

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

No.: _____
Addressed to: _____

KEY INFORMATION DOCUMENT

AYE [आय]

AYE FINANCE PRIVATE LIMITED ("Issuer" / "Company")

A private limited company incorporated and validly existing under the Companies Act 1956 and validly existing under the Companies Act, 2013.

Key Information Document for issue of Debentures on a private placement basis dated: 22nd August 2023

ISSUE OF UP TO 3,500 (THREE THOUSAND FIVE HUNDRED) SECURED, LISTED, RATED, UNSUBORDINATED, REDEEMABLE, TRANSFERABLE, NON-CONVERTIBLE DEBENTURES HAVING A FACE VALUE OF INR 1,00,000/- (INDIAN RUPEES ONE LAKH ONLY) EACH, FOR CASH, AT PAR, AGGREGATING UP TO INR 35,00,00,000/- (INDIAN RUPEES THIRTY-FIVE CRORES ONLY) IN A DEMATERIALIZED FORM ON A PRIVATE PLACEMENT BASIS (THE "ISSUE") (HEREINAFTER REFERRED TO AS "DEBENTURES") BY AYE FINANCE PRIVATE LIMITED (THE "COMPANY") OR ("ISSUER").

This Key Information Document shall be read in conjunction with the General Information Document dated 19th July 2023.

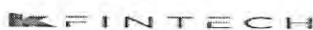
PART A: DISCLOSURES AS PER SEBI NCS Regulations:

Please see below the disclosures as required under the terms of the SEBI NCS Regulations (as defined below):

S. No.	Particulars	Relevant Disclosure
1.	Details of debenture trustee for the Issue:	Name: Catalyst Trusteeship Limited Address: Windsor, 6th Floor, Office No. 604, C.S.T. Road, Kalina, Santacruz (East), Mumbai - 400098, Maharashtra, India  Logo: CATALYST Telephone Number: 022-49220502 Email address: umesh.salvi@ctltrustee.com Contact person: Mr. Umesh Salvi, Managing Director
2.	Details of credit Rating Agent for the Issue:	Name: India Ratings and Research Private Limited Address: Wockhardt Tower, Level 4, West Wing, Plot C-2, G Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400051, Maharashtra, India.



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		 India Ratings & Research A Fitch IBCA Company Logo: Telephone Number: 022-40001700 Email address: jinay.gala@indiaratings.co.in Contact person: Jinay P. Gala
3.	Date of Key Information Document	22 nd August 2023
4.	Type of Key Information Document	This Key Information Document is being issued in relation to the private placement issue of Debentures.
5.	The nature, number, price and amount of securities offered and issue size (base issue or green shoe), as may be applicable	Base Issue: Issue of up to 3,500 (Three Thousand Five Hundred) secured, listed, rated, unsubordinated, redeemable, transferable, non-convertible debentures having a face value of INR 1,00,000/- (Indian Rupees One Lakh only) each, for cash, at par, aggregating up to INR 35,00,00,000/- (Indian Rupees Thirty-Five Crores Only) on a private placement basis. Green Shoe: Not applicable
6.	The aggregate amount proposed to be raised through all the stages of offers of non-convertible securities made through the shelf prospectus (applicable only in case of public issuance);	Not applicable.
7.	Details of Registrar to the Issue:	Name: KFin Technologies Limited Address: Plot No 31 & 32, Scenuim Building, Financial District, Nanakramguda, Gachibowli, Hyderabad - 500 032, Telangana, India Logo:  Telephone Number: +91- 040-67162222 Website: www.kfintech.com Email address: unlservices@kfintech.com Contact Person: Mr. S P Venugopal
8.	Legal Counsel	Name: Juris Corp, Advocates & Solicitors  Juris Corp Logo: advocates & solicitors Contact Person: Partner, Securities Address: 302, Century Bhavan, 3 rd Floor, Dr Annie Besant Road, Worli, Mumbai - 400 030, India Email: securities@jcllex.com



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		Tel: 022 6720 5555 Website: www.jclex.com
9.	Statutory Auditor	 Logo: Building a better working world Name: M/s. S.R. Batliboi & Associates LLP Address: 2nd & 3rd Floor, Gold View, Corporate tower - B, Sector-42, Sector Road, Gurugram - 122002, Haryana. Email address: Kapil3.Sharma@srb.in Telephone Number: +91 124 681 6000 Contact Person: Mr. Kapil Sharma
10.	Issue Schedule	Date of opening of the Issue: 24th August 2023 Date of closing of the Issue: 24th August 2023 Date of earliest closing of the Issue (if any): Not Applicable Pay-in date: 25th August 2023 Deemed Date of Allotment: 25th August 2023 Redemption Date: 25th February 2025
11.	Credit Rating of the Issue	The Rating Agent has vide its letter dated 22nd August 2023 and rating rationale and its press release dated 17th March 2023 assigned a rating of "IND A-" in respect of the Debentures. Please refer to Annexure I of this Key Information Document for the credit rating letter and rating rationale received from the Rating Agent assigning the credit rating abovementioned and the press release by the Rating Agent in this respect.
12.	All the ratings obtained for the private placement of Issue	Please refer to S.no 25 (<i>Credit Rating of the Issue</i>) above. No other ratings have been obtained for the purposes of this Issue.
13.	The name(s) of the stock exchanges where the securities are proposed to be listed, subject to change	The Debentures are proposed to be listed on the wholesale debt market of the BSE Limited ("BSE"). Please refer to Annexure VIII (In-Principle approval) of the Key Information Document for the in-principle approval for listing obtained from BSE in relation to the General Information Document as issued by the Issuer. BSE shall be the 'Designated Stock Exchange' for the purpose of maintenance of the recovery expense fund prescribed by SEBI under the SEBI Debenture Trustees Circular, as may be amended from time to time.
14.	The details about eligible investors;	The following categories of investors, when specifically approached and have been identified upfront, are eligible to apply for this private placement of Debentures subject to fulfilling their respective investment norms/rules and compliance with laws applicable to them by submitting all the relevant documents along with the application Form ("Eligible Investors"): a) Resident Individuals;



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		b) Hindu Undivided Family; c) Trust; d) Limited Liability Partnerships, Partnership Firm(s); e) Portfolio Managers and Foreign Institutional Investors (FII) registered with SEBI; f) Associate of Persons; g) Companies and Bodies Corporate including Public Sector Undertakings; h) Commercial Banks, Regional Rural Banks, Financial Institutions; i) Insurance Companies; j) Mutual Funds/Alternative Investment Fund (AIF); and k) Any other investor eligible to invest in these Debentures. All potential Investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this issue of Debentures. Note: Participation by potential investors in the Issue may be subject to statutory and/or regulatory requirements applicable to them in connection with subscription to Indian securities by such categories of persons or entities. Applicants are advised to ensure that they comply with all regulatory requirements applicable to them, including exchange controls and other requirements. Applicants ought to seek independent legal and regulatory advice in relation to the laws applicable to them.
15.	Coupon rate, coupon payment frequency, redemption date, redemption amount and details of debenture trustee	In respect of the Coupon Rate, the Coupon Payment Frequency, the Redemption Date and Redemption Amount in respect of the Debentures, please refer to Section 2.8 (<i>Issue Details</i>) of this Key Information Document. The details of Debenture Trustee are provided under S. No. 1 of this table above.
16.	Nature and issue size, base issue and green shoe option, if any, shelf or tranche size, each as may be applicable	Issue Size: Up to 3,500 (Three Thousand Five Hundred) secured, listed, rated, unsubordinated, redeemable, transferable, non-convertible debentures having a face value of INR 1,00,000/- (Indian Rupees One Lakh only) each, for cash, at par, aggregating up to INR 35,00,00,000/- (Indian Rupees Thirty-Five Crores Only) on a private placement basis. Base Issue Size: Up to 3,500 (Three Thousand Five Hundred) secured, listed, rated, unsubordinated,



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		redeemable, transferable, non-convertible debentures having a face value of INR 1,00,000/- (Indian Rupees One Lakh only) each, for cash, at par, aggregating up to INR 35,00,00,000/- (Indian Rupees Thirty-Five Crores Only) on a private placement basis. Green Shoe option: Not Applicable														
17.	Details about underwriting of the issue including the amount undertaken to be underwritten by the underwriters:	Not Applicable.														
18.	Inclusion of a compliance clause in relation to electronic book mechanism and details pertaining to the uploading the Key Information Document on the Electronic Book Provider Platform, if applicable.	The final subscription to the Debentures shall be made by the Eligible Investors through the electronic book mechanism as prescribed by SEBI under the EBP Guidelines by placing bids on the electronic book platform during the Issue period. In case the Eligible Investors are not registered on the EBP, they will have to register themselves as investor on the said platform (as a one-time exercise) and also complete the mandatory KYC verification process. The Eligible Investors should also refer to the operational guidelines of the EBP in this respect. The disclosures required pursuant to the EBP Guidelines are set out hereinbelow: <table><tr><td>Details of size of the Issue including green shoe option, if any</td><td>Total Issue size of Issue: INR 35,00,00,000/- (Indian Rupees Thirty-Five Crores Only)</td></tr><tr><td>Bid opening and closing date</td><td>Bid opening date: 24th August 2023; and Bid closing date: 24th August 2023.</td></tr><tr><td>Minimum Bid lot</td><td>100 (One Hundred) Debentures (aggregating to INR 1,00,00,000 (Indian Rupees One Crore), and 1 (one) Debenture thereafter.</td></tr><tr><td>Manner of bidding in the Issue</td><td>Open Bidding</td></tr><tr><td>Manner of allotment in the Issue</td><td>The allotment will be done on Uniform Yield basis in accordance with EBP Guidelines.</td></tr><tr><td>Manner of settlement in the Issue</td><td>Pay-in of funds through ICCL and the account details are given in the Section 4.2 (<i>Process flow of settlement</i>) of this Key Information Document.</td></tr><tr><td>Settlement cycle</td><td>T+1, where T refers to the date of bid opening date / issue opening date</td></tr></table>	Details of size of the Issue including green shoe option, if any	Total Issue size of Issue: INR 35,00,00,000/- (Indian Rupees Thirty-Five Crores Only)	Bid opening and closing date	Bid opening date: 24 th August 2023; and Bid closing date: 24 th August 2023.	Minimum Bid lot	100 (One Hundred) Debentures (aggregating to INR 1,00,00,000 (Indian Rupees One Crore), and 1 (one) Debenture thereafter.	Manner of bidding in the Issue	Open Bidding	Manner of allotment in the Issue	The allotment will be done on Uniform Yield basis in accordance with EBP Guidelines.	Manner of settlement in the Issue	Pay-in of funds through ICCL and the account details are given in the Section 4.2 (<i>Process flow of settlement</i>) of this Key Information Document.	Settlement cycle	T+1, where T refers to the date of bid opening date / issue opening date
Details of size of the Issue including green shoe option, if any	Total Issue size of Issue: INR 35,00,00,000/- (Indian Rupees Thirty-Five Crores Only)															
Bid opening and closing date	Bid opening date: 24 th August 2023; and Bid closing date: 24 th August 2023.															
Minimum Bid lot	100 (One Hundred) Debentures (aggregating to INR 1,00,00,000 (Indian Rupees One Crore), and 1 (one) Debenture thereafter.															
Manner of bidding in the Issue	Open Bidding															
Manner of allotment in the Issue	The allotment will be done on Uniform Yield basis in accordance with EBP Guidelines.															
Manner of settlement in the Issue	Pay-in of funds through ICCL and the account details are given in the Section 4.2 (<i>Process flow of settlement</i>) of this Key Information Document.															
Settlement cycle	T+1, where T refers to the date of bid opening date / issue opening date															



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19.	Specific declaration requested by BSE: non-equity regulatory capital	This issue of Debentures does not form part of non-equity regulatory capital mentioned under Chapter V of the SEBI NCS Regulations. The face value of each Debenture is INR 1,00,000 (Indian Rupees One Lakh Only).
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Background

This Key Information Document (as defined below) is related to the issue of up to 3,500 (Three Thousand Five Hundred) secured, listed, rated, unsubordinated, redeemable, transferable, non-convertible debentures having a face value of INR 1,00,000/- (Indian Rupees One Lakh only) each, for cash, at par, aggregating up to INR 35,00,00,000/- (Indian Rupees Thirty-Five Crores Only) to be issued by **Aye 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 and must be read along with the General Information Document issued by the Issuer. The issue of the Debentures comprised in the Issue and described under this Key Information Document has been authorised by the Issuer through resolutions passed by the shareholders of the Issuer on 29th September 2022, the Board of Directors of the Issuer on 7th July 2023 and Memorandum and Articles of Association of the Company. Pursuant to the resolution passed by the Company’s shareholders dated 29th September 2022 in accordance with provisions of the Companies Act, 2013, the Company has been authorised to raise funds, by way of issuance of non-convertible debentures, upon such terms and conditions as the Board may think fit for aggregate amounts not exceeding INR 25,00,00,00,000/- (Indian Rupees Two Thousand and Five Hundred Crores Only). The present issue of Debentures in terms of this Key Information Document is within the limits as prescribed in such relevant resolution.

THIS KEY INFORMATION DOCUMENT IS NEITHER A PROSPECTUS NOR A STATEMENT IN LIEU OF A PROSPECTUS AND DOES NOT CONSTITUTE AN OFFER TO THE PUBLIC GENERALLY TO SUBSCRIBE FOR OR OTHERWISE ACQUIRE THE DEBENTURES TO BE ISSUED UNDER THE ISSUE.

THIS KEY INFORMATION DOCUMENT IS PREPARED AND ISSUED IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) REGULATIONS, 2021, ISSUED VIDE NOTIFICATION NUMBER SEBI/LAD-NRO/GN/2021/39 DATED 09TH AUGUST 2021, AS AMENDED FROM TIME TO TIME, READ WITH THE CIRCULARS ISSUED THEREUNDER; THE MASTER CIRCULAR FOR ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES, SECURITISED DEBT INSTRUMENTS, SECURITY RECEIPTS, MUNICIPAL DEBT SECURITIES AND COMMERCIAL PAPER ISSUED BY SECURITIES AND EXCHANGE BOARD OF INDIA, ISSUED VIDE CIRCULAR NO. SEBI/HO/DDHS/PoD1/P/CIR/2023/119 DATED 10TH AUGUST, 2021, AS AMENDED FROM TIME TO TIME, THE PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER PURSUANT TO SECTION 42 OF THE COMPANIES ACT, 2013 READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014 AND PURSUANT TO SECTION 71 OF THE COMPANIES ACT, 2013 READ WITH RULE 18 OF THE COMPANIES (SHARE CAPITAL AND DEBENTURES) RULES, 2014 FOR ISSUE OF NON-CONVERTIBLE DEBENTURES ON A PRIVATE PLACEMENT BASIS. THIS KEY INFORMATION DOCUMENT SHALL BE READ IN CONJUNCTION WITH THE GENERAL INFORMATION DOCUMENT DATED 19th JULY 2023.

Particulars	Date
Issue Opening Date	24 th August 2023
Issue Closing Date	24 th August 2023
Pay In Date	25 th August 2023
Deemed Date of Allotment	25 th August 2023

Listing

The Debentures are proposed to be listed on the wholesale debt market of the BSE. The Issuer has obtained an in-principle approval in relation to the General Information Document from the Stock Exchange on 20th July 2023



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The Issuer, with prior notice to the Debenture Trustee, may get the Debentures listed on other material stock exchanges as it deems fit. The Issuer shall comply with the requirements of the listing agreement to the extent applicable to it on a continuous basis.

TABLE OF CONTENTS

SECTION 1: DEFINITIONS AND ABBREVIATIONS.....	8
SECTION 2: REGULATORY DISCLOSURES	14
SECTION 3: TRANSACTION DOCUMENTS AND KEY TERMS	36
SECTION 4 : OTHER INFORMATION AND APPLICATION PROCESS.....	63
SECTION 5: FORM NO. PAS-4	67
ANNEXURE I: RATING LETTER, RATING RATIONALE AND DETAILED PRESS RELEASE FROM THE RATING AGENT	
ANNEXURE II: CONSENT LETTER FROM THE DEBENTURE TRUSTEE.....	
ANNEXURE III: APPLICATION FORM.....	
ANNEXURE IV: ILLUSTRATION OF BOND CASH FLOWS	
ANNEXURE VI: SHAREHOLDERS RESOLUTION	
ANNEXURE VII: DUE DILIGENCE CERTIFICATES	



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SECTION 1: DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates or requires and if not otherwise defined in the General Information Document, the following terms shall have the meanings given below in this Key Information Document.

Business Day	shall be any day (other than a Sunday or a public holiday) under Section 25 of the Negotiable Instruments Act, 1881, on which scheduled commercial banks are open for general business in Delhi, India.
Conditions Precedent	means the conditions precedent set out under the heading in Section 2.8 (<i>Issue Details</i>) of this Key Information Document.
Conditions Subsequent	Means the conditions subsequent set out in Section 2.8 (<i>Issue Details</i>) of this Key Information Document.
Debenture Trust Deed	means the trust deed executed / to be executed by and between the Debenture Trustee and the Issuer 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 on or around the date of this Key Information Document.
Debenture Trustee	Catalyst Trusteeship Limited. A copy of the consent letter has been annexed hereto in Annexure II of this Key Information Document Further, a copy of the due diligence certificate is set out in Annexure VII of this Key Information Document hereto.
Debenture Trustee Agreement	means the agreement executed by and between the Debenture Trustee and the Issuer for the purposes of appointment of the Debenture Trustee to act as debenture trustee in connection with the issuance of the Debentures on or around the date of this Key Information Document.
Debentures	Issue of up to 3,500 (Three Thousand Five Hundred) secured, listed, rated, unsubordinated, redeemable, transferable, non-convertible debentures having a face value of INR 1,00,000/- (Indian Rupees One Lakh only) each, for cash, at par, aggregating up to INR 35,00,00,000/- (Indian Rupees Thirty-Five Crores Only) on a private placement basis pursuant to the terms of the General Information Document read along with this Key Information Document. Base Issue: Up to 3,500 (Three Thousand Five Hundred) secured, listed, rated, unsubordinated, redeemable, transferable, non-convertible debentures having a face value of INR 1,00,000/- (Indian Rupees One Lakh only) each, for cash, at par, aggregating up to INR 35,00,00,000/- (Indian Rupees Thirty-Five Crores Only) on a private placement basis. Green Shoe option: Not Applicable
Deed of Hypothecation	shall mean the unattested deed of hypothecation dated on or around the date of the Debenture Trust Deed to create a first ranking, exclusive, current and continuing charge over the Hypothecated Assets, to be executed between the Issuer and the Debenture Trustee to secure the Secured Obligations in relation to the Debentures.
Deemed Date of Allotment	shall mean the date on which the Debentures shall have been deemed to be allotted to the Debenture Holders – 25 th August 2023



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Eligibility Criteria	Commencing from the effective date of the Deed of Hypothecation until the Final Settlement Date: (a) each Loan underlying the Hypothecated Assets shall be current at the time of selection and shall not be terminated or prepaid; (b) no Loan underlying the Hypothecated Assets should have been restructured or rescheduled (determined in accordance with the criteria prescribed by the RBI); (c) each Loan (as defined under the Deed of Hypothecation) underlying the Hypothecated Assets must be in compliance with all applicable know your customer requirements prescribed by the RBI; (d) each Loan underlying the Hypothecated Assets should be in the form of a loan extended for the purpose of its / his / her business; (e) each Loan underlying the Hypothecated Assets must have been originated by the Company, and must not have been purchased from any other third party; (f) No Loan underlying the Hypothecated Assets must have been a "co-lent" loan; (g) the Company shall have the option to buy the portfolio of the Loans underlying the Hypothecated Assets or cause such portfolio to be securitized (in whole or in part) and sold to a special purpose vehicle at a future date at a purchase price mutually agreed upon by the Company and the Obligor based on the prevailing market rates ("Purchase Price"). Any difference between the amounts due under each Loan Agreement and the Purchase Price shall be repaid forthwith by the Obligors to the Company, at the option of the Company. The portion of such portfolio that is securitised shall be selected by the Company based on the Company's due diligence and agreed eligibility criteria; (h) each Loan underlying the Hypothecated Assets must not have been provided to individuals who have a history of late payments or overdues; and (i) each Loan underlying the Hypothecated Assets should be formed only by allocating 100% (one hundred percent) of the Loan to the Debenture Holders. No Loan underlying the Hypothecated Assets should be hypothecated to any other lender. the proportion of assets which are delinquent but less than 30 (thirty) days shall not be more than 10% (ten percent) of the loans underlying the Hypothecated Assets at any point of time.
Eligible Investors	has the meaning given to it under Section 4.4 of the Key Information Document.
Events of Default	means the events of default set out in Section 2.8 (<i>Issue Details</i>) of this Key Information Document, and "Event of Default" shall be construed accordingly.
Final Redemption Date	means the date occurring on the expiry of 18 (eighteen) months from the Deemed Date of Allotment, being, 25 th February 2025
Financial Indebtedness	shall mean in relation to any Person any indebtedness of such



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	Person for or in respect of: (a) moneys borrowed; (b) any amount raised by acceptance under any acceptance credit facility or dematerialised equivalent; (c) any amount raised by acceptance of vendor bill discounting facility, receivables bill discounting or dematerialised equivalent; (d) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument including any accrued interest or redemption premium thereon; (e) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with the Applicable Accounting Standards, be treated as a finance or capital lease; (f) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis); (g) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing, including on any other direct or indirect or secured or unsecured recourse basis; (h) shares which are expressed to be redeemable, or any shares or instruments convertible into shares, or any shares or other securities, in each case which are otherwise the subject of a put option or call option or any form of guarantee; (i) any counter-indemnity obligation in respect of a guarantee, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; (j) any amount of any liability under any advanced or deferred purchase agreement if one of the primary reasons behind the entry into such agreement is to raise finance; (k) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value shall be taken into account); and (l) the amount of any liability in respect of any indemnity (without double counting) for any of the items referred to in paragraphs (a) to (k) above.
General Information Document	means the General Information Document issued by the Issuer dated 19 th July 2023 for the purpose of issue of the non-convertible securities on a private placement basis in accordance with Applicable Laws.
Hypothecated Assets	has the meaning given to it in the Section 2.8 (<i>Issue Details</i>) of the Key Information Document.
Interest Payment Dates	means the payment dates as specified in Annexure IV of this Key Information Document.
Interest Rate/Coupon Rate	10.50% p.a. (ten point five zero per cent) per annum and payable quarterly.
Issue	means the private placement of the Debentures.



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Issue Closing Date	24 th August 2023
Issue Opening Date	24 th August 2023
Key Information Document	This Key Information Document dated 22 nd August 2023.
Majority Debenture Holders	shall mean, such number of Debenture Holders collectively holding more than 50% (fifty percent) of the value of the nominal amount of the Debentures for the time being outstanding.
Material Adverse Effect	Material Adverse Effect' shall mean the effect or consequence of an event, circumstance, occurrence or condition which in the sole opinion of the Debenture Trustee (acting on the resolution of Majority Debenture Holders), has caused, as of any date of determination or could reasonably expect to cause, a material and adverse effect on. (a) the financial condition, assets, results of prospects, credit standing on the business, conditions, operation, profits, or sales of the Issuer where the net worth erodes by more than 50%; (b) the ability of the Issuer to enter into, perform or comply with its obligations under any Transaction Document; (c) the validity, legality or enforceability of, or the rights or remedies of any Debenture Holder under, any Transaction Document including the ability of any party to enforce any of its remedies thereunder; and (d) any other effect or change which adversely affect the interest of the Debenture Holder(s) or the Debenture Trustee under any of the Transaction Documents.
Net Worth	has the meaning given to it in the Act.
Outstanding Amounts	shall mean the Coupon, Default Interest, if any, additional interest, liquidated damages (if any) payable in relation to the Debentures, costs, indemnities, charges, expenses, fees (including the remuneration of the Debenture Trustee, Rating Agent and the Receiver, attorneys etc. and), all taxes, levies, cess including stamp duty and any/all other reasonable amounts, costs, charges due and payable by the Issuer under the Transaction Documents.
Outstanding Principal Amount	means, at any date, the principal amount outstanding under the Debentures.
Payment Default	means any event, act or condition which, with notice or lapse of time, or both, would constitute an Event of Default under paragraph (i) under the section named "Events of Default" under Section 2.8 (<i>Issue Details</i>) of this Key Information Document.
Private Placement Offer cum Application Letter/PPOAL	The offer cum application letter prepared in compliance with Section 42 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014.
Purpose	means the purpose for which the Debentures are issued being the proceeds of the issuance of Debentures will be utilized by the Issuer for the purpose of raising debt for the ongoing business of the Issuer (including the expansion of the Issuer's loan portfolio) and to originate loans to micro, small and medium enterprises ("MSME") as defined under the India Micro, Small, Medium Enterprises Development Act, 2006.



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	Provided that no part of the proceeds shall be utilized directly/indirectly towards the following: (a) capital markets (including equity, debt, debt linked and equity linked instruments or any other capital market land activities); (b) any speculative purposes; (c) any investment in the real estate sector; and (d) in contravention of any applicable law. Further, no part of the proceeds of issuance of Debentures shall be utilized directly/indirectly towards repaying existing debts, and for disbursement of loan to promoter and director(s) of the Issuer. PROVIDED HOWEVER, the Company shall be entitled to temporarily invest the funds raised by the Issue in liquid mutual funds and deposits held with scheduled commercial banks for a period not exceeding 15 (Fifteen) calendar days from the Deemed Date of Allotment.
Rating	"IND A-" assigned by the Rating Agent.
Rating Agent	means India Ratings and Research Private Limited a company incorporated under the Companies Act, 1956 and validly existing under the Companies Act, 2013 having corporate identification number U67100MH1995FTC140049 and its registered office at Wockhardt Tower, Level 4, West Wing, Plot C-2, G Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400051, Maharashtra, India.
Record Date	means the date falling 07 (seven) calendar days prior to the Coupon Payment Date or the Redemption Date.
Redemption Date	means each of the Final Redemption Date and the dates on which a Redemption Payment is required to be made as more particularly set out in Annexure IV this Key Information Document.
Redemption Payment	means the payment of the Outstanding Principal Amounts of the Debentures on the Redemption Dates (including the Final Redemption Date) or any other date in accordance with the Debenture Trust Deed.
Register of Beneficial Owners	means the register of beneficial owners of the Debentures maintained in the records of the Depositories.
R&T Agent/Registrar	shall mean KFin Technologies Limited, a company incorporated under the Companies Act 2013 with corporate identification number L72400TG2017PLC117649 and having its registered office at Plot No 31 & 32, Scenuim Building, District, Nanakramguda, Gachibowli, Hyderabad - 500 032, Telangana, India.
Secured Obligations	shall mean the aggregate of the Outstanding Amounts and the Redemption Amounts.
Security Cover	has the meaning given to it in the Section 2.8 (<i>Issue Details</i>) of the Key Information Document.
Stock Exchange	shall mean BSE.
Tangible Net Worth	means, with respect to any person, the amount paid up on such person's issued equity share capital, compulsorily convertible preference share capital, compulsorily convertible debentures and any amount standing to the credit of its reserves, less equity or equity-like investments, goodwill, deferred tax assets and other intangible assets.



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Tier I Capital	has the meaning given to it in the NBFC Directions.
Tier II Capital	has the meaning given to it in the NBFC Directions.
Transaction Documents	The documents executed or to be executed in relation to the issuance of the Debentures as more particularly set out in Section 2.8 (<i>Issue Details</i>) of this Key Information Document.
Transaction Security	has the meaning given to it in the Section 2.8 (<i>Issue Details</i>) of this Key Information Document.
WDM	Wholesale Debt Market segment of the BSE.



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SECTION 2: REGULATORY DISCLOSURES

This Key Information Document is prepared in accordance with the provisions of SEBI NCS Regulations and in this section, the Issuer has set out the details required as per Schedule I of the SEBI NCS Regulations.

2.1 Expenses of the issue:

Particulars of expenses	Amount	Percentage of total expenses	Percentage of total issue size
Lead Manager Fees	Not applicable as the Debentures under this Key Information Document are being issued on private placement basis under Section 42 of Companies Act, 2013, and no lead manager has been appointed for this issuance of Debentures.	Not Applicable	Not Applicable
Underwriting Commission	Not applicable as the Debentures under this Key Information Document are being issued on private placement basis under Section 42 of Companies Act, 2013, and no underwriting commission is being paid for this issuance of Debentures.	Not Applicable	Not Applicable
Brokerage, selling commission and upload fees	Not applicable as the Debentures under this Key Information Document are being issued on private placement basis under Section 42 of Companies Act, 2013, and no brokerage, selling commission and upload fees is	Not Applicable	Not Applicable



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	being paid for this issuance of Debentures.		
Fees payable to the registrar to the issue	Not applicable. The Issuer is being advised by its in-house legal and compliance team.	Not Applicable	Not Applicable
Fees payable to the legal advisors	The Issuer is being advised by its in-house legal and compliance team.	Not Applicable	Not Applicable
Advertising and marketing expenses	Not Applicable *	Not Applicable *	Not Applicable *
Fees payable to the regulators including stock exchange	INR 21,416	100%	100%
Expenses incurred on printing and distribution of issue stationary	Not Applicable **	Not Applicable **	Not Applicable **
Any other fees, commission or payments under whatsoever nomenclature	Not Applicable ***	Not Applicable ***	Not Applicable ***

* As the Debentures will be issued by way of private placement to identified investors in accordance with the process prescribed by SEBI, no specific advertising and marketing expenses are envisaged to be payable in respect of such issue of Debentures.

** As the Debentures will be issued by way of private placement to identified investors in accordance with the process prescribed by SEBI, no specific expenses are envisaged to be incurred on printing and distribution of issue stationary in respect of such issue of Debentures.

*** As the Debentures will be issued by way of private placement to identified investors in accordance with the process prescribed by SEBI, no specific fees, commission and payments under whatever nomenclature are envisaged to be incurred in respect of such issue of Debentures.

2.2 Debt: Equity Ratio of the Company:

Before the issue	3.24
After the issue	3.29

Note- Net worth figure has been taken as on 30th June 2023.

2.3 The name(s) of the debentures trustee(s) shall be mentioned with statement to the effect that debenture trustee(s) has given its consent for appointment along with copy of the consent letter from the debenture trustee.

The Debenture Trustee for the proposed issue of Debentures shall be Catalyst Trusteeship Limited and has given its written consent for its appointment as debenture



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trustee to the Issue and inclusion of its name in the form and context in which it appears in this Key Information Document and in all the subsequent periodical communications sent to the Debenture Holders. The consent letter from Debenture Trustee is provided in **Annexure II** of this Key Information Document.

- 2.4 Details of credit rating along with reference to the rating letter issued (not older than one month on the date of opening of the issue) by the rating agencies in relation to the issue shall be disclosed. The detailed press release of the Credit Rating Agencies along with rating rationale(s) adopted (not older than one year on the date of opening of the issue) shall also be disclosed.**

The Rating Agent has assigned a rating of “**IND A-**” to the Debentures. The rating letter from the Rating Agent and the rating rationale from the Rating Agent along with the detailed press release is provided in **Annexure I** of this Key Information Document.

- 2.5 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 Key Information Document.**

Not Applicable.

- 2.6 Details of specific entities in relation to the current Issue of Non-Convertible Debentures:**

S. No.	Particulars	Details
1.	Legal Counsel (if any)	Name: Juris Corp, Advocates & Solicitors Logo:  Contact Person: Partner, Securities Address: 302, Century Bhavan, 3 rd Floor, Dr Annie Besant Road, Worli, Mumbai - 400 030, India Email: securities@jclcx.com Tel: 022 6720 5555 Website: www.jclcx.com
2.	Guarantor (if applicable)	Not Applicable
3.	Arrangers, if any	Not Applicable

- 2.7 Disclosure of Cash flow with date of interest/dividend/ redemption payment as per day count convention**

- (a) The day count convention for dates on which the payments in relation to the non-convertible securities which need to be made:**

Coupon and all other charges shall accrue based on actual/actual day count convention in accordance with Chapter III (*Day count convention, disclosure of cash flows and other disclosures in the offer document*) of the SEBI circular no. SEBI/HO/DDHS/PoD1/P/CIR/2023/119 dated August 10, 2021 on "Master Circular for



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issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper", as may be amended and modified from time to time;

- (b) **Cash flows emanating from the non-convertible securities shall be mentioned in the Key Information Document, by way of an illustration:**

The cashflows emanating from the Debentures, by way of an illustration, are set out in **Annexure IV** of this Key Information Document.

2.8 Issue Details applicable for this issuance of the Debentures under this Key Information Document.

**** In case of any inconsistencies or conflict of interest between the Key Information Document and the Transaction Documents, the terms set out in the Debenture Trust Deed and the other Transaction Documents shall prevail.**

Security Name (Name of the non-convertible securities which includes Coupon / dividend, Issuer Name and maturity year)	10.50 Aye Finance 2025
Issuer	Aye Finance Private Limited
Type of Instrument	Secured, Listed, Rated, Unsubordinated, Redeemable, Transferable, Non-Convertible Debentures.
Nature of Instrument (Secured or Unsecured)	Secured, Listed, Rated, Unsubordinated, Redeemable, Transferable, Non-Convertible Debentures.
Issue Schedule	Date of opening of the Issue: 24 th August 2023 Date of closing of the Issue: 24 th August 2023 Pay-in date: 25 th August 2023 Deemed Date of Allotment: 25 th August 2023
Seniority (Senior or subordinated)	Unsubordinated
Eligible Investors	Please refer to Section 4.4 (Eligible Investors).
Listing (name of stock Exchange(s) where it will be listed and timeline for listing)	BSE

- (a) The Issuer shall submit all duly completed documents to the BSE, SEBI, ROC or any other Governmental Authority, as are required under Applicable Law and procure permission for listing of the Debentures from the Stock Exchange within (T+3) working days, wherein "T" shall be referred to the issue closing date ("**Listing Period**").
- (b) The Issuer shall ensure that the Debentures continue to be listed on the wholesale debt market segment of the BSE.
- (c) In the event there is any delay in listing of the Debentures beyond (T+3) working days, wherein "T" shall be referred to the issue closing date, the Issuer will:



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- (i) pay to the Debenture Holders, penal interest of 1% (one percent) per annum over the Interest Rate, from the date of allotment of the Debentures until the listing of the Debentures is completed; and
- (ii) be permitted to utilise the issue proceeds of its 2 (two) subsequent privately placed issuances of securities only after receiving final listing approval from the stock exchange(s).

Rating of Instrument	"IND A-" issued by the Rating Agent
Issue Size	INR 35,00,00,000/- (Indian Rupees Thirty-Five Crores Only)
Minimum Subscription	Minimum of 100 Debentures and then in multiples of 1 Debenture thereafter
Option to retain oversubscription (Amount)	Not Applicable
Objects of the Issue / Purpose for which there is requirement of funds	The proceeds of the issuance of Debentures will be utilized by the Issuer for the purpose of raising debt for the ongoing business of the Issuer (including the expansion of the Issuer's loan portfolio) and to originate loans to micro, small and medium enterprises ("MSME") as defined under the India Micro, Small, Medium Enterprises Development Act 2006. Provided that no part of the proceeds shall be utilized directly/indirectly towards the following: (a) capital markets (including equity, debt, debt linked and equity linked instruments or any other capital market land activities); (b) any speculative purposes; (c) any investment in the real estate sector; and (d) in contravention of any applicable law. Further, no part of the proceeds of issuance of Debentures shall be utilized directly/indirectly towards repaying existing debts, and for disbursement of loan to promoter and director(s) of the Issuer. PROVIDED HOWEVER, the Company shall be entitled to temporarily invest the funds raised by the Issue in liquid mutual funds and deposits held with scheduled commercial banks for a period not exceeding 15 (Fifteen) calendar days from the Deemed Date of Allotment.
In case the issuer is a NBFC and the objects of the issue entail loan to any entity who is a 'group company' then disclosures shall be made in the prescribed format:	Not Applicable. The proceeds raised from the Issue will be used solely for the Purpose (Defined in Section 1)



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Details of the utilization of the Issue Proceeds	100% (One Hundred Percent) of the issue proceeds will be utilized only towards raising debt for the ongoing business of the Issuer (including the expansion of the Issuer's loan portfolio).
Coupon Rate	10.50% p.a. (Ten point five zero per cent) per annum and payable quarterly.
Step Up Coupon Rate	In the event the Credit Rating of the Debenture issued by the Issuer is downgraded from the current rating of "IND A-" by 1 (one) notch, the Coupon Rate shall be increased by 0.50% (zero point five zero percent) for every notch of rating downgrade, applicable from the date of such downgrade until such event is cured, on the outstanding principal amount and accrued interest, if any, of the Debentures. If the Issuer of the Debenture is rated by more than 1 (one) rating agency, then the lowest of the ratings shall be considered.
Coupon Payment Frequency	Quarterly
Coupon Payment Dates	As per the dates set out in Annexure IV of this Key Information Document.
Coupon Type (Fixed, floating or other structure)	Fixed
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc.)	Not Applicable
Day Count Basis (Actual / Actual)	Actual / Actual. The Coupon (if any) shall be computed on the basis of actual number of days elapsed in a year, for this purpose a year shall comprise of a period of 365 (Three Hundred and Sixty-Five) days. In case of a leap year, if 29 th February of the relevant leap year falls during the Tenor of the Debentures, then the number of days shall be reckoned as 366 (Three Hundred and Sixty-Six) days for the one-year period.
Interest on Application Monies	(a) Interest at the Coupon rate (subject to Tax deduction under the Applicable Law or any other statutory modification or re-enactment thereof, if applicable) will be paid to the Applicants on the Application Monies for the Debentures from the Pay-in Date up to 1 (one) day prior to the Deemed Date of Allotment for all valid applications within such timelines as agreed by the Parties; and



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	(b) Where Pay-in Date and Deemed Date of Allotment fall on the same date, no interest on Application Monies is to be paid to the Applicants.
Default Interest Rate	In the event there is any delay in listing of the Debentures beyond three working days, from the issue closing date or the Debentures are delisted for a continuous period of 1 (one) month, the Issuer will pay to the Debenture Holders, penal interest of 1% (one percent) per annum over the Interest Rate, from the date of allotment of the Debentures until the listing of the Debentures is completed; and In case of default in payment of Coupon and / or Redemption Amount on as per the Payment Mechanism, additional coupon rate of 5% p.a. (five percent per annum) payable quarterly over the Coupon Rate will be payable by the Issuer from the date of default till such default in payment of Coupon and/or Redemption Amount is rectified. In case of default by the Issuer in the performance of any of the covenants of this Issue, including but not limited to the Financial Covenants of this Issuance and reporting covenants after a cure period of 30 (thirty) days, additional coupon rate of 5% p.a. (five percent per annum) payable quarterly over the Coupon rate will be payable by the Issuer from the date of default till such default is rectified. Any failure to create and perfect security over the Hypothecated Assets within the timelines set out in the Transaction Documents shall attract 2 (two) % p.a. additional interest payable quarterly over the Coupon Rate and give an option to the Debenture holders for early redemption. Each of the default coupon rates mentioned above are mutually exclusive and will be payable in the event the circumstance triggering the default coupon rate occurs.
Tenor	18 (eighteen) months from the Deemed Date of Allotment - 25 th August 2023.
Redemption Date / Maturity Date	25 th February 2025 The Debentures shall be redeemed on a pro rata basis as set out in Annexure IV and shall be fully redeemed by the Final Redemption Date.
Redemption Premium/ Discount	Not Applicable
Redemption Amount	At par
Early Redemption	Early Redemption of Debentures at the



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	instance of the Company within 12 (twelve) months from the Deemed Date of Allotment (" Lock-in Period ") is not permitted. In case of Early Redemption of the Debentures after the Lock-in Period and on the Early Redemption Date, the Issuer shall pay an Early Redemption Premium. The Early Redemption Premium will have to be paid over and above the Coupon Rate. The Early Redemption of Debentures shall be subject to the consent of the Majority Debenture Holders.
Mandatory Redemption	On the occurrence of the Mandatory Redemption Event and subject to Applicable Law, the Debenture Trustee shall have the right but not the obligation to demand immediate Redemption of the Debentures, of the Debenture Trust Deed, within 30 (thirty) days from the occurrence of the Mandatory Redemption Event, to the Issuer or persons identified by him. The Debenture Trustee (acting on behalf of the Debenture Holders) shall issue the notice within 15 (fifteen) Business Days upon being informed about the Mandatory Redemption Event.
Mandatory Redemption Event	In the event the Credit Rating of the Debentures issued by the Issuer is downgraded from the current rating of IND A.
Early Redemption Premium	2% (two percent) on the Outstanding Principal Amount prepaid.
Early Redemption Date	Early Redemption is permissible on any date after 12 (twelve) months from the Deemed Date of Allotment and prior to the Final Redemption Date, other than in case of an Event of Default.
Early Redemption Notice	Company may by issuing at least 45 (forty-five) days prior written notice to Debenture Trustee redeem the Debentures on any specified day prior to the Due Date where consent of the Majority Debenture Holders shall be sought.
Voluntary Redemption	Not Applicable
Issue Price	INR 1,00,000 (Indian Rupees One Lakh) per Debenture
Discount at which security is issued and the effective yield as a result of such discount	Not Applicable
Premium / Discount at which security is redeemed and the effective yield as a result of such premium / discount	Not Applicable
Put Date	Not Applicable



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Put Price	Not Applicable
Call Date	Not Applicable
Call Price	Not Applicable
Put Notification Time (Timelines by which the investor need to intimate Issuer before exercising the put)	Not Applicable
Call Notification Time (Timelines by which the Issuer need to intimate investor before exercising the call)	Not Applicable
Face Value	INR 1,00,000/- (Indian Rupees One Lakh only) per Debenture
Minimum Application and in multiples of thereafter	100 (One Hundred) Debentures (aggregating to INR 1,00,00,000 (Indian Rupees One Crore), and 1 (one) Debenture thereafter
Issue Timing	
1) Issue Opening Date	24 th August 2023
2) Issue Closing Date	24 th August 2023
3) Date of earliest closing of the Issue, if any	Not Applicable.
4) Deemed Date of Allotment	25 th August 2023
5) Pay-in Date	25 th August 2023
Settlement mode of the Instrument	RTGS / NEFT / IMPS
Depositories	NSDL and CDSL
Disclosure of Interest / Dividend / Redemption Dates	Please refer to Annexure IV in this Key Information Document.
Record Date	As set out more particularly in Section 1 of this Key Information Document.
Business Day Convention	(a) If the date of payment of any Coupon 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; (b) If the date of payment of any Redemption Amount falls on a day that is not a Business Day, such payment of instalment shall be made on the immediately preceding Business Day; and (c) 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



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	is not a Business Day, such payment of Coupon and Redemption Amount shall be made on the immediately preceding Business Day.
All covenants of the issue (including side letters, accelerated payment clause, etc.)	Representations and Warranties Please refer to Section 3.1 of this Key Information Document. Affirmative Covenants Please refer to Section 3.2 (a) of this Key Information Document. Negative Covenants Please refer to Section 3.2 (b) of this Key Information Document. Reporting Covenants Please refer to Section 3.2 (c) of this Key Information Document. Financial Covenants Please refer to Section 3.2 (d) of this Key Information Document.
Description regarding Security (where applicable) including type of security (movable / immovable / tangible etc.), type of charge (pledge / hypothecation / mortgage etc.), date of creation of security / likely date of creation of security, minimum security cover, revaluation, replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Debenture Trust Deed and disclosed in the General Information Document.	The value of the Hypothecated Assets charged as Security in favour of the Debenture Trustee is maintained at least 1.10x (one decimal point one zero times) the aggregate amount of the Redemption Amount in relation to the Debentures and shall be maintained at all times until the redemption of the Debentures and payment of the Secured Obligations ("Security Cover") till the Final Settlement Date, (on the terms and conditions mentioned under the Transaction Documents) in accordance with Applicable Law and the Transaction Documents. The terms and process of creation of hypothecation shall be provided at length under the Deed of Hypothecation. If the Security in respect of Debentures falls below the Security Cover as specified in this Key Information Document on any account, the Company shall within 30 (thirty) Business Days of such occurrence, hypothecate further assets or such additional Security as may be acceptable to the Debenture Trustee to maintain the Security Cover in the manner set out in the Deed of Hypothecation. Eligibility Criteria: The loans forming part of the Hypothecated Assets shall satisfy the Eligibility Criteria and such other requirements set out in the Deed of Hypothecation. Replacement of security: The Company shall, within the timelines prescribed under the Deed of Hypothecation replace such



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	Hypothecated Assets that do not satisfy the Eligibility Criteria or have become over due for more than 30 (thirty) days. Such replacement shall be affected within 15 (fifteen) Business Days of the Hypothecated Assets becoming overdue. In case of any repugnancy between the provisions of the clause in this Key Information Document for the creation of hypothecation and the terms provided in the Deed of Hypothecation for the creation of mortgage over the Hypothecated Assets, the terms of the Deed of Hypothecation shall prevail.
Transaction Documents	shall mean and includes: (a) the Debenture Trustee Consent Letter; (b) Certified true copy of the Board resolution of the Issuer dated 7th July 2023 (c) Certified true copy of the shareholder's resolution of the Issuer passed under Section 42 of the Act dated 29th September 2022; (d) Certified true copy of the shareholders resolution of the Issuer passed under Section 180(1)(a) of the Act dated 30th September 2022 and Section 180(1)(c) of the Act dated 9th October 2020; General Information Document and Key Information Document; (e) the Debenture Trustee Appointment Agreement; (f) the Debenture Trust Deed; (g) the Deed of Hypothecation; (h) the Hypothecation Confirmation Letter; (i) the Power of Attorney; (j) Tripartite agreements executed between the Issuer, the Depository and the RTA; (k) Press release from the Rating Agent in respect of the credit rating for the Debentures; (l) In-principle approval as received from the Stock Exchange for listing of the Debentures; (m) Listing Agreement with the Stock Exchange; and



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	(n) Any other document or instrument designated as a transaction document by the Debenture Trustee.
Conditions Precedent to Disbursement	(i) A certified true copy of the constitutional documents of the Company (being its Memorandum and Articles of Association and Certificate of Incorporation) shall have been submitted to the Debenture Trustee. (ii) All corporate approvals from the Board of Directors and shareholders of the Company, if applicable, shall have been received for the issuance of the Debentures and the execution, delivery and performance by the Company of the Transaction Documents in accordance with the Companies Act, 2013, the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other rules prescribed. (iii) Execution of the Form PAS-4, Debenture Trustee Agreement, Debenture Trust Deed, Deed of Hypothecation and the Power of Attorney, in a form and manner satisfactory to the Debenture Trustee shall have taken place. (iv) A copy of the letter from the RTA providing its consent to act as the Registrar for the issue of Debentures. (v) The Issuer shall have uploaded the Key Information Document and the term sheet on the electronic book platform within the timelines set out under applicable Law. (vi) Rating of the Debentures being completed and the rating agency having provided a minimum rating of "IND A-" for the Debentures and the rating letter issued by the Rating Agency being in a form and manner satisfactory to the Debenture Trustee. (vii) The Company shall have obtained the Debenture Trustee Consent Letter from the Debenture Trustee.



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	(viii) The Company shall have provided to the Debenture Trustee a certificate from a director/company secretary of the Company certifying that:- (a) the Company and its Directors have the necessary powers under the Memorandum and Articles of Association of the Company to borrow moneys pursuant to the issuance of the Debentures; (b) the borrowing of moneys pursuant to the issuance of the Debentures will not cause any limit binding on the Company to be exceeded; and (c) no Material Adverse Effect has occurred in the Company, and/or the business of the Company. (ix) The delivery by the Company to the Debenture Trustee, of certificates signed by authorized signatories of the Company, in a form and substance satisfactory to the Debenture Trustee, with respect to: (a) incumbency and signatures; (b) absence of any Event of Default, any potential Event of Default, any force majeure event and any Material Adverse Effect; (c) all representations and warranties contained in the Debenture Trust Deed are true and correct in all material respects on and as of the Deemed Date of Allotment, before and after giving effect to the Issue and to the application of the proceeds therefrom; and (d) the Debenture Trustee shall have received from the Company its audited account statements for the Previous Year.
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	(x) Due execution of the Depository Agreements by, inter-alia, the Depository and the Company.
	(xi) Due execution of the Tripartite Agreement by, inter-alia, the Registrar and Transfer Agent, Depository and the Company.
	(xii) The Company shall have submitted to the Debenture Trustee, all required documents for the purpose of satisfying its respective KYC requirements.
	(xiii) The Company shall have submitted to the Debenture Trustee, its audited account statements alongwith independent auditor's report of the Company for the financial year ended on 31st March 2023.
	(xiv) Payment of all fees and stamp duty under the Transaction Documents executed is done to the satisfaction of the Debenture Trustee.
	(xv) A copy of the e-Form MGT-14 filed with the Registrar of Companies with respect to the board resolution or shareholders' resolution (as applicable and if required under the Act) passed for the issue of Debentures.
	(xvi) The Issuer shall have obtained due-diligence certificate from the Debenture Trustee.
	(xvii) The Issuer shall have complied with all the provisions of the SEBI Debenture Trustees Master Circular in relation to compliance with distributed ledger technology requirements.
	(xviii) The Issuer shall have obtained the International Securities Identification Number (ISIN) in respect of the Debentures.
	(xix) The Company shall provide such other information, documents, certificates, opinions and instruments as the Debenture Holder may reasonably request.



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Conditions Subsequent to Disbursement	Company shall fulfil each of the following conditions within the stipulated timelines: (i) The Company shall immediately on receipt of funds, take on all necessary steps to, including making all applicable filings in the Registrar of Companies and obtaining all necessary approvals including filing Form PAS 3 along with requisite fee within the timelines prescribed by the Act and Rules thereunder. (ii) Certified true copy of the board resolution for the allotment of the Debentures, within 2 (two) Business Days of the Deemed Date of Allotment. (iii) Copy of Form PAS-5 being maintained by the Company in accordance with the Act, where the Company has recorded the names of the subscribers to the Debentures within 7 (seven) Business Days of Deemed Date of Allotment. (iv) File CHG-9 with Registrar of Companies within the timelines prescribed by the Act and Rules thereunder. (v) Credit the demat account of the Applicants with such number of Debentures which have been allotted to them within 2 (Two) Business Days from the Deemed Date of Allotment. (vi) Payment of stamp duty at 0.005% (zero point zero zero five percent) on the Debentures as per the Indian Stamp Act, 1899. (vii) The Company shall provide/submit all such post listing disclosures as required under Master Circular and NCS Listing Regulations. (viii) As applicable to the Issuer in accordance with the Applicable Law(s), relevant filings in the prescribed form to be made with an information utility registered with the Insolvency and Bankruptcy Board of India in accordance with Section 215 of the Insolvency Code and other regulations including the Insolvency
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	and Bankruptcy Board of India (Information Utilities) Regulations, 2017. (ix) Obtaining the final listing approval from the Stock Exchange in respect of the Debentures (including but not limited to payment of all fees) and list the Debentures on the wholesale debt market segment of BSE within 3 (three) working days from the issue closing date of Debentures. (x) a certificate from the Company's chartered account in respect of the utilization of funds raised by the issue of the Debentures within 60 (sixty) days from the Deemed Date of Allotment. (xi) Any other document as required by the Debenture Trustee. (xii) Any other document as required elsewhere under the Transaction Documents.
Events of Default (including manner of voting /conditions of joining Inter Creditor Agreement)	Please refer to Section 3.3 of this Key Information Document.
Creation of recovery expense fund	The Company hereby agrees and undertakes that it shall create a recovery expense fund in the manner as set out in NCS Regulations and the SEBI Debenture Trustees Master Circular or such other circulars as may be specified by the SEBI from time to time and shall inform the Debenture Trustee of the same in writing. Without prejudice to the generality of the foregoing, the Company shall ensure compliance with the SEBI NCS Regulations, as amended/ supplemented from time to time in relation to the creation and maintenance of the recovery expense fund, the key provisions of which are as follows: (a) <u>Creation of Recovery expense fund:</u> The Company shall deposit cash or cash equivalents including bank guarantees towards the contribution to recovery expense fund with the designated stock exchange and submit relevant documents evidencing the same to the Debenture Trustee from time to time. The Company shall ensure that the bank guarantees remains valid for a period of six months post the maturity date of the Debentures. The Company shall keep the bank



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	guarantees in force and renew the bank guarantees at least seven working days before its expiry, failing which the designated stock exchange shall invoke such bank guarantee. (b) <u>Utilisation of recovery expense fund:</u> In the event of default, the Debenture Trustee shall obtain the consent of by way a special resolution duly passed at the meeting of the Debenture Holders for enforcement of security and shall inform the same to the designated stock exchange. The amount lying in the recovery expense fund shall be released by the designated stock exchange to the Debenture Trustee within five working days of receipt of such intimation. The Debenture Trustee shall keep a proper account of all expenses incurred out of the funds received from recovery expense fund towards enforcement of Security. (c) <u>Refund of recovery expense fund to the Company:</u> The balance in the recovery expense fund shall be refunded to the Company on repayment to the Debenture holders for which a 'No Objection Certificate (NOC)' shall be issued by the Debenture Trustee(s) to the designated stock exchange. The Debenture Trustee shall satisfy that there is no 'default' on any other listed debt securities of the Company before issuing the NOC.
Conditions for breach of covenants (as Specified in the Debenture Trust Deed)	Please refer to sections named "Default Interest Rate" above and Section 3.3 below.
Provisions related to Cross Default Clause	The Company: (i) defaults in any payment of any Financial Indebtedness beyond the period of grace (not to exceed 30 days), if any, provided in the instrument or agreement under which such Financial Indebtedness was created; (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



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	Indebtedness to become due prior to its stated maturity; (iii) or any Financial Indebtedness of the Company shall be declared to be due and payable, or required to be prepaid other than by a regularly scheduled required prepayment, prior to the stated maturity thereof.
Role and Responsibilities of the Debenture Trustee	The Debenture Trustee shall comply with all its roles and responsibilities as prescribed under Applicable Law and the Transaction Documents, including: (a) the Debenture Trustee may, in relation to the relevant Tranche/Issuance Debenture Trust Deed and other Transaction Documents, act on the opinion or advice of or any information obtained from any solicitor, counsel, advocate, valuer, surveyor, broker, auctioneer, qualified accountant or other expert whether obtained by the Issuer or by the Debenture Trustee or otherwise; (b) subject to the approval of the Debenture Holders by way of a Special Resolution passed at a meeting of the Debenture Holders held for determining the liability of the Debenture Trustee, the Debenture Trustee shall, as regards all trusts, powers, authorities and discretions, have the discretion as to the exercise thereof and to the mode and time of exercise thereof. In the absence of any fraud, gross negligence, willful misconduct or breach of trust the Debenture Trustee shall not be responsible for any loss, costs, charges, expenses or inconvenience that may result from the aforementioned exercise or non-exercise thereof. The Debenture Trustee shall not be bound to act at the request or direction of the Debenture Holders under any provisions of the Transaction Documents unless sufficient amounts shall have been provided or provision to the satisfaction of the Debenture Trustee has been made for providing such amounts and the Debenture Trustee is indemnified to its satisfaction against all further costs, charges, expenses and liability which may be incurred in complying with such request or direction;



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	(c) with a view to facilitating any dealing under any provisions of the relevant Tranche/Issuance Debenture Trust Deed or the other Transaction Documents, subject to the Debenture Trustee obtaining the consent of the Majority Debenture Holders, the Debenture Trustee shall have (i) the power to consent (where such consent is required) to a specified transaction or class of transactions (with or without specifying additional conditions); and (ii) to determine all questions and doubts arising in relation to the interpretation or construction any of the provisions of the relevant Tranche/Issuance Debenture Trust Deed; (d) the Debenture Trustee shall not be responsible for the amounts paid by the Applicants for the Debentures; (e) the Debenture Trustee shall not be responsible for acting upon any resolution purporting to have been passed at any meeting of the Debenture Holders in respect whereof minutes have been made and signed even though it may subsequently be found that there was some defect in the constitution of the meeting or the passing of the resolution or that for any reason the resolution was not valid or binding upon the Debenture Holders; (f) the Debenture Trustee and each receiver, attorney, manager, agent or other person appointed by it shall, subject to the provisions of the Act, be entitled to be indemnified by the Issuer in respect of all liabilities and expenses incurred by them in the execution or purported execution of the powers and trusts thereof; (g) subject to the approval of the Debenture Holder(s) by way of a Special Resolution passed at a meeting of Debenture Holder(s) held for determining the liability of the Debenture Trustee and in the absence of fraud, gross negligence, willful misconduct or breach of trust, the Debenture Trustee shall not be liable for any of its actions or deeds in relation to the Transaction Documents; (h) subject to the approval of the
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	Debenture Holder(s) by way of Special Resolution passed at a meeting of Debenture Holders held for determining the liability of the Debenture Trustee and in the absence of fraud, gross negligence, willful misconduct or breach of trust, the Debenture Trustee, shall not be liable for any default, omission or delay in performing or exercising any of the powers or trusts herein expressed or contained herein or in enforcing the covenants contained herein or in giving notice to any person of the execution hereof or in taking any other steps which may be necessary, expedient or desirable or for any loss or injury which may be occasioned by reason thereof unless the Debenture Trustee shall have been previously requested by notice in writing to perform, exercise or do any of such steps as aforesaid given in writing by the Majority Debenture Holder(s) or by a Majority Resolution duly passed at a meeting of the Debenture Holders. The Debenture Trustee shall not be bound to act at the request or direction of the Debenture Holders under any provisions of the Transaction Documents unless sufficient amounts shall have been provided or provision to the satisfaction of the Debenture Trustee has been made for providing such amounts and the Debenture Trustee is indemnified to its satisfaction against all further costs, charges, expenses and liability which may be incurred in complying with such request or direction; (i) notwithstanding anything contained to the contrary in the relevant Tranche/Issuance Debenture Trust Deed, the Debenture Trustee shall before taking any action on behalf of the Debenture Holders or providing any consent on behalf of the Debenture Holders, obtain the written consent of the Majority Debenture Holders; (j) the Debenture Trustee shall forward to the Debenture Holders copies of any information or documents from the Issuer pursuant to the relevant Tranche/Issuance Debenture Trust Deed within 2 (two) Business Days of receiving such information or
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	document from the Issuer; and the Debenture Trustee shall, until the Final Settlement Date, adhere to and comply with its obligations and responsibilities under the SEBI Debenture Trustees Circular.
Risk factors pertaining to the issue	Please refer to Section 3 (<i>Risk Factors</i>) of the General Information Document
Governing Law	The Debentures and documentation will be governed by and construed in accordance with the laws of India and the parties submit to the exclusive jurisdiction of the courts in New Delhi, India and as more particularly provided for in the Debenture Trust Deed. Notwithstanding anything stated earlier, the Debenture Trustee has the right to commence proceedings before any other court or forum in India.

Note:

1. If there is any change in Coupon Rate pursuant to any event including lapse of certain time period or downgrade in rating, then such new Coupon Rate and events which lead to such change should be disclosed.
2. The list of documents which has been executed in connection with the issue and subscription of debt securities shall be annexed.
3. While the debt securities are secured to the tune of 110% (One Hundred and Ten percent) of the principal and interest amount or as per the terms of Key Information Document, in favour of Debenture Trustee, it is the duty of the Debenture Trustee to monitor that the security is maintained.
4. The Issuer shall provide granular disclosures in the this Key Information Document, with regards to the **"Object of the Issue"** including the percentage of the issue proceeds earmarked for each of the "object of the issue".

As specified in this Key Information Document.

5. **Future Borrowings**

The Company shall be entitled to borrow or raise loans or create encumbrances or avail financial assistance in whatever form, and also issue promissory notes or debentures or other securities, without the consent of, or intimation to the Debenture Holders or the Debenture Trustee in this connection. However, no such borrowings will have the benefit of the security interest created over the Hypothecated Assets and granted to the Debenture Trustee and Debenture Holders under the Transaction Documents. Notwithstanding anything contained in this Key Information Document, the Company shall continue to comply with the financial covenants set forth in Section 3.2 (d) (Financial Covenants) below. The Company further confirms and undertakes that it would not create or attempt to create any further charge/encumbrance on the Hypothecated Assets in favour of other lenders or any part thereof, without the consent of the Debenture Trustee/Debenture Holders.

6. **Consent of directors, auditors, bankers to issue, trustees, solicitors or advocates to the issue, legal advisors to the issue, lead managers to the issue, Registrar to the Issue, and lenders (if required, as per the terms of the agreement) and experts.**



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Parties	Consent
Directors	Board resolution dated 7 th July 2023, the copy of which is attached in Annexure V of this Key Information Document.
Auditors	Not applicable
Bankers	Not applicable
Debenture Trustee	Copy of the Debenture Trustee consent letter has been set out in Annexure II of this Key Information Document
Solicitors / Advocates	Not applicable
Legal Advisors	Not applicable



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SECTION 3: TRANSACTION DOCUMENTS AND KEY TERMS

3.1 Representations and Warranties of the Issuer

The Company makes the representations and warranties set out in this Clause to the Debenture Trustee for the benefit of the Debenture Holders on the date of the Debenture Trust Deed and during the term of the Debentures.

(a) **Status**

- (i) It is a company, duly incorporated, registered and validly existing under the Laws of India.
- (ii) It is registered as a non-banking financial company with the RBI.
- (iii) It and each of its subsidiaries (as defined under the Act) has the power to own their respective Assets and carry on their respective business as it is being conducted.

(b) **Binding obligations**

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

(c) **Non-conflict with other obligations**

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

- (i) any Law or regulation applicable to it;
- (ii) its Constitutional Documents; and
- (iii) any agreement or instrument binding upon it or any of its Assets.

(d) **Power and authority**

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

(e) **Validity and admissibility in evidence**

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

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



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(f) **No default**

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

(g) **Pari passu ranking**

Each Debenture constitutes direct and unconditional and secured obligations of the Company. The claims of the Debenture Holders shall be superior to all the claims of equity investors/ lenders of Tier I Capital and Tier II Capital (including without limitation, any Subordinated Debt) and shall rank at least *pari passu* inter se and to all other lenders who have not expressly agreed to subordinate their claims to those of other lenders of the Company.

(h) **No proceedings pending**

Except as disclosed by the Company in its Disclosure Document(s), annual reports and financial statements, no litigation, arbitration or administrative proceedings of or before any court, arbitral body or agency which have been started or threatened against the Company, where such proceedings could result in or cause a Material Adverse Effect.

(i) **No misleading information**

- (A) All information provided by the Company to the Debenture Trustee/ Debenture Holders for the purposes of this Issue is true and accurate in all material respects as at the date it was provided or as at the date (if any) at which it is stated.
- (B) It has disclosed all information in the Disclosure Document(s) that is relevant for the Applicants to apply for subscription of the Debentures.

(j) **No Material Adverse Effect**

- (i) There has not been and there is no investigation or enquiry by, or order, decree, decision or judgment of, any Governmental Authority been issued or outstanding or to the best of the Company's knowledge (after making due and careful enquiry), anticipated against the Company which would have a Material Adverse Effect on the Company, nor has any notice or other communication (official or otherwise) from any Governmental Authority been issued or outstanding or to the best of the Company's knowledge (after making due and careful enquiry), anticipated with respect to an alleged, actual or potential violation and/or failure to comply with any such applicable Law or requiring them to take or omit any action.
- (ii) Neither the Company nor any Group Entity has violated, or breached any applicable Law (including, but not limited to, any Environmental and Social Requirements or Client Protection Laws) which has resulted in or could reasonably be expected to have a Material Adverse Effect.



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(k) **Assets**

Except for the security interests and encumbrances created and recorded with the ROC updated from time to time, the Company has, free from any security interest or encumbrance, the absolute legal and beneficial title to, or valid leases or licenses of, or is otherwise entitled to use (in each case, where relevant, on arm's length terms), all Assets necessary for the conduct of its business as it is being, and is proposed to be, conducted.

(l) **Financial statements**

- (i) Its financial statements most recently supplied to the Debenture Trustee were prepared in accordance with Indian GAAP consistently applied save to the extent expressly disclosed in such financial statements.
- (ii) Its financial statements for the Previous Year supplied to the Debenture Trustee, give a true and fair view and represent its financial condition and operations during the relevant Financial Year save to the extent expressly disclosed in such financial statements.
- (iii) It has disclosed all its borrowings from various banks and financial institutions in the Disclosure Document(s).

(m) **Solvency**

- (i) The Company is able to, and has not admitted its inability to, pay its debts as they mature and has not suspended making payment on any of its debts and it has not been deemed by a court to be unable to pay its debts for the purposes of applicable Law, nor will it become unable to pay its debts for the purposes of applicable Law as a consequence of entering into the Debenture Trust Deed or any other Transaction Document.
- (ii) The Company, by reason of actual or anticipated financial difficulties, has not commenced, and does not intend to commence, negotiations with one or more of its creditors with a view to rescheduling its Indebtedness.
- (iii) The value of the Assets of the Company is more than its liabilities (taking into account contingent and prospective liabilities) and it has sufficient capital to carry on its business.
- (iv) The Company has not taken any corporate action nor has it taken any legal proceedings or other procedure or steps in relation to any bankruptcy proceedings.
- (v) No insolvency or bankruptcy process has commenced under the (Indian) Insolvency and Bankruptcy Code, 2016 in respect of the Company.
- (vi) No reference, enquiry or proceedings under corporate debt restructuring (CDR) mechanism or the strategic debt restructuring (SDR) mechanism of the RBI, and no steps have been taken by any lender in respect of any member of the Group, under the 'Scheme for Sustainable Structuring of Stressed Assets (S4A) issued by the RBI.



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(n) **No immunity**

The Company is not entitled to any immunity or privilege (sovereign or otherwise) from any set-off, judgment, execution, attachment or other legal process.

(o) **Legal and Beneficial Ownership**

Except for the security interests and encumbrances created and recorded with the Ministry of Corporate Affairs (available using CIN/FCRN/LLPIN/FLLPIN of the Company on the website <http://www.mca.gov.in/MCA21/index.html> under the heading "Index of Charges"), the Company has, free from any security interest or encumbrance, the absolute legal and beneficial title to, or valid leases or licenses of, or is otherwise entitled to use (in each case, where relevant, on arm's length terms), all material assets necessary for the conduct of its business as it is being, and is proposed to be, conducted.

(p) **Compliance with Laws**

(i) The Company and its Group Entities have conducted and are conducting their respective businesses in all material respects in compliance with all applicable Laws including but not limited to Environmental and Social Requirements and Client Protection Laws.

(ii) With respect to all such Environmental and Social Requirements, the Company and each Group Entity (1) have been issued and will maintain all required consents and will take all reasonable steps in anticipation of known or expected future changes or obligations to the same, (2) have not received any complaint, order, directive, claim, citation, or notice by any Governmental Authority, and (3) have not received any complaint or claim from any person seeking damages, contribution, indemnification, cost recovery, compensation, or injunctive relief.

(iii) The Company shall complete all necessary formalities including all filings with the relevant regulatory authorities, including but not limited to SEBI, the BSE and the ROC (if applicable) and obtain all consents and approvals required for the completion of the Issue.

(q) **Anti-terrorism Laws**

The Company and its affiliates are in compliance in all respects with all Anti-Terrorism Laws, and are adhering to all regulatory requirements pertaining to Anti-Terrorism /and Anti-Money Laundering.

(r) **No Corrupt Practices**

(i) Neither the Company nor its Founders or affiliates have indulged in any corrupt practices pertaining to the business such as misstatement, fraud, misappropriation, embezzlement of financial and other resources or gains unreported in the audited financial statements.

(ii) Neither the Company nor any Group Entity through its officers, directors or employees in such capacities or any person acting on behalf of the Company or any Group Entity have engaged in any Objectionable Practice.



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(s) ***Taxation***

- (i) The Company has duly and punctually paid and discharged all Taxes imposed upon it or its assets within the time period allowed without incurring penalties save to the extent that (A) payment is being contested in good faith, (B) the Company has maintained adequate reserves for those Taxes, and (C) payment can be lawfully withheld;
- (ii) The Company is not overdue in the filing of any Tax returns; and
- (iii) No claims exceeding Tax Claims Amount are being or are reasonably likely to be asserted against the Company with respect to Taxes, where such claims could result in or cause a Material Adverse Effect.

(t) ***Disclosures in Disclosure Document(s)***

The extent of disclosures made in the Disclosure Document(s) is consistent with disclosures permitted by Government Authorities in relation to the issue of securities made by the Company prior to the issue of the Debentures.

(u) ***Audit***

The Company annual accounts are audited by an auditor from a reputable firm of independent chartered accountants.

(v) ***Good Business Standard***

The Company in its business transactions with its shareholders, partners, managers, staff, affiliates or affiliates of such entities or persons keeps within normal, good and acceptable business standards, including transactions being on arm's length.

(w) ***Proper book-keeping and accounting***

The Company has a proper, efficient and effective book-keeping and accounting system in place as well as adequate professional staff, including maintaining of accounts showing the loan drawings, payments, interest etc.

(x) ***Employees***

The Company is in compliance with all obligations under the applicable labour laws and other applicable Laws in relation to its employees.

(y) ***Compliance with RBI/SEBI Regulations an' the Act's Requirements***

The Debentures are being issued in compliance with the applicable regulations of the RBI/SEBI and the relevant provisions of the Act as applicable. Any provision in the Deed which is not in compliance with regulations of the RBI/SEBI and the relevant provisions of the Act can be amended by the Company and the Debenture Trustee by executing an amendment to the Deed and the Debenture Holders shall have no right to raise any objection thereto.

(z) ***In-Principal Approval***

The Company hereby represents and warrants that the in-principal approval dated 20th July 2023 procured for the General Information Document is valid and binding for the present Issue.



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3.2 COVENANTS OF THE ISSUER:

(a) AFFIRMATIVE COVENANTS

(i) *Notice of winding up or other legal process*

Company shall promptly inform the Debenture Trustee if it has notice of any application for winding up having been made or any statutory notice of winding up under the provisions of the Act or any other notice under any other statute relating to winding up or otherwise of any suit or other legal process intended to be filed or initiated against the Company.

(ii) *Loss or damage by uncovered risks*

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

(iii) *Costs and expenses*

Company shall pay all costs, charges and expenses in any way incurred by the Debenture Trustee towards protection of Debenture Holders' interests, including traveling and other allowances and such taxes, duties, costs, charges and expenses in connection with or relating to the Debentures subject to such expenses, costs or charges being approved in writing by the Company before they are incurred and shall not include any foreign travel costs.

(iv) *Payment of Rents, etc.*

Company shall punctually pay all rents, royalties, taxes, rates, levies, cesses, assessments, impositions and outgoings, governmental, municipal or otherwise imposed upon or payable by the Company as and when the same shall become payable and when required by the Debenture Trustee produce the receipts of such payment and also punctually pay and discharge all debts and obligations and liabilities which may have priority over the Debentures and observe, perform and comply with all covenants and obligations which ought to be observed and performed by the Company under the Debenture Trust Deed.

(v) *Preserve corporate status; authorisations*

Company shall

- (i) diligently preserve and maintain its corporate existence and status and all rights, contracts privileges, franchises and concessions now held or hereafter acquired by it in the conduct of its business and comply with each and every term of the said franchises and concessions and all acts, authorizations, consents, permissions, rules, regulations, orders and directions of any legislative, executive, administrative or judicial body applicable to its Assets or any part thereof PROVIDED THAT the Company may contest in good faith the validity of any such acts, rules, regulations, orders and directions and pending the determination of such contest may postpone compliance therewith if the rights enforceable under the Debentures are not thereby materially endangered or impaired. The Company will not do or voluntarily suffer or permit to be done any act or thing whereby its right to transact its business might or could be terminated



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or whereby payment of the principal of or interest on the Debentures might or would be hindered or delayed;

- (ii) conduct its business with due diligence and efficiency and in accordance with sound technical, managerial and financial standards and business practices with qualified and experienced management and personnel; and
- (iii) promptly obtain and maintain all consents, licenses and authorizations as maybe necessary for performing its obligations in relation to the issue of the Debentures.

(vi) ***Pay stamp duty***

Company shall pay all such stamp duty (including any additional stamp duty), other duties, taxes, charges and penalties, if and when the Company may be required to pay according to the applicable state laws and in the event of the Company failing to pay such stamp duty, other duties, taxes and penalties as aforesaid, the Debenture Trustee will be at liberty (but shall not be bound) to pay the same and the Company shall reimburse the same to the Debenture Trustee on demand.

(vii) ***Furnish information to trustee***

Company shall give to the Debenture Trustee or its nominee(s)/ agent(s) such information/ copies of relevant extracts as they shall require as to all matters relating to the business of the Company or any part thereof and to investigate the affairs thereof and the Company shall allow the Debenture Trustee to make such examination and investigation as and when felt necessary and shall furnish him with all such information as they may require and shall pay all reasonable costs, charges and expenses incidental to such examination and investigation.

(viii) ***Grievance***

Promptly and expeditiously attend to and redress the grievances, if any, of the Debenture Holders. The Company further undertakes that it shall promptly comply with the suggestions and directions that may be given in this regard, from time to time, by the Debenture Trustee and shall advise the Debenture Trustee periodically of the compliance.

(ix) ***Specific Information to be provided to the Debenture Trustee***

Company shall inform and provide the Debenture Trustee with applicable documents in respect of the following:

- (i) notice of any Event of Default or potential Event of Default, each as listed in **Schedule XII (Events of Default)** of the Debenture Trust Deed;
- (ii) periodic review of the ratings obtained by the Company by the credit rating agencies and any revision in the rating as per the listing agreement entered into with the stock exchange;
- (iii) details of any material litigation, arbitration or administrative proceedings, etc.; and including those that are required to be disclosed to the stock exchange under the listing agreement entered into with the stock;
- (iv) any and all information required to be provided to the Debenture Holders under the listing agreement that may be entered into between the Company and the BSE; and



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(v) the declaration or distribution of dividend.

(x) ***Comply with Investor Education and Protection Fund requirements***

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

(xi) ***Further assurances***

Company shall:

- (i) execute and/or do, at their own expense, all such deeds, assurances, documents, instruments, acts, matters and things, in such form and otherwise as the Debenture Trustee may reasonably or by Law require or consider necessary in relation to enforcing or exercising any of the rights and authorities of the Debenture Trustee;
- (ii) furnish to the Debenture Trustee details of all grievances received from the Debenture Holders and the steps taken by the Company to redress the same. At the request of any Debenture Holder, the Debenture Trustee shall, by notice to the Company call upon the Company to take appropriate steps to redress such grievance and the Company shall comply with the instructions of the Debenture Trustee issued in this regard;
- (iii) obtain, comply with the terms of and do all that is necessary to maintain in full force and effect all authorisations necessary to enable it to lawfully enter into and perform its obligations under the Debenture Trust Deed or to ensure the legality, validity, enforceability or admissibility in evidence in India of the Debenture Trust Deed; and
- (iv) comply with:
 - (A) all Laws, rules, regulations and guidelines (including but not limited to environmental, social and taxation related Laws), as applicable in respect of the Debentures and obtain such regulatory approvals as may be required from time to time, including but not limited, in relation to the following (if the Debentures are listed); (i) the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (ii) NCS Listing Regulation and (iii) the provisions of the listing agreement to be entered into by the Company with the BSE in relation to the Debentures,
 - (B) the Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993 as in force from time to time, in so far as they are applicable to the Debentures and furnish to the Debenture Trustee such data, information, statements and reports as may be deemed necessary by the Debenture Trustee in order to enable them to comply with the provisions of Regulation 15 thereof in performance of their duties in accordance therewith to the extent applicable to the Debentures,
 - (C) the provisions of the Act in relation to the issue of the Debentures,
 - (D) procure that the Debentures are rated and continued to be rated until the redemption of the Debentures; and



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- (E) The Company shall ensure that, at time of making any payment of interest or repayment of the principal amount of the Debentures in full or in part, the Company shall do so in the manner that is most tax efficient for the Debenture Holders (including withholding tax benefit) but without, in any way, requiring the Company to incur any additional costs, expenses or taxes and the Company shall avail of all the benefits available under any treaty applicable to the Company and/or the Debenture Holders.

(F) **Security**

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

- (i) the Debentures shall be secured with first ranking exclusive continuing security by way of a first ranking exclusive charge on the Hypothecated Assets in favour of the Debenture Trustee for the benefit of the Debenture Holders;
- (ii) that all the Assets that shall be charged to the Debenture Trustee under the Deed of Hypothecation shall always be kept distinguishable and held as the exclusive property of the Company specifically appropriated to this security and be dealt with only under the directions of the Debenture Trustee. The Company shall not create any charge, lien or other encumbrance upon or over the same or any part thereof except in favour of the Debenture Trustee nor suffer any such charge, lien or other encumbrance or any part thereof nor do or allow anything that may prejudice this security and the Debenture Trustee shall be at liberty to incur all costs and expenses as may be necessary to preserve this security and to maintain the same undiminished and claim reimbursement thereof;
- (iii) shall, on and from the Deemed Date of Allotment and at all times thereafter, ensure that the Security Cover Ratio is maintained and towards this end, it shall Top-up the Hypothecated Assets with additional Receivables and/or Replace any Receivables constituting the Hypothecated Assets in accordance with the Deed of Hypothecation so as to ensure that Security Cover Ratio is maintained at all times from the Deemed Date of Allotment until the redemption of the Debentures in full and perfect the first ranking and exclusive charge of the Debenture Trustee over such modified Hypothecated Assets by filing Form CHG-9 with the concerned ROC and the required filing with the Central Registry in relation thereto as soon as practicable and no later than 30 (thirty) days therefrom;
- (iv) shall, on and from the Deemed Date of Allotment every Reporting Date, as also whenever required by the Debenture Trustee, give full particulars to the Debenture Trustee of all the Hypothecated Assets from time to time and shall furnish and verify all statements, reports (including Monitoring Reports as prescribed in the Deed of Hypothecation), returns, certificates and information from time to time and as required by the Debenture Trustee and furnish and execute all necessary documents to give effect to the Hypothecated Assets;



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- (v) the security interest created on the Hypothecated Assets shall be a continuing security as described in the Deed of Hypothecation;
- (vi) the Hypothecated Assets shall satisfy the eligibility criteria set out in **Schedule VIII (Eligibility Criteria)** of the Debenture Trust Deed;
- (vii) nothing contained herein shall prejudice the rights or remedies of the Debenture Trustee and/ or the Debenture Holders in respect of any present or future security, guarantee obligation or decree for any Financial Indebtedness or liability of the Company to the Debenture Trustee and/ or the Debenture Holders; and
- (viii) the Debenture Holders shall have a beneficial interest in the moveable Assets of the Company which have been charged to the Debenture Trustee to the extent of the Outstanding Principal Amounts of the Debentures under the Debenture Trust Deed.

(xii) ***Filings***

If the Debentures are listed, the Company shall file with the BSE such information as required under Chapter V of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

(xiii) ***Amounts to be reimbursed to the Debenture Trustee***

Company shall, forthwith upon demand by the Debenture Trustee, reimburse to the Debenture Trustee all amounts paid by the Debenture Trustee to reasonably protect the Hypothecated Assets and such amounts shall be deemed to be secured by the Hypothecated Assets.

(xiv) ***Delay in Security Creation***

Company shall in the event of any delay in the creation of first ranking and exclusive charge over the Hypothecated Assets within the timelines stipulated in the **Deed of Hypothecation** or in the event the Security Cover Ratio is not met on or prior to the Deemed Date of Allotment, the Company will, at the option of the Debenture Holders, either:

- (i) refund the Application Money as set out in Clause 2.6 of the Debenture Trust Deed, to the Debenture Holders; or
- (ii) pay to the Debenture Holders additional interest at Default Interest Rate on the Outstanding Principal Amounts from the Deemed Date of Allotment till the creation of first ranking and exclusive charge over the Hypothecated Assets pursuant to the terms of the Deed of Hypothecation such that the Security Cover Ratio is met.

(xv) ***Books of Account***

Company shall maintain proper books of account as required by the Act and therein make true and proper entries of all dealings and transactions of and in relation to the Hypothecated Assets and the business of the Company and keep such books of account and all other books, registers and other documents relating to the affairs of the Company at its registered office or, where permitted by Law, at other place or places where the



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books of account and documents of a similar nature may be kept. The Company will ensure that all entries in the same relating to the Hypothecated Assets and the business of the Company shall at all reasonable times be open for inspection of the Debenture Trustee and such person or persons as the Debenture Trustee shall, from time to time, in writing for the purpose, appoint.

(xvi) **Material Adverse Effect**

Company shall promptly inform the Debenture Trustee in writing of the occurrence of any, or the occurrence of any event that is likely to have a, Material Adverse Effect, together with explanation of the reasons thereof.

(xvii) **Insurance**

Company shall maintain insurances on and in relation to its business and assets with insurance companies against those risks and to the extent as is usual for companies carrying on the same or substantially similar business and any other insurances as may be required by Law and ensure that all premiums are paid on time and other obligations of the Company under the insurance policies are duly complied with.

(xviii) **Corporate Governance**

- (i) the Company shall maintain the highest standards of corporate governance in accordance with the NBFC Master Directions;
- (ii) shall at all times until the redemption of all outstanding Debentures, ensure that there is at least 2 (two) independent director are on the board of directors of the Company; and
- (iii) the Company shall at all times comply with the NBFC Master Directions.

(xix) **General**

- (i) the Company shall perform all of its obligations under the terms of the Transactions Documents and maintain in full force and effect each of the Transaction Documents;
- (ii) the Company shall promptly pay and discharge all its financial obligations and regularly make all payments due and payable by the Company, including but not limited to taxes and also such payment due and payable under or in respect of the Issue or any documents executed in connection there with;
- (iii) the Company shall give the Debenture Trustee any information, relating to the business, property, affairs of the Company, that materially impacts the interests of the Debenture Holders;
- (iv) the Company shall comply with the 'Guidelines on Fair Practices Code for Non-Banking Financial Companies' as prescribed by the RBI from time to time; and
- (v) the Company shall at all times act and proceed in relation to its affairs and business in compliance with applicable Law;
- (vi) the Company shall provide the Debenture Holders with access to the meetings of the management of the Company for monitoring of periodical portfolios of the Company;



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(vii) the Company shall comply with any monitoring and/or servicing requests from the Debenture Holders; and

(vii) the Company shall utilize the proceeds of this Issue in accordance with applicable Laws and regulations.

(xx) **Access**

Company shall permit the Debenture Trustee (and the Debenture holders) and/or accountants or other professional advisers and contractors appointed by the Debenture Trustee access at all reasonable times and on reasonable notice of the Company to:

(i) check the management of the funds made available through subscription to the Debentures;

(ii) inspect and take copies and extracts from the books of records, accounts and records of the Company;

(iii) visit and inspect the premises of the Company; and

(iv) meet and discuss matters with senior management employees of the Company.

(xxi) **Conditions Subsequent**

Company shall comply with the conditions stipulated in **Schedule XIII** (*Conditions Subsequent*).

(xxii) **Financial Covenants**

Company shall comply with the financial covenants stipulated in **Schedule IX** (*Financials Covenants*).

(xxiii) **Issue Terms and Conditions**

At all times during the term of these presents comply with each of the Issue Terms and Conditions.

(xxiv) **Internal Controls**

Company shall maintain appropriate internal controls 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.

(xxv) **Information to Debenture Trustee**

The Company shall promptly provide all assistance, documents and information to the Debenture Trustee as may be required by it to enable the Debenture Trustee to fulfill its obligations as laid out in the Debenture Trust Deed and as may be required by SEBI from time to time.

(xxvi) **Appointment of Nominee Director**

The company shall appoint the person nominated by the debenture trustee(s) in terms of clause (e) of sub-regulation (1) of regulation 15 of the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, as a director on its Board of Directors at the earliest and not later than one month from the date of receipt of nomination from the debenture trustee(s) as to appointment of Nominee Director. The Issuer shall amend



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its Constitutional Documents by 30th September 2023 to provide for the appointment of the Nominee Director by the Debenture Trustee and obtain all consents, as may be required, for this purpose if the same is not provided for already.

(b) NEGATIVE COVENANTS

(a) *Change of business; Role of Founder*

- (i) Change the general nature of its business from that which is permitted by the RBI.
- (ii) Material change or make any material alteration to its Constitutional Documents.
- (iii) The Company will ensure that prior to the Final Redemption Date, there will be no sale, disposal or transfer in any manner whatsoever of the equity shares held by the Founder in the Company whereby the equity stake of the Founder in the share capital of the Company falls below 9.48% (nine point four eight percent), nor will the Founder encumber (in any manner whatsoever) the equity shares held by the Founder in the Company.
- (iv) Until the Final Redemption Date, the Company will procure and ensure that the Founder will not exit from or reduce its involvement from the management activities of the Company as is subsisting on the date of execution of the Debenture Trust Deed.

(b) *Shareholding and change of capital structure*

Each of the persons mentioned below (collectively "**Key Shareholders**" of the Parent) shall not transfer or encumber the shares of the Issuer held by them respectively without the prior written consent of the Debenture Trustee. Without prejudice to the above, any change in the shareholding of the Key Shareholders below the existing level set out in the table below shall require the prior written consent of the Debenture Trustee.

Name	Shareholding Type	Minimum Number of Shares
Founder Group	Fully Diluted	20,00,000

Founder Group shall include:

- 1. Mr. Sanjay Sharma;
- 2. Mrs. Namrata Sharma;
- 3. Shankh Corporation LLP; and
- 4. Shvet Corporation LLP.

(c) *Dividend*

Declare or pay any dividend on equity shares or preference shares or make any distributions on its share capital (other than dividends or distributions payable on shares of the Company), unless:

- (i) the proposed payment or distribution is out of net income of the current Financial Year (excluding any amount resulting from the revaluation of any of the Company's assets);



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- (ii) no Event of Default has occurred and is then continuing, or could occur or is reasonably likely to occur, as a result of such payment or declaration of any dividend or distribution and after giving effect to any such action;
- (iii) the Company is in compliance with the financial covenants set forth in **Schedule IX (Financial Covenants)**; and
- (iv) the company has paid or made satisfactory provision for the payment of the installments of principal and interest due on the Debentures.

(d) ***Merger, consolidation, etc.***

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

(e) ***Associates, Subsidiaries, and Joint Ventures***

Dispose of, acquire or incorporate any associates (as defined in the Act), subsidiary (as defined in the Act) or joint ventures.

(f) ***Acquisition***

Acquire, without the prior written consent of the Majority Debenture Holders, any company, business or undertaking if the amount of the acquisition cost, whether paid by cash or otherwise, when aggregated with the aggregate acquisition cost of any other companies, business or undertaking acquired by it during that financial year exceeds 10% (ten percent) of the Equity.

(g) ***Joint Venture***

Without the prior written consent of the Majority Debenture Holders:

- (i) acquire (or agree to acquire) any shares, stocks, securities or other interest in any joint venture; or
- (ii) transfer any assets or lend to or guarantee or indemnify or give security for the obligations of a joint venture (or agree to transfer, lend, guarantee, indemnify or give security for the obligations of a joint venture).

(h) ***Loans and Guarantees***

The Company shall not:

- (i) extend a loan to any single individual or entity or provide guarantees on behalf of third parties amounting to greater than 10% (ten percent) of its Tangible Net Worth; or
- (ii) undertake to guarantee the liabilities of any individual or entity (unless the entity is a wholly owned subsidiary of the Company).

(i) ***Arm's length basis; No profit sharing arrangements***

The Company shall not, without the prior written consent of the Majority Debenture Holders:



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- (i) enter into any transaction with any person or enter into or continue business relations with its shareholders, employees, affiliate(s), holding company(ies), and/or subsidiary(ies) except on proper commercial terms negotiated on an arm's length basis;
- (ii) enter into or establish any partnership, profit sharing, royalty agreement or other similar other arrangement whereby the Company's income or profits are, or might be, shared with any other person; or
- (iii) enter into any management contract or similar arrangement whereby its business or operations are managed by any other person.

(j) ***Immunity***

Claim any immunity or limitation of liability against any payment obligations arising towards the Debenture Holders.

(k) ***Auditor***

Change its auditor without the prior written consent of the Majority Debenture Holders. The Company shall authorize its auditors to communicate directly with the Debenture Trustee and the Debenture Holders.

(l) ***Liabilities***

Incur, create, assume, or allow any Financial Indebtedness that ranks prior to the Debentures or subordinates the Debentures.

(m) ***Change of control***

Issue any additional shares or equity interests and shall not have its existing shares or equity interests transferred, sold, pledged or otherwise encumbered, if such action results in change in Control of the Company. PROVIDED THAT if the written consent of the Debenture Trustee/ the Majority Debenture Holder(s) is withheld for the proposed change of control, the Company will, upon the instructions of the Debenture Trustee, redeem the Debentures forthwith within 30 (thirty) days of receiving such written instructions from the Debenture Trustee and pay prepayment penalty on such redemption in accordance with the terms of the Transaction Documents.

No prior written consent of the Debenture Trustee is required if the issue of any additional shares or equity interests, transfer, sale, pledge or encumbrance of its existing shares or equity interests does not result in change in Control of the Company.

(n) ***Disposal of Assets***

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

(o) ***Management Control***

Any change in Management Control of the Company.



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(p) **Material compromise or Settlement**

Enter into material compromise or arrangement or settlement with any of its creditors (secured and unsecured) that would prejudicially affect the interest of the Debenture Holders.

(q) **Anti-money laundering**

Permit any of the Debenture proceeds to be used to fund any form of violent political activity, terrorists or terrorist organizations, nor any money laundering process or scheme to disguise illegally obtained funds, nor any other criminal activity including arms sales, drug trafficking, robbery, fraud or racketeering.

(r) **Related Party Transactions**

Without prior written intimation to the Debenture Holder, the Issuer shall not enter into or perform any transaction(s) with a related party. Without prejudice to the foregoing, the Company shall not without the prior written consent of the Debenture Holders, (i) enter into any transaction(s) in the nature of loans or advances to a related party(s) whereby the overall outstanding amount owed to the Company under all such transactions exceeds 10% (ten percent) of its net worth (as defined in the Act) (ii) provide any guarantee for any indebtedness of a related party. Debenture Trustee or its representatives will have access to any additional information that it/they deem(s) necessary to monitor and evaluate the mentioned covenant till the Final Settlement Date. For the purposes of this clause, the terms "net worth" and "related party" shall respectively have the meaning ascribed to them in sections 2(57) and 2(76) of Act (and the rules framed thereunder.)

(s) **Financial Year**

Company shall not change its financial year-end from 31st March (or such other date as may be approved by Majority Debenture Holders) without the prior written consent of the Debenture Trustee.

(t) **Others**

Without prejudice to Clause (a) (*Change of business; Role of Founder*) of this **Schedule XI (Negative Covenants)**, permit sale/ transfer/ disposal of (i) equity shares of the Company, or (ii) instruments that are compulsorily and mandatorily convertible into equity shares of the Company, by the Founder(s) and/ or (iii) permit the Founder(s) to exit from management activities in relation to the Company.

(c) **REPORTING COVENANTS**

Company shall provide or cause to be provided to the Debenture Trustee (and to the Debenture Holders if so requested), in form and substance reasonably satisfactory to the Debenture Trustee, each of the following items:

(a) **Monthly Reports**

As soon as available and in any event within 10 (ten) calendar days after the end of each calendar month, the list of assets hypothecated under the Deed of Hypothecation in form and substance satisfactory to the Debenture Trustee and the Debenture Holders.



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(b) Quarterly Reports

As soon as available and in any event within 45 (Forty five) calendar days after the end of each calendar quarter, the quarterly reporting required and in form and substance satisfactory to the Debenture Trustee and the Debenture Holders. Such reporting will include information detailing:

- (i) financials, operations, portfolio growth and asset quality (including static portfolio cuts, collection efficiency and portfolio at risk data), statement of asset liability management, funding in formats acceptable to the Debenture Holders;
- (ii) the shareholding structure and composition of the board of directors and management team in the Company;
- (iii) if applicable, the financial and other returns filed by the Company with the RBI (including without limitation, the form NBS 7 filed with the RBI);
- (iv) a compliance certificate regarding the financial covenants set forth in **Schedule IX (Financial Covenants)** of the Debenture Trust Deed certified by the management of the Company, in the form and substance reasonably satisfactory to the Debenture Trustee and the Debenture Holders;
- (iv) The Company shall furnish quarterly report to the Debenture Trustee containing the following particulars:
 - (a) Updated list of the names and addresses of the Debenture Holders.
 - (b) Details of the Coupon due, but unpaid and reasons thereof.
 - (c) The number and nature of grievances received from the Debenture Holders and (A) resolved by the Company (B) unresolved by the Company and the reasons for the same.
 - (d) A statement that the Hypothecated Assets is sufficient to discharge the claims of the Debenture Holders as and when they become due.
- (v) information on:
 - (1) any new product being introduced, including a loan product or any other financial product or change in existing product features or any new business correspondent relationship is established or discontinuance of existing relationship;
 - (2) expansion of operations into any new district, city or state;
 - (3) any change in a service or feature change in an existing product;
 - (4) if the Company is proposing to expand to any location other than those specifically mentioned in the business plan submitted to the Debenture Trustee and/or the Debenture Holders;
 - (5) if the Company makes any material changes to the information system or loan management software or management information systems, in terms of upgrade or installing a new software, other than those specifically mentioned in the business plan submitted to the Debenture Trustee and/or the Debenture Holders;



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- (6) if the Company conducts a credit check using any other credit bureau apart from the credit bureaus currently being used by the Company;
- (7) any revisions in the business plan submitted to the Debenture Trustee and/or the Debenture Holders;
- (8) any changes in the accounting policy of the Company from that followed as on the Deemed Date of Allotment;
- (9) if there is any fraud, amounting to more than 1% of Gross Loan Portfolio; and
- (10) such other information, as may be required by the Debenture Trustee or the Debenture Holders.

(c) Annual Reports

As soon as available, and in any event within 150 (One Hundred and Fifty) calendar days after the end of each Financial Year of the Company, the annual reporting required and in form and substance satisfactory to the Debenture Trustee and the Debenture Holders. Such reporting will include information detailing:

- (i) certified copies of its audited consolidated and non-consolidated (if any) financial statements for its most recently completed fiscal year, prepared in accordance with Indian GAAP including its balance sheet, income statement and statement of cash flow. All such information shall be complete and correct in all material respects and fairly represents the financial condition, results of operation and changes in cash flow of the Company as of the date thereof;
- (ii) a certificate of the Chief Financial Officer or a Director of the Company confirming that his or her review has not disclosed the existence of any potential Event of Default or Event of Default, if required under the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015;
- (iii) all annual information submitted to the RBI; and
- (iv) the corporate social responsibility report confirming adherence by the Company to its corporate social responsibility policy.

(d) Event Based Reports

- (i) As soon as available and in any event within 5 (Five) Business Days of the occurrence of such event, the details of any change in the shareholding structure of the Company, in form and substance satisfactory to the Debenture Trustee and the Debenture Holders;
- (ii) As soon as available and in any event within 5 (Five) Business Days of the occurrence of such event, the details of any change in board of directors and other senior management officials like Chief Executive Officer, Chief Financial Officer/Head of Finance and Treasury, Chief Risk Officer, Chief Operations Officer/Head of Business and the Head of Audit;
- (iii) As soon as available and in any event within 30 (thirty) Business Days of the occurrence of such event, the details of any change in the statutory auditors of the Company;



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- (iv) As soon as available and in any event within 5 (Five) Business Days after receiving approval by the board of the Company, the annual business plan of the Company including a detailed investment budget and forecast accounts for the following Financial Year and financial projections for at least the next 5 (five) years;
- (v) The Company shall provide/cause to be provided information to the Debenture Trustee (and to the Debenture Holders, if so requested) as soon as practicable, and in any event within 5 (Five) Business Days from the occurrence of such event:
 - (a) the Company obtains or reasonably should have obtained actual knowledge thereof, notice of the occurrence of any event or circumstance that could reasonably be expected to result in a Material Adverse Effect,
 - (b) the Company obtains or reasonably should have obtained actual knowledge thereof, notice of any dispute, litigation, investigation or other proceeding affecting the Company or its property or operations for an amount in excess of INR 5,00,00,000/- (Indian Rupees Five Crores Only), which, if adversely determined, could result in a Material Adverse Effect,
 - (c) the Company obtains actual knowledge thereof, notice of the occurrence of any Event of Default or potential Event of Default, specifying the nature of such event and any steps the Company is taking and proposes to take to remedy the same,
 - (d) the Company makes any prepayment or receives a notice of any prepayment of any Financial Indebtedness of the Company,
 - (e) the Company materially changes its Constitutional Documents, and
 - (f) any notice of any application for winding up having been made or receipt of any statutory notice of winding up under the provisions of the Act or any other notice under any other law or otherwise of any suit or legal process intended to be filed and affecting the title to the property of the Company.

(d) FINANCIAL COVENANTS

The Company shall comply with each of the following financial covenants at all times until the redemption of all outstanding Debentures:

- (a) The Company shall ensure that the maximum permissible ratio of A:B shall be 20% (twenty percent), where A is the aggregate of the Portfolio At Risk Over 90 Days net off Loan Loss Provision and B is Tangible Net-Worth of the Company.
- (b) During the tenor of the Debentures, the Company shall maintain a minimum capital ratio of Tier I Capital and Tier II Capital to aggregate risk weighted assets on-balance sheet and of risk adjusted value of Off-Balance Sheet Portfolio which shall not be less than 15% (fifteen percent), or as per the regulatory minimum prescribed by the RBI under the NBFC Master Directions, whichever is higher. For the purpose of calculation of minimum capital ratio: (i) first loss credit enhancements provided by the Borrower on securitization shall be reduced from Tier I Capital and Tier II Capital without any ceiling. (ii) credit enhancements provided by the Borrower on loans originated on behalf of other institutions shall be reduced from Tier I Capital and Tier II Capital without any ceiling.



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The deduction shall be made at 50% (fifty percent) from Tier I Capital and 50% (fifty percent) from Tier II Capital. (iii) It is also clarified that in computing the amount of subordinated debt eligible for inclusion in Tier II Capital, the aforementioned subordinated debt shall be subject to discounting as prescribed by RBI.

- (c) During the tenor of the Debentures, the Company shall ensure that the ration of A:B shall not exceed 4.5x (four point five times), where A is the Financial Indebtedness and B is the Tangible Net-Worth of the Company.
- (d) The Company shall ensure that the maximum permissible ratio of A:B shall be 10% (ten percent), where A is the aggregate of the Portfolio At Risk Over 90 Days and write-offs and B is Gross Loan Portfolio, wherein the write-offs shall be calculated for trailing 12 (twelve) months.

For the purpose of aforementioned Financial Covenants, following terms shall have the following meanings:

"Portfolio at Risk greater than 90 days or PAR > 90" shall mean in a district or a branch or on the Issuer's Gross Loan Portfolio at any point of time, as the case may be, the outstanding principal value of the Issuer's portfolio that has one or more instalments of principal, interest, penalty interest, fee or any other expected payments overdue for 90 (ninety) days or more and includes restructured loans.

"Tangible Net-worth" means, with respect to any person, the amount paid up on such person's issued equity share capital, compulsorily convertible instruments and any amount standing to the credit of its reserves, less equity or equity-like investments, goodwill, deferred tax assets and other intangible assets.

"Gross Loan Portfolio" means and includes the outstanding principal amounts of the loans originated by the Issuer on its own books, securitized portfolio as well as loans originated on behalf of other entities by entering into partnership agreements but not included on the Issuer's own book.

"NBFC Master Directions" means the master directions issued by the RBI on Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 or Non-Banking Financial Company - Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 as may be applicable for the Borrower (as amended or modified or restated from time to time).

"Tier I Capital" shall have the meaning given to it in the NBFC Master Directions.

"Tier II Capital" shall have the meaning given to it in the NBFC Master Directions.

Loan Loss Provisions means the outstanding provision in the balance sheet of the Issuer pertaining to on book and securitised book assets to provide for potential losses.

The Debenture Trustee shall be granted access to any additional information that it deems necessary to monitor and evaluate compliance with the aforementioned Financial Covenants.

All Financial Covenants as mentioned above would be tested on a quarterly basis for the Company i.e. as on 31st March, 30th June, 30th September and 31st December every year starting from 30th September 2023 on a standalone balance sheet till the redemption of the Debentures. Without prejudice to its other rights under the Transaction Documents, the Debenture Trustee reserves the right to levy a penalty of a sum equivalent to 1% (One percent) of the amount outstanding under the Issue on the Company in the event



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of breach of any of the Financial Covenants ("**Penalty for Breach**"). In such an event, the Borrower shall pay the Penalty for Breach to the Debenture Trustee within 30 (thirty) calendar days from the date of such breach.

3.3 EVENTS OF DEFAULT

(a) ***Payment Defaults***

The Company does not pay on the Due Date any amount payable pursuant to the Debenture Trust Deed, the term sheet and the Transaction Document and the Debentures (including but not limited to penal interest, if any) at the place at and in the currency in which it is expressed to be payable, unless its failure to pay is caused by administrative or technical error and payment is made within 3 (Three) Business Days of its Due Date.

(b) ***Insolvency / Inability to Pay Debts / Distress***

- (i) The Company is unable or admits inability to pay its debts as they fall due, suspends making payments on any of its debts or, by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to rescheduling any of its Financial Indebtedness.
- (ii) The Company is (or deemed by Law or a court to be) insolvent or bankrupt or unable to pay its debts or stops or suspends payments of all its debts, makes a general assignment or an arrangement or composition with or for benefit of the relevant creditors in respect of any such debts or a moratorium is agreed or declared in respect of or affecting all the debts of the Company.
- (iii) Any distress, attachment, execution or other legal process is levied, enforced or sued out on or against any material part of the property, assets, or revenues of the Company and is not discharged or quashed or stayed within 15 (fifteen) days.

(c) ***Charge over Hypothecated Assets***

The Company creates or attempts to create any charge on the Hypothecated Assets or any part thereof, in addition to the charge created pursuant to the Deed of Hypothecation without the consent of the Special Majority Debenture Holders.

(d) ***Business***

The Company without obtaining the prior consent of the Special Majority Debenture Holders ceases to carry on its business or gives notice of its intention to do so.

(e) ***Security in Jeopardy***

- (i) In the opinion of the Debenture Trustee the Hypothecated Assets is in jeopardy;
- (ii) If, the security provided pursuant to the Deed of Hypothecation depreciates in value to such an extent that in the reasonable opinion of the Trustee further security should be given and on advising the Company to that effect such security has not been given to the Debenture Trustee to their satisfaction;
- (iii) If, without the prior written approval of the Debenture Trustee, the Hypothecated Assets or any part thereof is transferred, assigned, charged, encumbered or alienated but no prior approval shall require for the replacement of assets comprising the Hypothecated Assets with other similar assets; or



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- (iv) the value of the Hypothecated Assets is insufficient to maintain the Security Cover Ratio and Company fails to maintain the minimum Security Cover Ratio specified in the Deed of Hypothecation within the stipulated timelines in the Deed of Hypothecation.

(f) **Misrepresentation**

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

(g) **Material Adverse Change**

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

(h) **Liquidation or Dissolution of the Company / Appointment of Receiver or Liquidator**

- (i) Any corporate action, legal proceedings or other procedure or step is taken in relation to:
 - (A) the suspension of payments, a moratorium of any Indebtedness, winding-up, dissolution, administration or re-organisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of the Company or its Affiliate;
 - (B) a composition, compromise, assignment or arrangement with any creditor of the Company or its Affiliate;
 - (C) the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of the Company or its Affiliate;
 - (D) the Company or its Affiliate, in respect of any reference or enquiry or proceedings commenced, before the National Companies Law Tribunal or under any mechanism or prescription of the RBI in respect of resolution/restructuring of stressed assets (including without limitation, under the RBI's circular no. DBR.No.BP.BC.45/21.04.048/2018-19 dated June 7, 2019 on "Prudential Framework for Resolution of Stressed Assets" (as amended or modified or restated from time to time));
 - (E) the commencement of an insolvency resolution process under the (Indian) Insolvency and Bankruptcy Code, 2016 (to the extent applicable) or under any other applicable Law, in respect of the Company or its Affiliate; or
 - (F) enforcement of any security over any Assets of the Company or its Affiliate.

Any other event occurs or proceeding instituted under any applicable Law that would have an effect analogous to any of the events listed in sub-Clauses (A) to (F) above.



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- (ii) An order is made or an effective resolution passed for the winding up or dissolution, judicial management or administration of the Company, or the Company ceases to carry on all of its business or operations, except for the purpose of and followed by a reconstruction, amalgamation, re-organization, merger or consolidation on terms approved by Special Resolution of Debenture Holders.

(i) **Cross Default**

The Company (i) defaults in any payment of any Financial Indebtedness beyond the period of grace (not to exceed 30 days), if any, provided in the instrument or agreement under which such Financial Indebtedness was created; (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 (iii) any Financial Indebtedness of the Company shall be declared to be due and payable, or required to be prepaid other than by a regularly scheduled required prepayment, prior to the stated maturity thereof.

(j) **Creditors' Process**

- (i) 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 any Government Authority.
- (ii) The Company does not inform the Debenture Trustee of one or more of the other creditors of the Company accelerating the payment obligations on the grounds of a material adverse change (howsoever described) or a material adverse effect (howsoever described) in the financial, operational or regulatory conditions governing the Company.
- (iii) The Company has voluntarily or involuntarily becomes the subject of proceedings under any bankruptcy or insolvency laws and such proceedings have been admitted by a competent court or the Company is voluntarily or involuntarily dissolved.
- (iv) The Company is adjudged insolvent or takes advantage of any law for the relief of insolvent debtors.
- (v) Any expropriation, attachment, garnishee, sequestration, distress or execution affects any Receivables constituting Hypothecated Assets or part thereof.

(k) **Judgments Defaults**

One or more judgments or decrees entered against the Company involving a liability (not paid or not covered by a reputable and solvent insurance company), individually or in the aggregate, exceeding 5% (five percent) of the Total Assets of the Company PROVIDED THAT such judgments or decrees are either final and non-appealable or have not been



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vacated, discharged or stayed pending appeal for any period of 30 (thirty) consecutive calendar days.

(l) **Transaction Documents**

- (i) The Debenture Trust Deed or any other Transaction Document in whole or in part, are terminated or cease to be effective or cease to be a legally valid, binding and enforceable obligation of the Company.
- (ii) In the opinion of the Debenture Trustee, any of the Transaction Documents fails to provide the security interest, rights, title, remedies, power or privileges intended to be created thereby (including the priority intended to be created thereby), or such security interests do not have the priority contemplated under the Transaction Documents, or the security interest created thereunder become unlawful, invalid, or unenforceable.

(m) **Unlawfulness**

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

(n) **Repudiation**

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

(o) **Information Covenants**

The failure to comply with any reasonably monitoring and/or servicing requests from Debenture Holders, including its monthly, quarterly, annual and event-based reporting requirements as required under the reporting covenants prescribed in **Schedule X (Reporting Covenants)**.

(p) **Government Intervention**

- (i) Any step is taken by Governmental Authority or agency or any other competent authority, with a view to the seizure, compulsory acquisition, expropriation or nationalisation of all or (in the opinion of the Debenture Trustee) a material part of the assets of the Company which is material to the Company;
- (ii) Any Governmental Authority having assumed custody or control of the business or operations of the Company or having taken any action for the dissolution of the Company or any action that would prevent the Company or its officers from carrying on its business or operations thereof; or
- (iii) The Company's organizational or legal status, or any license or franchise is revoked or suspended by any Governmental Authority or authority after the Company has exhausted all remedies and appeals relating thereto.

(q) **Delisting**

If the Debentures are listed and any Debenture is subsequently delisted from any exchange on which it is listed without the prior written consent of the Debenture Trustee.



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(r) ***Cessation***

The Company ceases or threatens to cease to carry on the main business it is currently engaged in.

(s) ***Alteration in Constitutional Documents***

The Company, without the previous consent in writing of the Debenture Trustee, makes or attempts to make any alteration in the provisions of its Constitutional Documents where (i) such change might in the opinion of the Debenture Trustee detrimentally affect the interests of the Debenture Holder(s) and (ii) the Company refuses or neglects to or is unable to rescind such alteration.

(t) ***Non-compliance with judicial order***

The Company fails to comply with or fulfil any judicial order passed against it provided however that such order shall not include any order against which appeal is available or for which an appeal is pending.

(u) ***Erosion of Net Worth***

Erosion of 50% (fifty per cent) or more of the Issuer's net worth as compared to previous financial year.

(v) ***Merger***

The rearrangement or consolidation or amalgamation with or merger with or into, or receiving of all or substantially all the assets or obligations of, another entity, or any action for reorganisation of capital without the prior written consent of the Debenture Trustee.

(w) ***Sale, disposal***

Sale, transfer, or other disposition of all or substantially all of the Company's Assets other than in the normal course of business of the Company.

(x) ***Third party***

A default or Event of Default occurs on account of a breach of representation or breach of an information covenant under the terms of any other agreement involving borrowed money or the extension of credit or any other Financial Indebtedness under which the Company may be obligated as a borrower or guarantor and pursuant to which the Company is called upon to and makes a prepayment to a third party without the prior written consent of the Debenture Holder. Such consent shall not be unreasonably delayed or withheld by the Debenture Holders.

(y) ***Wilful default***

Any Founders or directors or key management personnel of the Company is/are declared as wilful defaulter by any competent authority or accused of, charged with, arrested or convicted a criminal offence involving moral turpitude, dishonesty or which otherwise impinges on the integrity of the Founder/s and/or director, including any accusations, charges and/or convictions of any offence relating to bribery.



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(z) ***Breach of Financial Covenants and Reporting Covenants***

Any breach of financial covenants stipulated in **Schedule IX** (*Financial Covenants*) or the reporting covenants stipulated in **Schedule X** (*Reporting Covenants*) after a cure period of 30 (thirty) days.

(aa) ***Breach of Other Covenants***

Any breach or default in compliance with all other covenants stipulated in Transaction Documents.

(bb) ***Breach of other terms of the Debenture Trust Deed***

A breach by the Company of any of its obligations and covenants provided in terms of the Debenture Trust Deed or other Transaction Documents.

3.4 CONSEQUENCES OF AN EVENTS OF DEFAULT AND REMEDIES

If one or more of the events specified in **Schedule XII** (*Events of Default*) of the Debenture Trust Deed occur(s), the Debenture Trustee may, in its discretion, that is, without requiring any consent or confirmation of the Company, and upon request in writing of Special Majority Debenture Holders or by a Special Resolution duly passed at the meeting of the Debenture Holders held in accordance with the provisions set out in Clause 6 (*Provisions for the meetings of the Debenture Holders*) hereto by a notice in writing to the Company initiate the following course of action:

- (a) require the Company to mandatorily redeem the Debentures and repay the principal amount on the Debentures, along with accrued but unpaid interest, and other costs, charges and expenses incurred under or in connection with the Debenture Trust Deed and other Transaction Documents;
- (b) declare all or any part of the Debentures to be immediately (or on such dates as the Debenture Trustee may specify) due and payable, whereupon it shall become so due and payable;
- (c) enforce any security created pursuant to the Deed of Hypothecation in accordance with its terms, as may be set out herein or therein, towards repayment of the Debentures;
- (d) appoint any independent agency to inspect and examine the working of the Company and give a report to Debenture Holders/ the Debenture Trustee. The Company shall give full co-operation and provide necessary assistance to such agency and bear all costs and expenses of the examination including the professional fees and travelling and other expenses;
- (e) to appoint a nominee director as per the SEBI (Debenture Trustee) Regulations, 1993 on the board of directors of the Company or to appoint an observer to all meetings of the board of directors of the Company;
- (f) take necessary action of either enforcing the Security or entering into the Inter Creditor Agreement as stated in Clause 7.3 of the Debenture Trust Deed or take any other action as decided in the meeting of Debenture Holder(s) based on the decision of the Special Majority Debenture Holder(s), including the decision of formation of a committee of the Debenture Holder(s) to participate in the ICA or to enforce the Security or as may be decided in the meeting of Debenture Holder(s). Such a committee, if decided to be formed, may comprise of the designated members representing the interest of the ISIN level Debenture



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Holder(s) under the Debentures and be responsible to take decisions which shall be binding on the specific ISIN level Debenture Holder(s) relating to ICA matters, or in relation to enforcement of the Security, or take any other action as may be decided by the Debenture Holder(s), from time to time. The Debenture Trustee(s) may in accordance with the decision of the Debenture Holder(s), sign the ICA and consider the resolution plan, if any, on behalf of the Debenture Holder(s)/ Beneficial Owners in accordance with the requirements under the extant RBI guidelines, SEBI circulars, guidelines and other Applicable Laws;

- (g) The Debenture Trustee after obtaining consent of Debenture Holder(s) for enforcement shall inform the designated stock exchange seeking release of the Recovery Expense Fund. The Debenture Trustee shall follow the procedure set out in by Issuers of listed or proposed to be listed debt securities towards creation of "Recovery Expense Fund" issued by SEBI, as amended from time to time for utilization of the Recovery Expense Fund and be obligated to keep proper account of all expenses, costs including but not limited to legal expenses, hosting of meetings etc., incurred out of the Recovery Expense Fund towards enforcement of Security. All expenses over and above those met from the Recovery Expense Fund incurred by the Beneficial Owners(s)/Trustee after an Event of Default has occurred;
- (h) take all such other action expressly permitted under the Debenture Trust Deed or in the other Transaction Documents or permitted under the Law including invocation of guarantee (if applicable); and
- (i) exercise such other rights as the Debenture Trustee may deem fit under applicable Law to protect the interest of the Debenture Holders.



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SECTION 4 : OTHER INFORMATION AND APPLICATION PROCESS

4.1 Issue Procedure

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

The final subscription to the Debentures shall be made by the Eligible Investors through the electronic book mechanism as prescribed by SEBI under the EBP Guidelines by placing bids on the electronic book platform during the Issue period. In case the Eligible Investors are not registered on the EBP Platform, they will have to register themselves as investor on the said platform (as a one-time exercise) and also complete the mandatory KYC verification process. The Eligible Investors should also refer to the operational guidelines of the EBP in this respect. The disclosures required pursuant to the EBP Guidelines are set out hereinbelow:

Details of size of issue including green shoe option, if any and a range within which green shoe may be retained (if applicable)	Base Issue: 3,500 (Three Thousand Five Hundred) secured, listed, rated, unsubordinated, redeemable, transferable, non-convertible debentures having a face value of INR 1,00,000/- (Indian Rupees One Lakh only) each, for cash, at par, aggregating up to INR 35,00,00,000/- (Indian Rupees Thirty-Five Crores Only) on a private placement basis. Green Shoe option: Not Applicable
Bid opening and closing date	Bid opening date: 24th August 2023; and Bid closing date: 24th August 2023
Minimum Bid Lot	100 (One Hundred) Debentures (aggregating to INR 1,00,00,000 (Indian Rupees One Crore), and 1 (one) Debenture thereafter.
Manner of bidding in the Issue	Open Bidding
Manner of allotment in the Issue	The allotment will be done on Uniform Yield basis in accordance with EBP Guidelines.
Manner of settlement in the Issue	Pay-in of funds through ICCL and the account details are given in the Section 4.2 (<i>Process flow of settlement</i>) of this Key Information Document.
Settlement Cycle	T+1, where T refers to the date of bid opening date / issue opening date

4.2 Process flow of settlement:

The Eligible Investors whose bids have been accepted by the Issuer and to whom a



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signed copy of this Key Information Document have been issued by the Issuer and who have submitted/shall submit the Application Form ("**Successful Bidders**"), shall make the payments in respect of the Application Money in respect of the Debentures towards the allocation made to them, into the bank account of the ICCL, the details of which are as set out below:

Name of Bank	HDFC BANK
IFSC Code	HDFC0000060
Account number	ICCLEB
Name of beneficiary	INDIAN CLEARING CORPORATION LIMITED

Name of Bank	ICICI Bank Ltd.
IFSC Code	ICIC0000106
Account number	ICCLEB
Name of beneficiary	INDIAN CLEARING CORPORATION LTD

Name of Bank	YES BANK
IFSC Code	YESB0CMSNOC
Account number	ICCLEB
Name of beneficiary	INDIAN CLEARING CORPORATION LTD

The pay-in of the Application Money by the Successful Bidders will be made only from the bank account(s), which have been provided / updated by them in the EBP system. Any amount received from third party accounts or from accounts not specified in the EBP system will be refunded and no allotment will be made against such payments. Upon the transfer of funds into the aforesaid account of ICCL and the Issuer confirming its decision to proceed with the allotment of the Debentures in favour of the Successful Bidders to the ICCL, the R&T Agent and the EBP and initiating the requisite corporate action for allotment of Debentures and credit of the demat letter of allotment into the relevant demat account of the Successful Bidders through the R&T Agent, the R&T Agent shall provide corporate action file along with all requisite documents to the relevant Depositories by 12:00 hours and also intimate the EBP of the aforesaid actions. Upon the Depositories confirming the allotment of the Debentures and the credit of the Debentures into the demat account of the Successful Bidders to EBP, the subscription monies in respect of the Debentures from the aforesaid account of ICCL shall be released into the Issuer's bank account, the details of which are as set out below:

Beneficiary Name	AYE FINANCE PRIVATE LIMITED
Bank Account No.	50200024731473
SWIFT Code	HDFCINBBDEL
IFSC Code	HDFC0003906
Bank Name	HDFC Bank Limited
Branch Address	Vipul Square Centre, Sushant Lok-I, Gurgaon

It must be noted that all funds pay-in obligations need to be fulfilled in totality. Partial fund receipt against any given obligation will be treated as a default and debarment penalties will be applicable as specified by the EBP Guidelines.



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4.3 Payment Instructions

The Application Form should be submitted directly. The entire amount of INR 1,00,000/- (Indian Rupees One Lakh) per Debenture is payable along with the making of an application. Applicants can remit the application amount on the Pay-in Date through RTGS to the following account:

Beneficiary Name	Aye Finance Private Limited
Bank Account No.	50200024731473
SWIFT Code	HDFCINBBDEL
IFSC Code	HDFC0003906
Bank Name	HDFC Bank Ltd.
Branch Address	Vipul Square Centre, Shushant Lok-1, Gurgaon, 122002

4.4 Eligible Investors

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

- (a) Resident Individuals;
- (b) Hindu Undivided Family;
- (c) Trust;
- (d) Limited Liability Partnerships, Partnership Firm(s);
- (e) Portfolio Managers and Foreign Institutional Investors (FII) registered with SEBI;
- (f) Associate of Persons;
- (g) Companies and Bodies Corporate including Public Sector Undertakings;
- (h) Commercial Banks, Regional Rural Banks, Financial Institutions;
- (i) Insurance Companies;
- (j) Mutual Funds/Alternative Investment Fund (AIF); and
- (k) Any other investor eligible to invest in these Debentures.

All Investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this issue of Debentures. Without prejudice to the aforesaid, where the selection of the eligible investors is required to be done pursuant to bidding mechanism on the Electronic Platform called the "EBP Platform" under the EBP Guidelines or any other successive arrangement/platform mandated by SEBI, only those Persons out of the aforesaid categories of investors, who are registered on the EBP Platform and are eligible to make bids for Debentures of the Issuer and to whom allocation is to be made by the Issuer pursuant to selection under the electronic book mechanism for issuance of securities on private placement basis in terms of the EBP Guidelines and the Electronic Book Providers shall be considered as "identified persons" for the purposes of Section 42(2) of the Companies Act, 2013 (as amended from time to



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time), to whom the Issuer shall make private placement of the Debentures and only such "identified persons" shall receive a direct communication from the Issuer with offer to subscribe to the Debentures and only such "identified persons" shall be entitled to subscribe to the Debentures.

Additionally, those arrangers/brokers/intermediaries etc. (as per the defined limits under the EBP Guidelines) specifically mapped by the Issuer on the EBP Platform are also eligible to bid/apply/invest for this Issue.

All Eligible Investors are required to check and comply with Applicable Law(s) including the relevant rules / regulations / guidelines applicable to them for investing in this Issue of Debentures 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.

Hosting of the General Information Document / Key Information Document on the website of the BSE should not be construed as an offer or an invitation to offer to subscribe to the Debentures and the same has been hosted only as it is stipulated under the SEBI Regulations read with the EBP Guidelines. Eligible Investors should check their eligibility before making any investment.

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.



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

Serial No: 001

Addressed to: _____ (Name of the Debenture Holder(s))

SECTION 5: FORM NO. PAS-4

(Pursuant to Section 42 of the Companies Act, 2013 and Rule 14(3) of the Companies (Prospectus and Allotment of Securities) Rules, 2014)

Note: This Form No PAS-4 is prepared in accordance with the Companies (Prospectus and Allotment of Securities) Rules, 2014.

ISSUE OF UP TO 3,500 (THREE THOUSAND FIVE HUNDRED) SECURED, LISTED, RATED, UNSUBORDINATED, REDEEMABLE, TRANSFERABLE, NON-CONVERTIBLE DEBENTURES HAVING A FACE VALUE OF INR 1,00,000/- (INDIAN RUPEES ONE LAKH ONLY) EACH, FOR CASH, AT PAR, AGGREGATING UP TO INR 35,00,00,000/- (INDIAN RUPEES THIRTY-FIVE CRORES ONLY) ON A PRIVATE PLACEMENT BASIS (THE "ISSUE") (HEREINAFTER REFERRED TO AS "DEBENTURES") BY AYE FINANCE PRIVATE LIMITED (THE "COMPANY") OR ("ISSUER").

5.1 General Information:

- (a) Name, address, website, if any, and other contact details of the Company, indicating both registered office and the corporate office:

Issuer / Company: Aye Finance Private Limited (the "Issuer" or "Company" or "Aye Finance")

Registered Office: M-5, Magnum House-I, Community Centre, Karampura, West Delhi, New Delhi - 110015, India,

Corporate Office: Unit No. -701-711, 7th Floor, Unitech Commercial Towers-2, Sector-45, Arya Samaj Road, Block B, Greenwood City, Gurgaon Haryana, 122003

Telephone No.: 0124-4844000

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

Fax: NA

Contact Person: Mr. Krishan Gopal

Email: finance@ayefin.com

- (b) Date of Incorporation of the Company:

12/08/1993

- (c) Business carried on by the Company and its subsidiaries with the details of branches or units, if any;

As more particularly set out in the General Information Document

Branch details:

As more particularly set out in the General Information Document



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Subsidiary details:

As of the date of the Key Information Document/PPOA, the Company has one wholly owned subsidiary as follows:

Name: Foundation for Advancement of Micro Enterprises (FAME)

Place: Gurgaon

(d) Brief particulars of the management of the Company:

S. No.	Name	Designation	Profile
1.	Ujwal George	Chief Risk Officer	As the Chief Risk Officer, Ujwal is responsible for strengthening the risk management capabilities and driving operational transformation. At Aye Finance he brings in a comprehensive perspective on all the risks that are faced by the Company and directs our efforts towards having policies, systems, and processes to address these. He has held various leadership positions in his career of over 25 years in banking and financial services. He has deep expertise in driving enterprise-wide change programs, setting up and scaling up operations, customer experience management and risk management. At RBL Bank, he served on the Management Committee and led the transformation agenda of the organization. He has been associated with leading financial services institutions like Barclays Bank, Abu Dhabi Commercial Bank, ICICI and HSBC in various leadership roles. Ujwal is an alumnus of Indian Institute of Management Bangalore and is a BSc in Physics.
2.	Krishan Gopal	Chief Finance Officer	As Chief Financial Officer, Krishan is responsible for leading our Corporate Finance, Treasury, Investor Relations, accounting functions and strengthening the financial and regulatory reporting. He carries the responsibility for financial control to ensure optimal cost benefit outcomes for the organization. He has two decades of experience in various roles at Price Waterhouse, Deloitte, PNB Housing, Satin Creditcare and DMI Finance. Besides his considerable experience in fund raising, his expertise lies in Strategic Planning, Budgeting, Compliances, and Investor Relations.



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			Krishan is a Chartered Accountant and holds a bachelor's in commerce from University of Delhi.
3.	Niraj Kumar Kaushik	Chief Business Officer	Niraj has 24 years of experience in the banking & financial services space. He has worked with organizations like Religare, Bajaj Finance, ABM Amro bank, ICICI Bank and L&T. His experience spans across diverse areas like Risk, Credit, Sales and Product functions for secured (ABF & mortgage loans) and unsecured (BL & Professional Loans) portfolios. He has managed structured credit line to MSME, Micro Finance Institution (MFI), NBFC, Educational Institute (EDI), Commercial Real Estate (CRE), Mining and contractor segments for bank as well as NBFCs, covering retail and large ticket customers. One of his impact areas is development and implementation of Application score card and digital ecosystem (Digital Support System) for retail secured as well as unsecured loan underwriting. Niraj is married to Dr. Reena Sharma and is blessed with two Son, Athary and Parth. Niraj has done Advance Diploma in Business management from IMT Ghaziabad and Engineering from REC, Jaipur.

(e) **Name, addresses, Director Identification Number (DIN) and occupations of the directors:**

S. No.	Name	Designation	DIN	Address	Occupation
1	Sanjay Sharma	Managing Director	03337545	504/21, Heritage City, M.G. Road, DLF Phase-II, Gurgaon Haryana - 122008	Service
2	Vivek Kumar Mathur	Director	03581311	D-151, Westend Heights, DLF Phase-V, Gurgaon-122009, Haryana	Service



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S. No.	Name	Designation	DIN	Address	Occupation
3	Navin Kumar Maini	Independent Director	00419921	B-74, 1 st Floor, Defence Colony, New Delhi-110024, Delhi	Independent Consultant
4	Arpita Pal Agrawal	Independent Director	08588528	501, Block 21 Heritage City Mg Road Gurgaon Haryana - 122002	Service
5	Navroz Darius Udwadia	Director	0008355220	Flat No. 3, 14 Vicrage Gate, London, W84AG, UK	Director
6	Vinay Baijal	Independent Director	07516339	701, Lodha Granduer, Sayani Road, opposite ST bus depot, Prabha Devi, Mumbai - 400025	Consultant
7	Kartik Srivatsa	Director	03559152	3 rd Floor, # 5, 12 th Block, 5 th Main, Kumara Park-West, Bangalore-560 020, Karnataka, India	Self-employed
8	Kaushik Anand Kalyana Krishnan	Director	07719742	B603 Ashok Gardens, T J Road, Sewri, Mumbai, Maharashtra-400015	Service

5.2 MANAGEMENT PERCEPTION OF RISK FACTORS:

Please refer to Section 3 of the General Information Document.

5.3 RISKS RELATED TO THE BUSINESS OF THE ISSUER

Please refer to Section 3 of the General Information Document.

5.4 Details of defaults, if any, including therein the amount involved, duration of default, and present status, in repayment of:

- (i) Statutory Dues: Nil
- (ii) Debentures and interest thereon: Nil



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(iii) Deposits and interest thereon: Nil

(iv) Loan from any bank or financial institution and interest thereon: Nil

5.5 Name, designation, address and phone number, email ID of the nodal / compliance officer of the Company, if any, for the private placement offer process:

Name of Nodal/ Compliance officer	Designation	Address	Phone No.	Email ID
Ms. Tripti Pandey	Company Secretary	Unit No. -701-711, 7 th Floor, Unitech Commercial Towers-2, Sector-45, Arya Samaj Road, Block B, Greenwood City, Gurgaon Haryana, 122003	0124-4844000	finance@aye fin.com

5.6 Any default in annual filing of the Company under the Companies Act, 2013 or the rules made thereunder:

NIL

5.7 Particulars of the Offer:

Financial position of the Company for the last 3 (three) financial years	As set out in Chapter A of the General Information Document
Date of passing of Board Resolution	Board resolution dated 7 th July 2023. A copy of the resolution has been annexed hereto in Annexure V of this Key Information Document respectively.
Date of passing of resolution in the general meeting, authorizing the offer of securities	Shareholders resolutions under Section 42 of the Act dated 29 th September 2022. A copy of which is attached in Annexure VI hereto.
Kind of securities offered (i.e. whether share or debenture) and class of security; the total number of shares or	Issue of up to 3,500 (Three Thousand Five Hundred) secured, listed, rated, unsubordinated, redeemable, transferable, non-convertible debentures having a face value of INR 1,00,000/- (Indian Rupees One Lakh only) each, for cash, at par, aggregating up to INR 35,00,00,000/- (Indian Rupees Thirty-Five Crores Only) on a private placement basis. Base Issue Size: Issue of up to 3,500 (Three Thousand Five Hundred) secured, listed, rated, unsubordinated, redeemable, transferable, non-convertible debentures having a face value of INR



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other securities to be issued	1,00,000/- (Indian Rupees One Lakh only) each, for cash, at par, aggregating up to INR 35,00,00,000/- (Indian Rupees Thirty-Five Crores Only) on a private placement basis. Green Shoe Size: Not Applicable
Price at which the security is being offered, including premium if any, along with justification of the price	The Debentures are being offered at face value of INR 1,00,000/- (Indian Rupees One Lakh) per Debenture
Name and address of the valuer who performed valuation of the security offered, and basis on which the price has been arrived at along with report of the registered valuer	Not Applicable as the Debentures are being offered at face value of INR 1,00,000 (Indian Rupees One Lakh) per Debenture.
Relevant date with reference to which the price has been arrived at (Relevant Date means a date at least 30 days prior to the date on which the general meeting of the Company is scheduled to be held)	Not applicable as each Debenture is a non-convertible debt instrument which is being issued at face value of INR 1,00,000 (Indian Rupees One Lakh).
The class or classes of persons to whom the allotment is proposed to be made	Please refer to 'Eligible Investors' under Section 4.4 of this Key Information Document.
Intention of promoters,	Not Applicable.



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directors or key managerial personnel to subscribe to the offer (applicable in case they intend to subscribe to the offer) [Not required in case of issue of non-convertible debentures]							
The proposed time within which the allotment shall be completed	The Debentures will be deemed to be allotted on 25th August 2023 (“Deemed Date of Allotment”), and the Company will ensure that the Debentures are credited into the demat accounts of the holders of the Debentures (“Debenture Holders”) within 1 (one) Business Days from the Deemed Date of Allotment, each in accordance with the debenture trust deed (“Debenture Trust Deed”) to be entered into between the Company and the debenture trustee (“Debenture Trustee”). In any case, the period within which the Debentures will be allotted will not exceed the maximum period of 60 (sixty) days from the date of receipt of application money, as prescribed under the Companies Act, 2013.						
The names of the proposed allottees and the percentage of post private placement capital that may be held by them [Not applicable in case of issue of non-convertible debentures]	Not Applicable.						
The change in control, if any, in the company that would occur consequent to the private placement	Not Applicable						
The number of persons to whom allotment on preferential basis / private	The details of allotment on preferential basis/private placement/rights issue already been made during the calendar year is as follows: <table><tr><td>S. N</td><td>Number of</td><td>Type of securities</td><td>Face value</td><td>Aggregate value</td><td>Preferential basis/private</td></tr></table>	S. N	Number of	Type of securities	Face value	Aggregate value	Preferential basis/private
S. N	Number of	Type of securities	Face value	Aggregate value	Preferential basis/private		



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placement / rights issue has already been made during the year, in terms of securities as well as price	o.	securities allotted	es allotted	of each security (in INR)	of securities (in INR)	e placement/rights issue
	1.	5,000	Non-convertible debentures	INR 1,00,000	INR 50,00,000	Private Placement
	2.	2,700	Non-convertible debentures	INR 1,00,000	INR 27,00,000	Private Placement
	3.	1,500	Non-convertible debentures	INR 1,00,000	INR 15,00,000	Private Placement
	4.	338	Non-convertible debentures	INR 10,00,000	INR 33,80,000	Private Placement
	5.	3000	Non-convertible debentures	INR 1,00,000	INR 30,00,000	Private Placement
	6.	372	Non-convertible debentures	INR 10,00,000	INR 37,20,000	Private Placement
	7.	2500	Non-convertible debentures	INR 1,00,000	INR 25,00,000	Private Placement
	8.	2500	Non-convertible debentures	INR 1,00,000	INR 25,00,000	Private Placement
	9.	3000	Non-convertible debentures	INR 1,00,000	INR 30,00,000	Private Placement
The justification for the allotment proposed to be made for	Not applicable as each Debenture is a non-convertible debt instrument which is being issued at face value of INR 1,00,000/- (Indian Rupees One Lakh).					



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consideration other than cash together with valuation report of the registered valuer									
Amount, which the Company intends to raise by way of proposed offer of securities	Up to INR 35,00,00,000 (Indian Rupees Thirty-Five Crores Only).								
Terms of raising of securities:	<table> <tr> <td>Duration, if applicable:</td><td>18 (eighteen) months from the Deemed Date of Allotment. The proposed interest payment and redemption schedules are set out in Annexure IV of this Key Information Document.</td></tr> <tr> <td>Rate of Interest or Coupon:</td><td>Fixed coupon at 10.50% p.a. (ten point five zero per cent) per annum and payable quarterly. Please refer to the row titled 'Coupon Rate' in Section 2.8 (Issue Details) of the Key Information Document.</td></tr> <tr> <td>Mode of Payment</td><td>Electronic clearing services (ECS)/credit through RTGS system/ direct credit or national electronic fund transfer (NEFT) or or Immediate Payment Service (IMPS). Wherein the subscription amounts on the Debentures issued by the Issuer should be paid into the account details set out in Section 4.2 (Process flow of settlement of this Key Information Document.</td></tr> <tr> <td>Mode of Repayment</td><td>cheque(s) / electronic clearing services (ECS)/credit through RTGS system/funds transfer</td></tr> </table>	Duration, if applicable:	18 (eighteen) months from the Deemed Date of Allotment. The proposed interest payment and redemption schedules are set out in Annexure IV of this Key Information Document.	Rate of Interest or Coupon:	Fixed coupon at 10.50% p.a. (ten point five zero per cent) per annum and payable quarterly. Please refer to the row titled 'Coupon Rate' in Section 2.8 (Issue Details) of the Key Information Document.	Mode of Payment	Electronic clearing services (ECS)/credit through RTGS system/ direct credit or national electronic fund transfer (NEFT) or or Immediate Payment Service (IMPS). Wherein the subscription amounts on the Debentures issued by the Issuer should be paid into the account details set out in Section 4.2 (Process flow of settlement of this Key Information Document.	Mode of Repayment	cheque(s) / electronic clearing services (ECS)/credit through RTGS system/funds transfer
Duration, if applicable:	18 (eighteen) months from the Deemed Date of Allotment. The proposed interest payment and redemption schedules are set out in Annexure IV of this Key Information Document.								
Rate of Interest or Coupon:	Fixed coupon at 10.50% p.a. (ten point five zero per cent) per annum and payable quarterly. Please refer to the row titled 'Coupon Rate' in Section 2.8 (Issue Details) of the Key Information Document.								
Mode of Payment	Electronic clearing services (ECS)/credit through RTGS system/ direct credit or national electronic fund transfer (NEFT) or or Immediate Payment Service (IMPS). Wherein the subscription amounts on the Debentures issued by the Issuer should be paid into the account details set out in Section 4.2 (Process flow of settlement of this Key Information Document.								
Mode of Repayment	cheque(s) / electronic clearing services (ECS)/credit through RTGS system/funds transfer								



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Proposed time schedule for which the Issue/Offer Letter is valid	Issue Open Date: 24 th August 2023 Issue Closing Date: 24 th August 2023 Pay-in Date: 25 th August 2023 Deemed Date of Allotment: 25 th August 2023
Purpose and objects of the Issue/Offer	Please refer to section named "Details of the <i>utilization of the Issue Proceeds</i> " in Section 2.8 (<i>Issue Details</i>) of this Key Information Document.
Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of such objects	NIL
Principal terms of assets charged as security, if applicable	Please refer to section named " <i>Security (Including description, type of security, type of charge, likely date of creation of security, minimum security cover, revaluation, replacement of security)</i> " in Section 2.8 (<i>Issue Details</i>) of this Key Information Document.
The details of significant and material orders passed by the Regulators, Courts and Tribunals impacting the going concern status of the Company and its future operations	NIL

The pre-issue and post-issue shareholding pattern of the Company in the following format					
S. No.	Category	Pre-issue		Post-issue	
		No. of shares held	Percentage (%) of shareholding	No. of Shares held	% of share holding
A	Promoters' holding				
	Indian				
1	Individual	-	-	-	-



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	Bodies Corporate	-	-	-	-
	Sub-total	-	-	-	-
2	Foreign promoters	-	-	-	-
	Sub-total (A)	-	-	-	-
B	Non-promoters' holding				
1.	Institutional Investors	-	-	-	-
2.	Non-Institutional Investors	-	-	-	-
	Private Corporate Bodies including Foreign Companies	2,82,25,698	91.01	2,82,25,698	91.01
	Directors and relatives	12,41,715	4.01	12,41,715	4.01
	Indian public	9,02,741	2.91	9,02,741	2.91
	Others (including Non-resident Indians and Non-Promotor-Non Public shareholding)	6,42,794	2.07	6,42,794	2.07
	Sub-total (B)	3,10,12,948	100%	3,10,12,948	100%
	GRAND TOTAL	3,10,12,948	100%	3,10,12,948	100%

5.8 Mode of payment for subscription:

- Cheque
- Demand Draft
- Other Banking Channels

5.9 Disclosure with regard to interest of directors, litigation, etc:



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Any financial or other material interest of the directors, promoters or key managerial personnel in the offer/ Issue and the effect of such interest in so far as it is different from the interests of other persons	Nil															
Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any promoter of the Company during the last 3 (three) years immediately preceding the year of the issue of this private placement offer cum application letter and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed	Nil															
Remuneration of directors (during the current year and last 3 (three) financial years)	<table><tr><th>Director</th><th>Fiscal FY 23-24 (Up to July 2023)</th><th>Fiscal FY 22-23</th><th>Fiscal FY 21-22</th><th>Fiscal FY 20-21</th></tr><tr><td>Sanjay Sharma</td><td></td><td></td><td></td><td></td></tr><tr><td>Remuneration</td><td>INR 2.93 crores</td><td>INR 3.00 crores</td><td>INR 2.70 crores</td><td>INR 2.08 crores</td></tr></table>	Director	Fiscal FY 23-24 (Up to July 2023)	Fiscal FY 22-23	Fiscal FY 21-22	Fiscal FY 20-21	Sanjay Sharma					Remuneration	INR 2.93 crores	INR 3.00 crores	INR 2.70 crores	INR 2.08 crores
Director	Fiscal FY 23-24 (Up to July 2023)	Fiscal FY 22-23	Fiscal FY 21-22	Fiscal FY 20-21												
Sanjay Sharma																
Remuneration	INR 2.93 crores	INR 3.00 crores	INR 2.70 crores	INR 2.08 crores												
Related party transactions entered during the preceding 3 (three) financial years immediately preceding the year of issue of this private placement offer cum application letter and current financial year with regard to loans made or, guarantees given or securities provided	Please refer to CHAPTER C of the General Information Document.															
Summary of reservations or qualifications or adverse remarks of auditors in the last 5 (five) financial years immediately preceding the year of issue of this private placement offer cum application letter and of their impact on the financial statements and financial position of the Company and the corrective steps taken and	Nil															



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proposed to be taken by the Company for each of the said reservations or qualifications or adverse remark	
Details of any inquiry, inspections or investigations initiated or conducted under the securities law or Companies Act or any previous company law in the last 3 (three) years immediately preceding the year of circulation of this private placement offer cum application letter in the case of the Company and all of its subsidiaries and if there were any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last 3 (three) years immediately preceding the year of this private placement offer cum application letter and if so, section-wise details thereof for the Company and all of its subsidiaries	Nil

5.10 Financial Position of the Company:

The capital structure of the company in the following manner in a tabular form:

The authorized, issued, subscribed and paid up capital (number of securities, description and aggregate nominal value)	Share Capital	No. of Securities	Amount (in Rs.)
	Authorised		
	Equity Share Capital	55,00,000 equity shares	5,50,00,000
	Preference Share Capital	2,91,00,000 preference shares	2,9,10,00,000
	TOTAL	3,46,00,000	34,60,00,000
	Issued Capital		
	Equity Share Capital	48,30,500 equity shares	4,83,05,000
	Preference Share Capital	2,61,82,448 preference shares	26,18,24,480
	TOTAL	3,10,12,948	31,01,29,480
	Subscribed and Fully Paid- up		
	Equity Share Capital	48,30,500 equity shares	4,83,05,000
	Less: amount recoverable from ESOP Trust (face	(5,60,294)	(5,60,294)



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	value of 560,294 shares of INR 10 each held by trust)		
	Preference Share Capital	2,61,82,448 preference shares	26,18,24,480
	TOTAL	3,04,52,654	30,45,26,540

Size of the Present Offer	Issue of up to 3,500 (Three Thousand Five Hundred) secured, listed, rated, unsubordinated, redeemable, transferable, non-convertible debentures having a face value of INR 1,00,000/- (Indian Rupees One Lakh only) each, for cash, at par, aggregating up to INR 35,00,00,000/- (Indian Rupees Thirty-Five Crores Only) on a private placement basis.
----------------------------------	--

Paid-up Capital:	INR 30,45,26,540/- (Indian Rupees Thirty Crores Forty-Five Lakhs Twenty-Six Thousand Five Hundred and Forty Only)
a. After the offer:	
b. After the conversion of convertible instruments (if applicable)	Not applicable as each Debenture is a non-convertible debt instrument which is being issued at face value.

Share Premium Account:	
a. Before the offer:	INR 659.41 crores
b. After the offer:	INR 659.41 crores

Details of the existing share capital of the Issuer in a tabular form, indicating therein with regard to each allotment, the date of allotment, the number of shares allotted, the face value of the shares allotted, the price and the form of consideration:

Sr. No.	Name of the Shareholder / Particulars	Total Number of equity shares allotted	Total percentage (%) of Shareholding
1.	Sanjay Sharma	9,79,750	3.16
2.	Vikram Jetley	6,31,000	2.03
3.	Shankh Corporation LLP	8,49,625	2.74
4.	Shvet Corporation LLP	8,49,625	2.74
5.	Sumant Misra	57,750	0.19
6.	Deepa Pandit	66,000	0.21
7.	Umesh Kumar Gupta and Gitika Gupta (Joint Holders)	82,500	0.27
8.	Ashok Prabhakar Nadkarni	82,500	0.27
9.	A91 Emerging Fund I LLP	65	0.00
10.	SAIF Partners India V Limited	53,677	0.17
11.	Aye Finance Employee Welfare Trust	5,60,294	1.81
12.	LGT Capital Invest Mauritius PCC with Cell E/VP	33,093	0.11



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13.	CapitalG LP	100	0.00
14.	Namrata Sharma	261,965	0.84
15.	Harleen Kaur Jetley	65,491	0.21
16.	MAJ Invest Financial Inclusion Fund II K/S	86,215	0.28
17.	Falcon Edge India I LP	1,70,850	0.55
	Total	48,30,500	15.58

Sr. No.	Name of the Shareholder / Particulars	Total Number of Preference shares	Total percentage (%) of Shareholding
1.	A91 Emerging Fund I LLP	3,200,565	10.32
2.	SAIF Partners India V Limited	6,159,852	19.86
3.	LGT Capital Invest Mauritius PCC with Cell E/VP	5,390,925	17.38
4.	CapitalG LP	3,937,237	12.70
5.	Capital G International LLC	1,156,897	3.73
5.	MAJ Invest Financial Inclusion Fund II K/S	2,204,985	7.11
6.	Falcon Edge India I LP	4,131,987	13.32
	Total	26,182,448	84.42

Date wise allotment, number of shares allotted, face value of shares allotted, price and form of consideration.

Sr. No.	Date of Allotment	No. of Shares allotted	Face value of shares (INR)	Issue Price	Form of Consideration
1.	12-08-1993	3,000*	INR 100/-	INR 100/-	Cash
2.	10-02-2000	27,000*	INR 100/-	INR 100/-	Cash
3.	31-03-2014	5,65,000	INR 10/-	INR 10/-	Cash
4.	03-07-2014	16,35,000	INR 10/-	INR 10/-	Cash
5.	21-08-2014	10,00,000	INR 10/-	INR 10/-	Cash
6.	12-12-2014	13,30,000	INR 10/-	INR 12/-	Cash
7.	20-02-2015	20,68,964	INR 10/-	INR 29.000021/-	Cash
8.	14-08-2015	8,80,718	INR 10/-	INR 68.1262/-	Cash
9.	21-12-2015	13,35,756	INR 10/-	INR 68.1262/-	Cash
10.	25-04-2016	7,19,252	INR 10/-	INR 68.1262/-	Cash
11.	28-11-2016	65,56,460	INR 10/-	INR 106.7649/-	Cash
12.	19-06-2018	57,36,809	INR 10/-	INR 256.24/-	Cash
13.	06-03-2019	54,75,189	INR 10/-	INR 426.70/-	Cash
14.	15-07-2020	34,09,800	INR10/-	INR 615.87/-	Cash

The number and price at which each of allotments were made by the Company in the last 1

Please refer the sections of this PAS-4 named "Details of the existing share capital of the Issuer in a tabular form, indicating therein with regard to each allotment, the date



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(one) year preceding the date of this placement offer cum application letter separately indicating the allotments made for consideration other than cash and details of the consideration in each case	of allotment, the number of shares allotted, the face value of the shares allotted, the price and the form of consideration" and "The number of persons to whom allotment on preferential basis / private placement / rights issue has already been made during the year, in terms of securities as well as price " for details of the allotments were made in the last one year preceding the date of this private placement offer cum application letter.																			
Profits of the Company, before and after making provision for tax, for the 3 (three) financial years immediately preceding the date of circulation of this private placement offer cum application letter.	<table><tr><th>FY</th><th>PBT (in Rs. Cr)</th><th>PAT (in Rs. Cr)</th></tr><tr><td>2022-23</td><td>71.40</td><td>53.79</td></tr><tr><td>2021-22</td><td>(67.41)</td><td>(45.72)</td></tr><tr><td>2020-21</td><td>23.27</td><td>16.87</td></tr><tr><td>2019-20</td><td>39.95</td><td>32.41</td></tr></table> (INR in Crores)					FY	PBT (in Rs. Cr)	PAT (in Rs. Cr)	2022-23	71.40	53.79	2021-22	(67.41)	(45.72)	2020-21	23.27	16.87	2019-20	39.95	32.41
FY	PBT (in Rs. Cr)	PAT (in Rs. Cr)																		
2022-23	71.40	53.79																		
2021-22	(67.41)	(45.72)																		
2020-21	23.27	16.87																		
2019-20	39.95	32.41																		
Dividends declared by the Company in respect of the said 3 (three) financial years; interest coverage ratio for last three years (cash profit after tax plus interest paid/interest paid)	No dividend has been declared by the Issuer till the date of this private placement offer and application letter. <table><tr><th>Year</th><th>2022-2023</th><th>2021 - 2022</th><th>2020 - 2021</th><th>2019 - 2020</th></tr><tr><td>Interest Coverage Ratio</td><td>0.74</td><td>0.57</td><td>0.88</td><td>0.78</td></tr></table>					Year	2022-2023	2021 - 2022	2020 - 2021	2019 - 2020	Interest Coverage Ratio	0.74	0.57	0.88	0.78					
Year	2022-2023	2021 - 2022	2020 - 2021	2019 - 2020																
Interest Coverage Ratio	0.74	0.57	0.88	0.78																
A summary of the financial position of the Company as in the 3 (three) audited balance sheets immediately preceding the date of circulation of this private placement offer cum application letter	As set out in Chapter A of the General Information Document																			
Audited Cash Flow Statement for the 3 (three) years immediately preceding the date of circulation of this private placement offer cum application letter	Please refer CHAPTER B of the General Information Document.																			
Any change in accounting policies during the last 3 (three) years and their effect on the profits and the reserves of the Company	Nil																			



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PART B

**FORM NO PAS-4
PRIVATE PLACEMENT OFFER LETTER
(To be filled by the applicant)**

Sr. No.	Particulars	First Holder	Second Holder
1	Name	[•]	[•]
2	Father's Name	[•]	[•]
3	Complete Address (including Flat/ House Number, Street, Locality, Pin Code)	[•]	[•]
4	Phone Number, if any	[•]	[•]
5	Email ID, if any	[•]	[•]
6	PAN Number	[•]	[•]
7	Bank Account Details	[•]	[•]
8	Number of Non- Convertible Debentures subscribed	[•]	[•]
9	Total value of Non- Convertible Debentures subscribed	[•]	[•]
10	Tick whichever is applicable: - (a) The applicant is not required to obtain Government approval under the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 prior to subscription of shares. (b) The applicant is required to obtain Government approval under the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 prior to subscription of shares and the same has been obtained, and is enclosed herewith	[•] [•]	[•] [•]

Signature of the Subscriber



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DECLARATION (To be provided by the Directors)

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

I am authorized by the Board of Directors of the Issuer vide resolution number 1 dated 7th July 2023 to sign this Key Information Document and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with.

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

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

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

For **AYE FINANCE PRIVATE LIMITED**

For AYE Finance Pvt. Ltd.



Authorised Signatory

Name: Mr. Sanjay Sharma

Title: Managing Director

Place: New Delhi

Date: 22nd August 2023

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**ANNEXURE I: RATING LETTER, RATING RATIONALE AND DETAILED PRESS RELEASE
FROM THE RATING AGENT**

**India Ratings
& Research**
A Fitch Group Company

FitchGroup

Mr. Krishan Gopal
Chief Financial Officer
Aye Finance (P) Ltd.
7th Floor, Unitech Commercial Tower-2,
Sector 45, Gurgaon 122003

August 22, 2023

Dear Sir/Madam,

Re: Rating Letter for non-convertible debenture (NCD) programme of Aye Finance Private Limited

India Ratings and Research (Ind-Ra) is pleased to communicate the rating of:

INR 11,508.3 million Non-Convertible debentures: IND A-/ Stable

In issuing and maintaining its ratings, India Ratings relies on factual information it receives from issuers and underwriters and from other sources. India Ratings believes to be credible. India Ratings conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security.

The manner of India Ratings' factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in India where the rated security is offered and sold, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors.

Users of India Ratings' ratings should understand that neither an enhanced factual investigation nor any third-party verification can ensure that all of the information India Ratings relies on in connection with a rating will be accurate and complete. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to India Ratings and to the market in offering documents and other reports. In issuing its ratings India Ratings must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings are inherently forward-looking and embody assumptions and predictions about future events that by their nature cannot be verified as facts. As a result, despite any verification of current facts, ratings can be affected by future events or conditions that were not anticipated at the time a rating was issued or affirmed.

India Ratings seeks to continuously improve its ratings criteria and methodologies, and periodically updates the descriptions on its website of its criteria and methodologies for securities of a given type. The criteria and methodology used to determine a rating action are those in effect at the time the rating action is taken, which for public ratings is the date of the related rating action commentary. Each rating action commentary provides information about the criteria and methodology used to arrive at the stated rating, which may differ from the general criteria and methodology for the applicable security type posted on the website at a given time. For this reason, you should always consult the applicable rating action commentary for the most accurate information on the basis of any given public rating.

Ratings are based on established criteria and methodologies that India Ratings is continuously evaluating and updating. Therefore, ratings are the collective work product of India Ratings and no individual, or group of individuals, is solely responsible for a rating. All India Ratings reports have shared authorship. Individuals identified in an India Ratings report were involved in, but are not solely responsible for, the opinions stated therein. The individuals are named for contact purposes only.

Ratings are not a recommendation or suggestion, directly or indirectly, to you or any other person, to buy, sell, make or hold any investment, loan or security or to undertake any investment strategy with respect to any investment, loan or security or any issuer. Ratings do not comment on the

India Ratings & Research Private Limited A Fitch Group Company

Wockhardt Tower, Level 4, West Wing, Bandra Kurla Complex, Bandra (E), Mumbai - 400051

Tel: +91 22 4000 1700 | Fax: +91 22 4000 1701 | CIN/LLPIN: U67100MH1995FTC140049 | www.indiaratings.com



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**India Ratings
& Research**
A Fitch Group Company

FitchGroup

adequacy of market price, the suitability of any investment, loan or security for a particular investor (including without limitation, any accounting and/or regulatory treatment), or the tax-exempt nature or taxability of payments made in respect of any investment, loan or security. India Ratings is not your advisor, nor is India Ratings providing to you or any other party any financial advice, or any legal, auditing, accounting, appraisal, valuation or actuarial services. A rating should not be viewed as a replacement for such advice or services. Investors may find India Ratings ratings to be important information, and India Ratings notes that you are responsible for communicating the contents of this letter, and any changes with respect to the rating, to investors.

It will be important that you promptly provide us with all information that may be material to the ratings so that our ratings continue to be appropriate. Ratings may be raised, lowered, withdrawn, or placed on Rating Watch due to changes in, additions to, accuracy of or the inadequacy of information or for any other reason India Ratings deems sufficient.

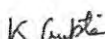
Nothing in this letter is intended to or should be construed as creating a fiduciary relationship between India Ratings and you or between India Ratings and any user of the ratings.

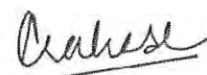
In this letter, "India Ratings" means India Ratings & Research Pvt. Ltd. and any successor in interest.

We are pleased to have had the opportunity to be of service to you. If we can be of further assistance, please email us at infogrp@indiaratings.co.in

Sincerely,

India Ratings


Karan Gupta
Director


Rakesh Valecha
Senior Director

Annexure: ISIN

Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Ratings	Outstanding/Rated Amount(INR million)
NCDs	INE501X07232	08/12/2020	10.7	13/05/2024	IND A-/Stable	0.08
NCDs	INE501X07042	29/08/2017	13.5	29/08/2023	IND A-/Stable	440
NCDs	INE501X08032	06/03/2019	12.14	06/03/2024	IND A-/Stable	200
NCDs	INE501X07166	08/11/2019	12.5	08/11/2024	IND A-/Stable	414
NCDs	INE501X07125	26/06/2019	13	26/06/2025	IND A-/Stable	350
NCDs	INE501X07257	21/12/2021	10.2	21/06/2025	IND A-/Stable	222.216
NCDs	INE501X08057	28/02/2022	11.35	15/03/2025	IND A-/Stable	375
NCDs	INE501X07265	24/03/2022	Coupon linked to 3M TBILL LINKED	24/03/2024	IND A-/Stable	250
NCDs	INE501X07299	29/07/2022	11.16	28/07/2027	IND A-/Stable	310
NCDs	INE501X07315	20/09/2022	11.2	20/09/2027	IND A-/Stable	260
NCDs	INE501X07331	13/09/2022	11	08/03/2028	IND A-/Stable	654.5
NCDs	INE501X07349	15/11/2022	11.85	15/11/2027	IND A-/Stable	310
NCDs	INE501X07364	06/12/2022	11.75	31/07/2025	IND A-/Stable	150
NCDs	INE501X08073	13/12/2022	12.13	31/12/2024	IND A-/Stable	234
NCDs	INE501X07398	15/02/2023	11.25	15/05/2025	IND A-/Stable	270

AyefinancePrivateLimited

22-August-2023



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IndiaRatings
& Research
A Fitch Group Company

FitchGroup

NCDs	INE501X07380	08/02/2023	11.25	08/05/2025	IND A-Stable	150
NCDs	INE501X07372	24/01/2023	10.5	25/04/2024	IND A-Stable	500
NCDs	INE501X07406	24/03/2023	10.70	31/03/2025	IND A-Stable	338
NCDs	INE501X07422	11/04/2023	10.59	25/07/2024	IND A-Stable	300
NCDs	INE501X07414	12/05/2022	10	06/05/2024	IND A-Stable	1000
NCDs	INE501X07430	18/05/2023	10.70	30/04/2025	IND A-Stable	372
NCDs					IND A-Stable	4408.504



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8/22/23, 2:26 PM

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India Ratings Assigns Aye Finance's Additional NCDs & Bank Loans 'IND A-/Stable'; Affirms Existing Ratings

Mar 17, 2023 | Non Banking Financial Company (NBFC)

India Ratings and Research (Ind-Ra) has taken the following rating actions on Aye Finance Private Limited (Aye):

Instrument Type	Date of Issuance	Coupon Rate	Maturity Date	Size of Issue (million)	Rating/Outlook	Rating Action
Long-term Issuer Rating	-	-	-	-	IND A-/Stable	Affirmed
Non-convertible debentures (NCDs)*	-	-	-	INR5,000	IND A-/Stable	Assigned
NCDs*	-	-	-	INR7,488.3	IND A-/Stable	Affirmed
Long-term bank loans	-	-	-	INR3,000	IND A-/Stable	Affirmed
Long-term bank loans	-	-	-	INR1,000	IND A-/Stable	Assigned
Commercial papers (CP)	-	-	Up to one year	INR500	IND A2+	Affirmed
Principal protected market-linked debentures (PP-MLD)*	-	-	-	INR2,100	IND PP-MLD A-/Stable	Affirmed

*Details in Annexure

The rating of the market-linked debentures is an ordinal assessment of the underlying credit risk of the instrument and does not factor in the market risk that investors in such instruments will assume. This market risk stems from the fact that coupon payment on the instrument will be based on the performance of a reference index or equity share (detailed in the information memorandum of the issue). PP-MLD refers to full principal protection in the equity-linked notes, wherein the issuer is obligated to pay the full principal upon maturity.

Key Rating Drivers

<https://www.indiaratings.co.in/pressrelease/61285>

1/8



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8/22/23, 2:26 PM

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Experienced Management; Marquee Shareholders: Aye derives strength from its marquee shareholders and their demonstrated track record of capital infusions, which drive the company's growth prospects. Aye is backed by strong private equity players such as Elevation Capital (19.86% holding on diluted basis, as of December 2022), LGT Capital (17.38%), Capital G (16.43%), Falcon Edge (13.32%), A91 (10.32%) and MAJ Invest (7.11%). Apart from these, as of December 2022, the founder, Sanjay Sharma held 3.16% stake in the company; the remaining was held by the employee welfare trust (1.81%) and others.

The investors maintain adequate oversight with board representation (the five largest investors mentioned above have board representation), supporting technological initiatives and providing strategic inputs to the management team. Moreover, Aye's founding members have over two decades of experience in retail lending and are supported by an experienced second line of management to drive the business.

Adequate Capital Buffers: Aye had last raised equity capital of INR2.1 billion in 1QFY21. This had enabled it to enhance its net worth to INR7.43 billion as of December 2022 (FY22: INR7.06 billion, FY21: INR7.46 billion) and navigate the COVID-19-led crisis. The company's capitalisation levels are adequate to meet its medium-term growth objectives while maintaining the leverage (debt/equity) below 4.0x (3QFY23: 2.4x, FY22: 2.1x, FY21: 1.8x). As per Ind-Ra's stress test, the capital buffers remain adequate to absorb asset quality pressure in the near-to-medium term.

Portfolio Skewed towards Unsecured Category, but Granular and Geographically Diversified: Aye's lending is based on the cluster approach. The company lends to micro enterprises, largely in the manufacturing, trading, dairy (livestock) and services segments, with modest credit profiles (turnover of INR1 million-10 million) for their working capital requirements. However, the company mainly focuses on the trading, and agriculture and livestock categories. Aye's product portfolio has two large segments – hypothecation loans and quasi-mortgage loans. Hypothecation loans formed 93.7% and quasi-mortgage loans formed 5.3% of the overall assets under management in 3QFY23. The largest part (96%) of the portfolio had a ticket size of less than INR0.3 million in 3QFY23, with an average ticket size of about INR0.1 million. Geographically, the portfolio is well diversified, with the top four states - Uttar Pradesh (15.7%), Rajasthan (13.6%), Bihar (10.9%), and Madhya Pradesh (8.2%) - accounting for 48.4% of the combined exposure, with the remaining spread across 16 states. The branch network has expanded further, with 397 branches at 3QFY23, adding to the operational expenses.

Aye follows a high touch model, with a large team across collection and origination, along with the adoption of technology in improving the turnaround time. Aye follows a paperless approach, and has developed an analytical system and monitoring process to capture the cash flows of micro enterprises in a digitised form. While the initial onboarding-to-disbursement process is completely integrated digitally, the company has built a large ground-level staff to drive collections. Aye has segmented customer profiles based on their business clusters, with micro-level understanding on business margins and assessing the cash flows of borrowers.

Funding Profile Needs Further Diversification to Increase Liability Duration: Aye's funding is skewed towards capital markets instruments, with NCDs forming 32.7% of the overall funding at 3QFY23, followed by securitisation (20.5%), term loans from financial institutions (14.6%) and external commercial borrowings (13.4%). Over the years, Aye has established relations with a diversified set of lenders/investors, and its external borrowings are funded through about 35 lenders/investors. Aye raised debt of INR5.70 billion in 3QFY23 from all the lender types through various routes.

Operating Efficiency and Control on Credit Costs to Drive Profitability: Aye's earning profile is impeded by heavy operating expenses, due to its branch-based lending model and retail nature of operations. The company has been expanding its branch network and has put in place adequate systems and processes to support its growth prospects. The operating expense levels are likely to normalise once the company scales up its operations, improving operating efficiency and branch profitability. The operating expenditure-to-asset ratio increased to 12.2% in 3QFY23 (2QFY23: 11.6%; FY22: 10.1%), with cautious incremental disbursements. After deteriorating to 0.5x in FY22 due to higher credit costs and write-offs because of the second wave of pandemic, Aye's pre-provisioning operating profit-to-credit cost ratio improved to 1.7x in 3QFY23.



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8/22/23, 2:26 PM

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Ind-Ra believes the company will benefit from the economies of scale with the likely growth in portfolio. The credit costs might normalise by end-FY23 in case of an improvement in the prevailing challenging environment and a continued improvement in the collection levels.

Liquidity Indicator - Adequate: Aye's asset liability profile is supported by its adequate buffers available between funding duration of over three years and assets-side duration of about two-and-a-half-years. As of February 2023, the company had unencumbered cash and cash equivalents and liquid investments of around INR3.5 billion; the agency believes this will be sufficient to meet the debt obligations of INR2.2 billion (total outflows over the next three months) assuming nil collections and disbursements. The entity also had undrawn lines of INR0.21 billion as of February 2023. The asset-liability profile remained matched across buckets for Aye at 3QFY23. Aye also has plans to raise equity in FY23 from existing and new shareholders.

Asset Quality Stabilising Post Pandemic Impact: Having adopted a cluster-based lending approach, Aye witnessed a rise in delinquencies in certain clusters in FY22 due to the pandemic. In terms of industry segments, the portfolio was split in the following manner as of December 2022: trading: 44.2%, livestock rearing: 37.3%, manufacturing: 10.4%, services: 5.7%, and job work: 2.5%. With the resumption of economic activities since 1QFY22, the operating environment had largely normalised. As a result, Aye's asset quality on owned book started to improve, with 0+ days past due (DPD) standing at 7.14% at 3QFY23 (3QFY22: 16.7%). Furthermore, the collection efficiency improved to 99.6% in 3QFY23 (3QFY22: 96.4%), supported by a strengthened in-house collection team. The company's gross non-performing assets increased to 4.2% in 3QFY23 (2QFY23: 3.9%), largely attributable to the implementation of new NPA norms (with respect to NPA recognition upon 90+ DPD and upgradation of NPA accounts only post all dues being cleared). The gross stage 3 asset stood at 3.56% in 3QFY23 (FY22: 3.3%) and net stage 3 stood at 1.8% (1.4%).

The company aggressively writes-off accounts in the 360+ DPD bucket. The write-offs for FY22 amounted to INR1.13 billion. On a blended basis, Aye's provision coverage ratio of 43.2% (2QFY23: 43.2%) for stage 3 assets remained flat in 3QFY23, which led to the net NPA rising to 2.41% (2QFY23: 2.1%; FY22: 1.4%). As of December 2022, the company's standard restructured assets accounted for 1.8% of its assets under management.

Ind-Ra believes Aye's credit profile is supported by its granular book. However, the asset quality will be a key monitorable, given the prevailing challenging environment. In Ind-Ra's stress case scenario, the company's capitalisation remains adequate to absorb increased credit cost due to asset quality headwinds, if any.

Rating Sensitivities

Positive: Expansion in the franchisee, increased diversification along funding sources across banks, with sustained asset quality metrics and benefit of operating leverage improving profitability buffers, along with maintaining of capital buffers will be key triggers for a rating upgrade.

Negative: The following developments, individually or collectively, could lead to a negative rating action:

- non-availability of external funding or growth capital,
- the leverage exceeding 4.0x due to weakening of asset quality or otherwise,
- weakened operating performance,
- significant deterioration in the asset quality with a sustained rise in net NPA to above 3%.
- deterioration in liquidity buffers (minimum three months' buffers to be maintained)

ESG Issues

<https://www.indiaratings.co.in/pressrelease/61285>

3/8



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8/22/23, 2:26 PM

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ESG Factors Minimally Relevant to Rating: Unless otherwise disclosed in this section, the ESG issues are credit neutral or have only a minimal credit impact on Aye, due to either their nature or the way in which they are being managed by the entity. For more information on Ind-Ra's ESG Relevance Disclosures, please click [here](#). For answers to frequently asked questions regarding ESG Relevance Disclosures and their impact on ratings, please click [here](#).

Company Profile

Aye is a non-banking finance company that commenced operations in 2014, with an objective to tap the underpenetrated segment of micro and small businesses. The company follows a cluster-based approach, with 397 branches across 21 states as of December 2022. |

FINANCIAL SUMMARY

Particulars	9MFY23	FY22	FY21
Total assets (INR billion)	26.3	23.1	21.3
Total equity (INR billion)	7.4	7.1	7.4
Net profit/loss (INR billion)	0.33	-0.5	0.169
Equity/assets (%)	28.2	30.6	34.9
Gross NPAs (%)	4.2*	3.3	3.3
Leverage (x)	2.4	1.4	1.8
Tier 1 ratio (%)	33.3	36.0	42.2
Source: Ind-Ra; Aye,* based on IRAC norms			

Solicitation Disclosures

Additional information is available at www.indiaratings.co.in. The ratings above were solicited by, or on behalf of, the issuer, and therefore, India Ratings has been compensated for the provision of the ratings.

Ratings are not a recommendation or suggestion, directly or indirectly, to you or any other person, to buy, sell, make or hold any investment, loan or security or to undertake any investment strategy with respect to any investment, loan or security or any issuer.

Rating History

Instrument Type	Current Rating/Outlook			Historical Rating/Outlook								No. of
	Rating Type	Rated Limits (million)	Rating	16 January 2023	16 November 2022	26 August 2022	23 March 2022	1 February 2022	16 March 2021	5 August 2020	16 March 2020	
Issuer rating	Long-term	-	IND A- Stable	IND A- Stable	IND A- Stable	IND A- Stable	IND A- Stable	IND A- Stable	IND A-/Stable	IND A- Stable	IND A- Stable	BBB
NCDs	Long-term	INR 12,468.3	IND A-/Stable	IND A-/Stable	IND A-/Stable	IND A-/Stable	IND A-/Stable	IND A-/Stable	IND A-/Stable	IND A-/Stable	IND A-/Stable	BBB

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4/8



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8/22/23, 2:26 PM

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Long-term bank loans	Long-term	INR 4,000	IND A-/Stable	IND A-/Stable	IND A-/Stable	IND A-/Stable	IND A-/Stable	IND A-/Stable	IND A-/Stable	IND A-/Stable	IND A-/Stable	
CPs	Short-term	INR500	IND A2+	IND A2+	IND A2+	IND A2+	IND A2+	-	-	-	-	
PP-MLDs	Long-Term	INR 2,100	IND PP-MLD A-/Stable	IND PP-MLD A-/Stable	IND PP-MLD A-/Stable	IND PP-MLD A-/Stable	IND PP-MLD A-/Stable	-	-	-	-	

Annexure

NCDs

ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of Issue (million)	Rating/Outlook
INE501X07232	8 December 2020	10.7	13 May 2024	INR0.08	IND A-/Stable
INE501X07174	29 November 2019	12.9	29 November 2022	INR1,070	WD (Paid in full)
INE501X07067	28 March 2018	12.59	28 March 2023	INR300	IND A-/Stable
INE501X07182	31 March 2020	12.75	31 March 2023	INR580	IND A-/Stable
INE501X07190	22 May 2020	13.5	22 May 2023	INR250	IND A-/Stable
INE501X07042	29 August 2017	13.5	29 August 2023	INR440	IND A-/Stable
INE501X08032	6 March 2019	12.14	6 March 2024	INR200	IND A-/Stable
INE501X07166	8 November 2019	12.5	8 November 2024	INR414	IND A-/Stable
INE501X07125	26 June 2019	13	26 June 2025	INR350	IND A-/Stable
INE501X07257	21 December 2021	10.2	21 June 2025	INR222.216	IND A-/Stable
INE501X08057	28 February 2022	11.35	15 March 2025	INR375	IND A-/Stable
INE501X08065	29 March 2022	11.25	30 April 2023	INR100	IND A-/Stable
INE501X07265	24 March 2022	Coupon linked to 3M TBILL LINKED	24 March 2024	INR250	IND A-/Stable
INE501X07299	29 July 2022	11.16	28 July 2027	INR310	IND A-/Stable
INE501X07315	20 September 2022	11.20	20 September 2027	INR260	IND A-/Stable
INE501X07331	13 September 2022	11.00	8 March 2028	INR654.50	IND A-/Stable
INE501X07349	15 November 2022	11.85	15 November 2027	INR310	IND A-/Stable
INE501X07364	6 December 2022	11.75	31 July 2025	INR150	IND A-/Stable



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8/22/23, 2:26 PM

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INE501X08073	13 December 2022	12.13	31 December 2024	INR234	IND A-/Stable
Limit utilised				INR5,399.8	
Limit unutilised				INR7,088.5	
Total				INR12,488.3	

PP-MLDs

ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of Issue (million)	Rating/Outlook
INE501X07273	25 March 2022	Coupon linked to the official 10-year GSEC linked	25 September 2023	INR150	IND PP-MLD A-/Stable
INE501X07281	25 March 2022	Coupon linked to the official 10-year GSEC linked	25 March 2024	INR150	IND PP-MLD A-/Stable
INE501X07307	5 September 2022	Coupon linked to the official 10-year GSEC linked G-Sec 2032 IN0020210244	5 March 2024	INR500	IND PP-MLD A-/Stable
INE501X07323	28 September 2022	Coupon linked to the official 10-year GSEC linked G-Sec 2030 IN0020200070	27 March 2024	INR250	IND PP-MLD A-/Stable
INE501X07356	5 December 2022	Coupon linked to the official 10-year GSEC 2032 ISIN: IN0020210244	5 June 2024	INR1000	IND PP-MLD A-/Stable
Limit utilised				INR2,050	
Limit unutilised				INR50	
Total				INR2,100	

Bank wise Facilities Details

[Click here to see the details](#)

Complexity Level of Instruments

Instrument Type	Complexity Level
NCDs	Low
Bank loans	Low
CP	Low
PP-MLDs	High

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6/8



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8/22/23, 2:26 PM

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For details on the complexity level of the instruments, please visit <https://www.indiaratings.co.in/complexity-indicators>.

Contact

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APPLICABLE CRITERIA

Financial Institutions Rating Criteria

Non-Bank Finance Companies Criteria

The Rating Process

Evaluating Corporate Governance

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7/8



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ANNEXURE II: CONSENT LETTER FROM THE DEBENTURE TRUSTEE

CATALYST
Believe in yourself... Trust us!



CL/DEB/23-24/506

Date : 05-Jul-2023

To,
Kusum Pandia,
Aye Finance Private Limited,
Unitech Commercial Tower-2,
701 to 711, 7th Floor Sector-45, Arya Samaj Road, Block B,
Gurgaon,
Haryana,
India 122003.

Dear Sir/ Madam,

Re: Consent to act as a Debenture Trustee for Private Placement of Fully Paid, Rated, Listed, Redeemable, Transferable, Secured, Non-Convertible Debentures of ₹ 35.00 Crores.

We refer to your letter dated 05.07.2023, requesting us to convey our consent to act as the Debenture Trustee for captioned issue of Debentures.

We hereby convey our acceptance to act as Debenture Trustees for the said issue Debentures, subject to execution of Debenture Trustee Agreement as per Regulation 13 of SEBI (Debenture Trustee) Regulations, 1993, thereby agreeing to execute Debenture Trust Deed and to create the security if applicable within the timeline as per relevant Laws/Regulations and in the Offer Document / Information Memorandum / Disclosure Document / Placement Memorandum and company agreeing / undertaking to comply with the provisions of SEBI (Debenture Trustee) Regulations, 1993, SEBI (Issue and Listing of Non-Convertible Securities) Regulations 2021, SEBI (Listing Obligations & Disclosure Requirements) Regulation 2015, Companies Act, 2013 and Rules thereunder and other applicable laws as amended from time to time.

Fee Structure for the proposed transaction will be as per annexure A.

Assuring you of the best professional services.

Thanking you.

Yours faithfully,



Name : Priti Shetty

Designation : Senior Manager



CATALYST TRUSTEESHIP LIMITED (INCORPORATED IN INDIA)
Mumbai Office: Windsor, 4th Floor, Office No. 604, C-51 Road, Kaline, Sakinaka (East) Mumbai 400 098 Tel: +91 (022) 4022 0555 Fax: +91 (022) 4022 0505
Regd. Office: GDA House, Plot No. 85, Bhamburda Colony (Right), Paud Road, Pune 411 005 Tel: +91 (020) 25260081 Fax: +91 (020) 25260279
Delhi Office: Office No. 810 8th Floor, Senapati Bldg., 2A, Kirti Khandi Marg, New Delhi - 110001 Tel: +91 (011) 43070101/02
CIN No. U74999MH2023PLC10262 Email: cl@trustee.com Website: www.catalysttrustee.com
Pune | Mumbai | Bangalore | Delhi | Chennai



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CATALYST
Believe in yourself. Trust us!



Annexure A

Fee Structure for transaction CL/DEB/23-24/506

PARTICULARS	AMOUNT / PERCENTAGE
Acceptance fees (one-time, non-refundable, payable on our appointment)	₹ 100000.00000
Annual Trusteeship Fees(Amount/Percentage)	₹ 0.00000

Annual Trusteeship Fees are payable in advance each year from date of execution till termination of the transaction. Pro-rata charges would apply for the first year till FY end, as applicable.

The taxes on above fee structure are payable at applicable rates from time to time.

All out of pocket expenses incurred towards legal fees, travelling, inspection charges, etc shall be levied and re-imbursed on actual basis.

Please return the second copy this letter duly signed by Authorized Officer from your company.

Yours Faithfully,

We accept the above terms.

For Catalyst Trusteeship Limited



Name : Priti Shetty

Designation : Senior Manager

For Aye Finance Private Limited



Name : Aman Chauhan

Designation : DVP- Finance & Legal



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ANNEXURE III: APPLICATION FORM



AYE FINANCE PRIVATE LIMITED

A private limited company incorporated and validly existing under the Companies Act 1956 and validly existing under the Companies Act, 2013.

Date of Incorporation: 12th August 1993

Registered Office: M-5, Magnum House-I, Community Centre, Karampura, West Delhi, New Delhi - 110015, India,

Telephone No.: 0124-4844000

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

DEBENTURE SERIES APPLICATION FORM SERIAL NO.

--	--	--	--	--	--	--	--	--	--

ISSUE OF UP TO 3,500 (THREE THOUSAND FIVE HUNDRED) SECURED, LISTED, RATED, UNSUBORDINATED, REDEEMABLE, TRANSFERABLE, NON-CONVERTIBLE DEBENTURES HAVING A FACE VALUE OF INR 1,00,000/- (INDIAN RUPEES ONE LAKH ONLY) EACH, FOR CASH, AT PAR, AGGREGATING UP TO INR 35,00,00,000/- (INDIAN RUPEES THIRTY-FIVE CRORES ONLY) ON A PRIVATE PLACEMENT BASIS. (THE "ISSUE") (HEREINAFTER REFERRED TO AS "DEBENTURES") BY AYE FINANCE PRIVATE LIMITED (THE "COMPANY") OR ("ISSUER").

Dear Sir / Madam,

I AM/ WE ARE () COMPANY () OTHERS () SPECIFY _____

We have read and understood the terms and conditions of the Key Information Document dated 22nd August 2023 for the issue of Debentures on a private placement basis including the Risk Factors described in the Key Information Document ("Key Information Document") issued by the Issuer and have considered these in making our decision to apply. We bind ourselves to these terms and conditions and wish to apply for allotment of these Debentures. We request you to please place our name(s) on the Register of Debenture Holders, on allotment of the Debentures to us.

I/ We bind myself/ourselves to the terms and conditions as contained in the Key Information Document. I/we note that the Company is entitled in its absolute discretion, to accept or reject this application in whole, or in part, without assigning any reason whatsoever.

(PLEASE READ THE INSTRUCTIONS CAREFULLY BEFORE FILLING THIS FORM)

All capitalised terms used in this Application Form which are not defined shall have the meaning attributed to them in the Key Information Document.

DEBENTURE SERIES APPLIED FOR:

Number of Debentures: _____ In words: _____ only

Amount INR _____/- In words Indian Rupees : _____ Only



DETAILS OF PAYMENT:

No. _____ Drawn on _____

Dated _____

(In Figures) INR /- (In words) Only

[illegible]

ADDRESS																													
STREET																													
CITY																													
PIN						PHONE												FAX											

Name of the Authorised Signatory(ies)	Designation	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)	

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

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

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

Applicant's

Signature

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

(Note : Cheque and Drafts are subject to realisation)

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

ACKNOWLEDGMENT SLIP

(To be filled in by Applicant) SERIAL NO.

--	--	--	--	--	--	--	--	--	--

Received from _____

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



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

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. The payment is required to be made to the following account, in accordance with the terms of the EBP Guidelines: As specified in the relevant Key Information Document

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

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



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ANNEXURE IV: ILLUSTRATION OF BOND CASH FLOWS

Illustration of bond cash flows	
Company	Aye Finance Private Limited
Face Value (per security)	INR 1,00,000 (Indian Rupees One Lakh only)
Issue Date / Date of Allotment	Issue Opening Date: 24 th August 2023 Deemed Date of Allotment: 25 th August 2023
Redemption Date / Maturity Date	Redemption Date / Maturity Date: 18 (eighteen) months from the Deemed Date of Allotment - 25 th February 2025
Coupon Rate	Please refer to Section 2.8 (Issue Details) of this Key Information Document
Frequency of the Coupon Payment with specified dates	Please refer to Section 2.8 (Issue Details) of this Key Information Document Please also see below.
Day Count Convention	Actual/Actual

Cash flows - Redemption Amount and Coupon Payment Schedule for Debentures

Dates	Principal Amounts (in INR)	Interest (in INR)	Total Cashflows
25 August 2023	(35,00,00,000)		
25 November 2023	-	92,63,014	92,63,014
25 February 2024	11,66,66,667	92,47,608	12,59,14,275
25 May 2024	-	60,24,590	60,24,590
25 August 2024	11,66,66,667	61,58,470	12,28,25,137
25 November 2024	-	30,79,235	30,79,235
25 February 2025	11,66,66,667	30,84,370	11,97,51,037



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ANNEXURE V: BOARD RESOLUTION

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AYE FINANCE (P) LTD.

CIN : U65921DL1993PTC283660

CERTIFIED TRUE COPY OF THE RESOLUTION PASSED IN THE BOARD MEETING HELD ON FRIDAY, 7th DAY OF JULY 2023 AT 3:35 P.M. HELD AT THE CORPORATE OFFICE OF THE COMPANY SITUATED AT UNIT NO. 701-711, 7TH FLOOR, UNITECH COMMERCIAL TOWER-2, SECTOR-45, ARYA SAMAJ ROAD, BLOCK B, GREENWOOD CITY, GURGAON, HARYANA - 122003, INDIA.

ISSUANCE OF LISTED NON-CONVERTIBLE DEBENTURES

"RESOLVED THAT pursuant to the provisions of the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Debt Securities) Regulations, 2021 ("NCS Regulations") read with the SEBI circular bearing the reference number SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 ("SEBI Operational Circular") on "Operational Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper", the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the guidelines issued by SEBI with respect to electronic book provider platform under the terms of the SEBI Operational Circular ("SEBI EBP Guidelines") (as amended, supplemented and modified from time to time) (the NCS Regulations and the SEBI Operational Circular shall collectively be referred to as the "Debt Regulations"), pursuant to Section 179, 180 and other applicable provisions of the Companies Act, 2013 (as amended from time to time) and all other applicable provisions of the Companies Act, 2013 and rules & regulations made thereunder, if any (including any statutory modification or re-enactment thereof for the time being in force) and the applicable regulations issued by the Reserve Bank of India ("RBI") and in accordance with the Memorandum and Articles of Association of the Company, and listing agreements entered into/ to be entered into with the BSE Limited ("Stock Exchange"/"BSE") where the Debentures (as defined hereinafter) of the Company are proposed to be listed, and subject to approvals, consents, sanctions, permissions as may be necessary from the Securities and Exchange Board of India ("SEBI"), the Stock Exchange, the terms/requirements laid down by the Reserve Bank of India in this regard, any and all other appropriate statutory and regulatory authorities, and subject to such conditions and modifications as may be prescribed by the respective statutory and/or regulatory authorities while granting such approvals, consents, sanctions, permissions and subject to such conditions or modifications which may be agreed to by the Board and pursuant to the resolution passed by the shareholders of the Company in their annual general meeting held on 29th September 2022 the approval of the Board be and is hereby accorded for the offer and issue of up to 3500 Rated, Taxable, Listed, Secured, Redeemable, Fully Paid Up non-convertible debentures bearing a face value of Rs. 1,00,000/- (Rupees One Lakh only) each, in dematerialized form, for cash at par, aggregating up to Rs. 35,00,00,000/- (Rupees Thirty-Five Crores only) (the "NCDs"/"Debentures"), within the overall limit of borrowing as approved by the members pursuant to Section 180(1)(c) of the Companies Act, 2013, on a private placement basis (the "Issue") through electronic book mechanism i.e. "Electronic Book Provider" ("EBP") platform of BSE, as per the terms and conditions including the rate of interest, tenure and security cover thereof etc. as it deemed fit.

RESOLVED FURTHER THAT pursuant to Section 42(2) of the Companies Act, 2013, the Company may borrow funds (subject to the laws applicable to such entities) by issuance of Debentures to the qualified institutional buyers, foreign institutional investors, banks, foreign portfolio investors, financial institutions, institutional financial institutions, regional rural banks, cooperative banks, mutual funds, provident, pension, superannuation and gratuity funds, alternative investments funds, statutory corporations, companies and bodies corporate, national investment fund, association of persons, societies, educational institutions trusts, scientific and/or industrial research organizations, partnership firms, limited liability partnerships, resident individual investors, Hindu undivided families and such other entities/ persons eligible to subscribe the Debentures on such terms an., and also subject to such persons being eligible to participate in the electronic book mechanism on the EBP platform and who are permitted under law to subscribe to the Company's

For AYE FINANCE (P) LTD.
Company Secretary
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Corp. Office: Unit No.- 701-711, 7th Floor, Unitech Commercial Tower-2, Sector-45, Arya Samaj Road, Block B, Greenwood City, Gurgaon Haryana, 122003
Registered Office: M-5, Magnum House-I, Mezzanine floor, Community Centre Karampura, Opp. Milan Cinema, New Delhi - 110015
Ph: 0124-4844000, e-mail: corporate@ayefin.com website: www.ayefin.com



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Debentures and to whom allocation may be made by the Company pursuant to selection under the Electronic book mechanism for issuance of Debentures on private placement basis in terms of the SEBI EBP Guidelines.

RESOLVED FURTHER THAT the Board does hereby authorise Mr. Sanjay Sharma, Managing Director, Mr. Krishan Gopal, CFO, Mr. Aman Chauhan, DVP Finance and Mr. Pranav Sharma, AVP Finance & legal, whose specimen signatures are appended in Schedule 1 hereto (collectively, the "Authorised Signatories"), to jointly or severally, do such acts, deeds and things as the Authorised Signatories in their absolute discretion may deem necessary or desirable in connection with the offer and issue of the Debentures including, but not limited to:

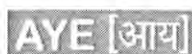
- (a) giving or authorizing the giving by concerned persons of such declarations, affidavit, certificates, consents and authorities as may be required from time to time;
- (b) opening any new Company accounts in the name of the Company as may be required by the Debenture Trustee;
- (c) seeking, if required, any approval, consent or waiver from any/all concerned Government and regulatory authorities, and/ or any other approvals, consent or waivers that may be required in connection with the offer and issue of the Debentures;
- (d) deciding the pricing and terms of the Debentures, and all other related matters;
- (e) approving the Shelf Placement Memorandum, Tranche Placement Memorandum(s) and the Private Placement Offer cum Application Letter(s) (including amending, varying or modifying the same, as may be considered desirable or expedient), in accordance with all applicable laws, rules, regulations and guidelines including the Debt Regulations;
- (f) to pay all stamp duty required to be paid for the issue, offer and allotment of the Debentures in accordance with the laws of India and procure the stamped documents from the relevant governmental authorities;
- (g) finalising the terms and conditions of the appointment of an arranger (if so required), Debenture Trustee, registrar and share transfer agent, credit rating agency, legal counsel, depository(ies) and such other intermediaries as may be required including their successors and their agents;
- (h) issuing instructions to National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL") and to execute or ratify the necessary or requisite agreement(s) with NSDL and CDSL and the registrar and transfer agent(s) and entering into any other agreements with CDSL and NSDL, undertakings or other writings required for admitting the Company and the Debentures to CDSL and to NSDL and for the issue of the Debentures in the dematerialised form;
- (i) to execute all documents, file forms and submit applications with the jurisdictional Registrar of Companies, the Ministry of Corporate Affairs, the Stock Exchange, or NSDL and CDSL;
- (j) seeking and procuring the listing of the Debentures on any recognized stock exchange in India, submitting the listing application to such stock exchange and taking all actions that may be necessary in connection with obtaining such listing including for obtaining in-principal approval and final approval from such stock exchange;
- (k) to execute all documents, file forms with, make applications with/to the SEBI, the Registrar of Companies, or any depository or any governmental authority;
- (l) authorizing the maintenance of a register of holders of the Debentures;

For AYE FINANCE PVT. LTD.
Tripathi
Company Secretary

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CIN : U65921DL1993PTC283660

(m) to generally do any other act or deed, to negotiate and execute any documents, applications, agreements, undertakings, deeds, affidavits, declarations and certificates and to give such directions as it deems fit or as may be necessary or desirable with regard to this issue of Debentures.

RESOLVED FURTHER THAT the approval of the Board be and is hereby accorded for obtaining the listing of the Debentures on the WDM segment of the BSE and in this regard the Authorized Signatories be and are hereby, on behalf of the Company, authorised to negotiate, finalize and if required amend and ratify the necessary or requisite agreement(s) with BSE and to do all such acts, deeds and things and execute or ratify such documents, papers and writings as may be necessary for the purpose including any amendments thereto and including making applications to and liaising with the concerned authorities including the BSE and the SEBI, submitting the listing application and providing all such documents and information and taking all actions that may be necessary in connection with obtaining such listing and obtaining the in-principal approval and final approval from BSE in relation to listing of each tranche / series of the Debentures on BSE.

RESOLVED FURTHER THAT the approval of the Board be and is hereby accorded for appointing Catalyst Trusteeship Limited, a SEBI registered debenture trustee, as the Debenture Trustee ("Debenture Trustee") in connection with the issue of the Debentures and for any transactions contemplated therein for the benefit of holders of the Debentures.

RESOLVED FURTHER THAT the approval of the Board be and is hereby given to the Company to appoint Kfin Technologies Limited, a SEBI registered category I registrars to Issues and Securities Transfer Agent, as the Registrar & Transfer Agent ("RTA") upon such terms and conditions as may be mutually agreed upon.

RESOLVED FURTHER THAT the approval of the Board of Directors be and is hereby accorded for appointing India ratings & Research Private Limited as the credit rating agency ("Credit Rating Agency") in connection with the issue of the Debentures.

RESOLVED FURTHER THAT the Authorized Signatories of the Company be and are hereby authorised by the Board to jointly or severally negotiate, finalise and execute or ratify amendments to executed documents and other documents as and when they become necessary and to sign letters of undertaking, declarations, agreements and other papers which may be required.

RESOLVED FURTHER THAT the Board hereby approves the enrolment of the Company with any "Electronic Book Provider" for obtaining access to the "Electronic Platform" for the private placement of the Debentures as per the applicable regulations issued by SEBI and in this regard the Company be and is hereby authorised to finalize, execute and if required amend and ratify the necessary or requisite agreement(s) with such Electronic Book Provider and to do all such acts, deeds and things and execute or ratify such documents, papers and writings as may be necessary for the purpose including any amendments thereto and to provide all such documents and information as may be required by the Electronic Book Provider in this regard.

RESOLVED FURTHER THAT Mr. Sanjay Sharma, Managing Director of the Company be and is hereby authorized by the Board of Directors to sign the "Declaration from Directors" in the Placement Memorandum to be issued by the Company with respect to the issuance of Debentures.

RESOLVED FURTHER THAT the Authorized Signatories of the Company, be and are hereby authorized by the Board to jointly or severally negotiate, finalize, execute, or ratify the necessary or

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AYE FINANCE (P) LTD.

requisite agreement(s) with the National Securities Depository Limited and Central Depository Services (India) Limited ("Depositories") for the issue of the Debentures in the dematerialized form.

RESOLVED FURTHER THAT the approval of the Board be and is hereby accorded to the Company to take all such decisions and steps as they deem fit and give such directions as may be required, necessary, expedient or desirable for giving effect to the Transaction Documents (as defined hereinafter), the transactions contemplated therein and the resolutions mentioned herein, including without limitation, to negotiate, finalise, sign, execute, ratify, amend, supplement and/or issue any document, deed, undertakings, mandates, agreements, assignments, instruments and writings including the following, including any amendments, modifications, supplements, restatements or novations thereto (now or in the future):

- (a) a Debenture Trustee Agreement appointing the Debenture Trustee;
- (b) a Debenture Trust Deed in relation to the Issue;
- (c) executing and issuing to the investors, a Shelf Placement Memorandum / Placement Memorandum (including a private placement offer letter(s) and the Tranche Placement Memorandum) in respect of the Debentures;
- (d) entering into such other documents, deeds, notices, letters, agreements, powers of attorney, declarations, memorandums, indentures, indemnities (including without limitation in respect of stamp duty), undertakings, instruments and forms as may be required in relation to or in connection with the issue, offer and allotment of the Debentures or pursuant to any other purpose mentioned in these resolutions or to give effect to any transactions contemplated in such documents or the Debenture Trust Deed for the benefit of the holder of the Debentures; and
- (e) any other document designated as and Document by the Debenture Trustee / holders of any of the Debentures

(The documents in (a) to (d) above are collectively referred to as the "Transaction Documents"); and

RESOLVED FURTHER THAT the Authorized Signatories, be and are hereby authorized, to:

- (a) negotiate, finalise, execute and deliver the above-mentioned Transaction Documents, on behalf of the Company, including any amendments, modifications, supplements, restatements or novations thereto (now or in the future);
- (b) do all such acts, matters, deeds and things and to execute all documents, file forms with, make applications to, receive approvals from, any persons, authorized dealers, governmental / regulatory authorities, and Reserve Company of India/ Securities and Exchange Board of India and Income Tax authorities or any Depository or Stock Exchange;
- (c) sign and/or dispatch all documents and notices to be signed and/or dispatched by the Company under or in connection with the Transaction Documents; and
- (d) take all steps and do all things and give such directions, as may be required, necessary, expedient or desirable for giving effect to the Transaction Documents, the transactions contemplated therein and the resolutions mentioned herein including passing any corporate resolutions and executing any documents necessary for giving effect to amendments to the articles of association of the Company for appointment of a nominee director nominated by the Debenture Trustee on the Board of Directors of the Company in relation to the Debentures as required under the Debt Regulations."

For AYE FINANCE PVT. LTD.

Company Secretary

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CIN: U65921DL1993PTC283660

RESOLVED FURTHER THAT the Authorized Signatories of the Company, be and are hereby authorised by the Board to jointly or severally sign and execute the tri-partite agreement to which the Company, the RTA and the Depositories are parties and to sign necessary applications and execute documents as may be required in this regard and to do acts and deeds which may be deemed necessary to implement the object of the above resolution.

RESOLVED FURTHER THAT the Authorized Signatories of the Company, be and are hereby authorised by the Board to jointly or severally enter into such documents, deeds, notices, letters, agreements, power of attorneys, declarations, memorandums, indentures, indemnities (including without limitation in respect of stamp duty), undertakings, instruments and forms, on behalf of the Company, as may be required in relation to or in connection with the issuance of Debentures, or pursuant to any other purpose mentioned in these resolutions or to give effect to any transactions contemplated in such documents for the benefit of the holders of the Debentures.

RESOLVED FURTHER THAT that the Board hereby approves the issuance of a power of attorney by any of the Directors of the Company, if necessary, authorizing the Authorised Signatories or such other persons as may be deemed necessary by the Authorised Signatories to execute and/or ratify all documents required to be executed or ratified in relation to the Issue.

RESOLVED FURTHER THAT the Authorized Signatories of the Company, be and are hereby authorised by the Board to record the name of Debenture Holders jointly or severally in the register of Debenture holders.

RESOLVED FURTHER THAT, the Authorized Signatories of the Company, be and are hereby authorised by the Board to jointly or severally do all such acts, deeds, things and execute or ratify all such documents whatsoever as may be required in connection with the issue of the Debentures including without limitation the opening of Company accounts, opening of demat accounts, the registrar to the issue, the rating agency and other advisors as may be required and making payment of their fees.

RESOLVED FURTHER THAT the aforesaid resolutions shall come into effect immediately and a copy of the foregoing resolution certified to be a true copy, may be furnished to such parties concerned with respect to the issue of Debentures."

CERTIFIED TRUE COPY

FOR AYE FINANCE PRIVATE LIMITED
For AYE FINANCE PVT. LTD.

Tripti Pandey
Company Secretary

M.No.-A32760

Date:- 22/08/2023

Place:- Gurugram

Corp. Office: Unit No - 701-711, 7th Floor, Unitech Commercial Tower-2, Sector-45, Arya Samaj Road, Block B, Greenwood City, Gurgaon Haryana, 122003

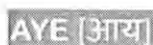
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ANNEXURE VI: SHAREHOLDERS RESOLUTION



AYE FINANCE (P) LTD.

CIN : U65921DL1993PTC283660

CERTIFIED TRUE COPY OF THE SPECIAL RESOLUTION PASSED AT THE 29TH ANNUAL GENERAL MEETING OF THE MEMBERS OF AYE FINANCE PVT. LTD. HELD ON THURSDAY, 29TH DAY OF SEPTEMBER, 2022 AT 4:00 P.M. DEEMED TO BE CALLED AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT M-5, MAGNUM HOUSE-I, COMMUNITY CENTRE, KARAMPURA NEW DELHI WEST DELHI-110015.

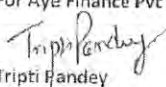
TO CONSIDER, DISCUSS AND APPROVE THE ISSUANCE OF NON-CONVERTIBLE DEBENTURES AMOUNTING UPTO RUPEES 2500 CRORES

"RESOLVED THAT in supersession to any resolution passed by the Board in this regard, and under Section 42 of the Companies Act, 2013 and pursuant to the provisions of Sections 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") read together with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the provisions of the memorandum of association and the articles of association of the Company, consent of the members of the Company be and is hereby accorded to issue, and to make offer(s) and/or invitation(s) to eligible persons to subscribe to, non-convertible debentures ((a) subordinated, (b) listed or unlisted, (c) senior secured, (d) senior unsecured, (e) unsecured, (f) any others (as may be determined)) ("NCDs")/bonds and other instruments, on a private placement basis, in one or more tranches, for a period of 1 (one) year from the date of passing of this resolution, provided that the outstanding amount at any time during the period shall not exceed INR 2500,00,00,000/- (Indian Rupees Two Thousand Five Hundred Crores only) within the overall borrowing limits of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorized and empowered to arrange, settle and determine the terms and conditions (including without limitation, interest, repayment, security or otherwise) as it may think fit of such NCDs, and to do all such acts, deeds, and things, and to execute all such documents, instruments and writings as may be required to give effect to these resolutions.

RESOLVED FURTHER THAT the aforesaid resolutions shall come into effect immediately and copies of the foregoing Resolution certified to be true copies by any of the Directors may be furnished to such parties as may be deemed necessary for their information and records".

For Aye Finance Pvt Ltd


Tripti Pandey

Company Secretary

M No: 32760



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AYE FINANCE (P) LTD.

CIN : U65921DL1993PTC283660

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESSES PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:

In order to enable the Company to raise additional long-term finance, the Company proposes to raise funds by issuing non-convertible debentures ("NCDs") on a private placement basis, from time to time.

Pursuant to Section 42 and 71 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and Companies (Share Capital and Debentures) Rules, 2014, as amended from time to time, a Company offering or making an invitation to subscribe to NCDs on a private placement basis, is required to obtain the prior approval of its members by means of a Special Resolution.

Rule 14(1) of the Prospectus and Allotment Rules further prescribes that in case of the issue of NCDs exceeding the limits prescribed in Section 180(1)(c) of the Companies Act, 2013, it shall be sufficient to obtain such previous approval only once in a year for all the offers or invitations for such NCDs issued during a period of one year from the date of passing of the aforementioned special resolution.

In order to meet the financial needs of business in a prudent manner, the Company may offer or invite subscription for securities which may comprise of secured/unsecured/subordinated/senior, rated/unrated, listed/unlisted, redeemable NCDs and/or other debt securities to any other body corporate, fund, trust, institution, firm, society, individual or person, in 1 (one) or more tranches on private placement basis, upto a maximum limit of INR 2500,00,00,000/- (Indian Rupees Two Thousand Five Hundred Crores only) for a period of 1 (One) year from the date of passing of the resolution on such terms and conditions including the price, coupon, premium/discount, tenor etc. as may be determined by the Board of Directors ("Board") (or any person authorized by the Board), at the prevailing market condition.

The Disclosures required under The Companies (Prospectus and Allotment of Securities) Rules, 2014 are as under:

(a) particulars of the offer including date of passing of Board resolution-

Rule 14(1) of the Prospectus and Allotment Rules prescribes that where the amount to be raised through offer or invitation of NCDs (as defined above) exceeds the limit prescribed, it shall be sufficient if the company passes a previous special resolution only once in a year for all the offers or invitations for such NCDs during the year.

In view of this, pursuant to this resolution under Section 42 of the Companies Act, 2013, the specific terms of each offer/issue of NCDs (whether secured/unsecured/subordinated/senior, rated/unrated, listed/unlisted, redeemable (including market linked debentures) NCDs) shall be decided from time to time, within the period of 1 year from the date of the aforementioned resolution. In line with Rule 14(1) of the Prospectus and Allotment Rules, the date of the relevant board resolution shall be mentioned/disclosed in the private placement offer and application letter for each offer/issue of NCDs.

(b) kinds of securities offered and the price at which security is being offered-

Non-convertible debt securities/NCDs.

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The NCDs will be offered/issued either at par or at premium or at a discount to face value, which will be decided by the Board for each specific issue, on the basis of the interest rate/effective yield determined, based on market conditions prevailing at the time of the respective issue.

(c) basis or justification for the price (including premium, if any) at which the offer or invitation is being made-

Not applicable, as the securities proposed to be issued (in multiple issues/tranches) are non-convertible debt instruments which will be issued either at par or at premium or at a discount to face value in accordance with terms to be decided by the Board, in discussions with the relevant investor(s).

(d) name and address of valuer who performed valuation-

Not applicable as the securities proposed to be issued (in multiple issues/tranches) are non-convertible debt instruments.

(e) amount which the company intends to raise by way of such securities-

The specific terms of each offer/issue of NCDs shall be decided from time to time, within the period of 1 (one) year from the date of the aforementioned resolution, provided that the amounts of all such NCDs at any time issued within the period of 1 (one) year from the date of passing of the aforementioned shareholders resolution shall not exceed INR 2500,00,00,000/- (Indian Rupees Two Thousand Five Hundred Crores only) within the overall borrowing limits of the Company .

(f) material terms of raising such securities, proposed time schedule, purposes or objects of offer, contribution being made by the promoters or directors either as part of the offer or separately in furtherance of objects; principle terms of assets charged as securities-

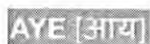
The specific terms of each offer/issue of NCDs shall be decided from time to time, within the period of 1 year from the date of the afore mentioned resolution, in discussions with the respective investor(s). These disclosures will be specifically made in each private placement offer and application letter for each offer/issue.

The Board recommend the Resolution of the accompanying Notice, for the approval of the Members of the Company as a Special Resolution.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at item No. 3 of the Notice.



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



AYE FINANCE (P) LTD.

CIN : U65921DL1993PTC283660

CERTIFIED TRUE COPY OF A SPECIAL RESOLUTION PASSED AT THE 27TH ANNUAL GENERAL MEETING OF THE MEMBERS OF AYE FINANCE PVT. LTD. HELD ON FRIDAY, 9TH DAY OF OCTOBER, 2020 AT 03:00 P.M. DEEMED TO BE CALLED AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT M-5, MAGNUM HOUSE-I, COMMUNITY CENTRE, KARAMPURA NEW DELHI WEST DELHI-110015.

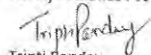
INCREASE OF BORROWING LIMIT OF THE COMPANY FROM RS. 2000 CRORES TO RS. 3000 CRORES AND CREATION OF CHARGES ON THE MOVABLE AND IMMOVABLE PROPERTIES OF THE COMPANY, BOTH PRESENT AND FUTURE, IN RESPECT OF BORROWINGS

"RESOLVED THAT pursuant to the provisions of Section 180(1)(c) of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013, and rules made there under as amended from time to time, and the articles of association of the Company, consent of the members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any committee thereof) for borrowing, from time to time, any sum or sums of monies on such terms and conditions with or without security as the Board may deem fit which, together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate for the time being of the paid up capital of the Company and its free reserves provided that the total amount of money/moneys so borrowed by the Board shall not exceed Rs. 3000 crores/- (Rupees Three Thousand crores) at any point of time.

RESOLVED FURTHER THAT pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013, and the rules made thereunder as amended from time to time, consent of the members be and is hereby accorded to the Board to create such charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations created by the Company, on such movable and immovable properties, both present and future, and in such manner as the Board may deem fit, together with power to take over the substantial assets of the Company in certain events in favour of banks/financial institutions, investors any other lenders (or any agent, security trustee, debenture trustees or any other person acting on their behalf) for the holders of debentures/bonds/other instruments to secure rupee/foreign currency loans and/or the issue of debentures whether partly/fully convertible or non-convertible and/or rupee foreign currency convertible bonds and/or bonds with share warrants attached (hereinafter collectively referred to as the "Loans") provided that the total amount of Loans together with interest thereon, additional interest, compound interest, liquidated damages, commitment charges, premium on pre-payment or on redemption, costs, charges, expenses and all other monies payable by the Company in respect of the said Loans for which the charge is to be created, shall not exceed Rs. 3000 crores/- (Rupees Three Thousand crores) at any point of time.

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

For Aye Finance Pvt Ltd


Tripti Pandey
Company Secretary
M No: 32760

Corporate Office: 809-812, 8th Floor, Vipul Square, B-Block, Sushant Lok Phase-I, Gurgaon-122009, Haryana
Registered Office: M-5, Magnum House-I, Mezzanine floor, Community Centre Karampura, Opp. Milan Cinema, New Delhi -110015
Ph: 0124-4844000; e-mail: corporate@ayefin.com; website: www.ayefin.com



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



AYE FINANCE (P) LTD.

CIN : U65921DL1993PTC283660

CERTIFIED TRUE COPY OF THE EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESSES
PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:

**INCREASE OF BORROWING LIMIT OF THE COMPANY FROM RS. 2000 CRORES TO RS. 3000 CRORES AND
CREATION OF CHARGES ON THE MOVABLE AND IMMOVABLE PROPERTIES OF THE COMPANY, BOTH
PRESENT AND FUTURE, IN RESPECT OF BORROWINGS**

Keeping in view the Company's existing and future financial requirements to support its business operations, the Company needs additional funds. For this purpose, the Company is desirous of raising finance from various Banks and/or Financial Institutions and/or any other lending institutions and/or Bodies Corporate and/or such other persons/ individuals as may be considered fit, which, together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid-up capital and the free reserves of the Company.

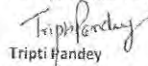
As per the provisions of Section 180 (1) (c) and Section 180 (1) (a) respectively of the Companies Act, 2013, a Company can borrow monies exceeding the aggregate of its paid-up capital and free reserves (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) with the approval of the members of the Company by way of a Special Resolution. Hence, it is proposed to increase the maximum borrowing limits upto Rs. 3000 crores (Rupees Three Thousand Crores only).

In order to facilitate securing the borrowing made by the Company, it would be necessary to create the charge on the assets or whole of the undertaking of the Company. Section 180 (1)(a) of the Companies provides for the power to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking by the Company subject to the approval of the members in general meeting.

Accordingly, the consent of the members is sought under Section 180 (1)(c) and Section 180(1)(a) of the Companies Act, 2013.

The approval is requested to empower the Board of Directors of the Company to take all necessary steps in this regard.

For Aye Finance Pvt Ltd


Tripti Handey
Company Secretary
M No: 32760



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

ANNEXURE VII: DUE DILIGENCE CERTIFICATES

CATALYST
Believe in yourself... Trust us!



CTL/23-24/02292

(Annexure IIA)

DUE DILIGENCE CERTIFICATE TO BE GIVEN BY THE DEBENTURE TRUSTEE AT THE TIME OF FILING THE DRAFT OFFER DOCUMENT OR PRIVATE PLACEMENT MEMORANDUM/ INFORMATION MEMORANDUM
(Applicable for Secured and Unsecured Issuances)

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

Dear Sir / Madam,

SUB.: ISSUE OF UP TO 3,500 (THREE THOUSAND FIVE HUNDRED) SECURED, LISTED, RATED, UNSUBORDINATED, REDEEMABLE, TRANSFERABLE, NON-CONVERTIBLE DEBENTURES HAVING A FACE VALUE OF INR 1,00,000/- (INDIAN RUPEES ONE LAKH ONLY) EACH, AGGREGATING UP TO INR 35,00,00,000/- (INDIAN RUPEES THIRTY-FIVE CRORES ONLY) BY WAY OF PRIVATE PLACEMENT BY AYE FINANCE PRIVATE LIMITED.

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

- 1) We have examined documents pertaining to the said issue and other such relevant documents, reports and certifications.
- 2) On the basis of such examination and of the discussions with the Issuer, its directors and other officers, other agencies and on independent verification of the various relevant documents, reports and certifications:

We confirm that:

- a) The Issuer has made adequate provisions for and/or has taken steps to provide for adequate security for the debt securities to be issued and listed.
- b) The Issuer has obtained the permissions / consents necessary for creating security on the said property(ies).
- c) The Issuer has made all the relevant disclosures about the security and its continued obligations towards the holders of debt securities.
- d) Issuer has adequately disclosed all consents/ permissions required for creation of further charge on assets in offer document or private placement memorandum/ information memorandum and all disclosures made in the offer document or private placement memorandum/ information memorandum with respect to creation of security are in confirmation with the clauses of debenture trustee agreement.

CATALYST TRUSTEESHIP LIMITED (FORMERLY CDA TRUSTEE SHIP LIMITED)

An ISO 9001 Company

Mumbai Office: Windsor, 6th Floor, Office No. 604, C.S.T. Road, Kalina, Santacruz (East), Mumbai 400 098 Tel: +91 (022) 4922 0555 Fax: +91 (022) 4922 0505
Regd. Office: CDA House, Plot No. 85, Bhamburda Colony (Right), Paud Road, Pune 411 038 Tel: +91 (020) 25280081 Fax: +91 (020) 25280275
Delhi Office: Office No. 810, 8th Floor, Kailash Building, 26, Kasturba Gandhi Marg, New Delhi - 110001 Tel: 11 430 29101/02
CIN No. U74999PN1997PLC0262 Email: dt@catalysttrustee.com Website: www.catalysttrustee.com
Pune | Mumbai | Bengaluru | Delhi | Chennai



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- e) Issuer has given an undertaking that charge shall be created in favour of debenture trustee as per terms of issue before filing of listing application.
- f) Issuer has disclosed all covenants proposed to be included in debenture trust deed (including any side letter, accelerated payment clause etc.), offer document or private placement memorandum/ information memorandum and given an undertaking that debenture trust deed would be executed before filing of listing application.
- g) All disclosures made in the draft offer document or private placement memorandum/ information memorandum with respect to the debt securities are true, fair and adequate to enable the investors to make a well-informed decision as to the investment in the proposed issue.

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

Place: Mumbai
Date: August 22, 2023



For Catalyst Trustee Limited

For CATALYST TRUSTEE LIMITED

[Signature]
Authorized Signatory

Ms. Kalyani Pandey
Compliance Officer

CATALYST TRUSTEESHIP LIMITED (FORMERLY CDA TRUSTEESHIP LIMITED)

An ISO 9001 Company

Mumbai Office Windsor, 6th Floor, Office No. 604, C.S.T. Road, Kalina, Santacruz (East), Mumbai 400 098. Tel +91 (022) 4922 0555 Fax +91 (022) 4922 0505
Regd. Office CDA House, Plot No. 85, Bhamburda Colony (Right), Paud Road, Pune 411 039 Tel +91 (020) 25280081 Fax +91 (020) 25280275
Delhi Office Office No. 810, 8th Floor, Kailash Building, 26, Kasturba Gandhi Marg, New Delhi 110001 Tel 11 450 28101/02
CIN No. U74999PN1997PLC110262 Email dt@ctitrustee.com Website www.catalysttrustee.com
Pune | Mumbai | Bengaluru | Delhi | Chennai



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ANNEXURE VIII: IN-PRINCIPLE APPROVAL



DCS/COMP/VM/IP-PPDI/176/23-24

July 20, 2023

Aye Finance Pvt Ltd.
M-5, Magnum House-I, Mezzanine Floor
Community Centre Karampura, Opp-
Milan Cinema, New Delhi - 110015, India

Dear Sir/Madam

Re: Private Placement Issue of listed, rated, senior, unsecured/secured/subordinated, transferable, redeemable, fully paid up, non-convertible debentures to be issued in tranches ("The Issuer").

We acknowledge receipt of your application on the online portal on July 14, 2023 seeking in-principle approval for issue of captioned security. In this regard, the Exchange is pleased to grant in-principle approval for listing of captioned security subject to fulfilling the following conditions at the time of seeking listing:

1. Filing of listing application.
2. Payment of fees as may be prescribed from time to time.
3. Compliance with SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and circulars issued thereunder and also Compliance with provisions of Companies Act 2013.
4. Receipt of Statutory & other approvals & compliance of guidelines issued by the statutory authorities including SEBI, RBI, DCA etc. as may be applicable.
5. Compliance with change in the guidelines, regulations, directions, circulars of the Exchange, SEBI or any other statutory authorities, documentary requirements from time to time.
6. Compliance with below mentioned circular dated June 10, 2020 issued by BSE before opening of the issue to the investors.:
<https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20200610-31>
7. Issuers, for whom use of EBP is not mandatory, specific attention is drawn towards compliance with Chapter XV of SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and BSE Circular No 20210519-29 dated May 19, 2021. Accordingly, issuers of privately placed debt securities in terms of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 or ILDM Regulations for whom accessing the electronic book platform (EBP) is not mandatory shall upload details of the issue with any one of the EBPs within one working day of such issuance. The details can be uploaded using the following links Electronic Issuance - Bombay Stock Exchange Limited (bseindia.com).



BSE Limited (Formerly Bombay Stock Exchange Ltd.)
Registered Office : Floor 25, P J Towers, Dalal Street, Mumbai 400 001 India
T: +91 22 2272 1234/33 | E: corp.com@bseindia.com | www.bseindia.com
Corporate Identity Number : L67120MH2005PLC155188
BSE - PUBLIC



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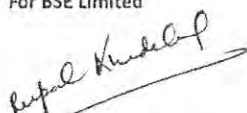
8. It is advised that Face Value of NCDs issue through private placement basis should be kept as per Chapter V of SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021

9. Issuers are hereby advised to comply with signing of agreements with both the depositories as per Regulation 7 of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021.

10. Company is further requested to comply with SEBI Circular SEBI/HO/DDHS/DDHS-RACPOD1/CIR/P/2023/56 dated April 13, 2023, (if applicable) read along with BSE Circular <https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20230428-18> and ensure compliance of the same.

This In-Principle Approval is valid for a period of 1 year from the date of issue of this letter or period of 1 year from the date of opening of the first offer of debt securities under the shelf placement memorandum and General information Documents which ever applicable. The Exchange reserves its right to withdraw its in-principle approval at any later stage if the information submitted to the Exchange is found to be incomplete/ incorrect/misleading/false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and circulars issued thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Guidelines/Regulations issued by the statutory authorities etc. Further, it is subject to payment of all applicable charges levied by the Exchange for usage of any system, software or similar such facilities provided by BSE which the Company shall avail to process the application of securities for which approval is given vide this letter.

Yours faithfully,
For BSE Limited


Rupali Khandelwal
Deputy General Manager


Akshay Arolkar
Deputy Manager



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