Lender's Name	Type of Facility	Amount Sanctioned (In Cr)	Principal Amount Outstanding (In Cr)	Repayment Date / Schedule	Security	
					Primary Security (book debt hypothecation%)	Percentage of Cash Collateral%
APAC Financial Services Limited	Term Loan	9.75	9.75	Monthly	110%	0.00%
Bandhan Bank Limited	Term Loan	80.00	37.38	Monthly	105%	5.00%
Capital Finance Limited	Small Bank Term Loan	25.00	14.13	Monthly	110%	0.00%
DCB Bank Limited	Term Loan	30.00	21.04	Monthly	110%	5.00%
Federal Bank Limited	Term Loan	10.00	8.75	Monthly	110%	0.00%
Growth Source Financial Technologies Private Limited	Term Loan	10.00	7.92	Monthly	110%	0.00%
HDFC Bank Limited	Term Loan	20.00	17.42	Monthly	110%	0.00%
Hero FinCorp Limited	Term Loan	17.00	10.07	Monthly	110%	0.00%
Hinduja Leyland Finance Limited	Term Loan	50.00	25.42	Monthly	110%	0.00%
Hiranandani Financial Services Limited	Term Loan	13.00	6.45	Monthly	110%	0.00%
IDFC FIRST Bank Limited	Term Loan	201.00	111.92	Monthly	110%	0.00%



Incred Capital Financial Services Limited	Term Loan	33.75	14.25	Monthly	105%	0.00%
Jana Small Finance Bank Limited	Term Loan	70.00	43.33	Monthly	110%	0.00%
Kissandhan Agri Financial Private Limited	Term Loan	8.00	8.00	Monthly	110%	0.00%
Kotak Mahindra Bank Limited	Term Loan	50.00	29.79	Monthly	110	5.00%
Manappuram Finance Limited	Term Loan	18.50	2.65	Quarterly	110	0.00%
Manveeya Development & Finance Private Limited	Term Loan	50.00	27.5	Quarterly	105	0.00%
MAS Financial Services Limited	Term Loan	147.00	60.42	Monthly	100	5.00%
Muthoot Capital Services Limited	Term Loan	15.00	0.47	Monthly	110	0.00%
Nabkisan Finance Limited	Term Loan	25.00	25.00	Quarterly	110	0.00%
Nabsamruddhi Finance Limited	Term Loan	10.00	8.56	Monthly	110	0.00%
Northern Arc Capital Limited	Term Loan	145.50	50.38	Monthly	110	0.00%
Profectus Capital Private Limited	Term Loan	6.75	1.62	Monthly	110	0.00%
RBL Bank Limited	Term Loan	15.00	1.88	Quarterly	110	5.00%
Small Industries Development Bank of India (SIDBI)	Special Scheme	30.00	4.29	Monthly	110	0.00%

State Bank of India	Term Loan	54.50	10.00	Monthly	110	15.00%
Sundaram Finance Limited	Term Loan	10.00	6.70	Monthly	118	0.00%
Suryoday Small Finance Bank Limited	Term Loan	10.00	8.50	Monthly	110	0.00%
Utkarsh Small Finance Bank Limited	Term Loan	52.00	19.12	Quarterly/Monthly	110	5.00%
Vivriti Capital Private Limited	Term Loan	50.50	25.16	Monthly	110	0.00%
YES Bank Limited	Term Loan	40.00	32.50	Monthly	105	10.00%
Water Credit Investment Fund 1	ECB	10.60	10.60	Bullet	100	0.00%
	TOTAL	1,330.35	673.47			

(b) **Details of Unsecured Loan Facilities (as on March 31, 2021):**

Lender's Name	Type of Facility	Amount Sanctioned (In Cr)	Principal Amount Outstanding (In Cr)	Repayment Date / Schedule
IDFC FIRST Bank Limited	Sub Debt	9.50	9.50	Bullet (84 Months)
UC Inclusive Credit Private Limited	Sub Debt	3.00	3.00	Bullet (66 Months)
TOTAL		12.50	12.5	

(c) **Details of Non-Convertible Debentures: (as on March 31, 2021)**

Debenture Series	Tenor / Period of Maturity	Coupon	Amount (In Cr)	Date of allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
14.55%Satya Microcap	42	14.55%	20.00	21.02.2018	21.08.2021	BBB-Stable	Secured	1.05



ital Ltd.2021								
1	36	13.60%	17.00	24.08.2018	24.08.2021	BBB- Stable	Secured	1.10
13%SML 2021	48	13.80%	40.00	11.09.2018	9.09.2022	BBB- Stable	Secured	1.10
PPMLD1 SMCL20 22	38	14.50%	15.00	26.03.2019	24.05.2022	BBB- Stable	Secured	1.10
12.85%S ML2023	48	13.60%	28.50	23.08.2019	23.08.2023	BBB- Stable	Secured	1.10
13.6% SML2022	36	13.60%	16.66	18.09.2019	30.09.2022	BBB- Stable	Secured	1.10
13.6% SML2022	36	13.60%	16.66	18.09.2019	30.09.2022	BBB- Stable	Secured	1.10
15.75Saty a2015	74	15.75%	20.00	29.03.2019	30.05.2025	BBB- Stable	Unsecure d	-
14.27% Satya Microcap ital Limited 2026	84	14.27%	25.00	8.07.2019 & 1.08.2019	8.07.2026	BBB- Stable	Unsecure d	-
11.723% SML.2026	72	12.40%	38.00	24.07.2020	24.07.2026	BBB- Stable	Secured	1.10
11.723% SML2024	48	12.40%	34.50	24.07.2020	26.07.2024	BBB- Stable	Secured	1.10
13.75%S MCL.202 3	36	13.75%	25.00	18.12.2020	18.12.2023	BBB- Stable	Secured	1.10
11.6284% SML2026	60	12.30%	26.00	22.02.2021	22.02.2026	BBB- Stable	Secured	1.10

(d) **List of Top 10 Debenture Holder(s) (as on March 31, 2021)**

Sr. No.	Name of Debenture Holders	Amount
1.	Blue Orchard Finance Limited (MIFA, JAWEF & IIF)	115.50
2.	ResonsAbility India Business Advisors Pvt. Ltd. (MEF & UTI Wealth Creator)	68.50
3.	Vivriti India Impact Bond Fund	25.00
4.	Karvy Capital Limited	25.00
5.	IFMR FIMPACT FINANCE BUILDER FUND	20.00
6.	IFMR Finance for Freedom Fund III with IFMR FImpact Long Term Credit Fund	20.00
7.	SIMA	16.66
8.	Northern Arc Capital Limited	16.66
9.	Freedom Fund V with IFMR FImpact Income Builder Fund	15.00
	TOTAL	322.31

Note: 'Top 10 holders' (in value terms, on cumulative basis for all outstanding debentures issues) details should be provided



- (e) The amount of corporate guarantee issued by the Issuer along with the name of the counterparty (like name of the subsidiary, JV entity, group company, etc) on behalf of whom it has been issued. (if any):

NIL

- (f) Details of Commercial Paper: The total Face Value of Commercial Papers Outstanding as on the latest quarter end i.e. March 31, 2021 to be provided and its breakup in following table

Maturity Date	Amount Outstanding
NIL	NIL

- (g) Details of rest of the borrowing (if any including hybrid debt like FCCB, Optionally Convertible Debentures / Preference Shares) as on March 31, 2021: NIL

Party Name (in case of Facility) / Instrument Name	Type of Facility / Instrument	Amt Sanctioned / Issued	Principal Amt outstanding	Repayment Date / Schedule	Credit Rating	Secured / Unsecured	Security
NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

- (h) Details of all default/s and/or delay in payments of interest and principal of any kind of term loans, debt securities and other financial indebtedness including corporate guarantee issued by the Issuer, in the past 5 years:

NIL

- (i) Details of any outstanding borrowings taken / debt securities issued where taken / issued (i) for consideration other than cash, whether in whole or part, (ii) at a premium or discount, or (iii) in pursuance of an option:

NIL

5.10 Details of Promoters of the Company: Please refer below disclosure

- (a) Details of Promoter Holding in Company as on latest quarter end, i.e. March 31, 2021:

S. No	Name of Shareholders	Total No. of Equity shares	No. of shares held in Demat form	Total Shareholding as % of total no. of equity shares	No of shares Pledged	% of shares pledged with respect to shares owned
1	Vivek Tiwari	11616200*	11616200	23.84	Approx 1500000	12.91
2	Ratnesh Tiwari	51500	51500	0.10	0	0

3	Vandna Tiwari	113500	113500	0.23	0	0
4	Sadhna Tiwari	20000	20000	0.04	0	0
5	Koshish Marketing Solutions Pvt. Ltd.	1707100	1707100	3.5	0	0
	Total	13508300	13508300	27.72	1500000	12.91

**Note: includes 25,00,000 Partly Paid Equity Shares- Rs.2.50 per share paid up*

5.11 Abridged version of the Audited Consolidated and Standalone Financial Information (like Profit and Loss statement, Balance Sheet and Cash Flow statement) for at least last three years and auditor qualifications, if any.

[Note: Financial Information submitted for furnishing/ publishing half yearly or annual results must be in line with the timelines specified in the Simplified Listing Agreement, issued vide Circular no. SEBI/MD/BOND/1/2009/11/05, dated May 11, 2009, as amended from time to time.]

Profit and Loss Statement (INR)- In Crore)	31.03.2019	31.03.2020	31.03.2021
	Audited (INDAS)	Audited (INDAS)	Audited (INDAS)
Revenue from Operations	100.48	208.50	266.76
Less: Finance Cost	60.25	115.90	127.81
Other Income	1.23	0.11	0.45
Total Income	41.46	92.71	139.40
Operating Expenses	36.02	69.04	95.91
Provisions & Write Offs	4.19	9.93	25.64
Operating Profit	1.26	13.74	17.85
Depreciation	1.60	2.64	2.75
Profit Before Tax	-0.34	11.10	15.10
Exceptional Items (Profit on sale of assets)	-	-	
Provisions for tax	-0.08	-3.57	-4.88
Profit After Tax	-0.26	7.53	10.22
Other comprehensive income	0.02	-0.09	-0.03
Total comprehensive income for the year	-0.24	7.44	10.19

Balance Sheet (INR) – in Crore	31.03.2019	31.03.2020	31.03.2021
	Audited (INDAS)	Audited (INDAS)	Audited (INDAS)
Equity capital	25.75	30.45	45.85
Reserve & Surplus	60.74	141.32	358.58



TNW	86.5	171.77	404.43
Total Debt	742.43	923.05	1127.07
Current Liabilities / Provisions	-	-	
Other financial liabilities & Nonfinancial Liabilities	18.39	8.71	55.83
Total Outside Liabilities	760.82	931.76	1182.9
Total Liabilities	847.32	1,103.53	1,587.33
Fixed assets (Net)	2.6	4.38	7.57
Investments/Other Advances	-	-	
Gross Advances	605.49	917.25	1214.6
Cash / Liquid Investments	219.31	145.36	316.63
Non Current assets	-	-	
Other current assets	-	-	
Other financial assets & Nonfinancial Assets	15.66	31.93	41.23
Deferred Tax Assets	4.2	4.53	7.21
Intangible Assets	0.06	0.08	0.09
Other Long Term Assets	-	-	
Total Assets	847.32	1,103.53	1,587.33

Cash Flow (INR) – in Crore	As on 31-03-2019 (IND AS)	As on 31-03-2020 (IND AS)	As on 31-03-2021 (IND AS)
A. CASH FLOW FROM OPERATING ACTIVITIES (A)			
Net profit before tax and extraordinary items	(0.34)	11.10	15.10
Total adjustment made for Non Cash/Non operating items	(6.03)	(20.01)	(87.57)
Operating profit before working capital changes	(6.37)	(8.91)	0.96
Net Movement in working capital:	(509.56)	(228.19)	(298.16)
Cash used in operations	(515.93)	(237.10)	
Direct taxes paid (net of refund)	(1.88)	(8.87)	(4.22)
Net cash used in operating activities (A)	(517.81)	(245.97)	(301.42)
	(517.81)	(245.97)	(301.42)
B. Net CASH FLOW FROM INVESTMENT ACTIVITIES (B)	(1.89)	(4.10)	(5.96)
C. Net CASH FLOW FROM FINANCING ACTIVITIES (C)	514.53	261.03	429.12
Net (Decrease) / Increase in cash and cash equivalents (A + B + C)	(5.12)	10.96	121.73
Cash and cash equivalents at the beginning of the year	41.34	36.22	47.18

Cash and cash equivalents at the end of the year	36.22	47.18	168.91
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5.12 Abridged version of Latest Audited/ Limited Review Half Yearly Consolidated and Standalone Financial Information and auditors qualifications, if any.

[Note: Financial Information submitted for furnishing/ publishing half yearly or annual results must be in line with the timelines specified in the Simplified Listing Agreement, issued vide Circular no. SEBI/IMD/BOND/1/2009/11/05, dated May 11, 2009, as amended from time to time.]

Profit and Loss Statement (INR- In Crore)	For the period ended
	31-03-2021
INCOME	
Revenue from operations (net)	266.76
Other income	0.45
Total	267.21
EXPENSES	
Employee benefits expense	68.74
Finance costs	127.81
Depreciation and amortization expense	2.74
Other expenses	52.81
Total	252.10
Profit / (loss) before tax & exceptional items	15.10
Exceptional items	
Profit / (loss) before tax	15.10
Tax expenses	
Current tax	7.56
Deferred tax	-2.67
Profit / (loss) for the year (after tax)	10.21

Balance Sheet (INR- In Crore)	As on March 31, 2021
EQUITY AND LIABILITIES	
Shareholders' funds	
a) Equity share capital	45.85
b) Other equity	358.58
Non-financial liabilities	
a) Provisions	2.52
b) Other non-financial liabilities	5.39



Financial liabilities	
a) Debt securities	285.14
b) Borrowings (other than debt securities)	784.51
c) Subordinated liabilities	57.43
d) Other financial liabilities	47.92
TOTAL	1587.34
ASSETS	
Financial assets	
a) Cash and cash equivalents	168.91
b) Bank balances other than cash and cash equivalents	147.72
c) Trade receivables	10.74
d) Loan portfolio	1214.60
e) Investments	-
f) Other financial assets	4.45
Non-financial assets	
a) Current tax assets (net)	2.94
b) Deferred tax assets (net)	7.21
c) Property, plant and equipment	7.57
d) Intangible assets	0.09
e) Other non-financial assets	23.11
TOTAL	1587.34

Cash Flow	As on March 31, 2021
A. CASH FLOW FROM OPERATING ACTIVITIES	
Net profit before tax and extraordinary items	15.10
Total adjustment made for Non Cash/Non operating Items	(87.57)
Operating profit before working capital changes	0.96
Net Movement in working capital :	(298.16)
Cash used in operations	
Direct taxes paid (net of refund)	(4.22)
Net cash used in operating activities (A)	(301.42)
B. Net CASH FLOW FROM INVESTMENT ACTIVITIES (B)	(5.96)
C. Net CASH FLOW FROM FINANCING ACTIVITIES (C)	429.12
Net (Decrease) / Increase in cash and cash equivalents (A + B + C)	121.73
Cash and cash equivalents at the beginning of the year	47.18
Cash and cash equivalents at the end of the year	168.91

5.13 Any material event/ development or change having implications on the financials/credit quality (e.g. any material regulatory proceedings against the Issuer/promoters, tax litigations resulting in material liabilities, corporate restructuring event etc.) at the time of Issue which may affect the Issue or the investor's decision to invest / continue to invest in the debt securities.



The Issuer hereby declares that there has been no material event, development or change at the time of issue from the position as on the date of the last audited financial statements of the Issuer, which may affect the Issue or the Investor's decision to invest/ continue to invest in the debt securities of the Issuer.

- 5.14 The names of the debenture trustee(s) shall be mentioned with statement to the effect that the debenture trustee(s) has given its consent to the Issuer for its appointment under regulation 4(4) and in all the subsequent periodical communications sent to the holders of the Debentures. Copy of consent letter from the Debenture Trustee to be disclosed**

The Debenture Trustee of the proposed Debentures is Catalyst Trusteeship Limited. Catalyst Trusteeship Limited has given its written consent for its appointment as debenture trustee to the Issue and inclusion of its name in the form and context in which it appears in this Information Memorandum and in all the subsequent periodical communications sent to the Debenture Holders. The consent letter from Debenture Trustee is provided in **Annexure III** of this Information Memorandum.

- 5.15 The detailed rating rationale(s) adopted (not older than one year on the date of opening of the Issue)/ credit rating letter issued (not older than one month on the date of opening of the Issue).**

The Rating Agency has assigned a rating of "[ICRA]BBB" (pronounced as "ICRA Triple B") with 'Stable' outlook to the Debentures. Instruments with this rating are considered to have moderate degree of safety regarding timely servicing of financial obligations. Such instruments carry moderate credit risk. The rating letter from the Rating Agency is provided in **Annexure II** of this Information Memorandum.

- 5.16 If the security is backed by a guarantee or letter of comfort or any other document / letter with similar intent, a copy of the same shall be disclosed. In case such document does not contain detailed payment structure (procedure of invocation of guarantee and receipt of payment by the investor along with timelines), the same shall be disclosed in the offer document.**

N. A.

- 5.17 Names of all the recognized stock exchanges where the debt securities are proposed to be listed:**

The Debentures are proposed to be listed on the WDM segment of the BSE. The Issuer shall comply with the requirements of the listing agreement for debt securities to the extent applicable to it on a continuous basis.

- 5.18 Other details:**

- (a) Debenture Redemption Reserve ("DRR") Creation:**

As per Section 71 of the 2013 Act, any company that intends to issue debentures must create a DRR to which adequate amounts shall be credited out of the profits of the company until the redemption of the debentures. However, under the Companies (Issuance of Share Capital and Debentures) Rules, 2014, non-banking financial companies are exempt from this requirement in respect of privately placed debentures. Pursuant to this exemption, the Company does not intend to create any reserve funds for the redemption of the Debentures.

- (b) Issue / instrument specific regulations:**



The Issue of Debentures shall be in conformity with the applicable provisions of the Companies Act including the relevant notified rules thereunder, the SEBI Debt Listing Regulations, the LODR Regulations the NBFC Directions, the NCD Issuance Directions and the applicable guidelines and directions issued by the RBI and SEBI.

(c) **Application process:**

The application process for the Issue is as provided in SECTION 8: of this Information Memorandum.

5.19 A statement containing particulars of the dates of, and parties to all material contracts, agreements:

The following contracts, not being contracts entered into in the ordinary course of business carried on by the Company or entered into more than 2 (Two) years before the date of this Information Memorandum, which are or may be deemed material, have been entered into by the Company.

The contracts and documents referred to hereunder are material to the Issue, may be inspected at the Registered Office of the Company between 10.00 am to 4.00 pm on working days.

S. No.	Nature of Contract
1	Certified true copy of the Memorandum & Articles of Association of the Issuer.
2	Board Resolution dated May 21, 2021 authorizing the issue of Debentures offered under the terms of this Disclosure Document.
3	Shareholders Resolution dated August 27, 2020 authorizing the issue of non-convertible debentures by the Company.
4	Shareholder Resolution dated August 27, 2020 authorizing the borrowing by the Company and the creation of security.
5	Copies of Annual Reports of the Company for the last three financial years.
6	Credit rating letter from the Rating Agency dated June 15, 2021.
7	Letter from Catalyst Trusteeship Limited dated June 14, 2021 giving its consent to act as Debenture Trustee.
8	Letter for Register and Transfer Agent.
9	Certified true copy of the certificate of incorporation of the Company.
10	Certified true copy of the tripartite agreement between the Company, the Registrar & Transfer Agent and the NSDL/CDSL.
11	Copy of application made to BSE for grant of in-principle approval for listing of Debentures.
12	Debenture Trustee Agreement to be executed by the Issuer and the Debenture Trustee.
13	Debenture Trust Deed to be executed by the Issuer and the Debenture Trustee.
14	Deed of Hypothecation to be executed by the Issuer and the Debenture Trustee.

5.20 Details of Debt Securities Sought to be Issued

Under the purview of the current document, the Issuer intends to raise an amount of Rs. 22,10,00,000/- (Rupees Twenty Two Crore and Ten Lakh) by issue of secured, rated, listed, redeemable non-convertible debentures, on a private placement basis.

For further details of the Debentures, please refer to the terms and conditions of the debentures set out in Section 5.23 of this Information Memorandum.



5.21 Issue Size

The aggregate issue size for the Debentures is of Rs. 22,10,00,000/- (Rupees Twenty Two Crore and Ten Lakh).

5.22 Utilization of the Issue Proceeds

The proceeds shall be used for expanding the loan portfolio of the Issuer subject to such restrictions as the parties may have agreed upon and shall not be utilized for the purposes mentioned below.

The Issuer undertakes that the proceeds of this Issue shall be utilized for the deployment of funds on its own balance sheet and not to facilitate resource requests of its group entities/parent company /associates.

The Issue shall not be utilised towards acquisition financing: viz buyback of shares/securities, purchase of shares of other companies and/or promoter contribution towards the equity capital of a company or as a bridge loan.

The Company undertakes that proceeds of this Issue shall not be utilized for the following purposes as specified in the RBI Master Circular No. DBOD.BP.BC.No.6/21.04.172/2015-16 dated July 1, 2015:

- 1) Bills discounted / rediscounted by NBFCs, except for rediscounting of bills discounted by NBFCs arising out of commercial vehicles (including light commercial vehicles) and two wheeler and three wheeler vehicles, subject to the following conditions: The bills should have been drawn by the manufacturer on dealers only; The bills should represent genuine sale transactions as may be ascertained from the chassis / engine number and; Before rediscounting the bills, the bona fides and track record of NBFCs which have discounted the bills would be verified.
- 2) Investments of NBFCs both of current and long-term nature, in any company / entity by way of shares, debentures, etc. However, Stock Broking Companies may be provided need-based credit against shares and debentures held by them as stock-in-trade.
- 3) Unsecured loans / inter-corporate deposits by NBFCs to / in any company.
- 4) All types of loans and advances by NBFCs to their subsidiaries, group companies / entities.
- 5) Finance to NBFCs for further lending to individuals for subscribing to Initial Public Offerings (IPO) and for purchase of shares from secondary market.

5.23 Issue Details

Security Name	11.6778% Satya MicroCapital Limited 2027
Issuer	Satya MicroCapital Limited
Type of Instrument	Non-Convertible Debentures
Nature of Instrument	Secured, Rated, Listed, Redemable, Transferable Non-Convertible Debentures
Seniority	Senior
Mode of Issue	Private placement
Eligible Investors	As set out in Clause 8.14 below.
Listing (including name of stock Exchange(s) where it will be	The Debentures are to be listed on the WDM of the BSE within a maximum period of 4 (Four) Business Days from the date of closure of the issue for the Debentures.



listed and timeline for listing)	<p>Without prejudice to the below and at the option of the Debenture Holder(s), in the event that the Debentures are not listed within 4 (Four) Business Days from the date of closure of the issue for the Debentures for any reason whatsoever, then to the extent that any Debenture Holder(s) are foreign institutional investors or sub-accounts of foreign institutional investors or qualified foreign investors, or foreign portfolio investors, the Company undertakes to immediately redeem and/or buyback any and all Debentures within 2 (two) Business Days of the expiry of the listing period.</p> <p>In accordance with the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 read together with the SEBI circular no. SEBI/HO/DDHS/CIR/P/2020/198 dated October 5, 2020 on "Standardization of timeline for listing of securities issued on a private placement basis", the Company confirms that in case of a delay by the Company in listing the Debentures beyond 4 (Four) Business Days from the date of closure of the issue for the Debentures, the Company shall (i) make payment to the Debenture Holders of 1% (One Percent) per annum over the Coupon Rate from the expiry of 4 (Four) Business Days from the date of closure of the issue for the Debentures till the listing of such Debentures; and (ii) be permitted to utilise the issue proceeds of its subsequent two privately placed issuances of securities only after having received final listing approval from BSE in respect of the listing of Debentures.</p>
Rating of Instrument	"[ICRA]BBB" (pronounced as "ICRA Triple B") with 'Stable' outlook by ICRA Limited
Issue Size	Rs. 22,10,00,000/- (Rupees Twenty Two Crore and Ten Lakh)
Option to retain oversubscription (Amount)	N.A.
Objects of the Issue	To raise secured debt up to Rs. 22,10,00,000/- (Rupees Twenty Two Crore and Ten Lakh)
Details of the utilization of the Proceeds	The issue proceeds will be to meet funding requirements for expanding the loan portfolio of the Issuer.
Coupon Rate	<p>11.6778% (eleven decimal six seven seven eight percent) per annum payable semi-annually until the Coupon Reset Date (net of withholding taxes), subject to reset on the Coupon Reset Date. The Coupon Rate, as on the date of the Debenture Trust Deed, gross of withholding taxes, shall amount to 12.4000% (twelve decimal four zero zero zero percent).</p> <p>For the period between the Coupon Reset Date and the Maturity Date, the Coupon Rate shall, in the absence of an agreement on the Coupon Rate between the Debenture Holder(s) and the Issuer, continue to be the same Coupon Rate prevailing on the Deemed Date of Allotment.</p>
Step Up/ Step Down Coupon Rate	N.A.
Coupon Payment Frequency	Semi-Annually
Coupon Payment Dates	Semi-annually on the dates set out in Annexure VI (Illustration of Bond Cash Flows) (subject to adjustments for Business Day Convention).
Coupon Type	Fixed Coupon



Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor, etc.)	The Coupon Rate can be reset on the Coupon Reset Date subject to a new Coupon Rate being agreed on between the Issuer and the Majority Debenture Holders, which new Coupon Rate shall be communicated by the Majority Debenture Holders to the Debenture Trustee at least 15 (Fifteen) calendar days prior to the Coupon Reset Date. The Debenture Trustee shall then communicate the new Coupon Rate, so determined, to the Issuer at least 10 (Ten) calendar days before the Coupon Reset Date. The new Coupon Rate will be applicable from the Coupon Reset Date. If no new Coupon Rate is communicated to the Issuer, the existing Coupon Rate will be applicable.
Day Count Basis	Actual / Actual
Interest on Application Money	Interest at the Coupon Rate (subject to deduction of tax at source at the rate prevailing from time to time under the provisions of the Income Tax Act, 1961 or any other statutory modification or re-enactment thereof) will be paid on application money to the applicants from the date of realization of the monies up to 1 (One) day prior to the Deemed Date of Allotment for all valid applications, within 7 (Seven) Business Days from the Deemed Date of Allotment. Where the entire subscription amount has been refunded, the interest on application money will be paid along with the refund orders. Where an applicant is allotted a lesser number of Debentures than applied for, the excess amount paid on the application will be refunded to the applicant and the cheque towards interest on the refunded money will be dispatched by registered post, courier or by way of RTGS / NEFT / Direct Credit. Details of allotment will be sent to every successful applicant. In all cases, the interest instruments will be sent, at the sole risk of the applicant / first applicant.
Default Interest Rate	<p>If, at any time, there shall be a Payment Default or an Event of Default, the Company agrees to pay an additional interest rate of 2% (Two Percent) per annum above the Coupon Rate on the Outstanding Principal Amount from the date of the occurrence of the Payment Default or Event of Default until such Payment Default or Event of Default is cured or the Debentures are redeemed pursuant to such default, whichever is applicable.</p> <p>In the case of a delay in the execution of the DTD and the Deed of Hypothecation, the Issuer shall refund the subscription with the agreed rate of interest or shall pay penal interest of 2% (Two Percent) per annum over and above the applicable Coupon Rate until such time the conditions have been complied with at the option of the Investor.</p>
Tenor	72 (seventy two) months from the Deemed Date of Allotment
Redemption Date / Maturity Date	June 30, 2027, being 72 (seventy two) months from the Deemed Date of Allotment (subject to adjustments for Business Day Convention) subject to the Put Option or the Call Option.
Redemption Amount	<p>Rs. 10,00,000/- (Rupees Ten Lakh) per Debenture on the Principal Payment Date(s) plus accrued Coupon in the manner set out in Annexure VI (Illustration of Bond Cash Flows) hereto.</p> <p>Further, the aforesaid amount would be payable with the Default Interest (if any), and other such costs, charges and expenses if any, payable on the Due Date(s) under the Transaction Documents.</p>
Redemption Premium/ Discount	Not Applicable
Issue Price	Rs. 10,00,000/- (Rupees Ten Lakhs) per Debenture
Discount at which	Not Applicable

security is issued and the effective yield as a result of such discount	
Put Date	June 30, 2024, being 36 (thirty six) months from the Deemed Date of Allotment.
Put Price	Amount equivalent to the face value of all the Debentures being redeemed and interest, due and payable, Increased Costs and other unpaid interests as on the date of the Put Option Notice
Call Date	June 30, 2024, being 36 (thirty six) months from the Deemed Date of Allotment.
Call Price	Amount equivalent to the face value of all the Debentures being redeemed and interest, due and payable, Increased Costs and other unpaid interests as on the date of the Put Option Notice
Put Notification Time	<p>To exercise the Put Option on the Exercise Date, the Majority Debenture Holders desirous of exercising the Put Option shall send a notice in writing to the Issuer (with a copy to the Debenture Trustee at least 15 (Fifteen) calendar days prior to the Exercise Date, communicating the intent of the Majority Debenture Holders to exercise the Put Option on the Exercise Date ("Put Option Notice").</p> <p>The Debentures in full or in part as set out in the Put Option Notice, will be redeemed on the said Exercise Date together with all accrued Coupon amounts, Increased Costs and additional amounts, if any, which shall be borne by the Issuer.</p>
Call Notification Time	<p>To exercise the Call Option on the Exercise Date, the Issuer shall send a notice to all the Debenture Holder(s) in writing (with a copy marked to the Debenture Trustee) at least 15 (Fifteen) calendar days prior to the Exercise Date, communicating the intent of the Issuer to exercise the Call Option on the Exercise Date ("Call Option Notice").</p> <p>The Debentures in full or in part as set out in the Call Option Notice, will be redeemed on the Exercise Date together with all accrued Coupon amounts, Increased Costs and additional amounts, if any, which shall be borne by the Issuer.</p>
Face Value	Rs. 10,00,000 (Rupees Ten Lakh) per Debenture
Minimum Application size and in multiples of 1 (one) Debt Security thereafter	The minimum application size for the Issue shall be 10 Debentures and in multiples of 1 Debenture thereafter.
Issue Timing	<p>Issue Opening Date: June 30, 2021 Issue Closing Date: June 30, 2021 Pay-in Date: June 30, 2021 Deemed Date of Allotment: June 30, 2021</p> <p>All documentation including, but not limited to, the Information Memorandum, Board Resolution, Rating Letter, Appointment of Debenture Trustee to be completed 1 (One) calendar days prior to Issue Opening Date unless otherwise specified.</p>
Issuance mode of the Instrument	Demat only
Trading mode of	Demat only



the Instrument	
Settlement mode of the Instrument	All Payments payable by the Issuer to the Debenture Holder(s) shall be paid to the Debenture Holders as on the Record Date and in case of joint holders of Debentures, to the one whose name stands first in the Register of Debenture Holder(s) in Indian Rupees by other electronic mode of transfer like ECS/RTGS/NEFT/Direct Credit, at the sole risk of the applicant and to such bank account within India as the Debenture Holder(s) intimate the Issuer in writing and available with the registrar and transfer agent. Credit for all payments will be given only on realisation.
Depositories	NSDL and CDSL.
Business Day Convention	<p>If the Principal Payment Date/ Coupon Payment Date falls on a day which is not a Business Day, then the immediately succeeding Business Day shall be the due date for such payment.</p> <p>If the Maturity Date / Redemption Date (including the last Coupon Payment Date and the last Principal Payment Date) or the due date in respect of liquidated damages and all other monies payable under the Debenture Trust Deed falls on a day which is not a Business Day, then the immediately preceding Business Day shall be the due date for such payment.</p>
Record Date	The date being 15 (Fifteen) calendar days prior to the due date on which any Payments are to be made to the Debenture Holder(s) in accordance with the terms of the Debentures on the basis of which the determination of the persons entitled to receive redemption of principal, Coupon, and other Payments, if any, as the case may be, in respect of the Debentures shall be made.
All covenants of the issue (including side letters, accelerated payment clause, etc.)	<p>Representations and Warranties</p> <p>Please refer Section 7.2 of this Information Memorandum.</p> <p>Affirmative Covenants</p> <p>Please refer Section 7.3.1 of this Information Memorandum.</p> <p>Negative Covenants</p> <p>Please refer Section 7.3.2 of this Information Memorandum.</p> <p>Reporting Covenants</p> <p>Please refer Section 7.3.4 of this Information Memorandum.</p> <p>Financial Covenants</p> <p>Please refer Section 7.3.5 of this Information Memorandum.</p>
Description regarding Security (where applicable) including type of security (movable / immovable / tangible etc.), type	<p>SECURITY</p> <p>(a) The Debentures shall be secured by way of a first ranking exclusive and continuing charge to be created pursuant to deed of hypothecation ("Deed of Hypothecation") over the property comprising of the specified Receivables (as defined in the Deed of Hypothecation) hypothecated in favour of the Debenture Trustee ("Hypothecated Property") which shall be 1.10 (one decimal one zero) times ("Security Cover") to the aggregate of the Outstanding Principal</p>



<p>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>	<p>Amount of the Debentures and the outstanding Coupon of the Debentures until all the redemption of the principal amounts, Coupon, the remuneration of the Debenture Trustee, and all costs, charges, expenses and other monies payable by the Issuer in respect of the Debentures ("Secured Obligations") are satisfied by the Issuer as more particularly described in the Deed of Hypothecation ("Security"). It is clarified that the Security Cover shall be sufficient to cover the principal amount and coupon amounts outstanding under the Debentures at all times. The Issuer shall be bound to create the Security on or prior to the Deemed Date of Allotment.</p> <p>(b) The Issuer hereby further agrees, declares and covenants with the Debenture Trustee as follows:</p> <p>(i) The Debentures shall be secured by way of a first ranking exclusive charge on the Hypothecated Property;</p> <p>(ii) All the movable assets that have been charged in favour of the Debenture Trustee under the Deed of Hypothecation shall always be kept distinguishable and held as the exclusive property of the Issuer specifically appropriated to this Security shall be kept in proper condition and adequately insured and shall pay all taxes, cesses, insurance premium with the Hypothecated Property within the time permissible under applicable law and shall be dealt with only under the directions of the Debenture Trustee and the Issuer shall not create any charge, lien or other encumbrance upon or over the same or any part thereof except in favour of the Debenture Trustee nor suffer any such charge, lien or other encumbrance or any part thereof nor do or allow anything that may prejudice this Security and shall not sell, transfer, lease or otherwise dispose of in any manner whatsoever any assets constituting the Hypothecated Property and the Debenture Trustee shall be at liberty to incur all costs and expenses as may be necessary to preserve this Security and to maintain the same undiminished and claim reimbursement thereof;</p> <p>(iii) To maintain at all times, during the period of the Issue, the Security Cover. The value of the Hypothecated Property for this purpose (both for initial and subsequent valuations) shall be the amount reflected as the value thereof in the books of accounts of the Issuer;</p> <p>(iv) The Issuer shall create the Security over the Hypothecated Property by executing a duly stamped Deed of Hypothecation on or prior to the Deemed Date of Allotment;</p> <p>(v) The Issuer shall register and perfect the Security over the Hypothecated Property as contemplated above by filing Form No. CHG-9 with the Registrar of Companies in relation thereto within 30 (Thirty) calendar days from the date of execution of the Deed of Hypothecation;</p> <p>(vi) The Issuer shall on a monthly basis, commencing from the Deemed Date of Allotment till the Maturity Date provide a list</p>
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of specific loan receivables / identified book debt to the Debenture Trustee over which charge is created and subsisting by way of hypothecation in favour of the Debenture Trustee (for the benefit of the Debenture Holders) and sufficient to maintain the Security Cover ("Monthly Hypothecated Property Report");

- (vii) From the date of the creation of the Security and until the Maturity Date, the Issuer shall, on the Security Cover being diminished, within 30 (thirty) days of the same, add fresh loan assets to the Hypothecated Property (under the Deed of Hypothecation) such that the Security Cover is maintained in the manner as described in sub-paragraph 1.1(a)(iii) above;
- (viii) The Issuer shall, on a half yearly basis, as also whenever required by the Debenture Trustee, give full particulars to the Debenture Trustee of all the movable assets of the charge from time to time/ Security and shall furnish and verify all statements, reports, returns, certificates and information from time to time and as required by the Debenture Trustee and make, furnish and execute all necessary documents to give effect to this Security;
- (ix) The Issuer shall cooperate with the Debenture Trustee to enable it to make necessary filings in connection with the creation of Security over the Hypothecated Property with the CERSAI, within 15 (Fifteen) calendar days from the date of execution of the Deed of Hypothecation; and
- (x) The Security shall be a continuing security as described in the Deed of Hypothecation.

Specific Disclosures

- (a) **Type of security:** Book debts (i.e., movable assets).
- (b) **Type of charge:** Hypothecation.
- (c) **Date of creation of security/ likely date of creation of security:** On or prior to the Deemed Date of Allotment.
- (d) **Minimum security cover:** 1.10 (one decimal one zero) times the value of the Outstanding Principal Amount of the Debentures and the outstanding Coupon of the Debentures.
- (e) **Revaluation:** N. A.
- (f) **Replacement of security:** As set out in paragraph (vii) above.
- (g) **Interest over and above the coupon rate:** In the case of a delay in the execution of the DTD and the Deed of Hypothecation, the Issuer shall refund the subscription with the agreed rate of interest or shall pay penal interest of 2% (Two Percent) per annum over and above the applicable Coupon Rate until such time the conditions have been complied with at the option of the Investor. If, at any time, there shall be an Event of Default, the Issuer agrees to pay an additional interest rate of 2% (Two



	Percent) per annum above the Coupon Rate on the Outstanding Principal Amount from the date of the occurrence of the Event of Default until such Event of Default is cured or the Debentures are redeemed pursuant to such default, whichever is applicable.
Transaction Documents	Shall be as set out in Clause 7.1 below
Conditions Precedent to Disbursement	<p>On or prior to the payment of subscription monies by the Debenture Holder(s) proposing to subscribe to the Debentures:</p> <ul style="list-style-type: none"> (i) The Issuer shall deliver to the Debenture Holders, a certified true copy of the Issuer's constitutional documents, certificate of incorporation and certificate of registration issued by the RBI to the Issuer, as amended up-to-date; (ii) The Issuer shall deliver to the Debenture Holders, a certified true copy of the resolution of the Board of Directors of the Issuer authorizing the issue of Debentures as also execution of the necessary documents in that behalf; (iii) The Issuer shall deliver to the Debenture Holders, a certified true copy of the resolution of the shareholders of the Issuer under section 42 of the Act; (iv) The Issuer shall deliver to the Debenture Holders, a certified true copy of the resolution of the shareholders of the Issuer under section 180(1)(a) and section 180(1)(c) of the Act; (v) Execution by the Issuer of the Debenture Trustee Agreement, the Debenture Trust Deed and the Deed of Hypothecation, in a form and manner satisfactory to the Debenture Trustee shall have taken place; (vi) The Issuer shall deliver a certificate from the authorised signatories of the Issuer addressed to the Debenture Trustee confirming that: <ul style="list-style-type: none"> (A) the persons authorised to sign the Transaction Documents and any document to be delivered under or in connection therewith, on behalf of the Issuer, together with the names, titles/designation and specimen signatures of such authorised signatories; (B) the Issuer has the necessary power under its constitutional documents to borrow monies by way of the issuance of the Debentures and create security on the assets of the Issuer to secure such Debentures; (C) the issuance of the Debentures and the creation of security over the Hypothecated Property will not cause any limit, including any borrowing or security providing limit binding on the Issuer to be exceeded; (D) no consents and approvals are required by the Issuer from its creditors or any Governmental Authority or any other person



	<p>for the issuance of the Debentures and creation of security under the Deed of Hypothecation;</p> <p>(E) the representations and warranties contained in the Transaction Documents are true and correct in all respects as on the Deemed Date of Allotment/the date of the certificate;</p> <p>(F) no Event of Default or potential Event of Default has occurred or is subsisting as at the Deemed Date of Allotment/the date of the certificate; and</p> <p>(G) no Material Adverse Effect has occurred;</p> <p>(vii) The Issuer shall obtain the in-principle approval for listing the Debentures on the WDM segment of the BSE;</p> <p>(viii) A near final version of the legal opinion on the capacity of the Issuer to enter into the Transaction Documents and the enforceability of the Transaction Documents to be provided to the Debenture Holders, and</p> <p>(ix) Such other undertaking as may be required from the Issuer.</p>
Conditions Subsequent to Disbursement	<p>(a) Within 30 (Thirty) days from circulation of the Information Memorandum, the Issuer shall maintain the record with respect to the issuance of the Debentures in Form PAS-5 specified pursuant to sub-rule (3) of Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 along with the requisite fee with the Registrar of Companies;</p> <p>(b) Within 4 (Four) Business Days from the date of closure of the issue for the Debentures, the Issuer shall complete the listing of the Debentures on the WDM segment of the Bombay Stock Exchange (BSE) and list the Debentures on the BSE;</p> <p>(c) On or prior to the utilisation of the subscription monies by the Issuer in respect of the Debentures and in any case, within 15 (Fifteen) days from the Deemed Date of Allotment, the Issuer shall file of a return of allotment on the issue of the Debentures in Form PAS-3 specified pursuant to Rule 12 and 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, along with the requisite fee with the Registrar of Companies;</p> <p>(d) Within 30 (Thirty) calendar days from the date of execution of the Deed of Hypothecation, the Issuer shall file Form CHG-9 with the applicable Registrar of Companies for the perfection of Security;</p> <p>(e) Within 15 (Fifteen) calendar days from the date of execution of the Deed of Hypothecation, the Issuer shall share the evidence with the Debenture Holder(s) in respect of the registration of Security by the Issuer over the Hypothecated Property with the CERSA1; and</p> <p>(f) Within 45 (Forty five) calendar days from the Deemed Date of Allotment, the Issuer shall provide an executed legal opinion on the capacity of the Issuer to enter into the Transaction Documents and the</p>

	enforceability of the Transaction Documents to be provided to the Debenture Holders.
Events of Default (including manner of voting /conditions of joining Inter Creditor Agreement)	<p>Events of Default</p> <p>(a) PAYMENT DEFAULT</p> <p>The Issuer does not pay on the due date any amount payable pursuant to the Debenture Trust Deed (whether at scheduled maturity, by acceleration, as a result of Debenture Holder(s) exercising the Put Option or otherwise) at the place at which and in the currency in which it is expressed to be payable, unless its failure to pay is caused by administrative or technical error and payment is made within 7 (Seven) calendar days of its due date.</p> <p>(b) BREACH OF TERMS OF THE DEBENTURE TRUST DEED</p> <p>Except for the event contained in 0 (<i>Payment Default</i>) above, the Issuer defaults in the performance of any of its representations, obligations and covenants provided in terms of the Debenture Trust Deed and/or Transaction Documents and such default has continued for a period of 30 (Thirty) calendar days from the earlier of the date when (a) the Issuer has obtained actual knowledge thereof or (b) the Debenture Trustee has notified the Issuer of such failure.</p> <p>(c) CESSATION OF BUSINESS</p> <p>The Issuer ceases to carry on its business or any substantial part thereof or gives notice of its intention to do so.</p> <p>(d) SECURITY</p> <p>(a) When the Issuer creates or attempts to create any charge on the Hypothecated Property or any part thereof or attempts to sell, transfer, lease or otherwise dispose of in any manner whatsoever any assets constituting the Hypothecated Property without the prior approval of the Debenture Trustee / Debenture Holders or the Security Cover is not maintained by the Issuer;</p> <p>(b) In the opinion of the Debenture Trustee acting on the instructions of the Majority Debenture Holders, the Security offered for the Debentures is in jeopardy.</p> <p>(e) WINDING UP</p> <p>An order has been made by a judicial authority or a special / effective resolution is passed by the members of the Issuer for winding up of the Issuer</p> <p>(f) INSOLVENCY / INABILITY TO PAY DEBTS</p> <p>The Issuer admits in writing its inability to pay its debts as they fall due, suspends making payments on any of its debts or, by reason of actual financial difficulties, commences negotiations with one or more of its</p>

creditors with a view to rescheduling any of its Financial Indebtedness or any corporate action, legal proceedings or other procedure or step or action is taken by any person (whether a financial creditor or an operational creditor or otherwise) or authority including a Governmental Authority (including but not limited to, the making of an application, the presentation of a petition, the filing or service of a notice or the passing of a resolution), in relation to an insolvency resolution process under the provisions of IBC or a moratorium is agreed or declared in respect of or affecting all the debts of the Company.

(g) APPLICABLE LAW

The Issuer defaults or is in non-compliance with any Applicable Law, to which the Issuer is subject to.

(h) MISREPRESENTATION

Any representation or warranty made by the Issuer in any Transaction Document or in any certificate, financial statement or other document delivered to the Debenture Trustee/ Debenture Holder(s) by the Issuer shall prove to have been incorrect, false or misleading in any material respect when made or deemed made

(i) MATERIAL ADVERSE CHANGE

There shall have occurred a change in the business, operations, property, assets, liabilities, condition (financial or otherwise) or prospects of the Issuer since the date hereof that has resulted in a Material Adverse Effect and such Material Adverse Effect has not been remedied or rectified for a period of 30 (Thirty) calendar days.

(j) CROSS DEFAULT

If the Issuer, in regards to any Financial Indebtedness (A) defaults in any payment of any Financial Indebtedness beyond the period of grace, if any, provided in the instrument or agreement under which such Financial Indebtedness was created or (B) defaults in the observance or performance of any agreement or condition relating to any Financial Indebtedness, the effect of which default or other event or condition is to cause or to permit the holder or holders of such Financial Indebtedness to cause (with the giving of notice or the passage of time or both would permit or cause) any such Financial Indebtedness to become due prior to its stated maturity; or (C) due to any default or an event of default, any Indebtedness of the Issuer shall be declared to be due and payable, or required to be prepaid other than by a regularly scheduled required prepayment, (whether or not such right shall have been waived) prior to the stated maturity thereof.

(k) LIQUIDATION OR DISSOLUTION OF THE ISSUER / APPOINTMENT OF RECEIVER OR LIQUIDATOR

Any corporate action, legal proceedings or other procedure or step is taken in relation to:

- (i) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of the Issuer;
- (ii) a composition, compromise, assignment or arrangement with any creditor of the Issuer;
- (iii) the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of the Issuer;
- (iv) enforcement of any security over any assets of the Issuer or any analogous procedure or step is taken in any jurisdiction; or
- (v) any other event occurs or proceeding is instituted that under any Applicable Law would have an effect analogous to any of the events listed in (i), (ii), (iii) and (iv) above.

(l) CREDITORS' PROCESS

Any expropriation, attachment, sequestration, distress or execution affects any Assets of the Issuer having an aggregate value of 5% (Five Percent) of the Total Assets of the Issuer and is not discharged within 30 (Thirty) calendar days or as given in the said order.

(m) JUDGMENT DEFAULTS

One or more judgments or decrees shall be entered against the Issuer involving a liability (not paid or not covered by a reputable and solvent insurance company), individually or in the aggregate, exceeding 5% (Five Percent) of the Total Assets of the Issuer and such judgments or decrees either shall be final and non-appealable or shall not be vacated, discharged or stayed pending appeal for any period of 30 (Thirty) calendar days.

(n) TRANSACTION DOCUMENTS

The Debenture Trust Deed or any other Transaction Document in whole or in part, becomes invalid or ceases to be a legally valid, binding and enforceable obligation of the Issuer.

(o) UNLAWFULNESS

It is or becomes unlawful for the Issuer to perform any of its obligations under the Transaction Documents and/or any obligation or obligations of the Issuer under any Transaction Document are not or cease to be valid, binding or enforceable.

(p) REPUDIATION

The Issuer repudiates any of the Transaction Documents or evidences an intention to repudiate any of the Transaction Documents.

(q) SECURITY COVER



(c) The value of the Hypothecated Property is insufficient to maintain the Security Cover and the Issuer fails to maintain the Security Cover within the stipulated timelines in the Deed of Hypothecation; or

(d) Any of the Transaction Documents failing to provide the security interests, rights, title, remedies, powers or privileges intended to be created thereby (including the priority intended to be created thereby), or such security interests failing to have the priority contemplated under the Transaction Documents, or the security interests becoming unlawful, invalid or unenforceable; or

(r) EXPROPRIATION, NATIONALIZATION ETC.

Any Governmental Authority condemns, nationalizes, seizes, expropriates or otherwise assumes custody or control of all or any substantial part of the business, operations, property or other assets (including assets forming part of the Security) of the Issuer or of its share capital, or takes any action for the dissolution of the Issuer or any action that would prevent the Issuer or its officers from carrying on all or a substantial part of its business or operations.

(s) DELISTING OF DEBENTURES

The listing of the Debentures ceases or is suspended at any point of time prior to the Maturity Date, except if the Debentures are delisted in accordance with the consent of the Majority Debenture Holders.

(t) DEFAULT IN LISTING

The Issuer fails to list the Debentures on the Wholesale Debt Market (WDM) segment of the BSE within a period of 4 (four) Business Days from the date of closure of the issue for the Debentures.

Consequences and Remedies/Manner of voting

On and at any time after the occurrence of an Event of Default, unless such Event of Default at the request of the Issuer is expressly waived by the Debenture Trustee acting on the instructions of the Majority Debenture Holders, (a) upon the expiry of the cure period provided to the Issuer, or (b) if the cure period provided is mutually extended by the Parties hereto upon the expiry of such extended period or (c) where it is not practical to provide a cure period, then forthwith, or (d) where no cure period has been provided and the Parties mutually agree to provide for a cure period, upon the expiry of such mutually agreed to cure period, the Debenture Trustee shall if so directed by the Majority Debenture Holder(s):

	<p>(a) declare that all or part of the Secured Obligations be immediately due and payable, whereupon they shall become immediately due and payable;</p> <p>(b) accelerate the redemption of the Debentures;</p> <p>(c) enforce the charge over the Hypothecated Property in accordance with the terms of the Deed of Hypothecation including the utilisation of the Recovery Expense Fund thereof in accordance with the SEBI REF Circular;</p> <p>(d) take any actions in respect of the SEBI Defaults (Procedure) Circular in accordance with the provisions of the Debenture Trust Deed; and</p> <p>(e) exercise any other right that the Debenture Trustee and / or Debenture Holder(s) may have under the Transaction Documents or under Applicable Law.</p> <p>The manner of voting shall be more particularly set out in the Debenture Trust Deed.</p> <p>In addition to the foregoing, in accordance with the SEBI Defaults (Procedure) Circular, the Debenture Trustee shall send a notice to the Debenture Holders within 3 (three) days of the occurrence of an Event of Default, in accordance with the mode of delivery of notice mentioned therein, convening a meeting within 30 (thirty) days of the occurrence of an Event of Default. PROVIDED THAT if the Event of Default is cured or rectified within the intervening period between the date of the aforementioned notice from the Debenture Trustee to the date the aforementioned meeting is convened, no such meeting of the Debenture Holders shall be required. The Debenture Trustee shall maintain the details of the providing and receipt of such notice in accordance with the SEBI Defaults (Procedure) Circular.</p>
Creation of recovery expense fund	<p>Details and purpose of the recovery expense fund</p> <p>(a) The Issuer shall create and maintain the Recovery Expense Fund up to the amounts prescribed under the SEBI REF Circular, in accordance with and within the timelines prescribed in the SEBI REF Circular.</p> <p>(b) The Recovery Expense Fund shall be created to enable the Debenture Trustee to take prompt action in relation to the enforcement of the Security in accordance with the Transaction Documents.</p> <p>(c) The amounts in the Recovery Expense Fund shall be utilised in the manner as may be prescribed by the Debenture Holders by a Special Resolution duly passed at the meeting of the Debenture Holders held in accordance with the provisions set out in the Transaction Documents.</p> <p>(d) On the occurrence of an Event of Default, if the Security is proposed to be enforced, the Debenture Trustee shall follow the procedure set out in the SEBI REF Circular for utilisation of the Recovery Expense Fund.</p>
Conditions for breach of covenants (as specified)	Please refer sections named "Default Interest Rate" and "Events of Default".



in the Debenture Trust Deed)	
Provisions related to Cross Default Clause	<p>The following is an Event of Default.</p> <p>If the Issuer, in regards to any Financial Indebtedness (a) defaults in any payment of any Financial Indebtedness beyond the period of grace, if any, provided in the instrument or agreement under which such Financial Indebtedness was created or (b) defaults in the observance or performance of any agreement or condition relating to any Financial Indebtedness, the effect of which default or other event or condition is to cause or to permit the holder or holders of such Financial Indebtedness to cause (with the giving of notice or the passage of time or both would permit or cause) any such Financial Indebtedness to become due prior to its stated maturity; or (c) due to any default or an event of default, any Indebtedness of the Issuer shall be declared to be due and payable, or required to be prepaid other than by a regularly scheduled required prepayment, (whether or not such right shall have been waived) prior to the stated maturity thereof.</p>
Role and Responsibilities of Debenture Trustee	<p>(i) The Debenture Trustee may, in relation to these presents, act on the opinion or advice of or any information obtained from any solicitor, counsel, advocate, valuer, surveyor, broker, auctioneer, qualified accountant or other expert whether obtained by the Issuer or by the Debenture Trustee or otherwise;</p> <p>(ii) The Debenture Trustee shall be at liberty to keep these presents at their registered office or elsewhere or if the Debenture Trustee so decide with any banker or company whose business includes undertaking the safe custody of documents or with any advocates or firm of solicitors, provided however that the Debenture Trustee shall be responsible for any loss incurred in connection with any such deposit and the Debenture Trustee may pay all sums required to be paid on account of or in respect of any such deposit;</p> <p>(iii) Save as herein otherwise expressly provided, the Debenture Trustee shall, as regards all trusts, powers, authorities and discretions, have absolute and uncontrolled discretion as to the exercise thereof and to the mode and time of exercise thereof;</p> <p>(iv) The Debenture Trustee shall, on a quarterly basis, carry out the necessary due diligence and monitor the Security Cover in the manner as specified by SEBI from time to time.</p> <p>(v) The Debenture Trustee shall on a half-yearly basis, obtain a certificate from the statutory auditor of the Issuer giving the value of receivables / book debts comprising the Hypothecated Property including compliance with the covenants of the Information Memorandum in the manner as may be specified by SEBI from time to time and certifying maintenance of the Security Cover as per the terms of the Information Memorandum and/or the Transaction Documents along with the half-yearly financial results of the Issuer.</p> <p>(vi) With a view to facilitating any dealing under any provisions of these presents the Debenture Trustee shall have full power to consent (where such consent is required) to a specified transaction or class of transactions conditionally;</p>

	<p>(vii) The Debenture Trustee shall not be responsible for the monies paid by applicants for the Debentures;</p> <p>(viii) The Debenture Trustee shall have full power, in consultation with the Debenture Holder(s), to determine all questions and doubts arising in relation to any of the provisions hereof and every such determination bona fide made (whether or not the same shall relate wholly or partially to the acts or proceedings of the Debenture Trustee) shall be conclusive and binding upon all persons interested hereunder;</p> <p>(ix) The Debenture Trustee shall forward to the Debenture Holder(s), copies of any information, documents from the Issuer pursuant to the Debenture Trust Deed within 2 (two) days of receiving the same from the Issuer;</p> <p>(x) The Debenture Trustee shall be entitled to exercise all its powers and rights available to it under the Transaction Documents;</p> <p>(xi) The Debenture Trustee shall, until the Final Settlement Date, adhere to and comply with its obligations and responsibilities under the SEBI Defaults (Procedure) Circular and the SEBI Recovery Expense Fund Circular; and</p> <p>(xii) The Debenture Trustee shall ensure the implementation of the conditions regarding creation of security for the Debentures, if any, including in relation to debenture redemption reserve and recovery expense fund, as may be prescribed by SEBI from time to time.</p> <p>PROVIDED that nothing contained in herein shall exempt the Debenture Trustee or any receiver, attorney, manager, agent or other person appointed by the Debenture Trustee from or indemnify them against any liability for gross negligence, wilful default or breach of trust nor any liability which by virtue of any rule or law would otherwise attach to them in respect of any negligence, default or breach of trust which they may be guilty of in relation to their duties hereunder.</p>
Risk factors pertaining to the issue	Please refer to Section 3 (<i>Risk Factors</i>) of this Information Memorandum
Governing Law and Jurisdiction	The Debentures and documentation will be governed by and construed in accordance with the laws of India and the parties submit to the exclusive jurisdiction of the courts in New Delhi, India and as more particularly provided for in the Debenture Trust Deed. Notwithstanding anything stated earlier, the Debenture Trustee has the right to commence proceedings before any other court or forum in India.
Additional Disclosures (Security Creation)	In the case of a delay in the execution of Debenture Trust Deed and the Deed of Hypothecation, the Issuer shall refund the subscription with the agreed rate of interest or shall pay penal interest of 2% (Two Percent) per annum over and above the applicable Coupon Rate until such time the conditions have been complied with at the option of the Investor.



Additional Disclosures (Default in Payment)	If, at any time, there shall be a Payment Default or an Event of Default, the Issuer agrees to pay an additional interest rate of 2% (Two Percent) per annum above the Coupon Rate on the Outstanding Principal Amount from the date of the occurrence of the Payment Default or Event of Default until such Payment Default or Event of Default is cured or the Debentures are redeemed pursuant to such default, whichever is applicable
Additional Disclosures (Delay in Listing)	In accordance with the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 read together with the SEBI circular no. SEBI/HO/DDHS/CIR/P/2020/198 dated October 5, 2020 on "Standardization of timeline for listing of securities issued on a private placement basis", the Issuer confirms that in the event there is any delay in listing of the Debentures beyond 4 (four) Business Days from the date of closure of the issue for the Debentures, the Company (i) will pay to the Debenture Holders, penal interest of 1% (one percent) per annum over the Coupon Rate for the period of delay from the date of closure of the issue for the Debentures until the listing of the Debentures is completed, and (ii) shall be permitted to utilise the issue proceeds of its 2 (two) subsequent privately placed issuances of securities only after receiving final listing approval from the stock exchange(s).
Specific disclosures requested by custodians: Declarations	The Issuer confirms that the purchase consideration in respect of the Debentures will not be used for real estate business, capital market and purchase of land and shall comply with all end-use restrictions under applicable law. In this context, the expression, "Real Estate Business" shall have the same meaning as assigned to it in Foreign Exchange Management (Transfer or issue of Security by a Person Resident outside India) Regulations, 2017, Notification No. FEMA 20(R)/2017-RB dated November 7, 2017 and the Foreign Exchange Management (Debt Instruments) Regulations, 2019.
Specific disclosures requested by custodians: Eligible Investors	The following categories of investors are eligible to apply for this private placement of Debentures subject to fulfilling their respective investment norms/rules and compliance with laws applicable to them by submitting all the relevant documents along with the application form: <ul style="list-style-type: none"> (a) foreign portfolio investors registered with the SEBI under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014 or the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019; and (b) any other person (not being an individual or a group of individuals) eligible to invest in the Debentures.
Specific disclosures requested by custodians: Banking details for payment of the application money	The subscription amounts on the Debentures should be paid into the account specified in Section 8.13.

Notes:

- The list of documents which has been executed or will be executed in connection with the issue and subscription of debt securities shall be annexed.
- While the debt securities are secured to the tune of 100% of the principal and interest amount or as per the terms of offer document/ information Memorandum, in favour of Debenture



Trustee, it is the duty of the Debenture Trustee to monitor that the security is maintained, however, the recovery of 100% of the amount shall depend on the market scenario prevalent at the time of enforcement of the security.

3. The additional interest rates mentioned above as payable by the Issuer are independent of each other.



SECTION 6: DISCLOSURES PERTAINING TO WILFUL DEFAULT

In case of listing of debt securities made on private placement, the following disclosures are required to be made vide *SEBI (Issue and Listing of Debt Securities) (Amendment) Regulations, 2016 w.e.f. 25-05-16*:

- (A) **Name of the bank declaring the entity as a Wilful Defaulter:** Nil.
- (B) **The year in which the entity is declared as a Wilful Defaulter:** N.A
- (C) **Outstanding amount when the entity is declared as a Wilful Defaulter:** N.A
- (D) **Name of the entity declared as a Wilful Defaulter:** N.A
- (E) **Steps taken, if any, for the removal from the list of wilful defaulters:** N.A
- (F) **Other disclosures, as deemed fit by the Issuer in order to enable investors to take informed decisions:** N.A
- (G) **Any other disclosure as specified by SEBI:** N.A



SECTION 7: TRANSACTION DOCUMENTS AND KEY TERMS

7.1 Transaction Documents

The following documents shall be executed in relation to the Issue ("Transaction Documents"):

- (a) Debenture Trustee Agreement, which will confirm the appointment of Catalyst Trusteeship Limited as the Debenture Trustee ("Debenture Trustee Agreement");
- (b) Debenture Trust Deed, which will set out the terms upon which the Debentures are being issued and shall include the representations and warranties and the covenants to be provided by the Issuer ("Debenture Trust Deed");
- (c) Deed of Hypothecation whereby the Issuer will create an exclusive first charge by way of hypothecation over the Hypothecated Property in favour of the Debenture Trustee to secure its obligations in respect of the Debentures ("Deed of Hypothecation"); and
- (d) Such other documents as agreed between the Issuer and the Debenture Trustee.

7.2 Representations and Warranties of the Issuer

The Issuer makes the representations and warranties set out in this Section 7.2 to the Debenture Trustee on behalf of the Debenture Holder(s) and the same shall also be set out in the Transaction Documents:

(a) STATUS:

- (i) It is a company, duly incorporated, registered and validly existing under the Applicable Law of India.
- (ii) As on date, the Issuer is registered with the Reserve Bank of India as a non-banking financial company - micro-finance institution.
- (iii) It has the power to own its assets and carry on its business in substantially the same manner as it is being conducted.

(b) BINDING OBLIGATIONS:

The obligations expressed to be assumed by it under the Transaction Documents are legal, valid, binding and enforceable obligations.

(c) NON-CONFLICT WITH OTHER OBLIGATIONS:

The entry into, and performance by it of, and the transactions contemplated by the Transaction Documents do not and will not conflict with:

- (i) any Applicable Law including but not limited to laws and regulations regarding anti-money laundering or terrorism financing and similar financial sanctions; or
- (ii) its constitutional documents; or



- (iii) any agreement or instrument binding upon it or any of its assets, including but not limited to any terms and conditions of the existing Financial Indebtedness of the Issuer.

(d) POWER AND AUTHORITY:

It has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, the Transaction Documents to which it is a party and the transactions contemplated by those Transaction Documents.

(e) VALIDITY AND ADMISSIBILITY IN EVIDENCE:

All approvals, authorizations, consents, permits (third party, statutory or otherwise) required or desirable:

- (i) to enable it lawfully to enter into, exercise its rights and comply with its obligations in the Transaction Documents to which it is a party;
- (ii) to make the Transaction Documents to which it is a party admissible in evidence in its jurisdiction of incorporation; and
- (iii) for it to carry on its business, and which are material,

have been obtained or effected and are in full force and effect.

(f) NO DEFAULT:

No Event of Default or potential Event of Default has currently occurred and is continuing as of the date hereof or would reasonably be expected to result from the execution or performance of any Transaction Documents or the issuance of the Debentures. To the best of the Issuer's knowledge, no other event or circumstance is outstanding which constitutes (or which would, with the lapse of time, the giving of notice, the making of any determination under the relevant document or any combination of the foregoing, constitute) a default or termination event (however described) under any other agreement or instrument which is binding on the Issuer or any of its assets or which might have a Material Adverse Effect as on the date hereof.

(g) PARI PASSU RANKING:

Its payment obligations under the Transaction Documents rank at least *pari passu* with the claims of all of its other unsecured creditors, except for obligations mandatorily preferred by law applying to companies generally.

(h) NO PROCEEDINGS PENDING:

There are no litigation, arbitration or administrative proceedings of or before any court, arbitral body or agency, which if adversely determined may have a Material Adverse Effect, which have (to the best of its knowledge and belief) been started against it except as disclosed by the Issuer in its annual reports, financial statements, the Information Memorandum, the Private Placement Offer cum Application Letter(s) and as provided in Schedule V (Pending Cases against the Company) of the Debenture Trust Deed.

(i) NO MISLEADING INFORMATION:

All information provided by the Issuer to the Debenture Holder(s) for the purposes of this Issue is true and accurate in all material respects as at the date it was provided or as at the date (if any) on which it is stated.



(j) COMPLIANCE:

It is in compliance in all respects with all Applicable Law for the performance of its obligations with respect to this Issue, including but not limited to environmental, social and taxation related laws, for them to carry on their business.

(k) ASSETS:

Except for the security interests and encumbrances created and recorded with the Ministry of Corporate Affairs (available using CIN: U74899DL1995PLC068688 on the website <http://www.mca.gov.in/mcafoportal/showIndexOfCharges.do> under the heading Index of Charges), the Issuer has, free from any security interest or encumbrance, the absolute legal and beneficial title to, or valid leases or licenses of, or is otherwise entitled to use (in each case, where relevant, on arm's length terms), all material assets necessary for the conduct of its business as it is being, and is proposed to be, conducted.

(l) FINANCIAL STATEMENTS:

- (i) Its financial statements most recently supplied to the Debenture Trustee were prepared in accordance with Applicable Accounting Standards consistently applied save to the extent expressly disclosed in such financial statements.
- (ii) Its financial statements most recently supplied to the Debenture Trustee as of March 31, 2021 give a true and fair view and represent its financial condition and operations during the relevant financial year save to the extent expressly disclosed in such financial statements.

(m) SOLVENCY:

- (i) The Issuer 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 and it will not be deemed by a court to be unable to pay its debts within the meaning of Applicable Law, nor in any such case, will it become so in consequence of entering into the Debenture Trust Deed.
- (ii) The value of the Assets of the Issuer is more than its respective Liabilities (taking into account contingent and prospective liabilities) and it has sufficient capital to carry on its business.
- (iii) As on the date hereof, the Issuer has not taken any corporate action nor has taken any legal proceedings or other procedure or steps in relation to any bankruptcy proceedings.

(n) NATURE OF REPRESENTATIONS AND WARRANTIES

The Issuer hereby expressly represents and warrants that each of the representations and warranties set out hereinabove is true and accurate as on the date of the Debenture Trust Deed and shall continue to be true and accurate on each day until the Maturity Date, and nothing contained in the said representations and warranties is / will be misleading or designed to create an inaccurate, incomplete or false picture.

7.3 COVENANTS OF THE ISSUER

7.3.1. AFFIRMATIVE COVENANTS

The Issuer undertakes and agrees that until the Final Settlement Date of the Debentures, it shall;



(a) **UTILISATION OF PROCEEDS OF DEBENTURES**

Utilize the monies received upon subscription to the Debentures solely towards the Purpose as mentioned in Clause 2.1 (*Amount of Debentures and Covenant to Pay*) of Part A of the Debenture Trust Deed and procure and furnish to the Debenture Trustee, a certificate from the Issuer's statutory auditors (as may be required under Applicable Law) in respect of the utilisation of funds raised through the Issue at the end of the financial year ("Purpose").

(b) **LISTING**

Take all steps necessary to obtain the in-principle approval from the BSE for listing the Debentures and to take all steps necessary to get the Debentures listed within 4 (Four) Business Days from the date of closure of the issue for the Debentures.

Without prejudice to the below and at the option of the Debenture Holder(s), in the event that the Debentures are not listed within 4 (Four) Business Days from the date of closure of the issue for the Debentures for any reason whatsoever, then to the extent that any Debenture Holder(s) are foreign institutional investors or sub-accounts of foreign institutional investors or qualified foreign investors, or foreign portfolio investors, the Issuer undertakes to immediately redeem and/or buyback any and all Debentures within 2 (two) Business Days of the expiry of the listing period.

In accordance with the SEBI (Issue and Listing of Debt Securities) Regulations, 2008, as amended from time to time, read together with the SEBI circular no. SEBI/HO/DDHS/CIR/P/2020/198 dated October 5, 2020 on "*Standardization of timeline for listing of securities issued on a private placement basis*", the Issuer confirms that in case of a delay by the Issuer in listing the Debentures beyond 4 (Four) Business Days from the date of closure of the issue for the Debentures, the Issuer shall (i) make payment to the Debenture Holders of 1% (One Percent) p.a. over the Coupon Rate from the expiry of 4 (Four) Business Days from the date of closure of the issue for the Debentures till the listing of such Debentures; and (ii) be permitted to utilise the issue proceeds of its subsequent two privately placed issuances of securities only after having received final listing approval from BSE in respect of the listing of Debentures.

(c) **COSTS AND EXPENSES**

Pay all costs, charges and expenses in any way incurred by the Debenture Trustee towards protection of Debenture Holder(s)' interests, including travelling and other allowances and such taxes, duties, costs, charges and expenses in connection with or relating to the Debentures and shall not include any foreign travel costs.

(d) **PAY STAMP DUTY**

Pay all such stamp duty (including any additional stamp duty), other duties, taxes, charges and penalties, if and when the Issuer may be required to pay according to the laws for the time being in force in the state where the Transaction Documents are executed, and in relation to the Debentures and in the event of the Issuer failing to pay such stamp duty, other duties, taxes, cesses and penalties as aforesaid, the Debenture Trustee will be at liberty (but shall not be bound) to pay the same and the Issuer shall reimburse the same to the Debenture Trustee on demand.

(e) **MAKE THE RELEVANT FILINGS WITH THE REGISTRAR OF COMPANIES/SEBI**



Pursuant to the provisions of the Act and the relevant rules thereunder, the Issuer undertakes to make the necessary filings of the documents mandated therein with the Registrar of Companies and/or SEBI within the timelines stipulated thereunder.

(f) FURNISH INFORMATION TO DEBENTURE TRUSTEE

The Issuer shall furnish quarterly report (unless specified otherwise, in which case, reports shall be submitted according to the specified timeline below) to the Debenture Trustee (as may be required in accordance with SEBI guidelines) containing the following particulars –

- (i) Periodical status/performance reports from the Issuer within 7 (Seven) calendar days of the relevant board meeting or within 45 (Forty Five) calendar days of the respective quarter, whichever is earlier.
 - (ii) Updated list of the names and addresses of the Debenture Holders.
 - (iii) Details of the Coupon due, but unpaid and reasons thereof.
 - (iv) The number and nature of grievances received from the Debenture Holders and (a) resolved by the Issuer (b) unresolved by the Issuer and the reasons for the same.
 - (v) A statement that the Hypothecated Property is sufficient to discharge the claims of the Debenture Holders as and when they become due.
- (g) Promptly and expeditiously attend to and redress the grievances, if any, of the Debenture Holder(s). The Issuer further undertakes that it shall promptly comply with the suggestions and directions that may be given in this regard, from time to time, by the Debenture Trustee and shall advise the Debenture Trustee periodically of the compliance.
- (h) Inform the Debenture Trustee of any major change in the composition of its Board of Directors, which may amount to change in 'Control' as defined in SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and/or any significant change in the composition of its Board of Directors.
- (i) Inform the Debenture Trustee of any significant changes in the composition of its Board of Directors.
- (j) The Issuer shall furnish to the Debenture Trustee a certificate from the Issuer's statutory auditors in respect of the utilization of funds raised under the Issue at the end of each financial year.
- (k) Notify the Debenture Trustee in writing, of any proposed change in the nature or conduct or scope of the business or operations of the Issuer, prior to the date on which such action is proposed to be given effect.
- (l) Inform the Debenture Trustee promptly about any failure to create Security and about all orders, directions, notices of court/tribunal affecting or likely to affect the Security and/or the Hypothecated Property.
- (m) Inform the Debenture Trustee promptly of any amalgamation, merger or reconstruction scheme proposed by the Issuer.
- (n) The Issuer shall submit to the Debenture Trustee, such information as may be required by the Debenture Trustee from time to time.
- (o) TRANSFER OF UNCLAIMED REDEMPTION AMOUNTS**



The Issuer shall comply with the provisions of the Act relating to transfer of unclaimed / unpaid amounts of Coupon on Debentures and redemption of Debentures to the Investor Education and Protection Fund (IEPF), if applicable to it.

(p) FURTHER ASSURANCES

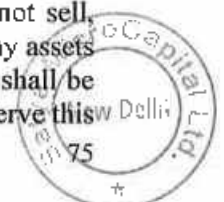
The Issuer shall:

- (i) execute and/or do, at their own expense, all such deeds, assurances, documents, instruments, acts, matters and things, in such form and otherwise as the Debenture Trustee may reasonably or by law require or consider necessary in relation to enforcing or exercising any of the rights and authorities of the Debenture Trustee;
- (ii) obtain, comply with the terms of and do all that is necessary to maintain in full force and effect all authorisations necessary to enable it lawfully to enter into and perform its obligations under the Debenture Trust Deed or to ensure the legality, validity, enforceability or admissibility in evidence in India of the Debenture Trust Deed;
- (iii) ensure that the Debentures are rated by the Rating Agency and continue to be rated by the Rating Agency during the tenure of the Debentures; and
- (iv) comply with all Applicable Law (including but not limited to environmental, social and taxation related laws), as applicable in respect of the Debentures and obtain such regulatory approvals as may be required from time to time including but not limited, in relation to the following (i) the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as may be in force from time to time during the currency of the Debentures; and (ii) the provisions of the listing agreement entered into by the Issuer with the stock exchange in relation to the Debentures including the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(q) SECURITY

The Issuer hereby further agrees, declares and covenants with the Debenture Trustee as follows:

- (i) The Debentures shall be secured by way of a first ranking exclusive charge on the Hypothecated Property;
- (ii) All the movable assets that have been charged in favour of the Debenture Trustee under the Deed of Hypothecation shall always be kept distinguishable and held as the exclusive property of the Issuer specifically appropriated to this Security shall be kept in proper condition and adequately insured and shall pay all taxes, cesses, insurance premium with the Hypothecated Property within the time permissible under Applicable Laws and shall be dealt with only under the directions of the Debenture Trustee and the Issuer shall not create any charge, lien or other encumbrance upon or over the same or any part thereof except in favour of the Debenture Trustee nor suffer any such charge, lien or other encumbrance or any part thereof nor do or allow anything that may prejudice this Security and shall not sell, transfer, lease or otherwise dispose of in any manner whatsoever any assets constituting the Hypothecated Property and the Debenture Trustee shall be at liberty to incur all costs and expenses as may be necessary to preserve this



Security and to maintain the same undiminished and claim reimbursement thereof;

- (iii) To maintain at all times, during the period of the Issue, the Security Cover. The value of the Hypothecated Property for this purpose (both for initial and subsequent valuations) shall be the amount reflected as the value thereof in the books of accounts of the Issuer;
- (iv) The Issuer shall create the Security over the Hypothecated Property by executing a duly stamped Deed of Hypothecation on or prior to the Deemed Date of Allotment.
- (v) The Issuer shall register and perfect the Security over the Hypothecated Property as contemplated above by filing Form No. CHG-9 with the Registrar of Companies in relation thereto within 30 (Thirty) calendar days from the date of execution of the Deed of Hypothecation;
- (vi) The Issuer shall on a monthly basis, commencing from the Deemed Date of Allotment till the Maturity Date provide a list of specific loan receivables / identified book debt to the Debenture Trustee over which charge is created and subsisting by way of hypothecation in favour of the Debenture Trustee (for the benefit of the Debenture Holders) and sufficient to maintain the Security Cover ("**Monthly Hypothecated Property Report**");
- (vii) From the date of the creation of the Security and until the Maturity Date, the Issuer shall, on the Security Cover being diminished, within 30 (thirty) days of the same, add fresh loan assets to the Hypothecated Property (under the Deed of Hypothecation) such that the Security Cover is maintained in the manner as described in sub-clause (iii) above;
- (viii) The Issuer shall, on a half yearly basis, as also whenever required by the Debenture Trustee, give full particulars to the Debenture Trustee of all the movable assets of the charge from time to time/ Security and shall furnish and verify all statements, reports, returns, certificates and information from time to time and as required by the Debenture Trustee and make, furnish and execute all necessary documents to give effect to this Security;
- (ix) The Issuer shall cooperate with the Debenture Trustee to enable it to make necessary filings in connection with the creation of Security over the Hypothecated Property with the CERSAI, within 15 (Fifteen) calendar days from the date of execution of the Deed of Hypothecation;
- (x) The Security shall be a continuing security as described in the Deed of Hypothecation;
- (xi) Nothing contained herein shall prejudice the rights or remedies of the Debenture Trustee and/ or the Debenture Holders in respect of any present or future security, guarantee obligation or decree for any indebtedness or liability of the Issuer to the Debenture Trustee and/ or the Debenture Holders.

(r) **FILINGS; COMPLIANCE WITH BSE REQUIREMENTS**

- (i) The Issuer shall while submitting half yearly/annual financial results to the BSE, in accordance with Regulation 52 of the LODR Regulations, disclose the following line items along with the financial results accompanied by a



certificate from the Debenture Trustee confirming that it has taken note of the said content and the same shall be communicated to the Debenture Holder(s) on a half yearly basis:

- A. credit rating and change in credit rating (if any);
 - B. asset cover;
 - C. debt to equity ratio accompanied with a certificate of a practising chartered accountant confirming the said debt to equity ratio;
 - D. previous due date for the payment of Coupon/principal and whether the same has been paid or not;
 - E. next due date for the payment of Coupon/principal along with the amount of interest/redemption amount payable;
 - F. debt service coverage ratio (if required);
 - G. interest service coverage ratio (if required);
 - H. outstanding redeemable preference shares (quantity and value);
 - I. debenture redemption reserve;
 - J. net worth;
 - K. net profit after tax; and
 - L. earnings per share.
- (ii) In accordance with Regulation 52 of the LODR Regulations, the Issuer shall file with the BSE the prescribed statements, financial statements and noting certificate of the Debenture Trustee within the timelines prescribed therein.
- (iii) In accordance with Regulation 56 of the LODR Regulations, the Issuer shall submit the following to the Debenture Trustee:
- A. a copy of the annual report at the same time as it is issued and a copy of the certificate from the Issuer's auditors in respect of utilisation of funds raised by the issue of the Debentures, at the same time or at the end of each financial year until such funds have been fully utilized or the purpose for which such funds were intended has been achieved;
 - B. a copy of all notices, resolutions and circulars relating to any new issue of non-convertible debt securities (at the same time as they are sent to shareholders/holders of non-convertible debt securities), the meetings of holders of non-convertible debt securities (at the same time as they are sent to the holders of non-convertible debt securities or advertised in the media including those relating to proceedings of the meetings);
 - C. intimations regarding any revision in the rating, any default in timely payment of interest or redemption or both in respect of the non-convertible debt securities issued by the Issuer, any failure to create charge on the assets, and/or all covenants of the Issue (including side letters, accelerated payment clause, etc.);

- D. a half-yearly certificate regarding maintenance of 100% (one hundred percent) asset cover, or asset cover as per the terms of the Transaction Documents, including compliance with all the covenants, in respect of listed non-convertible debt securities, by the statutory auditor, along with the half-yearly financial results; and
 - E. a copy of the statement, if any filed with the BSE in compliance of Regulation 52(7) of the LODR Regulations indicating material deviations, if any, in the use of funds raised by the issue of the Debentures from the object stated in the Information Memorandum.
- (iv) In accordance with Regulation 58 of the LODR Regulations, the Issuer shall furnish the following to the Debenture Holders in the manner prescribed therein:
- A. physical copies of full annual reports to those Debenture Holders who request the same;
 - B. notice of all meetings of the Debenture Holders specifically stating that the provisions for appointment of proxy in accordance with Section 105 of the Companies Act, 2013 shall be applicable for such meeting; and
 - C. proxy forms for the Debenture Holders clearly providing the Debenture Holders to vote for each resolution in such a manner that they may vote either for or against each resolution;
- (v) The Issuer will provide all assistance to the Debenture Trustee, as may be required by it, to carry out the necessary due diligence and monitor the asset cover in the manner as may be specified by SEBI from time to time. In this regard, in accordance with the SEBI's circular dated November 12, 2020 on "Monitoring and Disclosures by Debenture Trustee(s)" ("**SEBI Monitoring Circular**"), the Issuer undertakes and agrees to provide all relevant documents/ information, as applicable, to enable the Debenture Trustee to submit the following reports/ certification to BSE:
- A. an asset cover certificate on a quarterly basis, within 60 (sixty) days from the end of each financial quarter in the format prescribed in the SEBI Monitoring Circular;
 - B. (to the extent applicable) a statement of the value of the pledged securities on a quarterly basis, within 60 (sixty) days from the end of each financial quarter;
 - C. (to the extent applicable) a statement of the value of the debt service reserve account or any other form of security offered on a quarterly basis, within 60 (sixty) days from the end of each financial quarter;
 - D. (to the extent applicable) a net worth certificate of the guarantor who has provided a personal guarantee in respect of the Debentures on a half yearly basis, within 60 (sixty) days from the end of each financial half-year;
 - E. (to the extent applicable) the financials/value of guarantor prepared on the basis of audited financial statement etc. of the guarantor who has



provided a corporate guarantee in respect of the Debentures on an annual basis, within 75 (seventy five) days from the end of each financial year; and

F. (to the extent applicable) the valuation report and title search report for the immovable/movable assets, as applicable, on an annual basis, within 75 (seventy five) days from the end of each financial year.

(vi) The Issuer will submit to the Debenture Trustee, on a half yearly basis, a certificate from the statutory auditor of the Issuer giving the value of receivables/book debts including compliance with the covenants set out in the Information Memorandum in such manner as may be specified by SEBI from time to time.

(vii) The Issuer will provide such assistance as may be required by the Debenture Trustee to, prior to the creation of charge to secure the Debentures, exercise independent due diligence to ensure that such security is free from any encumbrance or that the necessary consent(s) from other charge-holders (if applicable) have been obtained in the manner as may be specified by the SEBI from time to time.

(s) Within 15 (Fifteen) Business Days of receipt of a request from the Debenture Trustee, the Issuer shall authenticate any information relating to the Debentures, to be submitted by the Debenture Trustee with the Information Utility.

(t) The Security created by the Issuer in favour of the Debenture Trustee under the terms of the Deed of Hypothecation shall be enforceable upon the occurrence of an Event of Default.

(u) The Issuer is aware that in terms of Regulation 14 of the SEBI (Debenture Trustees) Regulations, 1993 as amended from time to time, the Trust Deed has to contain the matters specified in Section 71 of the Companies Act, 2013 and Form No. SH.12 specified under the Companies (Share Capital and Debentures) Rules, 2014. The Issuer hereby agrees to comply with all the clauses of Form No. SH.12 as specified under the Companies (Share Capital and Debentures) Rules, 2014 to the extent applicable to it as if they are actually and physically incorporated in the Debenture Trust Deed.

(v) NOTICE OF WINDING UP OR OTHER LEGAL PROCESS

Promptly inform the Debenture Trustee if it has notice of any application for winding up having been made or any statutory notice of winding up under the provisions of the Act, or any other notice under any other act relating to winding up or otherwise of any suit or other legal process intended to be filed or initiated against the Issuer and affecting or likely to affect the charged assets and the title to the properties of the Issuer or if a receiver is appointed in respect of any of its properties or businesses or undertakings.

(w) LOSS OR DAMAGE BY UNCOVERED RISKS

Promptly inform the Debenture Trustee of any material loss or significant damage which the Issuer may suffer due to any force majeure circumstances such as earthquake, flood, tempest or typhoon, etc. against which the Issuer may not have insured its properties.

(x) ANTI-MONEY LAUNDERING AND EXCLUSION LIST



(i) Not permit any of the Issue proceeds to be used to fund any form of violent political activity, terrorists or terrorist organizations, nor any money laundering process or scheme to disguise illegally obtained funds, nor any other criminal activity including arms sales, drug trafficking, robbery, fraud or racketeering.

(ii) Not permit any of the Issue proceeds to be used to fund any activity on the Exclusion List.

(y) PRESERVE CORPORATE STATUS

Diligently preserve and maintain its corporate existence and status and all rights, contracts privileges, franchises and concessions now held or hereafter acquired by it in the conduct of its business.

(z) Inform and provide the Debenture Trustee with applicable documents in respect of any and all information required to be provided to the Debenture Holders under the listing agreement entered/ to be entered into between the Issuer and the stock exchange on which the Debentures are proposed to be listed.

(aa) The Issuer shall ensure that it fully complies with consumer protection principles, practices and requirements laid down by the RBI and other statutory bodies. In cases when such client protection related regulation or law does not exist, is not applicable to the Issuer or cannot be considered satisfactory *vis-a-vis* with guidelines provided by Universal Standards for Social Performance Management (USSPM), the Issuer shall endorse and operationally apply client protection principles (which shall include but not be limited to principles such as safeguarding and fair treatment of clients and an enabling organisation and culture) developed by any reputable standard. The Issuer shall ensure that it is fully transparent in the pricing, terms and conditions of all financial products. The Issuer shall employ respectful collection practices and adopt high ethical standards in the treatment of clients.

(bb) The Issuer undertakes and agrees to comply with the requirements of IFC Performance Standard 1 and IFC Performance Standard 2 in the conduct of its operations.

(cc) The Issuer undertakes to prepare, appraise, and implement practices in respect of the provision of Client Loans which are aligned with IFC Performance Standards, EHS Guidelines and the Fundamental Labor Conventions of the International Labour Organization ("ILO").

(dd) The Issuer shall ensure that its non-retail borrowers have contractual obligations to comply with Applicable Law and the ILO Fundamental Conventions.

(ee) The Issuer shall monitor its compliance being 10% (Ten Percent) to 20% (Twenty Percent) of new loans / offer letters on an annual basis, with Applicable Law and ILO Fundamental Conventions.

(ff) The Issuer shall maintain the required "know your customer" and anti-money laundering policies, procedures and controls ("AML/KYC Policies").

7.3.2. NEGATIVE COVENANTS

Without the prior written permission of the Debenture Trustee, the Issuer shall not take any action in relation to the items set out in this clause 7.3.2. The Debenture Trustee shall give



its prior written approval/dissent within 15 (Fifteen) Business Days after having received a request to give its approval provided such request is accompanied by the relevant information substantiating the request for the Debenture Holders to make a conscious decision. The Debenture Trustee shall take the consent of the Majority Debenture Holders prior to any such approval/dissent.

(a) NO ENCUMBRANCE ON ASSETS

The Issuer shall not create any further charge or encumbrance over the 1 hypothecated Property, except as created in favour of the Debenture Trustee for the benefit of the Debenture Holders, under the terms of the Deed of Hypothecation.

(b) DIVIDEND, DISTRIBUTION ETC.

Declare or pay any dividend, make a cash distribution or pay any other consideration to its shareholders (other than dividends or cash distributions payable in shares of the Issuer) during any financial year unless: (i) the Issuer has paid or made satisfactory provision for the payment of the installments of principal and interest due on the Debentures; (ii) the proposed payment or distribution is made from positive retained earnings of the Issuer (excluding any amount resulting from the revaluation of any of the Issuer's assets) earned from the previous financial year for which such dividend or distributions were declared; (iii) so long as no Event of Default or potential Event of Default exists or is continuing; and (iv) after giving effect to any such action, the Issuer is in compliance with the financial covenants set out in Clause 7.3.4 herein below.

(c) CHANGE OF BUSINESS

Change the general nature and conduct of its business from that which is permitted under the directions issued by the RBI with respect to 'Non-Banking Financial Company' including the RBI Master Direction dated September 1, 2016 bearing reference no. DNBR.PD.007/03.10.119/2016-17 on 'Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016' as amended from time to time read together with the Master Circular on 'Non-Banking Financial Company-Micro Finance Institutions' (NBFC-MFIs) – Direction" issued by the RBI (as amended, modified or restated from time to time).

(d) CONSTITUTIONAL DOCUMENTS

Change its articles of incorporation or organizational documents in any material way which would prejudicially affect the interests of the Debenture Holder(s).

(e) MERGER, CONSOLIDATION, ETC.

Undertake or permit any merger, consolidation, re-organisation, scheme of arrangement or compromise with its creditors or shareholders or effect any scheme of amalgamation or reconstruction.

(f) CHANGE OF CONTROL

Issue any additional shares or equity interests and/or shall not have its existing shares or equity interests transferred, sold, pledged or otherwise encumbered, if such action results in the owners or holders of such existing shares and equity interests having less than 80% (Eighty Percent) of the total voting power and economic interests in the Issuer.



If the written consent of the Debenture Trustee / the Majority Debenture Holders, is withheld for the proposed change of control, the Issuer, upon the instructions of the Debenture Trustee shall redeem the Debentures forthwith within 45 (Forty Five) calendar days of receiving such written instructions from the Debenture Trustee, and the Issuer shall pay a penalty of 2% (Two Percent) on the Outstanding Principal Amount to the Debenture Holder(s). Provided that any action arising out of such change of control, will be taken in accordance with the extant RBI regulations.

(g) DISPOSAL OF ASSETS

Sell, transfer, or otherwise dispose of in any manner whatsoever any material assets of the Issuer, other than in ordinary course of business including any securitization / portfolio sale of assets undertaken by the Issuer in its ordinary course of business.

(h) SAFEGUARD VIOLATION

The Issuer shall not commit or engage in, any Safeguarding Violation. The Issuer shall maintain internal policies and procedures to ensure that neither it nor any of its directors, employees nor any person acting on its behalf, engages in any Safeguarding Violation and to ensure the confidentiality and safety of any victim of, or witness to, any Safeguarding Violation.

(i) AML COMPLIANCES

The Issuer shall not commit any acts of fraud, Corruption, tax evasion, money laundering, terrorist financing, sanctions, breaches or more generally, illegal practices.

7.3.3. REPORTING COVENANTS

The Issuer shall provide or cause to be provided to the Debenture Trustee, in form and substance reasonably satisfactory to the Debenture Trustee and to the Debenture Holder(s), each of the following items:

- (a)** The Issuer agrees that it shall forward to the Debenture Trustee and to the Debenture Holder(s) promptly, whether a request for the same has been made or not:
- (i)** a copy of the Statutory Auditors' and Directors' Annual Report, Balance Sheet and Profit & Loss Account and of all periodical and special reports at the same time as they are issued;
 - (ii)** a copy of all notices, resolutions and circulars relating to new issue of debt securities at the same time as they are sent to shareholders / holders of debt securities; and
 - (iii)** a copy of all the notices, call letters, circulars, proceedings, etc. of the meetings of debt security holders at the same time as they are sent to the holders of debt securities or advertised in the media.
- (b)** The Issuer will permit the Debenture Trustee and/or the Debenture Holder(s) to examine the relevant books and records of the Issuer upon reasonable prior notice and at such reasonable times and intervals as the Debenture Trustee and/or the Debenture Holder(s) may reasonably request.



- (c) The Issuer shall provide or cause to be provided to the Debenture Trustee and/or the Debenture Holder(s), in form and substance reasonably satisfactory to the Debenture Trustee and/or the Debenture Holder(s) respectively, such additional documents or information as the Debenture Trustee and/or the Debenture Holder(s) may reasonably request from time to time in relation to the Issue.
- (d) The Issuer hereby covenants and undertakes that it shall within 60 (Sixty) calendar days from the end of each financial quarter, submit to the Debenture Trustee, an asset cover certificate in respect of the Hypothecated Property in the applicable format prescribed under Annexure A of the SEBI circular dated November 12, 2020 (bearing reference number: SEBI/ IIC/ MIRS/ CRADT/ CIR/ P/ 2020/23) to enable the Debenture Trustee to submit the same to the relevant stock exchange(s) within the timelines stipulated under Applicable Law.
- (e) As soon as available and in any event within 20 (Twenty) calendar days after the end of each calendar month, the monthly reporting (*in a format which shall be provided by the Debenture Holders from time to time*) required by the Debenture Holder(s) being such information relevant to the Issue in form and substance satisfactory to the Debenture Trustee.
- (f) As soon as available and in any event within 20 (Twenty) calendar days after the end of each quarterly reporting period of the Issuer, the quarterly reporting (*in a format which shall be provided by the Debenture Holders from time to time*) required by the Debenture Holder(s) being such information relevant to the Issue in form and substance satisfactory to the Debenture Trustee.
- (g) As soon as available and in any event within 45 (Forty Five) calendar days after the end of each financial year of the Issuer, the annual reporting (*in a format which shall be provided by the Debenture Holders from time to time*) required by the Debenture Holder(s) being such information relevant to the Issue which shall be in form and substance satisfactory to the Debenture Trustee.
- (h) As soon as available and in any event within 30 (Thirty) calendar days after any change in the shareholding structure of the Issuer, an updated report reflecting the changes with respect to all of the Issuer's beneficial owners, as appropriate.
- (i) As soon as available, and in any event within 90 (Ninety) calendar days after the end of each fiscal year of the Issuer:
 - (i) certified copies of its audited standalone and consolidated (if any) financial statements for its most recently completed fiscal year, prepared in accordance with generally accepted accounting principles in its jurisdiction including its balance sheet, income statement, statement of cash flow. All such information shall be complete and correct in all material respects and fairly represents the financial condition, results of operation and changes in cash flows of the Issuer as of the date thereof;
 - (ii) a complete list comprising all material financial liabilities of the Issuer whether absolute or contingent; and
 - (iii) such additional information or documents as the Debenture Trustee and/or the Debenture Holder(s) may reasonably request.
- (j) As soon as practicable, and in any event within 5 (Five) Business Days after the Issuer obtains or reasonably should have obtained, actual knowledge thereof, notice

of the occurrence of any event or circumstance that could reasonably be expected to result in a Material Adverse Effect.

- (k) As soon as practicable, and in any event within 5 (Five) Business Days after the Issuer knew or received or should have known thereof, notice of any dispute, litigation, investigation or other proceeding affecting the Issuer or its property or operations, which, if adversely determined, could result in a Material Adverse Effect.
- (l) As soon as practicable, and in any event within 1 (One) Business Day, upon the Issuer having knowledge of any winding up proceeding including filing of any application under the IBC or initiation of any insolvency resolution process against the Issuer under the IBC.
- (m) As soon as practicable, and in any event within 5 (Five) Business Days after the Issuer obtains actual knowledge thereof, notice of the occurrence of a potential Event of Default and any event which constitutes an Event of Default specifying the nature of such event and any steps the Issuer is taking and proposes to take to remedy the same.
- (n) As soon as practicable, and in any event within 5 (Five) Business Days after such prepayment, notice of any prepayment of any Financial Indebtedness of the Issuer.
- (o) On or prior to the 20th (Twentieth) day of each month a report certifying the calculation of financial covenant ratios set forth in Clause 7.3.4 (*Financial Covenants*) below for the prior month.
- (p) As soon as available and in any event within 30 (Thirty) calendar days after the end of each calendar month, a report certifying the calculation of the ratios set forth in Clause 7.3.4 (*Financial Covenants*) below for the prior month.
- (q) The Issuer hereby irrevocably agrees and acknowledges that the Debenture Trustee shall have the sole discretion to determine whether an event, as contemplated in **Clause 5.2 (Events of Default) of Part A** of the Debenture Trust Deed and **Clause 4.2 (Events of Default) of Part B** of the Debenture Trust Deed, constitutes an Event of Default, under the Debenture Trust Deed and such decision shall be final and binding upon the Issuer.
- (r) As soon as available, and in any event within 20 (Twenty) calendar days after the end of each fiscal quarter of the Issuer certified copies of its unaudited standalone and consolidated (if any) financial statements for its most recently completed fiscal quarter, prepared in accordance with generally accepted accounting principles in its jurisdiction including its balance sheet, income statement, statement of cash flow. All such information shall be complete and correct in all material respects and shall fairly represent the financial condition, results of operation and changes in cash flows of the Issuer as of the date thereof.
- (s) As soon as available and in any event within 20 (Twenty) calendar days after the end of each calendar month, the Issuer shall submit the monthly reporting of accounts prepared in accordance with generally accepted accounting principles in its jurisdiction including the balance sheet, profit and loss statement and statement of cash flow of the Issuer.
- (t) [INTENTIONALLY LEFT BLANK].
- (u) As soon as available and in any event within 90 (Ninety) calendar days after the end of each financial half-year of the Issuer, the Issuer shall report to the Debenture



Holder(s) on the status of its efforts to implement an environmental and social management system in the format provided in **Schedule VIII (Environmental Social and Business Integrity Requirements)** of the Debenture Trust Deed.

- (v) As soon as available and in any event within 20 (Twenty) calendar days after the end of each quarterly reporting period of the Issuer, the Issuer shall provide the Debenture Holder(s) a report certifying the micro small and medium enterprises data of the Issuer in the format provided under **Schedule IX (MSME Data Report)** of the Debenture Trust Deed or in such other format as the Debenture Holder(s) may provide from time to time.
- (w) As soon as available and in any event within 90 (Ninety) calendar days after the end of each financial year of the Issuer, the Issuer shall provide the Debenture Holder(s) with:
 - (i) a summary of the policies of the Issuer prohibiting bribery and other forms of corruption ("ABC Policy") and AML/KYC Policies of the Issuer and the names of the personnel responsible for maintaining the compliance programmes of the Issuer;
 - (ii) a description of the oversight measures undertaken to ensure that the ABC Policy and the AML/KYC Policies have been implemented; and
 - (iii) a summary and description of anti-corruption and money laundering or other business integrity compliance lapses (if any) identified, including any corrective or remedial action taken.
- (x) As soon as practicable, and in any event within 3 (Three) Business Days after the Issuer knew or should have known thereof, notify the Debenture Holder(s) in writing upon the occurrence of any event which results in non-compliance with any requirements under Section A of **Schedule VII (Exclusion List)** of the Debenture Trust Deed or any international economic sanctions, laws and regulations.
- (y) As soon as practicable, and in any event within 3 (Three) Business Days after the Issuer knew or should have known thereof, notify the Debenture Holder(s) in writing upon the occurrence of any event which results in a material effect on the environment, a material breach of the ABC Policy or AML/KYC Policies or a material breach of law and plans the Issuer has for corrective actions in relation thereto, or any enquiry from a Governmental Authority, international organisation or non-government organisation concerning a suspected breach of law.
- (z) As soon as practicable, and in any event within 3 (Three) Business Days after the Issuer becomes aware of the occurrence of any of the following events, the Issuer shall notify the Debenture Holder(s) in writing of any:
 - (i) Safeguarding Violation;
 - (ii) any other social, labour, health and safety, security or environmental incident, accident or circumstance having, or which could reasonably be expected to have, a Material Adverse Effect on the implementation or operation of the Issuer, specifying in each case the nature of the incident, accident or circumstance and any effect resulting or likely to result therefrom, and the measures the Issuer is taking or plan to take to address them and to prevent any future similar event. The Issuer shall keep the Debenture Holder(s) informed of the on-going implementation of those measures and plans.

- (aa) As soon as practicable, and in any event within 3 (Three) Business Days after the Issuer knew or received or should have known thereof, notice of any proceeding against the Issuer in relation to an environmental, social and governance (ESG) issue (including any business integrity issue).
- (bb) The Issuer shall provide the Debenture Holder(s) on an annual basis as soon as available and in any event within 90 (Ninety) calendar days after the end of each financial year of the Issuer detailed reporting on:
 - (i) corporate taxes paid by the Issuer;
 - (ii) withholding taxes on cross border transactions paid by the Issuer on behalf of the Debenture Holder(s); and
 - (iii) any taxes paid by or on behalf of the Debenture Holder(s) on capital gains in the country of the Issuer.

7.3.4. FINANCIAL COVENANTS

Until the Final Settlement Date, the Issuer shall:

- (i) at all times maintain a ratio of the sum of (x) Portfolio At Risk over 30 (thirty) days + Restructured Loans + Net Charge-offs during the last 12 (twelve) months divided by (y) the Outstanding Gross Loan Portfolio of not greater than 10% (ten percent);
- (ii) at all times maintain a ratio of (x) Portfolio At Risk over 90 (ninety) days + Restructured Loans - Loan Loss Reserves divided by (y) Tier I Capital of less than 10% (ten percent);
- (iii) at all times maintain a ratio of the (x) Loan Loss Reserves over (y) Portfolio At Risk over 90 (ninety) days plus Restructured Loans of greater than 100% (one hundred percent);
- (iv) at all times maintain a Capital Adequacy Ratio, calculated according to the Capital Adequacy Standards as established by the Reserve Bank of India, of not less than 17% (seventeen percent);
- (v) at all times maintain the ratio of Return on Assets greater than 0% (zero percent) during the preceding 12 (twelve) month period; and
- (vi) at all times maintain the sum of the absolute value of the ratio of each single currency, other than the Local Currency, of the Foreign-Currency Assets of such currency minus Foreign-Currency Liabilities of such currency divided by Equity of not more than 50% (fifty percent). The detailed calculation of this ratio should be as follows:

(absolute value (Foreign Currency 1 assets – Foreign Currency 1 liabilities + off balance sheet hedges in Foreign Currency 1) plus
absolute value (Foreign Currency 2 assets – Foreign Currency 2 liabilities + off balance sheet hedges in Foreign Currency 2) plus
absolute value (Foreign Currency n assets – Foreign Currency n liabilities + off balance sheet hedges in Foreign Currency n)
divided by Equity.

7.4 EVENTS OF DEFAULT



Please refer Section 5.23 of this Information Memorandum.

7.5 CONSEQUENCES OF EVENTS OF DEFAULT

Please refer Section 5.23 of this Information Memorandum.



SECTION 8: OTHER INFORMATION AND APPLICATION PROCESS

The Debentures being offered as part of the Issue are subject to the provisions of the Act, the Memorandum and Articles of Association of the Issuer, the terms of this Information Memorandum, Application Form and other terms and conditions as may be incorporated in the Transaction Documents.

8.1 Mode of Transfer/Transmission of Debentures

The Debentures shall be transferable freely; however, it is clarified that no Investor shall be entitled to transfer the Debentures to a person who is not entitled to subscribe to the Debentures. The Debenture(s) shall be transferred and/or transmitted in accordance with the applicable provisions of the Act and other applicable laws. The Debentures held in dematerialized form shall be transferred subject to and in accordance with the rules/procedures as prescribed by NSDL/CDSL and the relevant DPs of the transferor or transferee and any other applicable laws and rules notified in respect thereof. The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, amounts due will be paid/redemption will be made to the person, whose name appears in the Register of Debenture Holders maintained by the R&T Agent as on the Record Date, under all circumstances. In cases where the transfer formalities have not been completed by the transferor, claims, if any, by the transferees would need to be settled with the transferor(s) and not with the Issuer. The normal procedure followed for transfer of securities held in dematerialized form shall be followed for transfer of these Debentures held in dematerialised form. The seller should give delivery instructions containing details of the buyer's DP account to his DP.

8.2 Debentures held in Dematerialised Form

The Debentures shall be held in dematerialised form and no action is required on the part of the Debenture Holder(s) for redemption purposes and the redemption proceeds will be paid by cheque/EFT/RTGS to those Debenture Holder(s) whose names appear on the list of beneficiaries maintained by the R&T Agent. The names would be as per the R&T Agent's records on the Record Date fixed for the purpose of redemption. All such Debentures will be simultaneously redeemed through appropriate debit corporate action.

The list of beneficiaries as of the relevant Record Date setting out the relevant beneficiaries' name and account number, address, bank details and DP's identification number will be given by the R&T Agent to the Issuer. If permitted, the Issuer may transfer payments required to be made in any relation by EFT/RTGS to the bank account of the Debenture Holder(s) for redemption payments.

8.3 Debenture Trustee for the Debenture Holder(s)

The Issuer has appointed Catalyst Trusteeship Limited to act as trustee for the Debenture Holder(s). The Issuer and the Debenture Trustee have entered/intend to enter into the Debenture Trustee Agreement and the Debenture Trust Deed *inter alia*, specifying the powers, authorities and obligations of the Debenture Trustee and the Issuer. The Debenture Holder(s) shall, without further act or deed, be deemed to have irrevocably given their consent to the Debenture Trustee or any of its agents or authorized officials to do all such acts, deeds, matters and things in respect of or relating to the Debentures as the Debenture Trustee may in its absolute discretion deem necessary or require to be done in the interest of the Debenture Holder(s). Any payment made by the Issuer to the Debenture Trustee on behalf of the Debenture Holder(s) shall discharge the Issuer *pro tanto* to the Debenture Holder(s). The Debenture Trustee will protect the interest of the Debenture Holder(s) in regard to the repayment of principal and coupon thereon and they will take necessary action, subject to and in accordance with the Debenture Trustee Agreement and the Debenture Trust Deed, at the cost of the Issuer. No Debenture Holder shall be entitled to proceed directly against the Issuer unless the Debenture Trustee, having become so bound to proceed, fails to do so. The Debenture Trustee



Agreement and the Debenture Trust Deed shall more specifically set out the rights and remedies of the Debenture Holder(s) and the manner of enforcement thereof.

8.4 Sharing of Information

The Issuer may, at its option, but subject to applicable laws, use on its own, as well as exchange, share or part with any financial or other information about the Debenture Holder(s) available with the Issuer, with its subsidiaries and affiliates and other banks, financial institutions, credit bureaus, agencies, statutory bodies, as may be required and neither the Issuer nor its subsidiaries and affiliates nor their agents shall be liable for use of the aforesaid information.

8.5 Debenture Holder not a Shareholder

The Debenture Holder(s) shall not be entitled to any right and privileges of shareholders other than those available to them under the Act. The Debentures shall not confer upon the Debenture Holders the right to receive notice(s) or to attend and to vote at any general meeting(s) of the shareholders of the Issuer.

8.6 Modification of Debentures

The Debenture Trustee and the Issuer will agree to make any modifications in the Information Memorandum which, in the opinion of the Debenture Trustee, is of a formal, minor or technical nature or is to correct a manifest error.

Any other change or modification to the terms of the Debentures shall require approval by the Majority Debenture Holders.

8.7 Right to accept or reject Applications

The Board of Directors/Committee of Directors reserves its full, unqualified and absolute right to accept or reject any application for subscription to the Debentures, in part or in full, without assigning any reason thereof.

8.8 Notices

Any notice in respect of the Debentures may be served by the Issuer upon the Debenture Trustee/Debenture Holders in accordance with the terms of the Transaction Documents.

8.9 Issue Procedure

Only Eligible Investors as given hereunder may apply for the Debentures by completing the Application Form in the prescribed format in block letters in English as per the instructions contained therein. The minimum number of Debentures that can be applied for and the multiples thereof shall be set out in the Application Form. No application can be made for a fraction of a Debenture. Application Forms should be duly completed in all respects and applications not completed in the said manner are liable to be rejected. The name of the applicant's bank, type of account and account number must be duly completed by the applicant. This is required for the applicant's own safety and these details will be printed on the refund orders and /or redemptions warrants.

The applicant should transfer payments required to be made in any relation by EFT/RTGS, to the bank account of the Issuer as per the details mentioned in the Application Form.

8.10 Application Procedure

Potential Investors will be invited to subscribe by way of the Application Form prescribed in the Information Memorandum during the period between the Issue Opening Date and the Issue Closing



Date (both dates inclusive). The Issuer reserves the right to change the issue schedule including the Deemed Date of Allotment at its sole discretion, without giving any reasons. The Issue will be open for subscription during the banking hours on each day during the period covered by the Issue Schedule.

8.11 Fictitious Applications

All fictitious applications will be rejected.

8.12 Basis of Allotment

Notwithstanding anything stated elsewhere, the Issuer reserves the right to accept or reject any application, in part or in full, without assigning any reason. Subject to the aforesaid, in case of over subscription, priority will be given to potential investors on a first come first serve basis. The investors will be required to remit the funds as well as submit the duly completed Application Form along with other necessary documents to the Issuer by the Deemed Date of Allotment.

8.13 Payment Instructions

The Application Form should be submitted directly. The entire amount of Rs. Rs. 10,00,000/- (Rs. Ten Lakh) per Debenture is payable along with the making of an application. Applicants can remit the application amount through RTGS on Pay-in Date. The RTGS details of the Issuer are as under:

Beneficiary Name	Satya MicroCapital Ltd Share A/c
Bank Account No.	250605000070
SWIFT Code	ICICINBBXXX
IFSC Code	ICIC0000254
Bank Name	ICICI Bank Ltd.
Branch Address	ICICI Bank Ltd, Krishna Apra Royal Plaza, D2, EACB, Alpha 1, Greater Noida, Uttar Pradesh 201306

8.14 Eligible Investors

The following categories of investors, when specifically approached and have been identified upfront, are eligible to apply for this private placement of Debentures subject to fulfilling their respective investment norms/rules and compliance with laws applicable to them by submitting all the relevant documents along with the Application Form ("Eligible Investors"):

- (a) Foreign Portfolio Investors (FPIs)
- (b) N. A

All potential Investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this issue of Debentures.

Note: Participation by potential investors in the Issue may be subject to statutory and/or regulatory requirements applicable to them in connection with subscription to Indian securities by such categories of persons or entities. Applicants are advised to ensure that they comply with all regulatory requirements applicable to them, including exchange controls and other requirements. Applicants ought to seek independent legal and regulatory advice in relation to the laws applicable to them.

8.15 Procedure for Applying for Dematerialised Facility

- (a) The applicant must have at least one beneficiary account with any of the DP's of NSDL/CDSL prior to making the application.



- (b) The applicant must necessarily fill in the details (including the beneficiary account number and DP - ID) appearing in the Application Form under the heading "Details for Issue of Debentures in Electronic/Dematerialised Form".
- (c) Debentures allotted to an applicant will be credited to the applicant's respective beneficiary account(s) with the DP.
- (d) For subscribing to the Debentures, names in the Application Form should be identical to those appearing in the details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details maintained with the DP.
- (e) Non-transferable allotment advice/refund orders will be directly sent to the applicant by the Registrar and Transfer Agent to the Issue.
- (f) If incomplete/incorrect details are given under the heading "Details for Issue of Debentures in Electronic/Dematerialised Form" in the Application Form, it will be deemed to be an incomplete application and the same may be held liable for rejection at the sole discretion of the Issuer.
- (g) For allotment of Debentures, the address, nomination details and other details of the applicant as registered with his/her DP shall be used for all correspondence with the applicant. The applicant is therefore responsible for the correctness of his/her demographic details given in the Application Form vis-a-vis those with his/her DP. In case the information is incorrect or insufficient, the Issuer would not be liable for the losses, if any.
- (h) The redemption amount or other benefits would be paid to those Debenture Holders whose names appear on the list of beneficial owners maintained by the R&T Agent as on the Record Date. In case of those Debentures for which the beneficial owner is not identified in the records of the R&T Agent as on the Record Date, the Issuer would keep in abeyance the payment of the redemption amount or other benefits, until such time that the beneficial owner is identified by the R&T Agent and conveyed to the Issuer, whereupon the redemption amount and benefits will be paid to the beneficiaries, as identified.

8.16 Depository Arrangements

The Issuer shall make necessary arrangement with CDSL and NSDL for issue and holding of Debenture in dematerialised form.

8.17 List of Beneficiaries

The Issuer shall request the R&T Agent to provide a list of beneficiaries as at the end of each Record Date. This shall be the list, which will be used for payment or repayment of redemption monies.

8.18 Application under Power Of Attorney

A certified true copy of the power of attorney or the relevant authority as the case may be along with the names and specimen signature(s) of all the authorized signatories of the Investor and the tax exemption certificate/document of the Investor, if any, must be lodged along with the submission of the completed Application Form. Further modifications/additions in the power of attorney or authority should be notified to the Issuer or to its agents or to such other person(s) at such other address(es) as may be specified by the Issuer from time to time through a suitable communication.

In case of an application made by companies under a power of attorney or resolution or authority, a certified true copy thereof along with memorandum and articles of association and/or bye-laws along with other constitutional documents must be attached to the Application Form at the time of making



the application, failing which, the Issuer reserves the full, unqualified and absolute right to accept or reject any application in whole or in part and in either case without assigning any reason thereto. Names and specimen signatures of all the authorized signatories must also be lodged along with the submission of the completed Application Form.

8.19 Procedure for application by Mutual Funds and Multiple Applications

In case of applications by mutual funds and venture capital funds, a separate application must be made in respect of each scheme of an Indian mutual fund/venture capital fund registered with the SEBI and such applications will not be treated as multiple application, provided that the application made by the asset management company/trustee/custodian clearly indicated their intention as to the scheme for which the application has been made.

The Application Forms duly filled shall clearly indicate the name of the concerned scheme for which application is being made and must be accompanied by certified true copies of:

- (a) SEBI registration certificate
- (b) Resolution authorizing investment and containing operating instructions
- (c) Specimen signature of authorized signatories

8.20 Documents to be provided by Investors

Investors need to submit the following documents, as applicable:

- (a) Memorandum and Articles of Association or other constitutional documents
- (b) Resolution authorising investment
- (c) Certified true copy of the Power of Attorney to custodian
- (d) Specimen signatures of the authorised signatories
- (e) SEBI registration certificate (for Mutual Funds)
- (f) Copy of PAN card
- (g) Application Form (including EFT/RTGS details)

8.21 Applications to be accompanied with Bank Account Details

Every application shall be required to be accompanied by the bank account details of the applicant and the magnetic ink character reader code of the bank for the purpose of availing direct credit of redemption amount and all other amounts payable to the Debenture Holder(s) through cheque/EFT/RTGS.

8.22 Succession

In the event of winding up of a Debenture Holder (being a company), the Issuer will recognise the legal representative as having title to the Debenture(s). The Issuer shall not be bound to recognize such legal representative as having title to the Debenture(s), unless they obtains legal representation, from a court in India having jurisdiction over the matter.

The Issuer may, in its absolute discretion, where it thinks fit, dispense with production of such legal representation, in order to recognise any person as being entitled to the Debenture(s) standing in the name of the concerned Debenture Holder on the production of sufficient documentary proof and an indemnity.

8.23 Mode of Payment

All payments must be made through cheque(s) demand draft(s), EFT/RTGS as set out in the Application Form.



8.24 Effect of Holidays

If the Principal Payment Date/ Coupon Payment Date falls on a day which is not a Business Day, then the immediately succeeding Business Day shall be the due date for such payment. If the Maturity Date / Redemption Date (including the last Coupon Payment Date and the last Principal Payment Date) or the due date in respect of liquidated damages and all other monies payable under the Debenture Trust Deed falls on a day which is not a Business Day, then the immediately preceding Business Day shall be the due date for such payment.

8.25 Tax Deduction at Source

If the applicable rate of tax deducted at source is modified and results in a reduction of the net interest received by the Debenture Holder(s), the Company must give written notice to the Debenture Holder(s) as soon as it becomes aware of such change.

If the applicable rate of tax deducted at source is modified and results in a reduction of the net interest received by the Debenture Holder(s), the Company shall pay to the Debenture Holder(s) an additional amount so that the net amount received by the Debenture Holder(s) shall equal the amount which it would have received had the rate of the tax deducted at source remained unchanged as on the date of this Information Memorandum.

For the sake of clarity, the Coupon Rate as on the date of this Information Memorandum is 11.6778% (eleven decimal six seven seven eight percent) per annum, net of withholding taxes. At the prevailing tax rate, the gross Interest rate inclusive of withholding taxes would be 12.4000% (twelve decimal four zero zero zero percent) per annum.

8.26 Letters of Allotment

N. A. In accordance with the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 read together with the SEBI circular no. SEBI/HO/DDHS/CIR/P/2020/198 dated October 5, 2020 on "*Standardization of timeline for listing of securities issued on a private placement basis*", the Issuer shall ensure that the Debentures are credited into the demat accounts of the Debenture Holders of the Debentures within 2 (two) Business Days from the Deemed Date of Allotment.

8.27 Deemed Date of Allotment

All the benefits under the Debentures will accrue to the Investor from the specified Deemed Date of Allotment. The Deemed Date of Allotment for the Issue is June 30, 2021 by which date the Investors would be intimated of allotment.

8.28 Record Date

The Record Date will be 15 (Fifteen) calendar days prior to any Due Date.

8.29 Refunds

For applicants whose applications have been rejected or allotted in part, refund orders will be dispatched within 7 (seven) days from the Deemed Date of Allotment of the Debentures.

In case the Issuer has received money from applicants for Debentures in excess of the aggregate of the application money relating to the Debentures in respect of which allotments have been made, the R&T Agent shall upon receiving instructions in relation to the same from the Issuer repay the moneys to the extent of such excess, if any.

8.30 Interest on Application Money



The Issuer hereby agrees and covenants that it shall pay interest on application money in respect of the Debentures at the Coupon Rate (subject to deduction of tax at source at the rate prevailing from time to time under the provisions of the Income Tax Act, 1961 or any other statutory modification or re-enactment thereof) will be paid on application money to the applicants from the date of realization of the monies up to 1 (One) day prior to the Deemed Date of Allotment for all valid applications, within 7 (Seven) Business Days from the Deemed Date of Allotment. Where the entire subscription amount has been refunded, the interest on application money will be paid along with the refund orders. Where an applicant is allotted a lesser number of Debentures than applied for, the excess amount paid on the application will be refunded to the applicant and the cheque towards interest on the refunded money will be dispatched by registered post, courier or by way of RTGS / NEFT / Direct Credit. Details of allotment will be sent to every successful applicant. In all cases, the interest instruments will be sent, at the sole risk of the applicant / first applicant.

8.31 PAN Number

Every applicant should mention its Permanent Account Number ("PAN") allotted under Income Tax Act, 1961, on the Application Form and attach a self-attested copy as evidence. Application forms without PAN will be considered incomplete and are liable to be rejected.

8.32 Payment on Redemption

Payment on redemption will be made by way of cheque(s)/redemption warrant(s)/demand draft(s)/credit through RTGS system/funds transfer in the name of the Debenture Holder(s) whose names appear on the list of beneficial owners given by the Depository to the Issuer as on the Record Date.

The Debentures shall be taken as discharged on payment of the redemption amount by the Issuer on maturity to the registered Debenture Holder(s) whose name appears in the Register of Debenture Holder(s) on the Record Date. On such payment being made, the Issuer will inform NSDL/CDSL and accordingly the account of the Debenture Holder(s) with NSDL/CDSL will be adjusted.

On the Issuer dispatching the amount as specified above in respect of the Debentures, the liability of the Issuer shall stand extinguished.

Disclaimer: Please note that only those persons to whom this Information Memorandum has been specifically addressed are eligible to apply. However, an application, even if complete in all respects, is liable to be rejected without assigning any reason for the same. The list of documents provided above is only indicative, and an investor is required to provide all those documents / authorizations / information, which are likely to be required by the Issuer. The Issuer may, but is not bound to, revert to any investor for any additional documents / information, and can accept or reject an application as it deems fit. Provisions in respect of investment by investors falling in the categories mentioned above are merely indicative and the Issuer does not warrant that they are permitted to invest as per extant laws, regulations, etc. Each of the above categories of investors is required to check and comply with extant rules/regulations/ guidelines, etc. governing or regulating their investments as applicable to them and the Issuer is not, in any way, directly or indirectly, responsible for any statutory or regulatory breaches by any investor, neither is the Issuer required to check or confirm the same.



**SECTION 9: UNDERTAKING PURSUANT TO REGULATION 21B OF THE SEBI DEBT
LISTING REGAULTIONS AND DISCLOSURES PURSUANT TO THE
SEBI DUE DILIGENCE CIRCULAR**

(1) UNDERTAKING ON CREATION OF SECURITY

The Issuer hereby undertakes that the assets on which charge is proposed to be created as security for the Debentures are free from any encumbrances. The Issuer further undertakes that the charge proposed to be created is a first ranking exclusive charge and therefore no permission or consent to create a second or pari-passu charge on the assets of the Issuer is required to be obtained from any creditor (whether or not existing) of the Issuer.

(2) DISCLOSURES PURSUANT TO THE SEBI DUE DILIGENCE CIRCULAR

- (a) Details of assets, movable property and immovable property on which charge is proposed to be created**

Movable assets comprising receivables from loans provided by the Issuer.

- (b) Title deeds (original/ certified true copy by issuers/ certified true copy by existing charge holders, as available) or title reports issued by a legal counsel/ advocates, copies of the relevant agreements/ Memorandum of Understanding**

No title deeds are applicable or available for movable assets comprising receivables from loans provided by the Issuer over which security is proposed to be created by the Issuer. The details of the underlying loan agreements will be set out in the Deed of Hypothecation.

- (c) Copy of evidence of registration with Sub-registrar, Registrar of Companies, Central Registry of Securitization Asset Reconstruction and Security Interest (CERSAI) etc**

The details of the charge created over the movable assets comprising receivables from loans provided by the Issuer over which security is proposed to be created by the Issuer under the Deed of Hypothecation will be reported to the relevant registrar of companies and the Central Registry of Securitisation Asset Reconstruction and Security Interest (CERSAI) within the timelines prescribed under Applicable Law. As the charge is being created over movable assets, no filings are required to be made with any sub-registrar.

- (d) For unencumbered assets, an undertaking that the assets on which charge is proposed to be created are free from any encumbrances**

The Issuer hereby undertakes that the assets on which charge is proposed to be created as security for the Debentures are free from any encumbrances.

- (e) In case securities (equity shares etc.) are being offered as security then a holding statement from the depository participant along-with an undertaking that these securities shall be pledged in favour of debenture trustee(s) in the depository system: Not Applicable**

- (f) Details of any other form of security being offered viz. Debt Service Reserve Account etc.: N. A.**

- (g) Any other information, documents or records required by debenture trustee with regard to creation of security and perfection of security: Not applicable.**



- (h) **Declaration:** The Issuer declares that debt securities shall be considered as secured only if the charged asset is registered with Sub-registrar and Registrar of Companies or CERSAI or Depository etc., as applicable, or is independently verifiable by the debenture trustee.
- (i) **Terms and conditions of debenture trustee agreement including fees charged by debenture trustees(s):** Please refer the consent letter of the Debenture Trustee for terms and conditions of the appointment of the Debenture Trustee and fee of the Debenture Trustee.
- (j) **Details of security to be created:** Please refer section named "*Security (Including description, type of security, type of charge, likely date of creation of security, minimum security cover, revaluation, replacement of security)*" in Section 5.23 (Issue Details).
- (k) **Process of due diligence carried out by the debenture trustee:** The Debenture Trustee has carried out due diligence in accordance with the manner prescribed in the SEBI circular bearing reference number SEBI/HO/MIRSD/CRADT/CIR/P/2020/218 dated November 3, 2020 on "*Creation of Security in issuance of listed debt securities and 'due diligence' by debenture trustee(s)*". The due diligence broadly includes the following:
 - (i) A chartered accountant appointed by the Debenture Trustee will be conducting an independent due diligence as per scope provided by the Debenture Trustee and the information provided by the Issuer in respect of the security being provided by the Issuer in respect of the Debentures.
 - (ii) The chartered accountant will verify and ensure that the assets provided by the Issuer for creation of security are free from any encumbrances or necessary permission or consent has been obtained from existing charge holders.
 - (iii) Periodical due diligence will be carried out by the Debenture Trustee in accordance with the SEBI (Debenture Trustees) Regulations, 1993 and the relevant circulars issued by SEBI from time to time (including the SEBI Due Diligence Circular) as per the nature of security provided by the Issuer in respect of the Debentures.
 - (iv) The Debenture Trustee will issue such necessary certificate(s) in relation to the due diligence carried out by it and such certificate(s) will be available on Stock Exchanges from time to time for information of the Debenture Holders.

Even though the Debentures are to be secured to the extent of at least 100% of the principal and interest amount or as per the terms of this Information Memorandum, in favor of the Debenture Trustee, the recovery of 100% of the amount shall depend on the market scenario prevalent at the time of enforcement of the security.

Due diligence will be carried out for maintenance of the prescribed security cover depending on information provided by the Issuer and the chartered accountant appointed by the Debenture Trustee or the Debenture Trustee will not be responsible for misinformation provided by Issuer.



- (l) **Due diligence certificate as per the format specified in Annexure A:** Enclosed as Annexure VII.

(3) **OTHER UNDERTAKINGS**

The Issuer hereby confirms that:

- (a) the Issuer is eligible and in compliance with SEBI (Issue and Listing of Debt Securities) Regulations, 2008, as amended from time to time, to make the Private Placement of Debt Instruments;
- (b) (to the extent applicable) the Issuer or its promoters or whole-time directors are not in violation of the provisions of Regulation 24 of the SEBI Delisting Regulations, 2009;
- (c) neither the Issuer nor any of its promoters or directors is a willful defaulter as defined under Regulation 2 (1) (n) of SEBI (Issue and Listing of Debt Securities) Regulations, 2008; and
- (d) the Issuer, its promoters, its directors are not in violation of the restrictions imposed by SEBI under SEBI circular no. SEBI/HO/ MRD/DSA/CIR/P/2017/92 dated August 01, 2017.



SECTION 10: DECLARATION

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


I am authorized by the Board of Directors of the Issuer *vide* resolution number 25 dated May 21, 2021, to sign this Information Memorandum and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with.

Whatever is stated in this Information Memorandum and in the attachments thereto is true, correct and complete and no information material to the subject matter of this Information Memorandum has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association.

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

The Issuer declares that all the relevant provisions in the regulations/guideline issued by SEBI and other Applicable Laws have been complied with and no statement made in this Information Memorandum is contrary to the provisions of the regulations/guidelines issued by SEBI and other Applicable Laws, as the case may be. The information contained in this Information Memorandum is as applicable to privately placed debt securities and subject to the information available with the Issuer. The extent of disclosures made in this Information Memorandum is consistent with disclosures permitted by regulatory authorities to the issue of securities made by the companies in the past.

For SATYA MICROCAPITAL LIMITED



Authorised Signatory
Name: Vivek Tiwari
Title: Managing Director, CEO & CIO
Date: June 23, 2021



ANNEXURE I: TERM SHEET

As provided in Section 5.23 above.



ANNEXURE II: RATING LETTER FROM THE RATING AGENCY



ICRA

ICRA Limited

ICRA/Satya Microcapital Ltd./15062021/1

June 15, 2021

Mr. Vivek Tiwari
Managing Director
Satya MicroCapital Ltd.
DPT 519, DLF Prime Towers,
Block-F, Okhla Phase-1
New Delhi - 110020, India

Dear Sir,

Re: ICRA Credit Rating for the Rs. 54.30 crore NCD Programme of Satya MicroCapital Ltd. (instrument details in Annexure)

Please refer to the Rating Agreement dated June 10, 2021 executed between ICRA Limited ("ICRA") and your company for carrying out the rating of the aforesaid non-convertible debenture (NCD) Programme. The Rating Committee of ICRA, after due consideration, has assigned a [ICRA]BBB (pronounced as ICRA Triplo B) rating to the captioned NCD Programme. Instruments with this rating are considered to have moderate degree of safety regarding timely servicing of financial obligations. Such instruments carry moderate credit risk. The outlook on the long-term rating is Stable.

In any of your publicity material or other document wherever you are using the above assigned rating, it should be stated as [ICRA]BBB(Stable).

We would request if you can provide your acceptance on the above Rating(s) by sending an email or signed attached acknowledgement to us latest by June 18, 2021 as acceptance on the assigned rating. In case you do not communicate your acceptance/non acceptance of the assigned credit rating, or do not appeal against the assigned rating by the aforesaid date, the rating will be treated by us as non accepted and shall be disclosed on ICRA's website accordingly. This is in accordance with requirements prescribed by the Securities and Exchange Board of India (SEBI) vide SEBI circular dated June 30, 2017.

Any intimation by you about the above rating to any banker/lending agency/government authorities/stock exchange would constitute use of this rating by you and shall be deemed acceptance of the rating.

Electric Mansion, 3rd Floor
Appasaheb Marathe Marg
Prabhadevi, Mumbai-400026

Tel.: +91 22 61693300
CIN :
L74999DL1991PLC042749

Website: www.icra.in
Email: info@icraindia.com
Helpline: +91 9364738905

Registered Office: B-710, Statesman House, 148, Barakhamba Road, New Delhi 110001. Tel: +91 11 23357940-45

RATING

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This rating is specific to the terms and conditions of the proposed issue as was indicated to us by you and any change in the terms or size of the issue would require the rating to be reviewed by us. If there is any change in the terms and conditions or size of the instrument rated, as above, the same must be brought to our notice before the issue of the instrument. If there is any such change after the rating is assigned by us and accepted by you, it would be subject to our review and may result in change in the rating assigned. ICRA reserves the right to review and/or, revise the above at any time on the basis of new information or unavailability of information or such other circumstances, which ICRA believes, may have an impact on the rating assigned to you.

The rating, as aforesaid, however, should not be treated as a recommendation to buy, sell or hold the debentures and/or other instruments of like nature to be issued by you.

You are also requested to forthwith inform us about any default or delay in repayment of interest or principal amount of the instrument rated, as above, or any other debt instruments/ borrowing and keep us informed of any other developments which may have a direct or indirect impact on the debt servicing capability of the company including any proposal for re-schedulement or postponement of the repayment programmes of the dues/ debts of the company with any lender(s) / investor(s). Further, you are requested to inform us immediately as and when the borrowing limit for the instrument rated, as above, or as prescribed by the regulatory authority(ies) is exceeded.

We thank you for your kind cooperation extended during the course of the rating exercise. Should you require any clarification, please do not hesitate to get in touch with us.

We look forward to your communication and assure you of our best services.

With kind regards,

For ICRA Limited

KARTHIK SRINIVASAN

2021.06.15 14:51:49 +05'30'

Karthik Srinivasan

Senior Vice President

Group Head - Financial Sector Ratings

karthiks@icraindia.com

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L74999DL1991PLC042749

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Helpline: +91 9354738909

Registered Office: B-710, Stateman House, 148, Barakhamba Road, New Delhi 110001. Tel : +91 11 23357940-43

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Annexure

List of rated instruments

Rated Instrument	Rated Amount (In Crores)	Amount Outstanding (In Crores)	Rating Action
NCD			
To be issued	22.10	-	[ICRA]BBB(Stable); Assigned
To be issued	16.10	-	[ICRA]BBB(Stable); Assigned
To be issued	16.10	-	[ICRA]BBB(Stable); Assigned

Electric Mansion, 3rd Floor
Appasaheb Marathe Marg
Prabhadevi, Mumbai-400025

Tel.: +91 22 61693300
CDN :
L749999DL1991PLC042749

Website: www.icra.in
Email: info@icraindia.com
Helpdesk: +91 9354738909

Registered Office: B-710, Statesman House, 148, Barakhamba Road, New Delhi 110001. Tel.: +91 11 23357940-45

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ANNEXURE III: CONSENT LETTER FROM THE DEBENTURE TRUSTEE

CATALYST

Believe in yourself. Trust us!



CL/MUM/21-22/DEB/130

June 14, 2021

Satya Microcapital Limited
DPT 519, DLF Prime Towers,
Block - F, Okhla Phase 1,
New Delhi

Kind Attn: - Mr. Sanjay Goel

Dear Sir,

Consent to act as Debenture Trustee for Listed, Secured, Redeemable, Non-Convertible Debentures aggregating upto INR 22.10 Crores to be issued by your Company.

This is with reference to the discussions in respect of appointment of Catalyst Trusteeship Limited (CTL) (Formerly GDA Trusteeship Limited) to act as Debenture Trustee for the Secured, Listed, Redeemable, Non-Convertible Debentures aggregating upto INR 22.10 Crores to be issued. In this connection, we are agreeable to act as Trustee on the following trusteeship remuneration:

The Company and the Trustee shall enter into relevant trustee agreements and other necessary documents for the aforesaid issue of NCDs and also agrees & undertakes to comply with the provisions of the SEBI (Debenture Trustees) Regulations, 1993, the RBI Circular No. RBI/2012-13/560 dated June 27, 2013, the Companies Act, 2013 and any other applicable statutes, regulations and provisions as amended from time to time.

The Company shall enter into Agreement with Trustee as required by Regulation 13 of SEBI (Debenture Trustees) Regulations, 1993 thereby agreeing to create the security within three months from the date of closure of issue or in accordance with the Companies Act, 2013 or as per the provisions as prescribed by any regulatory authority as applicable and comply with the provisions of applicable laws.

We are also agreeable for inclusion of our name as trustees in the Company's offer document/disclosure document /or any other authority as required.

For Catalyst Trusteeship Limited

For Satya Microcapital Limited



For Satya MicroCapital Ltd

Sanjay Goel
Head Finance

Authorized Signatory

Authorized Signatory

CATALYST TRUSTEESHIP LIMITED (FORMERLY GDA TRUSTEESHIP LIMITED)

An ISO 9001 Company

Mumbai Office: Windsor, 17th Floor, Office No. 604, C.A.T. Road, Khar, Santacruz (East), Mumbai 400 058. Tel: +91 (022) 4922 0055 Fax: +91 (022) 4922 0878
Regd. Office: GDA House, Plot No. 45, Bhamburda Colony (Old), Paud Road, Pune 411 028. Tel: +91 (020) 25200041 Fax: +91 (020) 25200275
Delhi Office: Office No. 810, 8th Floor, Kailash Building, 26, Kasturba Gandhi Marg, New Delhi - 110048. Tel: +91 11 430 20101/02
CIN No. U74300DL1997PLC020262 Email: dg@trustee.com Website: www.catalysttrustee.com
Pune | Mumbai | Bangalore | Delhi | Chennai



CATALYST

Believe in yourself. Trust us!



CT./MUM/21-22/DEB/130

June 14, 2021

Satya Microcapital Limited
DPT 519, DLF Prime Towers,
Block - F, Okhla Phase 1,
New Delhi

Kind Attn: - Mr. Sanjay Goel

Dear Sir,

Consent to act as Debenture Trustee for Listed, Secured, Redeemable, Non-Convertible Debentures aggregating upto INR 22.10 Crores to be Issued by your Company.

This is with reference to the Discussion we had in respect of appointment of Catalyst Trusteeship Limited to act as Debenture Trustee for the captioned NCDs.

In this connection, we are agreeable to act as Trustee on the following trusteeship remuneration:

Acceptance fees : Rs. 75,000/- plus applicable taxes (one-time non-refundable payment payable on our appointment).

Service Charges : Rs. 1,00,000/- p.a. plus applicable taxes payable in advance annually on 1st April, 2022 every year till the satisfaction of charges in full.

All out of pocket expenses incurred towards legal fees, travelling, inspection charges, etc shall be levied And re-imbursed on actual basis with prior approval of the Issuer.

For Catalyst Trusteeship Limited

Authorized Signatory

We accept the above terms

For Satya Micro capital Limited
For Satya MicroCapital Ltd.

Sanjay Goel
Head Finance

Authorized Signatory

NOTE: As per GST guidelines, CTL would be required to pay the applicable Tax on the amounts / charges payable to us as indicated above. Please note that the Company would be liable to pay all such charges even in the event of cancellation of the aforesaid transaction. Therefore, no refund of any statutory dues already paid would be made.

CATALYST TRUSTEESHIP LIMITED (INCORPORATED IN INDIA)

An ISO 9001 Company

Mumbai Office Windsor, 4th Floor, Office No. 804, C.S.T. Road, Kalina, Santacruz (East) Mumbai 400 098 Tel +91 (022) 4922 0555 Fax +91 (022) 4922 0606
Regd. Office GOA House, Plot No. 65, Bhuseri Colony (Right), Poon Road, Pune 411 036 Tel +91 (020) 25260081 Fax +91 (020) 25260275
Delhi Office Office No. 819, 8th Floor, Kalash Building, 26, Kasturba Gandhi Marg, New Delhi - 110001 Tel 11 430 29101/02
CIN No. U74099PH1997PLC10243 Email dt@ctrustees.com Website www.catalysttrustees.com
Pune | Mumbai | Bengaluru | Delhi | Chennai



SATYA MICROCAPITAL LIMITED

Date of Incorporation: May 18, 1995

Telephone No.: +91-11-49724000

Website: <http://www.satyamicrocapital.com>

Issue of 221 (two hundred and twenty one) secured, rated, listed, redeemable, transferable, non-convertible Debentures of face value of Rs. 10,00,000/- (Rupees Ten Lakhs only) each, aggregating up to Rs. 22,10,00,000/- (Rupees Twenty Two Crore and Ten Lakh) on a private placement basis (the "Issue").

Number of Debentures: _____ In words: _____-only
Amount Rs. _____/-In words Rupees : _____ Only

No. _____ Drawn on _____

Dated _____

(In Figures) Rs. /- (In words) Only

SPECIMEN SIGNATURE

[illegible][illegible]

I AM/ WE ARE ☐ COMPANY ☐ OTHERS ☐ SPECIFY _____



We have read and understood the Terms and Conditions of the issue of Debentures including the Risk Factors described in the information memorandum dated June 23, 2021 ("Information Memorandum") issued by the Issuer and have considered these in making our decision to apply. We bind ourselves to these Terms and Conditions and wish to apply for allotment of these Debentures. We request you to please place our name(s) on the Register of Debenture Holders.

Name of the Authorised Signatory(ies)	Designation	Signature

Applicant's Signature:

We the undersigned, are agreeable to holding the Debentures of the Company in dematerialised form. Details of my/our Beneficial Owner Account are given below:

DEPOSITORY	NSDL/CDSL
DEPOSITORY PARTICIPANT NAME	
DP-ID	
BENEFICIARY ACCOUNT NUMBER	
NAME OF THE APPLICANT(S)	

Applicant Bank Account:	
(Settlement by way of Cheque / Demand Draft / Pay Order / Direct Credit / ECS / NEFT/RTGS/other permitted mechanisms)	

	FOR OFFICE USE ONLY
DATE OF RECEIPT	DATE OF CLEARANCE

(Note: Cheque and Drafts are subject to realisation)

We understand and confirm that the information provided in the Information Memorandum is provided by the Issuer and the same has not been verified by any legal advisors to the Issuer, and other intermediaries and their agents and advisors associated with this Issue. We confirm that we have for the purpose of investing in these Debentures carried out our own due diligence and made our own decisions with respect to investment in these Debentures and have not relied on any representations made by anyone other than the Issuer, if any.

We understand that: i) in case of allotment of Debentures to us, our Beneficiary Account as mentioned above would get credited to the extent of allotted Debentures, ii) we must ensure that the sequence of names as mentioned in the Application Form matches the sequence of name held with our Depository Participant, iii) if the names of the Applicant in this application are not identical and also not in the same order as the Beneficiary Account details with the above mentioned Depository Participant or if the Debentures cannot be credited to our Beneficiary Account for any reason whatsoever, the Company shall be entitled at its sole discretion to reject the application or issue the Debentures in physical form.



Applicant's
Signature

FOR OFFICE USE ONLY	
DATE OF RECEIPT _____	DATE OF CLEARANCE _____

(Note : Cheque and Drafts are subject to realisation)

------(TEAR HERE)-----

ACKNOWLEDGMENT SLIP

(To be filled in by Applicant) SERIAL NO.	1	-	-	-	-	-	-	-
---	---	---	---	---	---	---	---	---

Received from _____

Address _____	
Cheque/Draft/UTR # _____	Drawn on _____ for
Rs. _____ on account of application of _____	Debenture



INSTRUCTIONS

1. Application form must be completed in full, IN ENGLISH.
2. Signatures must be made in English or in any of the Indian languages. Thumb Impressions must be attested by an authorized official of the Bank or by a Magistrate/Notary Public under his/her official seal.
3. Application form, duly completed in all respects, must be submitted with the respective Collecting Bankers. Cheque(s)/Demand Draft(s) should be drawn in favour of "SATYA MICROCAPITAL LIMITED" and crossed "A/C Payee Only" Cheque(s)/Demand Draft(s) may be drawn on any scheduled bank and payable at Greater Noida, Uttar Pradesh, India. The payment can also be made through RTGS as per the following details:

Beneficiary A/C Name:	Satya MicroCapital Ltd Share A/c
Bank Account No.	250605000070
SWIFT CODE	ICICINBBXXX
IFSC CODE:	ICIC0000254
Bank Name	ICICI Bank Ltd.
Branch Address:	ICICI Bank Ltd, Krishna Apra Royal Plaza, D2, FACB, Alpha 1, Greater Noida, Uttar Pradesh 201306

The Company undertakes that the application money deposited in the above-mentioned bank account shall not be utilized for any purpose other than

- a) for adjustment against allotment of securities; or
 - b) for the repayment of monies where the company is unable to allot securities.
4. Receipt of applicants will be acknowledged by the Company in the "Acknowledgement Slip" appearing below the application form. No separate receipt will be issued.
 5. All applicants should mention their Permanent Account No. or their GIR No. allotted under Income Tax Act, 1961 and the Income Tax Circle/Ward/District. In case where neither the PAN nor the GIR No. has been allotted, the fact of non-allotment should be mentioned in the application form in the space provided. Income Tax as applicable will be deducted at source at the time of payment of interest including interest payable on application money.
 6. The application would be accepted as per the terms of the manner outlined in the transaction documents for the private placement.



ANNEXURE V: LAST AUDITED FINANCIAL STATEMENTS

S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

St. Floor - "A" Block,
T-10 Park, No. 4,
Lajpat Nagar, New Delhi
Registration Number - 820017, India
Tel: +91 11 42811700/3

INDEPENDENT AUDITOR'S REPORT

To the Members of Satya MicroCapital Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Satya MicroCapital Limited ("the Company"), which comprise the Balance sheet as at March 31, 2021, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its profit including other comprehensive income its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Emphasis of Matter

We draw attention to Note 46(A) of the financial statements which describes the continuing impact of economic and social consequences of the COVID-19 pandemic on the Company's business and financial metrics particularly the Company's estimates of impairment of loans to customers which continue to be dependent on uncertain future developments. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the financial year ended March 31, 2021. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Key audit matters	How our audit addressed the key audit matter
(a) Impairment of financial instruments (including provision for expected credit losses) (as described in note 3(e) of the Ind AS financial statements)	
Ind AS 109 requires the Company to provide for impairment of its loan receivables (financial assets) using the expected credit loss (ECL) approach. ECL involves an estimation of probability.	• Our audit procedures included considering the Company's accounting policies for impairment of loan receivables and assessing compliance with the policies in terms of Ind AS 109.



[Signature]

S.R. Batliboi & Associates LLP, a Limited Liability Partnership with LLP Identity No. NAB-4005
Regd. Office: 22, Connaught Street, Block B, 1st Floor, Kolkata-700 015



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

Key audit matters	How our audit addressed the key audit matter
<p>weighted loss on financial assets over their life, considering reasonable and supportable information about past events, current conditions, and forecasts of future economic conditions which could impact the credit quality of the Company's loans and advances.</p> <p>In this process, judgement has been applied by the management for:</p> <ol style="list-style-type: none"> Defining qualitative/ quantitative thresholds for 'significant increase in credit risk' ("SICR") and 'default'. Grouping of loan portfolio under homogenous pools to determine probability of default on a collective basis. Determining effect of less frequent past events on future probability of default. <p>Additional considerations on account of CoVID-19</p> <p>Pursuant to the Reserve Bank of India ("RBI") circular dated March 27, 2020 ("RBI circular") allowing lending institutions to offer a moratorium to customers on payment of instalments falling due between March 1, 2020 and May 31, 2020 read with advisory issued by the Microfinance Institutions Network dated March 30, 2020 ("MFIN advisory"), the Company has extended a moratorium to its borrower in accordance with its Board approved policy as described in Note 7.1.</p> <p>As per the guidance from ICAI, extension of the moratorium to borrowers by itself is not considered to result in a SICR for a borrower. Further, in accordance with various stimulus packages announced by Government of India ("GOI") other than moratorium, the Company has restructured loans during the year. The Company in the future will need to evaluate from time to time whether to whom moratorium was granted or loans restructured under the packages announced by GOI will be regular. The Company has recorded a macroeconomic overlay as part of its ECL, to reflect among other things an increased risk of deterioration in macro-economic factors caused by Novel Coronavirus (CoVID-19) pandemic. Given the unique nature and scale of the economic impact of this pandemic and no reliable data being available regarding the impact of various regulatory packages, the macroeconomic overlay estimate is based on various highly uncertain and unobservable factors. In accordance with the guidance in Ind AS 109, the macroeconomic overlay estimate takes into account reasonably and</p>	<ul style="list-style-type: none"> Tested the assumptions used by the Company for grouping and staging of loan portfolio into various categories and default buckets for determining the PD and LGD rates. Tested the operating effectiveness of the controls for staging of loans based on their past-due status. Tested a sample of performing (stage 1) loans to assess whether any loss indicators were present requiring them to be classified under stage 2 or 3. Tested the input data used for determining the PD and LGD rates and agreed the data with the underlying books of accounts and records. Performed inquiries with the Company's management and its risk management function to assess the impact of lock-down on the business activities of the Company. Assessed the Company's policy with respect to moratorium pursuant to the RBI circular and tested the implementation of such policy on a sample basis. Assessed the additional considerations applied by the management for staging of loans as SICR/ default in view of Company's policy on moratorium and rescheduling/restructuring of loans in accordance with the regulations issued in this respect. Tested assumptions used by the management in determining the overlay for macro-economic factors (including CoVID-19 pandemic) in accordance with the governance framework approved by the Board of Directors pursuant to Reserve Bank of India guidelines issued on March 13, 2020. Tested the arithmetical accuracy of computation of ECL provision performed by the Company in spreadsheets. Compared the disclosures included in the Ind AS financial statements in respect of expected credit losses with the requirements of Ind AS 107 and 109. Reviewed specific disclosures made in the Ind AS financial statements with regards to the impact of CoVID-19 on ECL estimation and other disclosures as prescribed by RBI relating to moratorium granted or rescheduling/restructuring of loans.



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S.R. BATUBOI & ASSOCIATES LLP

Chartered Accountants

Key audit matters	How our auditor addressed the key audit matter
<p>supportable information without incurring significant cost. The actual credit losses for the next 12 months could be significantly different than the ECL estimates prepared by the Company depending upon the impact and duration of the pandemic and various regulatory and policy measures announced by the Government.</p> <p>Given the high degree of management's judgement involved in estimation of ECL, accentuated by the considerations for COVID-19 related developments, it is a key audit matter.</p>	

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis and Board's Report including Annexures to Board's Report, but does not include the financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and to comply with the relevant applicable requirements of the standard on auditing for auditor's responsibility in relation to other information in documents containing audited financial statements.

Responsibilities of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

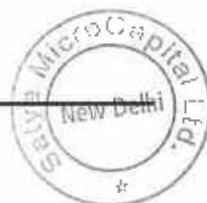
Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected



[Signature]



S.R. BAILLOI & ASSOCIATES LLP

Chartered Accountants

to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the financial year ended March 31, 2021 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), Issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;



[Signature]



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

- (e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls with reference to financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure-2" to this report;
- (g) In our opinion, the managerial remuneration for the year ended March 31, 2021 has been paid/ provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004



per Bharath N S
Partner
Membership Number: 210934



UDIN: 21210934AAAAC16758
Chennai
May 21, 2021



S.R. BAILBOI & ASSOCIATES LLP

Chartered Accountants

Annexure 1 referred to in paragraph 1 under the heading 'Report on other legal and regulatory requirements' of our report of even date

Re: Satya MicroCapital Limited

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) According to the information and explanations given by the management and audit procedures performed by us, the title deeds of immovable properties included in property, plant and equipment are held in the name of the company.
- (ii) The Company's business does not involve inventories and, accordingly, the requirements under clause 3 (ii) of the Order are not applicable to the Company and hence not commented upon.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Act are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company.
- (vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, goods and service tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases in deposit of Tax deduction at source and Professional tax.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us, there are no dues of income tax, sales-tax, service tax, customs duty, excise duty, value added tax and cess which have not been deposited on account of any dispute.
- (viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or dues to debenture holders.
- (ix) According to the information and explanations given by the management, the Company has not raised any money by way of initial public offer or further public offer.
- Further, monies raised by the Company by way of term loans were applied for the purpose for which those were raised, though idle/surplus funds which were not required for immediate utilization were gainfully invested in liquid assets payable on demand.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no material fraud on the company by the officers and employees of the Company has been noticed or reported during the year.



[Signature]



Satyam MicroCapital Limited
Balance Sheet as at March 31, 2021

(Figures in millions unless otherwise stated)

	Notes	As at March 31, 2021	As at March 31, 2020
ASSETS			
Financial assets			
Cash and cash equivalents	4	1,689.14	471.83
Bank balances other than cash and cash equivalents	5	1,477.19	981.78
Trade receivables	6	107.42	22.29
Loan portfolio	7	12,146.00	9,172.52
Other financial assets	8	44.45	113.70
Total financial assets		15,464.20	10,762.12
Non-financial assets			
Current tax assets (net)	9	29.38	62.92
Deferred tax assets (net)	10	73.14	45.31
Property, plant and equipment	11	75.74	43.26
Intangible assets	11	0.87	0.75
Other non-financial assets	12	231.05	120.34
Total non-financial assets		409.18	273.68
Total assets		15,873.38	11,035.80
LIABILITIES AND EQUITY			
LIABILITIES			
Financial liabilities			
Debt securities	13	2,851.39	2,425.84
Borrowings (other than debt securities)	13	7,845.09	6,678.97
Subordinated liabilities	13	574.28	125.72
Other financial liabilities	14	479.19	60.54
Total financial liabilities		11,749.95	9,291.07
Non-financial liabilities			
Provisions	15	25.24	13.40
Other non-financial liabilities	16	53.90	13.84
Total non-financial liabilities		79.14	26.44
EQUITY			
Equity share capital	17	458.50	304.47
Other equity	18	3,585.79	1,413.22
Total equity		4,044.29	1,717.69
Total liabilities and equity		15,873.38	11,035.80

Summary of significant accounting policies 3
The accompanying notes are an integral part of the financial statements.

As per our report of even date
for S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number : 101049W/E200004

per Bharath N S
Partner
Membership No.210934



For and on behalf of the Board of Directors of
Satya MicroCapital Limited

Vivek Tiwari
Managing Director, CEO & CIO
DIN: 02174160

Ratnesh Tiwari
Director
DIN: 07121331

Anil Jain
Company Secretary
M. No. : F3923

Satya Sharma
Chief Financial Officer

Place: Chennai
Date: May 21, 2021

Place: New Delhi
Date: May 21, 2021



Satya MicroCapital Limited
Statement of Profit and Loss for the year ended March 31, 2021

(Rupees in millions unless otherwise stated)

	Notes	For year ended March 31, 2021	For year ended March 31, 2020
Revenue from operations			
Interest income	14	2,444.99	1,973.52
Fee and commission income	20	1,464	14.96
Net gain on derecognition of financial instruments under amortised cost category	71	108.01	96.56
Total revenue from operations		2,667.64	2,085.04
Other income	22	4.34	1.09
Total income		2,672.18	2,086.13
Expenses			
Finance cost	23	1,298.12	1,159.04
Impairment on financial instruments	24	256.56	99.27
Employee benefits expense	25	687.48	473.16
Depreciation and amortisation expense	11	27.46	26.43
Other expenses	26	271.70	217.26
Total expenses		2,521.32	1,975.16
Profit before tax		151.06	110.97
Tax expense:	27		
Current year tax		75.62	44.78
Earlier year tax		-	0.32
Deferred tax		(26.73)	(9.42)
Income tax expense		48.89	35.68
Profit for the year		102.17	75.29
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Re-measurement gains/(losses) on defined benefit plans		(0.39)	(1.26)
Income tax effect		0.10	0.37
Total comprehensive income for the year		101.88	74.40
Earnings per share (equity share, face value of Rs.10 each)			
Computed on the basis of total profit for the year			
Basic (Rs.) (EPS)	28	2.57	2.48
Diluted (Rs.) (DPS)	28	2.53	2.43
Nominal value		10.00	10.00

Summary of significant accounting policies

The accompanying notes are an integral part of the financial statements

As per our report of even date
For S. R. Bhatnagar & Associates LLP
Chartered Accountants
ICAI Firm registration number: 101149/W/E300004

per Bharti N S
Partner
Membership No. 210934



For and on behalf of the Board of Directors of
Satya MicroCapital Limited

Vivek Tiwari
Managing Director, CFO & CIO
DIN: 05174160

Anil Kumar
Company Secretary
M. No.: 13923

Ratnesh Tiwari
Director
DIN: 07131331

Sudhendra Sharma
Chief Financial Officer

Place: Chennai
Date: May 21, 2021

Place: New Delhi
Date: May 21, 2021



Satya MicroCapital Limited
Cash Flow Statement for the year ended March 31, 2021

(Figures in Rupees unless otherwise stated)

	For year ended March 31, 2021	For year ended March 31, 2020
Cash flow from operating activities		
Profit before tax	₹5.06	110.97
Adjustments for:		
Depreciation and amortisation	29.85	26.43
Share based payment to employees	9.50	11.43
Provision for gratuity and leave encashment	11.84	7.18
Repayment of interest (income) on defined benefit plans	(0.27)	(1.74)
Impairment of financial instruments	159.58	90.50
Net gain on derecognition of financial instruments under non-current asset category	(108.61)	(96.54)
Interest income	(3,444.97)	(1,972.52)
Interest expense	1,278.12	1,179.14
	(678.74)	(683.59)
Operating cash flows on account of:		
Interest income	2,199.06	1,774.20
Interest expense	(1,108.85)	(1,174.62)
Losses (net of gains) upon impairment of Ind AS 115	(8.83)	(5.37)
Operating profit before working capital changes	9.46	(89.12)
Movements in working capital:		
Increase/(decrease) in other financial liabilities	418.65	(91.48)
Increase/(decrease) in other non-financial liabilities	40.86	(12.69)
(Decrease)/increase in bank balances other than cash and cash equivalents	(493.41)	149.16
Increase in trade receivables	(83.13)	(4.78)
Increase in loan portfolio	(2,874.14)	(2,967.92)
Decrease/(increase) in other financial assets	69.25	(6.28)
Increase in other non-financial assets	(55.69)	(63.94)
Cash used in operations	(3,971.95)	(3,371.01)
Interest paid	(42.28)	(88.67)
Net cash used in operating activities (A)	(3,014.23)	(2,459.68)
Cash flow from investing activities		
Purchase of property, plant and equipment	(38.24)	(40.39)
Purchase of intangible assets	(0.45)	(0.57)
Net cash used in investing activities (B)	(38.69)	(40.96)
Cash flow from financing activities		
Proceeds from issue of equity shares (including securities premium)*	1,532.83	399.37
Issue of convertible convertible preference shares (including securities premium)	682.50	367.50
Net proceeds from borrowings†	2,076.10	1,843.40
Net cash from financing activities (C)	4,291.43	2,610.27
Net increase/(decrease) in cash and cash equivalents (A + B + C)	1,217.31	109.63
Cash and cash equivalents at the beginning of the year	471.83	262.20
Cash and cash equivalents at the end of the year (after up to 3)	1,689.14	471.83
Components of cash and cash equivalents at the end of period		
Cash on hand	14.42	8.81
Balance with banks - on current accounts	1,454.70	460.51
Exposures with original maturity of less than or equal to 3 months	220.02	2.50
Total cash and cash equivalents	1,689.14	471.83

* Net of amount recoverable from Satya Employee Welfare Trust.

† Represents net proceeds from debt securities, borrowings (other than debt securities) and subordinated liabilities.

For disclosure of investing and financing activities that do not require the use of cash and cash equivalents, refer note 40.

Summary of significant accounting policies

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For B. R. Bhatnagar & Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W/03/20004

per Bhatnagar N S
Per Mr
Membership No. 210934



Place: Chennai
Date: May 21, 2021

For and on behalf of the Board of Directors of
Satya MicroCapital Limited

(Signature)
Vijay Tripathi
Managing Director, CEO & CIO
DIN: 02174160

(Signature)
Rajesh Tripathi
Director
DIN: 07131331

(Signature)
Anil Jain
Company Secretary
M. No. F3923

(Signature)
Sushmita Shrivastava
Chief Financial Officer

Place: New Delhi
Date: May 21, 2021



ANNEXURE VI: ILLUSTRATION OF BOND CASH FLOWS

Illustration of Bond Cash Flows	
Company	Satya MicroCapital Limited
Face Value (per security)	Rs. 10,00,000/- (Rupees Ten Lakh)
Issue Date / Date of Allotment	Issue Opening Date: June 30, 2021 Deemed Date of Allotment: June 30, 2021
Redemption Date / Maturity Date	Redemption Date / Maturity Date: 72 (seventy two) months from the Deemed Date of Allotment, ie. June 30, 2027 (subject to Business Day Convention) (subject to Put Option/Call Option)
Coupon Rate	11.6778% (eleven decimal six seven seven eight percent) per annum, net of withholding tax. The Coupon Rate as on the date of this Information Memorandum, gross of withholding taxes, shall amount to 12.4000% (twelve decimal four zero zero zero percent) per annum.
Frequency of the Coupon Payment with specified dates	Coupon payable Semi-annually. First Coupon on December 30, 2021 and subsequently on June 30 and December 30 of every calendar year until Maturity Date (subject to Business Day Convention).
Day Count Convention	Actual/Actual

Scenario 1: In case Put Option / Call Option is exercised on the Put Option Date / Call Option Date being June 30, 2024 and Coupon Rate is not reset at the Coupon Reset Date:

Scenario 1: Option is exercised							
Cash Flows	Interest Accrual Date	Interest Payment Date*	No. of days in Coupon Period	Coupon Amount (in Rupees)	Principal Payment Amount (in Rupees)	Outstanding Principal Amount (in Rupees)	Principal Payment Date
Issue Amount	June 30, 2021	-	-	-	-	22,10,00,000	-
1st Coupon	December 30, 2021	December 30, 2021	183	1,29,39,322	-	22,10,00,000	-
2nd Coupon	June 30, 2022	June 30, 2022	182	1,28,68,616	-	22,10,00,000	-
3rd Coupon	December 30, 2022	December 30, 2022	183	1,29,39,322	-	22,10,00,000	-
4th Coupon	June 30, 2023	June 30, 2023	182	1,28,68,616	-	22,10,00,000	-
5th Coupon	December 30, 2023	January 2, 2024	183	1,29,39,322	-	22,10,00,000	-
6th Coupon	June 30, 2024	June 28, 2024	183	1,29,04,355	22,10,00,000	-	June 28, 2024



Scenario 2: In case Put Option / Call Option is not exercised on the Put Option Date / Call Option Date and Coupon Rate is not reset at the Coupon Reset Date:

Scenario 2: Option is not exercised							
Cash Flow s	Inter est Accr ual Date	Interes t Payme nt Date*	No. of days in Coup on Perio d	Coupon Amount (in Rupees)	Principal Payment Amount (in Rupees)	Outstanding Principal Amount (in Rupees)	Princi pal Payme nt Date
Issue Amo unt	June 30, 2021	-	-	-	-	22,10,00,000	-
1st Coup on	Decem ber 30, 2021	Decem ber 30, 2021	183	1,29,39,322	-	22,10,00,000	-
2nd Coup on	June 30, 2022	June 30, 2022	182	1,28,68,616	-	22,10,00,000	-
3rd Coup on	Decem ber 30, 2022	Decem ber 30, 2022	183	1,29,39,322	-	22,10,00,000	-
4th Coup on	June 30, 2023	June 30, 2023	182	1,28,68,616	-	22,10,00,000	-
5th Coup on	Decem ber 30, 2023	January 2, 2024	183	1,29,39,322	-	22,10,00,000	-
6th Coup on	June 30, 2024	July 1, 2024	183	1,29,04,355	-	22,10,00,000	-
7th Coup on	Decem ber 30, 2024	Decem ber 30, 2024	183	1,29,03,969	-	22,10,00,000	-
8th Coup on	June 30, 2025	June 30, 2025	182	1,28,68,229	-	22,10,00,000	-
9th Coup on	Decem ber 30, 2025	Decem ber 30, 2025	183	1,29,39,322	-	22,10,00,000	-
10th Coup on	June 30, 2026	June 30, 2026	182	1,28,68,616	-	22,10,00,000	-
11 th Coup on	Decem ber 30, 2026	Decem ber 30, 2026	183	1,29,39,322	-	22,10,00,000	-

	30, 2026						
12 th Coupon	June 30, 2027	June 30, 2027	182	1,28,68,616	22,10,00,000	-	June 30, 2027



ANNEXURE VII: DUE DILIGENCE CERTIFICATE

CATALYST

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CTL/21-22/781

DUE DILIGENCE CERTIFICATE AT THE TIME OF FILING THE DRAFT OFFER DOCUMENT OR PRIVATE PLACEMENT MEMORANDUM/ INFORMATION MEMORANDUM

To,

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai-400001.

Dear Sir / Madam,

SUB.: Issue of of 221 (Two Hundred and Twenty One) Secured, Rated, Listed, Redeemable, Non-Convertible Debentures of face value of Rs. 10,00,000/- (Rupees Ten Lakhs) each, aggregating up to Rs. 22,10,00,000/- (Rupees Twenty Two Crore and Ten Lakhs) on a private placement basis by Satya Microcapital Limited.

We, the debenture trustee(s) to the above-mentioned forthcoming issue state as follows:

- 1) We have examined documents pertaining to the said issue and other such relevant documents, reports and certifications.
- 2) On the basis of such examination and of the discussions with the Issuer, its directors and other officers, other agencies and on independent verification of the various relevant documents, reports and certifications, WE CONFIRM that:
 - a) The Issuer has made adequate provisions for and/or has taken steps to provide for adequate security for the debt securities to be issued.
 - b) The Issuer has obtained the permissions / consents necessary for creating security on the said property(ies).
 - c) The Issuer has made all the relevant disclosures about the security and also its continued obligations towards the holders of debt securities.
 - d) Issuer has adequately disclosed all consents/ permissions required for creation of further charge on assets in offer document or private placement memorandum/ information memorandum and all disclosures made in the offer document or private placement memorandum/ information memorandum with respect to creation of security are in confirmation with the clauses of debenture trustee agreement.
 - e) Issuer has disclosed all covenants proposed to be included in debenture trust deed (including any side letter, accelerated payment clause etc.), offer document or private placement memorandum/ information memorandum.

CATALYST TRUSTEESHIP LIMITED

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Regional Office: 40th Floor, Plot No. 42, Khirwar Colony, Right of Road, Phase II, New Delhi-110014. Tel: +91 (011) 26200011 Fax: +91 (011) 26200275
Delhi Office: Office No. 816, 8th Floor, Kalash Building, 26 Kasturba Gandhi Marg, New Delhi-110001. Tel: +91 (011) 26101402.
CIN No. U74100DL1999PLC000002. Email: info@satya.com Website: www.satya.com
Branches: Mumbai | Bangalore | Delhi | Chennai

An ISO 9001 Company



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- f) Issuer has given an undertaking that charge shall be created in favour of debenture trustee as per terms of issue before filing of listing application.

We have satisfied ourselves about the ability of the issuer to service the debt securities.

Place: Mumbai

Date: June 21, 2021

For Catalyst Trusteeship Limited

For CATALYST TRUSTEESHIP LIMITED

Pranshu
Authorized Signatory

Authorized Signatory

CATALYST TRUSTEESHIP LIMITED (INCORPORATED IN INDIA)

An ISO 9001 Company

Mumbai Office: Windsor, 6th Floor, Office No. 604, C.S.T. Road, Kalina, Santacruz (East), Mumbai 400 098. Tel: +91 (022) 4922 0555 Fax: +91 (022) 4922 0505
Regd. Office: CDA House, Plot No. 85, Shree Colony (Wing), Paud Road, Pune 411 058. Tel: +91 (020) 25380001 Fax: +91 (020) 25290275
Delhi Office: Office No. 810, 8th Floor, Kalash Building, 26, Kirti Khandi Marg, New Delhi - 110001. Tel: +91 11 430 29101/02.
CIN No. U74899MH1997PLC10282 Email: dt@cttrustee.com Website: www.catalysttrustee.com
Promo: Mumbai | Bangalore | Delhi | Chennai



ANNEXURE VIII: BOARD RESOLUTION



SATYA MicroCapital Ltd.

सत्य माइक्रो कॅपिटल

CERTIFIED TRUE COPY OF THE RESOLUTION PASSED IN THE MEETING OF THE BOARD OF DIRECTORS OF SATYA MICROCAPITAL LIMITED HELD ON FRIDAY, MAY 21, 2021 AT 04:00 P.M AT REGISTERED OFFICE 519, 5TH FLOOR, DLF PRIME TOWERS, OKHLA INDUSTRIAL AREA, PHASE-I DELHI - 110020

NON-CONVERTIBLE DEBENTURES AMOUNTING UP TO INR 22,10,00,000/- TO COVID-19 EMERGING AND FRONTIER MARKETS MSME SUPPORT FUND SCSP SICAV-RAIF

It was proposed before the Board to issue Non-Convertible Debentures aggregating up to INR 22,10,00,000/- in one or more tranches on a Private Placement Basis to Covid-19 Emerging and Frontier Markets MSME Support Fund SCSP SICAV-RAIF (Investor). A draft term sheet received from Investor was placed before the Board for their kind consideration and approval. The Board deliberated on the matter and passed the following resolution:

"RESOLVED THAT pursuant to the provisions of Sections 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, including any statutory modifications or re-enactments thereof for the time being in force (the "Act"), the Foreign Exchange Management Act, 1999 (as amended from time to time), rules, regulations, guidelines, notifications, clarifications and circulars, if any, prescribed by the Government of India, all applicable regulations, directions, guidelines, circulars and notifications of the Reserve Bank of India ("RBI"), the Securities and Exchange Board of India ("SEBI"), including the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, and the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended, or any other regulatory authority, whether in India or abroad, and in accordance with the Memorandum of Association and the Articles of Association of the Company and the listing agreements entered into with the stock exchanges (the "Stock Exchanges") where the securities of the Company may be listed, and subject to such approvals, consents, sanctions or permissions as may be required from any appropriate statutory and regulatory authorities, the approval of the Board be and is hereby accorded for (a) issue and allotment of 221 (two hundred and twenty one) secured, rated, listed, redeemable, transferable, non-convertible debentures denominated in Indian Rupees ("INR") each having a face value of INR 10,00,000 (Indian Rupees Ten Lakhs) and aggregating to a face value of INR 22,10,00,000 (Indian Rupees Twenty Two Crore and Ten Lakhs) or such other number of Debentures, face value and amount as may be determined ("Debentures") at the interest rate of 11.6756% (eleven decimal six seven five six percent) per annum, net of withholding tax, or such other interest rate as may be agreed, subject to a coupon reset option after the expiry of 36 (thirty six) months from the deemed date of allotment, payable semi-annually or at such other interest periods as may be agreed, subject to deduction of taxes at source in accordance with applicable law, with or without gross up, and for a period of 60 (sixty) months from the deemed date of allotment or such other maturity period (subject to applicable law) as may be agreed, subject to a put option and/or a call option after the expiry of 36 (thirty six) months from the deemed date of allotment, on a private placement basis to Covid-19 Emerging and Frontier Markets MSME Support Fund SCSP SICAV-RAIF (being the identified persons for the purposes of Section 42 of the Act) ("Investors") for raising debt for enabling the Company to continue operations and address the impact of COVID-19 pandemic on the Company's operations and portfolio and to enable the Company to provide access to liquidity for its micro, small and medium enterprise (MSME) clients and for such other purposes as may be agreed with the Investors, and (b) securing the amounts to be raised pursuant to the issue of Debentures together with all interest and other charges thereon (up to such limits and security cover as may be agreed) by one or more of the following (i) hypothecation of certain identified loans/book debts (and/or other assets) of the Company, and/or (ii) such other security or contractual comfort as may be required in terms of the issuance of the Debentures (the "Security")."

Registered & Corporate Office

519, 5th Floor, DLF Prime Tower, Okhla Industrial Area, Phase - I, New Delhi - 110020, India

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CIN: U74899DL1995PLC068688 | Fax: (+91-11) 49724051 | Phone: (+91-11) 49724000





SATYA MicroCapital Ltd.

सत्य सूचिका

"RESOLVED FURTHER THAT Mr. Vivek Tiwari, Managing Director, CEO & CFO; Mr. Sanjay Goyal, Head-Finance and Mr. Amit Jain, Head-Legal, Secretary & Company Finance Officer of the Company (collectively, the "Authorised Persons") be and are hereby severally authorised in so such acts, deeds and things as they deem necessary or desirable in connection with the issue, offer and allotment of the Debentures, including, without limitation the following:

- (a) seeking, if required, any approval, consent or waiver from any/all concerned governmental and regulatory authorities, and/or any other approvals, consent or waivers that may be required in connection with the issue, offer and allotment of the Debentures;
- (b) executing the term sheet in relation to the Debentures;
- (c) negotiating, approving and deciding the terms of the issue of Debentures and all other related matters;
- (d) seeking the listing of the Debentures on any Stock Exchange, submitting the listing application and taking all actions that may be necessary in connection with obtaining such listing;
- (e) (if so required) issuing the Debentures through the electronic book mechanism process pursuant to the guidelines and circulars issued by the SEBI in this respect, and taking all such action and steps as may be required for the purposes of complying with relevant guidelines, including making all relevant disclosures to the "electronic book provider";
- (f) (if so required) creating and maintaining a recovery expense fund with the relevant Stock Exchanges in accordance with the requirements of the circular no. SEBI/HO/MRSD/CRA/JT/CIR/P/2020/207 dated October 22, 2020 on "Contribution by Issuers of listed or proposed to be listed debt securities towards creation of "Recovery Expense Fund"" issued by SEBI;
- (g) (if so required) providing such information or documents to the debenture trustee in accordance with the requirements of the circular no. SEBI/HO/MRSD/CRA/JT/CIR/P/2020/218 dated November 3, 2020 on "Creation of Security in issuance of listed debt securities and 'due diligence' by debenture trustee(s)" issued by SEBI;
- (h) approving the debt disclosure document/information memorandum and the private placement offer cum application letter (including amending, varying or modifying the same, as may be considered desirable or expedient), in accordance with all applicable laws, rules, regulations and guidelines;
- (i) finalising the terms and conditions of the appointment of an arranger, a debenture trustee, a registrar and transfer agent, a credit rating agency, legal counsel, a depository and such other intermediaries as may be required including their successors and their agents;
- (j) finalising the terms of the issue, offer and allotment of the Debentures;
- (k) entering into arrangements with the depository in connection with issue of Debentures in dematerialised form;
- (l) creating and perfecting the Security as required in accordance with the terms of the Transaction Documents (as defined below) in relation to the issue, offer and allotment of the Debentures;
- (m) finalising the date of allocation and the deemed date of allotment of the Debentures;
- (n) negotiating, executing, filing and delivering any documents, instruments, deeds, amendments, papers, applications, notices or letters as may be required in connection with the issue, offer and allotment of the Debentures and dealing with regulatory authorities in connection with the issue, offer and allotment of the Debentures.

Registered & Corporate Office

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SATYA MicroCapital Ltd.

of the Debentures including but not limited to the RBI, SEBI (if so required), any Stock Exchange (if so required), the relevant registrar of companies, the Central Registry of Securitisation Asset Reconstruction and Security Interest, the Ministry of Corporate Affairs, or any depository, and such other authorities as may be required.

- (o) to execute all documents with, file forms with and submit applications to any Stock Exchange (if so required), the relevant registrar of companies, the Ministry of Corporate Affairs, the Central Registry of Securitisation Asset Reconstruction and Security Interest or any depository;
- (p) sign and/or dispatch all documents and notices to be signed and/or dispatched by the Company under or in connection with the Transaction Documents;
- (q) to take all steps and do all things and give such directions as may be required, necessary, expedient or desirable for giving effect to the Transaction Documents, the transactions contemplated therein and the resolutions mentioned herein, including without limitation, to approve, negotiate, finalise, sign, execute, ratify, amend, supplement and/or issue the following, including any amendments, modifications, supplements, restatements or novations thereto (now or in the future):
 - (i) the debt disclosure document/information memorandum and the private placement offer cum application letter for the issue, offer and allotment of the Debentures (collectively, the "Disclosure Documents");
 - (ii) debenture certificate for the Debentures;
 - (iii) debenture trust deed, debenture trustee agreement, deed of hypothecation, and any other documents required for the creation of security interest over the Company's movable properties and assets, or the issue, offer and allotment of the Debentures (including any powers of attorney in connection thereto), and any other document in relation thereto (collectively, the "Transaction Documents");
 - (iv) any other documents required for the purposes of the issue, offer and allotment of the Debentures and the transactions contemplated thereby, including but not limited to letters of undertaking, declarations, agreements, reports; and
 - (v) any other document designated as a Transaction Document by the debenture trustee/holders of the Debentures;
- (r) do all acts necessary for the issue, offer and allotment of the Debentures in accordance with the terms set out in the Disclosure Documents and the Transaction Documents; and
- (s) to generally do any other act or deed, to negotiate and execute any documents, applications, agreements, undertakings, deeds, affidavits, declarations and certificates in relation to (a) to (r) above, and to give such directions as it deems fit or as may be necessary or desirable with regard to the issue, offer and allotment of the Debentures."

"RESOLVED FURTHER THAT the Authorised Persons be and are hereby severally authorised to take all necessary steps relating to the creation, perfection and registration of charges and also to sign and submit the necessary forms with the relevant registrar of companies, the Central Registry of Securitisation Asset Reconstruction and Security Interest, the Ministry of Corporate Affairs, any depository, and/or any other relevant governmental authorities."

"RESOLVED FURTHER THAT the Board hereby approves and ratifies all such acts, deeds and actions taken by the Company till date for the purpose of the issue, offer and allotment of the Debentures."

Registered & Corporate Office

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SATYA MicroCapital Ltd.

"RESOLVED FURTHER THAT the Authorized Persons be and are hereby severally authorised to record the name of the holders of the Debentures in the register of debenture holders and to undertake such other acts, deeds and things as may be required to give effect to the issuance and allotment of the Debentures and the listing of the Debentures."

"RESOLVED FURTHER THAT the Authorized Persons be and are hereby severally authorised to pay all stamp duty required to be paid for the issue, offer and allotment of the Debentures in accordance with the laws of India and procure the stamped documents from the relevant governmental authorities."

"RESOLVED FURTHER THAT the Authorized Persons be and are hereby severally authorised to approve and finalise, sign, execute and deliver the Transaction Documents and such other agreements, deeds, undertakings, indemnity and documents as may be required, or any of them in connection with the Debentures to be issued by the Company."

"RESOLVED FURTHER THAT the Authorized Persons be and are hereby severally authorised to register or lodge for registration upon execution documents, letter(s) of undertakings, declarations, and agreements and other papers or documents as may be required in relation to any of the above with any registering authority or any governmental authority competent in that behalf."

"RESOLVED FURTHER THAT the Authorized Persons be and are hereby severally authorised to delegate the powers to any other employee/representative/agent as may be deemed necessary to do such acts and execute such documents as may be required in connection with any of the matters relating to the issue of the Debentures."

"RESOLVED FURTHER THAT the common seal of the Company be affixed to the stamped engrossments of such documents as may be required to be executed under the common seal of the Company in the presence of any director(s) of the Company and/or any Authorized Person and/or the Company Secretary of the Company who shall sign/ countersign the same in token thereof in accordance with the articles of association of the Company."

"RESOLVED FURTHER THAT copies of the foregoing resolutions certified to be true copies by any Director or the Company Secretary of the Company be furnished to such persons as may be deemed necessary."

CERTIFIED TO BE TRUE

For SATYA MicroCapital Limited




Amit Jain

Head-Legal, Secretary & Compliance Officer

M No. FCS 3923

Registered & Corporate Office

519, 5th Floor, DLF Prime Tower, Okhla Industrial Area, Phase - I, New Delhi - 110070, India

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ANNEXURE IX: SHAREHOLDERS RESOLUTION



SATYA MicroCapital Ltd.

सत्य मधन्यु वुडिंग

CERTIFIED TRUE COPY OF RESOLUTIONS PASSED AT THE 25TH ANNUAL GENERAL MEETING OF THE MEMBERS OF SATYA MICROCAPITAL LIMITED HELD ON THURSDAY, AUGUST 27, 2020 AT 02.00 P.M AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT 519, 5TH FLOOR, DLF PRIME TOWERS, OKHLA INDUSTRIAL AREA, PHASE-1, NEW DELHI-110020, INDIA

1. INCREASE IN THE LIMIT U/S 42 OF THE COMPANIES ACT, 2013 AND RULES FRAMED THEREUNDER (OFFERS OR INVITATIONS FOR NON-CONVERTIBLE DEBENTURES)

"RESOLVED THAT pursuant to the provision of Sections 42 and 71 of the Companies Act, 2013 and Rule 14(2) of Companies (Prospectus and Allotment of Securities) Rules, 2014 (including any statutory modification(s), amendment(s) or re-enactment thereof for the time being in force) and in accordance with the relevant provisions of the Memorandum and Articles of Association of the Company, the consent of the members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as the "Board" which terms shall be deemed to include any committee duly constituted by the Board or any committee, which the Board may hereafter constitute), to issue/offer/invoke for subscription of secured/unsecured, rated/unrated, listed/unlisted non-convertible debentures ("Debentures") by way of private placement, in one or more tranches, from time to time, to any category of investors eligible to invest in the Debentures, aggregating upto Rs. 15,00,00,00,000/- (Rupees One Thousand Five Hundred Crores only) on such terms and conditions and at such times whether at par/premium/discount, as may be decided by the Board to such person or persons including one or more company(ies), body Corporate(s), statutory corporation(s), commercial Bank(s), Lending Agency(ies), Financial Institution(s), insurance company(ies), foreign portfolio investor(s), mutual fund(s) and individual(s), as the case may be or such other person/persons as the Board may decide so for a period of one year from the date of approval of the shareholders, within the overall borrowing limits of the Company, as approved by the members of the Company from time to time.

RESOLVED FURTHER THAT in connection with the above, the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be deemed necessary, desirable, proper or expedient for the purpose of giving effect to this Resolutions and for matters connected therewith or incidental thereto.

RESOLVED FURTHER THAT any Director of the Company or the Company Secretary of the Company be and are hereby severally authorized to issue a Certified Copy of the Resolution."

2. INCREASE IN POWER OF BOARD OF DIRECTORS FOR CREATING CHARGE OVER MOVABLE AND IMMOVABLE PROPERTIES OF THE COMPANY U/S 180(1)(a) OF THE COMPANIES ACT, 2013

"RESOLVED THAT the consent of the members of the Company be and is hereby accorded pursuant to section 180(1)(a) and other applicable provisions if any, of the Companies Act, 2013 and the Rules made thereunder, to the Board of Directors of the Company (hereinafter referred to as the "Board" which terms shall be deemed to include any committee duly constituted by the Board or any committee, which the Board may hereafter constitute), to pledge, mortgage and/or charge in all or any part of the moveable or immovable properties of the Company and the whole or part of the undertaking of the Company of every nature and kind whatsoever and/or creating a floating charge in all or any moveable or immovable properties of the Company and the whole of the undertaking of the Company to or in favour of Banks, Financial Institutions, any other lenders or debenture trustees to secure the amount borrowed by the Company or any third party from time to time for the due payment of the Principal together with interest, charges, costs, expenses and all other monies payable by the Company or any third party in respect of such borrowings provided that the maximum extent of the indebtedness secured by the properties of the Company does not exceed Rs. 35,00,00,00,000/- (Rupees Three Thousand Five Hundred Crores Only) at any time.

For Satya MicroCapital Limited

(AMIT JAIN)
M.NO. F3923

Chief Legal, Company Secretary & Compliance Officer

Registered & Corporate Office

519, 5th Floor, DLF Prime Tower, Okhla Industrial Area, Phase - 1, New Delhi - 110020, India

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SATYA MicroCapital Ltd.

सत्ये भवन्तु सुखिनः

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do such acts, deeds, things and execute all such documents, undertakings as may be necessary for giving effect to the above resolution.

RESOLVED FURTHER THAT any Director of the Company or the Company Secretary of the Company be and are hereby severally authorized to issue a Certified Copy of the Resolution."

3. INCREASE IN THE BORROWING POWER OF BOARD OF DIRECTORS U/S 180(1)(c) OF THE COMPANIES ACT, 2013

"**RESOLVED THAT** the consent of the members of the Company be and is hereby accorded pursuant to section 180(1)(c) and other applicable provisions if any, of the Companies Act, 2013 and the Rules made thereunder, to the Board of Directors of the company (hereinafter referred to as the "Board" which terms shall be deemed to include any committee duly constituted by the Board or any committee, which the Board may hereafter constitute), to raise or borrow from time to time such sum or sums as they may deem appropriate for the purposes of the company notwithstanding that the monies already borrowed and the monies to be borrowed (apart from temporary loans obtained from company's bankers in the ordinary course of business) will exceed the paid-up capital of the company and free reserves not set apart for any specific purpose provided that the total amount upto which monies may be borrowed by the Board of Directors shall not exceed Rs. 35,00,00,00,000/- (Rupees Three Thousand Five Hundred Crores Only) at any time.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do such acts, deeds, things and execute all such documents, undertakings as may be necessary for giving effect to the above resolution.

RESOLVED FURTHER THAT any Director of the Company or the Company Secretary of the Company be and are hereby severally authorized to issue a Certified Copy of the Resolution."

**For and behalf of
SATYA MicroCapital Limited**

For Satya MicroCapital Limited

 (AMIT JAIN)
M.No. F3923
Head Legal, Company Secretary & Compliance Officer

Amit Jain
Head-Legal, Secretary & Compliance Officer

Registered & Corporate Office

579, 5th Floor, DLF Prime Tower, Okhla Industrial Area, Phase - 1, New Delhi - 110020, India

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