

(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

INFORMATION MEMORANDUM



Dvara Kshetriya Gramin Financial Services Private Limited

A private limited company incorporated under the Companies Act, 1956

Date of Incorporation: March 04, 1993

Registered Office: 10th Floor-Phase 1, IIT-Madras Research Park, Kanagam Village, Taramani, Chennai
600113

Corporate Office: 10th Floor-Phase 1, IIT-Madras Research Park, Kanagam Village, Taramani, Chennai
600113 **Telephone No.:** 044- 6668 7000

Website: <https://www.dvarakgfs.com/>

Information Memorandum for issue of Debentures on a private placement basis on

May 30, 2019

Issue of 2,00,00,000 (Two Crore) Unsecured, Rated, Senior, Redeemable, Taxable, Transferable, Listed, Non-Convertible Debentures of face value of Rs. 10/- (Rupees Ten Only) each, aggregating up to Rs. 20,00,00,000/- (Rupees Twenty Crores Only) issued on a fully paid basis

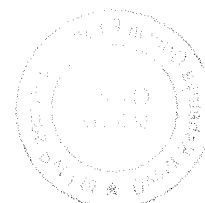
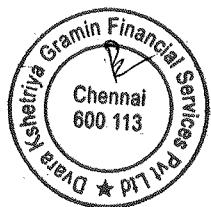
Background

This Information Memorandum is related to the Debentures to be issued by Dvara Kshetriya Gramin Financial Services Private 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 authorized by the Issuer through resolutions passed by the shareholders of the Issuer on May 24, 2018 and the Board of Directors of the Issuer on May 29, 2019 and the Memorandum and Articles of Association of the Company. Pursuant to the resolution passed by the Company’s shareholders dated May 24, 2018 in accordance with provisions of the Companies Act, 2013, the Company has been authorized to borrow, upon such terms and conditions as the Board may think fit, for amounts up to INR 1000,00,00,000/- (Rupees One Thousand Crores only). The present issue of NCDs in terms of this Information Memorandum is within the overall powers of the Board as per the above shareholder resolution(s).

General Risks

Investment in debt and debt related securities involve a degree of risk and Investors should not invest any funds in the debt instruments, unless they can afford to take the risks attached to such investments and only after reading the information carefully. For taking an investment decision, the Investors must rely on their own examination of the Company and the Issue including the risks involved. The Debentures have not been recommended or approved by Securities and Exchange Board of India (“**SEBI**”) nor does SEBI guarantee the accuracy or adequacy of this document. Specific attention of Investors is invited to the statement of Risk Factors of this memorandum of private placement for issue of Debentures on a private placement basis (“**Information Memorandum**” or “**Disclosure Document**”). This Information Memorandum has not been submitted, cleared or approved by SEBI.

Issuer’s Absolute Responsibility



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

The Issuer, having made all reasonable inquiries, confirms and represents that the information contained in this Information Memorandum/ Disclosure Document is true and correct in all material respects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. The Issuer is solely responsible for the correctness, adequacy and disclosure of all relevant information herein.

Credit Rating

The Debentures proposed to be issued by the Issuer have been rated by CARE Ratings Limited (“**Rating Agency / CARE**”). The Rating Agency has, vide its letter dated May 30, 2019 assigned a rating of “**CARE BBB (Stable)**” 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 III** of this Information Memorandum for the letter dated May 30, 2019 from the Rating Agency assigning the credit rating abovementioned and the letter dated May 30, 2019 issued by the Rating Agency disclosing the rating rationale adopted for the aforesaid rating.

Issue Schedule

Issue Opens on: May 30, 2019
Issue Closing on: May 30, 2019
Deemed Date of Allotment: May 30, 2019

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 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 Bombay Stock Exchange (“**BSE**”).

Sole Arranger



Northern Arc Capital Limited
10th Floor-Phase 1, IIT-Madras
Research Park, Kanagam Village,
Taramani, Chennai 600113, India
Website:
www.NorthernArccapital.com
Email:

Debenture Trustee



Catalyst Trusteeship Limited
83-87, 8th Floor, B wing, Mittal
Tower, Nariman Point, Mumbai,
Maharashtra -400021
Tel.: +91-22-49220503
Fax: +91-22-49220505
Email: umesh.salvi@ctltrustee.com

Registrar and Transfer Agent



**Integrated Registry Management
Services Pvt Ltd**
2 nd Floor, "Kences Towers",
Ramakrishna Street, North Usman
Road, T. Nagar, Chennai - 600 017
Tel: 91 44 2814 0801
Email: <http://www.integratedindia.in>

I. DISCLAIMER CLAUSE:

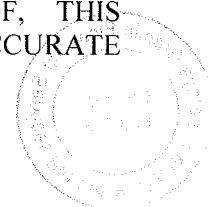
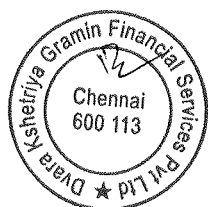


(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

THIS INFORMATION MEMORANDUM OF PRIVATE PLACEMENT (HEREINAFTER REFERRED TO AS THE “**INFORMATION MEMORANDUM**” IS NEITHER A PROSPECTUS NOR A STATEMENT IN LIEU OF PROSPECTUS. THE ISSUE OF RATED, UNSECURED, LISTED, REDEEMABLE NON-CONVERTIBLE DEBENTURES (HEREINAFTER REFERRED TO AS “**DEBENTURES**”) TO BE ISSUED IS BEING MADE STRICTLY ON A PRIVATE PLACEMENT BASIS. IT IS NOT INTENDED TO BE CIRCULATED TO MORE THAN 49 (FORTY-NINE) PERSONS. MULTIPLE COPIES HEREOF GIVEN TO THE SAME ENTITY SHALL BE DEEMED TO BE GIVEN TO THE SAME PERSON AND SHALL BE TREATED AS SUCH. IT DOES NOT CONSTITUTE AND SHALL NOT BE DEEMED TO CONSTITUTE AN OFFER OR AN INVITATION TO SUBSCRIBE TO THE DEBENTURES ISSUED TO THE PUBLIC IN GENERAL. APART FROM THIS INFORMATION MEMORANDUM, NO OFFER DOCUMENT OR PROSPECTUS HAS BEEN PREPARED IN CONNECTION WITH THE OFFERING OF THIS ISSUE OR IN RELATION TO THE COMPANY NOR IS SUCH A PROSPECTUS REQUIRED TO BE REGISTERED UNDER THE APPLICABLE LAWS. ACCORDINGLY, THIS INFORMATION MEMORANDUM HAS NEITHER BEEN DELIVERED FOR REGISTRATION NOR IS IT INTENDED TO BE REGISTERED.

THIS INFORMATION MEMORANDUM HAS BEEN PREPARED TO PROVIDE GENERAL INFORMATION ABOUT THE COMPANY TO POTENTIAL INVESTORS 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 POTENTIAL INVESTOR MAY REQUIRE. 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 NOR SHOULD ANY RECIPIENT OF THIS INFORMATION MEMORANDUM CONSIDER SUCH RECEIPT A RECOMMENDATION TO PURCHASE ANY DEBENTURES. EACH INVESTOR CONTEMPLATING THE PURCHASE OF ANY DEBENTURES SHOULD MAKE HIS OWN INDEPENDENT INVESTIGATION OF THE FINANCIAL CONDITION AND AFFAIRS OF THE COMPANY, AND HIS OWN APPRAISAL OF THE CREDITWORTHINESS OF THE COMPANY. 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 ANALYSE SUCH INVESTMENT AND THE SUITABILITY OF SUCH INVESTMENT TO SUCH INVESTOR'S PARTICULAR CIRCUMSTANCES. IT IS THE RESPONSIBILITY OF INVESTORS TO ALSO ENSURE THAT THEY WILL SELL THESE DEBENTURES IN STRICT ACCORDANCE WITH THIS INFORMATION MEMORANDUM AND OTHER APPLICABLE LAWS, SO THAT THE SALE DOES NOT CONSTITUTE AN OFFER TO THE PUBLIC WITHIN THE MEANING OF THE COMPANIES ACT, 1956 OR THE COMPANIES ACT, 2013, AS APPLICABLE. NONE OF THE INTERMEDIARIES OR THEIR AGENTS OR ADVISORS ASSOCIATED WITH THIS ISSUE UNDERTAKE TO REVIEW THE FINANCIAL CONDITION OR AFFAIRS OF THE COMPANY DURING THE LIFE OF THE ARRANGEMENTS CONTEMPLATED BY THIS INFORMATION MEMORANDUM OR HAVE ANY RESPONSIBILITY TO ADVISE ANY INVESTOR OR POTENTIAL INVESTOR IN THE DEBENTURES OF ANY INFORMATION AVAILABLE WITH OR SUBSEQUENTLY COMING TO THE ATTENTION OF THE INTERMEDIARIES, AGENTS OR ADVISORS.

THE COMPANY CONFIRMS THAT, AS OF THE DATE HEREOF, THIS INFORMATION MEMORANDUM CONTAINS INFORMATION THAT IS ACCURATE



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

IN ALL MATERIAL RESPECTS AND DOES NOT CONTAIN ANY UNTRUE STATEMENT OF A MATERIAL FACT, OR OMITS TO STATE ANY MATERIAL FACT, NECESSARY TO MAKE THE STATEMENTS HEREIN, THAT WOULD BE, IN THE LIGHT OF CIRCUMSTANCES UNDER WHICH THEY ARE MADE, NOT MISLEADING. 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 COMPANY TO ANY POTENTIAL INVESTOR PURSUANT HERETO AND, IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE COMPANY. THE INTERMEDIARIES AND THEIR AGENTS OR ADVISORS ASSOCIATED WITH THIS ISSUE HAVE NOT SEPARATELY VERIFIED THE INFORMATION CONTAINED HEREIN. ACCORDINGLY, NO REPRESENTATION, WARRANTY OR UNDERTAKING, EXPRESS OR IMPLIED, IS MADE AND NO RESPONSIBILITY IS ACCEPTED BY ANY SUCH INTERMEDIARY AS TO THE ACCURACY OR COMPLETENESS OF THE INFORMATION CONTAINED IN THIS INFORMATION MEMORANDUM OR ANY OTHER INFORMATION PROVIDED BY THE COMPANY. ACCORDINGLY, ALL SUCH INTERMEDIARIES ASSOCIATED WITH THIS ISSUE SHALL HAVE NO LIABILITY IN RELATION TO THE INFORMATION CONTAINED IN THIS INFORMATION MEMORANDUM OR ANY OTHER INFORMATION PROVIDED BY THE COMPANY IN CONNECTION WITH THE ISSUE.

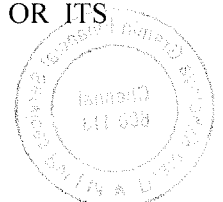
THE CONTENTS OF THIS INFORMATION MEMORANDUM ARE INTENDED TO BE USED ONLY BY THOSE INVESTORS TO WHOM IT IS ISSUED. IT IS NOT INTENDED FOR DISTRIBUTION TO ANY OTHER PERSON AND SHOULD NOT BE REPRODUCED BY THE RECIPIENT.

EACH COPY OF THIS INFORMATION MEMORANDUM IS SERIALLY NUMBERED AND THE PERSON, TO WHOM A COPY OF THE INFORMATION MEMORANDUM IS SENT, IS ALONE ENTITLED TO APPLY FOR THE DEBENTURES. NO INVITATION IS BEING MADE TO ANY PERSONS OTHER THAN THOSE TO WHOM APPLICATION FORMS ALONG WITH THIS INFORMATION MEMORANDUM HAVE BEEN SENT. ANY APPLICATION BY A PERSON TO WHOM THE INFORMATION MEMORANDUM AND/OR THE APPLICATION FORM HAS NOT BEEN SENT BY THE COMPANY SHALL BE REJECTED WITHOUT ASSIGNING ANY REASON.

THE PERSON WHO IS IN RECEIPT OF THIS INFORMATION MEMORANDUM SHALL MAINTAIN UTMOST CONFIDENTIALITY REGARDING THE CONTENTS OF THIS INFORMATION MEMORANDUM AND SHALL NOT REPRODUCE OR DISTRIBUTE IN WHOLE OR PART OR MAKE ANY ANNOUNCEMENT IN PUBLIC OR TO A THIRD PARTY REGARDING ITS CONTENTS, WITHOUT THE PRIOR WRITTEN CONSENT OF THE COMPANY.

EACH PERSON RECEIVING THIS INFORMATION MEMORANDUM ACKNOWLEDGES THAT:

- SUCH PERSON HAS BEEN AFFORDED AN OPPORTUNITY TO REQUEST AND TO REVIEW AND HAS RECEIVED ALL ADDITIONAL INFORMATION CONSIDERED BY AN INDIVIDUAL TO BE NECESSARY TO VERIFY THE ACCURACY OF OR TO SUPPLEMENT THE INFORMATION HEREIN; AND
- SUCH PERSON HAS NOT RELIED ON ANY INTERMEDIARY THAT MAY BE ASSOCIATED WITH ISSUANCE OF THE DEBENTURES IN CONNECTION WITH ITS INVESTIGATION OF THE ACCURACY OF SUCH INFORMATION OR ITS INVESTMENT DECISION.



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

THE COMPANY DOES NOT UNDERTAKE TO UPDATE THE INFORMATION MEMORANDUM TO REFLECT SUBSEQUENT EVENTS AFTER THE DATE OF THE INFORMATION MEMORANDUM AND THUS IT SHOULD NOT BE RELIED UPON WITH RESPECT TO SUCH SUBSEQUENT EVENTS WITHOUT FIRST CONFIRMING ITS ACCURACY WITH THE COMPANY. NEITHER THE DELIVERY OF THIS INFORMATION MEMORANDUM NOR ANY SALE OF DEBENTURES MADE HEREUNDER SHALL, UNDER ANY CIRCUMSTANCES, CONSTITUTE A REPRESENTATION OR CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE COMPANY SINCE THE DATE HEREOF.

THIS INFORMATION MEMORANDUM 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 IN ANY JURISDICTION WHERE SUCH ACTION IS REQUIRED. THE DISTRIBUTION OF THIS INFORMATION MEMORANDUM AND THE OFFERING AND SALE OF THE DEBENTURES MAY BE RESTRICTED BY LAW IN CERTAIN JURISDICTIONS. PERSONS INTO WHOSE POSSESSION THIS INFORMATION MEMORANDUM COMES ARE REQUIRED TO INFORM THEMSELVES ABOUT AND TO OBSERVE ANY SUCH RESTRICTIONS.

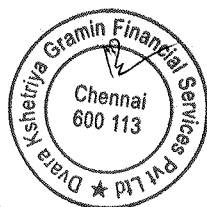
THE INFORMATION MEMORANDUM IS MADE AVAILABLE TO POTENTIAL INVESTORS IN THE ISSUE ON THE STRICT UNDERSTANDING THAT IT IS CONFIDENTIAL

Disclaimer of the Arranger: Dvara Kshetriya Gramin Financial Services Private Limited (the “**Issuer**”/”**Company**”) has authorized the Arranger to distribute this Information Memorandum in connection with the proposed issue of the Debentures (the “**Transaction**”).

Nothing in this Information Memorandum constitutes an offer of securities for sale in the United States or any other jurisdiction where such offer or placement would be in violation of any law, rule or regulation.

The Issuer has prepared this Information Memorandum and the Issuer is solely responsible for its contents. The Issuer will comply with all laws, rules and regulations and has obtained all regulatory, governmental and corporate approval for the issuance of the Debentures. All the information contained in this Information Memorandum has been provided by the Issuer or is publicly available information, and such information has not been independently verified by the Arranger. No representation or warranty, expressed or implied, is or will be made, and no responsibility or liability is or will be accepted, by the Arranger or its affiliates for the accuracy, completeness, reliability, correctness or fairness of this Information Memorandum or any of the information or opinions contained therein, and the Arranger hereby expressly disclaims, to the fullest extent permitted by law, any responsibility for the contents of this Information memorandum and any liability, whether arising in tort or contract or otherwise, relating to or resulting from this Information Memorandum or any information or errors contained therein or any omissions therefrom. By accepting this Information Memorandum, you agree that the Arranger will not have any such liability.

You should carefully read and retain this Information Memorandum. However, you are not to construe the contents of this Information Memorandum as investment, legal, accounting,



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

regulatory or tax advice, and You should consult with your own advisors as to all legal, accounting, regulatory, tax, financial and related matters concerning an investment in the Debentures.

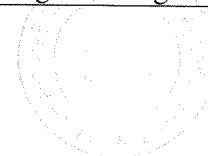
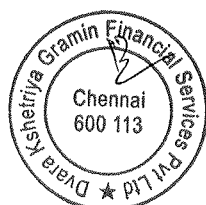
Stock Exchange Disclaimer Clause: It is to be distinctly understood that filing of this Information Memorandum with the Stock Exchange should not, in any way, be deemed or construed that the same has been cleared or approved by the Stock Exchange. The Stock Exchange does not take any responsibility either for the financial soundness of any scheme or the project for which the issue is proposed to be made, or for the correctness of the statements made or opinions expressed in this Information Memorandum.



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

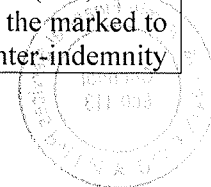
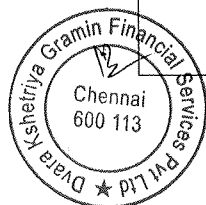
II. DEFINITIONS AND ABBREVIATIONS

Act	Means Companies Act, 2013, and for any matters or affairs prior to the notification of the relevant provisions of the Companies Act, 2013, the Companies Act, 1956 and shall include any re-enactment, amendment or modification of the Companies Act, 2013, as in effect from time to time
Applicant	Means a person who has submitted a completed Application Form to the Company
Applicable Laws	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
Application Form	Means the application form in the Debt Disclosure Document
Application Money	Means the subscription monies paid by the Applicants at the time of submitting the Application Form
Arranger	Such Person(s)/entities as have been authorized by the Issuer for the marketing of the Issue in this case Northern Arc Capital Limited.
Assets	Means, for any date of determination, the assets of the Company on such date as the same would be determined in accordance with Indian GAAP at such date
Beneficial Owners	means the holder(s) of the Debentures in dematerialized form whose name is recorded as such with the Depository in the Register of Beneficial Owners
BSE	Means the BSE Limited
Business Day	A day (other than a Saturday, a Sunday or a Bank Holiday) on which banks are open for general business in Chennai/Mumbai.
Call Option	Not Applicable
Call Option Interest Rate	Not Applicable
Capital Adequacy Ratio	Means the capital adequacy ratio prescribed by the RBI for non-banking financial companies from time to time, currently being the aggregate of Tier I Capital and Tier II Capital divided by Risk Weighted Assets
CERSAI	means Central Registry of Securitization Asset Reconstruction and Security Interest of India
CDSL	Means Central Depository Services Limited
CITES	Means the Convention on International Trade in Endangered Species or Wild Fauna and Flora, including the protected flora and faunae as demonstrated on the website: www.cites.org
Client Loan	Means each loan made by the Company as a lender
Companies Act or Act	means the Companies Act, 2013 ("2013 Act"), and for any matters or affairs prior to the notification of the relevant provisions of the Companies Act, 2013, the Companies Act, 1956 ("1956 Act"), and shall include any re-enactment, amendment or modification of the Companies Act, 2013, as in effect from time to time
Credit Rating Agency/ Credit Rating Agencies	Any SEBI registered Rating Agency appointed from time to time
Control	Means and includes the right to appoint a majority of directors, or to control the management or policy decisions exercisable by a person or persons acting individually or in concert, directly or indirectly, including by virtue of their shareholding or management rights or



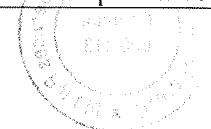
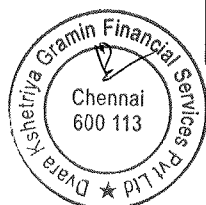
(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

	shareholders agreements or voting agreements or in any other manner
Constitutional Documents	Means the memorandum of association and the articles of association of the Company
Debentures/NCDs/Debt Securities/Securities	Means 2,00,00,000 rated, unsecured, senior, redeemable, taxable, transferable, listed, non-convertible debentures denominated in Indian Rupees ('INR') each having a face value of INR 10 /- (Indian Rupees Ten Only) aggregating to a face value of INR 20,00,00,000/- (Indian Rupees Twenty Crore Only);
Debenture Holders	Mean collectively the Debenture Holders of this issuance
Debenture Trustee	Trustee for the Debenture holders, in this case being Catalyst Trusteeship Limited
Debenture Holder Representative	Means Karvy Capital Limited
Debenture Trustee Agreement	The Debenture Trustee and the Company have entered into a debenture trustee agreement executed by and between the Debenture Trustee and the Company ("Debenture Trustee Agreement"), whereby the Company has appointed the Debenture Trustee and the Debenture Trustee has agreed to be appointed as a debenture trustee on behalf of and for the benefit of the Debenture Holder(s) and for purposes related thereto, including for holding the security to be created by the Company in favour of the Debenture Trustee to secure the payment and other obligations of the Company in respect of the issuance of the Debentures, for the benefit of the Debenture Holder(s)
Debenture Trust Deed or DTD	Shall mean the debenture 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
Debenture Trustees Regulations	Means the Securities Exchange Board of India (Debenture Trustees) Regulations, 1993 (as amended or restated from time to time)
Debt	Means any indebtedness for or in respect of (a) moneys borrowed; (b) any amount raised by acceptance under any credit facility; (c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument; (d) any amount payable for redemption of any redeemable preference share which (i) is redeemable at the option of the Borrower; or (ii) according to the terms of its issue, is redeemable prior to the maturity of this Facility; (e) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with GAAP, be treated as a finance or capital lease; (f) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis); (g) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing; (h) the acquisition cost of any asset or service to the extent payable before or after its acquisition or possession by the party liable where the advance or deferred payment (i) is arranged primarily as a method of raising finance or of financing the acquisition of that asset or service or the construction of that asset or service; or (ii) involves a period of more than six months before or after the date of acquisition or supply; (i) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value shall be taken into account); (j) any counter-indemnity



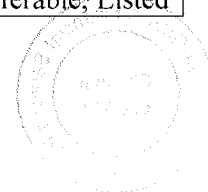
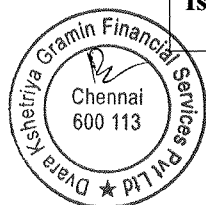
(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

	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; (k) any obligation under any call or put option arrangement in respect of any shares or any form of guarantee or indemnity in respect of any call or put option arrangement; and (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
Debt Disclosure Document	Means the information memorandum dated May 30, 2019 issued by the Company for the issue of the Debentures on a private placement basis
Debt Listing Regulations	Means the Securities Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (as amended or restated from time to time)
Depository	Means the depository with whom the Company has made arrangements for dematerializing the Debentures, being CDSL and NSDL
Designated Proceeds Account	Means the account number 000105027257 maintained with ICICI Bank Limited in the name of Company, being the separate bank account opened by the Company for receipt of and utilization of the proceeds of the Issue
DRR	Debenture Redemption Reserve
Due Date	Means the date on which any interest or liquidated damages, any Redemption Instalment and all other monies payable, are due and payable. If the due date in respect of any interest or liquidated damages and all other monies payable under this Deed falls on a day which is not a Business Day, then the immediately succeeding Business Day shall be the due date for such payment. Further, if the due date in respect of any Redemption Installment falls on a day which is not a Business Day, then the immediately preceding Business Day shall be the due date for such payment
Equity	Means (A) the aggregate of the issued and paid up equity shares of the Company, all compulsorily convertible instruments and preference share capital of the Company, and all reserves (excluding revaluation reserves) of the Company, less (B) the aggregated of any dividend declared, any deferred tax liability, deferred tax assets, intangibles (including but not restricted to brand valuation, goodwill etc) as per the latest audited financials of the Company
Event of Default	Means each of the events specified in the Debenture Trust Deed
Exclusion List	Means any activity including (a) production or trade in any product or activity deemed illegal under host country laws or regulations or international conventions and agreements, or subject to international bans, such as pharmaceuticals, pesticides/herbicides, ozone depleting substances, PCBs, wildlife or products regulated under CITES, (b) production or trade in weapons and munitions, (c) production or trade in alcoholic beverages (excluding beer and wine), (d) production or trade in tobacco, (e) gambling, casinos and equivalent enterprises, (f) production or trade in radioactive materials (this does not apply to the purchase of medical equipment, quality control (measurement) equipment), (g) production or trade in unbonded asbestos fibers (this does not apply to purchase and use of bonded asbestos cement sheeting where the asbestos content is less than 20%), (h) drift net fishing in the marine environment using nets in excess of 2.5 km. in length, (i) production or activities involving harmful or exploitative



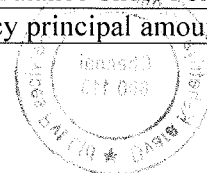
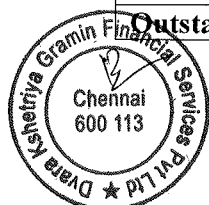
(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

	forms of forced labor, or harmful child labour, (j) production, trade, storage, or transport of significant volumes of hazardous chemicals, or commercial scale usage of hazardous chemicals (hazardous chemicals include gasoline, kerosene, and other petroleum products), (k) production or activities that impinge on the lands owned, or claimed under adjudication, by indigenous peoples, without full documented consent of such peoples, (l) which may result in funding or supporting any individual or organization designated as: (i) terrorists or terrorist organizations by the United Nations, the European Union and any other applicable country; (ii) persons, groups or entities which are subject to United Nations, European Union and the US Office of Foreign Asset Control (OFAC) sanctions'
Exercise Date	Not Applicable
Final Redemption Date	Means May 30, 2024
Final Settlement Date	Means the date on which all obligations of the Company have been irrevocably and unconditionally paid and discharged in full to the satisfaction of the Debenture Holders
Financial Year	Means each period of 12 (twelve) months commencing on April 1 of any calendar year and ending on March 31 of the subsequent calendar year
Governmental Authority	Shall mean any government (central, state or otherwise) or any governmental agency, semi-governmental or judicial or quasi-judicial or administrative entity, department or authority, agency or authority including any stock exchange or any self-regulatory organization, established under any Law
Gross Loan Portfolio	Means the outstanding principal balance of all of the Company's outstanding Client Loans including current, delinquent and restructured Client Loans, and includes principal balance of all Client Loans securitized, assigned, originated on behalf of other institutions or otherwise sold off in respect of which the Company has provided credit enhancements in any form or manner whatsoever, but not Client Loans that have been charged off. It does not include interest receivables and accrued interest
Gross NPA	Shall mean the entire outstanding principal value of the relevant portfolio of the Issuer that has one or more instalments of payments (including principal or interest) overdue for more than 90 days and any restructured loans;
Indebtedness	Means any obligation of the Company (whether incurred as principal, independent guarantor or as surety) for the payment or repayment of borrowed money, whether present or future, actual or contingent
Indian GAAP	Means the generally accepted accounting principles, standards and practices in India or any other prevailing accounting standard in India as may be applicable
Indian Accounting Standard (IND AS)	Means Accounting standard adopted by companies in India and issued under the supervision of Accounting Standards Board (ASB)
Initial Debenture Holders	Means Karvy Capital Limited Demeter Portfolio
Interest Expense	Means all interest payable by the Company on all borrowings of the Company and all financial assistance availed by the Company from any bank, financial institution or any other person
Interest Payment Date	Means Payment of Interest date as ascribed in Annexure VI
Interest Rate	Means 13.713% per annum, payable quarterly
Issue	The Company has proposed to issue 2,00,00,000 (Two Crore) Unsecured, Rated, Senior, Redeemable, Taxable, Transferable, Listed



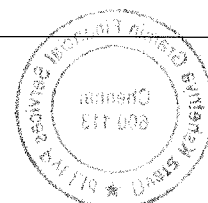
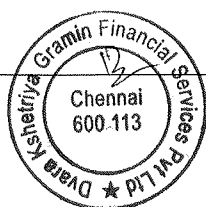
(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

	Non-Convertible Debentures of face value of Rs. 10 /- (Rupees Ten Only) each, aggregating up to Rs. 20,00,00,000/- (Rupees Twenty Crores Only) issued on a fully paid basis
Law	Means any applicable law, code, ordinance, interpretation, guideline, directive, judgment, injunction, decree, treaty, regulation, rule or order of any court, tribunal or Governmental Authority, in force in India
Liability	Means, for any date of determination, the liabilities of the Company on such date as the same would be determined in accordance with the Indian GAAP at such date
Local Currency	Means Indian Rupees (denoted as "INR" or "Rs."), the lawful currency of India
LODR Regulations	Means the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as may be amended from time to time
Majority Debenture Holders	Means such number of Debenture Holders collectively holding more than 51% (Fifty One percent) of the value of the Outstanding Principal Amounts of the Debentures
Majority Resolution	Means resolution approved by such number of Debenture Holders that represent more than 51% (Fifty One percent) of the value of the Outstanding Principal Amounts of the Debentures held by the Debenture Holders who are present and voting or if a poll is demanded, by such number of Debenture Holders that represent more than 51% (Fifty One percent) of the value of the Outstanding Principal Amounts of the Debentures held by the Debenture Holders who are present and voting in such poll
Material Adverse Effect	Means the effect or consequence of an event, circumstance, occurrence or condition which has caused, as of any date of determination, or could reasonably be expected to cause a material and adverse effect on (a) the financial condition, business or operation of the Company, environmental, social or otherwise or prospects of the Company; (b) the ability of the Company to perform its obligations under the Transaction Documents; or (c) the validity or enforceability of any of the Transaction Documents (including the ability of any party to enforce any of its remedies thereunder)
Debenture Trust Deed	Agreement between the Issuer and the Debenture Trustee will be executed on or before May 30, 2019
Net Income	Shall mean, for any particular period and with respect to the Company, all revenue (including Donations and grants) less all expenses (including taxes, if any for such period)
Net Owned Funds	Has the meaning ascribed to it under Section 45IA of the RBI Act, 1934
Nominee Director	As defined in the Securities and Exchange Board of India (Debenture Trustee) Regulations
NBFC Master Directions	Means the Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company prescribed by the RBI from time to time, as may be applicable
NSDL	Means National Securities Depository Limited
Off Balance Sheet Portfolio	Shall mean principal balance of loans securitized, assigned to, originated on behalf of other institutions in respect of which the Issuer has provided credit enhancements in any form or manner whatsoever
Own Loan Portfolio	Means Gross Loan Portfolio less Off-Balance Sheet Portfolio
Outstanding Principal	Means, at any date, the Local Currency principal amount outstanding



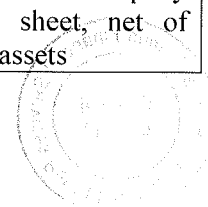
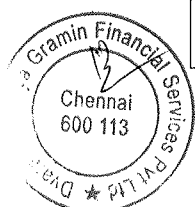
(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

Amounts	under the Debentures
Outstanding Amounts	Means the Outstanding Principal Amounts, together with all interest, fees, costs, commissions, charges, Trustee fees and other amounts due and payable by the Company under or in respect of this Deed or any Transaction Document
Payment Default	Shall mean any event, act or condition which with notice or lapse of time, or both, would constitute an Event of Default
Person	Shall mean any individual, partnership, joint venture, firm, corporation, association, limited liability company, trust or other enterprise or any government or political subdivision or any agency, department or instrumentality thereof
PAR 90	means on the Company's Own Loan Portfolio the outstanding principal value of the relevant portfolio of the Company that has one or more instalments of principal, interest payments overdue for 90 days or more, includes restructured loans but excludes loans that have been written off by the Company
Private Placement Offer Letter	Document as per Section 42 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014
PAR 30	means on the Company's Gross Loan Portfolio the outstanding principal value of the relevant portfolio of the Company that has one or more instalments of principal, interest payments overdue for 30 days or more, includes restructured loans but excludes loans that have been written off by the Company
Promoter	Means Dvara Trust
Purpose	To raise debt to augment long term resources of the Company towards general corporate purposes in its ordinary course of business including repayment/re-financing of the existing debt. No part of the proceeds shall be utilized directly/indirectly towards capital markets (debt and equity), land acquisition or usages that are restricted for bank financing.
Put Option	Not Applicable
Put Option Interest Rate	Not Applicable
Quarterly Date	Means each of December 31, June 30, September 30 and March 31 and Quarterly Dates shall be construed accordingly
Rating Agency	Means CARE Ratings Limited or any rating agency approved by SEBI for carrying out debt ratings in India
Rating Downgrade	Not Applicable
RBI	Means the Reserve Bank of India
Redemption Payment	Means the payment of the Outstanding Principal Amounts of the Debentures on the Exercise Date or the respective Final Redemption Dates
Register of Beneficial Owners	Means the register of beneficial owners of the Debentures maintained in the records of the Depository, as the case may be
Register of Debenture Holders	Means the register maintained by the Company at its registered office and containing the names of the Debenture Holders
Registrar	Shall mean the registrar and transfer agent appointed for the issue of Debentures, being Integrated Registry Management Services Pvt Ltd
Restructured Portfolio	Means with respect to the Company, the outstanding principal balance of all past due Client Loans that have been renegotiated or modified to either lengthen or postpone the originally scheduled



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

	installments of principal, or to substantially alter the original terms, of such Client Loans
Revised Interest Rate	Not Applicable
Risk Weighted Assets	Shall be calculated as per the method prescribed in the NBFC Master Directions
ROC	Means the jurisdictional Registrar of Companies
SEBI	Means the Securities and Exchange Board of India
Debenture Holders	<p>Means the Applicants whose names and addresses are set out in the Application Form and who have agreed to subscribe to the Debentures, and for any subsequent Debenture Holders, each person that fulfils the following requirements:</p> <p>(a) Persons who are registered as Beneficial Owners; and</p> <p>(b) Persons who are registered as a debenture holder in the Register of Debenture Holders.</p> <p>Sub-paragraphs (a) and (b) shall be deemed to include transferees of the Debentures registered with the Company and the Depository from time to time, and in the event of any inconsistency between sub-paragraph (a) and (b) above, sub paragraph (a) shall prevail</p>
Deemed Date of Allotment	Means May 30, 2019
Interest Payment Dates	Means the dates as specified in Annexure VI on which payment of Interest shall be made in respect of the Debentures
Offer Schedule	Means the schedule of offer and allotment of Debentures as specified in Annexure VII
Outstanding Principal Amounts	Means, at any date, the principal amounts outstanding under the Debentures
Private Placement Offer Letter	Means the private placement offer letter dated May 30, 2019
Redemption Date	Means the dates as specified in Annexure VI on which payment of Interest shall be made in respect of the Debentures
Exercise Date	Not Applicable
Special Majority Debenture Holders	Means such number of Debenture Holders collectively holding more than 75% (seventy five percent) of the value of the Outstanding Principal Amounts of the Debentures
Special Resolution	Means resolution approved by such number of Debenture Holders that represent more than 75% (seventy five percent) of the value of the Outstanding Principal Amounts of the Debentures held by the Debenture Holders who are present and voting or if a poll is demanded, by such number of Debenture Holders that represent more than 75% (seventy five percent) of the value of the Outstanding Principal Amounts of the Debentures held by the Debenture Holders who are present and voting in such poll
Subordinated Debt	Means any financial obligation of the Company, which is unsecured and subordinated to the claims of other creditors and is free from restrictive clauses and is not redeemable at the instance of the holder/provider of the subordinated debt, or without the consent of the supervisory authority of the non-banking financial company
Tangible Net Worth	Means the net worth (as defined in the Act) of the Company according to the latest available audited balance sheet, net of redeemable capital, intangible assets and deferred tax assets



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

Tax	Means any present or future tax, levy, duty, charge, fees, deductions, withholdings, turnover tax, transaction tax, stamp tax or other charge of a similar nature (including any penalty or interest payable on account of any failure to pay or delay in paying the same), now or hereafter imposed by Law by any Governmental Authority and as maybe applicable in relation to the payment obligations of the company under this Deed
Testing Date	Means each of March 31 and September 30 and "Testing Dates" shall be construed accordingly
Tier I Capital	Has the meaning ascribed to it in the NBFC Master Directions
Tier II Capital	Has the meaning ascribed to it in the NBFC Master Directions
Total Assets	Means, for any date of determination, the total Assets of the Company on such date, including owned, securitised and managed (non-owned) portfolio
Transaction Documents	Debenture Trust Deed, Debenture Trustee Agreement, the letters issued by the Rating Agency and the Registrar, resolutions passed by the board of directors and members of the Company and all other documents in relation to the issuance of the Debentures shall be collectively referred to as the "Transaction Documents"

III. LIST OF DOCUMENTS TO BE FILED WITH THE STOCK EXCHANGE

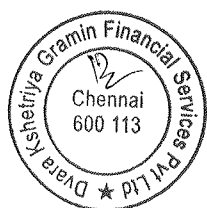
List of disclosures to be filed along with the listing application to the stock exchange:

- A. Memorandum and Articles of Association and necessary resolution(s) for the allotment of the debt securities;
- B. Copy of last three years audited Annual Reports;
- C. Statement containing particulars of, dates of, and parties to all material contracts and agreements;
- D. Copy of the Board / Committee Resolution authorizing the borrowing and list of authorized signatories.
- E. Any other particulars or documents that the recognized stock exchange may call for as it deems fit.

IV. LIST OF DOCUMENTS TO BE DISCLOSED TO THE DEBENTURE TRUSTEE

List of disclosures to be submitted to the Debenture Trustee in electronic form (soft copy) at the time of allotment of the debt securities:

- A. Memorandum and Articles of Association and necessary resolution(s) for the allotment of the debt securities;
- B. Copy of last 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, till the redemption of the debt securities, submit the details mentioned in point (D) above to the Trustee within the timelines as mentioned in Simplified Listing Agreement issued by SEBI vide circular No.SEBI/IMD/BOND/1/2009/11/05 dated May11, 2009 as amended from time to time, for furnishing / publishing its half yearly/ annual result. Further, the Issuer shall within

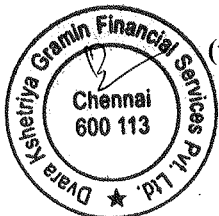


(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

180 days from the end of the financial year, submit a copy of the latest annual report to the Trustee and the Trustee shall be obliged to share the details submitted under this clause with all 'Qualified Institutional Buyers' (QIBs) and other existing debenture-holders within two working days of their specific request.

V. NAME AND ADDRESS OF THE FOLLOWING:

- (i) **Registered office of the Issuer**
10th Floor-Phase 1 | IIT-Madras Research Park | Kanagam Village, Taramani | Chennai 600113 | India
Phone No.: +91 44 6668 7000
Fax No.: +91 44 6668 7000
- (ii) **Corporate office of the Issuer**
10th Floor-Phase 1 | IIT-Madras Research Park | Kanagam Village, Taramani | Chennai 600113 | India
Phone No.: +91 44 6668 7000
Fax No.: +91 44 6668 7000
- (iii) **Compliance officer of the Issuer**
Mr. Balaji S
Phone No.: +91 44 6668 7197
Fax No.: +91 44 6668 7197
- (iv) **CFO of the Issuer**
Mr. Vijayakumar G
Phone No.: +91 44 6668 7204
Fax No.: +91 44 6668 7204
- (v) **Arrangers of the issue**
Northern Arc Capital Limited
10th Floor-Phase 1, IIT-Madras Research Park,
Kanagam Village, Taramani, Chennai - 600113
Website: <http://northernarc.com>
- (vi) **Trustee of the issue**
Catalyst Trusteeship Limited
Office No. 83 – 87, 8th Floor,
'Mittal Tower', B' Wing, Nariman Point
Mumbai – 400021
T: (91) (20) 2528 0081
Mail ID: dt@ctltrustee.com
- (vii) **Registrar of the issue**
Integrated Registry Management Services Private Limited
2 nd Floor, "Kences Towers",
Ramakrishna Street,
North Usman Road,
T. Nagar, Chennai - 600 017
Tel: 044 2814 3045
Website: <https://www.integratedindia.in>
- (viii) **Credit Rating Agency of the issue**
CARE Ratings Limited



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

4th Floor, Godrej Coliseum,
Somaiya Hospital Road,
Off Eastern Express Highway,
Sion (East), Mumbai - 400 022.

- (ix) **Auditors of the Issuer**
BSR & Co. LLP
KRM Tower,
1st and 2nd Floor,
No 1, Harrington Road,
Chetpet, Chennai - 600 031
Tel: 91-44-4608 3100

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

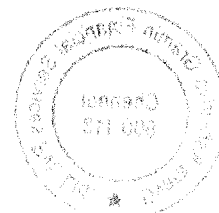
i. Overview

Dvara KGFS was set up by Dvara Trust, a private trust set up with the mission “To ensure that every individual and every enterprise has complete access to financial services.” Dvara KGFS works to achieve this goal by setting up a network of branches in remote rural areas that offer a range of financial products and services. Dvara KGFS currently operates in the states of Tamil Nadu, Odisha, Uttarakhand and Karnataka serving individual customers and enterprises in remote rural areas. The organisation instils this mission into business by facilitating and originating financial products and services on behalf of financial institutions (NBFCs & Banks) through a unique branch-based business model called Kshetriya Gramin Financial Services (KGFS: KGFS translates to Regional Rural Financial Services). Dvara KGFS follows a customer-centric model and offers products and services through “Wealth Management.”

Dvara KGFS operates through a customer centric technology enabled model, whereby household information like-assets, liabilities, income, expense, households’ financial goals are collected to generate a financial well-being report which is a tool to determine the suitability of a product opted by a customer.

ii. Key Operational and Financial Parameters for the last 3 Audited years (In INR)

Parameters	*Unaudited 31-Mar-19	Audited 31-Mar-18	Audited 31-Mar-17	Audited 31-Mar-16
Net Worth	1,68,08,84,162	84,14,52,979	74,97,76,125	47,72,41,865
Total Debt	5,28,11,26,958	5,50,20,64,015	3,23,52,76,823	2,06,81,48,438
Net Fixed Assets	3,06,45,906	18,47,593	25,07,809	34,27,673
Non-Current Assets	2,20,98,84,340	1,694,866,398	1,006,677,289	66,32,57,803
Cash and Cash equivalents	38,07,19,874	83,41,61,254	77,32,26,202	20,04,02,127
Current Assets	5,47,41,81,845	5,113,694,932	3,362,227,878	1,94,30,86,830
Current Liabilities	3,46,82,90,869	2,729,511,889	1,806,091,051	1,47,12,60,617



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

Assets Under Management	6,35,00,97,598	5,28,55,24,500	3,09,61,69,628	1,95,05,47,126
Interest Income	1,45,81,94,749	1,04,22,64,345	62,96,80,346	42,63,36,773
Interest Expense	74,94,55,843	56,28,24,104	35,27,18,943	24,99,18,825
Provisioning & Write Offs	19,58,68,059	7,12,91,510	3,42,33,551	2,65,19,696
PAT	33,21,88,515	9,16,76,154	2,25,34,260	1,50,09,624
Gross NPA (%)	1.92%	0.18%	0.39%	0.40%
Net NPA (%)	0.00%	0.00%	0.22%	0.23%
Tier I Capital Adequacy Ratio (%)	19.17%	13.71%	21.18%	21.02%
Tier II Capital Adequacy Ratio (%)	2.94%	4.69%	9.44%	0.00%

*As per IND-AS. Figures for FY2016, 2017 & 2018 are as per IGAAP and hence may not be directly comparable.

#GNPA for FY2016 is calculated at 6 months past due while it is computed at 3 months past due from March 2017 onwards. Gross NPA for FY2019 is Stage 3 Assets while Net NPA for FY2019 is calculated as Stage 3 Assets less ECL for Stage 3 Assets

Gross Debt: Equity Ratio of the Company (As of March 31, 2019):

Before the issue of debt securities	3.32
After the issue of debt securities	3.44

Calculations

Before the issue, debt-to-equity ratio is calculated as follows: -

Debt	5,58,11,26,958
Equity	1,68,08,84,162
Debt/Equity	3.32

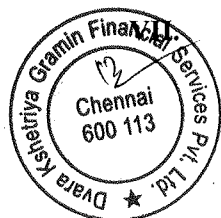
Subsequent to the issue, debt-to-equity ratio shall be calculated as follows: -

Debt	5,78,11,26,958
Equity	1,68,08,84,162
Debt/Equity	3.44

*Not including any interim debt availed and considering only the current issuance.

- iii. Project cost and means of financing, in case of funding of new projects
Not Applicable.

BRIEF HISTORY OF THE COMPANY SINCE ITS INCORPORATION GIVING DETAILS OF THE FOLLOWING ACTIVITIES



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

i. Details of Share Capital as on Mar 31, 2018

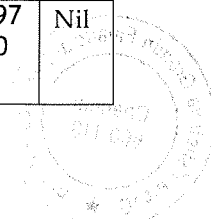
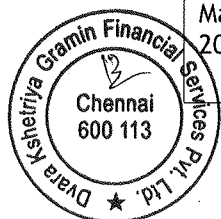
Share Capital	Amount
Authorised	
8,000,000 equity shares of INR 100 each	800,000,000
TOTAL	800,000,000
Issued, Subscribed and Fully Paid- up	
72,79,790 shares of Rs.100 each	72,79,79,000
TOTAL	72,79,79,000

ii. Changes in its capital structure as on March 31, 2018, for the last five years:-

Date (AGM / EGM)	Existing	Revised	Remark
24/03/2017 EGM	INR 50 00 00 000	INR 80 00 00 000	
18/03/2019	INR 840,000,000	INR 1,590,000,000	

iii. Equity Share Capital History of the Company as on March 31, 2018, for the last five years:-

Date of Allotment	Name of Investor	No of Equity Shares	Face Value (in Rs.)	Issue Price (in Rs.)	Consideration	Nature of Allotment	Cumulative Paid Up Capital		
							No of Equity Shares	Equity Share Capital (Rs. in Cr.)	Equity Share Premium (Rs. in Cr.)
May 30, 2013	IFMR Rural Channels and Services Private Limited	980000	100	100	98000000	Rights	3979790	397979000	Nil
Dec 25, 2014	IFMR Rural Channels and Services Private Limited	500000	100	100	50000000	Rights	4479790	447979000	Nil
Mar 14, 2016	IFMR Rural Channels and Services Private Limited	300000	100	100	30000000	Rights	4779790	477979000	Nil
Mar 31, 2017	IFMR Rural Channels and Services	2500000	100	100	250000000	Rights	7279790	727979000	Nil



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

Date of Allotment	Name of Investor	No of Equity Shares	Face Value (in Rs.)	Issue Price (in Rs.)	Consideration	Nature of Allotment	Cumulative Paid Up Capital		
							No of Equity Shares	Equity Share Capital (Rs. in Cr.)	Equity Share Premium (Rs. in Cr.)
	Private Limited								

- iv. Details of any Acquisition or Amalgamation in the last 1 year. – IFMR Rural Channels and Services Private Limited and IFMR Holdings Private Limited were Amalgamated with the Company pursuant to the Scheme of Arrangement (Demerger) and Amalgamation approved by NCLT vide its order dated 7th March, 2019
- v. Details of any Reorganization or Reconstruction in the last 1 year – Yes, as above

F. DETAILS OF THE SHAREHOLDING OF THE COMPANY AS ON THE LATEST QUARTER END:-

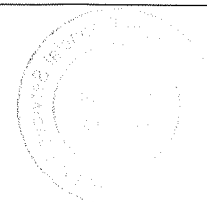
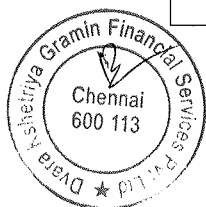
- i. Shareholding pattern of the Company as on March 31, 2019:-

Sl.	Name of shareholder	Total no of equity shares	Percentage (%) of holding	Number of shares held in demat form
1	Dvara Trusteeship Services Private Limited- Trustee of Dvara Trust	32,33,833	44.51%	32,33,833
2	Accion Africa-Asia Investment Company	23,64,896	32.55%	23,64,896
3	LeapFrog Financial Inclusion India (II) Limited	16,67,306	22.95%	16,67,306
	TOTAL	72,66,035	100.00%	72,66,035

Notes:- Shares pledged or encumbered by the promoters (if any) - NIL

- ii. List of top 10 holders of equity shares of the Company as on the latest quarter end:-

Sl.	Name of shareholder	Total no of equity shares	Percentage (%) of holding	Number of shares held in demat form
1	Dvara Trusteeship Services Private Limited- Trustee of Dvara Trust	32,33,833	44.51%	32,33,833
2	Accion Africa-Asia Investment Company	23,64,896	32.55%	23,64,896
3	LeapFrog Financial Inclusion India (II) Limited	16,67,306	22.95%	16,67,306

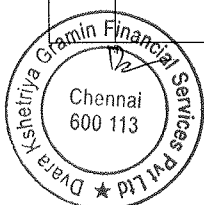


(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

iii. FOLLOWING DETAILS REGARDING THE DIRECTORS OF THE COMPANY:

a. Details of the Current Directors of the Company

Sl.	Name of the Directors	Designation	Address	DIN	Director of the company since	Director in other company
1.	Bindu Ananth	Independent Director	T 2 Krishna Kutir, Door No 36, 5th Avenue, Besant Nagar, Chennai Chennai Tamil Nadu, 600090	02456029	30/01/2019	<ul style="list-style-type: none"> DVARA MONEY PRIVATE LIMITED DVARA RESEARCH FOUNDATION DVARA TRUSTEESHIP SERVICES PRIVATE LIMITED DVARA SOLUTIONS PRIVATE LIMITED
2.	SAMIR AMRIT SHAH	Independent Director	901 Satguru Sanskar Co Operative Housing Society Limited, No 19 TPS IV 3rd Road, Off Turner Road, Bandra West, Mumbai	00912693	19/09/2018	<ul style="list-style-type: none"> DVARA MONEY PRIVATE LIMITED NORTHERN ARC CAPITAL LIMITED DVARA RESEARCH FOUNDATION DVARA E-REGISTRY PRIVATE LIMITED DVARA SOLUTIONS PRIVATE LIMITED NORTHERN ARC FOUNDATION
3.	PRANAV KUMAR	Nominee Director	50, Bayshore Road, #17-05 Bayshore Park, Singapore	07896173	30/01/2019	<ul style="list-style-type: none"> NEOGROWTH CREDIT PRIVATE LIMITED DVARA SOLUTIONS PRIVATE LIMITED
4.	ABHISHEK AGRAWAL	Nominee Director	Flat No. 403, 4th Floor, Sai Samman Plot No. 28/29, Union Park, Chembur, Mumbai MUMBAI CITY Maharashtra, 400071	06760344	30/01/2019	<ul style="list-style-type: none"> SAIJA FINANCE PRIVATE LIMITED VINDHYA E-INFO MEDIA PRIVATE LIMITED BASIX SUB-K ITRANSACTONS LIMITED DVARA SOLUTIONS PRIVATE LIMITED ACCION TECHNICAL ADVISORS INDIA
5.	SWAMINATHAN VISWANATHAN	Independent Director	Flat No.34, Tower-1, Pebble Bay Apartments, 1st Main Road, RMV 2nd Stage,	07851684	23/06/2017	<ul style="list-style-type: none"> NA



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

Sl.	Name of the Directors	Designation	Address	DIN	Director of the company since	Director in other company
			Dollars Colony Bengaluru Karnataka,56 0094			
6.	N.T. ARUNKU MAR	Independent Director	L-302, Atrium, 22, Kalakshetra Road, Tiruvanmiyur, Chennai Tamil Nadu,600041	0240772 2	01/02/2019	• NA
7.	VINAY SUBRAMANIAN	Nominee Director	E-6 Jains Saagarika, MRC Nagar, Chennai - 600028	0696530 9	30/04/2019	• NA

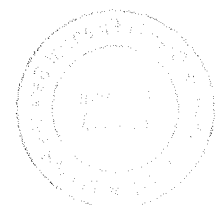
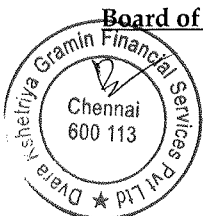
*Company to disclose name of the current directors who are appearing in the RBI defaulter list and/or ECGC default list, if any. – None of the Directors of the Company are appearing on the RBI/ECGC defaulters list.

b. Details of change in directors since last three years:-

Name	Designation	DIN	Date of Appointment	Date of Resignation
Bama Balakrishnan	Director	06531188	19/03/2013	01/03/2018
Anuradha Shripad Nadkarni	Director	05338647	10/09/2013	30/01/2019
Krishnan Venkatesh	Managing Director	02078403	26/03/2015	22/09/2017
Devadas Mallya Mangalore	Director	01804955	26/03/2015	31/03/2017
S Viswanathan	Director	07851684	23/06/2017	
Samir Shah	Director	00912693	14/03/2018	
Bindu Ananth	Director	02456029	30/01/2019	
Abhishek Agrawal	Director	06760344	30/01/2019	
Pranav Kumar	Director	07896173	30/01/2019	
N T Arunkumar	Director	02407722	01/02/2019	
Vinay Subramanian	Director	0695309	30/04/2019	

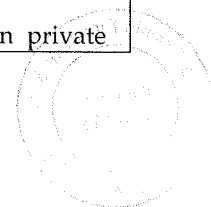
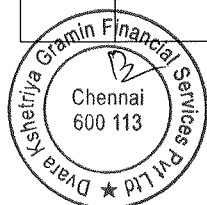
c. Brief particulars of the management of the Company:

Board of Directors:



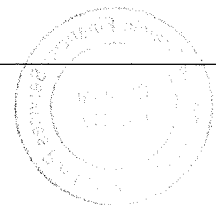
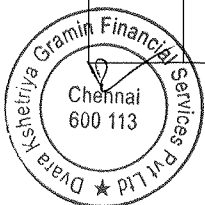
(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

Sl.	Name & Designation	Experience
1.	Bindu Ananth	<ul style="list-style-type: none">• Bindu is the Chair of Dvara Trust. Prior to this, Bindu worked in ICICI Bank's microfinance team between 2001 and 2005 and was head of the new product development team within their Rural Banking Group in 2007.• She has an under-graduate degree in Economics from Madras University and Masters Degrees from the Institute of Rural Management (IRMA) and Harvard University's John. F. Kennedy School of Government.• Bindu has co-edited "Financial Engineering for Low-Income Households", a book published by SAGE. She has also published in the Economic and Political Weekly, OECD Trade Paper Series and the Small Enterprise Development Journal. She was a member of the RBI Committee on Comprehensive Financial Services for Low-Income Households and Small Businesses (2013). She was a member of the Government of India's High Level Committee on Women (2014-15). She is a member of the Taskforce of the Insolvency & Bankruptcy Board of India (2017) <p>She currently serves as a Nominee Director for National Stock Exchange on the Board of Computer Age Management Services. She is a member of the Advisory Boards of Columbia University's India Initiative and Equal Community Foundation. In 2017, Bindu was featured by Forbes as one of India's leading women leaders.</p>
2.	Samir Shah	<ul style="list-style-type: none">• Samir joined Dvara Trust in February 2018 as Executive Vice Chair to take on responsibility for the strategic direction of the Dvara Trust's mission of financial inclusion and portfolio management of group companies. He has over two decades of experience in building institutions and market infrastructure.• Prior to joining Dvara Trust, he was the Managing Director & CEO of NCDEX, India's largest agri focused commodities exchange. During his tenure, the exchange had transformational impact on India's agri economy through various technology and digital initiatives. He also worked closely with the warehouse regulator WDRA and the capital markets regulator SEBI to launch National E-Repository Limited (NeRL) to provide India's first repository services for electronic negotiable warehouse receipts, which farmers can use to avail formal sector agri credit.• Before NCDEX, he was the Chief Business Officer of the Dubai Gold and Commodities Exchange (DGCX). At DGCX he led the growth of the exchange to make it the one of fastest growing exchange in the world, winning several global awards, amongst them were Contract of the Year and the Best Commodity Exchange in 2012.
3.	Pranav Kumar	<ul style="list-style-type: none">• Mr.Pranav Kumar is an Associate Director in LeapFrog's Asia team, sourcing, evaluating and managing investments across South and Southeast Asia.• Mr.Pranav has more than nine years of experience in private



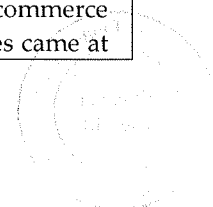
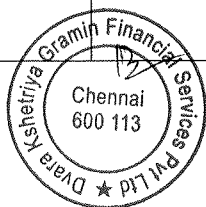
(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

Sl.	Name & Designation	Experience
		<p>equity investment, management consulting and development financing. Before joining LeapFrog, Pranav worked with the World Bank Group based in Singapore on strategy and design of investment funds and grants for SMEs and startups in Southeast Asia, MENA and Africa. Prior to that, Pranav was an Engagement Manager at McKinsey & Co. based in India where he led teams on strategy and business transformation projects for banks, insurance and NBFCs.</p> <ul style="list-style-type: none"> Mr. Pranav has an MBA from Indian Institute of Management, Ahmedabad and a Bachelor of Technology in Computer Science & Engineering from Indian Institute of Technology, Bombay.
4.	Abhishek Agrawal	<ul style="list-style-type: none"> Abhishek Agrawal is currently Accion's Chief Regional Officer, India. As an Accion representative, Mr. Agrawal serves on the boards of various companies. He comes with extensive experience in financial management, strategy & business planning, and microfinance operations. Mr. Agrawal had worked as CFO for more than 12 years in several countries, including at Swadhaar Microfinance starting in 2010, in his capacity as global staff for Accion. In earlier roles, Mr. Agrawal worked with FINCA International as CFO in different affiliates. Prior to that, he acted as an advisor to the Institute of Chartered Accountants (ICAI), where he worked on number of projects in Municipal reforms & financial management for local municipal bodies. Mr. Agrawal has a Ph.D. in Municipal financial reforms and Chartered Accountant (FCA) from ICAI. He did his Masters of Business Administration with a specialization in finance at Rai International University.
5.	Viswanathan S	<ul style="list-style-type: none"> Viswanathan is a senior banking professional with about 40 years of experience in Credit Risk, Corporate Banking, Stressed Asset Management, Private Banking and Compliance. He is, currently, a freelance consultant advising some start-ups in the financial sector and angel funds. Prior to his superannuation, he was heading the Compliance function of ING Vysya Bank Ltd (since merged with Kotak Mahindra Bank Ltd) and continued as an adviser on Compliance matters to Kotak Mahindra Bank for a year. In his earlier roles, he was heading the Private Banking vertical and the Mid Corporate segment of ING Vysya Bank for six years each. He has led complex cross-functional teams and worked in both client-facing and risk underwriting roles. With strong domain knowledge and a deep understanding of the client requirements in the evolving markets of Private Banking and Corporate Banking, he has played a major role in designing products, customizing reports to make it more meaningful and customer friendly. He has excellent working relations with corporates, High Net Worth Individuals clients, peers in the banking industry and regulators.



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

Sl.	Name & Designation	Experience
		<ul style="list-style-type: none"> In his earlier stints, Viswanathan was underwriting corporate credit risk in ING Vysya Bank, Industrial Investment Bank of India and Bank of Maharashtra. The stint at Industrial Investment Bank of India especially, gave him a deep insight into stressed asset management. Was a member of Bill Discounting Committee constituted by the RBI in 2000. He played an integral role in drafting the report. He was also a member of the Subcommittee on Banking and Insurance of CII Bangalore.
6.	N.T. Arunkumar	<ul style="list-style-type: none"> N.T. Arunkumar (Arun) is the MD for Telstra in India and leads Telstra's Global Business Services' Innovation function. In this mandate, Arun oversees the development of and delivery from Telstra's Innovation & Capability Centre in India, helping Telstra's business transformation to a digital, agile and innovative technology-led solutions company for its customers. Arun's professional experience ranges across functions (Operations, P&L, Technology/Digital, analytics, supply-chain & sourcing) in different business models and a significant portion in global banking and financial services. Prior to joining Telstra, Arun served in a number of senior leadership positions, including the MD and Global ODC (service delivery & strategic partnerships) head for UBS AG, the CEO of Dun & Bradstreet TransUnion, as well as technology management stints with Citigroup and PepsiCo. Arun holds an Honors Post Graduate Diploma (MBA) from XLRI, Jamshedpur, after graduating as a topper in Math & Statistics. He is currently pursuing his PhD, researching and developing the future potential of AI (deep neural networks, machine learning, cognitive models) in FinTech for financial inclusion in India. Arun actively contributes towards social causes in education and empowerment/skill.
7.	Vinay Subramanian	<ul style="list-style-type: none"> Vinay is a senior professional with 16+ years experience in investments, strategy and operations in the technology, financial services and energy sectors across multiple geographies (U.S., Europe, South Asia and Middle East). Currently, Vinay is Investment Director at Stakeboat Capital, a growth equity fund that focuses on investments in healthcare, industrials, enterprise tech and financial services. Prior to this, Vinay was Managing Director of Boson Ventures and founding member of Noon digital in Dubai (Tech venture with \$1 Billion funding from the Emaar Group and Sovereign Wealth Fund PIF of Saudi Arabia). He established and headed the strategic investments arm called Boson Ventures to nurture the digital ecosystem in Middle-East in AI, blockchain, IoT and other deep tech sectors. Before Boson, Vinay was Director of corporate development at Flipkart, where he drove investments and acquisitions across the digital space (Fintech, e-commerce and logistics). Vinay's key learnings in financial services came at

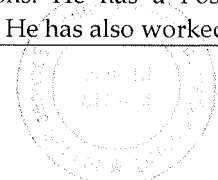
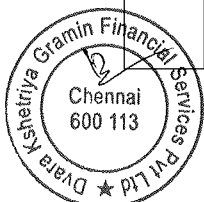


(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

Sl.	Name & Designation	Experience
		<p>the height of the financial crisis, when he helped banks and specialty finance companies raise defensive capital and navigate complex Wall Street regulations as an Investment Banker at Goldman Sachs, New York. Before his foray into finance and investments, Vinay spent 5 years in operations at Schlumberger Europe and U.S., developing and manufacturing hardware & software for hydrocarbon extraction.</p> <ul style="list-style-type: none"> Vinay has degrees from Indian Institute of Technology Madras, Massachusetts Institute of Technology (MIT Sloan School of Management) and University of Maryland. Vinay is passionate about technology and is actively involved in the start-up ecosystem in India across multiple forums.

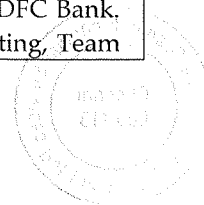
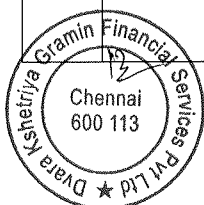
Details of Key Managerial Personnel of the Company

Sl.	Name & Designation	Experience
1.	Joby C O	<ul style="list-style-type: none"> Joby has been living his entrepreneurial life for the last 5 years at Varam by creating a new age financial institution with a passionate team & digital capability to offer superior customer experience, robust credit underwriting and efficient risk management. Joby has been experimenting an agent driven multiproduct strategy at Varam. In the past, he has been in senior roles with MFIs, Banks and Financial Institutions. Joby has more than 16 years of experience in Indian microfinance market. A Chartered Account, Joby was earlier the CFO of ESAF Microfinance & Investments Pvt. Ltd., (Now ESAF Small Finance Bank). Prior to that, he was the Vice President at IFMR Capital (Now Northern Arc Capital). In his earlier avatar, he was the Head Global Microfinance – Global Principal Investment and Trading Group (GPITG) at ICICI Bank. His association with Microfinance started as a Head of Finance, Accounts & Operations at Indian Association for Savings & Credit (IASC).
2.	LVLN Murty	<ul style="list-style-type: none"> Murty has gathered diverse experience for over 24 years. He has headed Operations and Financial Inclusion Business for Sahaj e-Village, the largest service centre agency operating 28K Common Service Centres across 6 states. He has varied expertise in areas of Sales, Channel Distribution, Operations, Strategy, Micro-finance, Financial Inclusion, Remittances, Customer Protection and Capacity Building for remote rural markets. Having completed his graduation from IIM-B (AMP) and HEC Paris, Murty has worked for India Value Fund Advisor, Bharti AXA, ITC IBD, TAT AIG Life and Indian Express in the past. He has engaged in using IT as a differentiator in terms of delivering & servicing financial products at affordable pricing.
3.	Vijayakumar G	<ul style="list-style-type: none"> Vijayakumar G brings with him over 27 years of experience in various financial institution sector and has handled diverse operating positions which includes audit, finance, treasury, accounts and operations of Housing Finance, Commercial Vehicle Finance, SME Lending, Personal loans, Factoring, Hire Purchase, Leasing and other Banking Products. Previously, he was a Chief Finance Officer at Hinduja Leyland Finance, handling complete gamut of finance and operations. He has a Post Graduate degree in Commerce and Cost Accountant. He has also worked



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

Sl.	Name & Designation	Experience
		with National Trust Housing Finance, Sundaram Home, HSBC, ABN AMRO and Wipro Finance in previous stints at various capacities. He has also implemented various controls and processes in ERP to ensure smooth operations across various businesses and products to scale up the assets under management.
4.	Vijayabaskar RJ	<ul style="list-style-type: none"> Vijayabaskar, an HR professional with 17+ years of experience in HR / IR, has been instrumental in developing unique PMS and Behavioural Models for assessments established Assessment centers and have been a Business-HR throughout his Career. Vijay did his bachelors' degree in Labour Management, Masters in Social work specializing in personnel management and Industrial relations, MBA from Symbiosis and currently pursuing doctoral research on "how work environment affects the competencies of an individual" at IIT Madras Vijay Started his career with Murugappa Group @ TI Diamond Chain Limited and later worked with UCAL Fuel, Reliance Industries, Family Credit & Equitas Micro Finance at various capacities in Human Resources & TQM. His last position was with Hinduja Leyland Finance as Head – Human Resources & Communication where he has set up the entire organization, developed Talent and operationalized the People processes .
5.	Srinivasan D	<ul style="list-style-type: none"> Srinivasan D, is a Commerce Graduate with an extensive experience in the Banking & Finance industry close to 16 years. His areas of specialisation has been in Retail Banking. He has handled front end, back offices, branch sales & operations and has headed several branches for HSBC & ICICI. He has been in the business of selling both Assets and Liability products of the Banks to its customer along with delivering high quality customer service. He has also been associated with the software industry which has enabled him to understand the integrities of software development and data base relationships. He has headed the customer services division of Shriram City Union Finance Limited and has travelled across the country. He was also acting as a functional consultant for the Operations team in translating their business requirements on the ERP .
6.	Ramkumar Ratnam	<ul style="list-style-type: none"> Ramkumar Ratnam is a seasoned banker with a combined experience of over 2 decades in FMCG and Banking. He has been with ICICI Bank, handling leadership roles at flagship branches at Chennai and then moved on to handle clusters having multiple branches spread across geography. He has rich experience in Sales., Training and Operations. He had worked in Sales with Hindustan Lever Ltd., (now Unilever India) in initial days of his carrier and then moved to Pepsico Sales. He was also into Field force training for Pepsico in his Market Unit and was certified trainer with ICICI Bank imparting training to " Deputy Managers and Branch Managers " covering wide range of sessions including Operations, Compliance and Products". He holds a Bachelors in Commerce, Accountancy & Economics. He has completed a certified course with Institute of Social Work and Management, Chennai, JAIIB from IIBF and Post Graduate Diploma In Business Administration from NIBM. He has also attended "HBS Accion Program in Strategic Leadership in Inclusive Finance" from Harvard Business School.
7.	Sunil Kumar Ubhan	<ul style="list-style-type: none"> Sunil Kumar Ubhan, is a professional in Business Development and handling sales, opening up geographies. He has 24 years of experience in organizations like Magma Fincorp, Alipc Finance, ICICI & HDFC Bank. He has an expertise in Sales & Marketing, Planning & Budgeting, Team



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

Sl.	Name & Designation	Experience
		Management, Channel Management and People Management as well. He was working as Zonal Product & Program Manager at Magma Fincorp Ltd. before joining us. There he was looking after Training & Product Development for an entire east zone which includes National Relationships with Hyundai, Zonal Relationships with Maruti and Tata. Before that, while working with HDFC & ICICI, he launched and developed the auto-market from basics across Uttar Pradesh & Uttarakhand. He has in-depth knowledge of entire east zone which includes Bihar, Jharkhand, West Bengal, Orissa, Uttar Pradesh & Uttarakhand in terms of sales, marketing and geographies. Referring to his academia, he is Post Graduate in Sales & Marketing from NIS, holds a Diploma in Export Marketing, a Science Graduate, also attend sessions for Introduction to R from XLRI and a Certified Trainer. He belongs to Dehradun and his hobbies include reading, singing, gardening, Bonsai Making and Trekking.
8.	Rajendra	<ul style="list-style-type: none"> Rajendra is a Post Graduate from Karnataka State Open University (KSOU) and has 16 years of work experience in Microfinance Industry. Prior to Dvara KGFS, he was associated with Jana Small Finance Bank and Sanghamithra Rural Financial Services. Rajendra has worked across Karnataka and Tamil Nadu. He has handled products like Individual Loan, Joint Liability Group Loan, Business Loan, Housing Loan and Gold Loan as Regional Head. He has been awarded as the best Cluster and Regional Head for three consecutive years from 2015.
9.	Satish Ayyaswami	<ul style="list-style-type: none"> Satish has 19+ years of experience, building and scaling technology solutions targeting consumers and enterprises. Satish graduated with a Master's degree in Electrical Engineering from the University of Toledo, Ohio, US. He started his career at a start-up in the San Francisco Bay Area, subsequently worked with large technology organisations such as HP. He spent the majority of his time building offshore engineering teams for US based companies. A hands-on engineer, who enjoys creating frameworks and tools that improve software engineers/data scientists productivity and help businesses become more effective and efficient. When he is not thinking about the technology he enjoys nurturing happy customers."

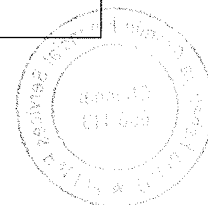
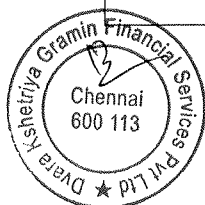
d. Remuneration of directors (during the current year and last 3 (three) financial years)

Particulars	Rs		
	2015-2016	2016-2017	2017-2018
Sitting fee	550,000	575,000-	600,000
Commission to directors	NIL	NIL	NIL
Salary and Commission to MD	NIL	NIL	NIL

VIII. FOLLOWING DETAILS REGARDING THE AUDITORS OF THE COMPANY:-

i. Details of the auditor of the Company:-

Name	Address	Auditor since	Remark
B S R & Co. LLP	KRM Tower, 1 st and 2 nd Floor, No 1, Harrington Road, Chetpet, Chennai - 600 031, India	01/04/2017	Nil



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

ii. Details of change in auditor since last three years:

Name	Address	Date of Appointment / Resignation	Auditor of the Company since (in case of resignation)	Remarks
Deloitte Haskins & Sells	ASV N Ramana Tower, 52, Venkatnarayana Road, T. Nagar, Chennai – 600 017	01/04/2013	31/03/2017	Nil

iii. Auditors Qualifications:

Summary of reservations or qualifications or adverse remarks of auditors in the last five financial years immediately preceding the year of circulation of Shelf Disclosure Document and of their impact on the financial statements and financial position of the company and the corrective steps taken and proposed to be taken by the company for each of the said reservations or qualifications or adverse remark.

For the year 2013-14

Auditors' reservations or qualifications or adverse remarks: - NIL

For the year 2014-15

Auditors' reservations or qualifications or adverse remarks: - NIL

For the year 2015-16

Auditors' reservations or qualifications or adverse remarks: - NIL

For the year 2016-17

Auditors' reservations or qualifications or adverse remarks: - NIL

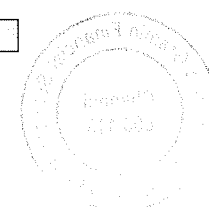
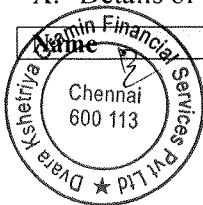
For the year 2017-18

Auditors' reservations or qualifications or adverse remarks: - NIL

IX. DETAILS REGARDING THE EXTERNAL INTERNAL AUDITORS OF THE COMPANY:-

X. Details of the external internal auditor of the Company:-

Name	Address	Auditor since
------	---------	---------------



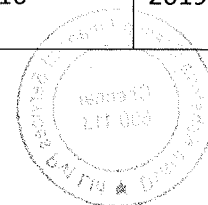
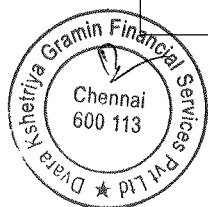
(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

Deloitte Haskins & Sells	ASV N Ramana Tower, 52, Venkatnarayana Road, T. Nagar, Chennai – 600 017	01/04/2017
--------------------------	--	------------

XI. DETAILS OF BORROWINGS OF THE COMPANY, AS ON THE LATEST QUARTER END:-

a. Details of Secured Loan Facilities as on March 31, 2019:-

Facility	Institution Name	Sanction Amount	POS as of 31/3/2019	Maturity Date
Term Loan	Union Bank Of India	10,00,00,000	1,66,66,667	2019-04-30
Term Loan	Hinduja Leyland Finance - TL	10,00,00,000	1,00,71,721	2019-06-07
Term Loan	Hinduja Leyland Finance - TL	5,00,00,000	66,89,304	2019-07-07
Term Loan	Nabkisan Finance Limited	15,00,00,000	2,72,72,732	2019-08-05
Term Loan	Manappuram Finance Limited	10,00,00,000	1,66,66,672	2019-08-31
Term Loan	IDFC First Bank Limited	25,00,00,000	10,00,00,007	2020-03-27
Term Loan	Bank of Baroda	15,00,00,000	5,00,00,000	2020-01-24
Term Loan	Muthoot Capital Services Ltd	7,50,00,000	2,50,00,006	2020-03-30
Term Loan	Nabard Finance Services Limited	10,00,00,000	2,99,99,995	2019-12-21
Term Loan	Union Bank Of India	20,00,00,000	8,00,00,000	2020-03-10
Term Loan	United Bank of India	6,00,00,000	3,00,00,000	2020-09-06
Term Loan	MAS Financials	15,00,00,000	62,49,997	2019-04-30
Term Loan	Dena Bank	10,00,00,000	3,61,12,021	2020-03-31
Term Loan	Dhanalaxmi Bank	5,00,00,000	1,66,46,320	2020-03-31
Term Loan	IDFC First Bank Limited	10,00,00,000	5,83,33,333	2020-10-20
Term Loan	Muthoot Capital Services Ltd	7,50,00,000	2,91,66,671	2020-05-31
Term Loan	Hinduja Leyland Finance - TL	10,00,00,000	4,35,46,969	2020-05-07
Term Loan	IDFC First Bank Limited	10,00,00,000	5,83,33,336	2020-10-20
Term Loan	MAS Financials	15,00,00,000	2,49,99,998	2019-07-10
Term Loan	Manappuram Finance Limited	6,70,00,000	3,34,99,999	2020-07-31
Term Loan	Hinduja Leyland Finance - TL	7,00,00,000	3,84,45,624	2020-09-07
Term Loan	Fed Finance Services Limited	15,00,00,000	11,53,84,614	2021-09-01
Term Loan	IFMR Capital	5,00,00,000	1,16,55,501	2019-08-12
Term Loan	MAS Financials	7,00,00,000	1,74,99,994	2019-09-30
Term Loan	MAS Financials	8,00,00,000	2,00,00,005	2019-09-30
Term Loan	MAS Financials	10,00,00,000	2,49,99,993	2019-09-30
Term Loan	IDFC First Bank Limited	25,00,00,000	15,00,15,128	2020-09-25
Term Loan	Nabkisan Finance Limited	15,00,00,000	9,58,33,326	2021-03-01
Term Loan	Dena Bank	25,00,00,000	17,52,60,868	2020-10-30
Term Loan	Nabsamrudhi	10,00,00,000	6,25,00,000	2021-09-30
Term Loan	Visu Leasing and Finance Limited	15,00,00,000	5,47,57,716	2019-11-10

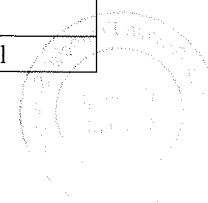
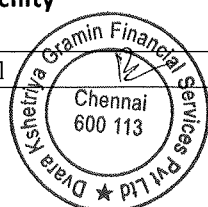


(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

Term Loan	Avanse Finance Limited	12,50,00,000	4,54,46,271	2019-11-25
Term Loan	Piramal Finance Limited	25,00,00,000	13,29,69,682	2020-03-05
Term Loan	Hinduja Leyland Finance - TL	7,00,00,000	4,39,65,265	2020-12-29
Term Loan	MAS Financials	15,00,00,000	5,62,50,000	2019-12-27
Term Loan	Maanaveeya	20,00,00,000	13,12,50,002	2020-12-22
Term Loan	Manappuram Finance Limited	20,00,00,000	13,33,33,327	2021-01-31
Term Loan	Shriram City Union	15,00,00,000	10,10,19,808	2021-02-05
Term Loan	Federal Bank	15,00,00,000	11,50,00,000	2021-02-16
Term Loan	Bank of Baroda	50,00,00,000	38,33,33,333	2021-02-28
Term Loan	MAS Financials	15,00,00,000	7,49,99,999	2020-03-20
Term Loan	MAS Financials	15,00,00,000	7,49,99,999	2020-03-20
Term Loan	MAS Financials	10,00,00,000	6,66,66,662	2020-07-10
Term Loan	MAS Financials	10,00,00,000	6,66,66,662	2020-07-10
Term Loan	Northern Arc Capital	20,00,00,000	13,14,78,029	2020-06-26
Term Loan	Shriram City Union	10,00,00,000	8,09,26,366	2021-07-05
Term Loan	MAS Financials	20,00,00,000	13,33,33,335	2020-07-10
Term Loan	Utkarsh Small Bank	20,00,00,000	16,92,30,770	2021-10-24
Term Loan	Northern Arc Capital	5,00,00,000	3,67,74,362	2020-08-13
Term Loan	Manappuram Finance Limited	10,00,00,000	8,58,59,833	2021-09-30
Term Loan	MAS Financials	20,00,00,000	14,99,99,995	2020-09-19
Term Loan	Northern Arc Capital	15,00,00,000	7,68,88,694	2020-09-07
Term Loan	Maanaveeya	25,00,00,000	22,91,67,000	2021-10-16
Term Loan	MAS Financials	4,00,00,000	3,33,33,332	2020-11-25
Term Loan	MAS Financials	4,00,00,000	3,33,33,332	2020-11-25
Term Loan	MAS Financials	4,00,00,000	3,33,33,332	2020-11-25
Term Loan	MAS Financials	3,00,00,000	2,50,00,000	2020-11-25
Term Loan	MAS Financials	5,00,00,000	4,58,33,334	2021-01-08
Term Loan	MAS Financials	5,00,00,000	4,58,33,334	2021-01-08
Term Loan	MAS Financials	5,00,00,000	4,58,33,334	2021-01-08
Term Loan	ESAF Small Finance Bank	20,00,00,000	20,00,00,000	2021-02-26
Term Loan	Northern Arc Capital	5,00,00,000	5,00,00,000	2021-02-21
Term Loan	Muthoot Finance Ltd	5,00,00,000	4,99,99,901	2020-07-31
Term Loan	Manappuram Finance Limited	15,00,00,000	15,00,00,000	2021-03-31
Term Loan	Northern Arc Capital	5,00,00,000	5,00,00,000	2021-03-15
Term Loan	Utkarsh Small Bank	10,00,00,000	10,00,00,000	2022-06-18
Term Loan	Muthoot Capital Services Ltd	15,00,00,000	15,00,00,000	2022-03-28

b. Details of Unsecured Loan Facilities as on March 31, 2019:- NIL

Facility	Institution Name	Sanction Amount	POS as of 31/3/2019	Maturity Date
Nil	Nil	Nil	Nil	Nil



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

c. Details of Non-convertible debentures as of March 31, 2019

Facility	Institution Name	Sanction Amount	POS as of 31/3/2019	Maturity Date
Listed NCD	Karvy Capital - Subdebt	18,00,00,000	18,00,00,000	2022-06-29
Listed NCD	Karvy Capital - Subdebt	12,00,00,000	12,00,00,000	2022-07-28
NCD	Aditya Birla Finance Limited	15,00,00,000	12,08,33,099	2021-08-25
NCD	Individual	15,00,000	15,00,000	2021-03-31
NCD	Individual	20,00,000	20,00,000	2021-03-31
NCD	Individual	10,00,000	10,00,000	2021-03-31

d. List of Top 10 Debenture Holders as on March 31, 2019: -

Sl.	Name of the Transaction	Amount o/s)
1	ADITYA BIRLA FINANCE LIMITED	120833099
2	ARVIND RAO	8552934
3	P R MOHAN	4363060
4	JAI DRINKS PRIVATE LIMITED	2619260
5	AMARJIT SAHAY	2414000
6	USHA RAJGARHIA	2191298
7	ATMA PRAKASH DADOO	2056126
8	KOCHUTHERESSIA THOMAS K.A.THOMAS	2000000
9	ASHA DADOO	2042402
10	KAMAL KISHORE AGARWAL	1848770

- e. The amount of corporate guarantee issued by the Issuer along with name of the counterparty (like name of the subsidiary, JV entity, group company, etc) on behalf of whom it has been issued. - NIL
- f. Details of Commercial Paper:- The total Face Value of Commercial Papers Outstanding as on the latest quarter end to be provided and its breakup in following table:- NIL
- g. Details of Rest of the borrowing (if any including hybrid debt like FCCB, Optionally Convertible Debentures / Preference Shares) as on March 31, 2018 – 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 Company, 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

XII. DETAILS OF PROMOTERS OF THE COMPANY:-

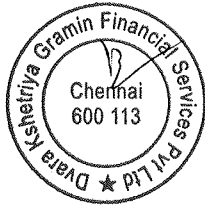


(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

i. Details of Promoter Holding in the Company as on the latest quarter end 2019:-

Sr No	Name of the shareholders	Total No of Equity shares	No .of shares 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	Dvara Trust	32,33,833	32,33,833	44.50	NIL	NIL

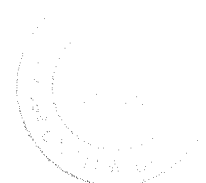
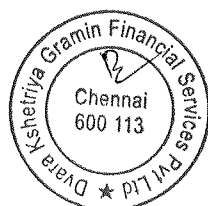
Abridged version of Audited Consolidated (wherever available) and Standalone Financial Information (like Profit & Loss statement, Balance Sheet and Cash Flow statement) for at least last three years and auditor qualifications , if any*.



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

Pudhuaaru Financial Services Private Limited
Statement of profit and loss for the year ended March 31, 2018
(All amounts are in Indian Rupees, except share data and as stated)

	Note	For the year ended March 31, 2018
REVENUE		
Revenue from operations	17	1,125,206,847
Other income	18	19,965,493
		<u>1,145,172,340</u>
EXPENSES		
Employee benefits	19	7,468,650
Finance costs	20	600,637,985
Depreciation and amortisation	21	590,064
Other expenses	22	388,285,957
Provision and loan losses	23	10,872,010
		<u>1,007,854,666</u>
Profit before tax		137,317,674
Tax expense		
Current tax	24	40,998,414
Deferred tax charge		4,642,406
		<u>45,640,820</u>
Profit for the year		91,676,854
Earnings per equity share (Face value of INR 100 per share)	33	
Basic and diluted		12.59



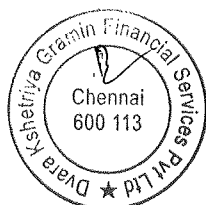
(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

Pudhuanaru Financial Services Private Limited

Balance sheet as at March 31, 2018

(All amounts are in Indian Rupees, except share data and as stated)

	Note	As at March 31, 2018
EQUITY AND LIABILITIES		
Shareholders' funds		
Share capital	3	727,979,000
Reserves and surplus	4	113,473,979
		<u>841,452,979</u>
Non-current liabilities		
Long-term borrowings	5	3,220,399,301
Deferred tax liabilities (net)	6	11,068,406
Long-term provisions	7	6,128,755
		<u>3,237,596,462</u>
Current liabilities		
Trade payables	8	-
- dues to micro enterprises and small enterprises		-
- dues to creditors other than micro enterprises and small enterprises		46,202,181
Other current liabilities	9	2,618,147,260
Short-term provisions	7	65,162,448
		<u>2,729,511,889</u>
		<u><u>6,808,561,330</u></u>
ASSETS		
Non-current assets		
Fixed assets		
- Property, plant and equipment	10.1	1,847,593
- Intangible fixed assets	10.2	-
Receivables under financing activity	11	1,400,085,759
Long-term loans and advances	12	81,243,421
Other non-current assets	13	211,689,625
		<u>1,694,866,398</u>
Current assets		
Receivables under financing activity	11	3,885,439,195
Cash and bank balances	14	988,365,798
Short-term loans and advances	15	147,141,471
Other current assets	16	92,748,468
		<u>5,113,694,932</u>
		<u><u>6,808,561,330</u></u>



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

Pudhuvu Financial Services Private Limited
Statement of Profit and Loss For the Year ended March 31, 2017

Amount in INR

Particulars	Note No	For the Year ended March 31, 2017	For the Year ended March 31, 2016
I. Revenue from operations	17	638,236,543	429,533,801
II. Other income	18	49,204,385	151,847,445
III. Total Revenue (I+II)		687,440,928	581,381,246
IV. Expenses			
Employee Benefits Expense	19	7,240,291	4,865,853
Finance Costs	20	377,675,955	269,508,106
Depreciation and Amortisation Expense	10	877,776	1,627,164
Other Expenses	21	266,727,596	292,810,006
Total Expenses		652,521,618	568,811,129
V. Profit Before Tax (III-IV)		34,919,310	22,570,117
VI. Tax Expense			
Current Tax - MAT		9,158,050	4,645,000
Short/excess Provision for Tax - Earlier Years		(39,600)	47,530
Less: Mat Credit Entitlement		(1,564,000)	(2,993,559)
Deferred Tax Charge/(Credit)		4,830,000	5,861,522
Total Tax Expense		12,385,050	7,560,493
VII. Profit For the Year After Tax		22,534,260	15,009,624
Earnings Per Equity Share (Face Value of INR 100 Per Share)			
Basic and diluted		4.71	3.34

See accompanying notes forming part of the Financial Statements

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants



Bhavani Balasubramanian
Partner



Place: Chennai
Date: 15.5.2017

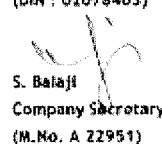
For and on behalf of the Board of Directors
Pudhuvu Financial Services Private Limited



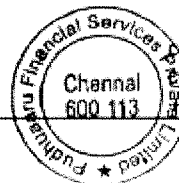
K. Venkatesh
Managing Director
(DIN : 02078403)

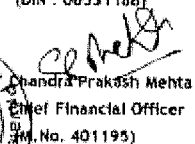


Bama Balakrishnan
Director
(DIN : 06531188)

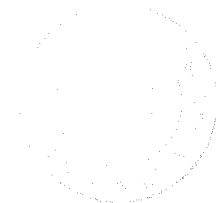
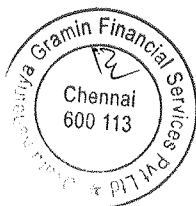


S. Balaji
Company Secretary
(M.No. A 22951)





Chandrakrishna Mehta
Chief Financial Officer
(M.No. 401195)



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

Pudhuanu Financial Services Private Limited
Balance Sheet As at March 31, 2017

Amount in INR

Particulars	Note No	As at March 31, 2017	As at March 31, 2016
I. EQUITY AND LIABILITIES			
1. Shareholders' funds			
(a) Share capital	3	727,979,000	477,979,000
(b) Reserves and surplus	4	21,797,125	(737,135)
2. Non-current liabilities			
(a) Long term borrowings	5	1,801,872,205	654,371,910
(b) Deferred tax liabilities (net)	28	6,426,000	1,596,000
(c) Long term provisions	6	4,739,286	1,874,241
3. Current liabilities			
(a) Trade payables:-			
(A) Total outstanding dues of micro enterprises and small enterprises	7		
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		13,825,887	15,576,265
(b) Other current liabilities	8	1,759,206,399	1,431,038,897
(c) Short term provisions	9	33,058,765	24,643,455
Total		4,368,905,167	2,606,344,633
II. ASSETS			
1. Non-current assets			
(a) Fixed assets			
(i) Tangible assets (Property, Plant & Equipment)	10	7,507,809	3,427,673
(ii) Intangible assets		12,488	14,588
(b) Receivables under financing activity	11	764,372,465	544,604,238
(c) Long-term loans and advances	12	71,161,144	55,115,431
(d) Other non-current assets	13	103,441,563	60,095,873
2. Current assets			
(a) Receivables under financing activity	11	2,331,797,164	1,400,986,672
(b) Cash and cash equivalents	14	965,568,216	437,896,555
(c) Short-term loans and advances	15	13,229,879	15,478,210
(d) Other current assets	16	116,814,439	88,725,193
Total		4,368,905,167	2,606,344,633

See accompanying notes to the Financial Statements

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

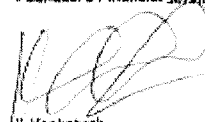


Bhavani Batasubramanian
Partner

Place: Chennai
Date: 15.5.2017



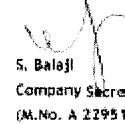
For and on behalf of the Board of Directors
Pudhuanu Financial Services Private Limited



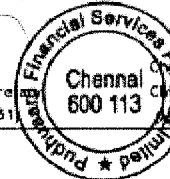
K. Venkatesh
Managing Director
(DIN: 02078403)

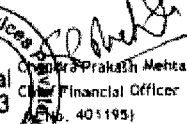


Bama Balakrishnan
Director
(DIN: 06531188)

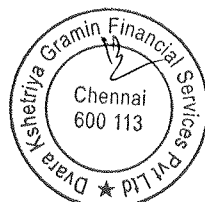


S. Balaji
Company Secretary
(M.No. A 22951)





Prakash Mehta
Financial Officer
(No. 401195)



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

Pudhuvaru Financial Services Private Limited
Statement of Profit and Loss For the Year ended March 31, 2016

Particulars	Note No	Amount in INR	
		For the Year ended March 31, 2016	For the Year ended March 31, 2015
I. Revenue from operations	18	439,533,801	412,159,091
II. Other Income	19	151,847,445	26,442,177
III. Total Revenue (I+II)		591,381,246	438,601,269
IV. Expenses			
Employee Benefits Expense	20	4,865,853	2,116,982
Finance Costs	21	272,040,272	244,668,754
Depreciation and Amortisation Expense	11	1,627,164	6,314,470
Other Expenses	22	290,277,840	144,264,385
Total Expenses		568,811,129	397,364,591
V. Profit Before Tax (III-IV)		22,570,117	41,236,678
VI. Tax Expense			
Current Tax - MAT		4,645,000	9,191,000
Short/excess Provision for Tax - Earlier Years		47,530	-
Less: Mat Credit Entitlement		(2,993,559)	(8,630,439)
Deferred Tax Charge/(Credit)		5,861,522	(1,970,543)
Total Tax Expense		7,560,493	(1,409,932)
VII. Profit For the Year After Tax		15,009,624	42,646,610
Earnings Per Equity Share (Face Value of INR 100 Per Share) Basic and diluted	28	3.34	10.37

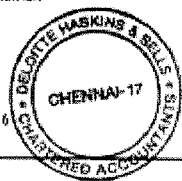
See accompanying notes forming part of the Financial Statements

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

Bhavani Balasubramanian

Bhavani Balasubramanian
Partner

Place: Chennai
Date: 21st May 2016



For and on behalf of the Board of Directors
Pudhuvaru Financial Services Private Limited

K. Venkatesh

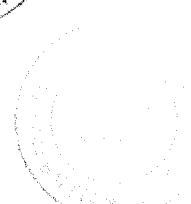
K. Venkatesh
Managing Director
(DIN : 02078403)

Ishitha K
Ishitha K
Company Secretary
(M.No. A39840)

Bama Balakrishnan

Bama Balakrishnan
Director
(DIN : 06531164)

Chandra Prakash Mehta
Chandra Prakash Mehta
Chief Financial Officer
(M.No. 401195)



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

Pudhuanu Financial Services Private Limited
Balance Sheet As at March 31, 2016

Amount in INR

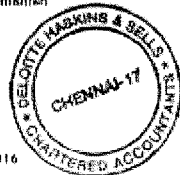
Particulars	Note No	As at March 31, 2016	As at March 31, 2015
I. EQUITY AND LIABILITIES			
1. Shareholders' funds			
(a) Share capital	3	477,999,000	447,999,000
(b) Reserves and surplus	4	(737,135)	(15,746,759)
2. Non-current liabilities			
(a) Long term borrowings	5	654,371,910	785,117,100
(b) Deferred tax liabilities (net)	29	1,596,000	-
(c) Long term provisions	6	1,874,241	978,499
3. Current liabilities			
(a) Short term borrowings	7	-	66,575,422
(b) Trade payables-	8	-	-
(A) Total outstanding dues of micro enterprises and small enterprises		-	-
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		15,573,710	13,970,349
(c) Other current liabilities	9	1,433,174,121	994,213,309
(d) Short term provisions	10	22,512,766	24,324,527
Total		2,606,344,633	2,317,412,345
II. ASSETS			
1. Non-current assets			
(a) Fixed assets	11	-	-
(i) Tangible assets		3,427,671	5,654,205
(ii) Intangible assets		54,589	17,345
(b) Deferred tax assets (net)	29	-	4,265,522
(c) Receivables under financing activity	12	544,804,238	339,087,392
(d) Long-term loans and advances	13	95,115,401	43,616,156
(e) Other non-current assets	14	60,095,871	48,681,926
2. Current assets			
(a) Receivables under financing activity	12	1,400,986,672	1,468,334,702
(b) Cash and cash equivalents	15	437,496,555	234,491,073
(c) Short-term loans and advances	16	15,475,210	62,795,451
(d) Other current assets	17	88,725,393	91,508,772
Total		2,606,344,633	2,317,412,345

See accompanying notes to the Financial Statements

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

Dhevanth Balasubramanian

Dhevanth Balasubramanian
Partner



Place: Chennai
Date: 21st May 2016

For and on behalf of the Board of Directors
Pudhuanu Financial Services Private Limited

K. Venkatesh

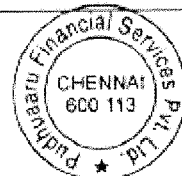
K. Venkatesh
Managing Director
(DIN : 02078403)

Estelita R
Estelita R
Company Secretary
(M.No. A39840)

Bhama Balakrishnan

Bhama Balakrishnan
Director
(DIN : 06531144)

Chandrabhushan Mahesh
Chandrabhushan Mahesh
Chief Financial Officer
(M.No. 401195)



* The Issuer undertakes that it shall provide latest Audited or Limited Review Financials in line with timelines as mentioned in Simplified Listing Agreement issued by SEBI vide circular No.SEBI/IMD/BOND/1/2009/11/05 dated May 11, 2009 as amended from time to

(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

time, for furnishing / publishing its half yearly/ annual result. Further, the Issuer shall within 180 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 two working days of their specific request.

XIII. 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.

NIL

XIV. 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 in this Shelf Disclosure Document 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. Investors should also read the detailed information set out elsewhere in this Shelf Disclosure Documents and reach their own views prior to making any investment decision.

a. 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.

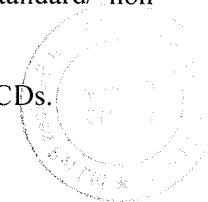
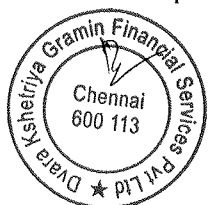
b. THE SECONDARY MARKET FOR DEBENTURES MAY BE ILLIQUID.

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.

c. 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.

d. CHANGES IN INTEREST RATES MAY AFFECT THE PRICE OF NCDs.



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

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.

e. 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.

f. 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.

g. 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.

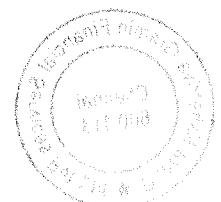
h. LEGALITY OF PURCHASE

Potential investors of the Debentures will be responsible for the lawfulness of the acquisition of the Debentures, whether under the laws of the jurisdiction of its incorporation or the jurisdiction in which it operates or for compliance by that potential investor with any law, regulation or regulatory policy applicable to it.

i. 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.

RISKS RELATED TO THE BUSINESS OF THE ISSUER



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

- a. ***All the loans provided by the Issuer are secured. However, if the Issuer is unable to control the level of non-performing loans ("NPAs") in the future, or if the loan loss reserves are insufficient to cover future loan losses, the financial condition of the Issuer and results of operations may be materially and adversely affected. Non-performing or low credit quality loans can negatively impact its results of operations.***

As at March 31, 2019, the gross NPA was 11.76 crores on a gross portfolio of Rs.611.20 crores (1.92% of gross portfolio).

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 its NPAs or adequately recover its loans, the results of its operations will be adversely affected.

The Issuer's current loan loss reserves may not be adequate to cover an increase in the amount of NPAs or any future deterioration in the overall credit quality of the Issuer's total loan portfolio. As a result, if the quality of the Issuer's total loan portfolio deteriorates the Issuer may be required to increase the loan loss reserves, which will adversely affect the Issuer's financial condition and results of operations. The Issuer's borrowers are from the middle and lower middle class segments 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 the Issuer's 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 is unable to control or reduce the level of its NPAs or poor credit quality loans, the Issuer's financial condition and results of the Issuer's operations could be materially and adversely affected.

- b. ***The Issuer is exposed to certain political, regulatory and concentration of risks***

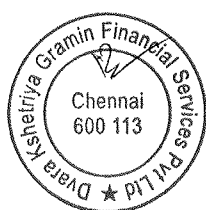
Due to the nature of its operations, the Issuer is exposed to political, regulatory and concentration risks.

- c. ***The Issuer intends to expand into new cities, with no guarantee that these operations will be successful***

The Issuer plans to expand its operations in all the six (6) states in which it has a presence currently and new states across India. The Issuer believes that this strategy is advisable from a financial perspective and that it will provide risk diversification benefits and enable it to achieve its corporate objectives. However, if the Issuer 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.

- d. ***Competition from other financial institutions may adversely affect the Issuer's profitability***

The Issuers considers that commercial banks and other NBFCs have generally not targeted its client base effectively. However, banks and NBFCs do offer loans to individual proprietors either on an unsecured basis or against the value of their personal property. There are also housing finance companies that provide loans to this customer group. It is possible that their activities in this sector could increase, resulting in competition that adversely affects its profitability and financial position.



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

The Issuer believes that its sector expertise, credit analysis and portfolio management capabilities are all sources of competitive strength and are a mitigant to this risk.

e. ***Changes in interest rates of the loans that the Issuer can borrow could reduce profit margins***

If the cost of the loans that the Issuer receives increases, due to either market or credit movements, the net interest margin might reduce and adversely affect the Issuer's financial condition.

f. ***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 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 dependent on its team of personnel who directly manage its relationships with its borrowers. 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 borrowers 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 high, 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.

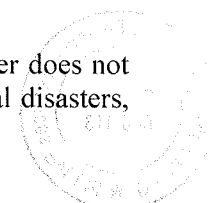
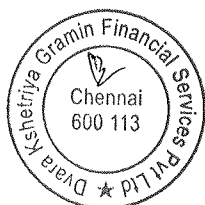
g. ***The Issuer's business and results of operations would be adversely affected by strikes, work stoppages or increased wage demands by employees***

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.

h. ***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***

The Issuer maintains insurance coverage of the type and in the amounts that it believes are commensurate with its operations and other general liability insurances. The Issuer's insurance policies, however, may not provide adequate coverage in certain circumstances and may be subject to certain deductibles, exclusions and limits on coverage.

In addition, 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,



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

because they are either uninsurable or because insurance is not available to the Issuer on acceptable terms. A successful assertion of one or more 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

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

Non-Banking Financial Companies in India are subject to strict regulation and supervision by the RBI. The Issuer requires certain approvals, licenses, registrations and permissions for operating, including registration with the RBI as a NBFC. Further, such approvals, licenses, registrations and permissions must be maintained/renewed over time, applicable requirements may change and 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 that is subject to numerous conditions. In addition, branches are required to be registered under the relevant shops and establishments laws of the states in which they are located. The shops and establishment 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, 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, its certificate of registration may be suspended or cancelled and the Issuer shall not be able to carry on such activities.

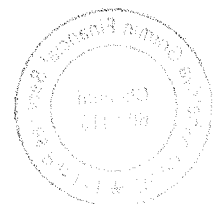
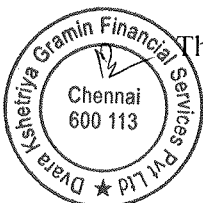
- j. ***Issuer may be required to increase capital ratio or amount of loan loss reserves, which may result in changes to business and accounting practices that would harm business and results of operations.***

The Issuer is subject to the RBI minimum capital to risk weighted assets ratio regulations. Pursuant to Section 45-IC of the RBI Act, 1934, every NBFC is required to create a reserve fund and transfer thereto a sum not less than 20.0% (Twenty Percent) of its net profit every year, as disclosed in the profit and loss account and before any dividend is declared. The Issuer is also required to maintain a minimum capital adequacy ratio of 15.0% (Fifteen Percent) in relation to aggregate risk-weighted assets and risk adjusted assigned loans. The RBI may also in the future require compliance with other financial ratios and standards. Compliance with such regulatory requirements in the future may require alteration of its business and accounting practices or take other actions that could materially harm its business and operating results

SECTION 2: TRUSTEES

Catalyst Trusteeship Limited has agreed to act as the trustees for and on behalf of the Debenture holder vide their letter dated May 28, 2019 and have given their consent to the Company for their appointment as the trustee under regulation 4 (4) of the SEBI (Issue and Listing of Debt Securities) Regulations, 2008 dated June 6, 2008, as amended from time to time and in all the subsequent periodical communications sent to the holders of debt securities.

The consent letter of the trustee has been provided in Annexure II.



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

SECTION 3: RATING RATIONALE ADOPTED BY THE RATING AGENCIES

The Company proposes to issue 2,00,00,000 (Two Crore) Unsecured, Rated, Senior, Redeemable, Taxable, Transferable, Listed Non-Convertible Debentures of face value of Rs. 10 /- (Rupees Ten Only) each, aggregating up to Rs. 20,00,00,000/- (Rupees Twenty Crores Only) issued on a fully paid basis and on a private placement basis (the "Issue").

Rating: The NCDs are rated '**BBB/ Stable**' by **CARE** vide their letter dated May 30, 2019. Instruments with this rating are considered to have adequate degree of safety regarding timely servicing of financial obligations. Such instruments carry low credit risk.

Please note that the rating is not a recommendation to buy, sell or hold securities and investors should take their own decision. The rating may be subject to revision or withdrawal at any time by the assigning rating agency and each rating should be evaluated independently of any other rating. The rating obtained is subject to revision at any point of time in the future. The rating agencies have a right to suspend, withdraw the rating at any time on the basis of new information etc.

The rating rationale has been provided in Annexure III.

SECTION 4: SECURITY

The Debentures issued by the Company are unsecured.

SECTION 5: LISTING

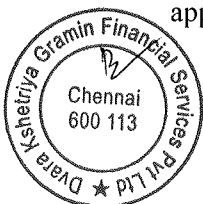
The Issuer shall list the Debentures at the WDM segment of BSE Limited within 20 (twenty) calendar days from the Deemed Date of Allotment failing which the Company shall be required to redeem or buy back the Debentures issued along with all interest accrued till such redemption or buy back and the Issuer shall also maintain continuous listing till the term of the Debentures. The Issuer shall comply with all the listing requirements including payment of listing fee to ensure continued listing of the Debentures during the tenor of the Debentures.

SECTION 6: DRR

The Company undertakes that, if required to do so, it would create a Debenture Redemption Reserve ("DRR") as per the provisions of the Act and the guidelines issued by SEBI, and if during the currency of the Debentures, any guidelines are formulated (or modified or revised) by any government agency having authority under Law in respect of creation of DRR, the Company shall abide by such guidelines and execute all such supplemental letters, agreements and deeds of modifications as may be required by the Trustee. Where applicable, the Company shall submit to the Trustee, within 45 (forty five) days from the end of each Financial Year, a certificate issued by its auditors certifying that the Company has created and maintained the DRR in accordance with the provisions of the Act.

SECTION 7: ISSUE/INSTRUMENT SPECIFIC REGULATIONS – RELEVANT DETAILS

The issue of Debentures is in compliance with/governed by the relevant provisions of applicable law including the following:

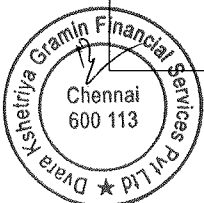


(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

- a) Companies Act, 1956, to the extent applicable;
- b) Companies Act, 2013, to the extent applicable;
- c) Companies (Share Capital and Debentures) Rules, 2014;
- d) Companies (Prospectus and Allotment of Securities) Rules, 2014;
- e) RBI circular on *Raising Money through Private Placement of Non-Convertible Debentures (NCDs) by NBFCs*, dated February 20, 2015
- f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended from time to time; and
- g) The Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, as amended from time to time.
- h) Securities and Exchange Board of India (Listing Obligations and Disclosure) Requirements Regulations, 2015, as applicable

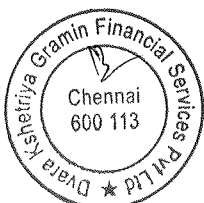
SECTION 8: DETAILS OF THE ISSUE

Security Name	13.713% Dvara Kshetriya Gramin Financial Services Private Limited 2024
Issuer	Dvara Kshetriya Gramin Financial Services Private Limited
Type of Instrument	Non-Convertible Debentures
Nature of Instrument	Unsecured, Rated, Senior, Redeemable, Taxable, Transferable, Listed Non-Convertible Debentures
Seniority	Senior Unsecured
Mode of Issue	Private placement
Eligible Investors	As per Section 12 below
Listing (including name of stock Exchange(s) where it will be listed and timeline for listing)	<p>To be listed on the wholesale debt market segment of the BSE Limited</p> <p>(a) Within 15 calendar days of the relevant Deemed Date of Allotment, the Company shall submit all duly completed documents to the BSE, SEBI, ROC or any other Governmental Authority, as are required under Applicable Law and obtain the listing of the Debentures within 20 (Twenty) calendar days from the Deemed Date of Allotment ("Listing Period"). PROVIDED THAT, if any of the Debenture Holders are foreign portfolio investors then the Listing Period shall be deemed to be 15 (Fifteen) calendar days from the Deemed Date of Allotment and if the Debentures are not listed within the Listing Period for any reason whatsoever, then the Company will immediately redeem and/or buyback the Debentures from the Debenture Holders that are foreign portfolio investors.</p> <p>(b) If the Company fails to redeem or buyback the Debentures in accordance with (a) above, then any Debenture Holder that is a foreign portfolio investor, may, at its option, sell the Debentures to a third party. The Company shall (i) indemnify such Debenture Holders for any loss, damage, costs, charges, expenses and liability that the Debenture Holder(s) may incur in relation to such sale to a third party, and (ii) co-operate in such sale by taking all necessary corporate actions, and other actions required by Applicable Law.</p> <p>(c) The Company shall ensure that the Debentures continue to be</p>



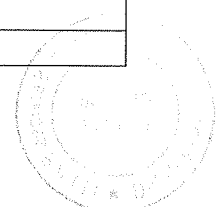
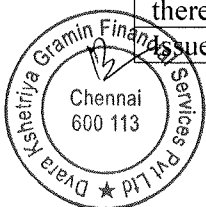
(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

Security Name	13.713% Dvara Kshetriya Gramin Financial Services Private Limited 2024
	<p>listed on the wholesale debt market segment of the BSE.</p> <p>(d) The Company shall ensure that the Debentures at all times are rated in accordance with the provisions of the Transaction Documents and that the rating of the Debentures is not downgraded or withdrawn throughout the tenor of the Debentures.</p> <p>In the event there is any delay in listing of the Debentures beyond 20 (twenty) calendar days from the relevant Deemed Date of Allotment, the Company will pay to the Debenture Holders, penal interest of 1% per annum over the Interest Rate, from the expiry of 30 (thirty) calendar days from the Deemed Date of Allotment till the listing of the Debentures is completed.</p> <p>In the event that the NCDs are not listed within 20 (Twenty) days from the Deemed Date of Allotment for any reason whatsoever, then to the extent that any Debenture Holders are Foreign Institutional Investors or sub-accounts of Foreign Institutional Investors or Qualified Foreign 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.</p>
Rating of the Instrument	BBB (Stable) by CARE Ratings Limited
Issue Size	Rs 20,00,00,000/- (Rupees Twenty Crores only)
Number of debentures	2,00,00,000
Option to retain oversubscription (Amount)	N.A.
Objects of the Issue	To raise senior unsecured debt to the extent up to Rs 20,00,00,000/- (Rupees Twenty Crores only)
Details of the utilization of the Proceeds	<p>The proceeds of the Issuance will be utilized for the following purposes:</p> <ul style="list-style-type: none"> • General corporate purposes • for the ordinary course of business of the Issuer including repayment/re-financing of existing debt <p>No part of the proceeds shall be utilized directly/indirectly towards capital markets (debt and equity), land acquisition or usages that are restricted for bank financing.</p>
Coupon Rate	13.713% per annum, payable quarterly
Coupon Payment Frequency	Quarterly
Coupon payment dates	As mentioned in Annexure 6 below
Coupon Type	Fixed Coupon Rate
Day Count Basis	Actual/ Actual
Interest on Application Money	13.713% per annum, payable quarterly



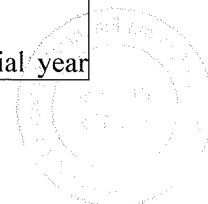
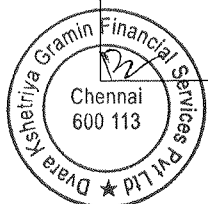
(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

Security Name	13.713% Dvara Kshetriya Gramin Financial Services Private Limited 2024
Default Interest Rate	(a) The Company agrees to pay a default interest rate of 2% (Two per cent) per annum above the applicable Interest Rate on the Outstanding Principal Amounts from the date of the occurrence of a Payment Default or any other Event of Default until such Payment Default or Event of Default is cured. (b) The Company agrees to pay an additional interest rate of 2% (Two per cent) per annum above the applicable Interest Rate on the Outstanding Principal Amounts from the date of the occurrence of any breach of its obligations set out under the Transaction Documents until such breach is cured.
Pre-Payment Penalty	In case of early redemption of the Debentures at the instance of the Issuer, on any date within 36 months from the deemed date of allotment and not arising due to an Event of Default, the Issuer shall pay a penalty of 2% (Two Percent) on the principal amount prepaid. Prepayment shall be subject to the consent of the Majority Debenture Holders. The Issuer shall give the Debenture Trustee and the Debenture Holders at least 15 (Fifteen) Business Days written notice prior to the date of such meeting where consent of the Debenture Holders shall be sought. For the sake of clarity, any prepayment of the Debentures at the instance of the Issuer after 36 months from the deemed date of allotment will be without any prepayment penalty and subject to a prior written notice of atleast 15 Business Days to the debenture holders.
Tenor	60 Months from the Deemed Date of Allotment
Redemption Date	May 30, 2024
Redemption Amount	The sum of the principal outstanding on the Debentures, accrued Coupon, Default Interest payable (if any) and other charges and fees payable.
Redemption Premium /Discount	Not Applicable
Issue Price	At par
Discount at which security is issued and the effective yield as a result of such discount.	Not Applicable
Put option Date	Not Applicable
Put option Price	Not Applicable
Call Option Date	Not Applicable
Call Option Price	Not Applicable
Put Notification Time	Not Applicable
Call Notification Time	Not Applicable
Face Value	Rs. 10/- (Rupees Ten Only) per Debenture
Minimum Application and in multiples of 1 Debt securities thereafter	1 Debentures and in multiple of 1 Debentures thereafter.
Issue Timing	



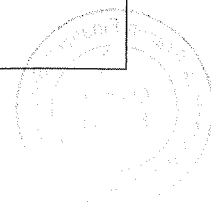
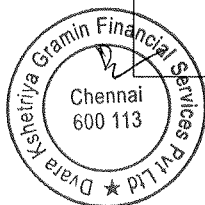
(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

Security Name	13.713% Dvara Kshetriya Gramin Financial Services Private Limited 2024
1. Issue Opening Date	May 30, 2019
2. Issue Closing Date	May 30, 2019
3. Pay-in Date	May 30, 2019
4. Deemed Date of Allotment	May 30, 2019
Issuance mode of the Instrument	Demat only
Trading mode of the Instrument	Demat only
Settlement mode of the Instrument	RTGS
Depository	NSDL/CDSL
Business Day Convention	If any coupon payment date falls on a day that is not a working day, the payment shall be made on the immediately succeeding working day. If the redemption date/exercise date/maturity date (also being the last coupon payment date) of the Debentures falls on a day that is not a working day, the redemption proceeds shall be paid on the immediately preceding working day.
Record Date	7 (Seven) Business days prior to each Coupon Payment / Redemption date.
Security (where applicable) (Including description, type of security, type of charge, likely date of creation of security, minimum security cover, revaluation, replacement of security).	Not applicable
Financial Covenants	<p>1. The capital adequacy ratio (as defined in NBFC Regulations) shall be equal to 15% at all points in time.</p> <p>For the purpose of the calculations of the capital adequacy as mentioned above:</p> <ul style="list-style-type: none"> - the first loss credit enhancement provided by the Company on securitization shall be reduced from Tier I Capital and Tier II Capital and the deduction shall be capped at 15% of the outstanding securitized portfolio. - the first loss credit enhancement provided by the Company on Loans originated on behalf of other institutions shall be reduced from Tier I Capital and Tier II Capital without any ceiling. - It is also clarified that in computing the amount of subordinated debt eligible for inclusion in Tier II Capital, the aforementioned subordinated debt shall be subject to discounting as prescribed by RBI. <p>2. PAR 90 (on the Borrower's own portfolio) in a financial year</p>



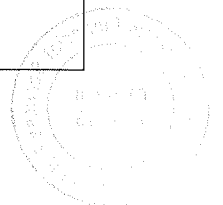
(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

Security Name	13.713% Dvara Kshetriya Gramin Financial Services Private Limited 2024
	<p>shall not exceed 3% (Three Percent) of the Borrower's Own Loan Portfolio;</p> <p>3. PAR 30 (on the Borrower's entire portfolio, including receivables sold or discounted on a non-recourse basis) in a financial year shall not exceed 20% (Twenty Percent) of the Borrower's Gross Loan Portfolio;</p> <p>4. Debt to Tangible Net Worth ratio should not exceed 6.0x, at all times</p> <p>All covenants would be tested on semi-annual basis for the Company, i.e. as on 31st March and 30th Sept every year, starting from 30th September 2019 on consolidated and standalone balance sheet till the redemption of the Debentures.</p> <p>The covenants shall be certified by the Company within 45 (Forty Five) calendar days from the end of each financial half year.</p>
Transaction Documents	Shall mean collectively the Debenture Trust Deed, the Offer Documents, the Debenture Trustee Agreement, the letters issued by the credit rating agency and the registrar and transfer agent, in principle approval of the Stock Exchange, listing agreement with the Stock Exchange, fee letter, all other letters, arrangements and documents in relation to the issuance of the Debentures and any other document designated as a Transaction Document by the Trustee or the Debenture Holders.
Conditions Precedent to Disbursement	<p>(a) The Company shall fulfil the following Conditions Precedent the satisfaction of the Debenture Trustee and submit Conditions Precedent documentation where applicable to the Debenture Trustee, prior to the Pay in Date:</p> <p>(b) All corporate approvals from the Board of Directors and shareholders of the Issuer, if applicable, shall have been received for the issuance of the NCDs, and the execution, delivery and performance by the Issuer of the Transaction Documents in accordance with the Companies Act, 2013, the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other rules prescribed;</p> <p>(c) Execution of the Debenture Trustee Agreement, Debenture Trust Deed, in a form and manner satisfactory to the Debenture Trustee shall have taken place;</p> <p>(d) The Issuer shall have submitted to the Debenture Trustee the rating letter and rating rationale;</p> <p>(e) The Issuer shall have submitted to the Debenture Holders / Debenture Trustee, all required documents for the purpose of satisfying its respective KYC requirements;</p>



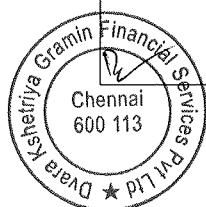
(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

Security Name	13.713% Dvara Kshetriya Gramin Financial Services Private Limited 2024
	(f) The Issuer shall have submitted to the Debenture Trustee a certified true copy of the constitutional documents of the Company (the Memorandum and Articles of Association and the Certificate of Incorporation)
Condition Subsequent to Disbursement	<p>The Issuer shall ensure that the following documents are executed/activities are completed as per the time frame stipulated in the Debenture Trust Deed</p> <ol style="list-style-type: none"> 1. The Issuer shall immediately on receipt of funds, take on all necessary steps to, including making all applicable filings in the Registrar of Companies and obtaining all necessary approvals including filing Form PAS 5 along with the Information Memorandum and Form PAS 3 along with requisite fee within prescribed timelines; 2. Receive final listing approval from the BSE within 20 calendar days from the Deemed Date of Allotment; 3. The Issuer shall ensure credit of demat account(s) of the allottee(s) with the number of NCDs allotted within 2 (Two) Business Days of the Deemed Date of Allotment; 4. The Issuer shall ensure compliance with SEBI / Companies Act 2013 (as applicable) for issuance of NCDs.
Events of Default	As mentioned in the Transaction Documents
Reporting Covenants	<ol style="list-style-type: none"> 1. Quarterly Reports – within 45 (Forty Five) calendar days from the end of each financial quarter <ol style="list-style-type: none"> a) Information on financials b) Financial covenant compliance certificate signed by a Director or the Chief Financial Officer c) Portfolio cuts d) Shareholding pattern 2. Annual Reports – within 120 (One Hundred and Twenty) calendar days from the end of each financial year <ol style="list-style-type: none"> a) Audited financial statements b) A certificate from a Director/Chief Financial Officer confirming that there is no Potential Default or Event of Default; and 3. Event Based Reports – within 5 (Five) Business Days of the event occurring <ol style="list-style-type: none"> a) Change in list of Board of Directors b) Material change in Shareholding structure c) Change in senior management officials (any CXO or equivalent) d) Debarment of any of the board of directors e) Board approval of annual business plan



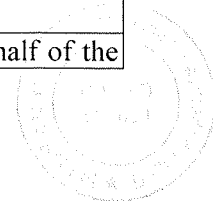
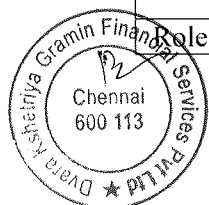
(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

Security Name	13.713% Dvara Kshetriya Gramin Financial Services Private Limited 2024
	<ul style="list-style-type: none"> f) Any fraud amounting to more than 1% of Gross Loan Portfolio g) Changes in accounting policy h) New products introduced or change in existing product features i) New business corresponding relationships or discontinuance of existing relationships j) Revision in business plan k) Change in the constitutional documents of the Company l) Material Adverse Effect m) Any dispute, litigation, investigation or other proceeding which could result in a Material Adverse Effect. n) Winding up proceedings o) Any Event of Default or Potential Default, and any steps taken / proposed to remedy the same. p) Any prepayment or notice of any prepayment of any Indebtedness of the Issuer
Affirmative covenants	<ol style="list-style-type: none"> 1. To utilise the proceeds of this issue in accordance with applicable laws and regulations 2. To comply with corporate governance, fair practices code prescribed by the RBI 3. Notification of any potential Event of Default or Event of Default; 4. Obtain, comply with and maintain all licenses / authorizations 5. Provide details of any material litigation, arbitration or administrative proceedings (materiality threshold to be finalized during documentation) 6. Maintain internal control for the purpose of (i) preventing fraud on monies lent by the Company; and (ii) preventing money being used for money laundering or illegal purposes 7. Permit visits and inspection of books of records, documents and accounts to debenture holders as and when required by them 8. Comply with any monitoring and/or servicing requests from Debenture Holders
Negative covenants	<p>The Issuer shall not without the prior written permission of the Debenture Holders and Debenture Trustee, do or undertake to do any of the following:</p> <ol style="list-style-type: none"> 1. Change in promoter, ownership or control 2. M&A, acquisition, restructuring, amalgamation without approval of Debenture Holders 3. The Issuer shall not, without the prior approval of Debenture Holders, enter into any transaction of merger, de-merger, consolidation, re-organization, scheme of arrangement or compromise with its creditors or shareholders or effect any scheme of amalgamation or reconstruction; provided however that this restriction shall not apply in the event that the compliance with this restriction would result in the Issuer defaulting in relation to any of its payment obligations in relation to the Debentures. 4. The Issuer will not purchase or redeem any of its issued shares or reduce its share capital without the Debenture Holders' prior written consent;



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

Security Name	13.713% Dvara Kshetriya Gramin Financial Services Private Limited 2024
	<ol style="list-style-type: none"> 5. Issuer shall not amend or modify clauses in its Memorandum of Association and Article of Association, where such amendment would have a Material Adverse Effect, without prior consent of the Debenture Trustee 6. Issuer shall not change its financial year-end from 31st March (or such other date as may be approved by Debenture Holders) without prior consent of the Debenture Trustee 7. Any sale of assets/business/division that has the effect of exiting the business or re-structuring of the existing business, to be with the prior consent of the debenture holder 8. The Issuer will not pay dividend, if an Event of Default has occurred and is subsisting 9. Not undertake any new major new business outside financial services or any diversification of its business outside financial services, without approval of NCD holders 10. The Issuer shall not enter into or perform any transaction(s) with a related party or anything that constitutes advancing or borrowing of monies during the Tenor of the NCD, without the prior written intimation to the Debenture holder. Notwithstanding Without prejudice to the foregoing, the Issuer shall not without the prior written consent of the Debenture holder enter into or perform any transaction(s) with a related party which is/are in the nature of loans or advances whereby the overall outstanding amount owed by or to the Issuer under all such transactions exceeds 10% (Ten per cent) of its Net Worth at any point of time during a financial year. For the purposes of this clause, the terms 'Net Worth' and 'Related Party' shall respectively have the meaning ascribed to in sections 2 (57) and 2 (76) of the Companies Act, 2013 (and the Rules framed thereunder). The Issuer shall be in compliance with this covenant throughout the Tenor of the NCD and shall also provide the Lender with access to additional information that the Debenture holder deems necessary to monitor and evaluate the compliance to this covenant during the Tenor.
Provisions related to Cross Default Clause	<p>The Company</p> <p>(i) defaults in any payment of any Indebtedness beyond the period of grace (not to exceed 30 days), if any, provided in the instrument or agreement under which such Indebtedness was created;</p> <p>(ii) defaults in the observance or performance of any agreement or condition relating to any Indebtedness or contained in any instrument or agreement evidencing, securing or relating thereto or any other event shall occur or condition exist, the effect of which default or other event or condition is to cause or to permit the holder or holders of such Indebtedness to cause (determined without regard to whether any notice is required) any such Indebtedness to become due prior to its stated maturity; or</p> <p>(iii) any Indebtedness of the Company shall be declared to be due and payable, or required to be prepaid other than by a regularly scheduled required prepayment, prior to the stated maturity thereof.</p>
Role and Responsibilities	To oversee and monitor the overall transaction for and on behalf of the



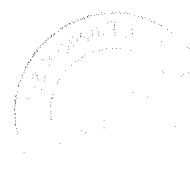
(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

Security Name	13.713% Dvara Kshetriya Gramin Financial Services Private Limited 2024
of Debenture Trustee	Debenture Holders. As provided in the Debenture Trust Deed.
Governing Law and Jurisdiction	The Debentures and Transaction Documents 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 Chennai, India.

SECTION 9: 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*:

- 1. Name of the Bank declaring the entity as a Wilful Defaulter:** Not Applicable
- 2. The year in which the entity is declared as a Wilful Defaulter:** Not Applicable
- 3. Outstanding amount when the entity is declared as a Wilful Defaulter:** Not Applicable
- 4. Name of the entity declared as a Wilful Defaulter:** Not Applicable
- 5. Steps taken, if any, for the removal from the list of wilful defaulters:** Not Applicable
- 6. Other disclosures, as deemed fit by the Issuer in order to enable investors to take informed decisions:** Not Applicable
- 7. Any other disclosure as specified by the Board:** Not Applicable



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

SECTION 10: MATERIAL CONTRACTS AND AGREEMENTS

Set out below is the statement containing particulars of, dates of, and parties to all material contracts and agreements of the Company

- Memorandum & Articles of Association
- Certificate of incorporation and certificate of registration as NBFC with the RBI
- Credit Rating Letter dated May 30, 2019 from CARE.
- Consent from Catalyst Trusteeship Limited to act as trustee vide their Letter dated May 28, 2019.
- Audited Annual reports for the last 3 years starting from the Financial Year 2016
- List of authorized signatories under the resolutions along with their specimen signatures
- Executed Draft of the Debenture Trust Deed and Debenture Trustee Agreement

The above material documents and contracts are available for inspection between 10.00 AM and 5.00 PM on all working days at the registered office of the Company as mentioned below:

Registered Office: 10th Floor-Phase 1, IIT-Madras Research Park, Kanagam Village, Taramani, Chennai 600113 | India

SECTION 11: UNDERTAKING TO USE A COMMON TRANSFER FORM

The Debentures will be issued in dematerialized form only. However, in case of rematerialization of Debentures and transfer thereof, the Company would use a common transfer form.

SECTION 12: TERMS OF OFFER OR PURCHASE/ APPLICATION PROCESS

Terms of offer are set out in Section XI above. Below are the general terms and conditions.

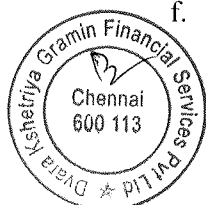
Issue:

Issue of 2,00,00,000 (Two Crore) Unsecured, Rated, Senior, Redeemable, Taxable, Transferable, Listed Non-Convertible Debentures of face value of Rs. 10 /- (Rupees Ten Only) each, aggregating up to Rs. 20,00,00,000/- (Rupees Twenty Crores Only) issued on a fully paid basis and on a private placement basis (the "Issue")

Who Can Apply

Only the persons who are specifically addressed through a communication by or on behalf of the Company directly are eligible to apply for the Debentures. An application made by any other person will be deemed as an invalid application and rejected. In order to subscribe to the Debentures a person must be either

- a. Commercial Banks, Eligible Financial Institutions* and Insurance Companies;
- b. Companies;
- c. Non Banking Finance Companies (NBFCs) and Residuary NBFCs and
- d. Mutual Funds
- e. Foreign Institutional Investors
- f. Provident Funds, Gratuity, Superannuation & Pension Funds, subject to their Investment guidelines



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

**Eligible Financial Institution means such financial institutions from whom monies borrowed even under an unsecured debenture would not constitute a 'deposit' within the meaning of the term as defined under Section 2(b) of the Companies (Acceptance Of Deposits) Rules, 1975.*

a. Application by Scheduled Commercial Banks/ Eligible Financial Institutions

The application must be accompanied by certified true copies of (i) Board Resolution authorising investments or letter of authorization or Power of Attorney and (ii) specimen signatures of authorized signatories.

b. Application by Insurance Companies

The applications must be accompanied by certified true copies of (i) Memorandum and Articles of Association/Constitution/Bye-laws, (ii) Resolution authorising investment and containing operating instructions, (iii) Specimen signatures of authorised signatories and (iv) Form 15 AA for claiming exemption from deduction of Tax on the interest income (including interest on application money), if applicable.

c. Applications by Corporate Bodies/ Companies/ Statutory Corporations/ NBFCs and RNBCs

The applications must be accompanied by certified true copies of (i) Memorandum and Articles of Association (ii) resolution authorizing investment and containing operating instructions, and (iii) specimen signatures of authorized signatories.

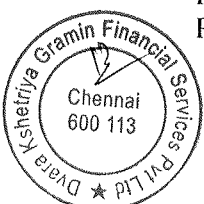
d. Application by Mutual Funds

(i) a separate application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and that such applications shall not be treated as multiple applications.

(ii) the applications made by the asset management companies or custodians of a Mutual Fund shall clearly indicate the name of the concerned scheme for which application is being made.

(iii) The applications must be accompanied by certified true copies of (i) SEBI registration certificate and trust deed (ii) resolution authorizing investment and containing operating instructions and (iii) specimen signatures of authorized signatories.

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 COMPANY. THE COMPANY 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. INVESTMENT BY INVESTORS FALLING IN THE CATEGORIES MENTIONED ABOVE ARE MERELY INDICATIVE AND THE COMPANY DOES NOT WARRANT THAT THEY ARE PERMITTED TO INVEST AS PER EXTANT LAWS, REGULATIONS, ETC. EACH OF



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

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 COMPANY IS NOT, IN ANY WAY, DIRECTLY OR INDIRECTLY, RESPONSIBLE FOR ANY STATUTORY OR REGULATORY BREACHES BY ANY INVESTOR, NEITHER IS THE COMPANY REQUIRED TO CHECK OR CONFIRM THE SAME.

How to Apply

Application(s) for the Debentures must be made submitting the applications forms (the “**Application Form**”) which must be completed in block letters in English.

Application Form(s) must be accompanied by either a demand draft or cheque, drawn or made payable in favour of “Dvara Kshetriya Gramin Financial Services Private Limited”, payable at Chennai and crossed Account Payee only. The payment can also be made by Real Time Gross Settlement (RTGS) by crediting the funds to the account given below:

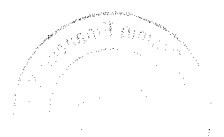
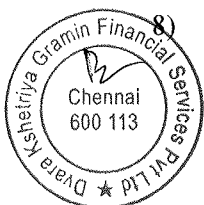
Beneficiary Name	Dvara Kshetriya Gramin Financial Services Private Limited
Bank Name	ICICI Bank
A/c No	000 105 027 257
Branch Address	Cenotaph Branch
IFSC Code	ICIC0000001

The applications must be accompanied by certified true copies of (i) a letter of authorization, and (ii) specimen signatures of authorised signatories.

Instructions For Application

- 1) Application must be completed in BLOCK LETTERS IN ENGLISH. A blank must be left between two or more parts of the name.
- 2) Signatures should be made in English.
- 3) Minimum application shall be for 1 (One) Debenture[s] and in multiples of 1 (One) Debenture[s] thereafter.
- 4) The Debentures are being issued at par to the face value. Full amount has to be paid on application per Debenture applied for. Applications for incorrect amounts are liable to be rejected. Face Value: Rs. 10 (Rupees Ten only)
- 5) Cheques/drafts must be made in the favour of “Dvara Kshetriya Gramin Financial Services Private Limited” and crossed “Account Payee only” payable at Chennai. Money orders or postal orders will not be accepted. The payments can be made by RTGS, the details of which are given above.
- 6) No cash will be accepted.
- 7) The Applicant should mention its permanent account number or the GIR number allotted to it under the Income Tax Act, 1961 and also the relevant Income-tax circle/ward/District.

Applications under Power of Attorney/Relevant Authority



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

In case of an application made under a power of attorney or resolution or authority to make the application a certified true copy of such power of attorney or resolution or authority to make the application and the Memorandum and Articles of Association and/or bye-laws of the Investor must be attached to the Application Form at the time of making the application, failing which, the Company 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 therefore. Further any modifications / additions in the power of attorney or authority should be notified to the Company at its registered office. Names and specimen signatures of all the authorised signatories must also be lodged along with the submission of the completed application.

- 9) An application once submitted cannot be withdrawn. The applications should be submitted during normal banking hours at the office mentioned below:

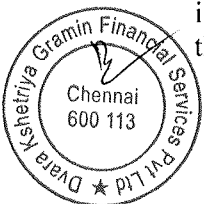
Dvara Kshetriya Gramin Financial Services Private Limited
10th Floor-Phase 1, IIT-Madras Research Park, Kanagam Village, Taramani, Chennai
600113

- 10) The applications would be scrutinised and accepted as per the terms and conditions specified in this Information Memorandum.
- 11) The Company is entitled at its sole and absolute discretion to accept or reject any application, in part or in full without assigning any reason whatsoever. Any application, which is not complete in any respect, is liable to be rejected.
- 12) Applicants residing or situate at places other than in Chennai, may send their application along with cheques or demand drafts to the centre mentioned above. The demand drafts must be payable at par at Chennai. The demand draft charges will have to be borne by the Applicant.
- 13) The Investor/Applicant shall apply for the Debentures in electronic, i.e., dematerialised form only. Applicants should mention their Depository Participant's name, DP-ID and Beneficiary Account Number in the Application Form. In case of any discrepancy in the information of Depository/Beneficiary Account, the Company shall be entitled to not credit the beneficiary's demat account pending resolution of the discrepancy.

The Applicant is requested to contact the office of the Company as mentioned above for any clarifications.

Succession

In case the investor is an individual, in the event of the demise of a registered Debenture holder or the first holder in the case of joint holders, the Company will recognize the executor or administrator of the deceased Debenture holder or the holder of succession certificate or other legal representative of the deceased Debenture holder as having title to the Debenture. The Company shall not be bound to recognize such executor, administrator or holder of the succession certificate unless such a person obtains probate or letter of administration or is the holder of succession certificate or other legal representation, as the case may be, from a Court in India having jurisdiction over the matter and delivers a copy of the same to the Company. The Company may at its absolute discretion, where it thinks fit, dispense with the production of the probate or letter of administration or succession certificate or other legal representation, in order to recognize such holder as being entitled to the Debenture standing in the name of the deceased Debenture holder on production of sufficient documentary proof or indemnity.



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

In case the Debentures are held by a person other than an individual, the rights in the Debenture shall vest with the successor acquiring interest therein, including a liquidator or such any person appointed as per the applicable laws.

Over and above the aforesaid terms and conditions, the Debentures, if any issued under this Information Memorandum, shall be subject to this Information Memorandum, the relevant debenture trust deed and also be subject to the provisions of the Memorandum and Articles of Association of the Company.

Option to Subscribe

The Company has made arrangements for issue and holding of the Debentures in dematerialized form.

Nomination Facility

The Company does not offer any nomination facility to the investors of the Debentures issued under this Information Memorandum.

Minimum Subscription

1 Debentures and in multiples of 1 Debentures thereafter.

Right to accept or reject applications

The Company is entitled at its sole and absolute discretion, to accept or reject any application in part or in full, without assigning any reason. Incomplete Application Forms are liable to be rejected. The full amount of Debenture has to be submitted along with the Application Form. Also, in case of over subscription, the Company reserves the right to increase the size of the placement subject to necessary approvals/certifications, and the basis of allotment shall be decided by the Company.

Interest on Application Money

At the Interest Rate (subject to deduction of tax at source, as applicable) from the date of realization of cheque(s)/ demand draft(s)/ RTGS up to one day prior to the Deemed Date of Allotment. Where pay-in Date and Deemed date of Allotment are the same, no interest on Application money is to be paid.

Allotment Intimation

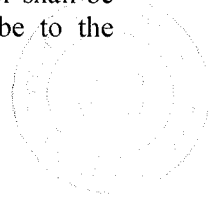
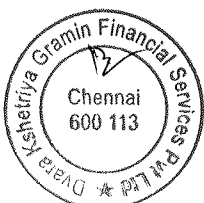
The Debentures in dematerialized form, will be credited within 2 (Two) Business Days from the Deemed Date of Allotment.

Register of Debentureholder(s)

A register of all Debenture holder(s) containing necessary particulars will be maintained by the Company at its Registered Office. A copy of the register of all Debenture holder(s) will also be maintained by the Company at its Corporate Office.

Transfer / Transmission

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



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

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.

Payment of Interest on Allotted Debenture

The interest on allotted Debentures will be at a fixed rate of 13.713 % per annum, payable quarterly. The Company shall until the final Redemption Date, pay to the Debenture holders interest on the principal amounts of the Debentures outstanding from time to time at the Coupon Rate (subject to deduction of tax where applicable at the rate prescribed from time to time under the Income-tax Act, 1961 or any statutory modification or re-enactment thereof for the time-being in force) on each Interest Payment Date.

Authority for the Placement

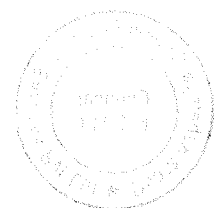
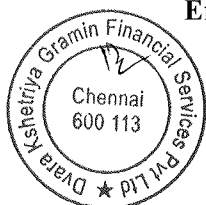
This private placement of Debentures is being made pursuant to the resolution of the Board of Directors passed at its meeting held on May 29, 2019 which has approved the placement of Debentures upto Rs 20 Crores. The present issue of Rs. 20 Crores is within the general borrowing limits in terms of the resolution passed under Section 180(1)(c) of the Companies Act, 2013, at the Annual General Meeting of the shareholders of the Company held on May 24, 2018 giving their consent to the borrowing by the Directors of the Company from time to time not exceeding Rs. 1,000 Crores subject to any restrictions imposed by the terms of the agreement entered into from time to time for grant of loans to the Company of all monies deemed by them to be requisite or proper for the purpose of carrying on the business of the Company. The borrowings under these Debentures will be within the prescribed limits as aforesaid.

The Company can carry on its existing activities and future activities planned by it in view of the existing Approvals, and no further approvals from any Government authority are required by the Company to carry on its said activities.

Record Date

This will be the date falling 7 (Seven) Business Days prior to any Due Date. The list of beneficial owner(s) provided by the Depository as at the end of day of Record Date shall be used to determine the name(s) of person(s) to whom the interest and/or principal installment is to be paid.

Effect of Holidays



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

If any interest payment date falls on a day which is not a Business Day, then such interest payment date shall be automatically changed to the next Business Day.

If a day on which any payment (other than interest) is required to be made is not a Business Day, then such payment will be made on the immediately preceding Business Day. It is clarified that if the payment of amount payable is required to be made on a preceding Business Day as mentioned aforesaid, then the amounts payable shall be calculated as if the amounts payable have been paid on the actual day on which such payment is due and not on the preceding Business Day.

Tax Deduction at Source

Tax as applicable under the Income Tax Act, 1961 will be deducted at source. Tax exemption certificate/document, under Section 195(3) or Section 197(1) of the Income Tax Act, 1961, if any, must be lodged at the office of the Company before the Record date. Tax exemption certificate for interest on application money, if any, should be lodged along with the Application Form.

Redemption on Maturity of Debenture

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.

Compliance Officer

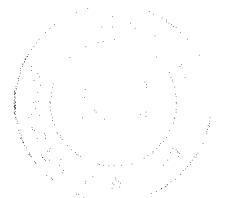
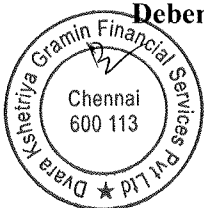
The Investor may contact the Company in case of any pre -issue / post-issue related problems such as non-receipt of letters of allotment / Debenture certificates / refund orders / interest cheques.

Notices

All notices to the Debenture holder(s) required to be given by the Company shall be sent to the Debenture holder(s) at the address stated in the Application Form, or at the address as notified by the Debenture holder(s) from time to time. In case of Debentures held in electronic (dematerialised) form, notices will be sent to those whose names appear on the last list of Beneficial Owner(s), provided to the Company by Depository (ies)

All notices to the Company by the Debenture holder(s) must be sent by registered post or by hand delivery to the Company at its Corporate Office or to such person(s) at such address as may be notified by the Company from time to time.

Debentures to Rank Pari-Passu



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

The Debentures of this Issue shall rank pari-passu inter-se without preference or priority of one other or others.

Payments at Par

Payment of the principal, all interest and other monies will be made to the registered Debenture holder(s)/ beneficial owner(s) and in case of joint holders to the one whose name stands first in the register of Debenture holder(s) / in the list of beneficial owner(s) provided to the Company by the Depository (NSDL). Such payments shall be made by cheque or warrant drawn by the Company on its bankers. Interest and the principal amount shall be paid through instruments payable at par at Ahmadabad, Bangalore, Calcutta, Chennai, Delhi, Hyderabad, Baroda, Mumbai, and Pune only subject to applicable RBI regulations. Investors not residing in any of the above locations are advised to indicate their preference of any one location from the above list to receive the redemption / interests warrant payable at that location otherwise their application is liable to be rejected.

The Company upon request from the investor, as stated above, may make the interest and principal payment through RTGS.

Future Borrowing

The Company shall be entitled to make further issue of secured non convertible debentures and/or raise term loans or raise further funds, in any manner as deemed fit by the Company, from time to time from any persons/banks/financial institutions/body corporate or any other agency as per the prevailing guidelines/regulations of Reserve Bank of India and other authorities.

Tax Benefits

There are no specific tax benefits attached to the Debentures. Investors are advised to consider the tax implications of their respective investment in the Debentures.

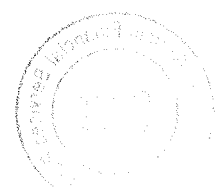
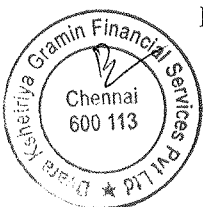
Trustees

Catalyst Trusteeship Limited vide their consent letter dated May 28, 2019 has agreed to act as the trustees for and on behalf of the Debenture holder(s). All the rights and remedies of the Debenture holder(s) shall vest in and shall be exercised by the said trustees without having it referred to the Debentures holder(s).

Loss of Letter(s) of Allotment / Principal and Interest Payment Instruments

Loss of Letter(s) of Allotment and/ or principal payment instrument / interest payment instrument should be intimated to the Company along with the request for issue of a duplicate Letter(s) of Allotment/ payment instrument(s). If any Letter(s) of Allotment/ payment instrument(s) is lost, stolen, or destroyed, then upon production of proof thereof, to the satisfaction of the Company and upon furnishing such indemnity, as the Company may deem adequate and upon payment of any expenses incurred by the Company in connection thereof, new Letter(s) of Allotment / payment instrument(s) shall be issued. A fee will be charged by the Company, not exceeding such sum as may be prescribed by law.

Debentures subject to the Term Sheet, Debenture Trust Deed, etc.



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

Over and above the aforesaid terms and conditions, the Debentures, issued under this Information Memorandum, shall be subject to prevailing guidelines/regulations of Reserve Bank of India and other authorities and also be subject to the provisions of the Memorandum and Articles of Association of the Company and all Transaction Documents to be entered into by the Company in relation to the issue of Debentures.

Governing Law

The Debentures are governed by and will be construed in accordance with the Indian Law. The Company and Company's obligations under the Debentures shall, at all times, be subject to the directions of Department of Company Affairs, RBI, SEBI and Stock Exchanges and other applicable regulations from time to time. Applicants, by purchasing the Debentures, agree that the High Court of Judicature at Chennai shall have exclusive jurisdiction with respect to matters relating to the Debentures.

SECTION 13: PERMISSION / CONSENT FROM THE PRIOR CREDITORS AND UNDERTAKING ON CREATION OF CHARGE

N/A

SECTION 14: CONFLICT

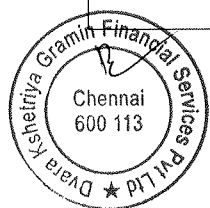
In case of any repugnancy, inconsistency or where there is a conflict between the conditions as are stipulated in this Information Memorandum and any of the Transaction Documents to be executed by the Company, the provisions as contained in the Debenture Trust Deed shall override the provisions contained hereunder.

SECTION 15: AN ILLUSTRATION FOR CASH FLOW STATEMENT AS PER SEBI CIRCULAR CIR/IMD/DF/18/2013 DATED OCTOBER 29, 2013

DEBENTURES CASHFLOWS

Illustration of Bond Cash Flows to be shown in the Information Memorandum	
Company	Dvara Kshetriya Gramin Financial Services Private Limited
Face Value (per Security)	Rs. 10 /-
Issue Date/Deemed Date of Allotment	May 30, 2019
Coupon Rate	13.713% per annum, payable quarterly
Frequency of the Interest Payment with specified dates	Quarterly, as per the below schedule
Day Count Convention	Actual/ Actual

Interest Payment Date	Amount (in INR)
30-Jun-19	23,29,332
30-Sep-19	69,12,855
31-Dec-19	69,12,855
31-Mar-20	68,19,033
30-Jun-20	68,19,033



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

30-Sep-20	55,15,174
31-Dec-20	55,15,174
31-Mar-21	54,10,060
30-Jun-21	54,70,172
30-Sep-21	41,47,713
31-Dec-21	41,47,713
31-Mar-22	40,57,545
30-Jun-22	41,02,629
30-Sep-22	27,65,142
31-Dec-22	27,65,142
31-Mar-23	27,05,030
30-Jun-23	27,35,086
30-Sep-23	13,82,571
31-Dec-23	13,82,571
31-Mar-24	13,63,807
30-May-24	8,99,213

Redemption Schedule

Principal Payment Date	Amount (in INR)
30-Jun-20	4,00,00,000
30-Jun-21	4,00,00,000
30-Jun-22	4,00,00,000
30-Jun-23	4,00,00,000
30-May-24	4,00,00,000

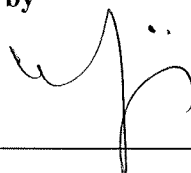
Director Declaration

It is hereby declared that this Information Memorandum contains full disclosures in accordance with Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 issued vide Circular No. LAD-NRO/GN/2008/13/127878 dated June 06, 2008, as amended from time to time.

The Company also confirms that this Information Memorandum does not omit disclosure of any material fact which may make the statements made therein, in the light of the circumstances under which they are made, misleading. The Information memorandum also does not contain any false or misleading statement.

The Company accepts no responsibility for the statements made otherwise than in this disclosure document or in any other material issued by or at the instance of the Company and that any one placing reliance on any other source of information would be doing so at his/her own work.

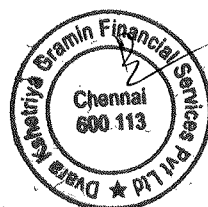
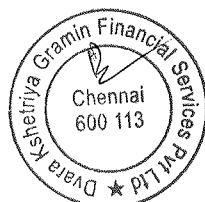
Signed by

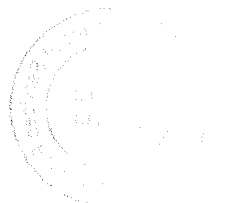


Authorized Signatory

Dvara Kshetriya Gramin Financial Services Private Limited

Date: May 30, 2019
Place: Chennai





(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

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

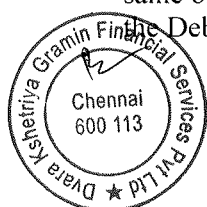
Applicant Bank Account : (Settlement by way of Cheque / Demand Draft / Pay Order / Direct Credit / ECS / NEFT/RTGS/other permitted mechanisms)	Beneficiary Bank Name: Account No: IFSC Code: Branch:

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, the Arranger 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



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

Company shall be entitled at its sole discretion to reject the application or issue the Debentures in physical form.

We understand that we are assuming on our own account, all risk of loss that may occur or be suffered by us including as to the returns on and/or the sale value of the Debentures and shall not look directly or indirectly to the Arranger (or to any person acting on its or their behalf) to indemnify or otherwise hold us harmless in respect of any such loss and/or damage. We undertake that upon sale or transfer to subsequent investor or transferee ("Transferee"), we shall convey all the terms and conditions contained herein and in this Information Memorandum to such Transferee. In the event of any Transferee (including any intermediate or final holder of the Debentures) suing the Issuer (or any person acting on its or their behalf) we shall indemnify the Issuer and the Arranger (and all such persons acting on its or their behalf) and also holds the Issuer and the Arranger and each of such person harmless in respect of any claim by any Transferee

Applicant's
Signature

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

(Note : Cheque and Drafts are subject to realisation)

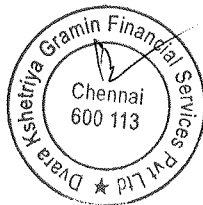
------(TEAR HERE)-----

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



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

ANNEXURE – II – DEBENTURE TRUSTEE CONSENT LETTER

CATALYST
Believe in yourself... Trust us!



CL/MUM/19-20/DEB/78

May 28, 2019

To,

Mr. Vijayakumar G

Dvara Kshetriya Gramin Financial Services Private Limited

10th Floor, Phase I, IIT Madras Research Park,

Kanagam Village,

Taramani, Chennai, 600 113, India

Dear Sir,

Consent to act as Trustee for Listed, Unsecured, Rated, Redeemable, Non-Convertible Debentures aggregating upto Rs. 20 Crores to be issued by your Company.

This is with reference to the discussions in respect of appointment of Catalyst Trusteeship Limited (CTL) to act as Debenture Trustee for the Listed, Unsecured, Rated, Redeemable, Non-Convertible Debentures aggregating upto Rs. 20 Crores to be issued by your Company. In this connection, we are agreeable to act as Trustee on the terms and conditions as mutually agreed between the Trustee and the Company.

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, SEBI (Issue and Listing of Debt Securities) Regulations, 2008, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as may be amended from time to time, SEBI Circular No. CIR/CFD/CMD/6/2015 dated October 13, 2015 and the Listing Agreement pursuant thereto to be executed with Bombay Stock Exchange (BSE)/ National Stock Exchange (NSE), 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.

We are also agreeable for inclusion of our name as trustees in the Company's offer document/disclosure document/ listing application/any other document to be filed with the Stock Exchange(s) or any other authority as required.

The Company shall enter into Agreement with Trustee as required by Regulation 13 of SEBI (Debenture Trustee) 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.

For Catalyst Trusteeship Limited




Authorized Signatory

We accept the above terms.

For Dvara Kshetriya Gramin Financial
Services Private Limited

Authorized Signatory

CATALYST TRUSTEESHIP LIMITED FORMERLY GSA TRUSTEESHIP LIMITED

An ISO 9001 Company

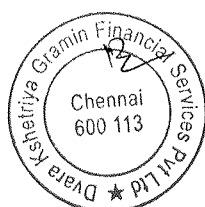
Mumbai Office Office No. 82 - 87, 8th Floor, B Wing, Patel Tower, Nariman Point, Mumbai 400 025 Tel: +91 (0)22 4922 0555 Fax: +91 (0)22 4921 0505

Regd. Office GDA House, Plot No. 85, Bazaar Colony (Right), Paldi Road, Pune 411 028 Tel: +91 (0)20 25280061 Fax: +91 (0)20 25280275

Delhi Office Office No. 819, 8th Floor, Kirti Park Building, Jh, Kirti Park, Conch Park, New Delhi - 110001 Tel: +91 11 43009110

CIN No. U74999PN1997PLC110262 Email: info@trustee.com Website: www.catalysttrustee.com

Pune | Mumbai | Bangalore | Delhi | Chennai



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

ANNEXURE – III – RATING LETTER & RATING RATIONALE



CARE/CRO/RL/2019-20/1090
Mr. Joby C O
Chief Executive Officer
DVARA KSHETRIYA GRAMIN FINANCIAL SERVICES PRIVATE LIMITED
A1, 10th Floor, IITM Research Park, Kanagam Village,
Taramani, Chennai – 600 113
Tamil Nadu

May 30, 2019

Confidential

Dear Sir,

Credit rating for proposed Non-Convertible Debenture issue

Please refer to your request for rating of proposed long-term non-convertible debenture (NCD) issue aggregating to Rs. 20 crore of your company. The proposed NCDs would have tenure of 60 months.

2. The following ratings have been assigned by our Rating Committee:

Instrument	Amount (Rs. crore)	Rating ¹	Rating Action
Proposed Non-Convertible Debenture issue	20.00 (Rupees Twenty crore only)	CARE BBB; Stable (Triple B; Outlook: Stable)	Assigned

- Please arrange to get the rating revalidated, in case the proposed issue is not made within a period of **six months** from the date of our initial communication of rating to you (that is May 30, 2019)
- In case there is any change in the size or terms of the proposed issue, please get the rating revalidated.

¹ Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE publications.

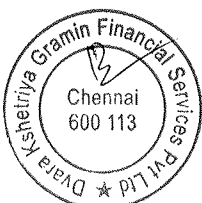
1

CARE Ratings Limited
(Formerly known as Credit Analysis & Research Limited)

CORPORATE OFFICE: 4th Floor, Godrej Colliseum, Somaiya Hospital Road,
Off Eastern Express Highway, Sion (E), Mumbai - 400 022.
Tel.: +91-22-6754 3456 • Fax: +91-22-6754 3457
Email: care@careratings.com • www.careratings.com

Unit No. O-509/C, Spencer Plaza, 5th Floor,
No. 769, Anna Salai, Chennai - 600 002.
Tel: +91-44-2849 0811 / 13 / 76 / 2850 1000
Tel./ Fax: +91-44-2849 7812

CIN-L67190MH1993PLC071691



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

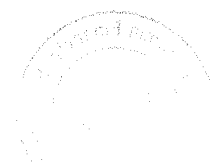
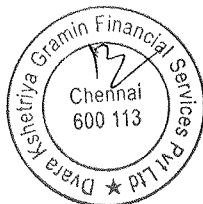
5. Please inform us the below-mentioned details of issue immediately, but not later than 7 days from the date of placing the instrument:

Instrument type	ISIN	Issue Size (Rs cr)	Coupon Rate	Coupon Payment Dates	Terms of Redemption	Redemption date	Name and contact details of Debenture Trustee	Details of top 10 investors
-----------------	------	--------------------	-------------	----------------------	---------------------	-----------------	---	-----------------------------

6. Kindly arrange to submit to us a copy of each of the documents pertaining to the NCD issue, including the offer document and the trust deed.
7. The rationale for the rating will be communicated to you separately. A write-up (press release) on the above rating is proposed to be issued to the press shortly, a draft of which is enclosed for your perusal as Annexure. We request you to peruse the annexed document and offer your comments if any. We are doing this as a matter of courtesy to our clients and with a view to ensure that no factual inaccuracies have inadvertently crept in. Kindly revert as early as possible. In any case, if we do not hear from you by May 31, 2019, we will proceed on the basis that you have no any comments to offer.
8. CARE reserves the right to undertake a surveillance/review of the rating from time to time, based on circumstances warranting such review, subject to at least one such review/surveillance every year.
9. CARE reserves the right to revise/reaffirm/withdraw the rating assigned as also revise the outlook, as a result of periodic review/surveillance, based on any event or information which in the opinion of CARE warrants such an action. In the event of failure on the part of the entity to furnish such information, material or clarifications as may be required by CARE so as to enable it to carry out continuous monitoring of the rating of the debt instrument, CARE shall carry out the review on the basis of best available information throughout the life time of such instrument. In such cases the credit rating symbol shall be accompanied by "ISSUER NOT COOPERATING". CARE shall also be entitled to

CARE Ratings Limited
(Formerly known as Credit Analysis & Research Limited)

Unit No. O-509/C, Spencer Plaza, 5th Floor, No. 769, Anna Salai, Chennai - 600 002.
Tel: +91-44-2849 0811 / 13 / 76 / 2850 1000 • Tel./ Fax : +91-44-2849 7812 • www.careratings.com • CIN-L67190MH1993PLC071691



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

publicize/disseminate all the afore-mentioned rating actions in any manner considered appropriate by it, without reference to you.

10. Users of this rating may kindly refer our website www.careratings.com for latest update on the outstanding rating.
11. CARE ratings are **not** recommendations to buy, sell or hold any securities.

If you need any clarification, you are welcome to approach us in this regard. We are indeed, grateful to you for entrusting this assignment to CARE.

Thanking you,

Yours faithfully,

[Tej Kiran G]
Analyst
tej.kiran@careratings.com


[Vidhyashankar C]
Senior Manager
Vidhyashankar.c@careratings.com

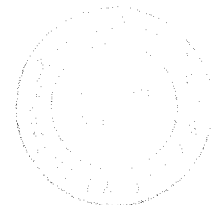
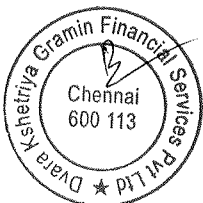
Encl.: As above

Disclaimer

CARE's 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. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE 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 CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

CARE Ratings Limited
(Formerly known as Credit Analysis & Research Limited)

Unit No. O-509/C, Spencer Plaza, 5th Floor, No. 769, Anna Salai, Chennai - 600 002.
Tel: +91-44-2849 0811 / 13 / 76 / 2850 1000 • Tel./ Fax: +91-44-2849 7812 • www.careratings.com • CIN-L67190MH1993PLC071691



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

**Annexure
Press Release**

Ratings

Facilities/Instruments	Amount (Rs. Crore)	Ratings ²	Rating Action
Non-Convertible Debenture issue (Proposed)	20.00 (Rupees Twenty Crore Only)	CARE BBB; Stable (Triple B; Outlook: Stable)	Assigned

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

The ratings assigned to the proposed Non-Convertible debenture issue of Dvara Kshetriya Gramin Financial Services Private Limited (Dvara KGFS) factors in the experienced management team, well established IT systems, adequate capitalization levels supported by periodical equity infusion, adequate liquidity profile and benefits derived from being part of Dvara group. The ratings also take note of mobilization of fresh equity of Rs.65 crore in March 2019 & April 2019 and acquisition of loan portfolio of Varam Capital Private Ltd (VCPL).

The ratings however, are constrained by geographically concentrated loan portfolio, product concentration, moderately diversified resource profile, relatively moderate profitability and inherent risks associated with its customer segment including socio-political intervention risk and regulatory risk.

Going forward, ability of Dvara KGFS to improve the profitability through reduction of operating cost, maintain capital adequacy levels and improve geographical diversification while growing its scale of operations are the key rating sensitivities

Detailed description of the key rating drivers

Key Rating Strengths

Experienced Management team and part of Dvara Group

Dvara KGFS is promoted by Dvara Trust (Formerly known as IFMR Trust). The board and senior management of Dvara KGFS has significant experience in the NBFC sector and rural banking. Dvara KGFS derives benefits from being part of the Dvara group primarily on mobilizing debt funds. One of the major companies of Dvara group is Northern Arc Capital Limited which has significant experience in enabling small and mid sized NBFCs in accessing debt capital.

Adequate capitalisation levels

On account of portfolio growth of 70.71% from Rs.310 crore as on March 31, 2017 to Rs.528 crore as on March 31, 2018, CAR moderated from 30.62% as on March 31, 2017 to 18.40% as on March 31, 2018. Overall gearing stood at 6.89x as on Dvara KGFS raised capital to a tune of Rs.30 crore during September 2018 via rights issue. As on March 31, 2019, CAR stood at 25.87%. The company also mobilized Rs.65 crore of equity capital during March 2019 and April 2019.

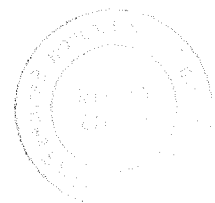
Liquidity profile

ALM profile remains comfortable with no cumulative mismatches in any of the time brackets on account of short term nature of its loan assets, as most of the loans amortise on a monthly basis with a maximum tenure of up to 24 months. As on May 29, 2019 Cash and Bank balances stood at Rs.55 crore and Unutilised lines of Credit of Rs.10 crore.

Business model of KGFS

Each of the KGFS has a network of brick and mortar branches which act as the front end distribution entities in their locality. The core of the KGFS model consists of the village level branch which serves as a customer touch point, where the origination happens. These branches are fully supported by the Head Office (HO) through a series of hubs.

¹Complete definition of the ratings assigned are available at www.careratings.com and other CARE publications



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

The branches of KGFS also distribute third party products like insurance, Pension and foreign inward remittances. The company has also started consumer durable loans during FY18

Well established IT and presence of risk management systems

Dvara KGFS has well established structure to monitor the operations at different levels. It has a defined credit appraisal, collection and monitoring system and has also induced credit discipline amongst the borrowers through regular training programs. Dvara KGFS predominantly operates under the JLG lending model in which the group undergoes 3 training programs (Compulsory Group Training-CGT) and Group recognition Test (GRT) before getting qualified for loan. Dvara KGFS also access reports from High Mark to check the eligibility of the individual. The company does a two level checks for loans, the first level is done internally and second is done by third party. Furthermore, Dvara KGFS has an internal audit team situated at each KGFS wherein detailed, surprise and short audits are carried out to implement strict internal control systems. The internal audit team carries out risk scoring of branches based on a defined set of parameters covering different functional areas to assess the performance of the branch. All the branches are equipped with biometric recognition systems, which act as authorization for the transactions. The KGFS model leverages on the robust IT systems of Dvara Solutions through the use of Core Banking System (CBS) and Customer Management System (CMS), which operate in a real-time basis. Such systems enable the company to monitor the portfolio performance on a real-time basis.

Key Rating Weaknesses

Moderate resource profile

Resource profile of Dvara KGFS is concentrated towards term loans from banks/financial institutions which constituted around 91% of the total borrowing as on March 31, 2018. Borrowings from the banks constituted approximately 22% of the total borrowings and the rest from financial institutions.

Product concentration

As on March 31, 2018, JLG loans constituted 95% of the outstanding loans against 89% as on March 31, 2017. The company has taken initiatives to diversify the earnings profile and has increased the focus on SME Loans. The company has also started consumer durable loans during FY18 through tieup with Boonbox. As on March 31, 2019, JLG constituted around 93% of the outstanding portfolio.

Improvement in financial performance during FY19; However, profitability continues to be moderate

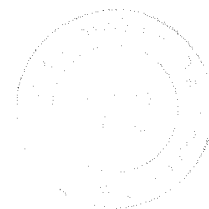
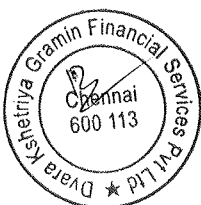
The portfolio grew at a CAGR of 130% from Rs.196 crore as on March 31, 2016 to Rs.529 crore as on March 31, 2018. Disbursements grew by 67% from Rs.360 crore in FY17 to Rs.604 crore in FY18. Dvara KGFS reported a profit of Rs.9.17 crore in FY18 as against a profit of Rs.2.14 crore in FY17. NIM improved to 8.33% in FY18 from 7.86% in FY17. Opex to average assets decreased to 7.29% in FY18 as against 7.88% in FY17 and credit costs decreased from 0.84% in FY17 to 0.19% in FY18. With improvement in NIM, operating expenses and credit costs, ROTA improved to 1.64% in FY18 as against 0.64% in FY17.

AUM increased to Rs.635 crore as on March 31, 2019. ROTA (at PBT) level stood at 2.63% in FY19 as against 2.46% in FY18.

Moderate asset quality

Asset quality has seen improvement during FY18 with the company reporting GNPA and NNPA of 0.13% and 0.00% as on March 31, 2018 against 0.39% and 0.21% as on March 31, 2017. Credit costs also declined from 0.84% in FY17 to 0.19% in FY18. GNPA and NNPA stood at 1.92% and 0.00% as on March 31, 2019. The increase in GNPA in FY19 was on account of merger of its parent IRCS with itself. However, net NPA was nil as on March 31, 2019.

Going forward, the ability of the company to maintain asset quality, while growing its loan portfolio, will remain as a key



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

rating sensitivity.

Geographically concentrated loan portfolio

Dvara KGFS has presence in 24 districts spanning across three states with 97.16% (PY: 91%) of the portfolio in Tamil Nadu followed by 2.40% (PY:1.78%) in Uttarakhand and 0.44% in Orissa as on March 31, 2018. The portfolio in Orissa has declined during FY18 as the company decided to cease the operations in Dhanei KGFS. However, the company has started a new KGFS in Koenjhar district of Orissa during FY18. Also the company has been reducing the exposure on the hilly terrain region in Uttarkhand and has started focusing on the plains terrain region where the portfolio performance is stable. As on March 31, 2019 Tamil Nadu Constituted around 89% of the total portfolio

Analytical approach: Standalone

Applicable Criteria

Criteria on assigning Outlook to Credit Ratings

CARE's Policy on Default Recognition

Financial Ratios-Financial Sector

CARE's Rating Methodology for Non-Banking Finance Companies (NBFCs)

About the Company

Dvara Kshetriya Gramin Financial Services Private Limited (DFSP) is a non-deposit taking NBFC engaged in providing financial services in rural areas and is promoted by Dvara Holdings. The services are provided through a network of branches ensuring that every individual and enterprise within a 5 - 25 km radius of his/her residence/place of business has access to financial services. The company is primarily engaged in lending micro finance loans through JLG model. Apart from JLG loans the company also provides jewel loans, SME loans, consumer durable loans, etc. The company has its presence in 5 states (Tamil Nadu, Orissa, Karnataka and Uttarakhand) with Tamil Nadu constituting 89% of the outstanding portfolio as on March 31, 2019.

DFSP operates through Kshetriya Gramin Financial Services (KGFS) which functions as Strategic Business Units (SBU) and currently has 5 KGFS (Pudhuaaru and Thenpennaiaaru in Tamil Nadu,, Keonjhar in Odisha, Sahastradhara in Uttarkhand, Karnataka) operating through 221 branches as on March 31, 2019.

IFMR Rural Channels and Services Private Limited (IRCS) was the holding company of Dvara KGFS, which was in turn held by IFMR Holdings Limited. IFMR Holdings Limited was in turn held by Dvara Trust. During DY19, there was restructuring among group companies wherein IRCS Business correspondent and Corporate Agency business (Including Assets and Liabilities) were demerged and transferred to DFSP. Susequently IRCS was merged with Dvara KGFS

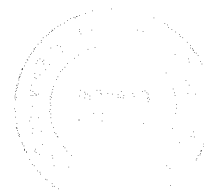
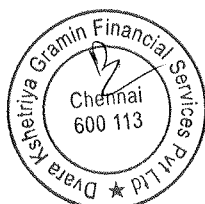
Brief Financials (Rs. crore)	FY17 (A)	FY18 (A)
Total income	68.74	114.52
PAT	2.25	9.17
Interest coverage (times)	1.09	1.23
Total Assets	436.89	680.87
Net NPA (%)	0.21	-
ROTA (%)	0.64	1.64

A. Audited

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Debentures-Non Convertible Debentures(Proposed)	-	-	-	-	CARE BBB; Stable

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017
1.	Fund-based - LT-Term Loan	LT	133.58	CARE BBB; Stable	-	1)CARE BBB; Stable (05-Oct-18)	1)CARE BBB; Stable (22-Jan-18)	1)CARE BBB- (27-Oct-16)
2.	Fund-based-LT/ST	LT/ST	66.42	CARE BBB; Stable / CARE A3+	-	1)CARE BBB; Stable / CARE A3+ (05-Oct-18)	1)CARE BBB; Stable / CARE A3 (22-Jan-18)	1)CARE BBB- / CARE A3 (27-Oct-16)
3.	Debentures-Non Convertible Debentures	LT	5.00	CARE BBB; Stable	-	1)CARE BBB; Stable (28-Nov-18)	-	-



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)



CARE/CRO/RR/2019-20/1013
Mr. Joby C O
Chief Executive Officer
DVARA KSHETRIYA GRAMIN FINANCIAL SERVICES PRIVATE LIMITED
A1, 10th Floor, IITM Research Park, Kanagam Village,
Taramani, Chennai – 600 113
Tamil Nadu

May 30, 2019

Dear Sir,

Credit rating for Proposed Non-Convertible Debenture

Please refer to our letter dated May 30, 2019 on the above subject.

2. The rationale for the rating is attached as **Annexure - I**.
3. We request you to peruse the annexed document and offer your comments, if any. We are doing this as a matter of courtesy to our clients and with a view to ensure that no factual inaccuracies have inadvertently crept in. Kindly revert as early as possible. In any case, if we do not hear from you by **May 31, 2019** we will proceed on the basis that you have no comments to offer.

If you have any further clarifications, you are welcome to approach us.

Thanking you,

Yours faithfully,

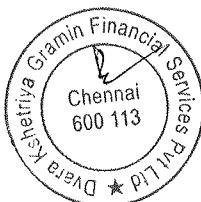

Vidhyashankar C
Senior Manager

CARE Ratings Limited
(Formerly known as Credit Analysis & Research Limited)

CORPORATE OFFICE: 4th Floor, Godrej Coliseum, Somaiya Hospital Road,
Off Eastern Express Highway, Sion (E), Mumbai - 400 022.
Tel.: +91-22-6754 3456 • Fax: +91-22-6754 3457
Email: care@careratings.com • www.careratings.com

Unit No. O-509/C, Spencer Plaza, 5th Floor,
No. 769, Anna Salai, Chennai - 600 002.
Tel: +91-44-2849 0811 / 13 / 76 / 2850 1000
Tel./ Fax : +91-44-2849 7812

CIN-L67190MH1993PLC071691



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

**Annexure-I
Rating Rationale**

**DVARA KSHETRIYA GRAMIN FINANCIAL SERVICES PRIVATE LIMITED (Dvara KGFS)
(Formerly known as Pudhuaaru Financial Services Private Limited)**

Ratings

Facilities/Instruments	Amount (Rs. Crore)	Ratings ¹	Rating Action
Non-Convertible Debenture issue (Proposed)	20.00 (Rupees Twenty Crore Only)	CARE BBB; Stable (Triple B; Outlook: Stable)	Assigned

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

The ratings assigned to the proposed Non-Convertible debenture issue of Dvara Kshetriya Gramin Financial Services Private Limited (Dvara KGFS) factors in the experienced management team, well established IT systems, adequate capitalization levels supported by periodical equity infusion, adequate liquidity profile and benefits derived from being part of Dvara group. The ratings also take note of mobilization of fresh equity of Rs.65 crore in March 2019 & April 2019 and acquisition of loan portfolio of Varam Capital Private Ltd (VCPL).

The ratings however, are constrained by geographically concentrated loan portfolio, product concentration, moderately diversified resource profile, relatively moderate profitability and inherent risks associated with its customer segment including socio-political intervention risk and regulatory risk.

Going forward, ability of Dvara KGFS to improve the profitability through reduction of operating cost, maintain capital adequacy levels and improve geographical diversification while growing its scale of operations are the key rating sensitivities

Detailed description of the key rating drivers

Experienced Management team and part of Dvara Group

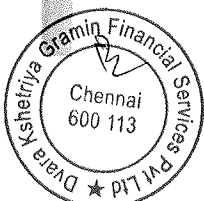
Dvara KGFS is promoted by Dvara Trust (Formerly known as IFMR Trust). The board and senior management of Dvara KGFS has significant experience in the NBFC sector and rural banking. Dvara KGFS derives benefits from being part of the Dvara group primarily on mobilizing debt funds. One of the major companies of Dvara group is Northern Arc Capital Limited which has significant experience in enabling small and mid sized NBFCs in accessing debt capital.

Adequate capitalisation levels

On account of portfolio growth of 70.71% from Rs.310 crore as on March 31, 2017 to Rs.528 crore as on March 31, 2018, CAR moderated from 30.62% as on March 31, 2017 to 18.40% as on March 31, 2018. Overall gearing stood at 6.89x as on Dvara KGFS raised capital to a tune of Rs.30 crore during September 2018 via rights issue. As on March 31, 2019, CAR stood at 25.87%. The company also mobilized Rs.65 crore of equity capital during March 2019 and April 2019.

Liquidity profile

¹Complete definition of the ratings assigned are available at www.careratings.com and other CARE publications



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

ALM profile remains comfortable with no cumulative mismatches in any of the time brackets on account of short term nature of its loan assets, as most of the loans amortise on a monthly basis with a maximum tenure of up to 24 months. As on May 29, 2019 Cash and Bank balances stood at Rs.55 crore and Unutilised lines of Credit of Rs.10 crore.

Improvement in financial performance during FY19; However, profitability continues to be moderate

The portfolio grew at a CAGR of 130% from Rs.196 crore as on March 31, 2016 to Rs.529 crore as on March 31, 2018. Disbursements grew by 67% from Rs.360 crore in FY17 to Rs.604 crore in FY18. Dvara KGFS reported a profit of Rs.9.17 crore in FY18 as against a profit of Rs.2.14 crore in FY17. NIM improved to 8.33% in FY18 from 7.86% in FY17. Opex to average assets decreased to 7.29% in FY18 as against 7.88% in FY17 and credit costs decreased from 0.84% in FY17 to 0.19% in FY18. With improvement in NIM, operating expenses and credit costs, ROTA improved to 1.64% in FY18 as against 0.64% in FY17.

AUM increased to Rs.635 crore as on March 31, 2019. ROTA (at PBT) level stood at 2.63% in FY19 as against 2.46% in FY18.

Moderate asset quality

Asset quality has seen improvement during FY18 with the company reporting GNPA and NNPA of 0.13% and 0.00% as on March 31, 2018 against 0.39% and 0.21% as on March 31, 2017. Credit costs also declined from 0.84% in FY17 to 0.19% in FY18. GNPA and NNPA stood at 1.92% and 0.00% as on March 31, 2019. The increase in GNPA in FY19 was on account of merger of its parent IRCS with itself. However, net NPA was nil as on March 31, 2019.

Going forward, the ability of the company to maintain asset quality, while growing its loan portfolio, will remain as a key rating sensitivity.

Geographically concentrated loan portfolio

Dvara KGFS has presence in 24 districts spanning across three states with 97.16% (PY: 91%) of the portfolio in Tamil Nadu followed by 2.40% (PY:1.78%) in Uttarakhand and 0.44% in Orissa as on March 31, 2018. The portfolio in Orissa has declined during FY18 as the company decided to cease the operations in Dhanei KGFS. However, the company has started a new KGFS in Koenjhar district of Orissa during FY18. Also the company has been reducing the exposure on the hilly terrain region in Uttarkhand and has started focusing on the plains terrain region where the portfolio performance is stable. As on March 31, 2019 Tamil Nadu Constituted around 89% of the total portfolio.

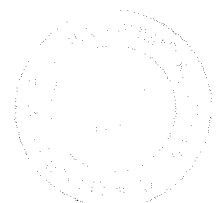
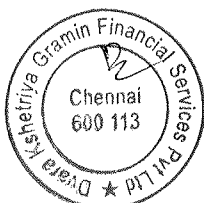
Business model of KGFS

Each of the KGFS has a network of brick and mortar branches which act as the front end distribution entities in their locality. The core of the KGFS model consists of the village level branch which serves as a customer touch point, where the origination happens. These branches are fully supported by the Head Office (HO) through a series of hubs.

.. The branches of KGFS also distribute third party products like Insurance, Pension and foreign inward remittances. The company has also started consumer durable loans during FY18

Well established IT and presence of risk management systems

Dvara KGFS has well established structure to monitor the operations at different levels. It has a defined credit appraisal, collection and monitoring system and has also induced credit discipline amongst the borrowers through regular training



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

programs. Dvara KGFS predominantly operates under the JLG lending model in which the group undergoes 3 training programs (Compulsory Group Training-CGT) and Group recognition Test (GRT) before getting qualified for loan. Dvara KGFS also access reports from High Mark to check the eligibility of the individual. The company does a two level checks for loans, the first level is done internally and second is done by third party. Furthermore, Dvara KGFS has an internal audit team situated at each KGFS wherein detailed, surprise and short audits are carried out to implement strict internal control systems. The internal audit team carries out risk scoring of branches based on a defined set of parameters covering different functional areas to assess the performance of the branch. All the branches are equipped with biometric recognition systems, which act as authorization for the transactions. The KGFS model leverages on the robust IT systems of Dvara Solutions through the use of Core Banking System (CBS) and Customer Management System (CMS), which operate in a real-time basis. Such systems enable the company to monitor the portfolio performance on a real-time basis.

Product concentration

As on March 31, 2018, JLG loans constituted 95% of the outstanding loans against 89% as on March 31, 2017. The company has taken initiatives to diversify the earnings profile and has increased the focus on SME Loans. The company has also started consumer durable loans during FY18 through tieup with Boonbox. As on March 31, 2019, JLG constituted around 93% of the outstanding portfolio.

Moderate resource profile

Resource profile of Dvara KGFS is concentrated towards term loans from banks/financial institutions which constituted around 91% of the total borrowing as on March 31, 2018. Borrowings from the banks constituted approximately 22% of the total borrowings and the rest from financial institutions.

Industry Outlook

Over the last few years, the NBFC sector has gained systemic importance with increase in share of NBFC total assets to bank total assets. The same has resulted in the Reserve Bank of India (RBI) taking various policy actions resulting in NBFCs attracting higher support and regulatory scrutiny. Overall the revised regulations are positive for the NBFC sector making it structurally stronger, increase transparency and improve their ability to withstand asset quality shocks in the long run. On account of various events post demonetization, collection efficiency of the NBFC lending via JLGs has deteriorated in some of the regions. This has impacted the asset quality of the NBFC leading to increase in credit costs with significant presence in these regions. It is expected that the loss on account of this event is likely to be in the range of 5-10% of the total loan portfolio for the sector.

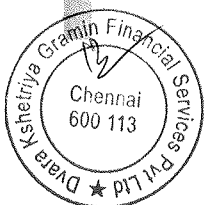
The credit view will continue to factor in risks associated with unsecured lending, socio-political intervention, geographic concentration and operational risks related to cash based transaction.

Going forward, ability of Dvara KGFS to improve the profitability through reduction of operating cost, maintain capital adequacy levels and improve geographical diversification while growing its scale of operations are the key rating sensitivities

Analytical approach: Standalone

Applicable Criteria

Criteria on assigning Outlook to Credit Ratings



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

CARE's Policy on Default Recognition

Financial Ratios-Financial Sector

CARE's Rating Methodology for Non-Banking Finance Companies (NBFCs)

About the Company

Dvara Kshetriya Gramin Financial Services Private Limited (DFSPL) is a non-deposit taking NBFC engaged in providing financial services in rural areas and is promoted by Dvara Holdings. The services are provided through a network of branches ensuring that every individual and enterprise within a 5 - 25 km radius of his/her residence/place of business has access to financial services. The company is primarily engaged in lending micro finance loans through JLG model. Apart from JLG loans the company also provides jewel loans, SME loans, consumer durable loans, etc. The company has its presence in 5 states (Tamil Nadu, Orissa, Karnataka and Uttarakhand) with Tamil Nadu constituting 89% of the outstanding portfolio as on March 31, 2019.

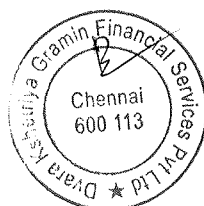
DFSPL operates through Kshetriya Gramin Financial Services (KGFS) which functions as Strategic Business Units (SBU) and currently has 5 KGFS (Pudhuaaru and Thenpennaiaaru in Tamil Nadu;, Keonjhar in Odisha, Sahastradhara in Uttarkhand, Karnataka) operating through 221 branches as on March 31, 2019.

IFMR Rural Channels and Services Private Limited (IRCS) was the holding company of Dvara KGFS, which was in turn held by IFMR Holdings Limited. IFMR Holdings Limited was in turn held by Dvara Trust. During DY19, there was restructuring among group companies wherein IRCS Business correspondent and Corporate Agency business (Including Assets and Liabilities) were demerged and transferred to DFSPL. Susequently IRCS was merged with Dvara KGFS

Financial Performance

(Rs. crore)

Working results	2016 A	2017 A	2018 A
P&L			
Fund based income	45.67	65.76	108.28
Fee based income	0.68	0.72	6.01
Other income	12.78@	2.26@	0.22
Total Income	59.13	68.74	114.52
Interest Expense & Financial Charges	26.95	37.77	60.06
Net Interest Income	17.78	27.4	46.58
Employee Costs	0.49	0.73	0.75
Other operating expenses	16.77	23.73	38.83
Depreciation & amortization	0.16	0.09	0.06
Provisions & Write offs	12.51	2.93	1.09
Total Expense	56.87	65.25	100.79
PBT	2.26	3.49	13.73
PAT	1.51	2.25	9.17
Balance Sheet			
Net Worth	47.73	74.98	84.15
Total Debt	208.35	355.47	580.21
Loan Portfolio	195.84	309.62	528.55
Total Assets	260.64	436.89	680.87
Key Ratios (%)			
Solvency			



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

Overall Gearing (times)	4.37	4.74	6.89
Interest coverage (times)	1.08	1.09	1.23
CAR %	21.02	30.62	18.40
Tier I CAR %	21.02	21.18	13.71
Profitability			
Net Interest Margin	7.24	7.86	8.33
ROTA (PAT / Average Total Assets)	0.61	0.64	1.64
PAT / Total Income (PAT Margin)	2.55	3.27	8.00
Asset Quality			
Gross NPA Ratio*	0.22	0.39	0.13
Net NPA Ratio*	0.05	0.21	-
Net NPA to Net worth	0.19	0.88	-

* on AUM basis; A – Audited

@ Compensation from IRCS towards loss of loan portfolio

Status of non-cooperation with previous CRA: Not Applicable
the credit view will conNot Applicable

Rating History for last three years: Please refer Annexure-2

Note on complexity levels of the rated instrument: CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.

Analyst Contact:

Name: Mr P Sudhakar

Tel: 044-2850 1000

Email id: p.sudhakar@careratings.com

About CARE Ratings:

CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

Disclaimer

CARE's 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. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE 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 CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

In case of partnership/proprietary concerns, the rating /outlook assigned by CARE is based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors.



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

Annexure-1: Details of Instruments/Facilities

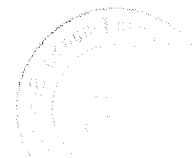
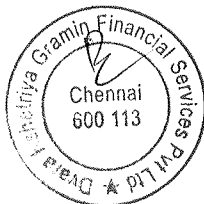
Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Debentures-Non Convertible Debentures(Proposed)	-	-	-	-	CARE BBB; Stable

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017
1	Fund-based - LT-Term Loan	LT	133.58	CARE BBB; Stable	-	1)CARE BBB; Stable (05-Oct-18)	1)CARE BBB; Stable (22-Jan-18)	1)CARE BBB (27-Oct-16)
2	Fund-based-LT/ST	LT/ST	66.42	CARE BBB; Stable / CARE A3+	-	1)CARE BBB; Stable / CARE A3+ (05-Oct-18)	1)CARE BBB; Stable / CARE A3 (22-Jan-18)	1)CARE BBB / CARE A3 (27-Oct-16)
3	Debentures-Non Convertible Debentures	LT	5.00	CARE BBB; Stable	-	1)CARE BBB; Stable (28-Nov-18)	-	-

Disclaimer

CARE's 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. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE 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 CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments.



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

ANNEXURE – IV – AUDITED FINANCIALS

Pudhuanu Financial Services Private Limited
Balance sheet as at March 31, 2018

(All amounts are in Indian Rupees, except share data and as stated)

	Note	As at March 31, 2018	As at March 31, 2017
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	727,979,000	727,979,000
Reserves and surplus	4	113,473,979	21,797,125
		<u>841,452,979</u>	<u>749,776,125</u>
Non-current liabilities			
Long-term borrowings	5	3,220,399,301	1,801,872,205
Deferred tax liabilities (net)	6	11,068,406	6,426,000
Long-term provisions	7	6,128,755	4,739,786
		<u>3,237,596,462</u>	<u>1,813,037,991</u>
Current liabilities			
Trade payables	8	-	-
- dues to micro enterprises and small enterprises		-	-
- dues to creditors other than micro enterprises and small enterprises		46,303,581	17,390,887
Other current liabilities	9	2,618,147,260	1,759,206,399
Short-term provisions	7	65,162,448	29,493,765
		<u>2,729,511,889</u>	<u>1,806,091,051</u>
		<u>6,808,561,330</u>	<u>4,368,905,167</u>
ASSETS			
Non-current assets			
Fixed assets			
- Property, plant and equipment	10.1	1,847,593	2,507,809
- Intangible fixed assets	10.2	-	12,488
Receivables under financing activity	11	1,400,085,759	764,372,465
Long-term loans and advances	12	81,243,421	94,469,445
Other non-current assets	13	311,689,625	145,315,082
		<u>1,694,866,398</u>	<u>1,006,677,289</u>
Current assets			
Receivables under financing activity	11	3,885,439,195	2,531,797,164
Cash and bank balances	14	988,365,798	900,386,396
Short-term loans and advances	15	147,141,471	38,740,478
Other current assets	16	92,748,468	91,303,840
		<u>5,113,694,932</u>	<u>3,362,227,878</u>
		<u>6,808,561,330</u>	<u>4,368,905,167</u>

Significant accounting policies

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached

for **BSR & Co. LLP**

Chartered Accountants

ICAI Firm Registration No:101248W/W-100022



R Raghuram

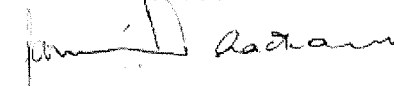
Partner

Membership No. 211171

For and on behalf of the board of directors of

Pudhuanu Financial Services Private Limited

CIN : U65991TN1903PTC024547



Santir Amrit Shah

Manager

DIN : 00912693

Anuradha Shripud Nadkurri

Director

DIN : 05338647



S. Balaji

Company Secretary

Place : Chennai

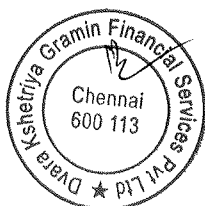
Date : April 27, 2018



G. Vijalakumar

Chief Financial Officer

Place : Chennai
Date : April 27, 2018



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

Pudhuanru Financial Services Private Limited
Statement of profit and loss for the year ended March 31, 2018
(All amounts are in Indian Rupees, except share data and as stated)

	Note	For the year ended March 31, 2018	For the year ended March 31, 2017
REVENUE			
Revenue from operations	17	1,125,206,847	658,535,397
Other income	18	19,965,493	28,905,531
		<u>1,145,172,340</u>	<u>687,440,928</u>
EXPENSES			
Employee benefits	19	7,468,650	7,240,291
Finance costs	20	600,637,985	377,675,955
Depreciation and amortisation	21	590,064	877,776
Other expenses	22	388,285,957	237,414,303
Provision and loan losses	23	10,872,010	29,313,293
		<u>1,007,854,666</u>	<u>652,521,618</u>
Profit before tax		137,317,674	34,919,310
Tax expense			
Current tax	24	40,998,414	7,555,050
Deferred tax charge		4,642,406	4,830,000
		<u>45,640,820</u>	<u>12,385,050</u>
Profit for the year		<u>91,676,854</u>	<u>22,534,260</u>
Earnings per equity share (Face value of INR 100 per share)	33		
Basic and diluted		12.59	4.71

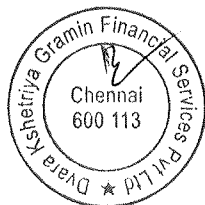
Significant accounting policies
The notes referred to above form an integral part of the financial statements
As per our report of even date attached

for **BSR & Co, LLP**
Chartered Accountants
ICAI Firm Registration No:101248W/W-100022

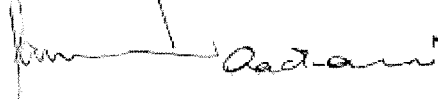


K Raghuram
Partner
Membership No. 211171

Place : Chennai
Date : April 27, 2018

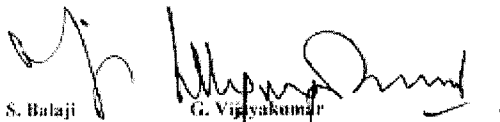


For and on behalf of the board of directors of
Pudhuanru Financial Services Private Limited
CIN : U65991TN1993PTC024547



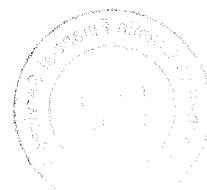
Samir Anrit Shah
Manager
DIN : 00912693

Anuradha Shripad Nadkarni
Director
DIN : 05338647



S. Balaji
Company Secretary
Place : Chennai
Date : April 27, 2018

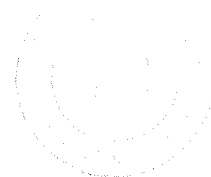
G. Vijayakumar
Chief Financial Officer



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

Pudhuanu Financial Services Private Limited
Cash flow statement for the year ended March 31, 2018
(All amounts are in Indian Rupees, except share data and as stated)

	Note	For the year ended March 31, 2018	For the year ended March 31, 2017
A Cash flow from operating activities			
Profit before tax		137,347,674	34,919,310
Adjustments for:			
Depreciation and amortisation		590,064	877,776
Profit on sale of fixed assets		(141,936)	(96,472)
Gain on sale of current investments		(17,754,436)	(6,297,197)
Contingent provision for standard assets		8,990,653	6,563,710
Provision for non-performing assets		1,431,370	2,164,158
Provision no longer required written back		(225,000)	(23,380)
Finance costs		599,780,621	377,433,020
Operating Profit before working capital changes		730,009,810	415,540,925
Changes in working capital and other changes:			
Increase in receivables under financing activities		(2,189,355,325)	(1,150,578,719)
Increase in loans and advances		(76,490,496)	(36,342,008)
Increase in other assets		(67,819,171)	(46,782,861)
Increase in other bank balances		(27,044,350)	(42,553,510)
Increase in trade payables		29,036,294	797,123
(Decrease) / increase in other current liabilities		(1,365,413)	4,526,563
(Decrease) / increase in other provisions		(102,860)	98,816
Cash used in operations		(1,603,132,331)	(855,293,671)
Finance costs paid		(587,734,423)	(373,420,170)
Income tax paid (net)		(32,964,398)	(7,048,326)
Net cash flow used in operating activities (A)		(2,223,831,152)	(1,235,762,167)
B Cash flows from investing activities			
Proceeds from sale of fixed assets		224,576	140,660
Purchase of current investments		(3,729,120,676)	(2,325,768,101)
Proceeds from sale of current investments		3,746,875,112	2,332,065,298
Net cash provided by investing activities (B)		17,979,012	6,437,857
C Cash flow from financing activities			
Proceeds from long term borrowings		4,557,000,000	3,254,600,000
Repayments of long term borrowings		(2,290,212,808)	(1,787,471,615)
Proceeds from issue of equity share capital		*	250,000,000
Net cash generated from financing activities (C)		2,266,787,192	1,717,128,385
Net increase in cash and cash equivalents (A+B+C)		60,935,052	487,804,075
Cash and cash equivalents at the beginning of the year		773,226,202	285,422,127
Cash and cash equivalents at the end of the year		834,161,254	773,226,202



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

Pudhuvaru Financial Services Private Limited
Balance Sheet As at March 31, 2017

Amount in INR

Particulars	Note No	As at March 31, 2017	As at March 31, 2016
I. EQUITY AND LIABILITIES			
1. Shareholders' funds			
(a) Share Capital	3	727,979,000	477,979,000
(b) Reserves and surplus	4	21,797,125	(737,135)
2. Non-current liabilities			
(a) Long term borrowings	5	1,801,872,205	654,371,910
(b) Deferred tax liabilities (net)	28	6,426,000	1,596,000
(c) Long term provisions	6	4,719,786	1,874,241
3. Current liabilities			
(a) Trade payables:-			
(A) Total outstanding dues of micro enterprises and small enterprises	7	-	-
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		13,825,887	15,576,265
(b) Other current liabilities	8	1,759,206,399	1,431,038,897
(c) Short term provisions	9	33,058,765	24,643,455
Total		4,368,905,167	2,606,344,633
II. ASSETS			
1. Non-current assets			
(a) Fixed assets			
(i) Tangible assets (Property, Plant & Equipment)	10	2,507,809	3,427,673
(ii) Intangible assets		12,488	14,588
(b) Receivables under financing activity	11	764,372,465	544,604,238
(c) Long-term loans and advances	12	71,161,144	55,115,431
(d) Other non-current assets	13	103,441,563	60,095,873
2. Current assets			
(a) Receivables under financing activity	11	2,311,797,164	1,400,986,672
(b) Cash and cash equivalents	14	568,568,216	437,896,555
(c) Short-term loans and advances	15	13,229,879	15,478,210
(d) Other current assets	16	116,814,439	88,725,193
Total		4,368,905,167	2,606,344,633

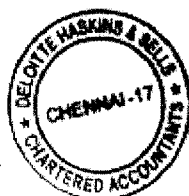
See accompanying notes to the Financial Statements

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

Bhavana Balasubramanian

Bhavana Balasubramanian
Partner

Place: Chennai
Date: 15.5.2017



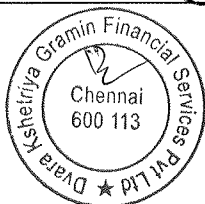
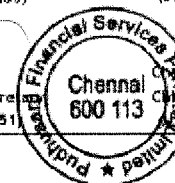
For and on behalf of the Board of Directors
Pudhuvaru Financial Services Private Limited

K. Venkatesh
K. Venkatesh
Managing Director
(DIN : 02070403)

Bama Balakrishnan
Bama Balakrishnan
Director
(DIN : 06531165)

S. Balaji
S. Balaji
Company Secretary
(M.No. A 22951)

Prakash Mehta
Prakash Mehta
Chief Financial Officer
(No. 401195)



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)


Pudhuanu Financial Services Private Limited
Statement of Profit and Loss For the Year ended March 31, 2017

Amount in INR

Particulars	Note No	For the Year ended March 31, 2017	For the Year ended March 31, 2016
i. Revenue from operations	17	638,236,543	439,533,801
ii. Other income	18	49,204,385	151,847,445
III. Total Revenue (I-II)		687,440,928	591,381,246
IV. Expenses			
Employee Benefits Expense	19	7,240,291	4,865,853
Finance Costs	20	377,675,955	269,508,106
Depreciation and Amortisation Expense	10	877,776	1,627,164
Other Expenses	21	266,727,596	292,810,006
Total Expenses		652,521,618	568,811,129
V. Profit Before Tax (III-IV)		34,919,310	22,570,117
VI. Tax Expense			
Current Tax - MAT		9,158,050	4,645,000
Short/excess Provision for Tax - Earlier Years		(39,000)	47,530
Less: Mat Credit Entitlement		(1,564,000)	(2,993,539)
Deferred Tax Charge/(Credit)		4,830,000	5,861,522
Total Tax Expense		12,385,050	7,560,493
VII. Profit For the Year After Tax		22,534,260	15,009,624
Earnings Per Equity Share (Face Value of INR 100 Per Share)			
Basic and diluted		4.71	3.34

See accompanying notes forming part of the Financial Statements

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants



Bhavani Balasubramanian
Partner



Place: Chennai
Date: 15.5.2017


For and on behalf of the Board of Directors
Pudhuanu Financial Services Private Limited

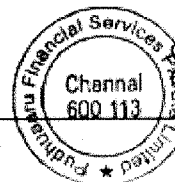


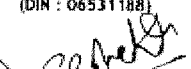
K. Venkatesh
Managing Director
(DIN : 02078403)

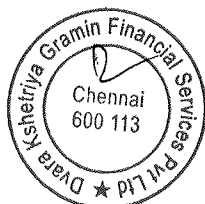


Bama Balakrishnan
Director
(DIN : 06531188)


S. Balaji
Company Secretary
(M.No. A 22951)




Chandrak Prakash Mehta
Chief Financial Officer
(M.No. 401195)

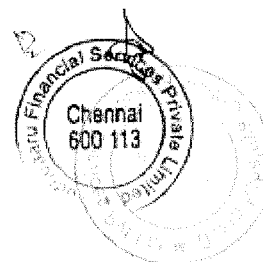
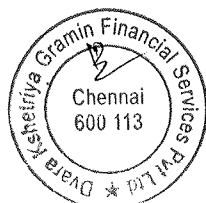


(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

Pudhuanu Financial Services Private Limited
Cash flow statement for the year ended March 31, 2017

Amount in INR

Ref	Particulars	For the Year ended March 31, 2017	For the Year ended March 31, 2016
A	Cash Flow from Operating Activities		
	Profit before Tax	34,919,310	22,570,117
	Adjustments for:		
	Depreciation and amortisation	877,776	1,627,164
	Profit on sale of fixed assets	(96,472)	
	Interest income on Fixed Deposits	(20,298,854)	(17,100,945)
	Gain on Mutual Funds	(6,297,197)	(5,234,414)
	Provision for Standard Assets	6,563,710	2,334,086
	Provision for Non-performing Assets	2,164,159	(1,340,676)
	Provision for employee benefits	98,815	188,495
	Provision for Credit Enhancements on assets derecognised (written back)	(23,380)	23,380
	Other Provisions	2,547,501	731,396
	Interest Expenses	352,476,008	249,918,825
	Other borrowing cost	24,957,012	22,121,447
	Operating Profit before working capital changes	397,888,388	274,840,875
	Changes in working capital and other changes:		
	Adjustments for (increase)/decrease in operating assets - Current / Short term		
	Receivables under Financing Activity	(1,150,578,720)	(118,168,816)
	Loans and Advances	2,248,331	47,317,241
	Other Current Assets	(28,089,046)	2,383,380
	Adjustments for (increase)/decrease in operating assets - Non- Current / Long term		
	Loans and Advances	(15,624,387)	(10,296,072)
	Other Non-Current Assets	(43,345,690)	(11,413,947)
	Adjustments for increase/(decrease) in operating liabilities - Current / Short term		
	Trade Payables	(1,750,378)	1,602,782
	Other Current Liabilities	4,526,562	(28,590)
	Cash used in operations	(835,724,946)	186,236,854
	Net income Tax (paid)/ Refunds	(7,048,326)	(4,757,174)
	Net cash flow used in operating activities (A)	(842,773,268)	181,479,680
B	Cash Flows from Investing Activities		
	Sale of fixed assets	140,660	1,925
	Acquisition of mutual funds	(2,325,768,101)	(2,137,100,000)
	Proceeds from sale of mutual funds	2,332,065,298	2,142,334,414
	Increase/(Decrease) in non current bank balances	(511,237,081)	(155,039,503)
	Increase/(Decrease) in other bank balances	471,369,405	116,336,866
	Interest Received on Fixed Deposits	20,298,854	17,100,945
	Net cash used in investing activities (B)	(13,130,875)	(16,365,334)



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

Pudhuanu Financial Services Private Limited
Balance Sheet As at March 31, 2016

Amount in INR

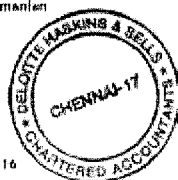
Particulars	Note No	As at March 31, 2016	As at March 31, 2015
I. EQUITY AND LIABILITIES			
1. Shareholders' funds			
(a) Share capital	3	477,979,000	447,979,000
(b) Reserves and surplus	4	(737,135)	(75,746,759)
2. Non-current liabilities			
(a) Long term borrowings	5	654,371,910	705,117,700
(b) Deferred tax liabilities (net)	29	1,596,000	-
(c) Long term provisions	6	1,874,241	978,499
3. Current liabilities			
(a) Short term borrowings	7	-	66,570,422
(b) Trade payables:-	8	-	-
(A) Total outstanding dues of micro enterprises and small enterprises		-	-
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		15,573,730	13,970,949
(c) Other current liabilities	9	1,433,174,121	994,213,309
(d) Short term provisions	10	22,512,766	24,324,877
Total		2,606,344,633	2,317,412,345
II. ASSETS			
1. Non-current assets			
(a) Fixed assets	11	-	-
(i) Tangible assets		1,427,671	5,054,205
(ii) Intangible assets		14,589	17,145
(b) Deferred tax assets (net)	29	-	4,265,522
(c) Receivables under financing activity	12	544,604,238	339,007,392
(d) Long-term loans and advances	13	55,115,431	43,016,156
(e) Other non-current assets	14	60,093,871	48,681,926
2. Current assets			
(a) Receivables under financing activity	12	1,400,986,672	1,468,324,702
(b) Cash and cash equivalents	15	437,896,555	234,451,073
(c) Short-term loans and advances	16	15,475,210	62,795,451
(d) Other current assets	17	68,725,392	91,708,772
Total		2,606,344,633	2,317,412,345

See accompanying notes to the Financial Statements

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

[Signature]

Bhavana Suresubramanian
Partner



Place: Chennai
Date: 21st May 2016

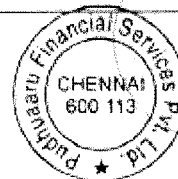
For and on behalf of the Board of Directors
Pudhuanu Financial Services Private Limited

[Signature]
K. Venkatesh
Managing Director
(DIN : 03078403)

[Signature]
Bhishu K
Company Secretary
(M.No. A39B40)

[Signature]
Bama Balakrishnan
Director
(DIN : 00631184)

[Signature]
Chandru Pragasu Mehta
Chief Financial Officer
(M.No. 401195)



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

Pudhuanu Financial Services Private Limited
Statement of Profit and Loss For the Year ended March 31, 2016

Particulars	Note No	Amount in INR	
		For the Year ended March 31, 2016	For the Year ended March 31, 2015
I. Revenue from operations	18	419,533,801	412,159,091
II. Other Income	19	151,847,445	26,442,177
III. Total Revenue (I+II)		591,381,246	438,601,269
IV. Expenses			
Employee Benefits Expense	20	4,865,853	2,116,982
Finance Costs	21	272,040,272	244,668,754
Depreciation and Amortisation Expense	11	1,627,164	6,314,470
Other Expenses	22	390,277,840	144,264,385
Total Expenses		568,811,129	397,364,591
V. Profit Before Tax (III-IV)		22,570,117	41,236,678
VI. Tax Expense			
Current Tax - MAT		4,645,000	9,191,000
Short/excess Provision for Tax - Earlier Years		47,530	-
Less: Mat Credit Entitlement		(2,993,559)	(8,620,439)
Deferred Tax Charge/(Credit)		5,861,522	(1,970,543)
Total Tax Expense		7,560,493	(1,409,982)
VII. Profit For the Year After Tax		15,009,624	42,646,660
Earnings Per Equity Share (Face Value of INR 100 Per Share)	28		
Basic and diluted		3.34	10.37

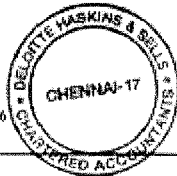
See accompanying notes forming part of the Financial Statements

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

Bhavanth Balasubramanian

Bhavanth Balasubramanian
Partner

Place: Chennai
Date: 21st May 2016



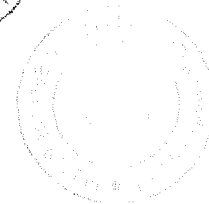
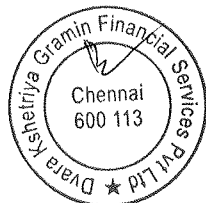
For and on behalf of the Board of Directors
Pudhuanu Financial Services Private Limited

K. Venkatesh
K. Venkatesh
Managing Director
(DIN: 02078403)

Isiltha K
Isiltha K
Company Secretary
(M.No. A39840)

Bama B
Bama Balakrishnan
Director
(DIN: 06531199)

Chandra Prakash Mehta
Chandra Prakash Mehta
Chief Financial Officer
(M.No. 401195)

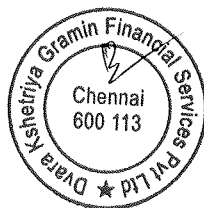
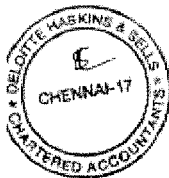


(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

Pudhuvaru Financial Services Private Limited
Cash flow statement for the year ended March 31, 2016

Amount in INR

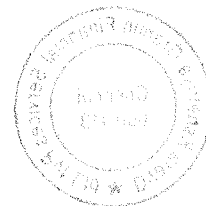
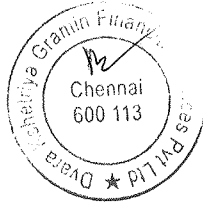
Ref	Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
A	Cash Flow from Operating Activities		
	Profit before Tax	22,570,117	41,236,678
	Adjustments for:		
	Depreciation and amortisation	1,627,164	6,314,470
	Profit on sale of assets	-	(47,126)
	Interest income on Fixed Deposits	(17,100,945)	(13,901,375)
	Gain on Mutual Funds	(5,234,414)	(4,216,340)
	Provision for Standard Assets	1,334,086	1,190,744
	Provision for Non-performing Assets	(1,340,676)	3,500,069
	Provision for employee benefits	188,495	599
	Provision for Credit Enhancements on assets derecognised (written back)	23,380	(48,028)
	Other Provisions	733,396	(491,178)
	Interest Expenses	249,918,825	224,826,453
	Other borrowing cost	22,121,447	19,842,323
	Operating Profit before working capital changes	274,340,875	278,207,366
	Changes in working capital and other changes:		
	Adjustments for (increase)/decrease in operating assets - Current / Short term		
	Receivables under Financing Activity	(118,158,816)	(477,513,589)
	Loans and Advances	47,317,241	(20,434,010)
	Other Current Assets	2,383,380	(26,007,463)
	Adjustments for (increase)/decrease in operating assets - Non- Current / Long term		
	Loans and Advances	(10,296,072)	(11,026,884)
	Other Non-Current Assets	(11,413,947)	(1,984,888)
	Adjustments for increase/(decrease) in operating liabilities - Current / Short term		
	Trade Payables	1,602,782	(1,593,692)
	Short Term Provisions	-	(1,451,880)
	Other Current Liabilities	(28,590)	(41,114,993)
	Cash used in operations	186,236,854	(293,020,032)
	Net Income Tax (paid)/ Refunds	(4,757,174)	(9,792,644)
	Net cash flow used in operating activities (A)	181,479,680	(302,812,676)
B	Cash Flows from Investing Activities		
	Sale of fixed assets	1,925	172,501
	Investment in mutual funds	(2,137,100,000)	(1,570,000,000)
	Mutual fund redemptions	2,142,334,014	2,574,216,140
	Increase/(Decrease) in non-current bank balances	(155,039,503)	(102,926,622)
	Increase/(Decrease) in other bank balances	116,336,866	90,726,627
	Interest Received on Fixed Deposits	17,100,945	13,901,375
	Net cash generated from Investing activities (B)	(16,365,354)	6,095,021



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

ANNEXURE – V – TERM SHEET

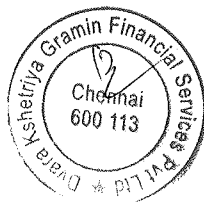
As mentioned in Section 8 above



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

ANNEXURE – VI – INTEREST PAYMENT DATES

Interest Payment Date
30-Jun-19
30-Sep-19
31-Dec-19
31-Mar-20
30-Jun-20
30-Sep-20
31-Dec-20
31-Mar-21
30-Jun-21
30-Sep-21
31-Dec-21
31-Mar-22
30-Jun-22
30-Sep-22
31-Dec-22
31-Mar-23
30-Jun-23
30-Sep-23
31-Dec-23
31-Mar-24
30-May-24



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

ANNEXURE – VII – OFFER DATES

Offer Open Date	30th May, 2019
Offer Close Date	30th May, 2019
Deemed Date of Allotment	30th May, 2019
Redemption Date	30th May, 2024

