

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

No: \_\_\_\_\_  
Bank - Canara Bank

**INFORMATION MEMORANDUM  
CAPSAVE FINANCE PRIVATE LIMITED**

A private limited company incorporated under the Companies Act, 1956

**Date of Incorporation:** 7<sup>th</sup> August, 1992

**Registered Office:**

Unit No.501 Wing-D, Lotus Corporate Park, Western Express Highway,  
Goregaon (East), Mumbai - 400 063

**Telephone No.:** +91-022-6173 7603

**Website:** [www.capsavefinance.com](http://www.capsavefinance.com)

Information Memorandum dated July 30, 2020 for issue of Debentures on a private placement basis

**Issue of 100 (One Hundred) secured, unsubordinated, rated, listed, redeemable, transferable, non-convertible debentures of face value of Rs. 10,00,000/- (Rupees Ten Lakh only) each, aggregating up to Rs. 10,00,00,000/- (Rupees Ten Crores Only) on a private placement basis (the “Issue”) on a private placement basis.**

### **Background**

This Information Memorandum is related to the Debentures (as defined hereinafter) to be issued by **Capsave Finance Private Limited** (the “**Issuer**” or “**Company**”) on a private placement basis and contains relevant information and disclosures required for the purpose of issuing of the Debentures. The issue of the Debentures comprised in the Issue and described under this Information Memorandum has been authorised by the Issuer through resolutions passed the Board of Directors of the Issuer on 24<sup>th</sup> July 2020 and the Memorandum and Articles of Association of the Company. Pursuant to the resolution passed by the Company’s Board of Directors dated 24<sup>th</sup> July 2020 in accordance with provisions of the Companies Act, 2013, the Company has been authorised to borrow, upon such terms and conditions as the Board may think fit, for amounts up to INR 10,00,00,000/- (Rupees Ten Crores Only). The present issue of NCDs in terms of this Information Memorandum is within the overall powers of the Board.

### **General Risks**

Investment in debt and debt related securities involve a degree of risk and investors should not invest any funds in the debt instruments, unless they can afford to take the risks attached to such investments and only after reading the information carefully. For taking an investment decision, the investors must rely on their own examination of the Company and the Issue including the risks involved. The Debentures have not been recommended or approved by Securities and Exchange Board of India (“**SEBI**”) nor does SEBI guarantee the accuracy or adequacy of this document. Specific attention of investors is invited to the statement of Risk Factors at SECTION 3: of this memorandum of private placement for issue of Debentures on a private placement basis (“**Information Memorandum**” or “**Disclosure Document**”). This Information Memorandum has not been submitted, cleared or approved by SEBI.

### **Issuer’s Absolute Responsibility**

The Issuer, having made all reasonable inquiries, confirms and represents that the information contained in this Information Memorandum/ Disclosure Document is true and correct in all material respects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no



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other facts, the omission of which makes this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. The Issuer is solely responsible for the correctness, adequacy and disclosure of all relevant information herein.

### **Credit Rating**

The Debentures proposed to be issued by the Issuer have been rated by CRISIL (“**Rating Agency**”/ “**CRISIL**”). The Rating Agency has, vide its letter dated assigned a rating of “**CRISIL A-**” in respect of the Debentures. The above rating is not a recommendation to buy, sell or hold securities and investors should take their own decision. The ratings may be subject to revision or withdrawal at any time by the rating agency and should be evaluated independently of any other ratings. Please refer to **Annexure II** of this Information Memorandum for the letter dated 10<sup>th</sup> June 2020 from the Rating Agency assigning the credit rating above mentioned and disclosing the rating rationale adopted for the aforesaid rating.

### **Issue Schedule**

Issue/ Bid Opening Date: July 30, 2020  
Issue/ Bid Closing Date: July 30, 2020  
Pay-in Date: July 30, 2020  
Deemed Date of Allotment: July 30, 2020

The Issuer reserves the right to change the Issue Schedule including the Deemed Date of Allotment at its sole discretion, without giving any reasons or prior notice. The Issue shall be open for subscription during the banking hours on each Business Day from the Issue Opening Date to the Issue Closing Date (both days inclusive).

The Debentures are proposed to be listed on the wholesale debt market segment of BSE Limited within 20 Business Days from Deemed Date of Allotment.

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### **Registrar & Transfer Agent**

#### **Link Intime India Pvt. Ltd**

Address: 247 Park , C 101 1st Floor , LBS  
Marg , Vikhroli ( W ) , Mumbai – 400 083

Direct Phone No: +91 22 49186101  
Mobile No: +91 9766923470

### **Debenture Trustee**

#### **Axis Trustee Services Limited**

Address: The Ruby, 2nd Floor, SW, 29,  
Senapati Bapat Marg,  
Dadar West, Mumbai- 400 028



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## **TABLE OF CONTENTS**

SECTION 1:	DEFINITIONS AND ABBREVIATIONS	4
SECTION 2:	NOTICE TO INVESTORS AND DISCLAIMERS	7
SECTION 3:	RISK FACTORS	11
SECTION 4:	FINANCIAL STATEMENTS	15
SECTION 5:	REGULATORY DISCLOSURES	16
SECTION 6:	DISCLOSURES PERTAINING TO WILFUL DEFAULT	40
SECTION 7:	TRANSACTION DOCUMENTS AND KEY TERMS	41
SECTION 8:	OTHER INFORMATION AND APPLICATION PROCESS	42
SECTION 9:	DECLARATION	49
ANNEXURE I:	TERM SHEET	49
ANNEXURE II:	RATING LETTER & RATING RATIONALE	62
ANNEXURE III:	CONSENT LETTER FROM THE DEBENTURE TRUSTEE	63
ANNEXURE IV:	LAST AUDITED FINANCIAL STATEMENTS	64
ANNEXURE V:	ILLUSTRATION OF BOND CASH FLOWS	68



## SECTION 1: DEFINITIONS AND ABBREVIATIONS

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

Allot/Allotment/Allotted	Unless the context otherwise requires or implies, the allotment of the Debentures pursuant to this Issue.
Application Form	The form used by the recipient of this Disclosure Document and/or the Private Placement Offer Cum Application Letter, to apply for subscription to the Debentures.
Applicable Law	Shall include any statute, law, by-law, regulation, ordinance, rule, judgment, order, decree, clearance, approval, directive, guideline, policy, requirement, or other governmental restriction or any similar form of decision, or determination by, or any interpretation or administration of any of the foregoing by a Governmental Authority.
Arranger/ Sole Arranger	-
Board/Board of Directors	The Board of Directors of the Issuer.
Business Day	Any day of the week (excluding Sundays and any other 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 Bangalore and Chennai and " <b>Business Days</b> " shall be construed accordingly.
CDSL	Central Depository Services (India) Limited.
Client Loan	Each loan made by the Issuer as a lender, and " <b>Client Loans</b> " shall refer to the aggregate of such loans.
Debentures / NCDs	100 (One Hundred) secured, rated, unsubordinated, listed, redeemable, transferable, non-convertible debentures bearing a face value of Rs. 10,00,000/- (Rupees Ten Lakh only) each, aggregating to Rs. 10,00,00,000/- (Rupees Ten Crores only).
Debenture Holder(s) / Investors	The holders of the Debentures issued by the Issuer and shall include the registered transferees of the Debentures from time to time.
Deemed Date of Allotment	July 30, 2020.
Debenture Trustee	Axis Trustee Services Limited
Debenture Trustee Agreement	Agreement executed by and between the Debenture Trustee and the Company for the purposes of appointment of the Debenture Trustee to act as debenture trustee in connection with the issuance of the Debentures.
Debenture Trust Deed	Shall mean the trust deed executed/to be executed by and between the Debenture Trustee and the Company which will set out the terms upon which the Debentures are being issued and shall include the representations and warranties and the covenants to be provided by the Issuer.
Demat	Refers to dematerialized securities which are securities that are in electronic form, and not in physical form, with the entries noted by the Depository.
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Depository	A Depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996, as amended from time to time.
Depository Participant / DP	A depository participant as defined under the Depositories Act
Director(s)	Director(s) of the Issuer.
Disclosure Document / Information Memorandum	This document which sets out the information regarding the Debentures being issued on a private placement basis.
DP - ID	Depository Participant Identification Number.
Due Date	Any date on which the holders of the Debentures are entitled to any payments, whether on maturity or earlier, on exercise of the option to redeem the Debentures prior to the scheduled Maturity Date or acceleration.
EFT	Electronic Fund Transfer.



Financial Year/ FY	Twelve months period commencing from April 1 of a particular calendar year and ending on March 31 of the subsequent calendar year.
GAAP	Generally Accepted Accounting Principles prescribed by the Institute of Chartered Accountants of India from time to time and consistently applied by the Issuer.
Governmental Authority	Any government (central, state or otherwise) or any governmental agency, semi-governmental or judicial or quasi-judicial or administrative entity, department or authority, agency or authority including any stock exchange or any self-regulatory organization, established under Applicable Law.
Hypothecated Assets	All the right, title, interest, benefit, claims and demands of the Issuer, in, to, or in respect of the receivables arising out of rupee loan facilities advanced / to be advanced by the Issuer to any person and charged under the terms of this Issue.
Hypothecation Agreement	The hypothecation agreement entered/to be entered into between the Issuer and the Debenture Trustee, pursuant to which hypothecation over Hypothecated Assets shall be created by the Issuer in favour of the Debenture Trustee (acting for and on behalf of the Debenture Holder(s)).
Issue	Private placement of the Debentures in terms of the Private Placement Offer Letter issued by the Issuer and/ or this Disclosure Document.
Issue/ Bid Closing Date	July 30, 2020
Issue/ Bid Opening Date	July 30, 2020
Issuer/ Company	Capsave Finance Private Limited
Majority Debenture Holder(s)	Debenture Holder(s) whose participation or share in the principal amount(s) outstanding with respect to the Debentures aggregate to more than 75% (Seventy Five per cent) of the value of the nominal amount of the Debentures for the time being outstanding.
Maturity Date	July 30, 2023, being 36 months from the Deemed Date of Allotment, on which the final payment of the principal of the Debentures becomes due and payable.
N.A./ NA	Not Applicable.
NBFC	Non-banking financial company
NSDL	National Securities Depository Limited.
PAN	Permanent Account Number.
Private Placement Offer Cum Application Letter	Shall mean the private placement offer cum application letter prepared and issued to the eligible investors by the Company in compliance with Section 42 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014.
RBI	Reserve Bank of India.
Rating Agency	CRISIL, being a credit rating agency registered with SEBI pursuant to SEBI (Credit Rating Agencies) Regulations 1999, as amended from time to time.
Record Date	The date which will be used for determining the Debenture Holder(s) who shall be entitled to receive the amounts due on any Due Date, which shall be the date falling 15 (Fifteen) calendar days prior to any Due Date.
R&T Agent	Registrar and Transfer Agent to the Issue, in this case being Link Intime India Pvt. Ltd.
ROC	Registrar of Companies.
Rs. / INR	Indian Rupee.
RTGS	Real Time Gross Settlement.
SEBI	Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992 (as amended from time to time).
SEBI Debt Listing Regulations	The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended from time to time.
Security	The security for the Debentures as specified in Section 5.21.
TDS	Tax Deducted at Source.
The Companies Act/ the Act	The Companies Act, 2013 or where applicable, the provisions of the Companies Act, 1956, still in force.



Terms & Conditions	Shall mean the terms and conditions pertaining to the Issue as outlined in the Transaction Documents.
Transaction Documents	Shall mean the documents executed or to be executed in relation to the issuance of the Debentures as more particularly set out in Section 5.21.
WDM	Wholesale Debt Market.
Wilful Defaulter	Shall mean an Issuer who is categorized as a wilful defaulter by any Bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India and includes an issuer whose director or promoter is categorized as such in accordance with Regulation 2(n) of SEBI (Issue and Listing of Debt Securities) Regulations, 2008.



## SECTION 2: NOTICE TO INVESTORS AND DISCLAIMERS

### 2.1 ISSUER'S DISCLAIMER

This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus and should not be construed to be a prospectus or a statement in lieu of a prospectus under the Companies Act. The issue of the Debentures is being made strictly on a private placement basis. The Debentures shall be unlisted at the time of the issuance and shall be listed within 20 days from deemed date of allotment on the WDM segment of the BSE. Multiple copies hereof given to the same entity shall be deemed to be given to the same person and shall be treated as such. This Information Memorandum does not constitute and shall not be deemed to constitute an offer or invitation to subscribe to the Debentures to the public in general.

As per the applicable provisions, it is not necessary for a copy of this Information Memorandum/ Disclosure Document to be filed or submitted to the SEBI for its review and/or approval.

This Information Memorandum has been prepared in conformity with the SEBI Debt Listing Regulations as amended from time to time and the applicable RBI circulars governing private placements of debentures by NBFCs. This Information Memorandum has been prepared solely to provide general information about the Issuer to the eligible investors to whom it is addressed and who are willing and eligible to subscribe to the Debentures. This Information Memorandum does not purport to contain all the information that any eligible investor may require. Further, this Information Memorandum has been prepared for informational purposes relating to this transaction only and upon the express understanding that it will be used only for the purposes set forth herein.

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

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

**This Information Memorandum, the Private Placement Offer Cum Application Letter and the contents hereof are restricted only for the intended recipient(s) who have been addressed directly and specifically through a communication by the Issuer and only such recipients are eligible to apply for the Debentures. All investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this Issue. The contents of this Information Memorandum and/or the Private Placement Offer Cum Application Letter are intended to be used only by those potential investors to whom it is distributed. It is not intended for distribution to any other person and should not be reproduced by the recipient.**

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

The person who is in receipt of this Information Memorandum and/or the Private Placement Offer Cum Application Letter shall not reproduce or distribute in whole or part or make any announcement in public or to a third party regarding the contents hereof without the consent of the Issuer. The recipient agrees to keep confidential all





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

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

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

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

## **2.2 DISCLAIMER CLAUSE OF SOLE ARRANGER**

The Issuer hereby declares that it has exercised due-diligence to ensure complete compliance with prescribed disclosure norms in this Information Memorandum and/or the Private Placement Offer Letter. Without limiting the foregoing, the Sole Arranger is not acting, and has not been engaged to act, as an underwriter, merchant banker or other intermediary with respect to the Debentures. The Issuer is solely responsible for the truth, accuracy and completeness of all the information provided in this Information Memorandum and/or the Private Placement Offer Letter. Neither is the Sole Arranger responsible for preparing, clearing, approving, scrutinizing or vetting this Information Memorandum and/or the Private Placement Offer Letter, nor is the Sole Arranger responsible for doing any due-diligence for verification of the truth, correctness or completeness of the contents of this Information Memorandum and/or the Private Placement Offer Letter. The Sole Arranger shall be entitled to rely on the truth, correctness and completeness of this Information Memorandum and/or the Private Placement Offer Letter. It is to be distinctly understood that the aforesaid use of this Information Memorandum and/or the Private Placement Offer Letter by the Sole Arranger should not in any way be deemed or construed to mean that the Information Memorandum and/or the Private Placement Offer Letter has been prepared, cleared, approved, scrutinized or vetted by the Sole Arranger. Nor should the contents of this Information Memorandum and/or the Private Placement Offer Letter in any manner be deemed to have been warranted, certified or endorsed by the Sole Arranger as to the truth, correctness or completeness thereof. Each recipient must satisfy itself as to the accuracy, reliability, adequacy, reasonableness or completeness of the Information Memorandum and/or the Private Placement Offer Letter.

The Sole Arranger has not conducted any due diligence review on behalf or for the benefit of the Debenture Trustee or any of the Debenture Holders. Each of the Debenture Holders should conduct such due diligence on the Issuer and the Debentures as it deems appropriate and make its own independent assessment thereof.

Distribution of this Information Memorandum and/or the Private Placement Offer Letter does not constitute a representation or warranty, express or implied by the Sole Arranger that the information and opinions herein will be updated at any time after the date of this Information Memorandum and/or the Private Placement Offer Letter. The Sole Arranger does not undertake to notify any recipient of any information coming to the attention of the Sole Arranger after the date of this Information Memorandum and/or the Private Placement Offer Letter. No responsibility or liability or duty of care is or will be accepted by the Sole Arranger for updating or supplementing





this Information Memorandum and/or the Private Placement Offer Letter nor for providing access to any additional information as further information becomes available.

Neither the Sole Arranger nor any of their respective directors, employees, officers or agents shall be liable for any direct, indirect or consequential loss or damage suffered by any person as a result of relying on any statement in or omission from this Information Memorandum or in any other information or communications made in connection with the Debentures.

The Sole Arranger is acting for the Company in relation to the Issue of the Debentures and not on behalf of the recipients of this Information Memorandum and/or the Private Placement Offer Letter. The receipt of this Information Memorandum and/or the Private Placement Offer Letter by any recipient is not to be constituted as the giving of investment advice by the Sole Arranger to that recipient, nor to constitute such a recipient a customer of the Sole Arranger. The Sole Arranger is not responsible to any other person for providing the protection afforded to the customers of the Sole Arranger nor for providing advice in relation to the Debentures.

Each recipient of this Information Memorandum and/or the Private Placement Offer Letter acknowledges that:

- i. each recipient has been afforded an opportunity to request and to review and has received all additional information considered by the recipient to be necessary to verify the accuracy of or to supplement the information contained herein; and
- ii. such recipient has not relied on the Sole Arranger in connection with its investigation of the accuracy of such information or its investment decision.

### **2.3 DISCLAIMER CLAUSE OF STOCK EXCHANGES**

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

### **2.4 DISCLAIMER CLAUSE OF SEBI**

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

### **2.5 DISCLAIMER IN RESPECT OF JURISDICTION**

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

### **2.6 DISCLAIMER IN RESPECT OF RATING AGENCIES**

Ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. The Rating Agency has based its ratings on information obtained from sources believed by it to be accurate and reliable. The Rating Agency does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or



omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by the Rating Agency have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

## **2.7 ISSUE OF DEBENTURES IN DEMATERIALISED FORM**

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



## **SECTION 3: RISK FACTORS**

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

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

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

### **3.2 THE SECONDARY MARKET FOR DEBENTURES MAY BE ILLIQUID.**

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

### **3.3 CREDIT RISK & RATING DOWNGRADE RISK**

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

### **3.4 CHANGES IN INTEREST RATES MAY AFFECT THE PRICE OF NCDS.**

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

### **3.5 TAX CONSIDERATIONS AND LEGAL CONSIDERATIONS**

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



### 3.6 ACCOUNTING CONSIDERATIONS

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

### 3.7 SECURITY MAYBE INSUFFICIENT TO REDEEM THE DEBENTURES

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

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

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

### 3.9 LEGALITY OF PURCHASE

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

### 3.10 POLITICAL AND ECONOMIC RISK IN INDIA

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

### 3.11 RISKS RELATED TO THE BUSINESS OF THE ISSUER

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

The Client Loans are secured against assets / equipment on lease and incremental cash collateral, where applicable. There may be uncertainty on the client's ability to fulfil its loan obligations. Such non-performing or low credit quality loans can negatively impact our results of operations.

As on March 31, 2020, the gross NPA was Rs. Nil crores on a gross portfolio of Rs. 330 crores.

The Issuer cannot assure that the Issuer will be able to effectively control and reduce the level of NPAs in its total loan portfolio. The amount of the Issuer's reported non-performing loans may increase in the future as a result of growth in the total loan portfolio, and also due to factors beyond the Issuer's control. Failure to manage NPAs or effect recoveries will result in operations being adversely affected.

The Issuer's current loan loss reserves may not be adequate to cover an increase in the amount of NPAs or any future deterioration in the overall credit quality of the Issuer's total loan portfolio. As a result, if the quality of the Issuer's total loan portfolio deteriorates the Issuer may be required to increase the loan



loss reserves, which will adversely affect the Issuer's financial condition and results of operations.

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

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

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

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

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

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

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

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

In addition, there are various types of risks and losses for which the Issuer does not maintain insurance, such as losses due to business interruption and natural disasters, because they are either uninsurable or because insurance is not available to the Issuer on acceptable terms. A successful assertion of one or more large claims against the Issuer that exceeds its available insurance coverage or results in changes in its insurance policies, including premium increases or the imposition of a larger deductible or co-insurance requirement, could adversely affect the Issuer's business, financial condition and results of operations.

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

NBFCs in India are subject to strict regulation and supervision by the RBI. The Issuer requires certain approvals, licenses, registrations and permissions for operating its business, including registration with the RBI as a NBFC pursuant to Section 45-IA of the RBI Act, 1934. Further, such approvals, licenses, registrations and permissions must be maintained/renewed over time, applicable requirements may change and the Issuer may not be aware of or comply with all requirements all of the time. In particular, the Issuer is required to obtain a certificate of registration for carrying on business as a NBFC that is subject to numerous conditions. Additionally, RBI has issued detailed directions on prudential norms *inter alia*



prescribing guidelines on income recognition, asset classification and provisioning requirements applicable to NBFCs, exposure norms, disclosures in the balance sheet, requirement of capital adequacy, restrictions on investments in land and building and unquoted shares besides others. In addition, its branches are required to be registered under the relevant shops and establishments laws of the states in which they are located. The shops and establishments laws regulate various employment conditions, including working hours, holidays and leave and overtime compensation. If the Issuer fails to obtain or retain any of these approvals or licenses, or renewals thereof, in a timely manner, or at all, its business may be adversely affected. If the Issuer fails to comply, or a regulator claims that it has not complied, with any of these conditions, the Issuer's certificate of registration may be suspended or cancelled, and it shall not be able to carry on such activities. If the Issuer fails to comply with any directions issued applicable on NBFCs and fails to maintain the status of NBFC it may attract penal provisions under the RBI Act, 1934 for non-compliance. The penal action can also result in RBI cancelling the certificate of registration issued to the NBFC.



## SECTION 4: FINANCIAL STATEMENTS

The audited financial statements of the Issuer for the FY ended 20 are set out in **Annexure IV** hereto.





## SECTION 5: REGULATORY DISCLOSURES

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

### 5.1 Documents Submitted to the Exchanges

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

- A. Memorandum and Articles of Association of the Issuer and necessary resolution(s) for the allotment of the Debentures;
- B. Copy of last 3 (three) years audited Annual Reports;
- C. Statement containing particulars of, dates of, and parties to all material contracts and agreements;
- D. Certified true copy of the resolution passed by the Board of Directors in its meeting held on July 24, 2020 authorizing the borrowing and list of authorized signatories;
- E. An undertaking from the Issuer stating that the necessary documents for the creation of the charge, including the Debenture Trust Deed would be executed within the time frame prescribed in the relevant regulations/acts/rules etc. and the same would be uploaded on the website of the BSE, where the debt securities have been listed, within 20 (Twenty) working days of execution of the same;
- F. Where applicable, an undertaking that permission / consent from the prior creditor for a second or *pari passu* charge being created, in favour of the trustees to the proposed issue has been obtained; and
- G. Any other particulars or documents that the recognized stock exchange may call for as it deems fit.

### 5.2 Documents Submitted to Debenture Trustee

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

- A. Memorandum and Articles of Association of the Issuer and necessary resolution(s) for the allotment of the Debentures;
- B. Copy of last 3 (three) years audited annual reports;
- C. Statement containing particulars of, dates of, and parties to all material contracts and agreements;
- D. Latest audited / limited review half yearly consolidated (wherever available) and standalone financial information (profit & loss statement, balance sheet and cash flow statement) and auditor qualifications, if any.
- E. An undertaking to the effect that the Issuer would, until the redemption of the debt securities, submit the details mentioned in point (D) above to the Debenture Trustee within the timelines as mentioned in Simplified Listing Agreement issued by SEBI vide circular No. CIR/CFD/CMD/6/2015 dated October 13, 2015, as amended from time to time, for furnishing / publishing its half yearly/ annual result. Further, the Issuer shall within 180 (One Hundred and Eighty) calendar days from the end of the financial year, submit a copy of the latest annual report to the Debenture Trustee and the Debenture Trustee shall be obliged to share the details submitted under this clause with all 'Qualified Institutional Buyers' and other existing debenture-holders within 2 (two) working days of their specific request.

### 5.3 Name and Address of Registered Office of the Issuer

<b>Name:</b>	Capsave Finance Private Limited
<b>Registered Office of Issuer:</b>	Unit No.501 Wing-D, Lotus Corporate Park, Western Express Highway, Goregaon (East), Mumbai - 400 063
<b>Corporate Office of Issuer:</b>	Unit No.501 Wing-D, Lotus Corporate Park, Western Express Highway, Goregaon (East), Mumbai - 400 063
<b>Compliance Officer of Issuer:</b>	Mr. Ashok Biyani
<b>CFO of Issuer:</b>	Mr. Ashok Biyani
<b>Registration Number:</b>	B-13.01702



<b>Corporate Identification Number:</b>	U67120MH1992PTC068062
<b>Phone No.:</b>	+91-22-6173 7603
<b>Fax No:</b>	N.A.
<b>Contact Person:</b>	Mr. Ashok Biyani
<b>Email:</b>	Ashok.Biyani@rentalpha.com
<b>Website of Issuer:</b>	<a href="http://www.capsavefinance.com">www.capsavefinance.com</a>
<b>Name and address of auditors of the Issuer:</b>	PKF Sridhar & Santhanam LLP Address: 201, 2nd Floor, Center Point Building, Dr. Ambedkar Road, Opp. Bharatmata Cinema, Parel, Mumbai 400 012
<b>Name and address of trustee to the Issue:</b>	Axis Trustee Services Limited Address: The Ruby I 2 <sup>nd</sup> Floor I SW I 29 Senapati Bapat Marg I Dadar west  Mumbai – 400 028
<b>Name and address of registrar to the Issue:</b>	Link Intime India Pvt. Ltd Address: 247 Park, C 101 1st Floor, LBS Marg, Vikhroli (W), Mumbai – 400 083
<b>Name and address of credit rating agency of the Issue</b>	CRISIL Limited Address: CRISIL House, Central Avenue, Hiranandani Business Park, Powai, Mumbai- 400 076, India
<b>Name and address of arrangers, if any, of the Issue:</b>	-

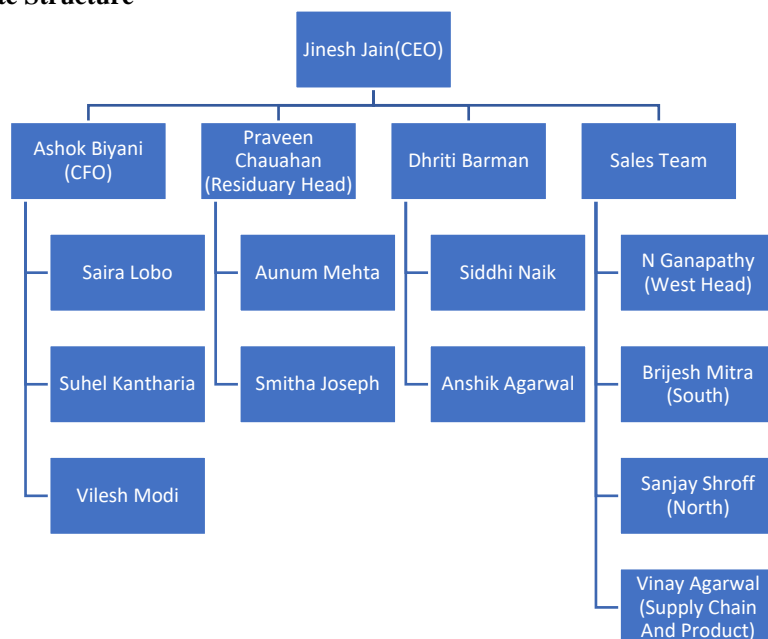


## 5.4 A brief summary of business / activities of the Issuer and its line of business

### A. Overview

**Capsave Finance Private Limited (“Capsave”)**, registered as a Non-Banking Financial Company (NBFC) with Reserve Bank of India, focussing on equipment finance and leasing for corporates and supply chain finance. Equipment Finance and leasing is focussed majorly on IT and light engineering. Supply Chain finance is to fund Vendor and Channel Finance partners of Corporates. Capsave Finance uses technology to underwrite and appraise proposals with custom made Loan Origination and Management Software.

#### Corporate Structure -



### B. Brief profile of the Board of Directors of the Issuer

Name	Designation	Experience
Mr. Jinesh Jain (06807613)	Managing Director	<ul style="list-style-type: none"> <li>Previously, Country Head- Business Development – Rentworks India Ltd from 2002-2014</li> <li>Previously, Executive committee Member Rentworks India Ltd.</li> <li>Extensive Experience of more than 12 years in originating and structuring large operating lease deals, securitization, Residual Risk Management, Product life cycle Management &amp; arranging of structured funding for lease transactions.</li> </ul>
Mr. Praveen Chauhan (06802734)	Executive Director	<ul style="list-style-type: none"> <li>Previously Country Head – Key Account Management – Rentworks India Ltd from 2001-2017</li> <li>Extensive experience in account management, structuring in-term and end of term solutions for customers, residual risk management and residual value realization.</li> <li>Praveen is responsible for driving sales in large accounts, residuary risk management and asset lifecycle management for the company.</li> </ul>



Name	Designation	Experience
Ms. Sharon Farhaad Dastoor (07072060)	Nominee Director	<ul style="list-style-type: none"> <li>- Ms. Dastoor is a nominee director on behalf of Bravia Capital.</li> <li>- She joined Bravia in 2014. She is primarily involved in all aspects of deal making such as originating, analysing, structuring and closure of Investment opportunities in the India office</li> <li>- Prior to Bravia, she worked with the Bennett Coleman Group in their private equity team where she was responsible for business development, analysis, structuring &amp; negotiations and deal closure of several investment opportunities across multiple sectors.</li> </ul>
Mr. Krishan Varma (06428524)	Independent Director	<ul style="list-style-type: none"> <li>- Mr. Varma is an additional director on the Board of the Company.</li> <li>- Mr Varma, Former Special Secretary, Cabinet Secretariat, Government of India held several key appointments within the country and abroad during a distinguished career of 35 years. His diplomatic assignments include postings to Bangladesh, Hong Kong, China and as Minister, Embassy of India, Washington DC, USA.</li> <li>- He has practical experience in dealing with multifaceted security challenges, and global issues pertaining to energy security, trade and commerce, science and technology</li> <li>- His areas of specialization are China, the Far East, Koreas, Southeast Asia, and the Pacific and Indian Ocean region</li> </ul>

**C. Brief profile of the senior management of the Issuer**

Name & Designation	Background
Mr. Jinesh Jain (Managing Director)	<ul style="list-style-type: none"> <li>- Previously, Country Head- Business Development – Rentworks India Ltd from 2002-2014</li> <li>- Previously, Executive committee Member Rentworks India Ltd.</li> <li>- Extensive Experience of more than 12 years in originating and structuring large operating lease deals, securitization, Residual Risk Management, Product life cycle Management &amp; arranging of structured funding for lease transactions.</li> </ul>
Mr. Praveen Chauhan (Executive Director & Residuary Head)	<ul style="list-style-type: none"> <li>- Previously Country Head – Key Account Management – Rentworks India Ltd from 2001-2017</li> <li>- Extensive experience in account management, structuring in-term and end of term solutions for customers, residual risk management and residual value realization.</li> <li>- Praveen is responsible for driving sales in large accounts, residuary risk management and asset lifecycle management for the company.</li> </ul>
Mr. Sanjay Shroff (Director – Sales)	<ul style="list-style-type: none"> <li>- Sanjay has Over 20 years work experience in Corporate Finance, Investment Banking and Equipment Leasing. He was the Equipment Finance and Leasing - Head for GE Capital India and Edelweiss Capital Limited.</li> <li>- He also managed Finance and Risk at Rent Works India.</li> <li>- As an Investment Banker with Edelweiss and Ernst and Young, he has effected PE Raises, IPOs, M&amp;A Transactions and Project Finance raises.</li> </ul>
Mr Dhriti Barman Chief Risk Officer	<ul style="list-style-type: none"> <li>- Dhriti has 18 years of extensive experience in managing corporate credit risk in Indian/MNC banks and NBFC/FI like Aditya Birla Finance, HSBC, Citi and ICICI Bank.</li> </ul>



	<ul style="list-style-type: none"> <li>- He has been very successful in partnering with business units to grow and build a scalable, consistent and quality portfolio and has managed lending portfolios in excess of USD 700Mn.</li> <li>- Dhriti holds MBA in finance and MCom in Accountancy.</li> </ul>
Mr. Ashok Biyani Chief Finance Officer	<ul style="list-style-type: none"> <li>- Ashok has 18 years of experience in finance &amp; accounts function having worked with clients across sectors.</li> <li>- His core strength lies in analysis and driving solutions for complex business structures within the legal and regulatory frameworks.</li> <li>- Ashok has been working with businesses at various life cycles - start-ups, mid-corporates, large. MNCs and have supported them to scale-up by laying internal processes and automation flexible to the operational requirements.</li> <li>- Ashok holds the professional degree in CA and CTM from ICFAI.</li> </ul>

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

		Rs. Crores		
Parameters		FY 19-20	FY 18-19	FY 17-18
Networth		200.31	140.84	100.10
Total Debt		104.67	100.00	23.75
Comprising of	Non-Current Maturities of Long Term Borrowing	33.00	40.00	-
	Short Term Borrowing	50.00	45.00	23.75
	Current Maturities of Long Term Borrowing	21.67	15.00	-
Net Fixed Assets		99.57	91.58	46.27
Non-Current Assets		178.24	130.16	68.29
Cash and Cash Equivalents		8.60	14.55	2.76
Current Investments		-	-	-
Current Assets		127.71	87.82	37.66
Current Liabilities		101.95	82.69	38.03
Assets Under Management		330.92	243.44	131.68
Off Balance Sheet Assets		-	-	-
Operating Income - Rental / Interest Income		73.93	47.97	18.57
Interest Expense		9.70	6.02	0.44
Provisioning & Write-offs – provision for Standard Assets		1.06	0.42	0.17
PAT		24.58	19.68	8.29
Gross NPA (%)		-	-	-
Net NPA (%)		-	-	-
Tier I Capital Adequacy Ratio (%)		49%	44%	70%
Tier II Capital Adequacy Ratio (%)		49%	44%	70%

Gross Debt: Equity Ratio of the Company in respect of debt from banks and other NBFCs

Before the issue of debt securities	0.2x
After the issue of debt securities	0.23x

**E. Project cost and means of financing, in case of funding new projects: Not Applicable**

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

A. Details of share capital as on last quarter end (being ):	
Share Capital	Rs.
Authorised share capital:	



i.	11,500,000 equity shares of Rs. 10 each	115,000,000
<b>Total authorized share capital</b>		<b>115,000,000</b>
<b>Issued, subscribed and fully paid-up share capital:</b>		
ii.	9,365,118 equity shares of Rs. 10 each	93,651,180
<b>Total issued, subscribed and fully paid-up share capital:</b>		<b>93,651,180</b>

<b>B. Changes in its capital structure as on last quarter end (being 31<sup>st</sup> March 2020), for the last five years:</b>		
<b>Date of change (AGM/ EGM)</b>	<b>Rs.</b>	<b>Particulars of change in authorized share capital</b>
1 <sup>st</sup> Sept 2016	3,00,00,000	Increase in Authorised Capital from Rs. 80,00,000 to Rs. 3,00,00,000
23 <sup>rd</sup> Feb 2017	5,00,00,000	Increase in Authorised Capital from Rs. 3,00,00,000 to Rs. 5,00,00,000
1 <sup>st</sup> Sept 2017	8,00,00,000	Increase in Authorised Capital from Rs. 5,00,00,000 to Rs. 8,00,00,000
4 <sup>th</sup> Jul 2019	11,50,00,000	Increase in Authorised Capital from Rs. 8,00,00,000 to Rs. 11,50,00,000

**C. Equity Share Capital History of the Company as on last quarter end i.e. 31<sup>st</sup> March, 2020, for the last five years:**

<b>Date of allotment</b>	<b>Name of equity shareholder</b>	<b>No. shares</b>	<b>Face Value (Rs.)</b>	<b>Issue price</b>	<b>Consideration Amt (Rs.)</b>	<b>Nature of Allotment</b>	<b>Cumulative paid-up capital (Rs.)</b>		
							<b>No. of equity shares</b>	<b>Equity Share Capital</b>	<b>Equity Share Premium</b>
					(No. of shares * Issue price)				
07-11-16	Rent Alpha Private Limited	140,000	10	100	14,000,000	Equity Allotment	919,200	0.92	2.45
19-12-16	Rent Alpha Private Limited	459,600	10	100	45,960,000	Equity Allotment	1,378,800	1.38	6.59
07-12-17	Rent Alpha Private Limited	1,325,000	10	100	132,500,000	Equity Allotment	2,703,800	2.70	18.51
31-03-17	Rent Alpha Private Limited	403,225	10	372	149,999,700	Equity Allotment	3,107,025	3.11	33.11
30-06-17	Rent Alpha Private Limited	439,516	10	372	163,499,952	Equity Allotment	3,546,541	3.55	49.02
28-07-17	Rent Alpha Private Limited	268,817	10	372	99,999,924	Equity Allotment	3,815,358	3.82	58.75
10-10-17	Rent Alpha Private Limited	1,681,415	10	113	189,999,895	Equity Allotment	5,496,773	5.50	76.07
05-01-18	Rent Alpha Private Limited	987,610	10	113	111,599,930	Equity Allotment	6,484,383	6.48	86.24
10-07-18	Rent Alpha Private Limited	632,218	10	156	98,626,008	Equity Allotment	7,116,601	7.12	95.47
07-09-18	Rent Alpha Private Limited	715,835	10	156	111,670,260	Equity Allotment	7,832,436	7.83	105.92



05-08-19	Rent Alpha Private Limited	614,925	10	228	139,999,975	Equity Allotment	8,447,361	8.45	119.31
25-09-19	Rent Alpha Private Limited	917,757	10	228	208,945,736	Equity Allotment	9,365,118	9.37	139.29

D. **Details of any Acquisition or Amalgamation in the last 1 (one) year: N.A.**

E. **Details of any Reorganization or Reconstruction in the last 1 (one) year: N.A.**

Type of Event	Date of Announcement	Date of Completion	Details
-	-	-	-

## 5.6 Details of the shareholding of the Company as on last quarter end (i.e. 30<sup>th</sup> June, 2020)

A. **Shareholding pattern of the Company as on last quarter end (i.e. 30<sup>th</sup> June, 2020):**

Sr.No.	Particulars	Total Number of Equity Shares	Number of shares held in Dematerialized Form	Total Shareholding as a % of total no. of equity shares
1.	Rent Alpha Private Limited	9,365,117	0	100%
2.	Jinesh Jain (on behalf of Rent Alpha Private Limited)	1	0	-

Notes: Shares pledged or encumbered by the promoters (if any): None

B. **List of top 10 holders of equity shares of the Company as on last quarter end (i.e. 30<sup>th</sup> June 2020):**

Sr. No.	Name of the Shareholders	Total Number of Equity shares	Number of shares held in dematerialized Form	Total Shareholding as a % of total no. of equity shares.
1.	Rent Alpha Private Limited	9,365,117	0	100%
2.	Jinesh Jain (on behalf of Rent Alpha Private Limited)	1	0	-

## 5.7 Following details regarding the directors of the Company:

A. **Details of current directors of the Company:**

This table sets out the details regarding the Company's Board of Directors:

S. No.	Name of the Directors	Designation	Date of Birth	Address	DIN	PAN	Director of the company since	Director in other company
1.	Mr. Jinesh Jain	Managing Director	6 <sup>th</sup> Jun 1976	C-1401, 14th Floor, Oberoi Springs, Near Monginis Factory, Opp City Mall, Off Link Road, Andheri (West), Mumbai - 400 053	06807613	ACIPJ4380Q	15 <sup>th</sup> Jun 2016	Rent Alpha Pvt Ltd
2.	Mr. Praveen Chauhan	Executive	16 <sup>th</sup> Oct 1974	1602, Amanda - B, Hiranandani Meadows,	06802734	ADMPC5995M	15 <sup>th</sup> Jun 2016	Rent Alpha Pvt Ltd





		Director		G.D.Alwari Road, Thane - 400610				
	Mr. Sharon Farhaan Dastoor	Nominee Director	16 <sup>th</sup> Jul 1984	India House No 4, Flat No 18, Kemp's Corner, Mumbai - 400036	07072060	AGSPC8 983C	3 <sup>rd</sup> Jan 2017	Rent Alpha Pvt Ltd Thotaka Technologies India Pvt Ltd
	Mr. Krishan Varma	Independent Director	12 <sup>th</sup> Sep 1952	A-603 Tower Apartment, Vikas Marg, Swasthya Vihar Delhi-110092	06428524	AADPV4 351Q	16 <sup>th</sup> Jan 2020	Consolidated Plasto Fab Private Limited The Delhi Golf Club

Names of the current directors of the Issuer who are appearing in the RBI defaulter list and/or ECGC default list, if any: NIL

**B. Details of change in directors since last three years:**

Name	Designation	DIN	Date of Appointment/ Resignation	Director of the Company since (in case of resignation)	Remarks
Mr. Sujit Cherian	Nominee Director	07072034	18 <sup>th</sup> Dec 2017	15 <sup>th</sup> Jun 2016	-
Mr. Krishan Varma	Independent Director	06428524	16 <sup>th</sup> Jan 2020	-	-

**5.8 Following details regarding the auditors of the Company:**

**A. Details of the auditor of the Company:**

Name	Address	Auditor since
Mr. Ravi Suryanarayanan	M/s. PKF Sridhar & Santhanam LLP 201, 2nd Floor, Center Point Building, Dr. Ambedkar Road, Opp. Bharatmata Cinema, Parel, Mumbai 400 012	Feb 2018

**B. Details of change in auditors since last three years:**

Name	Address	Date of Appointment/ Resignation	Auditor of the Company since (in case of resignation)	Remarks
M/s Deloitte Haskins & Sells LLP	Indiabulls Finance Centre, Tower 3, 27th-32 <sup>nd</sup> Floor, Senapati Bapat Marg,	8 <sup>th</sup> Jan 2018	1 <sup>st</sup> Aug 2017	



	Elphinstone Road (West) Mumbai – 400013			
M/s. Ambavat Jain & Associates LLP	5B, Ground Floor, Onlooker Building, 14, Sir P.M. Road, Fort, Mumbai – 40001	20 <sup>th</sup> July 2017	20 <sup>th</sup> Sep 2016	

### 5.9 Details of borrowings of the Company, as on latest quarter end i.e. 30<sup>th</sup> June 2020:

#### A. Details of Secured Loan Facilities as on 30<sup>th</sup> June 2020

Lender's Name	Tranches	Type of Facility	Amount Sanctioned	Principal Amount Outstanding	Disbursement Date	Repayment Date/Schedule	Security
L&T Finance Ltd	2 tranches	Term Loan	Rs. 50 cr	Rs. 25.50 cr	April 2019	Quarterly – 5 years	Specific charge on receivables, corporate guarantee of holding company, pledge of shares of holding company by parent company promoters
Hinduja Leyland Finance Ltd	Single tranche	Term Loan	Rs. 15 cr	Rs. 8.75 cr	Feb 2019	Quarterly – 3 years	Specific charge on receivables, corporate guarantee of holding company, pledge of shares of holding company by parent company promoters
IDFC First Bank Ltd	Single tranche	Term Loan	Rs. 20 cr	Rs. 15 cr	July 2019	Quarterly – 3 years	Specific charge on receivables, corporate guarantee of holding company, pledge of shares of holding company by parent company promoters promoters

#### B. Details of Unsecured Loan Facilities as on 30<sup>th</sup> June 2020:

Lender's Name	Type of Facility	Amount sanctioned	Principal Amount O/S	Repayment Date/Schedule
Rent Alpha Private Limited	Short term funding	Rs. 50 cr	Rs. 36 cr	Undefined

#### C. Details of non-convertible debentures as on last quarter end i.e. 30<sup>th</sup> June 2020:

Debenture Series	Tenor/Period of Maturity (in Months)	Coupon	Amount (in Crores)	Date of allotment	Redemption on Date/Schedule	Credit Rating	Secured/Unsecured	Security
10.40 % Capsave Finance Private Limited 2023	36	10.40%	15	17 <sup>th</sup> June 2020	17 <sup>th</sup> June 2023	A-	Secured	Specific charge on receivables, corporate guarantee of



								holding company
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**D. List of Top 10 Debenture Holder(s) as on last quarter end i.e. 30<sup>th</sup> June 2020:**

S. No.	Name of Debenture Holder(s)	Amount (Rs.)
1.	Bank of Maharashtra	15 crores

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

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

**F. Details of Commercial Paper (the total Face Value of Commercial Papers Outstanding as on the latest quarter end i.e. 30<sup>th</sup> June 2020 to be provided and its breakup in following table)**  
NA

**G. Details of rest of the borrowing (if any including hybrid debt like FCCB, Optionally Convertible Debentures / Preference Shares) as on 30<sup>th</sup> June 2020:**  
NA

**H. Details of all default/s and/or delay in payments of interest and principal of any kind of term loans, debt securities and other financial indebtedness including corporate guarantee issued by the Company, in the past 5 years:**  
The Company has not defaulted in payment of any interest or principal of any kind of term loans, debt securities or any other financial indebtedness, including any corporate guarantee issued by the Company, in the past 5 years

**I. Details of any outstanding borrowings taken / debt securities issued where taken / issued (i) for consideration other than cash, whether in whole or part, (ii) at a premium or discount, or (iii) in pursuance of an option:**  
The Issuer does not have any outstanding borrowings/debt securities issued (i) for consideration other than cash, whether in whole or part, (ii) at a premium or discount, or (iii) in pursuance of an option].

**5.10 Details of Promoters of the Company:**

**A. Details of Promoter Holding in Company as on latest quarter end, i.e. 30th June 2020:**

Sr No	Name of the shareholders	Total No of equity shares	No. of shares in Demat form	Total shareholding as % of total no of equity shares	No of shares Pledged	% of shares pledged with respect to shares owned
1.	Rent Alpha Private Limited	9,365,117	0	99.999%	-	-

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

The relevant information is furnished in **Annexure IV** of the Information Memorandum.



**5.12 Abridged version of Latest Audited/ Limited Review Half Yearly Consolidated and Standalone Financial Information and auditors' qualifications, if any:**

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

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

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

**5.14 Names of the Debentures Trustees and Consents thereof**

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

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

The Rating Agency has assigned ratings of CRISIL A- (pronounced as CRISIL A Minus) to the Debentures. Instruments with this rating are considered to have adequate degree of safety regarding timely servicing of financial obligations. Such instruments carry low credit risk.

Please refer to Annexures for the credit rating assigned by the Rating Agency and the detailed rating rationale respectively.

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

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

Not Applicable.

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

The Debentures shall be unlisted at the time of issuance and are proposed to be listed on Wholesale Debt Market segment of BSE within 20 Business Days from the Deemed Date of Allotment. The Issuer shall comply with the requirements of the listing agreement for debt securities to the extent applicable to it on a continuous basis.



## 5.18 Other details:

### A. Debenture Redemption Reserve Creation:

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

### B. Issue / instrument specific regulations:

The Issue of Debentures shall be in conformity with the applicable provisions of the Companies Act including the notified rules thereunder, the SEBI Debt Listing Regulations, the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the applicable RBI guidelines.

### C. Application process:

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

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

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

Sr. No.	Nature of Contract
1	Certified true copy of the Memorandum & Articles of Association of the Issuer.
2	Resolution dated July 24, 2020 passed by the Board of Directors authorizing issue of Debentures offered under terms of this Disclosure Document.
3	Copies of Annual Reports of the Company for the last three financial years.
4	Letter from the Rating Agency assigning the credit rating for the Issue.
5	Letter from the Debenture Trustee giving its consent to act as Debenture Trustee.
6	Letter from Registrar and Transfer Agent.
7	Certified true copy of the certificate of incorporation of the Company.
8	Certified true copy of the tripartite agreement between the Company, the Registrar & Transfer Agent and NSDL
9	Copy of application made/ to be made (if and when applicable) to BSE for grant of in-principle approval for listing of Debentures.
10	Debenture Trustee Agreement dated July 30, 2020 entered by Capsave Finance Private Limited and Axis Trustee Services Limited.
11	Debenture Trust Deed dated July 30, 2020 executed by Capsave Finance Private Limited in favour of Axis Trustee Services Limited.
12	Agreement of Hypothecation dated July 30, 2020 entered by Capsave Finance Private Limited and Axis Trustee Services Limited.

## 5.20 Utilization of the Issue Proceeds

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



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

## 5.21 Issue Details

Security Name	10.40% Capsave Finance Private Limited 2023 II
Issuer	Capsave Finance Private Limited
Type of Instrument	Secured, unsubordinated, rated, listed, redeemable, transferable, non-convertible debentures
Nature of Instrument	Secured
Seniority	Senior, Unsubordinated
Mode of Issue	Private placement
Eligible/Identified Investors	As provided in Section 8.14 below
Listing	<p>Debentures shall be unlisted at the time of the issuance and are proposed to be listed on the Wholesale Debt Market segment of BSE within 20 Business Days from the Deemed Date of Allotment.</p> <p>In the event of the Issuer's failure to do so, to the extent that any Debenture Holder(s) are Foreign Portfolio Investors, the Issuer shall immediately redeem any and all Debentures which are held by such Foreign Portfolio Investor(s).</p>
Rating of Instrument	CRISIL A- as assigned by the Rating Agency
Issue Size	Rs. 10,00,00,000/- (Rupees Ten Crores only)
Option to retain oversubscription	N.A.
Objects of the Issue	To raise senior secured debt to the extent upto Rs. 10,00,00,000/- (Rupees Ten Crores only).
End Use	<p>The proceeds of the Issuance will be utilized for the following purposes:</p> <ul style="list-style-type: none"> <li>• General corporate purposes</li> <li>• for the ordinary course of business of the Issuer including repayment / re-financing of existing debt</li> </ul> <p>The Issuer shall not use the proceeds of the Issue towards:</p> <ul style="list-style-type: none"> <li>▪ any capital market instrument such as equity, debt, debt linked and equity linked instruments or any other capital market related activities; or</li> <li>▪ any speculative purposes; or</li> <li>▪ any activity on the Exclusion List; or</li> <li>▪ investment in the real estate sector;</li> <li>▪ to undertake related party transactions other than exceptions detailed in Related Party Transactions section below</li> </ul> <p>The proceeds of the NCD shall not be used for any purpose, which may be in contravention of the government/RBI/SEBI/Other regulatory guidelines.</p>
Coupon Rate	10.40% per annum



Step Up/ Step Down Coupon Rate	<p>The Coupon Rate payable on the principal amount of the Debentures shall increase by 0.25% (Zero Decimal Point Fifty Percent)] for every one notch downgrade by the rating agency from the existing rating (A-).</p> <p>If the rating of the Debentures is downgraded below existing rating of A-, the Interest Rate shall be increased by 0.25% (zero decimal two five percent) for each downgrade of 1 (one) notch from the existing Rating of A- ("Step Up Rate") and such increased rate of Interest shall be applicable on the Outstanding Principal Amounts from the date of such downgrade. Step Up, in accordance with this provision shall not require any notice, intimation or action on behalf of the Debenture Trustee or the Debenture Holders.</p> <p>Following the Step Up until the rating of the Debentures is restored to the exist Rating of A-, i.e. if the rating of the Debentures is upgraded, the prevailing Step Up Rate shall be decreased by 0.25% (zero decimal two five percent) for each upgrade of 1 (one) notch from the rating of the Debentures (until the rating of the Debentures is restored to the existing Rating of A-) and such decreased rate of Interest shall be applicable on the Outstanding Principal Amounts from the date of such upgrade. PROVIDED THAT the decreased rate of Interest in accordance with this provision cannot, in any case, be lower than the Interest Rate fixed at the time of issuance of the NCDs, i.e. 10.40% per annum payable yearly. The decrease in the rate of Interest in accordance with this provision shall not require any notice, intimation or action on behalf of the Debenture Trustee or the Debenture Holders.</p>
Coupon Payment Frequency	Annually
Coupon Payment Dates	Annually as per Annexure V (Illustrations of Bond Cashflows) in this Information Memorandum
Coupon Type	Fixed
Coupon Reset Date	N.A.
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor, etc.)	N.A.
Day Count Basis	Actual/Actual
Interest on Application Money	10.40% (Ten Decimal Four Zero Percent) per annum from the date of receipt of application money to the Deemed Date of Allotment.
Default Interest Rate	Coupon Rate plus 2.00 % (One point Zero Zero percent) In case of default in payment of Interest and/or principal redemption on the due dates, additional interest of atleast @ 2% p.a. over the coupon rate shall be payable by the Company for the defaulting period
Delay in Listing	In case of delay in listing of the debt securities beyond 20 days from the deemed date of allotment, the Company shall pay penal interest of atleast @ 2% p.a. over the coupon rate from the expiry of 30 days from the deemed date of allotment till the listing of such debt securities to the investor.
Delay Penalty	In the case of a delay in the execution of Debenture Trust Deed and the Security documents, the Issuer shall refund the subscription with the agreed rate of interest or shall pay penal interest of 2% (One Percent) per annum over the and above the applicable Coupon Rate until such time the conditions have been complied with at the option of the Investor.





No Early Payments	Any early redemption of the Debentures can only be pursuant to the applicable RBI regulations and subject to the prior written consent of the Majority Debenture Holder(s). The Majority Debenture Holder(s) at its sole discretion may permit an early redemption, under the condition that the Company shall pay the Prepayment Fees and shall hold the Debenture Holder(s) harmless from all costs, expenses, losses or liability incurred due to the prepayment in accordance with the Debenture Trust Deed.
Prepayment Fees	Nil with 45 days prior notice period
Tenor	36 (thirty six) months from the Deemed Date of Allotment
Redemption Date/Maturity Date	July 30, 2023, being 36 (thirty six) months from the Deemed Date of Allotment
Redemption Amount	Each Debenture shall be redeemed at par.
Redemption Premium/ Discount	NA
Issue Price	Rs. 10,00,000/- (Rs. Ten Lakh Only) per Debenture
Discount at which security is issued and the effective yield as a result of such discount	NA
Put Date	NA
Put Price	NA
Call Date	NA
Call Price	NA
Put Notification Time	NA
Call Notification Time	NA
Face Value	Rs 10,00,000/- (Rs. Ten Lakh only) per Debenture
Minimum Application size and in multiples of 1 thereafter	100 Debentures and in multiples of 10 Debenture thereafter. It is clarified that the potential Investor shall not be entitled to purchase a fraction of a Debenture
Issue Timing	Issue/ Bid Opening Date: July 30, 2020 Issue/ Bid Closing Date: July 30, 2020 Pay-in Date: July 30, 2020 Deemed Date of Allotment: July 30, 2020
Issuance mode of the Instrument	Demat only
Trading mode of the Instrument	Demat only
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. Credit for all payments will be given only on realisation.
Depositories	NSDL
Business Days	Means a day (other than a Sunday or a 'public holiday' for the purpose of Section 25 of the Negotiable Instruments Act, 1881 (26 of 1881)) on which banks are open for business in Bangalore and Chennai.



Business Day Convention	<p>If any Coupon Payment Date falls on a day that is not a Business Day, the payment shall be made on the immediately succeeding Business Day.</p> <p>If the Redemption Date/Maturity 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.</p>
Record Date	The date which will be used for determining the Debenture Holder(s) who shall be entitled to receive the amounts due on any Due Date, which shall be the date falling [15] ([fifteen]) calendar days prior to any Due Date.
Security (Including description, type of security, type of charge, likely date of creation of security, minimum security cover, revaluation, replacement of security)	<p>The Issue shall be secured by:</p> <ol style="list-style-type: none"> <li>i. a first ranking, exclusive charge created by the Issuer in favour of the Debenture Trustee (for the benefit of the Debenture Holder(s)) over specific receivables due from the various borrowers of the Company (“<b>Hypothecated Assets</b>”). The receivables comprising the Hypothecated Assets shall, at all times, be equal to 1.10 (One decimal One Zero) times of the outstanding principal amount and annual accrued interest in relation to the Debentures under the Issue (“<b>Security Cover</b>”). The Issuer undertakes: <ol style="list-style-type: none"> <li>a) to maintain the value of the Security Cover at all times till its obligations under the Issue are discharged;</li> <li>b) to create charge over the Hypothecated Assets in accordance with the timelines (i.e. [30] days from the Deemed Date of Allotment) agreed in the duly stamped agreement of hypothecation (“<b>Hypothecation Agreement</b>”) entered by it with the Debenture Trustee;</li> <li>c) to perfect the charge created over the Hypothecated Assets in accordance with the timeline stipulated in the Hypothecation Agreement;</li> <li>d) to top up or replace with additional assets, in the event that the value of the receivables comprising the Hypothecated Assets are insufficient to meet the Security Cover.</li> </ol> </li> </ol>
Transaction Documents	Shall be as set out in Section 7.1 below



Conditions Disbursement	Precedent	to	<p>To be prescribed in the transaction documents. These will include, but not limited to:</p> <ol style="list-style-type: none"> <li>1. All corporate approvals from the Board of Directors and shareholders of the Issuer, if applicable, shall have been received for the issuance of the NCDs in accordance with Companies Act, 2013 and submit the same to Debenture Trustee and Debenture Holders.</li> <li>2. copies of the authorisations, approvals and licenses received by the Issuer from the RBI;</li> <li>3. Copy of the board resolution under Section 179 (3) (c) for issue of Debentures;</li> <li>4. All relevant form filing before the registrar of company.</li> <li>5. a copy of the rating letter and the rating rationale issued by the Rating Agency in relation to the Debentures; Submitting to the Debenture Trustee and Debenture Holders, the rating letter issued by the Rating Agency;</li> <li>6. a copy of the consent from the Registrar to act as the registrar and transfer agent for the issue of Debentures;</li> <li>7. a copy of the consent from the Debenture Trustee to act as the debenture trustee for the issue of Debentures;</li> <li>8. The Issuer shall have submitted to the Debenture Holders and Debenture Trustee, all required documents for the purpose of satisfying its respective KYC requirements;</li> <li>9. The Issuer shall have submitted to the Debenture Trustee and Debenture Holders a certified true copy of the constitutional documents of the Issuer (the Memorandum and Articles of Association and the Certificate of Incorporation);</li> <li>10. Execution of Debenture Trustee Agreement, issuance of Letter appointing Trustees to the Debenture Holders and submitting to the Debenture Holder a copy of the consent letter received from the Debenture Trustee agreeing to act as Debenture Trustee for the Debenture Holders;</li> <li>11. Execution of the Debenture Trust Deed and Deed of Hypothecation in form and manner satisfactory to the Debenture Trustee;</li> <li>12. The Issuer shall have submitted to the Debenture Trustee and Debenture Holders its audited account statements for the most recent financial year or audited financial half-year;</li> </ol> <p>The Issuer shall issue the Information Memorandum.</p>
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Conditions Disbursement	Subsequent	to	<p>To be prescribed in the Transaction Documents. These will include:</p> <ol style="list-style-type: none"> <li>1. On or prior to the utilisation of the subscription monies by the Company in respect of the Debentures and in any case, within 15 (Fifteen) days from the Deemed Date of Allotment, the Company shall file of a return of allotment on the issue of the Debentures in Form PAS-3 specified pursuant to Rule 12 and 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, along with the requisite fee with the Registrar of Companies;</li> <li>2. Dematerialised credit of the Debentures in the demat account of Debenture Holder within 2(Two) Business Days from the Deemed Date of Allotment.</li> <li>3. The Debentures to be listed on the Bombay Stock Exchange (“BSE”) within 20 calendar days of the Deemed Date of Allotment</li> <li>4. The Issuer shall ensure credit of demat account(s) of the allottee(s) with the number of NCDs allotted within 2 (Two) Business Days of the Deemed Date of Allotment</li> <li>5. Creation and perfection of the Security within 30 (Thirty) days from the Deemed Date of Allotment;</li> <li>6. Filing of the relevant forms with the Registrar of Companies for the perfection of charge over the Hypothecated Assets within and no later 30 (Thirty) calendar days from the Deemed Date of Allotment; and</li> <li>7. Filing of CHG 9,</li> <li>8. Updating of the Register of Debenture Holders,</li> </ol> <p>The Company shall ensure compliance with RBI Act including Master circulars and guidelines issued by RBI, SEBI Act, circular and Regulations, Companies Act, 2013 and other applicable laws for issuance of Debentures.</p>
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Events of Default	<p>To be prescribed in the Transaction Documents. Including but not limited to:</p> <ul style="list-style-type: none"> <li>(a) If external rating by CRISIL is downgraded by 2 notches or more from current rating of A-, i.e to BBB (Triple B), the investor will have the right to accelerate the redemption of the Debentures and require the Issuer to mandatorily redeem the Debenture and repay the principal amount on the Debentures, along with accrued but unpaid Coupon, and all other costs, charges and expenses incurred under or in connection with the Transaction Documents and the company has to pay the amount due within 30 days of receipt of such notice. If such a payment is not made within 30 days, this will constitute an event of default.</li> <li>(b) Non-payment of any of the dues under this Issuance on the payment day,</li> <li>(c) Default or trigger of event of default on any other indebtedness (cross default),</li> <li>(d) Misrepresentation or misleading information in any of the Transaction Documents</li> <li>(e) Issuer is unable or admits in writing its inability to pay its debts as they mature or suspends making payment of any of its debts, by reason of actual or anticipated financial difficulties or proceedings for taking it into liquidation have been admitted by any competent court or a moratorium or other protection from its creditors is declared or imposed in respect of any indebtedness of the Issuer;</li> <li>(f) Insolvency, winding up, liquidation</li> <li>(g) Creditors' processes including expropriation, attachment, sequestration, distress or execution initiated against the Issuer</li> <li>(h) Repudiation of Transaction Documents</li> <li>(i) Cessation of business or any substantial part thereof or gives notice of its intention to do so</li> <li>(j) Bankruptcy, CDR proceedings filed with respect to the Issuer;</li> <li>(k) 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 or an officer of the Issuer</li> <li>(l) The Company has taken or suffered to be taken any action for re-organisation of its capital or any rearrangement, merger or amalgamation without the prior written approval of the Debenture Holders;</li> <li>(m) Promoters or key management personnel of the Company being declared wilful defaulter</li> <li>(n) The promoter/s and/or the directors of the Company are accused of, charged with, arrested or convicted a criminal offence involving moral turpitude, dishonesty or which otherwise impinges on the integrity of the promoter/s and/or director, including any accusations, charges and/or convictions of any offence relating to bribery;</li> <li>(o) All or a material part of the undertaking, assets, rights or revenues of the Company are condemned, seized, nationalised, expropriated or compulsorily acquired, or shall have assumed custody or control of the business or operations of the Company, or shall have taken any action for the dissolution of the Company, or any action that would prevent the Company, their member, or their officers from carrying on their business or operations or a substantial part thereof, by or under the authority of any Government or Government authority;</li> <li>(p) Occurrence of a Material Adverse Effect as determined by the Debenture Trustee, acting solely on the instructions of the Majority Debenture Holders.</li> <li>(q) Change in management control without prior written consent from the Debenture Holders.</li> <li>(r) Any Transaction Document once executed and delivered, ceases to be in full force or becomes unlawful, invalid and unenforceable;</li> </ul>
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	<p>(s) A petition for the reorganization, arrangement, adjustment, winding up or composition of debts of the Company is filed on the Company (voluntary or otherwise) or have been admitted or makes an assignment for the benefit of its creditors generally and such proceeding is not contested by the company for staying, quashing or dismissed within 30 (Thirty) days</p> <p>(t) Application of insolvency petition under bankruptcy code/NCLT by the Issuer</p> <p>(u) Breach of any covenants (including financial / management / affirmative / negative / information / reporting) and breach of any terms or conditions of Transaction Documents.</p> <p>(v) Security Cover is not maintained at all times until the redemption of the Debentures</p> <p>(w) Failure of the Company to register and perfect the charge created over the Hypothecated Assets within 30 (Thirty) days from the Deemed Date of Allotment.</p> <p>(x) Failure by the Company to utilise by the proceeds of the Debentures towards the End Use.</p> <p>All RBI/SEBI /other regulatory body guidelines issued from time to time by the regulatory/ statutory bodies to be complied with by the company</p> <p>Consequences of events of default are provided below:</p> <p>Upon occurrence of any of the aforesaid Event of Default, the Debenture Trustee may by a notice in writing to the Issuer initiate actions as may be contemplated in the Transaction Documents including the following:</p> <ol style="list-style-type: none"> <li>i. declare that all of the Debentures, together with accrued but unpaid Coupon, and all other costs, charges and expenses accrued or outstanding under the Transaction Documents to be immediately (or such other date as the Debenture Trustee may specify) due and payable, whereupon they shall become so due and payable;</li> <li>ii. accelerate the redemption of the Debentures and require the Issuer to mandatorily redeem the Debenture and repay the principal amount on the Debentures, along with accrued but unpaid Coupon, and all other costs, charges and expenses incurred under or in connection with the Transaction Documents;</li> <li>iii. enforce the charge over the Hypothecated Assets in accordance with the terms of the Deed of Hypothecation;</li> <li>iv. appoint any independent agency to examine and inspect the working of the Issuer and provide a report to the Debenture Trustee; and</li> </ol> <p>exercise such other remedies, including legal and equitable rights, as permitted or available under Applicable Law (including initiating insolvency proceedings under IBC (if applicable)) or the Transaction Documents.</p>
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<p>Provisions related to Cross Default Clause</p>	<p>The Issuer:</p> <ul style="list-style-type: none"> <li>(i) defaults in any payment of any Financial Indebtedness beyond the period of grace (not to exceed 30 (thirty) days), if any, provided in the instrument or agreement under which such Financial Indebtedness was created;</li> <li>(ii) defaults in the observance or performance of any agreement or condition relating to any Financial Indebtedness or contained in any instrument or agreement evidencing, securing or relating thereto or any other event shall occur or condition exist, the effect of which default or other event or condition is to cause or to permit the holder or holders of such Financial Indebtedness to cause (determined without regard to whether any notice is required) any such Financial Indebtedness to become due prior to its stated maturity; or</li> </ul> <p>any Financial Indebtedness of the Issuer shall be declared to be due and payable, or required to be prepaid other than by a regularly scheduled required prepayment, prior to the stated maturity thereof.</p>
<p>Role and Responsibilities of Debenture Trustee</p>	<p>To oversee and monitor the overall transaction for and on behalf of the Debenture Holder(s) and such other roles and responsibilities as set out in greater detail in the Debenture Trust Deed ('DTD').</p>





Covenants	<p><b>Financial Covenants:</b></p> <p>To be prescribed in the Transaction Documents. Including but not limited to:</p> <ul style="list-style-type: none"> <li>• Debt equity ratio should be maintained below 4.00 during entire tenor of debenture till maturity;</li> <li>• Minimum CRAR shall be maintained at 20% during entire tenor of debenture till maturity of the subject debenture;</li> <li>• Net NPA should be maintained below 3% during entire tenor of debenture till maturity;</li> <li>• If the debentures get delisted during the tenor of the NCD, issuer will bear all expenses for listing it again within 30 days from date of delisting.</li> </ul> <p>All covenants would be tested on quarterly basis for the Company, i.e. as on 31st March, 30th June, 30th September and 31st December every year, on standalone balance sheet till the redemption of the Debentures.</p> <p>Within 45 days from the end of each quarter, the Issuer shall submit covenant compliance certificate issued by CFO/authorised signatory in favour of the Debenture Trustee and Debenture Holders.</p> <p><b>Affirmative Covenants:</b></p> <ul style="list-style-type: none"> <li>(a) To utilise the proceeds of this issue in accordance with applicable laws and regulations;</li> <li>(b) To comply with corporate governance, fair practices code prescribed by the RBI;</li> <li>(c) Notification of any potential Event of Default or Event of Default;</li> <li>(d) Obtain, comply with and maintain all licenses / authorizations;</li> <li>(e) Provide details of any material litigation, arbitration or administrative proceedings (materiality threshold to be finalized during documentation);</li> <li>(f) Maintain internal control for the purpose of (i) preventing fraud on monies lent by the Company; and (ii) preventing money being used for money laundering or illegal purposes;</li> <li>(g) Permit visits and inspection of books of records, documents and accounts to Debenture Trustee as and when required by them; Comply with any monitoring and/or servicing requests from Debenture Trustee; and</li> <li>(h) As provided in the Transaction Documents</li> </ul> <p><b>Negative Covenants:</b></p> <p>The Company hereby covenants that until the Final Settlement Date, the Company shall not for so long as any amount remains outstanding under the Transaction Documents, except as may otherwise be previously agreed to in writing by the Debenture Trustee (acting upon the receipt of the prior written approval of the Majority Debenture Holder(s)), take any action in relation to:</p> <ul style="list-style-type: none"> <li>(a) Change in management control</li> <li>(b) Change in Managing Director</li> <li>(c) Change in ownership</li> <li>(d) Merger, restructuring, etc.</li> <li>(e) Arrangement with creditors/shareholders</li> <li>(f) Purchase or redemption of share capital</li> <li>(g) Amendment of constitutional documents</li> <li>(h) Amendment of Transaction Documents</li> <li>(i) Change in financial year</li> <li>(j) Disposal of assets</li> </ul>
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- (k) Dividend and buyback of shares
- (l) Change of business
- (m) Loans to and investment in group companies
- (n) Dispose of, acquire or incorporate any associates, subsidiary or joint ventures
- (o) Acquisition, joint venture
- (p) Claim any immunity
- (q) No profit-sharing arrangement

In addition, the Issuer shall not permit to use of the Debenture proceeds for any anti-money laundering activities and illegal activities.

**Reporting Covenants:**

**Quarterly Reports** – within 45 (Forty-Five) calendar days from the end of each financial quarter

1. Information on financials
2. Financial and other covenant compliance certificate signed by the CFO/ authorised signatory of the company.
3. Audited Annual Reports & list comprising all material financial liabilities – within 120 (One Hundred and Twenty) calendar days from the end of each financial year
4. Quarterly MIS data pack- To be submitted within 45 days of each quarter end. It shall cover the following: quarterly financials with schedules, product-wise portfolio cuts, latest operational information, collection efficiency, quarterly DPD, quarterly write-off, shareholding pattern, borrowing profile, ALM, book debt assigned to the Debenture Holder with its delinquency status, etc.

**Event Based Reports** – In case of changes initiated by the company requiring approval of the board, the reporting would be 5 days post approval of the board, all others will be 15 days.

1. Change in list of Board of Directors
2. Change in Shareholding structure
3. Change in senior management officials (any CXO or equivalent)
4. Any fraud amounting to more than 1% of Gross Loan Portfolio
5. Material changes in accounting policy
6. Material change in the constitutional documents of the Company that are prejudicial to the interests of the Debenture Holders
7. New segment of business other than the business carried out by the Issuer presently
8. Material Adverse Effect
9. Any dispute, litigation, investigation or other proceeding which could result in a Material Adverse Effect.
10. Winding up proceedings
11. Any Event of Default or Potential Default, and any steps taken / proposed to remedy the same.
12. Application of insolvency petition under bankruptcy code/NCLT by the Issuer needs to be notified within 1 calendar day

And as set out in greater detail in the Debenture Trust Deed and continuing in nature.



Representation and warranties	<ol style="list-style-type: none"> <li>1. The Company is registered with the RBI as an NBFC.</li> <li>2. No Event of Default has occurred and is continuing on the date of this transaction</li> <li>3. The Debentures under this Issuance shall rank pari passu amongst themselves and with all other senior, secured creditors/lenders/investors</li> <li>4. Binding obligation of Transaction Documents</li> <li>5. No conflict with other obligations / constitutional documents</li> <li>6. No Material Adverse Change in business, condition or operations of the Issuer</li> <li>7. Company has the power and authority to issue Debentures and such Transactions Documents are valid and admissible in evidence</li> <li>8. Absence of any pending or threatened litigation, investigation or proceedings that may have a material adverse effect on the business condition (financial or otherwise), operations, performance or prospects of the Issuer or that purports to affect the Facility</li> <li>9. Illegality</li> </ol> <p>And as set out in greater detail in the Debenture Trust Deed and continuing in nature.</p>
Illustration of Bond Cashflows	Kindly refer to <b>Annexure V</b> of this Information Memorandum
Governing Law and Jurisdiction	<p>The validity, interpretation, implementation and resolution of disputes arising out of or in connection with this Information Memorandum shall be governed by the laws of India.</p> <p>The courts and tribunals at Bangalore and Chennai shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Information Memorandum.</p>

**Note:**

1. The list of documents which has been executed or will be executed in connection with the Issue and subscription of debt securities shall be annexed.
2. The penal interest rates mentioned above as payable by the Issuer are independent of each other.



## SECTION 6: DISCLOSURES PERTAINING TO WILFUL DEFAULT

In case of listing of debt securities issued through private placement, the following disclosures are required to be made in terms of the Debt Listing Regulations:

- A. **Name of the Bank declaring the entity as a Wilful Defaulter: The Issuer has not been declared as a wilful defaulter by any bank or financial institution or consortium thereof.**
- B. **The year in which the entity is declared as a Wilful Defaulter: NA**
- C. **Outstanding amount when the entity is declared as a Wilful Defaulter: NA**
- D. **Name of the entity declared as a Wilful Defaulter: NA**
- E. **Steps taken, if any, for the removal from the list of wilful defaulters: NA**
- F. **Other disclosures, as deemed fit by the Issuer in order to enable investors to take informed decisions: NA**
- G. **Any other disclosure as specified by SEBI: NA**



## SECTION 7: TRANSACTION DOCUMENTS

### 7.1 Transaction Documents

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

- A. Debenture Trustee Agreement, which will confirm the appointment of Axis Trustee Services Limited as the Debenture Trustee (“**Debenture Trustee Agreement**”);
- B. Debenture Trust Deed, which will set out the terms upon which the Debentures are being issued and shall include the representations and warranties and the covenants to be provided by the Issuer (“**Debenture Trust Deed**”);
- C. Hypothecation Agreement pursuant to which the Issuer will create an exclusive and first ranking charge by way of hypothecation over the Hypothecated Assets in favour of the Debenture Trustee to secure its obligations in respect of the Debentures (“**Hypothecation Agreement**”); and
- D. Such other documents as agreed between the Issuer and the Debenture Trustee.

The Debenture Trustee Agreement, the Debenture Trust Deed and the Hypothecation Agreement shall be executed on or prior to the Issue Closing Date.

- Letter appointing Trustees to the Debenture Holders
- Private Placement Offer Letter
- Information Memorandum
- Debenture Trust Deed
- Deed of Hypothecation
- Debenture Trustee Agreement
- Board Resolution authorizing this Issuance
- Applicable Shareholder Resolutions under the Companies Act 2013
- Rating letter with the aforesaid Rating Agency(ies) with respect to this Issuance
- Any other document as may be agreed between the parties.
- In Principal approval from stock exchanges for listing of NCDs.
- Rating Letter from CRISIL.

**All transaction documents will comply with the requirements prescribed by the RBI (if applicable), SEBI (if applicable) and under the Companies Act, 2013 for the issuance of non-convertible debentures.**



## SECTION 8: OTHER INFORMATION AND APPLICATION PROCESS

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

### 8.1 Mode of Transfer/Transmission of Debentures

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

### 8.2 Debentures held in Dematerialised Form

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

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

### 8.3 Trustee for the Debenture Holder(s)

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

### 8.4 Sharing of Information

The Issuer may, at its option, but subject to Applicable Law, use on its own, as well as exchange, share or part with any financial or other information about the Debenture Holder(s) available with the Issuer, with banks, financial



institutions, credit bureaus, agencies, statutory bodies, as may be required and neither the Issuer nor its agents shall be liable for use of the aforesaid information.

### **8.5 Debenture Holder not a Shareholder**

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

### **8.6 Modification of Debentures**

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

Any other change or modification to the terms of the Debentures shall require approval by the Majority Debenture Holder(s) in the manner as provided for in the Debenture Trust Deed.

For the avoidance of doubt, the following matters require the consent of Majority Debenture Holder(s), either by providing their express consent in writing or by way of a resolution at a duly convened meeting of the Debenture Holder(s):

- A. Creating of any additional security; and
- B. Amendment to the terms and conditions of the Debentures or the Transaction Documents.

### **8.7 Right to accept or reject Applications**

The Board of Directors (including a duly authorized committee thereof) reserves its full, unqualified and absolute right to accept or reject any application for subscription to the Debentures, in part or in full, without assigning any reason thereof.

### **8.8 Notices**

Any notice may be served by the Issuer/ Debenture Trustee upon the Debenture Holder(s) through registered post, recognized overnight courier service, hand delivery, e-mail or by facsimile transmission addressed to such Debenture Holder at its/his registered address, e-mail or facsimile number.

All notice(s) to be given by the Debenture Holder(s) to the Issuer/ Debenture Trustee shall be sent by registered post, recognized overnight courier service, hand delivery, email or by facsimile transmission to the Issuer or to such persons at such address/ facsimile number/ e-mail as provided in the Disclosure Document or as may be notified by the Issuer/ Debenture Trustee from time to time through suitable communication. All correspondence regarding the Debentures should be marked "Private Placement of Debentures".

Notice(s) shall be deemed to be effective (a) in the case of registered mail, 5 (Five) Business Days after posting via certified or registered mail, return receipt requested; (b) 1 (One) Business Day after delivery by recognized overnight courier service, if sent for next Business day delivery (c) in the case of facsimile at the time when dispatched with a report confirming proper transmission; (d) in the case of personal delivery, at the time of delivery or (e) or in case of e-mail at the time of the sending thereof (provided no delivery failure notification is received by the sender within 24 hours of sending such email).

### **8.9 Issue Procedure**

Only 'Eligible Investors' as given hereunder to whom this Information Memorandum is addressed, may apply for the Debentures by completing the Application Form in the prescribed format in block letters in English as per the instructions contained therein. The minimum number of Debentures that can be applied for and the multiples thereof shall be set out in the Application Form. No application can be made for a fraction of a Debenture. Application forms should be duly completed in all respects and applications not completed in the said manner are





liable to be rejected. The name of the applicant's bank, type of account and account number must be duly completed by the applicant. This is required for the applicant's own safety and these details will be printed on the refund orders and /or redemptions warrants.

### **8.10 Application Procedure**

The eligible investors will be invited to subscribe during the period between the Issue Opening Date and the Issue Closing Date (both dates inclusive) by way of the Application Form prescribed in the Private Placement Offer Cum Application Letter. The Issuer reserves the right to change the Issue schedule including the Deemed Date of Allotment at its sole discretion, without giving any reasons or prior notice. The Issue will be open for subscription during the banking hours on each day from the Issue Opening Date to the Issue Closing Date (both dates inclusive).

### **8.11 Fictitious Application**

All fictitious applications will be rejected.

### **8.12 Basis of Allotment**

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

### **8.13 Payment Instructions**

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

Beneficiary Name	Capsave Finance Private Limited – Application Money
Bank Account No	50200023146282
SWIFT Code	HDFCINBBXXX
IFSC Code	HDFC0000212
Bank Name	HDFC Bank Limited
Branch Address	Ground Floor, Conwood House, Yashodham, General A.K. Vaidya Marg, Mumbai Maharashtra -400063

### **8.14 Eligible Investors**

The following categories of investors who have been specifically approached and have been identified upfront, are eligible to apply in the Issue 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:

- A. Mutual Funds
- B. Alternative Investment Funds
- C. Non-banking financial companies
- D. Provident Funds and Pension Funds
- E. Corporates
- F. Banks
- G. Foreign Portfolio Investors (FPIs)
- H. Insurance Companies
- I. Investment holding companies of high net worth individuals
- J. Any other person eligible to invest in the Debentures

All potential investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this issue of Debentures. Potential investors who are not resident in India shall also ensure compliance with conditions (including in relation to eligibility and mode of payment) as prescribed in the Foreign Exchange



Management (Borrowing and Lending) Regulations, 2018 as well as the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017.

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

### **8.15 Procedure for Applying for Dematerialised Facility**

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

### **8.16 Depository Arrangements**

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

### **8.17 List of Beneficiaries**

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

### **8.18 Application under Power of Attorney**

A certified true copy of the power of attorney or the relevant authority as the case may be along with the names and specimen signature(s) of all the authorized signatories of the investor and the tax exemption certificate/document of the investor, if any, must be lodged along with the submission of the completed Application Form. Further modifications/additions in the power of attorney or authority should be notified to the Issuer or to



its agents or to such other person(s) at such other address(es) as may be specified by the Issuer from time to time through a suitable communication.

In case of an application made by companies under a power of attorney or resolution or authority, a certified true copy thereof along with memorandum and articles of association and/or bye-laws along with other constitutional documents must be attached to the Application Form at the time of making the application, failing which, the Issuer reserves the full, unqualified and absolute right to accept or reject any application in whole or in part and in either case without assigning any reason thereto. Names and specimen signatures of all the authorized signatories must also be lodged along with the submission of the completed Application Form.

### **8.19 Procedure for application by Mutual Funds and Multiple Applications**

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

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

- A. SEBI registration certificate
- B. Resolution authorizing investment and containing operating instructions
- C. Specimen signature of authorized signatories

### **8.20 Documents to be provided by Investors**

Investors need to submit the following documents, as applicable

- A. Memorandum and Articles of Association or other constitutional documents
- B. Resolution authorising investment
- C. Power of Attorney to custodian
- D. Specimen signatures of the authorised signatories
- E. Registration certificate issued by RBI, SEBI or IRDAI, as applicable to the investor.
- F. Self-attested copy of PAN card
- G. Application Form (including EFT/RTGS details)

### **8.21 Applications to be accompanied with Bank Account Details**

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

### **8.22 Succession**

In the event of winding-up of the holder of the Debenture(s), the Issuer will recognize the liquidator or such other legal representative of the Debenture Holder(s) as having title to the Debenture(s).

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

### **8.23 Mode of Payment**

All payments must be made through EFT/RTGS as set out in the Application Form.

### **8.24 Effect of Holidays**



If the due date for payment of Coupon falls on a day that is not a Business Day, then the due date in respect of such payment shall be on the immediately succeeding Business Day; however, the dates of the future Coupon payments would be as per the schedule originally stipulated in **Annexure V**. In other words, the subsequent Coupon schedule would not be disturbed merely because the payment date in respect of one particular Coupon payment has been postponed because of it having fallen on non-Business Day.

If the date for performance of any event or the Maturity Date/ Redemption Date falls on a day that is not a Business Day, then the due date in respect of the performance of such event or the Maturity Date/ Redemption Date shall be paid on the immediately preceding Business Day.

### **8.25 Tax Deduction at Source**

Tax as applicable under the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof will be deducted at source. For seeking TDS exemption/lower rate of TDS, relevant certificate/document must be lodged by the Debenture Holder(s) at the office of the R&T Agents of the Issuer at least 15 (Fifteen) calendar days before the relevant payment becoming due. Tax exemption certificate / declaration of non-deduction of tax at source on interest on application money, should be submitted along with the Application Form.

If any payments under this issuance is subject to any tax deduction other than such amounts as are required as per current regulations existing as on the date of the Debenture Trust Deed, including if the Company shall be required legally to make any payment for tax from the interest/coupon payable under the Issue, ("**Tax Deduction**"), the Company shall make such Tax Deduction, and shall simultaneously pay to the Debenture Holder(s) such additional amounts as may be necessary in order that the net amounts received by the Debenture Holder(s) after the Tax Deduction shall equal the respective amounts which would have been receivable by the Debenture Holder(s) in the absence of such Tax Deduction.

### **8.26 Letters of Allotment**

The letter of allotment, indicating allotment of the Debentures, shall be dispatched to the Investor within 2 (Two) Business Days from the Deemed Date of Allotment. The aforesaid letter of allotment shall be replaced with the actual credit of Debentures, in dematerialised form, within 7 (Seven) Business Days from the Deemed Date of Allotment or within such timelines as permissible under Applicable Law.

### **8.27 Deemed Date of Allotment**

All the benefits under the Debentures will accrue to the investor from the specified Deemed Date of Allotment. The Deemed Date of Allotment for the Issue is July 30, 2020 by which date the investors would be intimated of allotment.

### **8.28 Record Date**

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

### **8.29 Refunds**

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

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

### **8.30 Interest on Application Money**

Please refer Section 5.21 of this Information Memorandum.

### **8.31 PAN Number**



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

### **8.32 Payment on Redemption**

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

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

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

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



## SECTION 9: DECLARATION

The Issuer hereby declares that all relevant provisions of the SEBI Debt Listing Regulations and other Applicable Laws, have been complied with and no statement made in this Information Memorandum is contrary to the provisions of the SEBI Debt Listing Regulations or other Applicable Law.

The Issuer further certifies that all statements contained in this Information Memorandum are true and correct. The Issuer also confirms that this Information Memorandum does not omit disclosure of any material fact which may make the statements made therein, in the light of the circumstances under which they are made, misleading.

For **Capsave Finance Private Limited**



Authorised Signatory  
Name: Mr. Ashok Biyani  
Title: CFO  
Date: July 30, 2020



## ANNEXURE I: TERM SHEET

### INDICATIVE TERM SHEET (“TERM SHEET”) FOR INVESTMENT IN RATED, LISTED SENIOR, SECURED, REDEEMABLE, TAXABLE, TRANSFERABLE, NON- CONVERTIBLE DEBENTURES TO BE ISSUED BY Capsave Finance Private Limited

<b>Issuer/Company</b>	Capsave Finance Private Limited	
<b>Investor(s)/Debenture Holders</b>	Canara Bank	
<b>Debenture Trustee</b>	Axis Trustee Services Limited	
<b>Rating Agency</b>	CRISIL Limited	
<b>Rating</b>	CRISIL A- (Stable)	
<b>Parent Company</b>	Rent Alpha Private Limited	
<b>Guarantor(s)</b>	Not Applicable.	
<b>Issuance</b>	Rated, Listed Senior, Secured, Redeemable, Taxable, Transferable, Non-Convertible Debentures (“NCDs” or “Debentures”)	
<b>Issuance Size</b>	INR. 10,00,00,000/- (Indian Rupees Ten Crores only)	
<b>Interest Rate</b>	10.40% per annum payable annually	
<b>Interest Type</b>	Fixed	
<b>Redemption Value</b>	At Par	
<b>Tenor</b>	36 months from the Deemed Date of Allotment	
<b>Put Option</b>	Not Applicable	
<b>Call Option</b>	Not Applicable	
<b>Ranking</b>	<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>	
<b>Registrar &amp; Transfer Agent</b>	Link Intime India Pvt. Ltd.	
<b>Depository</b>	NSDL	
<b>Issuance mode</b>	Dematerialized, Private Placement	
<b>Trading mode</b>	Dematerialized	
<b>Settlement mode</b>	RTGS / NEFT	
<b>Issue Schedule</b>	Issue Open Date	July 30, 2020
	Issue Close Date	July 30, 2020
	Pay-in Date	July 30, 2020
	Deemed Date of Allotment	July 30, 2020
<b>Listing</b>	<p>The NCDs are proposed to be listed on the Bombay Stock Exchange (“BSE”) within 20 calendar days of the Deemed Date of Allotment</p> <p>In case of a delay by the Issuer in listing the Debentures beyond 20 (Twenty) days from the Deemed Date of Allotment the Issuer shall make payment to the Debenture Holders of penal interest calculated on the face value of the Debentures at the rate of minimum of 2% (two Percent) p.a. over the Coupon Rate from the expiry of 30 (Thirty) calendar days from the Deemed Date of Allotment until the listing of the Debentures.</p>	
<b>Business Days</b>	Means a day (other than a Saturday and Sunday or a bank/National holiday) on which banks are open for general business in New Delhi, India	
<b>Business Day Convention</b>	<ul style="list-style-type: none"> <li>• If the date of payment of any interest in respect of the Debentures falls on a day that is not a Business Day, such payment of interest shall be made on the next occurring Business Day;</li> </ul>	





	<ul style="list-style-type: none"> <li>• If the date of payment of any redemption amount falls on a day that is not a Business Day, such payment of installment shall be made on the immediately preceding Business Day; and</li> <li>• If the Final Redemption Date or the Early Redemption Date (the date on which the Debentures are redeemed prior to the Final Redemption Date in terms of the Transaction Documents), as the case may be, falls on a day that is not a Business Day, such payment of interest and redemption amount shall be made on the immediately preceding Business Day.</li> </ul>
<b>Record Date</b>	15 (Fifteen) Calendar Days prior to each coupon payment date and redemption date.
<b>End Use</b>	<p>The proceeds of the Issuance will be utilized for the following purposes:</p> <ul style="list-style-type: none"> <li>• General corporate purposes</li> <li>• for the ordinary course of business of the Issuer including repayment / re-financing of existing debt</li> </ul> <p>The Issuer shall not use the proceeds of the Issue towards:</p> <ul style="list-style-type: none"> <li>▪ any capital market instrument such as equity, debt, debt linked and equity linked instruments or any other capital market related activities; or</li> <li>▪ any speculative purposes; or</li> <li>▪ any activity on the Exclusion List; or</li> <li>▪ investment in the real estate sector;</li> <li>▪ to undertake related party transactions other than exceptions detailed in Related Party Transactions section below</li> </ul> <p>The proceeds of the NCD shall not be used for any purpose, which may be in contravention of the government/RBI/SEBI/Other regulatory guidelines.</p>
<b>Issue price</b>	At Face Value
<b>Security</b>	<p>The Debentures shall be secured by way of a exclusive charge on identified receivables (“<b>Hypothecated Receivables</b>”/”<b>Hypothecated Assets</b>”) created pursuant to the deed of hypothecation to be executed between the Company and the Debenture Trustee as described herein. The Hypothecated Assets shall at all times be equal to 1.10 times the value of the outstanding principal amount and annual accrued interest of the Debentures. The Issuer undertakes:</p> <ul style="list-style-type: none"> <li>• to maintain the value of security at all times equal to 1.10 (One decimal point one zero) time or 110.0% (One hundred and twenty percent) the aggregate amount of principal outstanding and annual accrued interest of the NCDs where at least 1.10 (One decimal point one zero) time or 110.0% (One hundred and ten percent) of the security cover is from principal receivables (“<b>Security Cover</b>”);</li> <li>• to create, register and perfect the security over the Hypothecated Assets as contemplated above no later than 30 (Thirty) calendar days after the Deemed Date of Allotment by executing a duly stamped deed of hypothecation (“<b>Deed of Hypothecation</b>”) and filing CHG-9 within the time period applicable; The Company shall also provide such information sought by the Debenture Trustee for the purpose of filing the prescribed forms and particulars with the Central Registry and Information Utility in connection with the Debentures and the Security Interest over the Hypothecated Assets.</li> <li>• to pay a penal interest of 2.0% (Two Percent) p.a. over the Coupon Rate in case there is any delay in the creation, registration and perfection of the security over the Hypothecated Assets;</li> <li>• to provide a list on a half-yearly basis, of specific loan receivables/identified book debts to the Debenture Trustee over which the charge is created and subsisting by way of hypothecation in favour of the</li> </ul>





	<p>Debenture Trustee (for the benefit of the Debenture Holders) (“<b>Hypothecated Asset Report</b>”)</p> <ul style="list-style-type: none"> <li>to add fresh loan assets to the Security Cover to ensure that the value of the Hypothecated Assets is equal to 1.10 (One decimal point one zero) time or 110.0% (One hundred and ten percent) the aggregate amount of principal outstanding and annual accrued interest of the NCDs where at least 1.10 (One decimal point one zero) time or 110.0% (One hundred and ten percent) of the security cover is from principal receivables. The company will pay penal interest of 2%p.a. over the coupon rate from the expiry of 30 (thirty) calendar days from the deemed date of allotment till the creation of security takes place.</li> <li>to replace Hypothecated Receivables that have been overdue for more than 90 days with current receivables. Such replacement shall be affected within 15 (Fifteen) Business Days of the Hypothecated Receivables becoming overdue (by more than 90 days). Non – maintenance of security cover will attract a penal interest of 2%p.a. over the coupon rate for the period of non-compliance.</li> </ul> <p><u>Eligibility Criteria for the Hypothecated Receivables:</u></p> <ul style="list-style-type: none"> <li>the receivables are existing at the time of selection and have not been terminated or pre-paid;</li> <li>the receivables have not been restructured or rescheduled;</li> <li>all “Know Your Customer” norms have been complied with as prescribed by the Reserve Bank of India;</li> <li>All loans hypothecated under the deed of hypothecation comply with RBI norms and guidelines</li> </ul>
<b>Face value per Debenture</b>	INR 10,00,000 (Indian Rupees Ten Lakh Only)
<b>Issue Price</b>	INR 10,00,000 (Indian Rupees Ten Lakh Only)
<b>Minimum subscription amount</b>	INR 1,00,00,000 (Indian Rupees One Crore Only)
<b>Maturity Date</b>	July 30, 2023
<b>Day count basis</b>	Actual/Actual
<b>Interest Payment Frequency</b>	Annually
<b>Principal Repayment</b>	Bullet, on maturity date
<b>Default Interest Rate</b>	<ol style="list-style-type: none"> <li>In case of default in payment of interest and / or principal redemption on the due dates, additional interest @ 2% p.a. over the Coupon Rate, on the outstanding principal amount, will be payable by the Issuer for the defaulting period.</li> <li>Delay in Listing: In case of delay in listing of the debt securities beyond 20 calendar days from the deemed date of allotment, the Company shall pay penal interest @2% p.a. over the coupon rate from the expiry of 30 calendar days from the deemed date of allotment till the listing of such debt securities to the investor.</li> <li>Where an issuer fails to execute the Debenture Trust Deed within the period specified in the sub-regulation (1)of Regulation 15 of Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 including amendment thereto, without prejudice to any liability arising on account of violation of the provisions of the Act and these Regulations, the issuer shall also pay interest of at least 2% p.a. to the debenture holder, over and above the agreed coupon rate, till the execution of the Debenture Trust Deed.</li> </ol>
<b>Prepayment</b>	No prepayment is permitted
<b>Redemption Amount</b>	The sum of the principal outstanding on the Debentures, accrued Coupon, Default Interest payable (if any) and other charges and fees payable.
<b>Interest on application money</b>	The Issuer shall be liable to pay the Debenture Holder(s) interest on application money at additional interest @ 2% p.a. over the Coupon Rate per annum for the



	<p>period commencing from the credit of subscription monies in respect of the Debentures in the account of the Issuer until the Deemed Date of Allotment. Where Pay-in Date and Deemed Date of Allotment are the same, no Interest on Application money is to be paid.</p>
<b>Transaction documents</b>	<ul style="list-style-type: none"> <li>● Letter appointing Trustees to the Debenture Holders</li> <li>● Private Placement Offer Letter</li> <li>● Information Memorandum</li> <li>● Debenture Trust Deed</li> <li>● Deed of Hypothecation</li> <li>● Debenture Trustee Agreement</li> <li>● Board Resolution authorizing this Issuance</li> <li>● Applicable Shareholder Resolutions under the Companies Act 2013</li> <li>● Rating letter with the aforesaid Rating Agency(ies) with respect to this Issuance</li> <li>● Any other document as may be agreed between the parties.</li> <li>● In Principal approval from stock exchanges for listing of NCDs.</li> <li>● Rating Letter from CRISIL.</li> </ul> <p>All transaction documents will comply with the requirements prescribed by the RBI (if applicable), SEBI (if applicable) and under the Companies Act, 2013 for the issuance of non-convertible debentures.</p>
<b>Conditions Precedent</b>	<p>To be prescribed in the transaction documents. These will include, but not limited to:</p> <ol style="list-style-type: none"> <li>1. All corporate approvals from the Board of Directors and shareholders of the Issuer, if applicable, shall have been received for the issuance of the NCDs in accordance with Companies Act, 2013 and submit the same to Debenture Trustee and Debenture Holders.</li> <li>2. copies of the authorisations, approvals and licenses received by the Issuer from the RBI;</li> <li>3. (to the extent applicable) copies of the resolution of the shareholders of the Issuer under Section 42 of the Act, certified as correct, complete and in full force and effect by an appropriate officer of the Issuer;</li> <li>4. a copy of the resolution of the shareholders of the Issuer in accordance with Section 180(1)(c) of the Act approving the borrowing contemplated under the Transaction Documents OR a certificate of an authorised person of the Issuer confirming the non-applicability of Section 180(1)(c) of the Act;</li> <li>5. a copy of the resolution of the shareholders of the Issuer in accordance with Section 180(1)(a) of the Act approving the creation of Security over the Charged Receivables OR a certificate of an authorised person of the Issuer confirming the non-applicability of Section 180(1)(a) of the Act;</li> <li>6. a copy of the rating letter and the rating rationale issued by the Rating Agency in relation to the Debentures; Submitting to the Debenture Trustee and Debenture Holders, the rating letter issued by the Rating Agency;</li> <li>7. a copy of the consent from the Registrar to act as the registrar and transfer agent for the issue of Debentures;</li> <li>8. a copy of the consent from the Debenture Trustee to act as the debenture trustee for the issue of Debentures;</li> <li>9. The Issuer shall have submitted to the Debenture Holders and Debenture Trustee, all required documents for the purpose of satisfying its respective KYC requirements;</li> <li>10. The Issuer shall have submitted to the Debenture Trustee and Debenture Holders a certified true copy of the constitutional documents of the Issuer (the Memorandum and Articles of Association and the Certificate of Incorporation);</li> <li>11. Execution of Debenture Trustee Agreement, issuance of Letter appointing Trustees to the Debenture Holders and submitting to the Debenture Holder</li> </ol>



	<p>a copy of the consent letter received from the Debenture Trustee agreeing to act as Debenture Trustee for the Debenture Holders;</p> <p>12. Execution of the Debenture Trust Deed and Deed of Hypothecation in form and manner satisfactory to the Debenture Trustee;</p> <p>13. The Issuer shall have submitted to the Debenture Trustee and Debenture Holders its audited account statements for the most recent financial year or audited financial half-year;</p> <p>The Issuer shall issue the Information Memorandum.</p>
<b>Conditions Subsequent</b>	<p>To be prescribed in the Transaction Documents. These will include:</p> <ol style="list-style-type: none"> <li>1. On or prior to the utilisation of the subscription monies by the Company in respect of the Debentures and in any case, within 15 (Fifteen) days from the Deemed Date of Allotment, the Company shall file of a return of allotment on the issue of the Debentures in Form PAS-3 specified pursuant to Rule 12 and 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, along with the requisite fee with the Registrar of Companies;</li> <li>2. Dematerialised credit of the Debentures in the demat account of Debenture Holder within 2(Two) Business Days from the Deemed Date of Allotment.</li> <li>3. The Debentures to be listed on the Bombay Stock Exchange (“BSE”) within 20 calendar days of the Deemed Date of Allotment</li> <li>4. The Issuer shall ensure credit of demat account(s) of the allottee(s) with the number of NCDs allotted within 2 (Two) Business Days of the Deemed Date of Allotment</li> <li>5. Creation and perfection of the Security within 30 (Thirty) days from the Deemed Date of Allotment;</li> <li>6. Filing of the relevant forms with the Registrar of Companies for the perfection of charge over the Hypothecated Assets within and no later 30 (Thirty) calendar days from the Deemed Date of Allotment; and</li> <li>7. The Company shall ensure compliance with RBI Act including Master circulars and guidelines issued by RBI, SEBI Act, circular and Regulations, Companies Act, 2013 and other applicable laws for issuance of Debentures.</li> </ol>
<b>Rating Covenant- Coupon Step-up/ Step-down</b>	<p>The Coupon Rate payable on the principal amount of the Debentures shall increase by 0.25% (Zero Decimal Point Fifty Percent)] for every one notch downgrade by the rating agency from the existing rating (A-).</p> <p>If the rating of the Debentures is downgraded below existing rating of A-, the Interest Rate shall be increased by 0.25% (zero decimal two five percent) for each downgrade of 1 (one) notch from the existing Rating of A- ("Step Up Rate") and such increased rate of Interest shall be applicable on the Outstanding Principal Amounts from the date of such downgrade. Step Up, in accordance with this provision shall not require any notice, intimation or action on behalf of the Debenture Trustee or the Debenture Holders.</p> <p>Following the Step Up until the rating of the Debentures is restored to the exist Rating of A-, i.e. if the rating of the Debentures is upgraded, the prevailing Step Up Rate shall be decreased by 0.25% (zero decimal two five percent) for each upgrade of 1 (one) notch from the rating of the Debentures (until the rating of the Debentures is restored to the existing Rating of A-) and such decreased rate of Interest shall be applicable on the Outstanding Principal Amounts from the date of such upgrade. PROVIDED THAT the decreased rate of Interest in accordance with this provision cannot, in any case, be lower than the Interest Rate fixed at the time of issuance of the NCDs, i.e. 10.40% per annum payable yearly. The decrease in the rate of Interest in accordance with this provision shall not require any notice, intimation or action on behalf of the Debenture Trustee or the Debenture Holders.</p>
<b>Events of Default</b>	<p>To be prescribed in the Transaction Documents. Including but not limited to:</p>



	<ul style="list-style-type: none"> <li>(a) If external rating by CRISIL is downgraded by 2 notches or more from current rating of A-, i.e to BBB (Triple B), the investor will have the right to accelerate the redemption of the Debentures and require the Issuer to mandatorily redeem the Debenture and repay the principal amount on the Debentures, along with accrued but unpaid Coupon, and all other costs, charges and expenses incurred under or in connection with the Transaction Documents and the company has to pay the amount due within 30 days of receipt of such notice. If such a payment is not made within 30 days, this will constitute an event of default.</li> <li>(b) Non-payment of any of the dues under this Issuance on the payment day,</li> <li>(c) Default or trigger of event of default on any other indebtedness (cross default),</li> <li>(d) Misrepresentation or misleading information in any of the Transaction Documents</li> <li>(e) Issuer is unable or admits in writing its inability to pay its debts as they mature or suspends making payment of any of its debts, by reason of actual or anticipated financial difficulties or proceedings for taking it into liquidation have been admitted by any competent court or a moratorium or other protection from its creditors is declared or imposed in respect of any indebtedness of the Issuer;</li> <li>(f) Insolvency, winding up, liquidation</li> <li>(g) Creditors' processes including expropriation, attachment, sequestration, distress or execution initiated against the Issuer</li> <li>(h) Repudiation of Transaction Documents</li> <li>(i) Cessation of business or any substantial part thereof or gives notice of its intention to do so</li> <li>(j) Bankruptcy, CDR proceedings filed with respect to the Issuer;</li> <li>(k) 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 or an officer of the Issuer</li> <li>(l) The Company has taken or suffered to be taken any action for re-organisation of its capital or any rearrangement, merger or amalgamation without the prior written approval of the Debenture Holders;</li> <li>(m) Promoters or key management personnel of the Company being declared wilful defaulter</li> <li>(n) The promoter/s and/or the directors of the Company are accused of, charged with, arrested or convicted a criminal offence involving moral turpitude, dishonesty or which otherwise impinges on the integrity of the promoter/s and/or director, including any accusations, charges and/or convictions of any offence relating to bribery;</li> <li>(o) All or a material part of the undertaking, assets, rights or revenues of the Company are condemned, seized, nationalised, expropriated or compulsorily acquired, or shall have assumed custody or control of the business or operations of the Company, or shall have taken any action for the dissolution of the Company, or any action that would prevent the Company, their member, or their officers from carrying on their business or operations or a substantial part thereof, by or under the authority of any Government or Government authority;</li> <li>(p) Occurrence of a Material Adverse Effect as determined by the Debenture Trustee, acting solely on the instructions of the Majority Debenture Holders.</li> <li>(q) Change in management control without prior written consent from the Debenture Holders.</li> <li>(r) Any Transaction Document once executed and delivered, ceases to be in full force or becomes unlawful, invalid and unenforceable;</li> <li>(s) A petition for the reorganization, arrangement, adjustment, winding up or composition of debts of the Company is filed on the Company (voluntary or otherwise) or have been admitted or makes an assignment for the</li> </ul>
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	<p>benefit of its creditors generally and such proceeding is not contested by the company for staying, quashing or dismissed within 30 (Thirty) days</p> <p>(t) Application of insolvency petition under bankruptcy code/NCLT by the Issuer</p> <p>(u) Breach of any covenants (including financial / management / affirmative / negative / information / reporting) and breach of any terms or conditions of Transaction Documents.</p> <p>(v) Security Cover is not maintained at all times until the redemption of the Debentures</p> <p>(w) Failure of the Company to register and perfect the charge created over the Hypothecated Assets within 30 (Thirty) days from the Deemed Date of Allotment.</p> <p>(x) Failure by the Company to utilise by the proceeds of the Debentures towards the End Use.</p> <p>All RBI/SEBI /other regulatory body guidelines issued from time to time by the regulatory/ statutory bodies to be complied with by the company</p> <p>Consequences of events of default are provided below:</p> <p>Upon occurrence of any of the aforesaid Event of Default, the Debenture Trustee may by a notice in writing to the Issuer initiate actions as may be contemplated in the Transaction Documents including the following:</p> <p>i. declare that all of the Debentures, together with accrued but unpaid Coupon, and all other costs, charges and expenses accrued or outstanding under the Transaction Documents to be immediately (or such other date as the Debenture Trustee may specify) due and payable, whereupon they shall become so due and payable;</p> <p>ii. accelerate the redemption of the Debentures and require the Issuer to mandatorily redeem the Debenture and repay the principal amount on the Debentures, along with accrued but unpaid Coupon, and all other costs, charges and expenses incurred under or in connection with the Transaction Documents;</p> <p>iii. enforce the charge over the Hypothecated Assets in accordance with the terms of the Deed of Hypothecation and/or invoke the Personal Guarantee;</p> <p>iv. appoint any independent agency to examine and inspect the working of the Issuer and provide a report to the Debenture Trustee; and</p> <p>v. exercise such other remedies, including legal and equitable rights, as permitted or available under Applicable Law (including initiating insolvency proceedings under IBC (if applicable)) or the Transaction Documents.</p>
<p><b>Reporting Covenants</b></p>	<p><b>Quarterly Reports</b> – within 45 (Forty-Five) calendar days from the end of each financial quarter</p> <ol style="list-style-type: none"> <li>1. Information on financials</li> <li>2. Financial and other covenant compliance certificate signed by the CFO/ authorised signatory of the company.</li> <li>3. Audited Annual Reports &amp; list comprising all material financial liabilities – within 120 (One Hundred and Twenty) calendar days from the end of each financial year</li> <li>4. Quarterly MIS data pack- To be submitted within 45 days of each quarter end. It shall cover the following: quarterly financials with schedules, product-wise portfolio cuts, latest operational information, collection efficiency, quarterly DPD, quarterly write-off, shareholding</li> </ol>



	<p>pattern, borrowing profile, ALM, book debt assigned to the Debenture Holder with its delinquency status, etc.</p> <p><b>Event Based Reports</b> – In case of changes initiated by the company requiring approval of the board, the reporting would be demat post approval of the board, all others will be 15 days.</p> <ol style="list-style-type: none"> <li>1. Change in list of Board of Directors</li> <li>2. Change in Shareholding structure</li> <li>3. Change in senior management officials (any CXO or equivalent)</li> <li>4. Any fraud amounting to more than 1% of Gross Loan Portfolio</li> <li>5. Material changes in accounting policy</li> <li>6. Material change in the constitutional documents of the Company that are prejudicial to the interests of the Debenture Holders</li> <li>7. New segment of business other than the business carried out by the Issuer presently</li> <li>8. Material Adverse Effect</li> <li>9. Any dispute, litigation, investigation or other proceeding which could result in a Material Adverse Effect.</li> <li>10. Winding up proceedings</li> <li>11. Any Event of Default or Potential Default, and any steps taken / proposed to remedy the same.</li> <li>12. Application of insolvency petition under bankruptcy code/NCLT by the Issuer needs to be notified within 1 calendar day</li> </ol> <p>And as set out in greater detail in the Debenture Trust Deed and continuing in nature.</p>
<p><b>Financial Covenants</b></p>	<p>To be prescribed in the Transaction Documents. Including but not limited to:</p> <ul style="list-style-type: none"> <li>• Debt equity ratio should be maintained below 4.00 during entire tenor of debenture till maturity;</li> <li>• Minimum CRAR shall be maintained at 20% during entire tenor of debenture till maturity of the subject debenture;</li> <li>• Net NPA should be maintained below 3% during entire tenor of debenture till maturity;</li> <li>• If the debentures get delisted during the tenor of the NCD, issuer will bear all expenses for listing it again within 30 days from date of delisting.</li> </ul> <p>All covenants would be tested on quarterly basis for the Company, i.e. as on 31st March, 30th June, 30th September and 31st December every year, on standalone balance sheet till the redemption of the Debentures.</p> <p>Within 45 days from the end of each quarter, the Issuer shall submit covenant compliance certificate issued by CFO/authorised signatory in favour of the Debenture Trustee and Debenture Holders.</p>
<p><b>Early Redemption</b></p>	<p>Any Debenture Holder may require early redemption of the Debentures held by them upon the occurrence of any of the following events:</p> <ol style="list-style-type: none"> <li>a) Rent Alpha Private Limited should maintain same shareholding and management control during entire tenor of debenture till maturity. For any dilution from existing shareholding and management control, company will have to take approval from debenture holders.</li> <li>b) Security is not created and perfected within 30 days from the Deemed Date of Allotment.</li> <li>c) Breach of any of the Financial Covenants</li> <li>d) If external rating by CRISIL is downgraded by 2 notches or more, i.e to BBB (Triple B) or below.</li> </ol> <p>Upon the receipt of early redemption notice, the Issuer shall be required to redeem the relevant Debentures within 30 (Thirty) calendar days of the notice.</p>





<b>Affirmative Covenants</b>	<ul style="list-style-type: none"> <li>(a) To utilise the proceeds of this issue in accordance with applicable laws and regulations;</li> <li>(b) To comply with corporate governance, fair practices code prescribed by the RBI;</li> <li>(c) Notification of any potential Event of Default or Event of Default;</li> <li>(d) Obtain, comply with and maintain all licenses / authorizations;</li> <li>(e) Provide details of any material litigation, arbitration or administrative proceedings (materiality threshold to be finalized during documentation);</li> <li>(f) Maintain internal control for the purpose of (i) preventing fraud on monies lent by the Company; and (ii) preventing money being used for money laundering or illegal purposes;</li> <li>(g) Permit visits and inspection of books of records, documents and accounts to Debenture Trustee as and when required by them; Comply with any monitoring and/or servicing requests from Debenture Trustee; and</li> <li>(h) As provided in the Transaction Documents</li> </ul>
<b>Negative Covenants</b>	<p>The Company hereby covenants that until the Final Settlement Date, the Company shall not for so long as any amount remains outstanding under the Transaction Documents, except as may otherwise be previously agreed to in writing by the Debenture Trustee (acting upon the receipt of the prior written approval of the Majority Debenture Holder(s), take any action in relation to:</p> <ul style="list-style-type: none"> <li>(a) Change in management control</li> <li>(b) Change in Managing Director</li> <li>(c) Change in ownership</li> <li>(d) Merger, restructuring, etc.</li> <li>(e) Arrangement with creditors/shareholders</li> <li>(f) Purchase or redemption of share capital</li> <li>(g) Amendment of constitutional documents</li> <li>(h) Amendment of Transaction Documents</li> <li>(i) Change in financial year</li> <li>(j) Disposal of assets</li> <li>(k) Dividend and buyback of shares</li> <li>(l) Change of business</li> <li>(m) Loans to and investment in group companies</li> <li>(n) Dispose of, acquire or incorporate any associates, subsidiary or joint ventures</li> <li>(o) Acquisition, joint venture</li> <li>(p) Claim any immunity</li> <li>(q) No profit-sharing arrangement</li> </ul> <p>In addition, the Issuer shall not permit to use of the Debenture proceeds for any anti-money laundering activities and illegal activities.</p>
<b>Related Party Transactions</b>	<p>Issuer shall not enter into any transaction(s) with a related party without the prior written consent of the Debenture Trustee. However, the issuer is allowed to carry out the following transactions during the tenure of the transaction without the prior written consent of the Debenture Trustee:</p> <ol style="list-style-type: none"> <li>1. Equity infusion from Parent Company</li> <li>2. Short term borrowing – repayment and interest payment to be allowed as long as interest amount is lower than interest rate “10.40% per annum”</li> <li>3. Purchase of rental receivables from Parent Company.</li> </ol>
<b>Representations &amp; Warranties</b>	<ol style="list-style-type: none"> <li>1. The Company is registered with the RBI as an NBFC.</li> <li>2. No Event of Default has occurred and is continuing on the date of this transaction</li> </ol>



	<p>3. The Debentures under this Issuance shall rank pari passu amongst themselves and with all other senior, secured creditors/lenders/investors</p> <p>4. Binding obligation of Transaction Documents</p> <p>5. No conflict with other obligations / constitutional documents</p> <p>6. No Material Adverse Change in business, condition or operations of the Issuer</p> <p>7. Company has the power and authority to issue Debentures and such Transactions Documents are valid and admissible in evidence</p> <p>8. Absence of any pending or threatened litigation, investigation or proceedings that may have a material adverse effect on the business condition (financial or otherwise), operations, performance or prospects of the Issuer or that purports to affect the Facility</p> <p>9. Illegality</p> <p>And as set out in greater detail in the Debenture Trust Deed and continuing in nature.</p>
<b>Indemnification</b>	The Issuer will indemnify, and hold harmless the Debenture Holder, Investment Manager of Debenture Holders, and their respective shareholders, officers, directors, employees, representatives and attorneys from and against any claim, liability, demand, loss, damage, judgment or other obligation or right of action which may arise as a result of breach of this Term Sheet by the Issuer.
<b>Confidentiality</b>	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, inform the other Parties.
<b>Governing Law</b>	This Term Sheet shall be governed and construed exclusively in accordance with the laws of India.
<b>Arbitration</b>	In the event of any dispute or difference between the Parties to this agreement in respect of or concerning or connected with the interpretation or implementation of this Agreement or arising out of this Agreement, such dispute or difference shall be referred to arbitration by a sole arbitrator, appointed by the Investor in its sole discretion, in accordance with the (Indian) Arbitration and Conciliation Act, 1996, or any modification or amendment thereof. The arbitration shall be held in New Delhi, India. The language of the arbitration proceedings shall be English. The expenses of the arbitration shall be borne by the Issuer. The decision of such arbitration shall be binding and conclusive upon the Parties and may be enforced in any court of competent jurisdiction.
<b>Jurisdiction</b>	Subject to Arbitration clause, the Parties agree that this Term Sheet and other Transaction Documents and all matters arising from this Term Sheet and other Transaction Documents shall be subject to the exclusive jurisdiction of the courts/tribunal of New Delhi, India.
<b>Transaction Costs</b>	<p>The Issuer shall bear all transaction related costs incurred by the Debenture Holder with respect to legal counsel, valuers and auditors/consultants. Such costs include:</p> <ul style="list-style-type: none"> <li>• Trustee fees</li> <li>• Rating fees</li> <li>• Listing fees</li> <li>• Stamping and registration costs in relation to all Transaction Documents</li> <li>• Any other reasonable transaction related expense incurred by the Debenture Holders</li> </ul>
<b>Taxes, Duties, Costs and Expenses</b>	Relevant taxes, duties and levies are to be borne by the Issuer.





	The charges / fees and any amounts payable under this Debentures by the Issuer as mentioned herein do not include any applicable taxes, levies including service tax etc. and all such impositions shall be borne by the Issuer additionally.
<b>Role and Responsibilities of Debenture Trustee</b>	As defined in the Transaction Documents



## Redemption Schedule

### Illustration of Bond Cash Flows per Debenture

<b>Cashflows</b>	<b>Date</b>	<b>No of Days in a Coupon Period</b>	<b>Amount (IN INR)</b>
0	July 30, 2020		-10,00,000
1st Coupon	July 30, 2021	365	1,04,000
2nd Coupon	July 30, 2022	365	1,04,000
3rd Coupon	July 30, 2023	365	1,04,000
Principal	July 30, 2023		10,00,000

### Final Cash Flow

<b>Cashflows</b>	<b>Date</b>	<b>No of Days in a Coupon Period</b>	<b>Amount (IN INR)</b>
0	July 30, 2020		-10,00,00,000
1st Coupon	July 30, 2021	365	1,04,00,000
2nd Coupon	July 30, 2022	365	1,04,00,000
3rd Coupon	July 30, 2023	365	1,04,00,000
Principal	July 30, 2023		10,00,00,000



ANNEXURE II: RATING LETTER & RATING RATIONALE

Ratings



CONFIDENTIAL

CPVFAC/248427/NCD/06102020/1  
July 15, 2020

Mr. Ashok Biyani  
Chief Financial Officer  
Capsave Finance Private Limited  
Unit No. 501, Wing-D, Lotus Corporate Park,  
Western Express Highway,  
Goregaon (East),  
Mumbai - 400063

Dear Mr. Ashok Biyani,

Re: CRISIL Rating on the Rs.125 Crore Non-Convertible Debentures of Capsave Finance Private Limited

All ratings assigned by CRISIL are kept under continuous surveillance and review.  
Please refer to our rating letter dated June 10, 2020 bearing Ref. no.: CPVFAC/248427/NCD/06102020

Please find in the table below the ratings outstanding for your company.

S.No.	Instrument	Rated Amount (Rs. in Crore)	Rating Outstanding
1	Non-Convertible Debentures	125	CRISIL A-/Stable

In the event of your company not making the issue within a period of 180 days from the above date, or in the event of any change in the size or structure of your proposed issue, a fresh letter of revalidation from CRISIL will be necessary.

As per our Rating Agreement, CRISIL would disseminate the rating along with outlook through its publications and other media, and keep the rating along with outlook under surveillance for the life of the instrument. CRISIL reserves the right to withdraw or revise the ratings assigned to the captioned instrument at any time, on the basis of new information, or unavailability of information or other circumstances, which CRISIL believes, may have an impact on the rating.

As per the latest SEBI circular (reference number: CIR/IMD/DF/17/2013; dated October 22, 2013) on centralized database for corporate bonds/debentures, you are required to provide international securities identification number (ISIN) along with the reference number and the date of the rating letter) of all bond/debenture issuances made against this rating letter to us. The circular also requires you to share this information with us within 2 days after the allotment of the ISIN. We request you to mail us all the necessary and relevant information at [debtissue@crsil.com](mailto:debtissue@crsil.com). This will enable CRISIL to verify and confirm to the depositories, including NSDL and CDSL, the ISIN details of debt rated by us, as required by SEBI. Feel free to contact us for any clarifications you may have at [debtissue@crsil.com](mailto:debtissue@crsil.com)

Should you require any clarifications, please feel free to get in touch with us.

With warm regards,

Yours sincerely,

Ajit Velamie  
Director - CRISIL Ratings

Nivedita Shibu  
Associate Director - CRISIL Ratings



A CRISIL rating reflects CRISIL's current opinion on the likelihood of timely payment of the obligations under the rated instrument and does not constitute an audit of the rated entity by CRISIL. CRISIL ratings are based on information provided by the issuer or obtained by CRISIL from sources it considers reliable. CRISIL does not guarantee the completeness or accuracy of the information on which the rating is based. A CRISIL rating is not a recommendation to buy, sell or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. All CRISIL ratings are under surveillance. CRISIL or its associates may have other commercial transactions with the company/entity. Ratings are revised as and when circumstances so warrant. CRISIL is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of this product. CRISIL Ratings rating criteria are available without charge to the public on the CRISIL web site, [www.crsil.com](http://www.crsil.com). For the latest rating information on any instrument of any company rated by CRISIL, please contact Customer Service Helpdesk at 1800-267-1301.

CRISIL Limited  
Corporate Identity Number: L671205MH19979LCO42183

Registered Office: CRISIL House, Central Avenue, Hiraznandani Business Park, Patur, Mumbai- 400 076. Phone: +91 22 3342 5000 | Fax: +91 22 4040 5800  
[www.crsil.com](http://www.crsil.com)



### ANNEXURE III: CONSENT LETTER FROM THE DEBENTURE TRUSTEE

Corporate Office : Axis Trustee Services Limited The Ruby 2nd Floor  
SW 29 Senapati Bapat Marg Dadar West Mumbai- 400 028  
Phone : 022-62300420 Fax : 022-62300700  
Email : compliance@axistrustee.com



ATSL/CO/20-21/0051  
Date : 16th July, 2020.

CAPSAVE FINANCE PRIVATE LIMITED  
Unit No.501 Wing D, Lotus Corporate Park,  
Western Express Highway,  
Goregaon East, - 400063

Kind Attn : Mr. Ashok Biyani

Dear Sir,

**Sub: Consent to act as Debenture Trustee for listed secured non convertible debentures aggregating up to Rs.10 crores proposed to be issued by Capsave Finance Private Limited**

We, Axis Trustee Services Limited, hereby give our consent to act as the Debenture Trustee for the above mentioned issue of Debentures having a tenure of more than one year and are agreeable to the inclusion of our name as Debenture Trustee in the Shelf Prospectus/ Private Placement offer letter/ Information Memorandum and/or application to be made to the Stock Exchange for the listing of the said Debentures.

Axis Trustee Services Limited (ATSL) consenting to act as Debenture Trustees is purely its business decision and not an indication on the Issuer Company's standing or on the Debenture Issue. By consenting to act as Debenture Trustees, ATSL does not make nor deems to have made any representation on the Issuer Company, its Operations, the details and projections about the Issuer Company or the Debentures under Offer made in the Shelf Prospectus/ Private Placement offer letter/ Information Memorandum / Offer Document. Applicants / Investors are advised to read carefully the Shelf Prospectus/ Private Placement offer letter/ Information Memorandum / Offer Document and make their own enquiry, carry out due diligence and analysis about the Issuer Company, its performance and profitability and details in the Shelf Prospectus/ Private Placement offer letter/ Information Memorandum / Offer Document before taking their investment decision. ATSL shall not be responsible for the investment decision and its consequence.

We also confirm that we are not disqualified to be appointed as Debentures Trustee within the meaning of Rule 18(2)(c) of the Companies (Share Capital and Debentures) Rules, 2014.

Yours Truly,

**For Axis Trustee Services Limited**

JAYDEEP  
BHATTACHARYA

Digitally signed by JAYDEEP  
BHATTACHARYA  
Date: 2020.07.16 14:11:14 +05'30'

Jaydeep Bhattacharya  
Deputy General Manager

Registered Office : Mumbai

Website : [www.axistrustee.com](http://www.axistrustee.com) Corporate Identity Number : U74999MH2008PLC182264

A wholly owned Subsidiary of AXIS Bank Limited.



**ANNEXURE IV: LAST AUDITED FINANCIAL STATEMENTS**



**CAPSAVE FINANCE PRIVATE LIMITED**  
**BALANCE SHEET AS AT 31st MARCH 2020**

Particulars	Note no.	(Rupees)	
		As at 31.03.2020	As at 31.03.2019
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	2	93,651,180	78,324,360
Reserves and surplus	3	1,909,461,171	1,330,047,293
		<u>2,003,112,351</u>	<u>1,408,371,653</u>
<b>Non-Current Liabilities</b>			
Long Term Borrowings	4	329,999,998	400,000,000
Other long term liabilities	5	577,610,947	361,345,723
Long term provisions	6	15,493,299	6,096,885
		<u>923,104,154</u>	<u>767,442,608</u>
Deferred tax liabilities (net)	7	99,954,306	92,885,385
<b>Current Liabilities</b>			
Short-term borrowings	8	500,000,000	450,000,000
Trade payables			
i) total outstanding dues of micro enterprises and small enterprises		101,104	182,978
ii) total outstanding dues of creditors other than micro enterprises and small enterprises		1,776,641	266,623
Other current liabilities	9	507,402,026	374,239,883
Short term provisions	6	10,419,148	2,179,378
		<u>1,019,608,919</u>	<u>826,868,862</u>
<b>TOTAL</b>		<u><b>4,045,869,730</b></u>	<u><b>3,095,568,508</b></u>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, Plant and Equipment	10	995,683,594	915,755,822
Intangibles under development		3,225,000	-
Asset under Deployment		22,512,352	4,960,783
Long-term loans and advances	11	1,746,979,149	1,296,279,744
Other non-current assets	12	415,995	393,242
		<u>2,768,816,088</u>	<u>2,217,389,591</u>
<b>Current assets</b>			
Trade receivables	13	11,259,837	8,199,054
Cash and bank balances	14	85,959,143	145,533,106
Short-term loans and advances	11	1,094,841,995	670,879,507
Other current assets	15	84,992,667	53,567,250
		<u>1,277,053,642</u>	<u>878,178,917</u>
<b>TOTAL</b>		<u><b>4,045,869,730</b></u>	<u><b>3,095,568,508</b></u>
Significant Accounting Policies	1(i)		

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

As per our report of even date attached

For PKF Scidhar & Santhamam LLP  
Chartered Accountants  
Firm Registration No.0039905/S200018



R Suriyanarayanan  
Partner  
Membership No.201402  
UDIN: 20201402AAAABA2772  
Place: Mumbai  
Dated: 26th June 2020



For and on behalf of the Board of Directors



Jinesh Jain  
CEO & Director  
DIN: 06807613

Place: Mumbai  
Dated: 26th June 2020



Praveen Chauhan  
Director  
DIN: 06802754

Place: Mumbai  
Dated: 26th June 2020



Ashok Biyani  
Chief Financial Officer

Place: Mumbai  
Dated: 26th June 2020



**CAPSAVE FINANCE PRIVATE LIMITED**  
Statement of Profit and Loss for the period ended 31st March 2020

(Rupees)

Particulars	Note no.	For the Year ended 31.03.2020	For the Year ended 31.03.2019
I. Income from operations	16	831,437,876	589,522,616
II. Other income	17	16,906,950	7,643,543
III. Total Revenue (I + II)		<u>848,344,826</u>	<u>597,166,159</u>
IV. Expenses:			
Purchase cost of Bonds		92,046,408	109,652,351
Employee Benefit Expenses	18	36,301,178	28,499,633
Finance costs	19	96,998,175	60,221,078
Depreciation and amortisation	10	183,111,746	101,590,868
Provisions against Standard Assets		10,643,501	4,249,208
Other expenses	20	71,535,914	39,514,815
Total expenses		<u>490,636,922</u>	<u>343,727,953</u>
V Profit / (Loss) before exceptional items and tax (III-IV)		357,707,904	253,438,206
VI Exceptional items (Financial Advisory fees)		-	22,400,000
VII Profit / (Loss) before tax (V+VI)		357,707,904	275,838,206
VIII Tax expense:			
Current tax		(104,945,684)	(57,933,742)
MAT Credit Entitlement		-	48,649,660
Excess/(Short) Provision of Tax for Earlier Years		101,687	-
Deferred tax	7	<u>(7,068,921)</u>	<u>(69,704,267)</u>
		<u>(111,912,918)</u>	<u>(78,988,349)</u>
IX Profit / (Loss) for the year (VII-VIII)		<u>245,794,986</u>	<u>196,849,857</u>
Significant Accounting Policies	1(B)		
X Earnings per share (face value Rs. 10 each):			
Basic and Diluted	21(8)	28.22	26.79

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

As per our report of even date attached

For PKF Sridhar & Santhanam LLP  
Chartered Accountants  
Firm Registration No.003990S/S200018



R Suriyanarayanan  
Partner  
Membership No.201402  
UDIN: 20201402AAAAABA2772  
Place: Mumbai  
Dated: 26th June 2020



For and on behalf of the Board of Directors



Jinesh Jain  
CEO & Director  
DIN: 06807613

Place: Mumbai  
Dated: 26th June 2020



Praveen Chauhan  
Director  
DIN: 06802734

Place: Mumbai  
Dated: 26th June 2020



Ashok Biyani  
Chief Financial Officer

Place: Mumbai  
Dated: 26th June 2020



**CAPSAVE FINANCE PRIVATE LIMITED**  
Statement of Cash Flows for the year ended 31 March 2020

(Rupees)

Particulars	Year ended 31.03.2020	Year ended 31.03.2019
<b>A. Cash flow from Operating Activities</b>		
Net Profit/(Loss) before Tax	857,707,908	275,838,206
Adjustments for:		
Depreciation and Amortisation	183,311,746	101,599,868
Interest Income	(7,109,262)	(4,632,290)
Provisions against Standard Assets	10,643,501	4,345,138
Purchase of Bonds	92,046,408	109,652,351
Sale of Bonds	(92,333,014)	(109,764,904)
Finance Costs	80,794,434	59,859,396
Other non-operating expenses - net	85,611	210,296
(Gain)/Loss on Sale of Leased Assets - net	(392,887)	-
(Gain)/Loss on Sale of Mutual Fund Investments	(8,099,492)	(2,974,272)
<b>Operating (loss)/profit before Working Capital changes</b>	<b>605,654,949</b>	<b>433,528,964</b>
Adjustments for:		
(Increase)/ Decrease in Operating Leased Assets - net of sales	(313,119,299)	(670,830,630)
(Increase)/ Decrease in Assets on Finance	(716,445,134)	(290,321,859)
(Increase)/ Decrease in Receivable Discounting Facility	(83,488,891)	(134,345,674)
(Increase)/ Decrease in Assets under Deployment	(17,551,569)	60,108,425
(Increase)/Decrease in Advances and Other Assets	(91,589,879)	(109,697,471)
Increase/(Decrease) in Interest on Long Term Borrowing	(54,730,502)	(50,481,823)
Increase/(Decrease) in Interest on Inter-corporate loan from Holding Company	(19,851,777)	(7,582,921)
Changes in Payables, Liabilities and Provisions	274,473,836	367,003,383
<b>Cash flow before taxation</b>	<b>(491,048,099)</b>	<b>(796,285,814)</b>
Direct taxes paid (including Interest)	(88,857,918)	(79,467,368)
<b>Net Cash Flow generated from/used in Operating Activities (A)</b>	<b>(467,405,976)</b>	<b>(942,301,172)</b>
<b>B. Cash flow from Investing Activities</b>		
Deposits placed (net)	51,138,798	(37,872,378)
Interest received on Deposits	7,109,788	4,461,326
Purchase and generation of Intangible Assets	(3,225,000)	-
Purchase of Mutual Fund Investment	(1,350,000,000)	(827,500,000)
Sale of Mutual Fund Investment	1,358,099,692	890,474,272
Purchase of Bonds	(92,046,408)	(109,652,351)
Sale of Bonds	92,333,014	109,764,904
<b>Net Cash Flow generated from Investing Activities (B)</b>	<b>64,239,879</b>	<b>(96,324,227)</b>
<b>C. Cash flow from Financing Activities</b>		
<b>Debt and other borrowings</b>		
- Advances from Holding company	647,500,000	390,000,000
- Repayment to Holding company	(647,500,000)	(337,500,000)
- Advances from Banks and Financial Institutions	200,000,000	650,000,000
- Repayment to Banks and Financial Institutions	(203,333,332)	(100,000,000)
Share issue expenses	(881,448)	(210,296)
Proceeds from issue of Equity Shares (including premium)	348,943,712	210,298,268
<b>Net Cash Flow from Financing Activities (C)</b>	<b>394,930,932</b>	<b>973,588,972</b>
<b>Net Increase in Cash and Cash equivalents (A+B+C)</b>	<b>(8,436,165)</b>	<b>80,988,573</b>
<b>Cash and Cash equivalents at the beginning of the year</b>	<b>86,368,692</b>	<b>6,302,119</b>
<b>Cash and Cash equivalents at the end of the year</b>	<b>77,932,527</b>	<b>86,368,692</b>
<b>Reconciliation of Cash and cash equivalents with the Balance Sheet:</b>		
Cash and cash equivalents (Refer Note 14)	86,368,692	145,883,106
<b>Less: Bank balances not considered as Cash and cash equivalents as defined in AS 3 Cash Flow Statements</b>		
In earmarked accounts	(8,436,165)	(59,514,414)
<b>Cash and Bank Balance (As per note 14)</b>	<b>77,932,527</b>	<b>86,368,692</b>

As per our report of even date attached  
For PKJ Sidhar & Sathyanam LLP  
Chartered Accountants  
Firm Registration No.023960/520003

  
R Suriyanarayana  
Partner  
Membership No.231462  
UDIN: 20201402AAAAB2772  
Place: Mumbai  
Dated: 26th June 2020



For and on behalf of the Board of Directors

    
Jinesh Jain      Paveen Chhabra      Ashok Bhandari  
CEO & Director      Director      Chief Financial Officer  
DIN: 06807613      DIN: 08802334

Place: Mumbai      Place: Mumbai      Place: Mumbai  
Dated: 26th June 2020      Dated: 26th June 2020      Dated: 26th June 2020





**CAPSAVE FINANCE PRIVATE LIMITED**  
**BALANCE SHEET AS AT 31 MARCH 2019**

Particulars	Note no.	(Rupees)	
		As at 31.03.2019	As at 31.03.2018
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	2	78,324,360	64,843,830
Reserves and surplus	3	1,330,047,293	936,381,697
		<u>1,408,371,653</u>	<u>1,001,225,527</u>
<b>Non-Current Liabilities</b>			
Long Term Borrowings	4	400,000,000	-
Other long term liabilities	5	361,345,723	114,678,304
Long term provisions	6	6,096,885	2,837,955
		<u>767,442,608</u>	<u>117,516,259</u>
Deferred tax liabilities (net)	7	92,885,385	23,161,118
<b>Current Liabilities</b>			
Short-term borrowings	8	450,000,000	237,500,000
Trade payables		182,979	-
i) total outstanding dues of micro enterprises and small enterprises		-	-
ii) total outstanding dues of creditors other than micro enterprises and small enterprises		266,623	248,596
Other current liabilities	9	374,239,883	127,646,007
Short term provisions	6	2,179,379	14,884,387
		<u>826,868,863</u>	<u>380,278,990</u>
<b>TOTAL</b>		<u><b>3,095,568,509</b></u>	<u><b>1,522,201,894</b></u>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, Plant and Equipment	10	915,755,823	462,699,268
Asset under Deployment		4,960,783	65,069,210
Long-term loans and advances	11	1,296,279,744	640,721,681
Other non-current assets	12	350,000	350,000
		<u>2,217,346,350</u>	<u>1,168,840,159</u>
<b>Current assets</b>			
Current investments		-	-
Trade receivables	13	8,199,054	3,266,306
Cash and bank balances	14	145,533,106	27,602,135
Short-term loans and advances	11	670,879,507	294,177,775
Other current assets	15	53,610,492	28,315,448
		<u>878,222,159</u>	<u>353,361,735</u>
<b>TOTAL</b>		<u><b>3,095,568,509</b></u>	<u><b>1,522,201,894</b></u>

Significant Accounting Policies 1(B)

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

As per our report of even date attached

For P.K. Sridhar & Santhanam LLP  
Chartered Accountants  
Firm Registration No. 0039908/S/200018  
R. Suriyanarayana  
Partner  
Membership No. 201402



Place: Mumbai  
Dated: 6th June 2019

For and on behalf of the Board of Directors

*Jinsh Jain*  
Jinsh Jain  
CEO & Director  
DIN: 06807613

Place: Mumbai  
Dated: 6th June 2019

*Praveen Chauhan*  
Praveen Chauhan  
Director  
DIN: 06802734

Place: Mumbai  
Dated: 6th June 2019

*Ashok Blyani*  
Ashok Blyani  
Chief Financial Officer

Place: Mumbai  
Dated: 6th June 2019



**CAPSAVE FINANCE PRIVATE LIMITED**  
Statement of Profit and Loss for the year ended 31st March 2019

Particulars	Note no.	For the Year ended 31.03.2019	For the Year ended 31.03.2018
I. Income from operations	16	589,522,616	255,987,123
II. Other income	17	7,643,543	1,996,811
III. Total Revenue (I + II)		597,166,159	257,983,934
IV. Expenses:			
Purchase cost of Bonds		109,652,351	70,279,637
Employee Benefit Expenses	18	28,499,633	25,768,785
Finance costs	19	60,221,078	4,446,069
Depreciation and amortisation	10	101,590,868	39,417,549
Provisions against Standard Assets		4,249,208	1,669,489
Other expenses	20	39,514,815	10,307,798
Total expenses		343,727,953	151,889,327
V Profit / (Loss) before exceptional items and tax (III-IV)		253,438,206	106,094,607
VI Exceptional items (Financial Advisory fees)		22,400,000	-
VII Profit / (Loss) before tax (V+VI)		275,838,206	106,094,607
VIII Tax expense:			
Current tax		(57,933,742)	(23,270,780)
MAT Credit Entitlement		48,649,660	23,270,780
Deferred tax	7	(69,704,267)	(23,181,118)
		(78,988,349)	(23,181,118)
IX Profit / (Loss) for the year (VII-VIII)		196,849,857	82,913,489
Significant Accounting Policies	1(B)		
X Earnings per share (face value Rs. 10 each):			
Basic and Diluted	21(8)	26.79	17.83

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


As per our report of even date attached


For PKF Sridhar & Santhanam LLP  
Chartered Accountants  
Firm Registration No.003990S/S200018  
  
R Suriyanarayanan  
Partner  
Membership No.201402



For and on behalf of the Board of Directors

  
Jinesh Jain  
CEO & Director  
DIN: 06807613

  
Praveen Chauhan  
Director  
DIN: 06802734

  
Ashok Biyani  
Chief Financial Officer

Place: Mumbai  
Dated: 6th June 2019

Place: Mumbai  
Dated: 6th June 2019

Place: Mumbai  
Dated: 6th June 2019

Place: Mumbai  
Dated: 6th June 2019



**CAPSAVE FINANCE PRIVATE LIMITED**  
Statement of Cash Flows for the year ended 31 March 2019

(Rupees)

Particulars	Year ended 31.03.2019	Year ended 31.03.2018
<b>A. Cash flow from Operating Activities</b>		
Net Profit/(Loss) before Tax	276,638,208	186,094,687
Adjustments for:		
Depreciation and amortisation	101,390,868	39,617,549
Interest Income	(4,632,700)	(1,135,964)
Provisions against Standard Assets	4,249,308	1,669,489
Intangible Assets under development written off	-	1,800,000
Purchase of Bonds	109,682,351	-
Sale of Bonds	(109,764,900)	-
Share issue expenses	210,296	1,208,560
Interest on Tax	1,326,662	1,271,380
Interest on Long term borrowing	50,481,823	-
Interest on Short term borrowing from Holding Company	7,532,911	2,838,699
(Profit)/Loss on sale of Shares	(2,974,273)	-
Operating (loss)/profit before working capital changes	433,528,944	183,176,288
Adjustments for:		
Changes in advances and other assets	(193,487,670)	(82,946,402)
Changes in Assets on finance	(590,321,858)	(425,354,140)
Changes in Receivable Discounting Facility	(134,249,670)	(234,213,032)
Purchase of Fixed Assets	(670,820,638)	(248,136,438)
Interest on Short term borrowing from Holding Company	(7,532,911)	(2,838,699)
Interest on Long term borrowing	(50,481,823)	-
Changes in Assets under deployment	68,108,427	(62,081,832)
Changes in payables, liabilities and provisions	367,001,180	(1,379,814,756)
	99,459,547	(936,081,100)
Cash flow before taxation	(784,285,812)	(762,905,816)
Direct taxes paid (including interest)	(79,917,358)	(9,212,438)
<b>Net Cash Flow generated from/used in Operating Activities (A)</b>	<b>(864,203,171)</b>	<b>(772,118,254)</b>
<b>B. Cash flow from Investing Activities</b>		
Deposits placed (net)	(37,872,378)	(17,642,036)
Purchase of Investment	(827,500,000)	-
Sale of Investment	836,474,272	-
Purchase of Bonds	(109,682,351)	(9,279,637)
Sale of Bonds	109,764,904	78,379,634
Interest received	4,461,326	3,068,028
<b>Net Cash Flow generated from Investing Activities (B)</b>	<b>(10,334,227)</b>	<b>(16,573,881)</b>
<b>C. Cash flow from Financing Activities</b>		
Inter-corporate loan from Holding company	550,000,000	302,500,000
Repayment of Inter-corporate loan to Holding company	(337,500,000)	(65,000,000)
Long Term borrowings	620,000,000	-
Repayment of Long Term borrowings	(100,000,000)	-
Share issue expenses	(230,296)	(1,308,560)
Proceeds from issue of Equity Shares (including premium)	210,296,268	565,099,701
<b>Net Cash Flow from Financing Activities (C)</b>	<b>902,565,972</b>	<b>801,191,141</b>
<b>Net Increase in Cash and Cash Equivalents (A+B+C)</b>	<b>88,028,574</b>	<b>(7,311,385)</b>
Cash and Cash Equivalents at the beginning of the year	6,308,119	13,621,384
<b>Cash and Cash Equivalents at the end of the year</b>	<b>66,568,692</b>	<b>6,310,119</b>
Reconciliation of Cash and cash equivalents with the Balance Sheet:		
Cash and cash equivalents (Refer Note 14)	145,883,106	27,953,155
Less: Bank balances not considered as Cash and cash equivalents as defined in AS 3 Cash Flow Statements		
In earmarked accounts	(79,314,414)	(21,642,036)
<b>Cash and Bank Balance (As per note 14)</b>	<b>66,568,692</b>	<b>6,310,119</b>

As preparatory report of even date attached  
For PwC India & South Asia LLP  
Chartered Accountants  
Firm Registration No. 003090/S200015  
*(Signature)*  
M. Suryanarayana  
Partner  
Membership No. 286402



For and on behalf of the Board of Directors

*(Signature)*  
Jyesh Jain  
CEO & Director  
DIN: 06897613

*(Signature)*  
Pooja Chaudhan  
Director  
DIN: 06882734

*(Signature)*  
Ashok Bhandari  
Chief Financial Officer



Place: Mumbai  
Dated: 6th June 2019

Place: Mumbai  
Dated: 6th June 2019

Place: Mumbai  
Dated: 6th June 2019

Place: Mumbai  
Dated: 6th June 2019



**CAPSAVE FINANCE PRIVATE LIMITED**  
**BALANCE SHEET AS AT 31 MARCH 2018**

Particulars	Note no.	(Rupees)	
		As at 31.03.2018	As at 31.03.2017
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	2	64,843,830	31,070,250
Reserves and surplus	3	936,381,697	322,142,087
		<u>1,001,225,527</u>	<u>353,212,337</u>
<b>Non-Current Liabilities</b>			
Deferred tax liabilities (net)	4	23,181,118	-
Other long term liabilities	5	114,678,304	36,430,767
Long term provisions	6	2,837,955	1,328,937
		<u>140,697,377</u>	<u>37,759,704</u>
<b>Current Liabilities</b>			
Short-term borrowings	19(5)	237,500,000	-
Trade payables			
i) total outstanding dues of micro enterprises and small enterprises		-	-
ii) total outstanding dues of creditors other than micro enterprises and small enterprises		2,687,942	2,263,441
Other current liabilities	7	125,206,661	10,387,337
Short term provisions	6	14,884,387	128,786
		<u>380,278,990</u>	<u>12,779,564</u>
<b>TOTAL</b>		<u><u>1,822,201,894</u></u>	<u><u>403,751,605</u></u>
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>Fixed Assets</b>			
Tangible assets - Property, Plant and Equipment	8	462,699,268	180,812,012
Capital Work in Progress		-	24,538,872
Intangible assets under development		-	1,800,000
		<u>462,699,268</u>	<u>207,150,884</u>
Asset under Deployment		65,069,210	2,987,388
Long-term loans and advances	9	617,450,901	121,196,064
Other non-current assets	10	390,000	350,000
		<u>682,870,111</u>	<u>124,533,452</u>
<b>Current assets</b>			
Trade receivables	11	3,266,356	1,292,718
Cash and Bank balance	12	27,602,155	17,271,304
Short-term loans and advances	9	317,448,555	51,520,549
Other current assets	13	28,515,449	1,982,696
		<u>376,632,515</u>	<u>72,067,269</u>
<b>TOTAL</b>		<u><u>1,822,201,894</u></u>	<u><u>403,751,605</u></u>

Significant Accounting Policies 1(B)

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

As per our report of even date attached

For PKF Sridhar & Santhanam LLP  
Chartered Accountants  
Firm Registration No.0039905/S200018  
*Suriyanarayana*  
Partner  
Membership No.201402

Mumbai,  
Dated: 11 June 2018



For and on behalf of the Board of Directors

*Jain*  
Binesh Jain  
CEO & Director  
DIN: 06807613

Mumbai,  
Dated: 11 June 2018

*Chauhan*  
Praveen Chauhan  
Director  
DIN: 06802734

Mumbai,

*Biyani*  
Ashok Biyani  
Chief Financial Officer

Mumbai,  
Dated: 11 June 2018



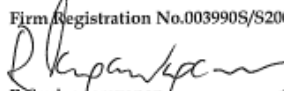
**CAPSAVE FINANCE PRIVATE LIMITED**  
**Statement of Profit and Loss for the year ended 31 March 2018**

Particulars	Note no.	For the Year ended 31.03.2018	For the Year ended 31.03.2017
(Rupees)			
I. Income from operations	14	255,987,123	22,412,619
II. Other income	15	1,996,811	3,493,419
III. Total Revenue (I + II)		257,983,934	25,906,038
IV. Expenses:			
Purchase cost of Bonds		70,279,637	-
Employee Benefit Expenses	16	25,768,785	15,844,861
Finance costs	17	4,446,069	59,757
Depreciation and amortisation	8	39,417,549	6,053,403
Contingent Provisions against Standard Assets		1,669,489	381,668
Other expenses	18	10,307,798	6,236,164
Total expenses		151,889,327	28,575,853
V Profit / (Loss) before Tax (III-IV)		106,094,607	(2,669,815)
VI Tax expense:			
Current tax		(23,270,780)	-
MAT Credit Entitlement		23,270,780	-
Deferred tax	4	(23,181,118)	-
		(23,181,118)	-
VII Profit / (Loss) for the year (V-VI)		82,913,489	(2,669,815)
Significant Accounting Policies	1(B)		
VIII Earnings per share (face value Rs. 10 each):			
Basic and Diluted	19(9)	17.83	(2.31)

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

As per our report of even date attached

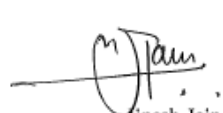
For PKF Sridhar & Santhanam LLP  
Chartered Accountants  
Firm Registration No.003990S/S200018

  
R Suriyanarayanan  
Partner  
Membership No.201402




Mumbai.  
Dated: 11 June 2018


For and on behalf of the Board of Directors

  
Jinesh Jain  
CEO & Director  
DIN: 06807613

Mumbai.  
Dated: 11 June 2018

  
Praveen Chauhan  
Director  
DIN: 06802734

Mumbai.  
Dated: 11 June 2018

  
Ashok Biyani  
Chief Financial Officer

Mumbai.  
Dated: 11 June 2018



**CAPSAVE FINANCE PRIVATE LIMITED**  
Statement of Cash Flows for the year ended 31 March 2018

Particulars	Year ended 31.03.2018	Year ended 31.03.2017
(Rupees)		
<b>A. Cash flow from Operating Activities</b>		
Net Profit/(Loss) before Tax	106,094,607	(2,669,815)
Adjustments for:		
Depreciation and amortisation	39,417,549	6,033,603
Interest Income	(1,125,564)	(8,369)
Provisions against Standard Assets	1,669,489	381,668
Intangible Assets under development written off	1,800,000	-
Share issue expenses	1,308,560	-
Interest on Tax	1,272,280	-
Interest on Short term borrowing from Holding Company	2,838,699	-
Profit/(Loss) on sale of Shares	-	2,941,652
Operating Profit/(Loss) before working capital changes	153,375,289	271,837
Adjustments for:		
Changes in advances and other assets	(82,946,802)	(12,906,794)
Changes in Assets on finance	(625,334,144)	(35,316,489)
Changes in Receivable Discounting Facility	(214,213,032)	(114,397,419)
Changes in Assets under deployment	(62,081,822)	(24,538,872)
Changes in payables, liabilities and provisions	99,499,347	20,116,209
Cash flow before taxation	(85,003,124)	(138,741,245)
Direct taxes paid (including interest)	(531,940,773)	(136,669,647)
Net Cash Flow generated from/used in Operating Activities (A)	(616,946,897)	(1,125,509)
<b>B. Cash flow from Investing Activities</b>		
Purchase of Fixed Assets	-	-
Deposits placed (net)	(248,138,438)	(191,652,802)
Sale of Investment	(17,442,030)	(4,000,000)
Purchase of Bonds	-	4,334,140
Sale of Bonds	(70,279,657)	-
Interest received	76,279,654	-
Net Cash Flow generated from Investing Activities (B)	(249,579,871)	(191,318,662)
<b>C. Cash flow from Financing Activities</b>		
ICD from RAFL	302,500,000	-
Repayment of ICD from RAFL	(65,000,000)	-
Interest on Short term borrowing from Holding Company	(2,838,699)	-
Share issue expenses	(1,308,560)	-
Proceeds from issue of Equity Shares (including premium)	555,099,701	342,659,700
Net Cash Flow from Financing Activities (C)	796,552,442	342,659,700
<b>Net Increase in Cash and Cash Equivalents (A+B+C)</b>	(6,974,326)	13,822,429
Cash and Cash Equivalents at the beginning of the year	13,621,384	76,843
Cash and Cash Equivalents at the end of the year	6,647,058	13,822,429
<b>Reconciliation of Cash and cash equivalents with the Balance Sheet:</b>		
Cash and cash equivalents (Refer Note 12)	27,592,155	17,621,384
Less: Bank balances not considered as Cash and cash equivalents as defined in AS 3 Cash Flow Statements in earmarked accounts	(21,642,030)	(4,000,000)
Cash and Bank Balance (As per note 12)	6,647,058	13,822,429

As per our report of even date attached  
For PKP Sridhar & Santhoshan LLP  
Chartered Accountants  
Firm Registration No. 0037905/S/000018  
Mumbai  
Membership No. 283002



Mumbai  
Date: 11 June 2018

For and on behalf of the Board of Directors

*Jain* *Chaudhary* *Sharma*  
Jitesh Jain Director Ashok Sharma Chief Financial Officer  
DIN: 06887463 DIN: 06882734



Mumbai, Mumbai, Mumbai  
Date: 11 June 2018 Date: 11 June 2018 Date: 11 June 2018



## ANNEXURE V: ILLUSTRATION OF BOND CASH FLOWS

<b>Illustration of Bond Cash Flows</b>	
Company	Capsave Finance Private Limited
Face Value (per security)	Rs. 10,00,000/- (Rupees Ten Lakh only)
Deemed Date of Allotment	July 30, 2020
Redemption Date / Maturity Date	July 30, 2023
Redemption amount	Rs. 10,00,000/- (Rupees Ten Lakh only) per debenture
Coupon Rate	10.40% (Ten Decimal Four Zero Percent) per annum
Frequency of the Coupon Payment with specified dates	Annually
Day Count Convention	365/365

### Cash Flow Chart

#### Illustration of Bond Cash Flows per Debenture

Cashflows	Date	No of Days in a Coupon Period	Amount (IN INR)
0	July 30, 2020		-10,00,000
1st Coupon	July 30, 2021	365	1,04,000
2nd Coupon	July 30, 2022	365	1,04,000
3rd Coupon	July 30, 2023	365	1,04,000
Principal	July 30, 2023		10,00,000

#### Final Cash Flow

Cashflows	Date	No of Days in a Coupon Period	Amount (IN INR)
0	July 30, 2020		-10,00,00,000
1st Coupon	July 30, 2021	365	1,04,00,000
2nd Coupon	July 30, 2022	365	1,04,00,000
3rd Coupon	July 30, 2023	365	1,04,00,000
Principal	July 30, 2023		10,00,00,000



**ANNEXURE VI: DIRECTORSHIP DETAILS**

<b>Director Master Data</b>	
<b>DIN</b>	06807613
<b>Name</b>	JINESH JAIN

<b>List of Companies</b>			
<b>CIN/FCRN</b>	<b>Company Name</b>	<b>Begin Date</b>	<b>End Date</b>
U71210MH2013PTC250247	RENT ALPHA PRIVATE LIMITED	08 February 2014	
U67120MH1992PTC068062	CAPSAVE FINANCE PRIVATE LIMITED	15 June 2016	

<b>List of LLP</b>			
<b>LLPIN/FLLPIN</b>	<b>LLP Name</b>	<b>Begin Date</b>	<b>End Date</b>
AAE-0244	CAPSTONE ADVISORS LLP	26 May 2015	

<b>Director Master Data</b>	
<b>DIN</b>	06802734
<b>Name</b>	PRAVEEN CHAUHAN

<b>List of Companies</b>			
<b>CIN/FCRN</b>	<b>Company Name</b>	<b>Begin Date</b>	<b>End Date</b>
U71210MH2013PTC250247	RENT ALPHA PRIVATE LIMITED	27 November 2015	
U67120MH1992PTC068062	CAPSAVE FINANCE PRIVATE LIMITED	15 June 2016	

<b>Director Master Data</b>	
<b>DIN</b>	07072060
<b>Name</b>	SHARON FARHAAD DASTOOR

<b>List of Companies</b>			
<b>CIN/FCRN</b>	<b>Company Name</b>	<b>Begin Date</b>	<b>End Date</b>
U71210MH2013PTC250247	RENT ALPHA PRIVATE LIMITED	17 June 2016	
U72200TG2005PTC048246	THOTAKA TEKHNOLOGIES INDIA PRIVATE LIMITED	14 February 2015	
U67120MH1992PTC068062	CAPSAVE FINANCE PRIVATE LIMITED	03 January 2017	





Director Master Data	
DIN	06428524
Name	KRISHAN VARMA

List of Companies			
CIN/FCRN	Company Name	Begin Date	End Date
U67120MH1992PTC068062	CAPSAVE FINANCE PRIVATE LIMITED	16 January 2020	
U74899DL1987PTC029601	CONSOLIDATED PLASTO FAB PRIVATE LTD	30 September 2014	
U91990DL1950NPL001746	THE DELHI GOLF CLUB	26 September 2015	
L21010MH1945PLC010337	Ballarpur Industries Ltd	16th May 2019	28th Aug 2019



**ANNEXURE VII: APPLICATION FORM**

**CAPSAVE FINANCE PRIVATE LIMITED**

**CIN:** U67120MH1992PTC068062

A private limited company incorporated under the Companies Act, 1956

**Date of Incorporation:** 7<sup>TH</sup> August 1992

**Registered Office:** Unit No.501 Wing-D, Lotus Corporate Park, Western Express Highway, Goregaon (East),  
Mumbai - 400 063

**Telephone No.:** 022-6173 7603

**Website:** [www.capsavefinance.com](http://www.capsavefinance.com)

<b>APPLICATION FORM SERIAL NO.</b>				
------------------------------------	--	--	--	--

**Issue of 100 (One Hundred) rated, secured, unsubordinated, senior, redeemable, taxable, transferable, listed, non-convertible debentures Rs. 10,00,000/- (Rupees Ten Lakh Only) each, aggregating upto Rs. 10,00,00,000/- (Rupees Ten Crores Only), fully paid-up for cash at par to the face value on a private placement basis (the "Issue").**

**Debentures applied for:**

Number of Debentures: \_\_\_\_\_ In words \_\_\_\_\_

Amount Rs. \_\_\_\_\_ /-in words (**Rupees** \_\_\_\_\_ **Only**)

**DETAILS OF PAYMENT:**

NEFT/ RTGS

No. \_\_\_\_\_ Drawn on \_\_\_\_\_ **Bank**

Funds transferred to Capsave Finance Private Limited

Dated \_\_\_\_\_

Total Amount Enclosed

(In Figures) Rs. \_\_\_\_\_ /- (In words) Indian Rupees \_\_\_\_\_ Only

**APPLICANT'S NAME IN FULL (CAPITALS)**

**SPECIMEN**

**SIGNATURE**

--	--

**APPLICANT'S ADDRESS:**

<b>ADDRESS</b>					
<b>STREET</b>					
<b>CITY</b>					
<b>PIN</b>		<b>PHONE</b>		<b>FAX</b>	

APPLICANT'S PAN/GIR NO. \_\_\_\_\_ IT CIRCLE/WARD/DISTRICT \_\_\_\_\_



I AM / WE ARE ( ) COMPANY ( ) OTHERS ( ) SPECIFY \_\_\_\_\_

We have read and understood the terms and conditions of the issue of Debentures including the risk factors described in the private placement offer cum application letter dated July 30, 2020 ("PPOA") and have considered these in making our decision to apply. We bind ourselves to the terms and conditions of the PPOA and wish to apply for allotment of the Debentures. We request you to please place our name(s) on the register of holders.

Name of the Authorised Signatory(ies)	Designation	Signature

\_\_\_\_\_  
Applicant's Signature

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

DEPOSITORY	NSDL ( ) CDSL ( )
Depository Participant Name	
DP-Id	
Beneficiary Account Number	
Name of the Applicant(s)	

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

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

*(Note: Cheque and Drafts are subject to realisation)*

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

We understand that: i) in case of allotment of Debentures to us, our Beneficiary Account as mentioned above would get credited to the extent of allotted Debentures, ii) the Applicant must ensure that the sequence of names as mentioned in the Application Form matches the sequence of name held with our Depository Participant, iii) if the names of the Applicant in this application are not identical and also not in the same order as the Beneficiary Account details with the above mentioned Depository Participant or if the Debentures cannot be credited to our Beneficiary



Account for any reason whatsoever, the Company shall be entitled at its sole discretion to reject the application or issue the Debentures in physical form.

\_\_\_\_\_  
Applicant's Signature

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

(Note: Cheque and Drafts are subject to realisation)

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

**- ACKNOWLEDGMENT SLIP -**

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

Received from \_\_\_\_\_

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

\_\_\_\_\_  
\_\_\_\_\_

Initial of the Officer of Capsave Finance Private Limited designated to keep the record



## INSTRUCTIONS

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

<b>Beneficiary name</b>	Capsave Finance Private Limited – Application Money
Beneficiary account no.	50200023146282
Beneficiary address	Ground Floor, Conwood House, Yashodham, General A.K. Vaidya Marg, Mumbai Maharashtra -400063
Beneficiary bank	HDFC Bank Limited
Account type	Current
IFSC code	HDFC0000212

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

- a) for adjustment against allotment of securities; or
  - b) for the repayment of monies where the company is unable to allot securities.
4. Outstation Cheques, Cash, Money Orders, Postal Orders and Stock Invest shall not be accepted.
  5. Receipt of applicants will be acknowledged by the Company in the “Acknowledgement Slip” appearing below the application form. No separate receipt will be issued.
  6. All applicants should mention their Permanent Account No. or their GIR No. allotted under Income Tax Act, 1961 and the Income Tax Circle/Ward/District. In case where neither the PAN nor the GIR No. has been allotted, the fact of non-allotment should be mentioned in the application form in the space provided. Income Tax as applicable will be deducted at source at the time of payment of interest including interest payable on application money.
  7. The application would be accepted as per the terms of the manner outlined in the transaction documents for the private placement.

