

Address	:	3rd Floor, Muthoot Towers, M.G. Road, Kochi, Kerala - 682 035, India
Tele No	:	+91 484 6619689
Fax No	:	N.A.
Email	:	deepa.g@muthootcap.com

SECTION VI: SUMMARY TERM SHEET

The following is a summary of the draft terms of the Issue as applicable to the Debentures.

Issuer / Company	Muthoot Capital Services Limited (“Company”/ “MCSL”/ “Issuer”)
Security Name (Name of the debt securities/non-convertible redeemable preference shares which includes (Coupon/ dividend, Issuer Name and maturity year) e.g. 8.70% XXX 2015.	10.00%Muthoot Capital Services Limited 2026
Type of instrument	Senior, Secured, Rated, Listed, Redeemable, Non-Convertible Debentures (“NCDs” / “Debentures”)
Nature of instrument (Secured or Unsecured)	Secured
Seniority (Senior or Subordinated)	Senior
Mode of Issue	Private placement
Arranger	A.K. Capital Services Limited
Eligible Investors	<p>The following categories of investors, when specifically approached and have been identified upfront, are eligible to apply for this private placement of the Bonds subject to fulfilling their respective investment norms/rules and compliance with laws applicable to them by submitting all the relevant documents along with the Application Form (“Eligible Investors”):</p> <p>a) Qualified Institutional Buyers (“QIBs”) means the following entities:</p> <ul style="list-style-type: none"> (i) A mutual fund, venture capital fund, Alternative Investment Fund and Foreign Venture Capital Investor registered with SEBI; (ii) Foreign portfolio investor other than individuals, corporate bodies and family offices; (iii) a Public Financial Institution; (iv) a Scheduled Commercial Bank; (v) a multilateral and bi-lateral development financial institution; (vi) a State Industrial Development Corporation; (vii) An insurance company registered with Insurance Regulatory and Development Authority of India; (viii) A Provident Fund with minimum corpus of Rs.25 Crore Rupees (ix) A Pension Fund with minimum corpus of Rs.25 Crores (x) National Investment Fund set up by resolution No: F.No.2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India; (xi) An insurance fund set up and managed by Army, Navy / Air force of the Union of India; (xii) Insurance funds set up and managed by the Department of Posts, India; and (xiii) Systemically important Non- Banking Financial Companies. <p>b) Any non-QIB including <i>inter-alia</i> resident individual investors, Hindu Undivided Families (excluding minors and NRIs), Partnership Firms</p>

	<p>and Limited Liability partnership firms, Trusts (including public charitable trusts), association of persons, societies registered under the Applicable Laws in India, companies, bodies corporate etc, who/ which has been authorized by the Issuer, to participate in a particular issue on the EBP platform.</p> <p>The advisor(s)/ arranger(s)/ placement agent(s), broker(s) associated with the Issue and/or their affiliates/ subsidiaries/ associates/ group companies and/or their promoters/ directors/ key managerial personnel/ officers/ employees may subscribe to the Issue as the applicable laws including but not limited to (i) SEBI (Merchant Bankers) Regulations, 1992 and Code of Conduct specified therein; (ii) Securities and Exchange Board of India (Stock Brokers) Regulations, 1992 and Code of Conduct specified therein, as applicable, do not restrict them from subscribing to the Issue.</p> <p>Note: Participation by Eligible Investors in the Issue may be subject to statutory and/or regulatory requirements applicable to them in connection with subscription to Indian securities by such categories of persons or entities. Applicants are advised to ensure that they comply with all regulatory requirements applicable to them, including exchange controls and other requirements. Applicants ought to seek independent legal and regulatory advice in relation to the laws applicable to them.</p>
Listing (name of stock Exchange(s) where it will be listed and timeline for listing)	<p>a. The NCDs are proposed to be listed on the WDM of the BSE Limited (BSE). The NCDs shall be listed within 3 (Three) working days from the Issue Closure Date ("Listing Period").</p> <p>b. The Issuer shall ensure that the Debentures continue to be listed on the wholesale debt market segment of the BSE.</p> <p>c. In the event there is any delay in listing of the Debentures beyond the regulatory Listing Period, the Issuer will:</p> <p>i. pay to the Debenture Holders, a penal interest of 1% (One Percent) p.a. over the applicable Coupon Rate from the Deemed Date of Allotment until the listing of the Debentures is completed; and</p> <p>ii. be permitted to utilize the issue proceeds of its 2 (two) subsequent privately placed issuances of securities only after receiving final listing approval from the stock exchange(s).</p>
Objects of the Issue / Purpose for which there is requirement of funds	<p>The Issue Proceeds equivalent to 100% of the funds raised by the Issue will be utilized towards the on-lending purpose.</p> <p>The Issuer shall not use the proceeds of the Issue towards:</p> <p>a. Any capital market instrument such as equity, debt, debt linked and equity linked instruments or any other capital market related activities;</p> <p>b. Any speculative purposes;</p> <p>c. Investment in the real estate sector, including the acquisition of land, and/or any other real estate business. The expression "real estate business" has the meaning given to it in the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019;</p> <p>d. Providing/extending unsecured loans/consumer credit or making any inter-corporate deposits to/in any subsidiary and/or associate Issuer;</p> <p>e. Providing any bill discounting facilities;</p> <p>f. making any repayment of any loans availed from its directors and/or Promoters; and/or</p> <p>g. in contravention of any Applicable Law (including but not limited to the NBFC Directions and the guidelines, rules or regulations of the RBI applicable to non-banking financial companies.</p>
In case the issuer is a NBFC and the objects of the issue entail loan to any entity who is a	Not Applicable

'group Issuer' then disclosures shall be made in the following format:	
Details of the utilization of the Proceeds	<p>The Issue Proceeds equivalent to 100% of the funds raised by the Issue will be utilized towards the on-lending purpose.</p> <p>The Issuer shall not use the proceeds of the Issue towards:</p> <ol style="list-style-type: none"> a. Any capital market instrument such as equity, debt, debt linked and equity linked instruments or any other capital market related activities; b. Any speculative purposes; c. Investment in the real estate sector, including the acquisition of land, and/or any other real estate business. The expression "real estate business" has the meaning given to it in the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019; d. Providing/extending unsecured loans/consumer credit or making any inter-corporate deposits to/in any subsidiary and/or associate Issuer; e. Providing any bill discounting facilities; f. making any repayment of any loans availed from its directors and/or Promoters; and/or g. in contravention of any Applicable Law (including but not limited to the NBFC Directions and the guidelines, rules or regulations of the RBI applicable to non-banking financial companies.
Rating of Instrument	<p>"CRISIL A+/ Stable" (Pronounced CRISIL Single A Plus with Stable Outlook) by CRISIL Ratings Limited</p> <p>The Issuer/Investor(s) reserves the right to obtain an additional credit rating from any SEBI registered Credit Rating Agency for full or part of the Issue size, as it may deem fit, which shall be at least equivalent to the prevailing credit rating to the issue.</p>
Credit Rating Agency	CRISIL Ratings Limited
Promoter	<p>Thomas George Muthoot (DIN: 00011552)</p> <p>Thomas John Muthoot (DIN: 00011618)</p> <p>Thomas Muthoot (DIN: 00082099)</p>
Promoter Group	Shall have the meaning as defined under Companies Act, 2013 and as defined under applicable laws
Debenture Trustee	Vardhman Trusteeship Private Limited
Registrar & Transfer Agent	Integrated Registry Management Services Private Limited
Depositories	NSDL and CDSL
Issue Size	Rs. 50 crores (Rupees Fifty Crores) plus a green shoe option of upto Rs. 50 Crores (Rupees Fifty Crores)
Face Value	Rs.,1,00,000 (Rupees One Lakh) per Debenture
Option to retain oversubscription (amount)	Upto Rs. 50 crores (Rupees Fifty Crores)
Tenor	36 (Thirty Six) Months from the Deemed Date of Allotment
Coupon Type (Fixed, floating or other structure)	Fixed
Coupon Rate	10.00% p.a. payable monthly
Coupon Payment Frequency	Monthly and on Redemption of the Debentures.
Coupon Payment Date(s)	The Coupon shall be payable on a monthly basis, starting from January 28, 2024 and on the Final Redemption Date (subject to the Business Day convention set out in the row titled 'Business Day Convention').

	The Coupon Payment Dates are specifically set out in Annexure I hereto.
Cumulative / Non-Cumulative, in case of dividend	Not Applicable
Redemption Date/s and Redemption Amount(s)	Bullet, At Par
Redemption Date / Maturity Date	December 28, 2026
Redemption Premium/ Discount	Not Applicable
Discount at which security is issued and the effective yield as a result of such discount.	Not Applicable
Name of the Anchor Investor	Yes If yes, a. Name of Anchor Investor: A.K. Capital Finance Limited (“Anchor Investor”) b. Quantum of allocation to Anchor Investor: The anchor portion decided by the Issuer for this Issue for its allocation to the Anchor Investor shall be: 30% of the base Issue Size i.e. Rs. 15,00,00,000/- (Rupees Fifteen Crores only) c. There shall be no bidding for the anchor portion on the EBP platform;
Put Option	a. The Debenture holder(s) shall have right but not an obligation to require the Issuer to redeem the NCDs held by such debenture holder in part or full, by issuing a notice in writing to the Debenture Trustee on or before Put Notification Time. In the event the Put Option is exercised, the Issuer will redeem the NCDs of such Debenture Holder(s) on such Put Option Date. b. In the event there is any delay in redemption of such debentures on the Put Option Date, the Issuer will pay to the Debenture Holders, a penal interest of 15% (Fifteen Percent) per annum from the Put Option Date till the NCDs are redeemed of such Debenture Holder(s).
Put Option Date	The Debenture holder shall have an option but not an obligation to exercise the Put Option at the end of 24 th Month of Deemed Date of Allotment i.e. December 28, 2025
Put Option Price	At Par
Put Notification Date (Timelines by which the investor need to intimate Issuer before exercising the put)	At least 21 (Twenty-One) calendar days prior to the Put Option Date.
Call Option	Not Applicable
Call Option Date(s)	Not Applicable
Call Option Price	Not Applicable
Call Notification Time (Timelines by which the Issuer need to intimate investor before exercising the call)	Not Applicable
Day Count Basis	Actual / Actual
Step Up Coupon Rate	If the rating of the Issuer/Debentures is downgraded below “CRISIL A+/Stable” and/or the long term credit rating of the Issuer and/or Muthoot Fincorp Limited and/or Muthoot Microfin Limited is downgraded (“Rating Downgrade Events”), the applicable Coupon Rate shall be increased by

	0.25% for each downgrade of 1 (One) notch from the rating upon occurrence of any of the Rating Downgrade Event, and such increased applicable Coupon Rate shall be applicable on the Outstanding Principal Amounts with effect from the date of such downgrade.
Interest on Application Money	At the Coupon 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.
Minimum Application size	The minimum application size for the issue shall be 10 (Ten) Debentures and in multiples of 1 (One) Debenture thereafter.
Issuance mode of the Instrument	Demat only
Trading mode of the Instrument	Demat only
Issue Timing	
1. Issue Opening Date	December 27,2023
2. Issue Closing Date	December 27,2023
3. Date of earliest closing of the issue, if any.	Not Applicable
4. Pay-in Date	December 28,2023
5. Deemed Date of Allotment	December 28,2023
Settlement mode of the Instrument	All interest, principal repayments, penal interest and other amounts, if any, payable by the Issuer to the Debenture Holders shall be paid to the Debenture Holders by electronic mode of transfer like RTGS/NEFT/direct credit to such bank account within India as the Debenture Holders' inform the Issuer in writing and which details are available with the Registrar.
Mode of Bidding	Open Book
Manner of Allotment	Multiple
Manner of Settlement	Indian clearing corporation limited (ICCL)
Disclosure of Interest/Dividend/ redemption dates	Please refer Annexure I below for the indicative cash flows.
All covenants of the issue (including side letters, accelerated payment clause, etc.)	There are no other covenants other than as prescribed in the Placement Memorandum.
Business Day	Any day of the week (excluding Sundays and any day which is a public holiday for the purpose of Section 25 of the Negotiable Instruments Act, 1881 (26 of 1881) on which banks are normally open for business in Mumbai India.
Business Day Convention	If any Coupon Payment Date(s) or any other Due Date(s) for the performance of any event falls on a day that is not a Business Day, then the succeeding Business Day will be considered as the effective date. The interest for such additional period shall be adjusted and paid in the next coupon cycle. Hence the subsequent coupon payment period remains intact. If the Final Redemption Date (also being the last Coupon Payment Date) of the Debentures falls on a day that is not a Business Day, the redemption proceeds shall be paid on the immediately preceding Business Day, along with coupon/interest accrued on the Debentures until but excluding the date of such payment.
Record Date	A Register of Debenture Holders shall be maintained in accordance with

	<p>Section 88 of the Companies Act, 2013 and the Register of Debenture Holders/the Register of Beneficial Owners, shall be closed 2 (Two) Working days prior to each Due Date.</p>
<p>Description regarding Security (where applicable) including type of security (movable/immovable/tangible etc.), type of charge (pledge/ hypothecation/ mortgage etc.), date of creation of security/ likely date of creation of security, minimum security cover, revaluation, replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Trust Deed and disclosed in the Offer Document/ Information Memorandum.</p>	<p>The outstanding NCD amount, together with coupon, default interest remuneration of the Trustee, charges, fees, expenses and all other monies due from the Company, shall be secured by (to the satisfaction of the NCD holders):</p> <ol style="list-style-type: none"> 1. A pari passu charge via a deed of hypothecation over asset portfolio of receivables (“Hypothecated Assets”) with a security cover of 1.15 times (“Minimum Security Cover”) to be maintained on the Outstanding Amounts of the NCDs along with coupon thereon at all times during the tenure of the NCDs. 2. The Minimum-Security Cover shall be calculated on the basis of the outstanding principal amount/s on the Hypothecated Assets. (“Security”). <p>The Issuer shall execute the Debenture Trust Deed and Deed of Hypothecation prior to the Deemed Date of Allotment. The Issuer shall perfect the Security by filing CHG-9 Form with Registrar of Companies (ROC) within 30 (Thirty) calendar days from the Deemed Date of Allotment.</p> <p><u>Eligibility Criteria for the Hypothecated Assets</u></p> <ol style="list-style-type: none"> 1. All loans hypothecated under the deed of hypothecation should comply with RBI norms and guidelines. 2. The Hypothecated Assets should not have been restructured and/or rescheduled. 3. The Hypothecated Assets must comprise of only loans directly originated by the Company and not loans purchased from any third party; 4. The Hypothecated Assets shall not be generated from lending provided by the Company to its associates, subsidiaries and/or related parties; 5. All ‘know your customer’ requirements applicable in terms of applicable law shall have been complied with in respect of the Hypothecated Assets; <p>In the event of any fall in the Security Cover below the Minimum-Security Cover or in the replacement of Security or, the Company shall be obliged to reinstate the Security Cover to at-least the Minimum-Security Cover in terms of the Deed of Hypothecation, within 15 (Fifteen) calendar days from the date of such fall in the Security Cover. The Company shall execute such deeds, documents and writings and do such acts and things in this regard as may be required by the Debenture Trustees.</p> <p>Without prejudice to the obligation of the Company in terms of the foregoing, the Company shall be liable to pay additional coupon of 2% p.a. per annum, over and above Coupon Rate from the date on which the Security Cover falls below the Minimum-Security Cover until the date on which it is reinstated in terms of the Transaction Documents.</p>
<p>Undertaking</p>	<p>The Issuer hereby undertakes that the Issuer shall /has procured required consents wherever applicable prior to the creation of charge for this NCD issue.</p>
<p>Un-dated Cheques (UDCs)</p>	<p>On or before the Deemed Date of Allotment, the Issuer shall provide, 2 (Two) undated cheques (which are CTS 2010 Standard Compliant Instrument) towards total interest amount and 2 (Two) Undated cheques (which are CTS 2010 Standard Compliant Instrument) for an amount not exceeding the principal amount of the NCDs subscribed, in favour of the</p>

	<p>Debenture Trustee to be signed atleast by any one of the Promoter of the Issuer.</p> <p>The Coupon and Principal repayment to be serviced by way of RTGS to the Debenture Holder.</p>
Transaction Documents	<p>The Issuer has executed/shall execute the documents including but not limited to the following, as required, in connection with the Issue as per latest SEBI guidelines/ Companies Act, 2013 (as applicable) for issuance of NCDs through private placement:</p> <ol style="list-style-type: none"> a. Debenture Trustee Agreement b. Placement Memorandum; c. Term Sheet d. Private Placement Offer Letter (Form PAS-4); e. Debenture Trust Deed; f. Deed of Hypothecation; <p>Such other documents as agreed between the Issuer and the Debenture Trustee</p>
Conditions Precedent to Disbursement	<p>The Issuer shall fulfill the following conditions Precedent, to the satisfaction of the Debenture Trustee, on or prior to the Deemed Date of Allotment:</p> <ol style="list-style-type: none"> a. Execution of the Transaction Documents; b. Receipt of Due diligence certificate (Annexure A) issued by the Debenture Trustee in accordance with the SEBI circular dated November 03, 2020 (bearing reference no SEBI/HO/MIRSD/CRADT/CIR/P/2020/218) c. Receipt Rating Rationale and press release from the Credit Rating Agency; d. Rating Letter from the Credit Rating Agency e. Receipt of the Debenture Trustee Consent Letter; f. Receipt of the BSE in-principal approval; g. A certified copy of the resolution of the Issuer's board of directors authorizing the issuance of the Debentures to be provided prior to the Deemed Date of Allotment; h. A certified copy of the resolution of the shareholders of the Issuer under Sections 180(1)(a) and 180(1)(c) of the Act to be provided prior to the Deemed Date of Allotment; i. A certified copy of the resolution of the shareholders of the Issuer under Section 42 of the Act; j. A certificate issued by the independent chartered accountant, prior to the Deemed Date of Allotment confirming that: (A) issuance of the Debentures would not cause any borrowing, or similar limit binding on the Issuer to be exceeded; (B) execution of the relevant Security Documents and creation of the security interests, would not breach any limits under the constitutional documents of the Issuer, the terms of any other contractual arrangements entered into by the Issuer or any limits prescribed by the shareholders or board of directors of the Issuer; k. A certificate issued by an independent chartered accountant, prior to the Deemed Date of Allotment, certifying that there are no proceedings or claims for the recovery of any Tax pending against the Issuer including, without limitation, any income tax proceedings requiring it to obtain the consent of the Assessing Officer under Section 281(1) of the Income Tax Act, 1961 for the purpose of creating security interest in respect of the secured property. l. Duly completed certified/ self-attested KYC Documents of the Authorized Signatories of the Issuer who are executing the Transaction Documents.

	<p>m. The Issuer to provide a management undertaking that all the borrowing facilities of the Issuer are standard in nature, the Issuer has not defaulted in making any payments in respect thereto and the Issuer has obtained all regulatory and statutory consents to issue Debentures.</p>
<p>Conditions Subsequent to Disbursement</p>	<p>The Issuer shall fulfill the following conditions subsequent, to the satisfaction of the Debenture Trustee, pursuant to the Deemed Date of Allotment:</p> <ol style="list-style-type: none"> a. Receipt of Due diligence certificate (Annexure B) issued by the Debenture Trustee in accordance with the SEBI circular dated November 03, 2020 (bearing reference no SEBI/HO/MIRSD/CRADT/CIR/P/2020/218) b. The Issuer shall ensure that the Debentures are credited into the beneficial owner account(s) of the Debenture within 2 (Two) Business Days from the relevant Deemed Date of Allotment; c. The Issuer will ensure listing of Debentures on the BSE within 3 (three) working days from the Issue Closure Date; d. The Issuer shall file a copy of Form PAS-3 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 with the relevant registrar of companies and SEBI within 15 (Fifteen) days from the date of the Private Placement Offer Letter; e. Perfection of the Security over the Hypothecated Assets by filing Form CHG-9 with the Registrar of Companies within stipulated timelines under the Applicable Laws. f. The Issuer shall submit requisite documents pertaining to the Security within 60 (Sixty) Calendar days from the date of execution of Deed of Hypothecation. g. The Issuer shall provide the details on utilisation of funds raised through the issue of Debentures duly certified by the Issuer's chartered accountants/ statutory auditors to the Debenture Trustee within the timelines under the applicable laws; h. Execution of any other documents as the Debenture Trustee may require.
<p>Representations and Warranties of the Issuer</p>	<p>The Company declares, represents and warrants to the Debenture Trustee and the Debenture Holders, as follows which representations and warranties shall be made as on the date of this Term Sheet and shall be deemed to repeated on each date until the Final Settlement Date:</p> <ol style="list-style-type: none"> (a) Authority and Capacity <ol style="list-style-type: none"> (i) The Company has been duly incorporated, organized and is validly existing, under Applicable Law; (ii) The Company is a non-banking financial company registered with the RBI and such registration is valid and subsisting; (iii) The Company has the corporate power, authority and all permits, approvals, authorizations, licenses, registrations, and consents including registrations, to own and operate its assets and to carry on its business in substantially the same manner as it is currently conducted; (iv) The Company is in compliance with Applicable Law for the performance of its obligations with respect to this issuance of the Debentures; and (v) All consents, and actions of, filings with and notices to any governmental authority as may be required to be obtained by the Company in connection with the issuance of the Debentures has been obtained and is in full force and effect. (b) Compliance; Corporate Matters

	<p>i. The Issuer has complied with Applicable Law, including without limitation, the SEBI NCS Regulations and all other Applicable Law in respect of the issuance of the Debentures and for the performance of the Issuer of its obligations with respect to the Debentures, and to carry on their business.</p> <p>ii. There has not been and there is no investigation or enquiry by, or order, decree, decision or judgment of any Governmental Authority issued or outstanding or to the best of the Issuer's knowledge (after making due and careful enquiry), anticipated against the Issuer which would have a Material Adverse Effect.</p> <p>iii. No notice or other communication (official or otherwise) from any Governmental Authority has been issued or is outstanding or to the best of the Issuer's knowledge (after making due and careful enquiry), anticipated with respect to an alleged, actual or potential violation and/or failure to comply with any such Applicable Law or requiring them to take or omit any action.</p> <p>iv. The Issuer shall complete all necessary formalities including all filings with and notices to the relevant regulatory authorities as may be required, including but not limited to stock exchange and the ROC and obtain all consents and approvals required for the completion of the Issue.</p> <p>v. All the legal and procedural requirements specified in the Constitutional Documents or required under Applicable Law have been duly complied with in all respects in relation to the issue of the Debentures.</p> <p>vi. The registers and minute books (including the minutes of board and shareholders meeting) required to be maintained by the Issuer under Applicable Law:</p> <ol style="list-style-type: none"> 1. are up-to-date and have been maintained in accordance with Applicable Law; 2. comprise complete and accurate records of all information required to be recorded in such books and records; and 3. no notice or allegation that any of them are incorrect and/or should be rectified has been received. <p>(c) Binding Obligations</p> <p>The obligations expressed to be assumed by it under the Transaction Documents are legal, valid, binding and enforceable obligations.</p> <p>(d) Non-conflict with other obligations</p> <p>The entry into and performance by the Company of, the transactions contemplated by the Transaction Documents do not and will not conflict with:</p> <ol style="list-style-type: none"> I. any Applicable Law to which the Company is subject including, without limitation, any laws and regulations regarding anti-money laundering/ terrorism financing and similar financial sanctions; II. its constitutional documents; III. any agreement or instrument binding upon it or any of its assets, including but not limited to any terms and conditions of the Financial Indebtedness availed of by the Company.
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	<p>(e) Power and authority</p> <p>It has the power to issue the Debentures and enter into, perform and deliver, and has taken all necessary action to authorize its entry into, performance and delivery of, the Transaction Documents to which it is a party and the transactions contemplated by those Transaction Documents.</p> <p>(f) Validity and admissibility in evidence</p> <p>All approvals, authorizations, consents, permits (third party, statutory or otherwise) required or desirable:</p> <ol style="list-style-type: none"> I. to enable it lawfully to enter into, exercise its rights and comply with its obligations in the Transaction Documents to which it is a party; II. to make the Transaction Documents to which it is a party admissible in evidence in its jurisdiction of incorporation; and III. for it to carry on its business, and which are material, have been obtained or effected and are in full force and effect. <p>(g) Financial statements; Accounts and Records</p> <ol style="list-style-type: none"> i. Its audited financial statements most recently provided to the Debenture Trustee as of March 31, 2023 were prepared in accordance with Applicable Accounting Standards consistently applied save to the extent expressly disclosed in such financial statements. ii. Its audited financial statements as of March 31, 2023 provided to the Debenture Trustee, give a true and fair view and represent its financial condition and operations during the Financial Year save to the extent expressly disclosed in such financial statements. iii. The books of accounts of the Issuer have been fairly and properly maintained, the accounts of the Issuer have been prepared in accordance with Applicable Law and the Applicable Accounting Standards, so as to give a true and fair view of the business (including the assets, liabilities and state of affairs) of the Issuer and its subsidiaries. The Issuer has a proper, efficient and effective book-keeping and accounting system in place as well as adequate professional staff, including maintaining of accounts showing the loan drawings, payments, interest etc. <p>(h) Taxation Matters</p> <ol style="list-style-type: none"> (i) The Issuer has complied with all the requirements as specified under the respective tax laws as applicable to it in relation to returns, computations, notices and information which are or are required to be made or given by the Issuer to any tax authority for taxation and for any other tax or duty purposes, have been made and are correct. (ii) The Company has not received any material notice of any tax disputes or other liabilities of taxes in respect of which a claim has been made or notice has been issued against the Company other than disclosed in the annual report. <p>(i) Legal / Litigation Matters</p> <ol style="list-style-type: none"> (i) There are no material claims, investigations or proceedings before any court, tribunal or governmental authority in progress or pending against or relating to the Issuer, which would have a Material Adverse Effect other than disclosed in the annual report.
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	<p>(ii) There are no material unfulfilled or unsatisfied judgments or court orders in respect of the Company other than disclosed in the annual report.</p> <p>(iii) The Issuer has not taken any action nor has any order been passed for its winding-up, dissolution or re-organization or for the enforcement of any security over its assets or for the appointment of a liquidator, supervisor, receiver, administrator, administrative receiver, compulsory manager, trustee or other similar officer for it or in respect of its assets.</p> <p>(j) Assets</p> <p>Except for the security interests and encumbrances created and recorded with the Ministry of Corporate Affairs (available using CIN L67120KL1994PLC007726) on the website http://www.mca.gov.in/MCA21/index.html under the heading Index of Charges), the Issuer has, free from any security interest or encumbrance, the Issuer has, free from any security interest or encumbrance, the absolute legal and beneficial title to, or valid leases or licenses of, or is otherwise entitled to use (in each case, where relevant, on arm's length terms), all material assets necessary for the conduct of its business as it is being, and is proposed to be, conducted.</p> <p>(k) Pari Passu Ranking</p> <p>The Company's payment obligations under the Transaction Documents rank at least <i>pari passu</i> with the claims of all of its other senior and secured creditors, except for obligations mandatorily preferred by law applying to companies generally.</p> <p>(l) No Default</p> <p>No Event of Default has occurred and is continuing or would be expected to result from the execution or performance of any Transaction Documents or the issuance of the Debentures. No other event or circumstance is outstanding which constitutes (or which would, with the lapse of time, the giving of notice, the making of any determination under the relevant document or any combination of the foregoing, constitute) a default or termination event (however described) under any other agreement or instrument which is binding on the Company or any of its assets or which might have a Material Adverse Effect</p> <p>(m) Material Adverse Effect</p> <p>The Issuer hereby represents that there is no Material Adverse Effect existing and that there are no circumstances existing which could give rise, with the passage of time or otherwise, to a Material Adverse Effect.</p> <p>(n) No Immunity</p> <p>Neither the Issuer nor any of its assets is entitled to immunity from suit, execution, attachment or other legal process in its jurisdiction of incorporation. This Issue (and the documents to be executed in relation thereto) constitutes, and the exercise of its rights and performance of and compliance with its obligations in relation thereto, will constitute, private and commercial acts done and performed for private and commercial purposes.</p>
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(o) **Solvency**

- i. The Issuer is able to, and has not admitted its inability to, pay its debts as they mature and has not suspended making payment on any of its debts and it has not been deemed by a court to be unable to pay its debts for the purposes of Applicable Law, nor will it become unable to pay its debts for the purposes of Applicable Law as a consequence of entering into the DTD or any other Transaction Document.
- ii. The Issuer, by reason of actual or anticipated financial difficulties, has not commenced, and does not intend to commence, negotiations with one or more of its creditors with a view to rescheduling its Financial Indebtedness.
- iii. The value of the Assets of the Issuer is more than its liabilities (taking into account contingent and prospective liabilities) and it has sufficient capital to carry on its business.
- iv. The Issuer has not taken any corporate action nor has it taken any legal proceedings or other procedure or steps in relation to any bankruptcy proceedings nor has any order been passed for its winding-up, dissolution or re-organization, or for the enforcement of any security over its Assets, or for the appointment of a liquidator, supervisor, receiver, administrator, administrative receiver, compulsory manager, trustee or other similar officer for it or in respect of its assets.
- v. No insolvency or bankruptcy process has commenced under Applicable Law in respect of the Issuer (including pursuant to the IBC and the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019).
- vi. No reference has been made, or enquiry or proceedings commenced, in respect of the Issuer, before the National Companies Law Tribunal or under any mechanism or prescription of the RBI in respect of resolution/restructuring of stressed assets (including without limitation, under the Stressed Assets Framework).

(p) **Hypothecated Assets**

- i. The Hypothecated Assets are the sole and absolute property of the Issuer, and the Issuer has a clear and marketable title to the Hypothecated Assets.
- ii. Other than the security interest created/to be created pursuant to the Transaction Documents, the Hypothecated Assets are not subject to any lis-pendens, attachment, or other order or process issued by any Governmental Authority.
- iii. None of the Client Loans comprising the Hypothecated Assets are encumbered or sold or transferred or assigned to any other bank or financial institution.
- iv. The Transaction Documents executed or to be executed constitute, and shall constitute legal, valid and enforceable security interest in favour of the Debenture Trustee and for the benefit of the Debenture Holders on all the assets thereby secured

	<p>and all necessary and appropriate consents for the creation, effectiveness, priority and enforcement of such security have been obtained.</p> <p>v. The Issuer is not aware of any document, judgment or legal process or defects affecting the title, ownership of the Hypothecated Assets which has remained undisclosed and/or which may have a Material Adverse Effect.</p> <p>(q) Information</p> <p>All information provided by the Issuer is true and accurate in all material respects as at the date it was provided or as at the date at which it was stated and is not misleading whether by reason of omission to state a fact or otherwise.</p> <p>(r) Confirmations pursuant to the SEBI NCS Regulations</p> <p>With effect from the date of filing of the draft Placement Memorandum with the BSE, as on the date of filing of the draft Placement Memorandum with the BSE in accordance with the SEBI NCS Regulations:</p> <ol style="list-style-type: none"> i. the Issuer, the Promoter of the Issuer, the Promoter Group of the Issuer or the directors of the Issuer have not been debarred from accessing the securities market or dealing in securities by SEBI; ii. no Promoter of the Issuer or director of the Issuer is a promoter or director of any another Issuer which is debarred from accessing the securities market or dealing in securities by SEBI; iii. no Promoter of the Issuer or director of the Issuer is a fugitive economic offender; and iv. no fines or penalties levied by SEBI or any of the stock exchanges is pending to be paid by the Issuer. <p>(s) Illegality</p> <p>It is not illegal or unlawful for the Company to perform any of its obligations under the Transaction Documents.</p> <p>For the purposes of this Term Sheet:</p> <p>“Material Adverse Effect” shall mean, with respect to any entity, the effect or consequence of an event, circumstance, occurrence or condition including change in credit rating/ outlook/ opinion, change in the statutory auditor of the Company other than mandatory required by law, change in senior management team, change in board of directors’ member which has caused, as of any date of determination, or could reasonably be expected to cause a material and adverse effect on: (i) the financial condition, business or operation of the entity which in the opinion of the Debenture Holder is prejudicial to the ability of the entity to perform its obligations under the Transaction Documents; (ii) on the rights or remedies of the Debenture Holders hereunder or under any other Transaction Documents; (iii) the ability of the entity to perform its obligations under the Transaction Documents; or (iv) the legality, validity or enforceability of any of the Transaction Documents;</p> <p>“Final Settlement Date” shall mean the date on which the Payments have been irrevocably discharged in full and all the Debentures have been redeemed by the Company in full in accordance with the terms of the Transaction Documents and the Debenture Holders have provided a written confirmation of the same to the Company (with a copy marked to the Debenture Trustee).</p>
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Affirmative & Reporting Covenants	<p>The Company hereby covenants with the Debenture Trustee that the Company shall at all times till the Final Settlement Date:</p> <p>(a) Purpose</p> <p>The Company shall utilise the monies received upon subscription of the Debentures solely towards the purpose and in accordance with Applicable Law as set out in the row titled '<i>Objects & Details of Utilization of Proceeds</i>'.</p> <p>(b) Validity of Transaction Documents</p> <p>Ensure that the Transaction Documents shall be validly executed and delivered and will continue in full force and effect and will constitute valid, enforceable and binding obligations of the Company.</p> <p>(c) Further documents and acts</p> <p>Execute all such deeds, documents, instruments and assurances and do all such acts and things as the Debenture Trustee may require for exercising the rights under the Transaction Documents and the Debentures and for perfecting charge created in terms of the Deed of Hypothecation or for effectuating and completing the security intended to be hereby created and shall from time to time and at all times after the security hereby constituted shall become enforceable, execute and do all such deeds, documents, assurance, acts, and things as the Debenture Trustee may require for facilitating realization of the Hypothecated Assets.</p> <p>(d) Make the Relevant filings with the Registrar of Companies or such regulatory as may be applicable from time to time</p> <p>Pursuant to the Act and the relevant rules thereunder, the Company undertakes to make the necessary filings of the documents mandated therein.</p> <p>(e) Compliance with laws</p> <p>The Issuer shall comply with all Applicable Law (including, without limitation, the Act) as applicable in respect to the issuance of the Debentures, and obtain such regulatory approvals as may be required from time to time, including but not limited, in relation to the following:</p> <ol style="list-style-type: none"> i. the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 as may be in force from time to time during the currency of the Debentures; ii. the provisions of the listing agreement entered into by the Issuer with the stock exchange in relation to the Debentures including the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), iii. the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the other rules under the Act; iv. Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993 v. any other directions/ guidelines, notification, circular, press release issued by the applicable authority, from time to time <p>(f) Internal Control</p>
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	<ul style="list-style-type: none">i. maintain internal control for the purpose of preventing fraud on amounts lent by the Issuer; andii. ensure that the proceeds of the Debentures are not used for money laundering or illegal purposes; <p>(g) Audit and Inspection</p> <ul style="list-style-type: none">i. With prior intimation of minimum 3 (three) calendar days to the Issuer, permit visits and inspection of books of records, documents and accounts to the Debenture Trustee and representatives of Debenture Holders as and when required by them and any inspection in respect of the state and condition of the Hypothecated Assets, together with the relevant records and registers relating thereto, as and when required by the Debenture Trustee; andii. the Debentures shall be subject to an annual review by the Debenture Trustee/Debenture Holders to be completed within 15 (fifteen) calendar days of each Annual Review Date, subject to the satisfaction of Debenture Holders; <p>(h) Books and Records</p> <ul style="list-style-type: none">i. maintain its accounts and records in accordance with Applicable Law and make true and proper entries therein of all dealings and transactions of and in relation to the Debentures, the Hypothecated Assets and the business of the Issuer; andii. provide access to relevant books of accounts, documents and records in relation to this Issue and to enter into or upon and to view and inspect the state and condition of all the together with all records, registers of the Issuer as required by the Debenture Trustee and to take copies and extracts thereof; <p>(i) Loss or Damage by Uncovered Risks</p> <p>Promptly inform the Debenture Trustee and the Debenture Holders of any material loss or significant damage which the Issuer may suffer due to any force majeure circumstances or act of God, such as earthquake, flood, tempest or typhoon, etc. against which the Issuer may not have insured its properties;</p> <p>(j) Costs and Expenses</p> <p>Pay all reasonable costs, charges and expenses in any way incurred by the Debenture Trustee towards protection of the Debenture Holders' interests, including traveling and other allowances and such taxes, duties, costs, charges and expenses in connection with or relating to the Debentures subject to such expenses, costs or charges being approved in writing by the Issuer before they are incurred and shall not include any foreign travel costs;</p> <p>(k) Payment of Rents, etc.</p> <p>Punctually pay all rents, royalties, taxes, rates, levies, cesses, assessments, impositions and outgoings, governmental, municipal or otherwise imposed upon or payable by the Issuer as and when such amounts are payable;</p>
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	<p>(l) Preserve Corporate Status</p> <p>i. diligently preserve and maintain its corporate existence and status and all rights, privileges, and concessions now held or hereafter acquired by it in the conduct of its business;</p> <p>ii. obtain, comply with and maintain all its licenses and/ or authorizations required, including without limitation, the license to conduct business, and any other rights, licenses and franchises necessary for its obligations under the Debentures and the Transaction Documents and continue to be a validly existing organization in good standing and at all times act and proceed in relation to its affairs and business in compliance with Applicable Law;</p> <p>iii. comply with all acts, authorizations, consents, permissions, rules, regulations, orders and directions of any Governmental Authority; and</p> <p>iv. not do or voluntarily suffer or permit to be done any act or thing whereby its right to transact its business might or could be terminated or whereby payment of the Outstanding Amounts might or would be hindered or delayed;</p> <p>(m) Pay Stamp Duty</p> <p>Pay all such stamp duty (including any additional stamp duty), other duties, taxes, charges and penalties, if and when the Issuer may be required to pay according to the applicable state laws. In the event the Issuer fails to pay such stamp duty, other duties, taxes and penalties as aforesaid, the Debenture Trustee shall be at liberty (but shall not be bound) to pay such amounts and the Issuer shall reimburse the aforementioned amounts to the Debenture Trustee on demand;</p> <p>(n) Filings, Information to the Debenture Trustee</p> <p>(i) The Issuer shall submit to the Debenture Trustee (and to the Debenture Holder(s), if so requested) within 120 (One Hundred and Twenty) days from the close of each Financial Year:</p> <ul style="list-style-type: none"> • its duly audited annual financial statements; • a certificate from a director of the Issuer/ the chief financial officer of the Issuer confirming that no Event of Default or potential Event of Default has occurred or is subsisting; • all information/ documents required to be submitted by the Issuer to the RBI on an annual basis in respect of such Financial Year. • Such other information as may be required to be complied by the Issuer as per the applicable regulations <p>(ii) The Issuer shall submit to the Debenture Trustee (and to the Debenture Holder(s), if so requested), within 45 (Forty-Five) calendar days from the close of each quarter in a Financial Year:</p> <ul style="list-style-type: none"> • its quarterly financials along with the relevant schedules thereto; • Static Portfolio Cuts, Portfolio at Risk data, Restructured Portfolio, Monthly collection and monthly collection efficiency,
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	<p>Monthly disbursement data, in the format acceptable to the Primary Debenture Holder</p> <ul style="list-style-type: none"> • PAR & write-off report quarterly in the format acceptable to the Primary Debenture Holder • the list of the directors on the board of directors of the Issuer; • the shareholding pattern of the Issuer; • the debt profile of the Issuer (including, without limitation, the non-convertible debentures issued by the Issuer); • Asset liability management (“ALM”) statement of the Issuer for such quarter; • Liquidity position of the Issuer at the end of such quarter, in a format acceptable to the Primary Debenture Holders; • Certified copy of the filings/ returns filed by the Issuer with the RBI for and during such quarter; • (if applicable), a certificate from the management confirming that the Borrower is in compliance with Digital Lending Guidelines (reference RBI circular as of August 10, 2022 and September 02, 2022) • Such other information as may be required to be complied by the Issuer as per the applicable regulations <p>(iii) Monitoring of ‘security created’ / ‘assets on which charge is created by the Debenture Trustee (Asset Cover Statement)</p> <p>As per SEBI Circular SEBI/ HO/ MIRSD/ CRADT/ CIR/ P/ 2020/23) and in compliance with the SEBI circular dated May 19, 2022 the Issuer to comply with additional disclosures as mentioned below and such other disclosure as may be applicable from time to time:</p> <ul style="list-style-type: none"> i. The Issuer shall submit to the Debenture Trustee, within 15 (Fifteen) calendar days from the end of each month, a certificate from the authorised signatory of the Issuer (duly authorised by the board of directors of the Issuer) listing the Hypothecated Assets and the value thereof, on the letter head of the Issuer. ii. The Issuer shall submit to the Debenture Trustee and to the Debenture Holder(s), within 75 (Seventy Five) calendar days from the end of each financial quarter (save and except the last quarter) of a Financial Year and for the last quarter of a Financial Year, within 90 (Ninety) days from the end of such Financial Year, a security cover certificate in respect of the Hypothecated Assets in the applicable format prescribed under Annexure A of the SEBI circular dated November 12, 2020 (bearing reference number: SEBI/ HO/ MIRSD/ CRADT/ CIR/ P/ 2020/23) and in compliance with the SEBI circular dated May 19, 2022 (bearing reference number: SEBI/ HO/ MIRSD/ CRADT/ CIR/ P/ 2022/ 67) to enable the Debenture Trustee to submit the same to the relevant stock exchange(s) within the timelines stipulated under Applicable Law. <p>(iv) Event Based Reporting</p> <ul style="list-style-type: none"> 1. The Issuer shall provide to the Debenture Trustee and to the Debenture Holder(s), information in respect of the following events forthwith and in any event not later than 5 (Five) calendar days from the occurrence of such event:
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	<ul style="list-style-type: none">(i) Any changes effected in shareholding structure of the Issuer;(ii) Any change in the composition of the board of directors of the Issuer;(iii) Any change in the senior management officials of the Issuer (including, without limitation, the CXO or any official holding an equivalent position);(iv) Any amendment to the constitutional documents of the Issuer;(v) Any Material Adverse Effect;(vi) Any dispute, litigation, investigation or other proceeding against the Issuer and/ or any notice in this regard received by the Issuer;(vii) Resignation of the statutory auditor of the Issuer along with its resignation letter;(viii) Any prepayment of Financial Indebtedness by the Issuer or any notice received for prepayment of any Financial Indebtedness of the Issuer that would lead to a negative mismatch on cumulative basis in any of the buckets till one year of the ALM of the Issuer; <p>2. The Issuer shall provide to the Debenture Trustee and to the Debenture Holder(s), information in respect of the following events forthwith and in any event not later than 1 (One) calendar days from the occurrence of such event:</p> <ul style="list-style-type: none">(i) Any events of default, breach of warranties or covenants set out in transaction documents of any Financial Indebtedness of the Issuer;(ii) any legal proceeding/ notice instituted against/ received by the Issuer;(iii) default in any Financial Indebtedness/ obligations to any creditors.(iv) Any application or petition filed for the dissolution or re-organization of the Issuer;(v) Occurrence of any Event of Default or potential Event of Default <p>(v) Other notification/ intimation to the Debenture Trustee</p> <p>The Issuer shall provide information to the Debenture Trustee in respect of the following promptly on the occurrence of such event:</p> <ul style="list-style-type: none">A. notify the Debenture Trustee in writing, of any notice of an application or petition for insolvency and/ or winding up having been made or receipt of any statutory notice of insolvency and/ or winding up under the provisions of the Act or any other notice under any other Applicable Law or otherwise of any suit or legal process intended to be filed affecting the title to the property of the Issuer;B. notify the Debenture Trustee in writing, if it becomes aware of any fact, matter or circumstance which would cause any of the representations and warranties under any of the Transaction Documents to become untrue or inaccurate or misleading in any respect;C. provide to the Debenture Trustee such further information regarding the financial condition, business and operations of the Issuer as the Debenture Trustee may request;
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	<p>D. notify the Debenture Trustee promptly of any revision in the rating or assignment of a fresh rating provided by the Rating Agency to the Debentures;</p> <p>E. inform the Debenture Trustee promptly about any failure to create, perfect and maintain the Security and about all orders, directions, notices of court/tribunal affecting the Hypothecated Assets;</p> <p>F. The Issuer agrees that it shall forward to the Debenture Trustee promptly:</p> <ul style="list-style-type: none"> a) a copy of the statutory auditors' and directors' annual report, balance sheet and profit and loss account and of all periodical and special reports at the same time as they are issued; b) a copy of all notices, and circulars relating to new issue of debt securities at the same time as they are sent to shareholders/ holders of debt securities; and c) a copy of all the notices, call letters, circulars, etc. of the meetings of debt security holders at the same time as they are sent to the holders of debt securities or advertised in the media. <p>G. The Issuer shall forthwith provide a written intimation to the Debenture Trustee of any event which constitutes an Event of Default or which may with the expiry of time be classified as an Event of Default, specifying the nature of such event and any steps the Issuer is taking and proposes to take to remedy the same.</p> <p>H. The Issuer shall keep the Debenture Trustee informed of all the orders, directions or notices of any court or tribunal affecting or likely to affect the assets (or any part thereof) of the Issuer.</p> <p>I. The Issuer shall forthwith provide to the Debenture Trustee the details of any litigation, arbitration or administrative proceedings filed or initiated against the Issuer.</p> <p>J. Submit to the Debenture Trustee, if so requested, a statement that the assets of the Issuer which are available by way of security is/are sufficient to discharge the claims of the Debenture Holders as and when they become due.</p> <p>K. Such information as the Debenture Holders may require as to all matters relating to the business, property and affairs of the Issuer that materially impacts the interests of the Debenture Holders and provide access to relevant books of accounts, documents and records in relation to this Issue and to enter into or upon and to view and inspect the state and condition of all the Hypothecated Assets, together with all records, registers of the Issuer including the registers relating to the Hypothecated Assets as required by the Debenture Trustee and to take copies and extracts thereof.</p> <p>(o) The Issuer hereby agrees and undertakes that the Promoter Debt shall at all times be contractually subordinated (in ranking and payment) to the Secured Obligations and at any time after the occurrence of an Event of Default/ Optional Accelerated Redemption Event, no payments shall be made in respect of the</p>
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	<p>Promoter Debt except with the express prior written consent of the Debenture Trustee (acting on the instructions of the Majority Debenture Holders).</p> <p>(p) The Issuer hereby further agrees, declares and covenants with the Debenture Trustee as follows:</p> <ul style="list-style-type: none"> (i) The Debentures shall be secured by way of a first ranking exclusive charge on the Hypothecated Assets; (ii) that the Issuer is not aware of any document, judgment or legal process or defects affecting the title, ownership of the Security which has remained undisclosed and/or which may have Material Adverse Effect on the Debenture Holders. <p>(q) Filings</p> <p>The Issuer shall cooperate with the Debenture Trustee/ Debenture Holders in connection with any assistance the Debenture Trustee/ Debenture Holders may require for the purpose of submitting information in relation to the Debentures and the Transaction Documents to any relevant information utility in accordance with the IBC, and to confirm or authenticate all filings and information sought to be uploaded, and update or modify or rectify any errors in such financial information submitted.</p> <p>For the purposes of this Term Sheet:</p> <p>“Financial Year” shall mean the financial year of the Issuer used for the purposes of accounting;</p> <p>“IBC” shall mean the Insolvency and Bankruptcy Code, 2016 and the rules and regulations issued in respect thereof, as the same may be amended, modified and supplemented from time to time;</p> <p>“Majority Debenture Holder(s)” shall mean Debenture Holder(s) holding an aggregate amount representing not less than 51% (Fifty One per cent) of the value of the nominal amount of the Debentures for the time being outstanding;</p> <p>“Promoter Debt” shall mean all existing and future Financial Indebtedness availed of by the Issuer from the Promoters. The details of the existing Financial Indebtedness availed of from the Promoters are set out in the Debenture Trust Deed;</p> <p>“Secured Obligations” shall mean all obligations at any time due, owing or incurred by the Issuer to the Debenture Trustee and the Debenture Holder(s) in respect of the Debentures and shall include, without limitation, the obligation to redeem the Debentures in terms thereof together with the Coupon accrued thereon, Default Interest, if any, accrued thereon, any outstanding remuneration of the Debenture Trustee and all fees, costs, charges and expenses payable to the Debenture Trustee and other monies payable by the Issuer in respect of the Debentures.</p>
<p>Negative Covenants</p>	<p>The Issuer shall maintain below mentioned covenants during the entire tenor of the NCDs and till all the amounts outstanding are been duly repaid. In case of any change, the Issuer to seek a prior-written consent of the Majority Debenture Holders. Provided that in the event the Issuer has provided a prior written request to all the Debenture Holder(s) in relation to any action under any of the Negative Covenant that the Issuer proposes to take and the Majority Debenture Holder(s) have not responded within a period of 45 (Forty-Five) calendar days from the date of such written</p>

	<p>request being provided by the Issuer (upon a written one reminder being provided by the Issuer to all the Debenture Holder(s) after the expiry of 25 (Twenty-Five) calendar days from the date of such written request), the consent of the Majority Debenture Holder(s) shall then be deemed to be provided to the issuer for undertaking such action and the Issuer shall then be permitted to undertake such action without obtaining any further consent from the Majority Debenture Holder(s).</p> <ol style="list-style-type: none"> a) Change the general nature of its business from that which is permitted as 'Non-Banking Financial Issuer' by the RBI. b) Any amendment/modification in the Memorandum of Association and Article of Association, where such amendment would have a Material Adverse Effect. c) Any change in the capital structure leading to reduction of capital at any point of time. d) Change in the financial year end from 31st March unless such change is mandatorily required to be made for compliance with Applicable Law. e) Declare or pay any dividend or make any distributions on its share capital (other than dividends or distributions payable on shares of the Issuer), unless: <ol style="list-style-type: none"> i. the proposed payment or distribution is out of net income of the current Financial Year (excluding any amount resulting from the revaluation of any of the Issuer's assets); ii. no Event of Default has occurred and is then continuing, or could occur or is reasonably likely to occur, as a result of such payment or declaration of any dividend or distribution and after giving effect to any such action; and iii. the Issuer is in compliance with the financial covenants iv. pay or declare any dividend to its shareholders in any year, during the tenor of the Debentures, until the Issuer has paid or has made satisfactory provision for payment of the installments of the principal due and interests due on the Debentures; f) Undertake or permit any merger, consolidation, re-organization, scheme of arrangement or compromise with its creditors or shareholders or effect any scheme of amalgamation or reconstruction. g) Acquire any Issuer, business or undertaking if the amount of the acquisition cost, whether paid by cash or otherwise, when aggregated with the aggregate acquisition cost of any other companies, business or undertaking acquired by it during that financial year exceeds 10% (ten percent) of the Equity. h) Acquire (or agree to acquire) any shares, stocks, securities or other interest in any joint venture; or transfer any assets or lend to or guarantee or indemnify or give security for the obligations of a joint venture (or agree to transfer, lend, guarantee, indemnify or give security for the obligations of a joint venture). i) The Issuer shall not: <ol style="list-style-type: none"> i. enter into any transaction with any person or enter into or continue business relations with its shareholders, employees, affiliate(s), holding Issuer(ies), and/or
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	<p>subsidiary(ies) except on proper commercial terms negotiated on an arm's length basis;</p> <ul style="list-style-type: none"> ii. enter into or establish any partnership, profit sharing, royalty agreement or other similar other arrangement whereby the Issuer's income or profits are, or might be, shared with any other person other than in the ordinary course of business on an arms' length basis and in compliance with applicable.; or iii. enter into any management contract or similar arrangement whereby its business or operations are managed by any other person. <ul style="list-style-type: none"> j) Effect any change in the statutory auditors of the Issuer, other than as per mandatory requirement under Applicable Law. k) Undertake any new business outside financial services or any diversification of its business outside financial services. l) Appoint or continue to the appointment of any person classified as or who is director of the Issuer classified as a wilful defaulter as a director and/ or a key managerial person of the Issuer. m) Enter into any contractual obligation which may adversely affect the financials standing. n) Apply to the court for the winding up of the Issuer or agree to the winding up of the Issuer. o) Sell, transfer, or otherwise dispose of in any manner whatsoever any Assets of the Issuer, other than any securitisation/ direct assignment transaction undertaken by the Issuer in the ordinary course of its business in terms of the RBI master direction dated September 1, 2016 titled 'Master Direction - Non-Banking Financial Issuer - Systemically Important Non-Deposit taking Issuer and Deposit taking Issuer (Reserve Bank) Directions, 2016' or any amendment, supplement or restatement thereto. It is clarified that, a securitisation/ direct assignment representing an exit of line of business will not be construed as being in the ordinary course of business of the Issuer and the Issuer shall not be permitted to effect the same except after obtaining the prior written consent of the Debenture Trustee. p) Enter into compromise or arrangement or settlement with any of its creditors (secured and unsecured) that would prejudicially affect the interest of the Debenture Holders. q) Undertake/permit any voluntary/ involuntary process under the Insolvency and Bankruptcy Code 2016 (IBC). r) Repay any unsecured loans and inter-corporate deposits availed of by the Issuer from Promoters/ related parties (except by way of equity conversion) in case any breach of the transaction documents, default or event of default is subsisting.
<p>Financial Covenants And Additional Covenants</p>	<p>The Issuer shall maintain the below mentioned covenants during the entire tenor of the Debentures and till all the amounts outstanding are been duly repaid:</p> <ul style="list-style-type: none"> a) Total Debt to Tangible Net Worth shall be within 4x. b) Capital Adequacy Ratio of atleast 22% or as per applicable RBI regulation, whichever is higher. Of the above CAR, Tier-I to

	<p>remain at minimum of 20%.</p> <p>c) Gross NPA shall not exceed 10% for FY 2023-24. For FY 2024-25 and onwards the Gross NPA shall not exceed 8%.</p> <p>d) Net NPA should not exceed 5%.</p> <p>e) Earnings: After-tax Net Income (excluding extraordinary income) to remain positive. The said covenant to be tested on a quarterly and on Annual basis.</p> <p>f) Issuer to maintain minimum liquidity amount equivalent to next 2-month liabilities after including Put Options/interest reset on liabilities (assuming 100% haircut in collections) in the form of unencumbered Cash and Cash equivalents.</p> <p>g) The Company should maintain minimum Net worth of Rs. 575 Crores.</p> <p>h) There shall not be any negative mismatches on cumulative basis in any of the buckets till the next one year of ALM statement after incorporating all the liabilities of the Issuer incorporating Put Options/ Reset Options etc. (in any form). The asset will include all the unencumbered Cash and Cash equivalent maturing across all the buckets of the ALM as part of the opening asset balance. Unutilized bank lines, undisbursed committed sanctions of the company and cash credit limits shall not be taken into account while testing the same.</p> <p>i) During the tenure of the Debentures, the Company shall ensure that no other capital market instrument shall have any additional comfort from the promoter group and if they have the comfort then the same shall be extended to the Debenture Holder(s).</p> <p>j) Issuer shall not prepay any loans or redeem NCDs; voluntarily or mandatorily before its stated maturity such that it leads to a negative mismatch on cumulative basis in any of the buckets of ALM statement up to the residual tenor of the Debentures after incorporating all the liabilities of the Issuer including Put Options/interest reset on liabilities. Unutilized bank lines, undisbursed committed sanctions of the company and cash credit limits shall not be taken into account while testing the same.</p> <p>All covenants would be tested on quarterly basis i.e., as on 31 March, 30 June, 30 Sept and 31 Dec every year, starting from December 31, 2023 on consolidated and standalone balance sheet till the redemption of the NCDs. The covenants shall be certified by the Chartered Accountant within 45 (Forty-Five) calendar days from the end of each reporting quarter.</p> <p><u>Definitions</u></p> <p>a) “Capital Adequacy Ratio” means the capital adequacy ratio for non-banking financial institutions as defined by the Reserve Bank of India from time to time;</p> <p>For the purpose of calculation of minimum capital ratio: (i) first loss credit enhancements provided by the Borrower on securitization shall be reduced from Tier I Capital and Tier II Capital without any ceiling. (ii) credit enhancements provided by</p>
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	<p>the Borrower on loans originated on behalf of other institutions shall be reduced from Tier I Capital and Tier II Capital without any ceiling. The deduction shall be made at 50 per cent from Tier I Capital and 50 per cent from Tier II Capital. (iii) 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> <p>b) "Total Debt" shall include the following:</p> <ul style="list-style-type: none"> - All Long-Term Borrowings, including ineligible portion of subordinated debt in form of Tier II Capital including current maturities - All Short-Term Borrowing - Financial Guarantees Provided if any - Letter of Comfort/Shortfall undertaking provided by the Issuer, if any <p>c) "Equity" Shall Include the following:</p> <ul style="list-style-type: none"> - Equity Share issued by the Issuer - CCPS issued by the Issuer - Reserve and Surplus of the Issuer <p>d) "Gross NPA" shall be arrived at in accordance with applicable RBI regulations governing asset classification and provisions for NBFCs.</p> <p>e) "Gross Loan Portfolio" shall include on balance sheet portfolio including securitization portfolio.</p> <p>f) "Off Balance Sheet Portfolio" shall include only Direct Assignment (DA)/ Co-lending /business correspondent portfolio/ any other portfolio under management.</p> <p>g) "PAT" shall be profit after tax and shall include one-time / exceptional items (profit or loss) in its computation;</p> <p>h) "Net NPA" shall be arrived at in accordance with applicable RBI regulations governing asset classification and provisions for NBFCs.</p> <p>i) "Tangible Net-worth" shall mean the Equity as reduced by the, intangible assets, deferred tax assets, revaluation reserve, miscellaneous expenses, investment in security receipts, and any credit enhancement provided by the Company on managed asset book.</p>
Holding & Management Covenant	<p>The Company undertakes that the following covenants ("Holding and Management Covenants") shall be maintained at all times until the Final Settlement Date, unless a prior written consent from the Debenture Trustee (Acting on the instructions of the Majority Debenture Holder(s)) is obtained :</p> <p>a) Mr. Thomas John Muthoot (DIN: 00011618), Mr. Thomas George Muthoot (DIN: 00011552) and Mr. Thomas Muthoot (DIN: 00082099) to continue to remain on the board of the Issuer and shall hold executive position.</p> <p>b) The existing Promoters shall continue to hold minimum 51% (Fifty One Percent) unencumbered equity share capital in the Issuer, on fully diluted basis. Any change in the shareholding of the Promoter either individually or on a cumulative basis, of more</p>

	<p>than 5% within a financial year shall be communicated to the Debenture Holder within 5 Business Days of such change.</p> <p>c) The Issuer shall continue to have “Muthoot” in its name.</p> <p>d) No change in Management Control.</p> <p>e) The Issuer shall continue to maintain the current composition of the Board, with an exception for the appointment of Independent director.</p> <p>For the purposes of this Term Sheet:</p> <p>“Management Control” shall, in relation to any entity, mean:</p> <p>(i) the right to appoint the majority of directors of such entity; and</p> <p>(ii) to control the management of such entity or policy decisions are exercisable by a person or persons acting individually or in concert, directly or indirectly, by virtue of their shareholding or management rights or shareholders agreements or voting agreements.</p>
Rating Covenant	<p>The Issuer shall maintain the below mentioned covenants during the entire tenor of the NCDs and till all the amounts outstanding are been duly repaid (“Rating Covenants”):</p> <p>i. The Issuer, Muthoot Fincorp Limited and Muthoot Microfin Limited shall ensure that it shall maintain the current credit rating/outlook of the company/Instrument as on deemed date of allotment, from any credit rating agency.</p> <p>ii. The Company shall ensure that there is no suspension of the credit rating of the Issuer and/ or the Debentures due to the Company not cooperating with any credit rating agency.</p> <p>iii. The Issuer shall ensure that there is no assignment of new long-term credit rating below ‘A+’ from any credit rating agency;</p> <p>The occurrence of events above will be determined by the Debenture Holders solely and at its discretion. In case, rating from multiple rating agencies is available, the lowest rating available for long term borrowing shall be considered for calculation for the purpose of this clause</p>
Optional Accelerated Redemption	<p>Any Debenture Holder/s shall have the right but not an obligation to require the Company to redeem the Debentures along with accrued coupon upon the occurrence of any of the below mentioned (“Optional Accelerated Redemption Events”):</p> <ol style="list-style-type: none"> 1. Breach of any of the covenants as mentioned under the Rating Covenant; 2. Breach of any of the covenants as mentioned under the Holding and Management Covenant; 3. Breach of any of the covenants as mentioned under the Financial Covenant; 4. Breach of any of the clauses having adverse effect on the Security; 5. Occurrence of Material Adverse Effect; 6. Mr. Thomas John Muthoot (DIN: 00011618), Mr. Thomas George Muthoot (DIN: 00011552) and Mr. Thomas Muthoot (DIN: 00082099), cease to be Managing Director of Muthoot Fincorp Limited, Issuer and/or Muthoot Microfin Limited; 7. Any legal or regulatory decision resulting in suspension/revocation of the NBFC license.

	<p>The occurrence of events above will be determined by the Debenture Holders solely and at its discretion.</p> <p>The Debenture Holder(s) individually shall have the option to require the Company to redeem the Debentures (Optional Accelerated Redemption") on happening of any of the Optional Accelerated Redemption Events. Upon the exercise of the 'Optional Accelerated Redemption" by the Debenture Holder/ Debenture Holders, the Debenture Trustee shall issue a notice to the Company for redemption of all amounts outstanding in relation to the Debentures (including any unpaid principal, accrued but unpaid Coupon, Default Interest (if applicable)) as on the date of exercise of the 'Optional Accelerated Redemption' Option ("Optional Accelerated Redemption Date").</p> <p>The Issuer shall be required to make payment of the aggregate amounts outstanding in relation to such debentures, to the exercising Debenture Holder(s) including any unpaid Principal Amount, accrued but unpaid Coupon/Interest, Default Interest (if applicable) and liquidated damages (if applicable) within 7 (Seven) calendar days of the Optional Accelerated Redemption Date. Provided that if the Issuer fails to redeem the Debentures and pay outstanding amounts to such Debenture Holder(s) within the specified time period, the Issuer shall pay interest at the rate of 15 % (Fifteen Percent) per annum for the period of delay.</p> <p>The issue of notice for exercising the Optional Acceleration Redemption by the Debenture Holder(s) shall not be dependent upon the consent of the Majority Debenture Holders.</p>
<p>Event of Defaults (including manner of voting /conditions of joining Inter Creditor Agreement)</p>	<p>An Event of Default ("Event of Default") shall have occurred upon the happening of any event or circumstances mentioned hereunder:</p> <p>1. <u>Payment based Defaults:</u></p> <p>(a) The Issuer does not pay on the Due Date(s) any amount payable in terms of the Transaction Documents at the place at and in the currency in which it is expressed to be payable, unless its failure to pay is caused by technical error and payment is made within 1 (One) business day of the relevant Due Date;</p> <p>(b) An event of default shall arise if the Issuer/any of the Promoters/ guarantors (if any)/ the subsidiaries or holding Issuer(ies) of the Issuer:</p> <ul style="list-style-type: none"> • defaults in any payment of Financial Indebtedness beyond the period of grace if any, provided in the instrument or agreement under which such Financial Indebtedness was created; or • defaults in the observance or performance of any agreement or condition relating to any Financial Indebtedness the effect of which default or other event or condition is to cause or to permit the holder or holders of such Financial Indebtedness to cause (with the giving of notice or the passage of time or both would permit or cause) any such Financial Indebtedness to become due prior to its stated maturity; or • any Financial Indebtedness of the Issuer is declared to be due and payable, or would permit to be prepaid other than by a regularly scheduled required prepayment, (whether or not such right shall have been waived) prior to the stated maturity thereof;

provided that if the above-mentioned Event of Default is capable of being remedied in the sole discretion of the Debenture Holders, the Majority Debenture Holder may provide a cure period as deemed appropriate to them;

- (c) Failure of the Issuer to redeem the Debentures in terms of the Transaction Documents upon exercise of the Optional Accelerated Redemption Option/Put Option and failure to make payment of the aggregate amounts outstanding in relation to the Debentures hereof within Stipulated timelines;
- (d) The Issuer admits in writing its inability to pay its debts as they fall due or suspends making payments on any of its debts or by reason of actual financial difficulties commences negotiations with one or more creditors with a view to rescheduling its indebtedness;

2. Security based Defaults:

- (a) If the fails create and / or perfect the Security (i.e., filing CHG-9 Form with ROC) within the stipulated timelines as mentioned in this Term Sheet.
- (b) If the Issuer fails to submit the Asset Cover Statement in terms of the Deed of Hypothecation setting out the details of the receivables which are free from encumbrance and meet the Eligibility Criteria;
- (c) In the event that the Security Cover falls below the Minimum-Security Cover and the Issuer fails to reinstate the same within 15 (Fifteen) calendar days from the date of such fall in the Security Cover;

3. Covenants & Information based Defaults:

- (a) The breach of any terms, covenants (including, without limitation, negative covenants, affirmative covenants, reporting covenants) or obligation under the Transaction Documents.
- (b) The Issuer fails to share the any information within 5 (five) calendar days upon the request by the Debenture Holder.

4. Defaults relating to the validity of the Transaction Documents

- (a) The Placement Memorandum/Term Sheet or any other Transaction Document in whole or in part, becomes invalid or ceases to be a legally valid, binding and enforceable obligation of the Issuer;
- (b) It is or becomes unlawful for the Issuer to perform any of its obligations under the Transaction Documents and/or any obligation or obligations of the Issuer under any Transaction Document are not or cease to be valid, binding or enforceable;
- (c) Any representation or warranty made by the Issuer in any Transaction Document or in any certificate, financial statement or other document delivered to the Debenture Trustee/ Debenture Holders by the Issuer shall have been incorrect, false or misleading in any respect when made or deemed made;
- (d) The Issuer repudiates any of the Transaction Documents, or

	<p>evidences an intention to repudiate any of the Transaction Documents;</p> <p>(e) Any of the Transaction Documents failing to provide the security interests, rights, title, remedies, powers or privileges intended to be created thereby (including the priority intended to be created thereby), or such security interests failing to have the priority contemplated under the Transaction Documents, or the security interests becoming unlawful, invalid or unenforceable or the security over the Hypothecated Assets is in jeopardy;</p> <p>5. <u>Other Defaults</u></p> <p>(a) There shall have occurred Material Adverse Effect and such Material Adverse Effect has not been remedied or rectified within a period of 5 (Five) calendar days;</p> <p>(b) Any corporate action, legal proceedings or other procedure or step is taken in relation to:</p> <ol style="list-style-type: none"> i. the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganization (by way of voluntary arrangement, scheme of arrangement or otherwise) of the Issuer; ii. the composition, compromise, assignment or arrangement with any creditor of the Issuer; iii. the appointment of a liquidator, receiver or similar other officer in respect of the Issuer, a composition, compromise, assignment or arrangement with any creditor of the Issuer; iv. enforcement of any security over any assets of the Issuer or any analogous procedure or step is taken in any jurisdiction; v. any other event occurs or proceeding is instituted that under any applicable law would have an effect analogous to any of the events listed in paragraphs (i), (ii), (iii) and (iv) above; <p>(c) Any Governmental Authority including SEBI, CBI, ED, SFIO condemns, nationalizes, seizes, expropriates or otherwise assumes custody or control of all or any substantial part of the business, operations, property or other assets (including assets forming part of the security) of the Issuer or of its share capital, or takes any action for the dissolution of the Issuer or any action that would prevent the Issuer or its officers from carrying on all or a substantial part of its business or operations;</p> <p>(d) The Issuer's organizational status or any licenses or franchise is revoked or suspended by any government agency or authority after the Issuer has exhausted all remedies and appeals relating thereof;</p> <p>(e) The listing of the Debentures ceases or is suspended at any point of time prior to the Maturity Date.</p> <p>(f) Surrender, revocation or suspension of the Issuer's certificate of registration as a non-banking financial Issuer by the Reserve Bank of India provided that this shall not apply where such certificate of registration is surrendered pursuant to obtaining a banking license;</p> <p>(g) The Issuer ceases to carry on its business or any substantial part thereof or gives notice of its intention to do so.</p>
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	<p>(h) Failure to meet standards in successive Discretionary Audit conducted by the Debenture Trustee/Debenture Holders.</p> <p>(i) The Issuer has taken or suffered to be taken any action for reorganization of its capital or any rearrangement, merger or amalgamation without prior approval of the Debenture Holders in terms hereof;</p> <p>(j) Any material act of fraud, embezzlement, misstatement, misappropriation, or siphoning off of the Issuer/Promoter funds or revenues or any other act having a similar effect being committed by the management of the Issuer/ Promoter.</p> <p>(k) The Promoters and/or the directors/ or the key managerial personnel of the Issuer are accused of, charged with, arrested or convicted a criminal offence involving moral turpitude, dishonesty or which otherwise impinges on the integrity of the Promoters and/or the directors and/ or the key managerial personnel of the Issuer, including any accusations, charges and/or convictions of any offence relating to bribery or being declared a willful defaulter;</p> <p>(l) In the event that an application for corporate insolvency resolution process of the Issuer is filed or any form of communication indicating an intention to file such application is issued or any creditor of the Issuer takes any steps requesting the filing of such application, in each case, by the appropriate regulator (i.e. the Reserve Bank of India), under the IBC and the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019;</p> <p>(m) If the Issuer commences a voluntary proceeding under any applicable bankruptcy, insolvency, winding up or other similar law now or hereafter in effect (including by passing any resolution of the Board or the shareholders of the Issuer) or consents to the entry of an order for relief in an involuntary proceeding under any such law, or consents to the appointment of or the taking of possession by a receiver, liquidator, assignee (or similar official) for any or a substantial part of its property;</p> <p>(n) If a petition is filed for the winding up of the Issuer under the Companies Act, 2013 and the same is not stayed or dismissed within a period of 15 days of its filing;</p> <p>(o) Any order/ judgement passed by any of the regulatory authorities against any of the Promoter / Promoter Group /Issuer resulting in debarment of the Promoter / Promoter Group/Issuer for raising funds from the financial markets.</p> <p>(p) The Issuer commences negotiations with one or more of its lenders/ debenture trustees/ debenture holders with a view to rescheduling any of its indebtedness or failure or inability of the Issuer to pay its debts as they mature.</p> <p>(q) Erosion of 50% or more of the Issuer's net worth from the current Net Worth.</p> <p>In case of breach of any of the above-mentioned covenants, the Issuer shall have a cure period of 15 (Fifteen) calendar days for rectify the breach. However, there shall be no cure period for Payment based</p>
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	<p>Defaults, Security based defaults and Covenants & Information based defaults other than as mentioned in this Term Sheet.</p> <p>Subject to the approval of the debenture holders and the conditions as may be specified by the SEBI from time to time, the Debenture Trustee, on behalf of the debenture holders, may enter into inter-creditor agreements provided under the framework specified by the Reserve Bank of India. The voting shall be through show of hands or poll or through such other manner as the Majority Debenture Holder/s may deem fit.</p>
Provisions related to Cross Default Clause	As mentioned in Clause 1(b) of the row titled 'Events of Default'.
Consequences of Events of Default	<p>If one or more Event(s) of Default occur(s), the Debenture Trustee shall, if so directed by the Majority Debenture Holders, may by a notice in writing to the Issuer or in case of a Payment Default on the instructions of any Debenture Holder, initiate actions as may be contemplated in the Transaction Documents including the following:</p> <ol style="list-style-type: none"> i. accelerate the redemption of the Debentures; ii. Declare that all or part of the obligations be immediately due and payable, whereupon they shall become immediately due and payable; iii. Deposit of UDCs iv. Disclosure of information to relevant authorities or regulatory such as Credit Information Bureau (India) Limited and/or any other agency so authorized by the Reserve Bank of India in any such manner that deem fit to the Debenture Trustee (acting on instructions of the majority Debenture Holder) v. Publish the names of Directors in RBI / CIBIL list vi. Exercise all the rights and remedies available to it in such manner as Debenture Holders may deem fit without intervention of the Court and without having to obtain any consent of the Borrower; vii. without prejudice to its other rights hereunder or under IBC or any other applicable Law, in its sole discretion to exercise all the rights, powers and remedies vested in it for the protection, perfection and enforcement of its rights in respect of the Security herein. viii. Appoint a Nominee Director
Creation of recovery expense fund	The Issuer shall create a recovery expense fund in accordance with the applicable SEBI regulations, including but not limited to the SEBI circular dated October 22, 2020 (bearing reference number: SEBI/HO/MIRSD/CRADT/CIR/P/2020/207) and inform the Debenture Trustee of the same. The recovery expense fund shall be utilised in such manner and for such purposes as is more particularly provided under the said Regulations and Applicable Law.
Conditions for breach of covenant (as specified in the Debenture Trust Deed)	The Conditions for breach of covenants if any shall be specified in the Debenture Trust Deed.
Default interest rate/Additional Interest Rate	<p>Without prejudice to the other rights of the Debenture Trustee (including the right to call an Event of Default):</p> <ol style="list-style-type: none"> a. If, at any time, a Payment Default and /or any other Event of Default occurs, the Issuer agrees to pay additional coupon at the rate of 2% (Two Percent) per annum over and above the applicable Coupon Rate on all amounts outstanding NCDs (including the Outstanding Principal Amounts and any accrued but unpaid interest) from the date of occurrence of such a Payment Default or any other Event of Default until such default is cured or the Debentures are fully redeemed. b. In case delay in execution of Debenture Trust Deed (DTD) and/ or Deed Of Hypothecation (DOH) 1 (One) day prior to filing of the

	<p>listing application with BSE Limited for listing of the Debentures, and/or perfect the same by filing CHG-9 Form with ROC within requisite timelines, then the Issuer shall, at the option of the Debenture Holders, either (i) return the subscription amount with the agreed rate of interest or (ii) to pay additional coupon at the rate of 2% (Two Percent) per annum over and above the applicable Coupon Rate on all amounts outstanding NCDs (including the Outstanding Principal Amounts and any accrued interest) from the Issue Closure Date until such time DTD and/or DOH is executed and /or perfected.</p> <p>c. If, at any time, a breach of any terms of Financial Covenant or Holding & Management Covenant or Rating Covenant and/or fails to comply any of the conditioned as per the Condition Subsequent, the Issuer agrees to pay additional coupon at the rate of 2% (Two Percent) per annum over and above the applicable Coupon Rate on all amounts outstanding NCDs (including the Outstanding Principal Amounts and any accrued but unpaid interest) from the date of occurrence of such a breach, until the Debentures are fully redeemed or till the covenants criteria has been replenished.</p>
Conditions for breach of covenant (as specified in the Debenture Trust Deed)	The Conditions for breach of covenants if any shall be specified in the Debenture Trust Deed.
Right to Re-purchase and Re-issue the Debenture	<p>The Company, subject to the prevailing guidelines, rules/regulations of Reserve Bank of India, the Securities and Exchange Board of India and other Authorities, shall have the option from time to time to repurchase a part or all of the Debentures from the secondary markets or otherwise, on prior mutual consent(s) from the debenture holder(s), at any time prior to the date of maturity.</p> <p>In the event of a part or all of its Debentures being repurchased as aforesaid or redeemed under any circumstances whatsoever, the Company shall have, and shall be deemed to have had, the power to reissue the Debenture either by reissuing the same Debentures or by issuing other Debenture in their place.</p> <p>Further the Company, in respect of such repurchased/redeemed Debenture shall have the power exercisable either for a part or all of those Debenture, to cancel, keep alive, appoint nominee(s) to hold or reissue at such price and on such terms and conditions as it may deem fit and as permitted by law.</p>
Ranking	<p>Each Debenture issued by the Issuer will constitute direct, senior and secured obligations of the Issuer. The claims of the Debenture Holders shall be akin to the claims of senior, secured investors / lenders and shall rank pari passu to all senior, secured indebtedness of the Issuer.</p> <p>Each of the Debenture Holders shall inter-se rank pari passu in relation to their rights and benefits in relation to the Debentures, without any preference or privilege.</p>
Role and Responsibilities of Debenture Trustee	To oversee and monitor the overall transaction for and on behalf of the Debenture Holder(s).
Risk Factors pertaining to the Issue	As mentioned in the Placement Memorandum & Private Placement Offer Letter (form PAS-4) under captioned "Risk Factor"
Indemnification	The Issuer, Promoters and Promoters Group shall indemnify and hold harmless and agree to keep the Debenture Trustee and its Directors / employees / representatives indemnified against any loss or deficiencies suffered or liabilities and expenses incurred including penalties and

	interest or withholding of taxes, statutory liabilities or in the event of breach by the Issuer of or any agreement and their obligations during the tenor of the Debentures and any non-compliance with the Applicable Laws
Reissuance	<p>Issuer reserves the right to make multiple issuances under the same ISIN with reference to SEBI circular SEBI/HO/DDHS/P/CIR/2023/119 dated 10th August 2021 or such other amended circular issued by the SEBI from time to time.</p> <p>Issue can be made either by way of creation of fresh ISIN or by way of issuance under the existing ISIN at premium / par / discount as the case may be in line with said SEBI circular.</p>
Confidentiality	The terms and conditions described in this Term Sheet, including its existence, shall be confidential information and shall not be disclosed to any third party except to each Party's advisors and counsel. Provided however that if any of the Parties is required by law to disclose information regarding this Term sheet or to file this Term sheet with any regulatory body, it shall, at a reasonable time after making any such disclosure or filing, informing the other parties.
Governing Law and Jurisdiction	The Debentures and documentation will be governed by and construed in accordance with the laws of India and the parties submit to the exclusive jurisdiction of the courts in New Delhi and as more particularly provided for in the Debenture Trust Deed.
Transaction Costs	<p>The Issuer shall bear all transaction related costs incurred by the Debenture Holders/ Debenture Trustee with respect to legal counsel, valuers and auditors/ consultants. Such costs include:</p> <ul style="list-style-type: none"> • Debenture Trustee fees; • Rating fees; • Stamping and registration costs in relation to all Transaction Documents; <p>Any other reasonable transaction related expense incurred by the Debenture Holders/ Debenture Trustee.</p>
Taxes, Duties, Costs and Expenses	All relevant taxes, duties, levies, charges, fees or any other amounts payable until the Final Settlement Date under this issuance are to be borne by the Issuer.

* Subject to deduction of Tax at source as applicable.

*** The Issuer reserves its sole and absolute right to modify (pre-poner/ postpone) the above Issue schedule without giving any reasons or prior notice. In such a case, Investors shall be intimated about the revised time schedule by the Issuer. In case if the Issue Closing Date/ Pay in Date is/are changed (preponed/ postponed), the Deemed Date of Allotment may also be changed (preponed/ postponed) by the Issuer at its sole and absolute discretion. Consequent to change in Deemed Date of Allotment, the Coupon Payment Dates and/or Redemption Date may also be changed at the sole and absolute discretion of the Issuer.*

The list of documents executed in connection with the issue and subscription of the Debentures have been provided in **Annexure H** of this Placement Memorandum.