

Srl No : _____
Date: _____

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Krazybee Services Private Limited



Corporate Identity Number (CIN): U65100KA2016PTC086990

Permanent Account Number: AAGCK1119D

Date and Place of Incorporation: March 16, 2016, Bengaluru, Karnataka, India

Registered Office: 3rd Floor, No.128/9, Maruthi Sapphire, HAL Airport Road, Murgesh Palya, Bangalore - 560017

Corporate Office: 3rd Floor, No.128/9, Maruthi Sapphire, HAL Airport Road, Murgesh Palya, Bangalore - 560017

Telephone No: 080-44292555 , Website: www.kbubfc.in , Email: legal@krazybee.com

Compliance Officer: Pallavi Lingaraju Contact details of Compliance Officer: +91-9972857010, email address: legal@krazybee.com

Company Secretary: Pallavi Lingaraju Contact details of Company Secretary: +91-9972857010; legal@krazybee.com

Chief Financial Officer: Mr. Vivek Veda ,Contact details of Chief Financial Officer: +91-9769120028; vivek@krazybee.com

Promoter(s): Mr. Madhusudhan Ekambaram and Mr. Krishnakumar Karthikeyan, Finnov (Email: legal@krazybee.com and Contact details: 080-41275009) Contact details of Promoter(s): 9980527224, madhu@krazybee.com

Date: December 31, 2021

ISSUE OF 500 RATED, SECURED, TAXABLE, LISTED, REDEEMABLE, PRINCIPAL PROTECTED MARKET LINKED NON-CONVERTIBLE DEBENTURES ("DEBENTURE(S)" OR "NCD(S)") OF FACE VALUE OF RS.10,00,000 (INDIAN RUPEES TEN LAKHS ONLY) EACH, AGGREGATING TO RS.50,00,00,000 (INDIAN RUPEES FIFTY CRORES ONLY) (THE "ISSUE"), BY WAY OF A PRIVATE PLACEMENT (THE "ISSUE"), BY KRAZYBEE SERVICES PRIVATE LIMITED (THE "COMPANY" OR "ISSUER")

Debenture Trustee	Registrar and Transfer Agent	Valuation Agency
 CATALYST	 NSDL Technology, Trust & Reach	 ICRA ANALYTICS A Group: ICA Company
CATALYST Trusteeship Limited Windsor, 6th Floor, Office No. 604, C.S.T. Road, Kalina, Santaacruz (East), Mumbai – 400 098 Tel.: 022- 49220507 Email: compliancectl-mumbai@ctltrustee.com Contact person: Mr. Umesh Salvi	NSDL Database Management Services Private Limited 4 th Floor, Trade World A Wing, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013 Tel: 022 -24994200 Email: sachin.shinde@nsdl.co.in Contact person: Sachin V Shinde	ICRA Analytics Limited 17 th Floor, Plot G-1, Infinity Benchmark, Block GP, Sector V, Salt Lake, Kolkata, West Bengal - 700091 Tel.: +91-22-61796300 Email: ashwini.kumar@icraanalytics.com Contact Person: 98209-74940

Placement Memorandum: December 31, 2021

Type of Placement Memorandum: Private placement of non-convertible debentures

ISSUE SCHEDULE	
Issue Opens on:	31.12.2021
Issue Closes on:	04.01.2022
Pay in Date	31.12.2021
Deemed date of allotment	04.01.2022

ISSUE DETAILS									
Nature	Rated, Secured, Taxable, Listed, Redeemable, Principal Protected Market Linked Non-Convertible Debentures								
Number	500 (Five Hundred) Rated, Secured, Taxable, Listed, Redeemable, Principal Protected Market Linked Non-Convertible Debentures ("NCDs" or "Debentures") of face value of Rs. 10,00,000/- (Indian Rupee Ten Lakh) each, aggregating up to Rs. 50,00,00,000/- (Fifty Crores Only)								
Price per Debenture	10,00,000 (Indian Rupees Ten Lakh) per debentures								
Amount	Rs. 50,00,00,000 (Indian Rupees Fifty Crores Only)								
Issue size (base issue or green shoe)	Rs. 50,00,00,000 /- (Indian Rupees Fifty Crore Only)								
Coupon	Based on 'Reference Index Performance', corresponding 'Effective Annualized Coupon Rate' function' will be applicable <table border="1"> <thead> <tr> <th>Reference Index Performance</th><th>'Effective Annualized Coupon Rate' function</th></tr> </thead> <tbody> <tr> <td>$\leq -75\%$</td><td>0%</td></tr> <tr> <td>$> -75\%$ but $\leq 1.69\%$</td><td>Max (11.85% XIRR, Annualized Coupon Rate)</td></tr> <tr> <td>$> 1.69\%$</td><td>11.95% XIRR*</td></tr> </tbody> </table> (*12.00% XIRR is thus a ceiling and translates into a comparable coupon rate of 11.39% per annum when the coupon is paid out on a monthly basis. Please refer 'Scenario Analysis' section of the term sheet for further details) Initial Fixing Date: Deemed Date of Allotment "Initial Fixing Level" means Official closing level of the Reference Index as on Initial Fixing Date "Final Fixing Level" means Simple Average of the official closing level of the Reference Index on the Observation Dates. "Reference Index" means the BSE SENSEX 30	Reference Index Performance	'Effective Annualized Coupon Rate' function	$\leq -75\%$	0%	$> -75\%$ but $\leq 1.69\%$	Max (11.85% XIRR, Annualized Coupon Rate)	$> 1.69\%$	11.95% XIRR*
Reference Index Performance	'Effective Annualized Coupon Rate' function								
$\leq -75\%$	0%								
$> -75\%$ but $\leq 1.69\%$	Max (11.85% XIRR, Annualized Coupon Rate)								
$> 1.69\%$	11.95% XIRR*								

Coupon Payment Frequency	Bullet
Redemption Date	30 th June 2023
Redemption Amount	Rs. 10,00,000/- (Rupees Ten Lakh only) per Debenture plus accrued Coupon, if any.
Credit Rating	BBB+ Press release by Acuite Rating Agency on December 13 th 2021
Details of 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. Mutual Funds B. NBFCs C. Provident Funds and Pension Funds D. Corporates E. Banks F. Foreign Institutional Investors (FIIs) G. Qualified Foreign Investors (QFIs) H. Foreign Portfolio Investors (FPIs) I. Insurance Companies J. Alternative investment funds K. Any other person (not being an individual or a group of individuals) eligible to invest in the Debentures. All potential Investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this issue of Debentures.
Listing	The Debentures are proposed to be listed on the wholesale debt market segment of the BSE Limited (" BSE " or the " Stock Exchange ").
Electronic Book Provider Platform	Not Applicable.
Details of Debenture Trustee	As specified above

GENERAL RISK

Investment in debt and debt related securities involve a degree of risk and investors should not invest any funds in the debt instruments, unless they can afford to take the risks attached to such investments. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Company and the Issue including the risks involved. The Debentures have not been recommended or approved by Securities and Exchange Board of India ("SEBI") nor does SEBI guarantee the accuracy or adequacy of this document.

Specific attention of investors is invited to statement of risk factors contained under **SECTION 4 – RISK FACTORS** of this Disclosure Document. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the debt securities/non-convertible redeemable preference shares or investor's decision to purchase such securities.

ISSUER'S ABSOLUTE RESPONSIBILITY

The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this placement memorandum contains all information with regard to the issuer and the issue which is material in the context of the issue, that the information contained in the placement memorandum is true and correct in all material aspects and is not misleading, that the opinions and intentions expressed herein are honestly stated and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading.

CREDIT RATING

ACUTE has assigned "ACUTE BBB+ PP MLD" rating to the Issue by the Company by a letter dated December 13, 2021. Instruments with this rating are considered to have adequate degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk. For more details on credit rating of the Issuer refer to press release at December 13th 2021].

[Press release by Acute Rating Agency on December 13th 2021
(<https://www.acute.in/documents/ratings/revise/28577-RR-20211213.pdf>)]

The above rating is not a recommendation to buy, sell or hold securities and Investors should take their own decision. The rating may be subject to revision or withdrawal at any time by the assigning Credit Rating Agency and rating should be evaluated independently of any other rating. The rating obtained is subject to revision at any point of time in the future.

LISTING

The Debentures are proposed to be listed on the wholesale debt market segment of the BSE Limited ("BSE" or the "Stock Exchange"). The Company has obtained "in principle" approvals from BSE on December 30, 2021 for listing the Debentures offered through this Issue.

RECOVERY EXPENSE FUND

The Issuer has created the Recovery Expense Fund in accordance with the SEBI REF Circular with the BSE. In this regard, please also refer to the section on "Creation of recovery expense fund" under Section 8 below.

TABLE OF CONTENTS

SECTION 1	DISCLAIMERS	6
SECTION 2	DEFINITIONS AND ABBREVIATIONS	10
SECTION 3	UNDERTAKING OF THE ISSUER	14
SECTION 4	RISK FACTORS	15
SECTION 5	REGULATORY DISCLOSURES	24
SECTION 6	ISSUER INFORMATION	26
SECTION 7	APPLICATION PROCESS	68
SECTION 8	ISSUE DETAILS	75
SECTION 9	DISCLOSURE PERTAINING TO WILFUL DEFAULT	81
SECTION 10	KEY TERMS OF THE ISSUE	82
SECTION 11	DECLARATION	106
ANNEXURE I:	LAST AUDITED FINANCIAL STATEMENTS	107
ANNEXURE II:	CREDIT RATING LETTER	108
ANNEXURE III:	CONSENT LETTER FROM THE DEBENTURE TRUSTEE	116
ANNEXURE IV:	BOARD COMMITTEE (BORROWINGS) RESOLUTION	118
ANNEXURE V:	SHAREHOLDERS RESOLUTION	119
ANNEXURE VI:	DUE DILIGENCE CERTIFICATE FROM DEBENTURE TRUSTEE	121
ANNEXURE VII:	UNDERTAKING PURSUANT TO REGULATION 43 (2) OF THE SEBI NCS REGAULTIONS	122
ANNEXURE VIII:	TERM SHEET	123
ANNEXURE IX-	TRANSACTION DOCUMENTS	146
ANNEXURE IX:	APPLICATION FORM	148
ANNEXURE X-	VALUATION MATRIX FOR MLD	153
ANNEXURE XI-	DECLARATION OF PROMOTER	157
ANNEXURE XII-	PAS 4	158

SECTION 1 DISCLAIMERS

GENERAL DISCLAIMER

This Disclosure Document is neither a prospectus nor a statement in lieu of a prospectus and does not constitute an offer to the public to subscribe to the Issue.

The Debentures are to be listed on BSE and is being made strictly on a private placement basis. The Disclosure Document is not intended to be circulated to more than 200 (two hundred) persons. Multiple copies hereof given to the same entity shall be deemed to be given to the same person and shall be treated as such. No invitation is being made to any persons other than to those to whom Application Form along with this Disclosure Document have been sent. Any application by a person to whom the Disclosure Document and Application Form have not been sent by the Company shall be rejected without assigning any reason. The person who is in receipt of the Disclosure Document shall maintain utmost confidentiality regarding the contents of the Disclosure Document and shall not reproduce or distribute in whole or in part or make any announcement in public or to a third party regarding the contents without the consent of the Issuer.

This Disclosure Document has been prepared in conformity with the SEBI (Issue and Listing of Debt Securities) Regulations 2008, as amended up to date and other applicable laws. Therefore, as per the applicable provisions, a copy of this Disclosure Document has not been filed or submitted to the SEBI for its review and/or approval. It is the responsibility of potential investors to also ensure that any sale by them of the NCDs/Debentures does not constitute an offer to the public within the meaning of the Companies Act.

Apart from the Disclosure Document, no offer document or prospectus has been prepared in connection with this Issue and that no prospectus in relation to the Issuer or the NCDs relating to this Issue has been delivered for registration nor such a document is required to be registered under the applicable laws.

The Disclosure Document issued by the Company and the views contained in Disclosure do not necessarily reflect the views of its directors, employees, affiliates, subsidiaries, or representatives and should not be taken as such. The Disclosure Document have been prepared to provide general information about the Issuer to potential Eligible Investors to whom it is addressed and who are willing and eligible to subscribe to the Debentures. The Disclosure Document do not purport to contain all the information that any potential Eligible Investor may require. Where the Disclosure Document summarize the provisions of any other document, that summary should not be relied upon and the relevant document should be referred to for the full effect of the provisions.

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

This Information Memorandum and the contents hereof are intended only for recipients who have been addressed to directly and specifically through a communication by the Issuer and only such recipients are eligible to apply for the Debentures. All investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this issue. The contents of this Disclosure Document is intended to be used only by those investors to whom it is distributed. It is not intended for distribution to any other person and should not be reproduced by the recipient.

DISCLAIMER TO THE ISSUER

The Issuer confirms that, as of the date hereof, this Information Memorandum (including the documents incorporated by reference, if any) contains all information that is material in the context of the Issue, is accurate in all material respects and does not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements herein, in the light of the circumstances under which they are made, are not misleading. The sale or transfer of these Debentures outside India may require regulatory approvals in India, including without limitation, the approval of the RBI.

The Issuer confirms that all information considered adequate for and relevant to the Issue and the Issuer has been made available in this Information Memorandum for the use and perusal of the potential investors and no selective or additional information would be made available to any section of investors in any manner whatsoever. The information relating to the Company contained in the Disclosure Document is believed by the Company to be accurate in all respects as of the date hereof.

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

Neither the delivery of this Information Memorandum nor any Issue of Debentures made hereunder shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of the Issuer since the date hereof.

The Issuer having made all reasonable enquiries, accepts responsibility for and confirms that the information contained in this Disclosure Document is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. The Company or any of its directors, employees, advisors, affiliates, subsidiaries or representatives do not accept any responsibility and/ or liability for any loss or damage however arising and of whatever nature and extent in connection with the said information.

DISCLAIMER TO THE STOCK EXCHANGE

As required, a copy of this Disclosure Document has been submitted to the BSE for hosting the same on its website as per the applicable law.

It is to be distinctly understood that filing of this Disclosure Document with the BSE should not in any way be deemed or construed that the same has been cleared or approved by the BSE, nor does the BSE in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Disclosure Document, nor does the BSE warrant that the Issuer's Debentures will be listed or will continue to be listed on the Stock Exchange, nor does the BSE take any responsibility for the soundness of the financial and other conditions of the Issuer, its promoters, its management or any scheme or project of the Issuer. Every person who desires to apply for or otherwise acquire any Debentures of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Stock Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

DISCLAIMER CLAUSE OF SEBI

This Disclosure Document has not been filed with the SEBI. The securities have not been recommended or approved by SEBI nor does SEBI guarantee the accuracy or adequacy this Information Memorandum. It is to be distinctly understood that filing of this Information Memorandum should not, in any way, be deemed or construed that the same has been cleared or vetted by SEBI. SEBI does not take any responsibility for the purpose for which the issue is proposed to be made or for the correctness of the statements made or opinions expressed in this Information Memorandum. The issue of Debentures being made on private placement basis, filing of this document is not required with SEBI, however SEBI reserves right to take up at any point of time, with the Company, any irregularities or lapses in this document.

DISCLAIMER TO THE DEBENTURE TRUSTEE

The Debenture Trustee or its agents or advisers associated with the Issue of the Debentures do not undertake to review the financial condition or affairs of the Issuer during the life of the arrangements contemplated by this Disclosure Document and shall not have any responsibility to advise any investor or prospective Investor in the Debentures of any information available with or subsequently coming to the attention of the Debenture Trustee, its agents or advisors.

The Debenture Trustee and its agents or advisors associated with the issue of the /Debentures have not separately verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility is accepted by Debenture Trustee as to the accuracy or any other information provided by the Issuer. Accordingly, the Debenture Trustee shall have no liability in relation to the information contained in this Disclosure Document or any other information provided by the Issuer in connection with the Issue. The Debenture Trustee is neither a principal debtor nor a guarantor of the /Debentures.

DISCLAIMER IN RESPECT OF CREDIT RATING AGENCY

The ratings of the Credit Rating Agency should not be treated as a recommendation to buy, sell or hold the Debentures. The Credit Rating Agency ratings are subject to a process of surveillance which may lead to a revision in ratings. Please visit the Credit Rating Agency's website <https://www.acuite.com/> or contact the Credit Rating

Agency's office for the latest information on the Credit Rating Agency's ratings. All information contained herein has been obtained by the Credit Rating Agency from sources believed by it to be accurate and reliable. Although reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and the credit rating agency in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or opinion and Credit Rating Agency shall not be liable for any losses incurred by users from any use of this publication and completeness of any such information. All information contained herein must be construed solely as statements or its contents.

DISCLAIMER IN RESPECT OF VALUATION AGENCY

In accordance with the provisions of Structured Products Guidelines, the third party valuation agency has been appointed to provide the investors with a third party valuation of the Debentures. The Valuation Agency will publish a valuation on its website at least once every calendar week, commencing no later than one week after the listing of the Debenture. The valuation shall be available on the website of the Valuation Agency. The Issuer will also make available, as soon as practicable after the listing of the debentures, the valuation provided by the Valuation Agency on the website of the issuer at <https://www.icra.in/> upon request by the debenture holder, the issuer shall arrange to provide such holder the value of the Debentures as determined by the valuation agency. all valuation shall be done by the Valuation Agency on an independent basis and the issuer shall not be responsible for the same in any manner whatsoever. investors may kindly note that the actual value of the debentures are dependent on several factors. investors may kindly note that the valuation provided by the third party valuation agency shall be its independent valuation and shall not be binding on the Issuer.

valuation done by the Valuation Agency could be based on simple or complex methodologies adopted for arriving at a fair valuation. Valuation would depend amongst others, on various factors, circumstances, assumptions and the extent to which information is available. Valuation is subjective and due to various dependencies the conclusion or results drawn may not be exact or similar if somebody else were to adopt and apply the same methods.

Valuation Agency the valuation agency could be based on simple or complex met the issuer. Valuation agency will rely upon the publicly available information and any information or clarification or explanations provided by the issuer. Valuation agency therefore will not be responsible either for the genuineness or accuracy of the information provided. it is the Issuer's responsibility to keep the valuation agency informed of any material change or adverse circumstances which may impact the current scope of work.

DISCLAIMER OF RESERVE BANK OF INDIA

The Debentures have not been recommended or approved by the RBI nor does RBI guarantee the accuracy or adequacy of this Disclosure Document. It is to be distinctly understood that this Disclosure Document should not, in any way, be deemed or construed that the Debentures have been recommended for investment by the RBI. RBI does not take any responsibility either for the financial soundness of the Issuer, or the Debentures being issued by the Issuer or for the correctness of the statements made or opinions expressed in this Disclosure Document. The potential investors may make investment decision in respect of the Debentures offered in terms of this Disclosure Document solely on the basis of their own analysis and RBI does not accept any responsibility about servicing/repayment of such investment

SECTION 2 DEFINITIONS AND ABBREVIATIONS

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

Act	means the Companies Act, 2013, and shall include any re-enactment, amendment or modification of the Companies Act, 2013, as in effect from time to time.
Application Form	The form which shall be circulated to the prospective investors along with the Information Memorandum/ Disclosure document for the purpose of applying for the debentures and marked as Annexure IX.
Allot/ Allotment/ Allotted	Unless the context otherwise requires or implies, the allotment of the Debentures pursuant to this Issue
Account Bank	Bank Account Name KRAZYBEE SERVICES PRIVATE LIMITED
	Account no 000205032465
	IFSC code ICIC0000002
	Customer id 571054324
Beneficial Owner(s)	means the holder(s) of the Debentures in dematerialized form whose name is recorded as such with the Depository.
Board/ Board of Director(s)	Board of Director(s) of the Issuer
BSE Limited/BSE	Stock Exchange / Designated Stock Exchange
Business Day	Business Day shall mean a day (other than a public holiday for the purpose of Section 25 of the Negotiable Instruments Act, 1881 (26 of 1881) or a Sunday) on which banks are normally open for business and the money market is functioning in Mumbai.
CERSAI	means the Central Registry of Securitisation Asset Reconstruction and Security Interest of India.
CDSL	Central Depository Services (India) Limited
Company / Issuer	Krazybee Services Private Limited
Coupon	means the coupon payable on the Debentures on the Coupon Payment Date(s), at the Coupon Rate.
Coupon Payment Date	mean the date(s) as specified in Section 6- Issue Details of this Information Memorandum.
Date of Subscription	Date of realization of proceeds of subscription money in the bank account of the Company.
Debentures or NCDs	500 Rated, Secured, Taxable, Listed, Redeemable, Principal Protected Market Linked Non-Convertible Debentures having a face value of Rs. 10,00,000/- (Rupees Ten Lakhs only) each, aggregating to Rs. 50,00,00,000 - (Rupees Fifty Crores Only).

Debenture Holder(s)/Investors	Person(s) holding Debenture(s) and whose name is recorded as beneficial owner with the Depository (if the Debentures are in dematerialized form) as defined under Section 2 of the Depositories Act, 1996) or the person(s) whose name appears as holder of Debentures in the Register of Debentures (if the Debentures are in the physical form)
Debenture Trust Deed / DTD	The Debenture trust deed dated on or about the date of this Disclosure Document entered / to be entered into between the Company and the Debenture Trustee.
Debenture Trustee	Trustee for the Debenture Holder(s), in this case being Catalyst Trusteeship Limited .
Debenture Trustee Agreement	means the agreement entered into by and between the Issuer and the Debenture Trustee and dated 28 th December, 2021
Deed of Hypothecation	means the deed of hypothecation executed and delivered by the Issuer in favour of the Debenture Trustee to evidence creation of first ranking exclusive charge by the Issuer in favour of the Debenture Trustee (for the benefit of the Debenture Holders) over the Hypothecated Property (in a form acceptable to the Majority Debenture Holders).
Deemed Date of Allotment	Means 4 th January 2022
Depository Participant / DP	A Depository participant as defined under Depositories Act, 1996 as amended from time to time
Depository	A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 1996 as amended from time to time.
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Disclosure Document / Information Memorandum	This document dated December 31, 2021 which sets out the information regarding the Debentures being issued on a private placement basis.
EFT	Electronic Fund Transfer
Electronic Book Provider / EBP	has the meaning given to it under the EBP Guidelines.
Financial Year / FY	Financial year the of Company i.e. a period commencing from 1 st April and ending on 31 st March of the next calendar year
Insolvency Filing Event	The filing of any petition for insolvency resolution or liquidation against the Company under the Insolvency and Bankruptcy Code, 2016
Issue Opening Date	31.12.2021
Issue Closing Date	04.01.2022
NEFT	National Electronic Fund Transfer
NOC	No Objection Certificate(s)
NSDL	National Securities Depository Limited
PAN	Permanent Account Number

Private Placement Offer Cum Application Letter/ PPOL	The letter issued by the Issuer pursuant to the provisions of Section 42 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended, to the Investors in the format set out in the said rules
POA	Power of Attorney
Rating Agency/ Credit Rating Agency	Acuité Ratings & Research Limited with SEBI pursuant to SEBI (Credit Rating Agencies) Regulations 1999, as amended from time to time and having its office at 708, Lodha Supremus, Lodha iThink Techno Campus, Kanjurmarg (East), Mumbai 400 042
Record Date	shall mean the date being 7 calendar days prior to the due date on which any payments are to be made to the Debenture Holder(s) in accordance with the terms of the Debentures on the basis of which the determination of the persons entitled to receive redemption of principal, Coupon, and other Payments, if any, as the case may be, in respect of the Debentures shall be made.
REF / Recovery Expense Fund	means recovery expense fund created/to be created by the Issuer with the BSE.
R&T Agent	Registrar and Transfer Agent to the Issue, in this case being NSDL database Management Ltd
RTGS	Real Time Gross Settlement
SEBI	Securities and Exchange Board of India
SEBI Centralized Database Circular	means the SEBI circular bearing reference number SEBI/HO/DDHSI/P/CIR/2021/572 dated June 4, 2021 on "Centralized Database for Corporate Bonds/Debentures".
SEBI Defaults (Procedure) Circular	means the circular no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/203 dated October 13, 2020 on "Standardisation of procedure to be followed by Debenture Trustee(s) in case of 'Default' by Issuers of listed debt securities" issued by SEBI.
SEBI Due Diligence Circular	means the SEBI circular bearing reference number SEBI/HO/MIRSD/CRADT/CIR/P/2020/218 dated November 3, 2020 on "Creation of Security in issuance of listed debt securities and 'due diligence' by debenture trustee(s)".
SEBI Listing Timelines Requirements	means the requirements in respect of the timelines for listing of debt securities issued on a private placement basis prescribed in Chapter VII (Standardization of timelines for listing of securities issued on a private placement basis) of the Listed NCDs Operational Circular.
SEBI REF Circular	means the circular no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/207 dated October 22, 2020 on "Contribution by Issuers of listed or proposed to be listed debt securities towards creation of "Recovery Expense Fund" issued by SEBI
SEBI NCS Regulations	Securities And Exchange Board Of India (Issue And Listing Of Non-Convertible Securities) Regulations, 2021 as amended from time to time.
SEBI LODR Regulations	means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
TDS	Tax Deduction at Source

TL	Term Loan
Valuation Agency	ICRA Analytics
WDM	Wholesale Debt Market

SECTION 3 UNDERTAKING OF THE ISSUER

Investors are advised to read the risk factors carefully before taking an investment decision in this issue. For taking an investment decision, investors must rely on their own examination of the issuer and the offer including the risks involved. The securities have not been recommended or approved by any regulatory authority in India, including the Securities and Exchange Board of India (SEBI) nor does SEBI guarantee the accuracy or adequacy of this document.

Specific attention of investors is invited to the statement of 'Risk factors' given under the section '**General Risks**'."

"The Issuer, having made all reasonable inquiries, accepts responsibility for, and confirms that this Disclosure Document contains all information with regard to the issuer and the issue, that the information contained in the offer document is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

The issuer has no side letter with any debt securities holder except the one(s) disclosed in the offer document/offer document. Any covenants later added shall be disclosed on the stock exchange website where the debt is listed."

SECTION 4 RISK FACTORS

An investment in the Debentures involves risks. These risks may include, among others, equity market, bond market, interest rate, market volatility and economic, political and regulatory risks and any combination of these and other risks. Prospective Investors should be experienced with respect to transactions in instruments such as the Debentures. Prospective Investors should understand the risks associated with an investment in the Debentures and should only reach an investment decision after careful consideration of, (a) the suitability of an investment in the Debentures in the light of their own particular financial, tax and other circumstances; and (b) the information set out in this Disclosure Document.

More than one risk factor may simultaneously affect the Debentures such that the effect of a particular risk factor may not be predictable. In addition, more than one risk factor may have a compounding effect which may not be predictable. No assurance can be given as to the effect that any combination of risk factors may have on the value of the Debentures.

Investors are advised to read the following risk factors carefully before making an investment in the Debentures offered in this Issue. Each investor must rely on its own examination of the Issuer and this Issue, including the risks and uncertainties involved. The ordering of the risk factors is intended to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another.

RISKS RELATING TO THE DEBENTURES

I. Changes in the interest rates may affect the price of the Debentures

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

II. Secondary market for the Debentures may be Illiquid

It is not possible to predict if and to what extent a secondary market may develop in the Debentures or at what price the Debentures will trade in the secondary market or whether such market will be liquid or illiquid. As specified in the Disclosure Document, an application has been made to list or quote or admit to trading the Debentures on the WSD Segment of the BSE and an in-principle approval has been obtained. If the Debentures are so listed or quoted or admitted to trading on the BSE no assurance is given that any such listing or quotation or admission to trading will be maintained. The fact that the Debentures may be so listed or quoted or admitted to trading does not necessarily lead to greater liquidity than if they were not so listed or quoted or admitted to trading.

The Issuer may, but is not obliged to, at any time purchase the Debentures at any price in the open market or by tender or private agreement. Any Debentures so purchased may be resold or surrendered for cancellation. The more limited the secondary market is, the more difficult it may be for holders of the Debentures to realize value for the Debentures prior to redemption of the Debentures.

III. Credit risk and rating downgrade risk

The Credit Rating Agency has assigned the credit rating of "ACUTE BBB+ PP MLD" rating to the Debentures. In the event of deterioration in the financial health of the Issuer, there is a possibility that the rating agency may downgrade the rating of the Debentures. In such cases, potential investors may incur losses on revaluation of their investment or make provisions towards sub-standard/ non-performing investment as per their usual norms. The Issuer cannot guarantee that this rating will not be downgraded. Such a downgrade in the credit rating may lower the value of the Debentures and may also affect the Issuer's ability to raise further debts.

IV. The Debentures may not be a suitable investment for all potential Investors

Potential Investors should ensure that they understand the nature of the Debentures and the extent of their exposure to risk, that they have sufficient knowledge, experience and access to professional advisers such as legal, tax, accounting and other advisers to make their own legal, tax, accounting and financial evaluation of the merits and risks of investment in the Debentures and that they consider the suitability of the Debentures as an investment in the light of their own circumstances and financial condition.

V. Exercise of powers by the Debenture Trustee is subject to equitable principles and supervisory powers of courts

The exercise by the Debenture Trustee of the powers and remedies conferred on it under the Debentures and this Disclosure Document or otherwise vested in it by applicable law, will be subject to general equitable principles regarding the enforcement of security, the general supervisory powers and discretion of the Indian courts in the context thereof and the obtaining of any necessary governmental or regulatory consents, approvals, authorisations or orders.

VI. The right of the Debenture Holders to receive payments under the Debentures will be junior to certain tax and other liabilities preferred by law on an insolvency of the Issuer

The Debentures will be subordinated to certain liabilities preferred by applicable law such as claims of the Government of India on account of taxes and certain liabilities incurred in the ordinary course of the Issuer's business (including workmen's dues). Upon an order for winding-up in India, the assets of a company are vested in a liquidator who has wide powers to liquidate such company to pay its debt and administrative expenses.

VII. Receipt of coupon or principal is subject to the credit risk of the Issuer.

Investors should be aware that the receipt of any coupon payment and principal amount at maturity is subject to the credit risk of the Issuer. Any stated credit rating of the Issuer reflects the independent opinion of the referenced rating agency as to the creditworthiness of the rated entity but is not a guarantee of credit quality of the Issuer. Any downgrading of the credit ratings of the Issuer by the rating agency may lower the value of the Debentures

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

The payment of the principal and coupon on the Debentures is subject to the credit risk of the Issuer whereby the investors may or may not recover all or part of the principal or coupon amount of the funds invested in case of default by the Issuer. Debenture Holders assume the risk that the Issuer will not be able to satisfy their obligations under the Debentures and may or may not recover all or part of the principal and/or coupon amount in case of default by the Issuer.

VIII. Security may be insufficient to redeem the Debentures

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

While the debt securities are secured to the tune of 100% of the principal and interest amount or as per the terms of Information Memorandum, in favour of Debenture Trustee, it is the duty of the Debenture Trustee to monitor that the security is maintained. However, the recovery of 100% of the amount shall depend on the market scenario prevalent at the time of enforcement of the security.

IX. Payment of penalty

In case of outstanding debt instruments or deposits or borrowings, any default in compliance with the material covenants such as creation of security as per terms agreed, default in payment of interest, default in redemption or repayment, non-creation of debenture redemption reserve, default in payment of penal interest wherever applicable.

X. Prospective investors are advised to carefully read these key risks associated with the Debentures. These risks are not, and are not intended to be, a complete list of all risks and consider

The Debentures being structured debentures are sophisticated instruments which involve a significant degree of risk and are intended for sale only to those investors capable of understanding the risks involved in such instruments. The Debentures are structured and are complex and an investment in such a structured product may involve a higher risk of loss of a part of the initial investment as compared to investment in other securities unless held till Maturity Date as set out in this Offer Letter. Prior to investing in the Debentures, a prospective investor should ensure that such prospective investor understands the nature of all the risks associated with the investment in order to determine whether the investment is suitable for such prospective investor in light of such prospective investor's experience, objectives, financial position and other relevant circumstances. Prospective investors should independently consult with their legal, regulatory, tax, financial and/or accounting advisors to the extent the prospective investor considers necessary in order to make their own investment decisions.

XI. Model Risk

Investment in Debentures is subject to model risk. The Debentures are created on the basis of complex mathematical models involving multiple derivative exposures which may or may not be hedged and the actual behaviour of the securities selected for hedging may significantly differ from the returns predicted by the mathematical models.

INTERNAL RISKS

Risk Factor in relation to the Issuer's business

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

All of the Issuer's loans are unsecured and the clients of these unsecured loans. There is uncertainty on the client's ability to fulfil its loan obligations it can be difficult to verify all client details and assess the risk. Such non-performing or low credit quality loans can negatively impact the Issuer's results of operations.

The Issuer has various procedures and process controls in place to mitigate the risk.

As on September 30, 2021, the gross NPA was INR 32.56 Crs (Indian Rupees Thirty two Decimal five six Crores Only) on a gross portfolio of INR 828.93 Crs (Indian Rupees Eight hundred twenty eight Decimal nine three Crores Only).

The Issuer cannot assure that it will be able to effectively control and reduce the level of the NPAs of its Client Loans. The amount of its reported NPAs may increase in the future as a result of growth of Client Loans. If the Issuer is unable to manage NPAs or adequately recover its loans, the results of its operations will be adversely affected.

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

- M. *The Issuer is exposed to concentration of personnel risks***

Large scale attrition, especially at the senior management level, can make it difficult for the Issuer to manage its business. If the Issuer is not able to attract, motivate, integrate or retain qualified personnel at levels of experience that are necessary to maintain the Issuer's quality and reputation, it will be difficult for the Issuer to manage its business and growth. The Issuer depends on the services of its executive officers and key employees for its continued operations and growth. In particular, the Issuer's senior management are key to the future prospects of the company. The loss of any of the Issuer's executive officers, key employees or senior managers could negatively affect its ability to execute its business strategy, including its ability to manage its rapid growth. The Issuer's future success will depend in large part on its ability to identify, attract and retain highly skilled managerial and other personnel. Competition for individuals with such specialized knowledge and experience is intense in this industry, and the Issuer may be unable to attract, motivate, integrate or retain qualified personnel at levels of experience that are necessary to maintain its quality and reputation or to sustain or expand its operations. The loss of the services of such personnel or the inability to identify, attract and retain qualified personnel in the future would make it difficult for the Issuer to manage its business and growth and to meet key objectives.

N. *Competition from banks and financial institutions, as well as state-sponsored programs, may adversely affect the Issuer's profitability and position in the Indian NBFC lending industry*

The Issuer faces most significant competition from other NBFCs and banks in India. Many of the institutions with which Issuer competes can have greater assets and better access to, and lower cost of, funding than the issuer. In certain areas, they may also have better name recognition and larger member bases than Issuer. Issuer anticipates that it may encounter greater competition as they continue expanding the operations in India, which may result in an adverse effect on the business, results of operations and financial condition.

EXTERNAL RISK FACTORS

L. Future legal and regulatory obstructions

Future government policies and changes in laws and regulations in India and comments, statements or policy changes by any regulator, including but not limited to RBI or SEBI, may adversely affect the Debentures. The timing and content of any new law or regulation is not within the Issuer's control and such new law, regulation, comment, statement or policy change could have an adverse effect on the market for and the price of the Debentures.

Further, SEBI or any other regulatory authorities may require clarifications on this Disclosure Document, which may cause a delay in the issuance of the Debentures or may result in the Debentures being materially affected or even rejected.

Further, the exercise by the Debenture Trustee of the powers and remedies conferred on it under the Debenture Trust Deed, or otherwise vested in them by applicable law, will be subject to general equitable principles regarding the enforcement of security, the general supervisory powers and discretion of the Indian courts in the context thereof and the obtaining of any necessary governmental or regulatory consents, approvals, authorizations or orders.

II. Political instability or changes in the government could delay further liberalization of the Indian economy and adversely affect economic conditions in India generally

Since 1991, successive Indian governments have pursued policies of economic liberalization. The role of the Central Government and State Governments in the Indian economy as producers, consumers and regulators has remained significant. If there is a slowdown in economic liberalization, or a reversal of steps already taken, it could have an adverse effect on the debt market which is as such exposed to the risks of the Indian regulatory and policy regime.

III. Company's growth depends on the sustained growth of the Indian economy. An economic slowdown in India and abroad could have direct impact on the Company's operations and profitability.

Macroeconomic factors that affect the Indian economy and the global economic scenario have an impact on Company's business. Recent trends suggest that the economy may grow at a flat pace which may have a direct impact on our business and a slowdown in the economy as a whole can increase such an impact thereby adversely impacting the Company's growth plans.

A sustained slowdown in the Indian economy could adversely affect Company's business; India's economy could be adversely affected by a general rise in interest rates, or various other factors affecting the growth of industrial, manufacturing and services sector or general down trend in the economy

IV. Civil unrest, terrorist attacks and war could affect our business.

Terrorist attacks and other acts of violence, war, or conflicts, particularly those involving India, as well as the jurisdictions where the Company's business is situated, may adversely affect Indian and global financial markets. Such acts may negatively impact business sentiment, which could adversely affect the Company's business and profitability. India has from time to time experienced, and continues to experience, social and civil unrest, terrorist attacks and hostilities with neighboring countries. Also, some of India's neighboring countries have experienced, or are currently experiencing internal unrest. This, in turn, could have a material adverse effect on the market for securities including the Debentures. The consequences of any armed conflicts are unpredictable, and the Company may not be able to foresee events that could have an adverse effect on Company's business and the price and yield of the NCDs.

V. Company's business may be adversely impacted by natural calamities or unfavorable climatic changes.

India, Nepal, Bangladesh, Pakistan, Indonesia, and other Asian countries have experienced natural calamities such as earthquakes, floods, droughts, and a tsunami in recent years. Some of these countries have also experienced pandemics notably the ongoing Covid-19 pandemic in India and Globally including the outbreak of avian flu/ swine flu. The extent and severity of these natural disasters and pandemics determines their impact on these economies and in turn affects the Company's business and operation. Prolonged spells of abnormal rainfall and other natural calamities could have an adverse impact on the economies in which the Company has operations, which could adversely affect its business and the price of the Debentures.

VI. Any downgrading of India's sovereign rating by an international rating agency (ies) may affect the Company's business and its liquidity to a great extent.

Any adverse revision to India's credit rating for domestic and international debt by international rating agencies may adversely impact Company's ability to raise additional financing and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on Company's financial performance and its ability to obtain financing to fund our growth on favorable terms, or at all.

GENERAL RISKS

I. Investment risks

Investment in debt and debt related securities involve a degree of risk and investors should not invest any funds in the debt instruments, unless they can afford to take the risks attached to such investments. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Company and the Issue including the risks involved. The Debentures have not been recommended or approved by Securities and Exchange Board of India ("SEBI") nor does SEBI guarantee the accuracy or adequacy of this document.

II. Early Termination for Extraordinary Reasons, Illegality and Force Majeure

If the Issuer determines that, for reasons beyond its control, the performance of its obligations under the Debentures has become illegal or impractical in whole or in part for any reason, the Issuer may, at its discretion and without obligation, redeem the Debentures early.

III. Taxation

Potential purchasers and sellers of the Debentures should be aware that they may be required to pay stamp duties or other documentary charges/taxes in accordance with the laws and practices of India. Payment and/or delivery of any amount due in respect of the Debentures will be conditional upon the payment of all applicable taxes, duties and/or expenses.

Potential Investors who are in any doubt as to their tax position should consult their own independent tax advisers. In addition, potential Investors should be aware that tax regulations and their application by the relevant taxation authorities change from time to time. Accordingly, it is not possible to predict the precise tax treatment which will apply at any given time.

IV. Delays in court proceedings in India

If any dispute arises between the Issuer and any other party including Debenture Holders, the Issuer or such other party may need to take recourse to judicial proceedings before courts in India. It is not unusual for court proceedings in India to continue for extended periods. Disposition of cases may be further subject to various delays including multiple levels of appellate adjudication.

V. Accounting Considerations

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

VI. Breach of contract.

A failure to observe the covenants under our financing arrangements or to obtain necessary consents required thereunder may lead to the termination of our credit facilities, acceleration of all amounts due under such facilities and the enforcement of any security provided. Any acceleration of amounts due under such facilities may also trigger cross default provisions under our other financing agreements. If the obligations under any of our financing documents are accelerated, we may have to dedicate a substantial portion of our cash flow from operations to make payments under such financing documents, thereby reducing the availability of cash for our working capital requirements and other general corporate purposes. Further, during any period in which we are in default, we may be unable to raise, or face difficulties raising, further financing. Any of these circumstances.

OTHERS RISKS UNDER NCS LISTING REGULATION

A. RISKS IN RELATION TO THE SECURITY CREATED IN RELATION TO THE DEBT SECURITIES AND RISKS IN RELATION TO MAINTENANCE OF SECURITY COVER OR FULL RECOVERY OF THE SECURITY IN CASE OF ENFORCEMENT

Refer to Risk Factor- VIII under "*Risks relating to Debentures*".

B. REFUSAL OF LISTING OF ANY SECURITY OF THE ISSUER DURING LAST THREE YEARS BY ANY OF THE STOCK EXCHANGES IN INDIA OR ABROAD

As on the date of this Placement Memorandum, no stock exchange in India or abroad has refused listing of any equity or debt security issued by the Issuer.

C. IN CASE OF OUTSTANDING DEBT INSTRUMENTS OR DEPOSITS OR BORROWINGS:

ANY DEFAULT IN COMPLIANCE WITH THE MATERIAL COVENANTS SUCH AS CREATION OF SECURITY AS PER TERMS AGREED: As on the date of this Placement Memorandum, the Issuer has not committed any default in compliance with the material covenants such as creation of security as per terms agreed in respect of any outstanding borrowings.

DEFAULT IN PAYMENT OF INTEREST: As on the date of this Placement Memorandum, the Issuer has not committed any default in payment of interest in respect of any outstanding borrowings.

DEFAULT IN REDEMPTION OR REPAYMENT: As on the date of this Placement Memorandum, the Issuer has not committed any default in redemption or repayment in respect of any outstanding borrowings.

NON-CREATION OF DEBENTURE REDEMPTION RESERVE: Pursuant to Rule 18 (7) of the Companies (Share Capital and Debentures) Rules, 2014, a non-banking financial company is not required to maintain debenture redemption reserve for debentures issued on a private placement basis.

DEFAULT IN PAYMENT OF PENAL INTEREST WHEREVER APPLICABLE: As on the date of this Placement Memorandum, the Issuer has not committed any default in payment of interest penal in respect of any outstanding borrowings.

SECTION 5 REGULATORY DISCLOSURES

This Disclosure Document is prepared in accordance with the provisions of the SEBI NCS Regulations and in this section, the Issuer has set out the details required as per Schedule II of the SEBI NCS Regulations:

LIST OF DOCUMENTS TO BE FILED WITH THE STOCK EXCHANGE AND DEBENTURE TRUSTEE

List of disclosures to be filed along with the listing application to the Stock Exchange:

- I. Memorandum and articles of association of the Issuer and necessary resolution(s) for the allotment of the debt securities;
- II. Copy of last three years audited and adopted annual reports;
- III. Statement containing particulars of, dates of, and parties to all material contracts and agreements;
- IV. Copy of the Board / Committee Resolution dated December 27, 2021 authorizing the borrowing and list of authorized signatories.
- V. Certified true copy of the resolution passed by the Company at the Annual General Meeting under Section 180 (1)(c) of the Act, held on [●] authorising the Company to borrow, upon such terms as the Board may think fit, up to an aggregate limit of Rs. [●] /- crores (Rupees [●] Crores only) - Not Applicable
- VI. Copy of the resolution passed by the shareholders of the Company at the Annual General Meeting held on March 30th 2021 authorizing the issue/offer of non-convertible debentures by the Company;
- VII. An undertaking from the Issuer stating that the necessary documents for the creation of the charge, where applicable, including the Debenture Trust Deed would be executed within the time frame prescribed in the relevant regulations/ act/ rules etc. and the same would be uploaded on the website of the Stock exchange, where the debt securities have been listed, within five working days of execution of the same.
- VIII. Any other particulars or documents that the BSE may call for as it deems fit.
- IX. An undertaking that permission/ consent from the existing creditor for an exclusive/ first or *pari passu* charge being created, where ever applicable, in favour of the trustees to the proposed issue has been obtained.

Material contracts and agreements

S. No.	Nature of Contract
1.	Certified true copy of the Memorandum & Articles of Association of the Issuer.
2.	Board Resolution dated December 27, 2021 authorizing the issue of Debentures offered under the terms of this Disclosure Document.
3.	Shareholder Resolution under Section 180 (1) (a) and Section 180 (1) (c) authorizing the borrowing by the Company and the creation of security- Not Applicable
4.	Shareholders' Resolution dated March 30 th 2021 authorizing the issue of non-convertible debentures by the Company.
5.	Copies of Annual Reports of the Company for the last three financial years.
6.	Credit rating letter from the Rating Agency dated December 13, 2021.
7.	Letter from Debenture Trustee dated 27 th December 2021 giving its consent to act as Debenture Trustee. ("Consent Letter")
8.	Letter for Register and Transfer Agent dated 29/12/2021.
9.	Certified true copy of the certificate of incorporation of the Company.
10.	Certified true copy of the tripartite agreement between the Company, the Registrar & Transfer Agent and the NSDL/CDSL dated July 03, 2019
11.	Debenture Trustee Agreement dated 28 th December 2021 executed between the Issuer and the Debenture Trustee.
12.	Debenture Trust Deed date December 31, 2021 executed between the Issuer and the Debenture Trustee.
13.	Deed of Hypothecation date December 31, 2021 executed between the Issuer and the Debenture Trustee.

SECTION 6 ISSUER INFORMATION

I. PROMOTERS OF THE COMPANY

Details of Promoters of the Issuer Company

A complete profile of all the promoters, including their name, date of birth, age, personal addresses, educational qualifications, experience in the business or employment, positions/posts held in the past, directorships held, other ventures of each promoter, special achievements, their business and financial activities, photograph, Permanent Accountant Number:

The details of the Promoters of the Issuer are set out below:

	Particulars	Details	Details	Details
	Insert Photograph/Logo			Finnov Private Limited
1)	Name	Mr. Madhusudan Ekambaram	Mr. Karthikeyan Krishnaswamy	Finnov Private Limited
2)	Date of Birth:	24/08/1981	08/12/1980	21/03/2016
3)	Age:	40	41	N.A
4)	Personal Address/ Registered Office:	No.296, Behind Jublee College Jinkethimmana Halli, Ramamurthy Nagar, Bengaluru, Karnataka 560036	K-701,SNN Raj Lake View Apts, 29 th Main Road NS Palya Main Road, BTM Layout Bengaluru Karnataka 560076	30 Cecil Street #19-08 Prudential Tower Singapore (049712)
5)	Educational Qualifications:	Graduation: B.E. in Information Technology from National Institute of Technology, Surathkal Post Graduation: MBA in Finance from Rotman School of Management	Graduation: Bachelors of Computing (Honors) in Computer Science from National University of Singapore Post Graduation: Masters of Computing in Computer Science from National	N.A

6)	Experience in the business or employment:	He has over 15 years of Experience in Product Portfolio Management, Business Innovation, Sales and Business Development.. Prior to founding Krazybee, he was working with Huawei Technologies for 11 years.	With over 15 years of experience in Technology & Products, KK has explored multiple avenues in the Technical space. He has hands-on experience across Server/Consumer domains & commonly used languages (JAVA, C, PHP etc.), and has conceptualised & commercialized many micro- innovations & software solutions targeted for India & South Pacific Market	
7)	Positions/posts held in the past:	Nil	Nil	NA
8)	Directorships held:	1. Finnovation Tech Solutions Private Limited 2.Fintech Association for Consumer Empowerment	1. Finnovation Tech Solutions Private Limited	NA
9)	Other ventures of the promoter:	NA	NA	NA
10)	Special achievements:	NA	NA	NA
11)	Their business and financial activities:	NA	NA	NA
12)	Permanent Accountant Number:	ALGPM8638M	AREPK6920A	AADCF8674P
13)	Aadhaar Number	222875369981	736690696351	NA
14)	Driving License Number	KA5320120005294	KA51/2695/0506	NA
15)	Bank Account Number(s)	Yes Bank Limited 041591600011006	Yes Bank Limited 041591600011020	The Hongkong and Shanghai Banking Corporation Limited 260-346606-178
16)	Passport Number(s)	H7138703	Z5326920	NA

Declaration of the Promoter:

A declaration confirming that the Permanent Account Number, Aadhaar Number, Driving License Number, Bank Account Number(s) and Passport Number of the promoters and Permanent Account Number of directors have been submitted to the stock exchanges on which the non convertible securities are proposed to be listed, at the time of filing the draft Disclosure Documents.

II. Credit Rating of Debenture

The detailed rating rationale (s) adopted (not older than one year on the date of opening of the issue)/ credit rating letter issued (not older than one month on the date of opening of the issue) by the rating agencies shall be disclosed.

ACUTE has assigned "ACUTE BBB+ PP MLD" rating to these Debentures by a letter dated December 13, 2021 Instruments with this rating are considered to have adequate degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk

The rating letter as released by ACUTE is enclosed as **Annexure II**.

III. Listing

Name(s) of the stock exchange(s) where the non-convertible securities are proposed to be listed and the details of their in-principle approval for listing obtained from these stock exchange(s). If non-convertible securities are proposed to be listed on more than one stock exchange(s) then the issuer shall specify the designated stock exchange for the issue. The issuer shall specify the stock exchange where the recovery expense fund is being/has been created as specified by the Board.

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

The Debentures are not proposed to be listed on more than one stock exchange.

The Issuer has created the Recovery Expense Fund for a maximum limit 50,00,000 (Indian Rupees Fifty Crores Only) in accordance with the SEBI REF Circular with the BSE. In this regard, please also refer to the section on "*Creation of recovery expense fund*" under Section 8 below.

IV. Issue schedule

ISSUE SCHEDULE	
Issue Opens on:	31.12.2021
Issue Closes on:	04.01.2022
Pay in Date	31.12.2021
Deemed date of allotment	04.01.2022

- I. Name, logo, addresses, website URL, email address, telephone number and contact person of the following:

Name:	NA
Arrangers, if any	NA
Debenture Trustee:	 CATALYST Trusteeship Limited Windsor, 6th Floor, Office No. 604, C.S.T. Road, Kalina, Santacruz (East), Mumbai – 400 098 Tel.: 022- 49220507 Email: compliancectl-mumbai@ctltrustee.com Contact person: Mr. Umesh Salvi
Register and Transfer Agent	 NSDL database Management Ltd National Securities Depository Limited, 4th Floor, Trade World A Wing, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013 Ph: 022 24994409

	www.nsdl.co.in
Credit Rating Agency	 Acuite Ratings and Research https://www.acuite.in 708, Lodha Supremus, Lodha iThink Techno Campus, Kanjurmarg (East), Mumbai 400 042 Ph: +91 22 49294000
Auditors:	ASC & ASSOCIATES https://www.ascgroup.in/ F-7, Lajpat Nagar-III, New Delhi-110024 Email Id: ascassociates92@gmail.com Telephone No: 011-29835500
Valuation Agency	 ICRA Analytics Limited 17th Floor, Plot G-1, Infinity Benchmark, Block GP, Sector V, Salt Lake, Kolkata, West Bengal - 700091 Tel.: +91-22-61796300 Email: ashwini.kumar@icraanalytics.com
Guarantor	NA
Legal Counsel	NA

V. About the Issuer

a. Overview of the Business of the Issuer:

KrazyBee Services Private Limited (Krazybee) is a Systemically Important, Non-Deposit Taking, Non-Banking Finance Company (NBFC-SI-ND), which is regulated by the Reserve Bank of India (RBI). The company was co-founded by Madhusudhan Ekambaram and Karthikeyan Krishnawamy in March 2016 and received an NBFC license from the RBI in May 2017.

KrazyBee offers unsecured personal loans of up to Rs. 2,00,000 to young professionals with a tenor of up to 15 months. Company's mission is financial inclusion of masses and enabling consumer credit for 400MM+ Indian consumers via technology, especially for those who are new to credit and do not have credit history, which is consistent with Government of India's ('GoI') priority.

KrazyBee operates in the fintech lending space and its entire loan origination is via the mobile application platform under the brand name - "KreditBee". The company has till date catered to ~4 million young professionals (compared to an addressable target market of 180 million), disbursed 10,500 Crore value of loans across 1.75 Crore number of loans.

The founders and the management each have 10-15 years of experience in the areas of technology, operations, project management, sales, finance, risk management, data science, digital marketing and quantitative analysis.

KrazyBee is headquartered in Bangalore and has a lending presence across India. It is a 99.475% subsidiary of a Singapore-based entity named Finnov Private Limited ('Finnov'). Finnov has till date raised ~USD 90 Mn in equity from renowned and reputed investors namely, Premji Invest, Motilal Oswal Private Equity, NewQuest, Alpine Capital and Mirae Asset Ventures.

b. Corporate Structure of the Issuer

The corporate structure of the Company is given below:

- KrazyBee Services Private Limited ('KrazyBee') is a Systemically Important Non-deposit taking Non-Banking Financial Company (NBFC) registered with the Reserve Bank of India (RBI).
- KrazyBee was incorporated on March 16, 2016 under the provisions of the Companies Act, 2013 and it received the NBFC license from RBI in May 2017.

The Issuer derives the following benefits of being registered as an NBFC.

- Access to Funds

Commercial lenders have greater comfort lending to a regulated NBFC with transparent ownership. As an Issuer, it can raise equity and offer commercial returns.

- **Diverse Funding Sources:**

An NBFC can access commercial investors and international capital markets, diversifying away from donors or members as equity funders.

- **Commercialization:**

Classifying the Issuer as an NBFC increases its commercial credibility and integrates it and its clients into the formal financial sector which ultimately increases its outreach potential.

- **Mainstream Resources:**

As a for-profit commercial NBFC, it will be more likely to attract mainstream capital resources which Societies or Trusts would find difficult to attract.

- **Regulatory Coverage:**

As the Issuer grows in size, operating as an NBFC within the regulatory framework mitigates risks from political and regulatory intervention.

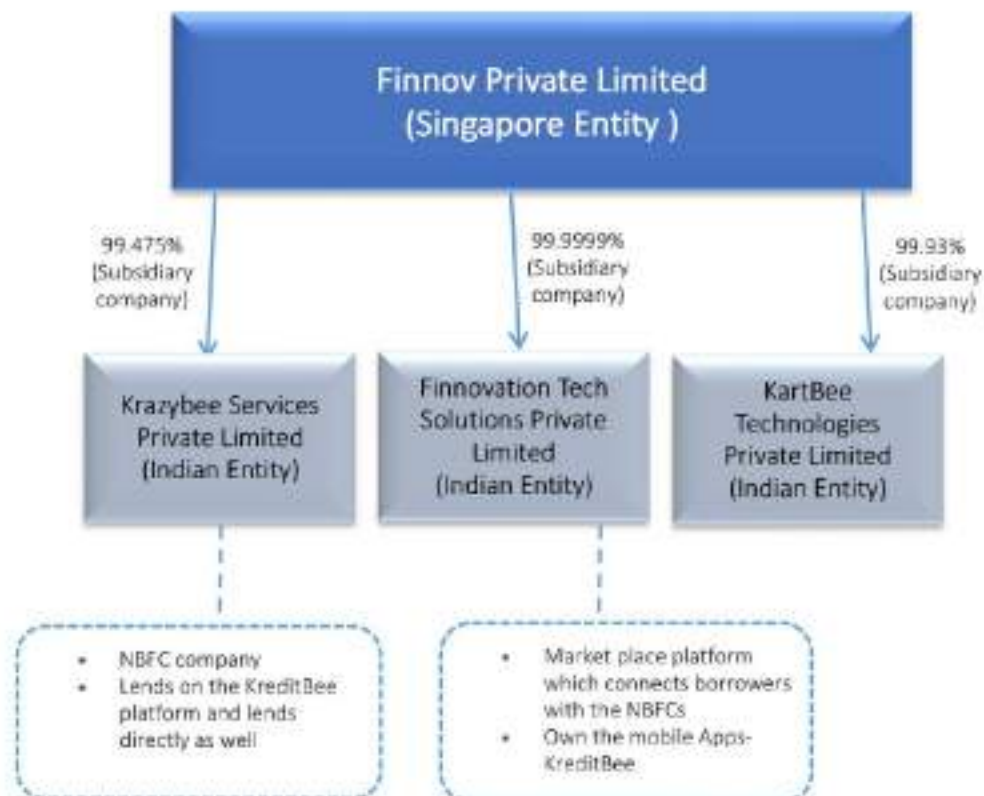
- **Stakeholder Involvement:**

As an NBFC, the Issuer can bring a variety of stakeholders to the table, including clients, management, employees and investors.

O. Business Segments

The Issuer lends financial assistance to salaried and self-employed individuals in the form of unsecured consumer loans, to help meet customers' consumption needs.

The graphic description/organogram of the corporate structure of the Issuer is as follows:



c. Branch details:

As of September 30 2021, the Issuer operates has following branches:

Sl No	Branch Address
1	3rd Floor, No. 128/9, Maruthi Sapphire, HAL Airport Road, Murgesh Palya, Bangalore – 560017
2	No. 100, Royal Stone the Tech Park, Benninganahalli, K.R Puram, Corporation Ward No. 29, Bengaluru, Bengaluru Urban - 560008
3	3rd floor, Mereside heights, Pai layout, Sakshi Nagar, Bangalore – 560016
4	Innov8, Regal Building, 69, Connaught Circle , Hanuman Road Area, Connaught Place, New Delhi, Delhi 110001

d. Subsidiary details:

As on the date of this Placement Memorandum, the Issuer does not have any subsidiaries.

e. Project cost and means of financing, in case of funding of new projects:- NA

Not Applicable

VI. Financial Information

- a. A columnar representation of the audited financial statements (i.e. Profit & Loss statement, Balance Sheet and Cash Flow statement) both on a standalone and consolidated basis for a period of three completed years which shall not be more than six months old from the date of the draft offer document or offer document or issue opening date.

Balance Sheet

(figures in INR)

S.No	Particulars	As at 31 March 2019 [AUDITED]	As at 31 March 2020 [AUDITED]	As at 31 March 2021 [AUDITED]	As at 30 September 2021 [LIMITED REVIEW]
	ASSETS				
(1)	Financial assets				
(a)	Cash and cash equivalents	75,94,89,827	90,89,17,586	2,47,23,26,194	1,10,81,37,390
(b)	Bank balance other than (a) above	4,47,03,681	7,86,91,541	3,71,71,851	5,48,85,753
(c)	Derivative financial instruments	-	1,28,88,749	-	-
(d)	Trade receivables	13,83,09,491	11,03,71,090	-	81,81,07,254
(e)	Loans	2,41,04,91,129	9,18,52,29,186	6,41,14,48,161	7,83,62,96,116
(f)	Investments	1,04,04,714	25,44,15,000	35,11,24,765	50,72,11,150
(g)	Other financial assets	19,61,75,978	27,67,12,757	84,85,02,775	1,04,70,01,177

(2)	Non-financial assets				
(a)	Current tax assets (net)	13,52,808	6,66,84,712	6,54,45,525	11,55,93,931
(b)	Deferred tax assets (net)	2,32,97,140	12,64,67,970	14,69,29,517	20,51,95,168
(c)	Property, plant and equipment	78,84,918	1,80,79,072	1,13,88,810	80,11,380
(d)	Right of use asset	1,59,15,029	2,20,21,600	86,94,830	2,67,98,337
(e)	Intangible assets	27,80,685	24,24,839	13,39,146	7,90,528
(f)	Other non-financial assets	93,49,915	1,23,84,356	54,78,246	57,47,021
	Total assets	3,62,01,55,315	11,07,52,88,457	10,35,98,49,819	11,73,37,75,205
	LIABILITIES AND EQUITY				
	LIABILITIES				
(1)	Financial liabilities				
(a)	Trade payables				
	(i) total outstanding dues of micro enterprises and small enterprises	4,03,738	23,42,479	19,03,189	15,67,862
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	78,64,778	1,17,66,117	12,62,01,614	93,34,398
(b)	Debt securities	19,35,64,521	2,22,07,09,640	1,17,17,74,293	1,59,36,83,474
(c)	Borrowings (other than debt securities)	96,28,97,067	5,61,26,76,950	3,51,16,74,045	3,89,42,13,648
(d)	Deposits	7,49,16,680	1,00,00,000	-	-
(e)	Other financial liabilities	4,20,29,069	13,54,58,026	5,60,00,033	9,17,06,960
(2)	Non-financial liabilities				
(a)	Current tax liabilities (net)	-	-	7,12,78,868	16,08,62,526
(b)	Provisions	15,71,199	30,18,233	78,07,470	1,02,02,089
(c)	Other non-financial liabilities	4,52,63,158	11,03,83,887	3,82,30,136	6,25,78,343
(3)	EQUITY				
(a)	Equity share capital	65,65,260	75,63,330	1,07,02,330	1,12,38,520
(b)	Other equity	2,28,50,79,845	2,96,13,69,794	5,36,42,77,843	5,89,83,87,385
	Total liabilities and equity	3,62,01,55,315	11,07,52,88,457	10,35,98,49,819	11,73,37,75,205

Statement of Profit and Loss account

S.No	Particulars	Year ended 31 March 2019	Year ended 31 March 2020	Year ended 31 March 2021	Half Year ended 30 September 2021
	Revenue from operations				
(i)	Interest income	26,46,69,114	2,14,33,58,919	1,43,74,29,070	74,52,23,040
(ii)	Fees and commission income	27,46,51,096	1,84,64,78,147	80,75,76,887	1,07,42,97,243
(iii)	Net gain/(loss) on fair value changes	-	1,18,61,098	(1,10,87,763)	40,41,481
1	Total revenue from operations	53,93,20,210	4,00,16,98,164	2,23,39,18,194	1,82,35,61,764
2	Other income	4,81,24,784	2,38,02,836	38,39,617	-
3	Total income (1+2)	58,74,44,994	4,02,55,00,999	2,23,77,57,811	1,82,35,61,764
	Expenses				
(i)	Finance costs	3,83,56,212	77,15,63,215	61,04,06,151	29,27,37,614
(ii)	Fees and commission expense	13,76,10,149	34,63,81,519	11,05,90,670	8,13,94,660
(iii)	Impairment on financial instruments	18,14,64,277	2,22,57,19,474	96,66,61,456	1,07,67,32,189
(iv)	Employee benefits expenses	6,08,23,788	8,70,85,741	10,18,76,897	12,20,81,906
(v)	Depreciation and amortization expense	20,16,574	1,84,07,216	2,11,82,595	1,44,47,757
(vi)	Other expenses	4,82,55,367	13,36,40,004	6,41,22,522	5,27,37,769
4	Total expenses	46,85,26,367	3,58,27,97,170	1,87,48,40,291	1,64,01,31,895
5	Profit before tax (3-4)	11,89,18,626	44,27,03,829	36,29,17,520	18,34,29,869
	Tax expense:				
	(1) Current tax	3,94,05,000	22,21,19,397	10,28,14,587	10,55,29,824
	(2) Deferred tax (credit) / charge	(34,61,100)	(10,32,89,194)	(2,01,08,574)	(5,80,89,164)
	(3) Tax in respect of earlier years	-	61,79,296	-	(1,59,46,165)

6	Total tax expense	3,59,43,900	12,50,09,500	8,27,06,013	3,14,94,495
7	Profit for the year (5-6)	8,29,74,726	31,76,94,330	28,02,11,508	15,19,35,374
8	Other comprehensive income				
	(i) Items that will not be reclassified to profit or loss Gain/(Loss) on remeasurement of defined benefit plans	-	4,70,257	(14,02,357)	(7,01,179)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	(1,18,364)	3,52,973	1,76,487
	Other comprehensive income	-	3,51,893	(10,49,384)	(5,24,692)
9	Total comprehensive income for the year (7+8)	8,29,74,726	31,80,46,223	27,91,62,124	15,14,10,682
10	Earnings per equity share				
	Basic and diluted (INR)	339.59	431.24	367.98	140.85
	(Nominal value per share - INR 10)				

Cash Flow Statement

Particulars	Year ended 31 March 2019	Year ended 31 March 2020	Year ended 31 March 2021	Half Year ended 30 September 2021
Cash flow from operating activities				
Profit before tax	11,89,18,626	44,27,03,829	36,29,17,520	18,34,29,868
Adjustments for:				
Interest Income	(26,19,87,414)	(2,13,72,97,844)	(1,38,97,98,218)	(72,52,13,630)

Depreciation and amortization expenses	20,16,574	74,51,119	78,55,825	39,26,048
Depreciation on ROU asset	-	1,09,56,097	1,33,26,770	1,05,21,709
Interest income from investments	(26,81,700)	(60,61,075)	(4,76,30,852)	(2,00,09,410)
Gain on sale of investments	(40,16,228)	(23,71,924)	(18,00,954)	(60,93,884)
Impairment on financial instruments	1,07,67,32,189	2,22,57,19,474	96,66,61,456	1,07,67,32,189
Share based payment expense	-	99,17,296	2,06,15,925	1,43,36,330
Dividend from investments	(20,24,419)	-	-	-
Finance cost	2,69,56,212	71,81,01,985	64,55,84,893	27,74,10,381
Net gain on fair value changes	-	(94,88,749)	1,28,88,717	-
Unrealized foreign exchange loss	-	6,39,28,000	92,78,000	1,65,22,500
Interest income on security deposits	-	(5,30,846)	(7,08,850)	(4,39,672)
Interest on lease liability	-	32,08,939	24,45,258	26,96,013
Cash inflow from interest on loans	23,31,03,704	2,05,92,51,201	1,08,87,76,182	71,44,23,718
Cash outflow towards finance cost	(2,30,44,100)	(69,95,67,289)	(65,75,70,193)	(25,35,18,326)
Cash generated from operation before working capital changes	1,16,39,73,445	2,68,59,20,214	1,03,28,41,479	1,29,47,23,834
Working capital changes				
Decrease / (increase) in loans	(3,22,26,82,918)	(8,85,78,43,032)	2,05,57,09,141	(2,47,13,68,847)
Decrease / (increase) in trade receivables	(13,40,46,501)	2,79,38,401	11,03,71,090	(81,81,07,254)
(Increase) in other financial assets	(17,13,49,220)	(7,79,10,796)	(57,28,97,681)	(19,88,95,384)
Decrease/ (increase) in other non financial assets	(40,90,423)	(40,58,809)	69,06,110	9,98,168
Increase / (decrease) in trade payables	(65,63,598)	58,40,080	11,39,96,207	(11,72,02,543)
Increase in Provisions	12,89,718	19,17,291	33,86,880	16,93,440
Increase/(decrease) in other financial liabilities	75,71,010	6,90,46,210	(5,50,06,885)	(88,56,214)
Increase/(decrease) in other non financial liabilities	1,07,20,182	5,52,874	(1,97,21,286)	49,26,822

Cash generated from/ (used in) operations	(2,35,51,78,305)	(6,14,85,97,567)	2,67,55,85,053	(2,31,20,87,978)
Income tax paid (net of refunds)	(2,85,00,001)	(29,36,30,598)	(3,02,96,533)	(5,01,48,406)
Net cash flows generated from / (used in) operating activities (A)	(2,38,36,78,306)	(6,44,22,28,165)	2,64,52,88,520	(2,36,22,36,384)
Cash flow from investing activities				
Payment for property, plant and equipment and intangible assets	(1,26,82,177)	(1,72,89,428)	(79,870)	-
Dividend from investments	20,24,419	-	-	-
Profit from sale of investments	40,16,228			
Purchase of mutual funds	-	(25,00,00,000)	(34,99,82,501)	(14,99,92,500)
Redemption of investment in mutual fund	17,36,99,286	24,86,639	25,09,53,321	-
Redemption of investment in corporate bond	-	58,75,000	41,20,368	-
Net proceeds from fixed deposits	(5,83,52,350)	(3,39,87,860)	4,15,19,690	(1,77,13,902)
Interest received on investments	10,59,502	39,65,938	4,94,47,365	2,08,46,064
Net cash flow from / (used in) investing activities (B)	10,97,64,909	(28,89,49,711)	(40,21,625)	(14,68,60,338)
Cash flow from financing activities				
Issue of equity share capital (including securities premium)	1,85,14,44,000	34,93,24,500	2,10,62,69,000	-
Debt securities issued/(repaid) (net)	20,00,00,000	2,02,71,45,120	(1,04,89,35,348)	42,19,09,181
Borrowings other than debt securities issued/(repaid)(net)	95,25,92,844	4,58,24,51,883	(2,11,02,80,905)	73,49,15,822
Deposits repaid	-	(6,49,16,680)	(1,00,00,000)	-
Payment towards lease liabilities	-	(1,33,99,188)	(1,49,11,033)	(1,19,17,085)
Net cash flow from/ (used in) financing activities (C)	3,00,40,36,844	6,88,06,05,634	(1,07,78,58,286)	1,14,49,07,918
Net increase in cash and cash equivalents (A+B+C)	73,01,23,447	14,94,27,758	1,56,34,08,609	(1,36,41,88,804)
Cash and cash equivalents at the beginning of the year	2,93,66,380	75,94,89,827	90,89,17,586	2,47,23,26,194

Cash and cash equivalents at the end of the year	75,94,89,827	90,89,17,586	2,47,23,26,194	1,10,81,37,390
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However if the issuer being a listed REIT/listed InvIT has been in existence for a period less than three completed years and historical financial statements of such REIT/InvIT are not available for some portion or the entire portion of the reporting period of three years and interim period, then the combined financial statements need to be disclosed for the periods when such historical financial statements are not available. - **Not applicable**

- b. Listed issuers (whose debt securities or specified securities are listed on stock exchange(s)) in compliance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, may disclose unaudited financial information for the stub period in the format as prescribed therein with limited review report in the offer, as filed with the stock exchanges, instead of audited financial statements for stub period, subject to making necessary disclosures in this regard in offer document including risk factors.
- c. Issuers other than unlisted REITs / unlisted InvITs desirous of issuing debt securities on private placement basis and who are in existence for less than three years may disclose financial statements mentioned at (a) above for such period of existence, subject to the following conditions:
 - i. The issue is made on the EBP platform irrespective of the issue size; and
 - ii. The issue is open for subscription only to Qualified Institutional Buyers.

Not applicable

- d. The above financial statements shall be accompanied with the Auditor's Report along with the requisite schedules, footnotes, summary etc.

c. Key Operational and Financial Parameters

A brief overview of the financial performance of the Issuer for post three years is given below:

Particulars	March 31,2019	March 31,2020	March 31,2021	September 30,2021
	In INR lakhs	In INR lakhs	In INR lakhs	In INR lakhs
Balance sheet				
Net Fixed assets	106.66	205.04	127.29	88.02
Current assets	35,462.88	1,11,262.77	97,698.97	1,17,143.84
Non-current assets	793.47	166.05	5,772.29	105.89
Total Assets	36,363.01	1,11,633.86	1,03,598.55	1,17,337.75

Non-Current Liabilities (including maturities of long-term borrowings and short-term borrowings)	-	-	-	-
Financial (borrowings, trade payables, and other financial liabilities)	937.70	19,048.88	28,670.28	54,878.97
Provisions	14.87	28.96	70.01	93.95
Deferred tax liabilities (net)				
Other non-current liabilities			27.94	127.97
Current Liabilities (including maturities of long-term borrowings)	-	-	-	-
Financial (borrowings, trade payables, and other financial liabilities)	11,697.62	60,341.33	19,977.34	109.02
Provisions	0.84	1.22	8.07	8.07
Current tax liabilities (net)	109.05		712.79	1,608.63
Other current liabilities	657.49	1,578.27	382.28	1,414.88
Equity (equity and other equity)	22,945.44	30,635.20	53,749.84	59,096.26
Total Equity and Liabilities	36,363.01	1,11,633.86	1,03,598.55	1,17,337.75
Profit and Loss account				
Total revenue from operations	5,787.22	40,141.43	22,339.15	18,235.62
Other income	87.23	105.34	38.40	-
Total Expenses	4,685.26	33,811.71	18,748.35	16,401.32
Profit / loss before tax	1,189.19	6,435.06	3,629.20	1,834.30
Other comprehensive income	-	-	10.49	-5.25
Total comprehensive income	829.75	4,196.53	2,791.65	1,514.11
Profit / loss after tax	829.75	4,196.53	2,791.65	1,514.11
Earnings per equity share:				
(a) basic; (INR)	339.86	569.64	367.98	140.85

(b) diluted (INR)	339.86	569.64	367.98	140.85
Cash Flow				
Net cash generated from operating activities	23,606.34	58,249.27	26,452.97	23,622.36
Net cash generated from investing activities	1,085.69	3,274.04	40.24	1,468.60
Net cash generated from financing activities	29,821.88	63,017.59	10,778.63	11,449.08
Cash and Cash Equivalents	7,594.90	9,089.17	24,723.27	11,081.37
Balance as per statement of cash flows	7,594.90	9,089.17	24,723.27	11,081.37
Additional Information				
Net worth	22,945.44	30,635.20	53,749.84	59,096.26
Cash and Cash Equivalents	7,594.90	9,089.17	24,723.27	11,081.37
Current Investments	4.05	2,541.25	3511.25	5,072.11
Assets Under Management	24,505.98	95,747.22	65,244.12	82,893.00
Off Balance Sheet Assets	-	-	-	-
Total Debts to Total assets (times)	0.34	0.71	0.45	0.47
Debt Service Coverage Ratios (times)	0.59	0.44	0.12	0.20
Interest Income	2,619.87	21,366.28	14,374.29	7,452.23
Interest Expense	383.56	7,607.22	6,104.06	2,927.38
Interest service coverage ratio (times)	4.10	1.85	1.59	1.63
Provisioning & Write-offs	1,814.64	19,961.45	9,666.61	10,767.32
Bad debts to Account receivable ratio	-	-	-	-
Gross NPA (%)	2.98%	5.68%	7.22%	3.93%
Net NPA (%)	1.49%	2.84%	2.00%	1.22%
Tier I Capital Adequacy Ratio (%)*	80.75%	29.42%	63.48%	55.65%
Tier II Capital Adequacy Ratio (%)*	0.34%	0.35%	1.12%	0.31%

f. GROSS DEBT/ EQUITY RATIO OF THE COMPANY

Particulars	Value
Before the issue of debt securities (as on September 30 th 2021)	0.93 x
After the issue of debt securities	1.17 x

- g. Details of any other contingent liabilities of the issuer based on the last audited financial statements including amount and nature of liability. Not applicable

VII. BRIEF HISTORY OF THE ISSUER

i. Capital Structure

The capital structure of the Company as on last quarter ended on September 30, 2021 is given below:

Share Capital	Amount (INR) (Lakhs)
Authorised	
Equity Share Capital-15,00,000 equity shares of Rs. 10 each	1,50,00,000
Preference- NA	NA
TOTAL	1,50,00,000
Issued, Subscribed and Paid-up Share Capital	
Equity Shares -11,23,852 equity shares of Rs. 10 each	1,12,38,520
Preference Shares	NA
TOTAL	1,12,38,520

ii. Change in Capital Structure

Change in the capital structure as on last quarter ended on September 30th 2021, for the last 3 (three) years:

Date of Change (AGM/EGM)	Authorised Capital in Rs.	Particulars
EGM - 06/07/2016	10,00,000	Increase in authorised capital from Rs. 1,00,000 to Rs. 10,00,000
EGM - 16/10/2017	20,00,000	Increase in authorised capital from Rs. 10,00,000 to Rs. 20,00,000
EGM - 17/10/2018	50,00,000	Increase in authorised capital from Rs. 20,00,000 to Rs. 50,00,000
EGM - 06/02/2019	1,00,00,000	Increase in authorised capital from Rs. 50,00,000 to Rs. 1,00,00,000
EGM - 24/02/2021	150,00,000	Increase in authorised capital from Rs. 1,00,00,000 to Rs. 1,50,00,000

iii. History of Equity Share Capital

Equity Share Capital History of the Company as on last quarter ended on September 30, 2021, for the last three years:

Date of Allotment	No of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Consideration (cash, other than cash)	Nature of Allotment	Cumulative			Remarks
						No of Equity Shares	Equity Shares Capital (Rs)	Equity Share Premium (Rs)	
March 16, 2016	10	10	10	100	Subscription to MOA	10	100	-	
March 16, 2016	9,990	10	10	99,900	Subscription to MOA	10,000	1,00,000	-	
August 16, 2016	10,408	10	3,162	3,29,10,096	Rights Issue	20,408	2,04,080	3,28,06,016	
July 28, 2017	18,822	10	3,162	5,95,15,164	Rights Issue	39,230	3,92,300	9,21,32,960	
November 17, 2017	88,312	10	3,162	27,92,42,544	Rights Issue	1,27,542	12,75,420	37,04,92,384	
September 12, 2018	41,468	10	3,500	14,51,38,000	Rights Issue	1,69,010	16,90,100	51,52,15,704	
November 15, 2018	1,44,440	10	3,500	50,55,40,000	Rights Issue	3,13,450	31,34,500	1,01,93,11,304	
January 11, 2019	1,00,665	10	3,500	35,23,27,500	Rights Issue	4,14,115	41,41,150	1,37,06,32,154	
March 01, 2019	2,03,171	10	3,500	71,10,98,500	Rights Issue	6,17,286	61,72,860	2,07,96,98,944	
March 28, 2019	39,240	10	3,500	13,73,40,000	Rights Issue	6,56,526	65,65,260	2,21,66,46,544	

June 12, 2019	99,807	10	3,500	34,93,24,500	Rights Issue	7,56,333	75,63,330	2,56,49,72,974	
March 26, 2021	3,13,900	10	6,710	2,10,62,69,000	Rights Issue	10,70,233	1,07,02,330	4,66,81,02,974	
September 02, 2021	53,619	10	6,880	36,88,98,720	Conversion of External Commercial Borrowing to Equity Shares	11,23,852	1,12,38,520	36,83,62,530	

iv. History of Preference Share Capital-

Preference Share Capital History of the Company as on last quarter ended on September 30, 2021, for the last three years:- Not applicable

v. Amalgamation/ Acquisition

Details of any Acquisition or Amalgamation in the last 1 year: NA

vi. Reorganization or Reconstruction

Details of any Reorganization or Reconstruction in the last 1 year: NA

vii. Details of the Shareholding of the Company as on the latest quarter end

Details of the shareholding of the Company as at the latest quarter end, i.e., September 30, 2021

Sr No	Name of the Shareholder/Particular	Total No of Equity Shares	No of shares in demat form	Total Shareholding as % of total no of equity shares
1	Karthikeyan Krishnaswamy	10	Nil	0.001%
2	Madhusudhan Ekambaram	5,890	Nil	0.524%
3	Finnov Private Limited	11,17,952	3,67,519	99.475%

viii. Top 10 shareholders of the Company

The list of top 10 holders of equity shares of the Company as on the latest quarter ended September 30th 2021;

A. Equity Shares

Resident Shareholding					
Sr. No.	Name of the Shareholders/Particulars	Total No. of Equity Shares	Paid-up Value (in INR)	Total Shareholding as a % of total no. of equity shares.	Number of shares held in Demat Form
1	Karthikeyan Krishnaswamy	10	100	0.001%	Nil
2	Madhusudhan Ekambaram	5,890	58,900	0.524%	Nil
Total Resident Equity Shareholding (A)		5,990	59,900	0.525%	Nil
Non Resident Shareholding					
3	Finnov Private Limited	11,17,952	1,11,79,520	99.475%	3,67,519
Total Non-Resident Equity Shareholding (B)		11,17,952	1,11,79,520	99.475%	3,67,519
Total Equity Shareholding (A) + (B)		11,23,852	1,12,38,520	100%	3,67,519

VIII. DIRECTORS OF THE COMPANY

i. The details of the current directors of the Company is given below:

S. No.	Name of the Director	Designation	Age	Address	DIN	Director of the company since	Details of other directorship
1	Madhusudan Ekambaram	Director	40	No. 296, Behind Jublee College Jinkethimmana Halli, Ramamurthy Nagar, Bengaluru Karnataka - 560036	07442577	16/03/2016	1. Finnovation Tech Solutions Private Limited 2. Fintech Association for Consumer Empowerment

2	Karthikeyan Krishnaswamy	Director	41	K-701, SNN Raj Lake View Apts, 29th Main Road, NS Palya Main Road, BTM Layout Bengaluru Karnataka - 560076	07449376	16/03/2016	1. Finnovation Tech Solutions Private Limited
3	Vivek Veda	Director	39	Flat No. 1073, Shoba Daisy Apartment, Bellandur, Green Glen Layout, Bangalore Karnataka - 560103	07560229	26/07/2016	NA
4	Abhishek Singhvi	Independent Director	46	B-803, Joy Valencia, Jogeshwari Vikhroli Link Road, Behind Majas Bus Depot, Jogeshwari East Mumbai, Maharashtra 400060	07972535	28/05/2019	1. Trufid Services Private Limited 2. Trufid Advisors Private Limited
5	Adesh Kumar Gupta	Independent Director	64	701, Tagore Avenue, Tagore Road, Santacruz West Mumbai, Maharashtra 400054	00020403	28/05/2019	1. Vinati Organics Limited 2. Care Ratings Limited 3. Zee Entertainment Enterprises Limited 4. India Pesticides Limited 5. Anand Rathi Global Finance Limited 6. Grasim Industries Limited
6	Gopalakrishna Gurrappa	Independent Director	65	B 301-302, Lady Ratan Tower, Dainik Shivner Marg, Gandhi	06407040	28/12/2020	1. Yaarii Digital Integrated Services Limited

				Nagar Behind Four Seasons Hotel Upper Worli Lower Mumbai, Maharashtra 400018			2. ICICI Home Finance Company Limited 3. West End Housing Finance Limited 4. ICICI Prudential Pension Funds Management Company Limited 5. Axis Mutual Fund Trustee Limited 6. Invent Assets Securitisation and Reconstruction Private Limited 7. Risk and Compliance Professional Association 8. Small Industries Development Bank of India.
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ii. Change in directors

The details of change in directors since last three years, period up to September 30th 2021:-

Name	Designation	DIN	Date of Appointment / Resignation	Director of the Company since (in case of resignation)	Remarks
Adesh Kumar Gupta	Independent Director	00020403	28/05/2019	NA	Appointment
Abhishek Singhvi	Independent Director	07972535	28/05/2019	NA	Appointment

Gopalakrishna Gurrappa	Independent Director	06407040	28/12/2020	NA	Appointment
Mahaveer Chaplot	Director	07443581	19/11/2019	26/07/2016	Resignation

IX. AUDITORS OF THE COMPANY

i. Current auditor

The details of the auditors of the Company:

Name	Address	Auditor Since	Remarks
ASC & ASSOCIATES	F-7, Lajpat Nagar-III, New Delhi-110024	September 29, 2021	None

ii. Details of change in auditors:

Details of change in auditor since last three years, period up to September 30, 2021:-

Name	Address	Date of Appointment	Date of Cessation, if applicable	Date of Resignation, if applicable
VR Associates	201, Gupta Tower, 156 Master Block, Near Madhuban Park, Delhi-110092	March 16, 2016	September 29, 2021	NA
ASC & ASSOCIATES	F-7, Lajpat Nagar-III, New Delhi-110024	September 29, 2021	NA	NA

X. DETAILS OF THE BORROWING OF THE COMPANY AS ON THE LATEST QUARTER END

The details of the borrowing of the Company, as on the latest quarter ended on September 30th 2021 is as under:

i. Secured Loan Facilities

Details of the following liabilities of the issuer, as at the end of the last quarter, i.e September 30, 2021, or if available, a later date:

Lender's Name	Type of Facility	Amount Sanctioned (INR in Crore)	Principal Amount Outstanding (INR in Crore)	Repayment Date / Schedule	Security
Finnov ECB	ECB	141.4	111.4	Bullet(Interest payable Quarterly)	Charge on Receivables
Incred Financial Services Limited	Term Loan	10.0	2.5	Monthly Interest, Quarterly Principal repayment	Charge on Receivables
Northern Arc Capital Limited	Term Loan	25.0	6.3	Monthly Interest, Quarterly Principal repayment	Charge on Receivables
Shine Star Build Capital Pvt Ltd	Term Loan	10.0	0.9	Equated Monthly Installments	Charge on Receivables
Western Capital Advisors Pvt Ltd	Term Loan	10.0	0.8	Equated Monthly Installments	Charge on Receivables
Ambit Finvest Ltd	Term Loan	5.0	1.3	Equated Monthly Installments	Charge on Receivables
Eclear Leasing & Finance Pvt Ltd	Term Loan	5.0	1.3	Equated Monthly Installments	Charge on Receivables
AU Small Finance Bank	Term Loan	20.0	6.7	Equated Monthly Installments	Charge on Receivables
Shine Star Build Capital Pvt Ltd	Term Loan	20.0	8.5	Equated Monthly Installments	Charge on Receivables
Moneywise Financial Services Pvt Ltd	Term Loan	5.0	2.5	Monthly Interest, Quarterly Principal repayment	Charge on Receivables
Usha Financial Services Pvt. Ltd.	Term Loan	3.0	1.1	Equated Monthly Installments	Charge on Receivables
AU Small Finance Bank	Term Loan	10.0	5.0	Equated Monthly Installments	Charge on Receivables
HSBC	Term Loan	10.0	10.0	Bullet Repayment(Rollover facility)	Charge on Receivables
MAS Financial Services Ltd	Term Loan	35.0	20.4	Equated Monthly Installments	Charge on Receivables

Avendus Finance Private Limited	Term Loan	20.0	20.0	Bullet Repayment(Interest payable monthly)	Charge on Receivables
Avendus Finance Private Limited	Term Loan	20.0	20.0	Bullet Repayment(Interest payable monthly)	Charge on Receivables
Northern Arc Capital Limited	Term Loan	25.0	25.0	Monthly Interest, Quarterly Principal repayment	Charge on Receivables
MAS Financial Services Ltd	Term Loan	7.5	7.5	Equated Monthly Installments	Charge on Receivables
Jana Small Finance Bank Ltd	Term Loan	30.0	30.0	Equated Monthly Installments	Charge on Receivables
MAS Financial Services Ltd	Term Loan	30.0	30.0	Equated Monthly Installments	Charge on Receivables
Kisetsu Saison Finance Pvt Ltd	Term Loan	30.0	30.0	Monthly interest , Semi Annually Principal Repayment	Charge on Receivables
Northern Arc Capital Limited	Term Loan	50.0	50.0	Monthly Interest, Quarterly Principal repayment	Charge on Receivables
Total		521.9	391.1		

ii. Details of Unsecured Loan- Nil

The Company has availed unsecured loan as on the latest quarter end on September 30, 2021:

Lender's Name	Type of facility	Sanction Amount (in Rs. Lakhs)	Outstanding Principal Amount (in Rs. Lakhs)	Repayment date or Schedule
NA				

iii. Non-Convertible Debentures

Details of Debentures

The details of NCDs as on the latest quarter end on September 30th 2021:

Series of NCD	Tenor / Period of Maturity	Coupon	Amount (INR in Crore)	Date of allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
Class B and B1	24 months	15.50%	14.15	27/11/2019	27/11/2021	Unrated	Secured	Charge on Receivables
Class B1	24 months	15.50%	0.50	28/11/2019	28/11/2021	Unrated	Secured	Charge on Receivables
Class A	24 months	15.50%	25,00,00,000	18-Feb-20	18-Feb-22	Unrated	Secured	Charge on Receivables
Class B and B1	24 months	15.50%	3,25,00,000	13-Mar-20	12-Mar-22	Unrated	Secured	Charge on Receivables
Class E1	36 months	15.00%	4,00,00,000	10-Aug-20	10-Aug-23	Unrated	Secured	Charge on Receivables
Class F1	12 months	16.00%	16,00,00,000	7-Nov-20	07-Dec-21	Unrated	Secured	Charge on Receivables
Class E5	368 days	15.00%	20	5-Feb-21	08-Feb-22	Unrated	Secured	Charge on Receivables
Class F2 and E6	13 months	13.50%	14.10	12-Feb-21	11-Mar-22	Unrated	Secured	Charge on Receivables
Class F3 and E7	13 months	15.00%	15.60	21-Feb-21	22-Mar-22	Unrated	Secured	Charge on Receivables
Class F3 and E7	13 months	15.00%	2.70	21-Feb-21	22-Mar-22	Unrated	Secured	Charge on Receivables
Class E8	18 months	13.18%	36	6-Apr-21	5-Oct-22	Rated	Secured	Charge on Receivables
12% PP-MLD Krazybee services Private Limited 2021	15 months and 1 day	12.00%	50	18-Jun-21	19-Sep-22	Rated	Secured	Charge on Receivables

iv. **List of Top 10 debenture in terms of value (in cumulative basis) as on latest quarter end on September 30th 2021:**

Sr. No	Name of Debenture Holders	Amount	% of total non-convertible debentures
1	UNIFI AIF	26,00,00,000	16
2	Kairus Dadachanji	10,00,00,000	6.23

3.	Sahney Kirkwood Private Limited	10,00,00,000	6.23
4.	Micro Labs Ltd	5,44,96,883	3.40
5.	Shirin Karim Khan	5,50,00,000	3.43
6.	Almas Nazim Manekia	4,50,00,000	2.80
7.	Cherylann Maria Pinto	4,20,00,000	2.62
8.	Aviator Emerging Market Fund	4,00,00,000	2.49
9.	Rama Pyarelal Tiwari	4,00,00,000	2.49
10.	Trifecta Venture Debt I	3,47,82,609	2.17

v. Commercial Papers

The total Face Value of Commercial Papers Outstanding as on the latest quarter end September 30th 2021 to be provided and its breakup in following table:

Maturity Date	Amount Outstanding
Nil	

vi. Other Borrowings

Details of Rest of the borrowing (if any including hybrid debt like FCCB, Optionally Convertible Debentures / Preference Shares) as on September 30th 2021:

Party Name	Type of Facility / Instrument	Amount Sanctioned / Issue	Principal Amount outstanding	Redemption Date	Credit Rating	Secured / Unsecured	Security
Nil							

vii. Other outstanding borrowing (other than in cash)

Details of any outstanding borrowings taken/ debt securities issued for consideration other than cash.

This information shall be disclosed whether such borrowing/ debt securities have been taken/ issued:

- i. in whole or part,
- ii. at a premium or discount, or
- iii. in pursuance of an option or not;

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

XL Non-Banking Finance Company/ Housing Finance Company to make the following disclosures on Asset Liability Management shall be provided for the latest audited financials:

- a. Details with regard to lending done out of the issue proceeds of earlier issuances of debt securities in the last three years by NBFC:
- (i) **Lending Policy: Should contain overview of origination, risk management, monitoring and collections;**

Origination / Sourcing	The Issuer has well established origination channels and a low-cost customer acquisition strategy. More than 50% of the customers are acquired organically for which no costs are incurred. Diversified customer acquisition channels include traffic partners like Facebook and Google, channel partners such as Paisabazar and Bankbazar which generate qualified leads. A strong referral system has created a loyal ecosystem of borrowers. DSAs have also been introduced which are adding new customers gradually. Issuer has the lowest CAC as compared to its peers within the industry as a result of this comprehensive sourcing strategy
Initial Assessment / Verification	There are various scores that are used to aid the decision-making process during the life cycle of the customer. The key scores help in the initial assessment of the customer are as described below: • Bureau score: Score obtained from one of the 4 bureaus (Cibil, Crif, Experian, Equifax). Based on the tradelines and enquiry information a custom score has been created for KreditBee's loan product. • Income Estimator Score: This score provides an estimate on the effective income of the customer based on various data sources like the Bureau, declared Income. • Connectivity Score: Based on the connectivity parameter from various sources like KreditBee SMS and message delivery status, collections agent's calling disposition status, etc. a connectivity score is created to measure the riskiness of the profile. • Device Score: Based on the device information which includes the address book, location information and other device's system variables. • Origination score / A-Score card: Custom score card based on first and second loan data of users across 400 variables using logistic regression. • Collection score card: Experience based custom score card based on repayment data of user. • PAN name matching score: A score that captures how much of name entered by user matched the one in PAN database in NSDL. • OCR score: An OCR score that captures how much of details entered by user is matching the data in the documents uploaded. • Live photo score: A score that indicates if the selfie taken is that of a live human being. • Photo match score: A score that indicates, if the selfie of user matched the photo of the customer in the other documents uploaded.

Credit Appraisal System	• The key factors considered before taking a loan decision are: Eligibility check to be a customer: The customers identity is verified using social network, government ID, age, blacklist, address book network, GPS location network, device data including IMEI for impersonation and user is accepted or rejected. • Profile check to get a credit line: The customers profile is verified using data based on government ID, social network, age, profession, address book network, bureau score and derived data from bureau data users' ability to pay and willingness to pay is validated and user can take a loan or is rejected. • Bank add check to disburse loan: The customer's name in bank account is validated when the user adds his bank account for loan disbursement and this further plays a role in validating users' identity. • Eligibility check for higher loan: The customers are evaluated on specific data from bureau, blacklist, age, income, address book network for ability to take larger credit lines. This is in addition to Eligibility check to be a customer. • Profile check for higher loan: The customers are evaluated based on bank statement data and monthly salary slip data in addition to Profile check to get a credit line for ability to take larger credit lines. • Employment validation for higher loans: The customer's employment information is also validated either through the bank statement data or Provident Fund by EPFO or tax paid information via the 26AS government form. • Loan disbursal check: The customers data from e-sign, and bank before disbursal of loan amount allows in validating users' identity. • Payment check: The customers data from repayment and phone data is used to understand the customers appetite for repayment of loan to extent further credit line or increase of credit line. • Reassessment Process for re-activating customers: For the applicants or customers who were rejected because of bad payment behaviour either in KreditBee or some other platform, a reassessment is done on re-application post 6 months to see if the applicant's situation has improved and he/she falls within the company's policy norms. • Reassessment Process for Credit Line changes: Once every 6 months, the bureau data is re-run to ensure that the customer's payment profile in other lending platforms is also taken into consideration for subsequent changes. This is used as a risk management as well as a credit line enhancement strategy
Disbursement	Once the customers' profile is approved on the Kreditbee App after passing through the risk and rule engines, they are eligible for a loan and assigned to KrazyBee NBFC. Funds are disbursed directly in the customers' bank account through KrazyBee's escrow account
Collection	Customers are informed and reminded of the due date for repayment through the Kreditbee App. Customer pays via the App, through the payment gateway. The payment gateway settles the funds in the repayment Nodal account on a T+1 working day basis to KrazyBee. The company has a robust in-house collection team of 700+ personnel handling tele calling, CRM, customer education, etc. Physical collection capabilities have also been set up by onboarding 100+ agencies PAN India. Salient features of the collection strategy include : • Collection scorecard is used for prioritization to improve agent efficiency • Automated reminder system is to create urgency for lower DPDs while it is used to

	identify reachable customer for higher DPDs • Efficient vernacular collection through agent coverage in all languages • Collection policy is formulated as per RBI guidelines and customer grievances are handled on priority to ensure no major escalations • Performance based incentives, HR processes and Knowledge management are key attributes for continuous improvement																								
Delinquency Management	The Issuer has an experienced and efficient recovery team on the payroll who ensures timely action for recovery of over dues. Separate collection strategies are deployed for high risk and low risk customers. This segregation is done on the basis of proprietary collection scorecards. <table border="1"> <thead> <tr> <th>Buckets</th><th>Repeat/Low risk customers</th></tr> </thead> <tbody> <tr> <td>1-30 DPD</td><td> • Explaining and educating the customers about Bureau score and implications of not paying on time • Reaching out through SMS </td></tr> <tr> <td>31-60 DPD</td><td> • Sending soft legal notices </td></tr> <tr> <td>61-90 DPD</td><td> • Hard Legal notices </td></tr> <tr> <td>91-120 DPD</td><td> • Agency collections </td></tr> <tr> <td>120+DPD</td><td> • Agency collections • Field recovery initiation </td></tr> </tbody> </table> <table border="1"> <thead> <tr> <th>Buckets</th><th>New/High risk customers</th></tr> </thead> <tbody> <tr> <td>1-7 DPD</td><td> • Reminders • Daily calling • Education </td></tr> <tr> <td>8-15 DPD</td><td> • Explaining and educating about Bureau • Reaching out through SMS </td></tr> <tr> <td>16-30 DPD</td><td> • Extending offers and waivers to encourage better repayment </td></tr> <tr> <td>31-60 DPD</td><td> • Soft Legal Notices • Negotiations </td></tr> <tr> <td>61-90 DPD</td><td> • Hard Legal notices • Field recovery initiation </td></tr> </tbody> </table>	Buckets	Repeat/Low risk customers	1-30 DPD	• Explaining and educating the customers about Bureau score and implications of not paying on time • Reaching out through SMS	31-60 DPD	• Sending soft legal notices	61-90 DPD	• Hard Legal notices	91-120 DPD	• Agency collections	120+DPD	• Agency collections • Field recovery initiation	Buckets	New/High risk customers	1-7 DPD	• Reminders • Daily calling • Education	8-15 DPD	• Explaining and educating about Bureau • Reaching out through SMS	16-30 DPD	• Extending offers and waivers to encourage better repayment	31-60 DPD	• Soft Legal Notices • Negotiations	61-90 DPD	• Hard Legal notices • Field recovery initiation
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(ii) **Classification of Loans given to associate or entities related to Board, Senior management, promoters, etc.**

No Loans / advances has been given to associates, entities/ person relating to board, senior management, promoters, others

- (iii) Classification of loans/ advances given, according to type of loans, denomination of loan outstanding by loan to value, sectors, denomination of loans outstanding by ticket size, geographical classification of borrowers, maturity profile etc.

Product Name	Loan Amount	Ticket Size	Avg. Tenure	Repayment mode	RoI (%)
	(In Rs. Crore)	(In Rs.)	(Month)		
Personal Loans	828.93	1,600 – 2,00,000	2 – 15	Digitally through the KreditBee App, NACH/ ECS	18% – 29.95%

- (iv) Aggregated exposure to the top 20 borrowers with respect to the concentration of advances, exposures to be disclosed in the manner as prescribed by RBI in its stipulations on Corporate Governance for NBFCs or HFCs, from time to time;

(Rs. In lakhs)

Name of the Borrower	Type of Borrower	Total Sanctioned	Loan Amount	Disbursed Loan Amount	Un-disbursed Loan Amount	Total Principal Outstanding Amount	Status of Account	Amount Outstanding
Incredible Technologies Pvt Ltd	Company	500.00	500.00	500.00	-	500.00	Standard	500.00
Sudarshan Malpani	Individual	20.00	20.00	20.00	-	20.00	Standard	20.00
Venugopal M	Individual	20.00	20.00	20.00	-	17.84	Standard	17.84
Gokul Narayanrao Soudagar	Individual	12.50	12.50	12.50	-	11.83	Standard	11.83
Shekhar R	Individual	9.08	9.08	9.08	-	9.08	NPA	9.72
Balaraj H V	Individual	5.00	5.00	5.00	-	4.69	Standard	4.83
Rahul Bhangay	Individual	5.50	5.50	5.50	-	4.25	Standard	4.25
N Harika	Individual	6.00	6.00	6.00	-	4.04	Standard	4.04
Karthika Govindraaj	Individual	5.00	5.00	5.00	-	3.89	Standard	3.89
Abhishek Prakash	Individual	3.00	3.00	3.00	-	2.85	Standard	2.85
Rohit Kumar	Individual	3.00	3.00	3.00	-	2.83	Standard	2.83

Kundan Kumar	Individual	3.20	3.20	3.20	-	2.42	Standard	2.42
Ajith Jain	Individual	2.00	2.00	2.00	-	2.00	Standard	2.00
Amit Mishra	Individual	2.00	2.00	2.00	-	2.00	Standard	2.00
Balaji Depuru	Individual	2.00	2.00	2.00	-	2.00	Standard	2.00
Balaji Kumaravelu	Individual	2.00	2.00	2.00	-	2.00	Standard	2.00
Chandra Kumar	Individual	2.00	2.00	2.00	-	2.00	Standard	2.00
Chandra Sekhar Prasad Singh	Individual	2.00	2.00	2.00	-	2.00	Standard	2.00
Danish Memon	Individual	2.00	2.00	2.00	-	2.00	Standard	2.00
Janardhan Nallabolu Reddy	Individual	2.00	2.00	2.00	-	2.00	Standard	2.00

- (v) **Details of loans, overdue and classified as non-performing in accordance with RBI stipulations:**

Classification	As on 30 Sep 2021
Standard	796.37
NPA	32.56
Off Book	0.00
Total	828.93

XII. In order to allow investors to better assess the debt securities issued by the NBFC/ HFC, the following disclosures shall also be made by such issuers in their offer documents:

- (i) **Classification of loans/ advances given, according to type of loans, denomination of loan outstanding by loan to value, sectors, denomination of loans outstanding by ticket size, geographical classification of borrowers, maturity profile, etc.**
- a. **Portfolio Summary of borrowings made by NBFC Quantum and percentage of Secured vs. Unsecured borrowings**

Sl. No.	Type of loans	Rs Crore
1	Secured	Nil
2	Unsecured	828.93
	Total assets under management (AUM)*^	828.93

*Information required at borrower level (and not by loan account as customer may have multiple loan accounts); ^Issuer is also required to disclose off balance sheet items;

b. Denomination of loans outstanding by loan-to-value: If Not applicable kindly mention

Sl. No.	LTV (at the time of origination)	Percentage of AUM
1	Upto 40%	NA
2	40-50%	NA
3	50-60%	NA
4	60-70%	NA
5	70-80%	NA
6	80-90%	NA
7	>90%	NA
	Total	NA

c. Sectoral exposure:

Sl. No.	Segment-wise break-up of AUM	Percentage of AUM
1.	Retail	Nil
A	Mortgages (home loans and loans against property)	Nil
B	Gold loans	Nil
C	Vehicle finance	Nil
D	MFI	Nil
E	MSME	Nil
F	Capital market funding (loans against shares, margin funding)	Nil
G	Others	100%
2	Wholesale	Nil
A	Infrastructure	Nil
B	Real estate (including builder loans)	Nil
C	Promoter funding	Nil
D	Any other sector (as applicable)	Nil
E	Others	Nil
	Total	Nil

d. Denomination of loans outstanding by ticket size*:

Sl. No.	Ticket size (at the time of origination)	Percentage of AUM
1	Upto Rs. 25,000	54%
2	Rs. 25,000 - 49,999	27%
3	Rs. 50,000 - 99,999	12%
4	Rs. 1,00,000 and above	7%
		100%

* Information required at the borrower level (and not by loan account as a customer may have

multiple loan accounts);

e. Geographical classification of borrowers:

Top 5 states borrower wise

Sl. No.	Top 5 states	Percentage of AUM
1	Maharashtra	12.22%
2	Karnataka	12.12%
3	Telangana	11.24%
4	Tamil Nadu	10.55%
5	Andhra Pradesh	8.31%
	Total	54.44%

f. Details of loans overdue and classified as non-performing in accordance with RBI's stipulations:

Movement of gross NPA:

Movement of gross NPA *	Rs. Lakhs
Opening gross NPA	4,710.48
- Net additions during the year	5,610.73
Closing balance of gross NPA	3,256.39

*Please indicate the gross NPA recognition policy (Day's Past Due)

g. Movement of provisions for NPA

Movement of provisions for NPA	Rs. Lakhs
Opening balance	3,472.16
- Provisions made during the year	5,868.34
- Write-off/ write-back of excess provisions	7,064.83
Closing balance	2,275.68

h. Segment-wise gross NPA:

Sl. No.	Segment-wise gross NPA	Gross NPA (%)
1	Retail	Nil
A	Mortgages (home loans and loans against property)	Nil
B	Gold loans	Nil
C	Vehicle finance	Nil
D	MFI	Nil
E	MSME	Nil
F	Capital market funding (loans against shares, margin funding)	Nil
G	Others	3.93%
2	Wholesale	Nil
A	Infrastructure	Nil
B	Real estate (including builder loans)	Nil
C	Promoter funding	Nil
D	Any other sector (as applicable)	Nil
E	Others	Nil
	Total	Nil

i. **Residual maturity profile of assets and liabilities (in line with the RBI format):**

Residual maturity profile of assets and liabilities:

Particulars	0-15 Days	15-31 days	1-2 Months	2-3 Months	3-6 Months	6-12 Months	12-24 Months	24-36 Months	Total
Up to (incl)	15-Oct-21	31-Oct-21	30-Nov-21	31-Dec-21	31-Mar-22	30-Sep-22	30-Sep-23	30-Sep-24	
Outflows									
Term Loans	2,850.98	278.55	1,481.34	1,351.14	4,384.82	15,704.81	13,054.93	-	39,106.57
NCD	369.77	108.70	1,945.27	2,082.67	4,469.03	1,470.00	600.00	-	11,045.43
MLD	-	-	-	-	-	5,000.00	-	-	5,000.00
Total Outflows	3,220.74	387.25	3,426.61	3,433.81	8,853.84	22,174.81	13,654.93	-	55,151.99
Cumulative Outflows	3,220.74	3,607.99	7,034.60	10,468.41	19,322.26	41,497.07	55,151.99	55,151.99	55,151.99
Inflows									
Term Loans	17,813.49	8,945.49	15,285.04	8,691.92	16,313.76	13,010.39	2,832.93	-	82,893.00
Total	17,813.49	8,945.49	15,285.04	8,691.92	16,313.76	13,010.39	2,832.93	-	82,893.00
Cumulative Inflows	17,813.49	26,758.98	42,044.01	50,735.93	67,049.69	80,060.07	82,893.00	82,893.00	82,893.00
Mismatch	14,592.75	8,558.24	11,858.43	5,258.10	7,459.91	9,164.43	10,822.00	-	27,741.01
Cumulative Mismatch	14,592.75	23,150.99	35,009.42	40,267.52	47,727.43	38,563.00	27,741.01	27,741.01	27,741.01

*FCA – Foreign Currency Assets; FCL – Foreign Currency Liabilities;

b. **Disclosure of latest ALM statements to stock exchange:**

Krazybee Services Pvt Ltd does not have to file ALM on stock exchange. However, as part of regulatory reporting we file ALM with Reserve Bank of India (RBI). A summary of latest filed ALM Statement as on September 30, 2021 has been provided in Section 6. (xii) (i)

c. **Details of change in shareholding: Any change in promoters holding in NBFC during last financial year beyond the threshold prescribed by Reserve Bank of India- Nil**

f. In order to allow investors to better assess the debt securities issued by the NBFC/ HFC, the following disclosures shall also be made:

a. A portfolio summary with regard to industries/ sectors to which borrowings have been made;

1. Secured Borrowings		55,151.10
(i) Debentures		16,045.43
Retail Investors	11,630	
Mutual Funds	0.00	
Banks	0.00	
NBFC	0.00	
Others	4,415.43	
(ii) Borrowings from Banks		5,166.67
Term Loan	4,166.67	
Working Capital demand loans	1,000	
Cash Credit	0.00	
(iii) Borrowings from FIs		33,939
2. Un-Secured Borrowings		0.00
(i) Debentures not in the nature of public deposit		0.00
(a) Subscribed by NBFCs NBFC	0.00	
(ii) Subordinated debts		0.00

- b. NPA exposures of the issuer for the last three financial years (both gross and net exposures) and provisioning made for the same as per the last audited financial statements of the issuer,
Rs. In lakhs

Particulars	Mar-21	Mar-20	Mar-19
Stage III Loans	4,710.28	3,433.24	85.97
Provision	3,472.16	2,510.90	49.65
Net NPA	1,238.12	922.34	36.32

- c. Quantum and percentage of secured vis-à-vis unsecured borrowings made; and

Type of Borrowings	Amount	%
Secured	0%	0%
Unsecured	82,893	100%
Total	382,893	100.00%

- d. Any change in promoters' holdings during the last financial year beyond the threshold, as prescribed by RBI.

No change during the last financial year beyond the threshold, as prescribed by RBI.

g. Defaults in borrowing

The details of all default/s and/or delay in payments of interest and principal of any kind of term loans, debt securities and other financial indebtedness including corporate guarantee issued by the Company, in the past 3 years including the current financial year:

XIII. Material event/ development affecting investment decision

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

XIV. Any litigation or legal action pending or taken by a Government Department or a statutory body during the last three years immediately preceding the year of the issue of prospectus against the promoter of the Company.

Nil

- XV. Details of default and non-payment of statutory dues; Nil**
- XVI. The names of the debenture trustee(s) shall be mentioned with statement to the effect that debenture trustee(s) has given its consent for appointment along with the copy of the consent letter from the debenture trustee.**

Catalyst Trusteeship Limited has been appointed as Debenture Trustee for the proposed Issue. The Debenture Trustee has given their consent to the Issuer for its appointment under the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended up to date, and a copy of the consent letter is enclosed as **Annexure III** to this Disclosure Document. The Company will enter into a Trusteeship Agreement/ Debenture Trust Deed, inter-alga, specifying the powers, authorities and obligations of the Company and the Debenture Trustee in respect of the Debenture.

The Debenture Holders shall, by signing the Application Form and without any further act or deed, be deemed to have irrevocably given their consent to and authorized the Debenture Trustee or any of their Agents or authorized officials to do, inter cilia, all such acts, deeds and things necessary in respect of or relating to the security to be created for securing the Debentures being offered in terms of this Disclosure Document. All rights and remedies under the Debenture Trust Deed / Trusteeship Agreement and/or other security documents shall rest in and be exercised by the Debenture Trustee without having it referred to the Debenture holders. Any payment made by the Company to the Debenture Trustee on behalf of the Debenture holder(s) shall discharge the Company to that extent to the Debenture holder(s). No Debenture holder shall be entitled to proceed directly against the Company unless the Debenture Trustee, having become so bound to proceed, fails to do so.

Company reserves the rights to appoint any other SEBI registered Trustee.

- XVII. If the security is backed by a guarantee or letter of comfort or any other document / letter with similar intent, a copy of the same shall be disclosed. In case such document does not contain detailed payment structure (procedure of invocation of guarantee and receipt of payment by the investor along with timelines), the same shall be disclosed in the offer document.**
NA
- XVIII. 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 debt securities /non-convertible redeemable preference shares which need to be made, should be disclosed.

Coupon and all other charges shall accrue based on actual/actual day count convention in accordance with the SEBI Circular on day count convention dated November 11, 2016, as may be amended from time to time.

b. Procedure and time schedule for allotment and issue of securities should be disclosed;

The issue schedule for the issue of the Debentures is as follows:

PARTICULARS	DATE
Issue Opening Date	31 st December, 2021
Issue Closing Date	4 th January, 2022
Pay In Date	31 st December, 2021
Deemed Date of Allotment	4 th January, 2022

Please also refer Section 8 (*Issue Procedure*).

c. Cash flows emanating from the debt securities / non- convertible redeemable preference shares shall be mentioned in the offer document, by way of an illustration.

A. Illustration of Cash Flow

The cash flows emanating from the non-convertible securities according to the day count convention (Actual/ Actual) shall be mentioned in the Disclosure document, by way of an illustration.

For the purpose of standardization, if the coupon/ dividend payment date of the non- convertible securities falls on a Sunday or a holiday, the coupon payment shall be made on the next working day. However, the dates of the future payments would continue to be as per the schedule originally stipulated in the offer document. If the maturity date of the debt securities, falls on a Sunday or a holiday, the redemption proceeds shall be paid on the previous working day. In order to ensure consistency, a uniform methodology shall be followed for calculation of interest/ dividend payments in the case of leap year. If a leap year (i.e. February 29) falls during the tenor of a security, then the number of days shall be reckoned as 366 days (Actual/ Actual day count convention) for the entire year, irrespective of whether the interest/ dividend is payable annually, half yearly, quarterly or monthly.

A sample illustration is given below:

Company	Krazybee Services Private Limited	
Face Value (per Debenture)	Rs.10,00,000 each	
Issue Date/Deemed Date of Allotment	The date on which the board of directors of the Issuer passes the resolution to allot the Debentures	
Maturity Date	542 Days from Deemed Date of Date of allotment**	
	**In the case of an Early Redemption, Tenor in Days will be number of days between the Deemed Date of Pay-in and Early Redemption Date	
Coupon Rate	<i>Reference Index Performance</i>	<i>Effective Annualized Coupon Rate* function</i>
	$\leq -75\%$	0%
	$> -75\% \text{ but } \leq 1.69\%$	Max (11.85% XIRR, Annualized Coupon Rate)
	$> 1.69\%$	11.95% XIRR*

	<i>(*12.00% XIRR is thus a ceiling and translates into a comparable coupon rate of 11.39% per annum when the coupon is paid out on a monthly basis. Please refer 'Scenario Analysis' section of the term sheet for further details)</i>
Frequency of the Interest Payment with specified dates	Bullet payment
Day Count Convention	Actual/Actual

Sr. No	Cash Flow	Day and Date for coupon redemption becoming due	No of days in coupon period	Principal Repayment Per Debenture(in Rs)
1.	Principal along with coupon	Friday, June 30, 2023	542	10,00,000

Wherever the coupon payment date is falling on a Sunday, the coupon is paid on the following working day and coupon payment period has been calculated for 366/367 days accordingly (after increasing 1 day),

The interest payment has been rounded to nearest rupee as per FIMMDA 'Handbook on market practices'. Whenever maturity date of principal falls on a holiday, such principal/redemption amount and accrued interest are calculate as payable on the immediately previous working day and accordingly calculation has been adjusted.

Note

The Issuer requested to note that the above cash flow is only illustrative in nature., The deemed date of allotment, Coupon rate, redemption date and frequency of the interest payment shall vary in nature and aforesaid dates may be modified upon receipt of consent/ permission from existing lender,

In case of early redemption of any principle repayment as per the provisions of early redemption option in Debenture Trust Deed, the above cash flow may be changed accordingly.

XIX. Disclosures pertaining to wilful defaulter:

The disclosures pertaining to wilful defaulter is as provided in Section 9 of this Placement Memorandum.

XX. UNDERTAKING BY THE ISSUER

Please refer to Section Section 3 of this Placement Memorandum.

XXI. Risk Factors

Please refer to Section 4 (*Risk Factors*) of this Placement Memorandum.

XXII. Other Details

1. Issue/ instrument specific regulations

The Debentures are governed by and will be construed in accordance with the Indian Law. The Issuer, the Debentures and Issuer's obligations under the Debentures shall, at all times, be subject to the directions of the Reserve Bank of India (RBI), Securities & Exchange Board of India (SEBI), Stock Exchanges, Companies Act, 2013 and other applicable laws and regulations from time to time.

Over and above, the said debentures shall be subject to the term and conditions as contained in the offer letter /term sheet, application form and the Debenture Trust Deed / Trustee Agreement.

2. Default in Payment:

In case of default in payment of Interest and/or principal redemption on the due dates, additional interest of atleast @ 2% p.a. over the coupon rate shall be payable by the Company for the defaulting period

3. Delay in Listing:

The Debentures are proposed to be listed on Bombay Exchange of India Ltd. (BSE'), being the Designated Stock Exchange. The details of BSE Limited are as below:

The BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai 400 001
Phone: +91 22 2272 1233/4
Fax: +91 22 2272 1919

In accordance with the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 as amended from time to time, read together with the requirements in respect of the timelines for listing of debt securities issued on a private placement basis prescribed in Chapter VII (Standardization of timelines for listing of securities issued on a private placement basis) of the SEBI circular no. SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 on "Operational Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper ", the Issuer confirms that in the event there is any delay in listing of the Debentures beyond 4 (four) Business Days from the date of closure of the issue for the Debentures, the Company (i) will pay to the Debenture Holders, penal interest of 1% (one percent) per annum over the Coupon Rate for the period of delay from the date of closure of the issue for the Debentures until the listing of the Debentures is completed, and (ii) shall be permitted to utilise the issue proceeds of its 2 (two) subsequent privately placed issuances of securities only after receiving final listing approval from the stock exchange(s).

4. Delay in allotment of securities:

- (i) The Issuer shall ensure that the Debentures are allotted to the respective Debenture Holders and are credited into the demat accounts of the relevant Debenture Holders within the timelines prescribed under the SEBI Listing Timelines Requirements.
- (ii) If the Issuer fails to allot the Debentures to the Applicants within 60 (sixty) calendar days from the date of receipt of the Application Money ("**Allotment Period**"), it shall repay the Application Money to the Applicants within 15 (fifteen) calendar days from the expiry of the Allotment Period ("**Repayment Period**").
- (iii) If the Issuer fails to repay the Application Money within the Repayment Period, then Issuer shall be liable to repay the Application Money along with interest at 12% (twelve percent) per annum from the expiry of the Allotment Period.

5. Issue details:

As detailed in Section 7 of this Disclosure Document.

6. Disclosure prescribed under PAS-4 of Companies (Prospectus and Allotment of Securities), Rules, 2014 but not contained in this schedule, if any.

The finalised form of the PPOA prepared in accordance with the Form PAS 4 prescribed under the Companies (Prospectus and Allotment of Securities), Rules, 2014 is provided as **Annexure X**. Please refer Annexure X for all disclosures required under the Companies (Prospectus and Allotment of Securities), Rules, 2014 are set out therein.

7. Project details: gestation period of the project; extent of progress made in the project; deadlines for completion of the project; the summary of the project appraisal report (if any), schedule of implementation of the project;

Not applicable

SECTION 7 APPLICATION PROCESS

I. Who can invest /apply?

The investors, who specifically approached, who are eligible to apply for this private placement of Debentures are mentioned in the Term Sheet. All investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this Issue.

All such Investors / transferees are required to comply with the relevant regulations/guidelines applicable to them for investing in this issue of / purchasing the Debentures and with respect to any subsequent transfer of the Debentures and shall be bound by the terms and conditions of the Debentures as set out in this Disclosure Document. It is clarified that applications are not to be made by a 'person resident outside India' as defined under the Foreign Exchange Management Act, 1999 (including foreign portfolio investors, non-resident Indians, overseas corporate bodies, etc.)

Only Eligible Investors as given hereunder may apply for the Debentures by completing the Application Form as set out in **Annexure IX** 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 relevant Application Form. No application can be made for a fraction of a Debenture. The series of Debentures applied for must be clearly indicated in the Application Form. 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 interest/ redemption warrants.

An Application Form must be accompanied by either demand draft(s) or cheque(s) drawn or made payable in favour of the Issuer or otherwise as may be set out in the Application Form and crossed "Account Payee Only". Cheque(s) or demand (s) may be drawn on any bank including a co-operative bank, which is a member or a sub-member of the bankers clearing house located at Bangalore. If permitted, the applicant may transfer payments required to be made in relation to any by electronic transfer of funds/RTGS, to the bank account of the Issuer as per details mentioned in the Application Form.

Force Majeure: The Company reserves the right to withdraw the issue prior to the closing date in the event of any unforeseen development adversely affecting the economic and regulatory environment. The Company reserves the right to change the Issue Schedule.

Right to Accept or Reject Applications: The Company reserves its full, unqualified and absolute right to accept or reject the application, in part or in full, without assigning any reason thereof. The rejected applicant will be intimated along with the refund warrant, if applicable. No interest on application money will be paid on rejected applications. The application form that is not complete in all respects is liable to be rejected and would not be paid any interest on the application money. Application would be liable to be rejected on one or more technical grounds, including but not restricted to:

A. Number of Debentures applied for is less than the minimum application size;

- B. Application exceeding the issue size;
- C. Bank account details not given;
- D. Details for issue of Debentures in electronic or dematerialised form not given; PAN or GIR and IT Circle or Ward or District not given;
- E. In case of applications under Power of Attorney by limited companies, corporate bodies, trusts, etc. relevant documents not submitted;
- F. In the event, if any Debentures applied for is or are not allotted in full, the excess application monies of such Debentures will be refunded, as may be permitted.

Basis of Allotment:

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

Deemed date of allotment for the issue is 4th January, 2022 by which date Investors would be intimated of allotment.

Payment Instructions

Upon receipt of intimation of allotment, application form along with cheque(s)/drafts favouring "Krazybee Services Private Limited", crossed Account Payee only the entire amount of Rs. 10,00,000 (Indian Rupees Ten Lakh only) per debenture is payable on the application. Applicants can alternatively, remit the application amount through RTGS on Bank. The RTGS details of the Issuer are as under:

Bank Name and Address	KRAZYBEE SERVICES PRIVATE LIMITED
IFSC Code	ICIC0000002
Bank Account No:	000205032465
Type of Account	Current Account

II. Documents to be provided by Investors / applicants

Investors need to submit the following documents, along with the Application Form, as applicable

- a. Memorandum and Articles of Association along with Certificate of Incorporation/Documents Governing Constitution
- b. Board Resolution / letter authorizing the investment and containing operating instructions
- c. Certified true copy of the Power of Attorney, if applicable
- d. PAN card
- e. Form 15AA for investors seeking exemption from Tax Deduction at Source (TDS) — both on Interest on Application Money as well as annual interest payments
- f. Specimen signature of the authorized signatories, duly certified by an appropriate authority
- g. SEBI Registration Certificate, as applicable

- h. Application form (including RTGS details)

III. Applications to be accompanied with bank account details

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

IV. Applications under Power of Attorney

In case of applications made under a Power of Attorney or by a Limited Company or a Body Corporate etc., the relevant Power of Attorney or the relevant resolution or authority to make the application, as the case may be, together with the certified true copy thereof along with the certified copy of the Memorandum and Articles of Association and/or Bye-Laws as the case may be must be attached to the Application Form or lodged for scrutiny separately with the photocopy of the Application Form, quoting the serial number of the Application Form at the Company's branch where the application has been submitted failing which the applications are liable to be rejected.

V. Interest on Application Money

Interest on Application Money will be paid at the applicable coupon rate (subject to deduction of tax at source at the rates prevailing from time to time under the provisions of Income Tax Act, 1961 or any statutory modification or re-enactment thereof) and will be paid on the entire application money on all valid applications.

Such interest shall be paid for the period commencing from the date of credit by way of funds transfer / Real time gross settlement up to one day prior to the date of allotment.

No interest on application money would be payable in cases of invalid applications.

VI. Letters of Allotment

The Debentures will be credited in dematerialised form within 2 (two) Business Days from the Deemed Date of Allotment

VII. Record Date

The record date for payment of Coupon or repayment of principal shall be 23.06.2023 of redemption of such Debentures.

VIII. Refunds

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

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

IX. Payment on Redemption

Payment on redemption will be made by way of cheque(s)/ redemption warrant(s)/ demand draft(s)/ credit through RTGS system/ funds transfer in the name of the relevant Debenture Holder(s) whose names appear on the List of beneficial owners given by the Depository to the Company as on the Record Date. The Debentures shall be taken as discharged on payment of the redemption amount by the Company on relevant maturity date(s) to the respective registered Debenture Holder(s) whose name appears in the register of debenture holder(s) on the Record Date. Such payment will be a legal discharge of the liability of the Company towards the Debenture Holder(s) of such series. On such payment being made, the Company will inform NSDL/CDSL and accordingly the account of the Debenture Holder(s) with NSDL/CDSL will be adjusted. The Company's liability to the Debenture Holder(s) towards all their rights including for payment or otherwise shall cease and stand extinguished from the due dates of redemption in all events. Further the Company will not be liable to pay any interest or compensation from the dates of such redemption. On the Company dispatching the amount as specified above in respect of the Debentures, the liability of the Company shall stand extinguished.

X. Mode of Payment

All payments must be made through cheque(s)/draft(s)/transfers/RTGS as set out in the application form.

XI. Effect of Holidays

In the event that any date on which any Coupon payment is required to be made by the Issuer is not a Business Day, the immediately succeeding Business Day shall be considered as the effective date(s) for that payment. In the event that the Redemption Date(s) in respect of the Debentures is not a Business Day, the immediately preceding Business Day shall be considered as the effective date for redemption of Debentures.

XII. Payment of Coupon

Coupon for each of the Coupon periods shall be computed on an actual/actual days a year basis on the principal outstanding on the Debentures at the Coupon Rate. If the Coupon period from start date to end date includes February 29, then interest shall be paid on the basis of $(\text{end date} - \text{start date})/366$.

XIII. Tax Deduction at Source

Income tax will be deducted as applicable as per the provisions of Income Tax Act, 1961. Where any deduction of Income Tax is made at source, the Company shall send to the Debenture holder a Certificate of Tax Deduction at Source.

XIV. PAN/GIR Number

Applicant should mention their Permanent Account Number or the GIR Number allotted under Income Tax Act, 1961 and the Income Tax Circle / Ward / District. In case where neither the PAN nor the GIR Number has been allotted, the fact of such a non-allotment should be mentioned in the Application Form in the space provided.

XV. Signatures

Signatures should be made in English or in any of the Indian Languages. Thumb impressions must be attested by an authorized official of a Bank or by a Magistrate/Notary Public under his/her official seal.

XVI. Basic terms of the present offer

Refer Issue Details / Term sheet for issue specific details.

XVII. Minimum Subscription

Minimum subscription is not applicable for privately placed debentures.

XVIII. Deemed Date of Allotment

Deemed Date of Allotment All the benefits under the Debentures, including but not limited to the payment of Coupon, will accrue to the Investor from the deemed date of allotment. The deemed date of allotment for the Issue is 04.01.2022.

All benefits related to the Debentures will be available to the Debenture Holders from the Deemed Date of Allotment. The actual allotment of the Debentures may take place on a date other than the Deemed Date of Allotment. The Company reserves the right to keep multiple allotment date(s)/Deemed date(s) of Allotment at its sole and absolute discretion without any notice to the Debenture holders. In case the Issue Closing Date is revised, the Deemed Date of Allotment may also be revised by the Company at its sole and absolute discretion.

XIX. Market Lot Market lot will be one Debenture

Contributions being made by the promoters or directors either as part of the Issue or separately in furtherance of such objects- **None**

XX. Security

The Debentures are proposed to be secured by the assets and security details as given in Issue Detail/ Term Sheet.

XXI. Debentures in Dematerialized Form

The Company is issuing the Debentures only in dematerialized form and hence no Debentures are being issued in physical form in terms of the Information Memorandum. The Company has entered in to Depository Arrangements with NSDL for dematerialization of the Securities.

Applicants have to mention their Depository Participant's name, DP-ID and Beneficiary Account Number/Client ID in the appropriate place in the Application Form. Debentures of successful Debenture Holders having Depository Account shall be credited to their Depository Account.

The Debentures shall be held in dematerialised form and no action is required on the part of the Debenture Holder(s) for redemption purposes and the redemption proceeds will be paid by way of cheque(s)/ redemption warrant(s)/ demand draft(s)/ credit through RTGS system/ funds transfer to those Debenture Holder(s) whose names appear on the list of Beneficiaries provided by the Depositories to the Issuer. The names would be as per the Depositories' records on the relevant record date fixed for the purpose of redemption. All such Debentures will be simultaneously redeemed through appropriate debit corporate action. The list of beneficiaries as of the relevant record date setting out the relevant beneficiaries' name and account number, address, bank details and DP's identification number will be given by the Depositories to the Issuer and the Registrar. Based on the information provided above, the Issuer/Registrar will dispatch the cheque for interest / Coupon payments to the beneficiaries. If permitted, the Issuer may transfer payments required to be made in relation to any by electronic transfer of funds/RTGS, to the bank account of the Debenture Holder for redemption and interest/ Coupon payments.

XXII. Joint-Holders

Where two or more persons are holders of any Debenture(s), they shall be deemed to hold the same as joint holders with benefits of survivorship in the same manner and to the same extent and be subject to the same restrictions and limitations as in the case of the existing equity shares of the Company, subject to other provisions contained in the Articles of Association of the Company.

XXIII. Mode of Transfer

The Debentures shall be transferable and transmittable in the same manner and to the same extent and be subject to the same restrictions and limitations as in the case of the existing equity shares of the Company. The provisions relating to transfer and transmission, nomination and other related matters in respect of equity shares of the Company, contained in the Articles of Association of the Company, shall apply mutatis mutandis to the transfer and transmission of the Debentures and nomination in this respect.

The Debentures held in dematerialised form shall be transferred subject to and in accordance with the rules/ procedures as prescribed by NSDL/CDSL and the relevant Depositories of the transferor or transferee and any other applicable laws and rules notified in respect thereof. The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, Coupon will be paid/ redemption will be made to the person, whose name appears in the register of debenture holders maintained by the Depositories under all circumstances. In cases where the transfer formalities have not been completed by the transferor, claims, if any, by the transferees would need to be settled with the transferor(s) and not with the Issuer. The normal procedure followed for transfer of securities held in dematerialized form shall be followed for transfer of these

Debentures held in electronic form. The transferor should give delivery instructions containing details of the transferee's depository account to his Depository. Investors may note that subject to applicable law, the Debentures of the Issuer would be issued and traded in dematerialised form only.

XXIV. Succession

In the event of demise of the sole holder of the Debentures, the Company will recognize the executor or administrator of the deceased Debenture holder, or the holder of succession certificate or other legal representative as having title to the Debentures. The Company shall not be bound to recognize such executor, administrator or holder of the succession certificate, unless such executor or administrator obtains probate or letter of administration or such holder is the holder of succession certificate or other legal representation, as the case may be, from a court in India having jurisdiction over the matter. The Directors of the Company may, in their absolute discretion, where they think fit, dispense with production of probate or letter of administration or succession certificate or other legal representation, in order to recognize such holder as being entitled to the Debentures standing in the name of the deceased Debenture holder on production of sufficient documentary proof and / or indemnity.

XXV. Governing law

The Debentures shall be construed to be governed in accordance with Indian Law.

The courts and tribunals at Chennai and Delhi shall have exclusive jurisdiction in connection with any dispute arising out of or in connection with this Debentures. The Debenture Holders and the Debenture Trustee shall not be prevented from taking proceedings relating to a dispute in any other courts and tribunals with jurisdiction. To the extent allowed by applicable law, the Debenture Holders and the Debenture Trustee may take concurrent proceedings in any number of jurisdictions. Over and above the aforesaid Terms and Conditions, the said Debentures shall be subject to the Terms and Conditions to be incorporated in the Debentures to be issued to the Debenture Holders and the Debenture Trust Deed.

SECTION 8 ISSUE DETAILS

The following term sheet summarizes the principal items with respect to the financing facility to be provided to Krazybee Finance Private Limited (“**Borrower**” or “**Company**”) by the Investor for Debentures.

For the avoidance of the doubt, except as specifically stated, this term sheet does not attempt to describe all terms and conditions of the transaction contemplated herein. The term sheet is intended to outline certain basic terms around which transaction could be structured. All proposed terms and conditions are subject to execution of mutually satisfactory transaction documents, satisfactory legal, technical & financial diligences, meeting of stipulations as contained herein etc.

Particulars	Terms and Conditions
Security Name	Krazybee PPMLD 2023
Borrower/Issuer	Krazybee Services Private Limited
Nature of the Instrument	Rated, Secured, Taxable, Listed, Redeemable, Principal Protected Market Linked Non-Convertible Debentures
Seniority	Senior
Mode of Issue	Private Placement
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”): P. Mutual Funds Q. NBFCs R. Provident Funds and Pension Funds S. Corporates T. Banks U. Foreign Institutional Investors (FIIs) V. Qualified Foreign Investors (QFIs) W. Foreign Portfolio Investors (FPIs) X. Insurance Companies Y. Alternative investment funds Z. Any other person (not being an individual or a group of individuals) eligible to invest in the Debentures. All potential Investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this issue of Debentures.
Listing (including name of stock Exchange(s) where it will be listed and timeline for listing)	The Debentures are to be listed on the WDM of the BSE within a maximum period of 4 (four) trading days from the date of closure of the Issue for the Debentures.

Rating of Instrument	ACUITTE BBB+								
Option to retain oversubscription	N.A.								
Issue Size	Rs. 50,00,00,000 Crore (Rupees Fifty Crore Only)								
Minimum Subscription	INR 10,00,000/- (Indian Rupees ten lakhs only)								
Objects of the Issue	The fund raised through this Issue will be utilized for capital expenditure incurred for setting up the Project. The Company undertakes that the proceeds of the current Issue shall not be used for any purpose which may be in contravention of the regulations/guidelines/norms issued by RBI/SEBI/ROC/BSE.								
Details of the utilization of the Proceeds	The proceeds will be utilised as per the objects of the Issue. No part of the proceeds would be utilized directly / indirectly towards equity capital markets or land acquisition or usages as restrictive for bank financing. Issue proceed will be utilized for following purposes: • General Corporate Purpose • for ordinary course of business of Issuer including repayment/re-financing of existing debt • for deployment in business & growth of asset book								
Coupon Rate	<table border="1"> <thead> <tr> <th><i>Reference Index Performance</i></th><th><i>'Effective Annualized Coupon Rate' function</i></th></tr> </thead> <tbody> <tr> <td>$\leq -75\%$</td><td>0%</td></tr> <tr> <td>$> -75\% \text{ but } \leq 1.69\%$</td><td>Max (11.85% XIRR, Annualized Coupon Rate)</td></tr> <tr> <td>$> 1.69\%$</td><td>11.95% XIRR*</td></tr> </tbody> </table> (*12.00% XIRR is thus a ceiling and translates into a comparable coupon rate of 11.39% per annum when the coupon is paid out on a monthly basis. Please refer 'Scenario Analysis' section of the term sheet for further details)	<i>Reference Index Performance</i>	<i>'Effective Annualized Coupon Rate' function</i>	$\leq -75\%$	0%	$> -75\% \text{ but } \leq 1.69\%$	Max (11.85% XIRR, Annualized Coupon Rate)	$> 1.69\%$	11.95% XIRR*
<i>Reference Index Performance</i>	<i>'Effective Annualized Coupon Rate' function</i>								
$\leq -75\%$	0%								
$> -75\% \text{ but } \leq 1.69\%$	Max (11.85% XIRR, Annualized Coupon Rate)								
$> 1.69\%$	11.95% XIRR*								
Step Up/ Step Down Coupon Rate	In the event the Credit Rating on the instrument is downgraded from the rating of ACUITTE BBB+ PP MLD, the Coupon Rate or Effective Annualised Coupon Rate, as applicable shall be increased by 0.25% 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 is rated by more than one rating agency, then the lowest of the ratings for term loans or senior debentures rating shall be considered.								
Coupon Payment Frequency	Bullet								
Coupon Payment Dates	Dates on which coupon will be paid.								

Coupon Type	Fixed, floating or other coupon structure
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc.).	NA
Day Count Basis	Actual/Actual
Interest on Application Money	(a) Interest Rate or (b) the rate as per applicable Law, whichever is higher
Default Interest Rate	2% (Two percent only)
Tenor	18 Months To be redeemed in one instalment at the end of year 18 Months from the Date of Allotment
Redemption Date	
Redemption Amount	Rs. 10,00,000/- (Rupees Ten Lakh only) per Debenture plus accrued Coupon, if any.
Redemption Premium / Discount	Nil
Issue Price	At Par
Face Value	Rs. 10,00,000 per debenture instrument
Put Date	NA
Put Price	NA
Call Date	NA
Call Price	NA
Put Notification Time	NA
Call Notification Time	NA
Minimum Application and in multiples of Debt securities thereafter	1 Debentures and in multiple of 1 thereafter
Issue Timing	
1. Issue Opening Date	31.12.2021
2. Issue Closing Date	04.01.2022
3. Pay-in Date	31.12.2021
4. Deemed Date of Allotment	04.01.2022
Issuance mode of the Instrument	Dematerialised form
Trading Mode of the Instrument	Dematerialised form
Settlement mode of the Instrument	Dematerialised form
Depository	NSDL/CDSL
Business Day Convention	(a) If the date of payment of any interest in respect of the Debentures falls on a day that is not a Business Day, such payment of interest shall be made on the next occurring Business Day; (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

	If the Redemption Date as the case may be, falls on a day that is not a Business Day, such payment of interest and redemption amount shall be made on the immediately preceding Business Day
Record Date	7 days prior to each Coupon Payment
All covenants of the issue (including side letters, accelerated payment clause, etc.)]	Refer to Section 10 of this Disclosure 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 Offer Document/ Information Memorandum	The Debentures shall be secured by way of a first ranking exclusive, and continuing charge on receivables ("Hypothecated Receivables") created pursuant to the agreement of hypothecation to be executed between the Company and the Debenture Trustee as described herein. The Hypothecated Receivables shall at all times be equal to the value of the outstanding principal amount of the Debentures. The Company undertakes: • to maintain the value of security at all times equal to 1.10 (one decimal point one zero) time or 110% (one hundred and ten percent) the aggregate amount of principal outstanding of the Debentures where at least 1.10 (one decimal point one zero) time or 110% (one hundred and ten percent) of the security cover is from principal receivables ("Security Cover"); • to pay a penal interest of 2.0% (Two Percent) p.a. in case there is any delay in the creation, registration and perfection of the security over the Hypothecated Assets; • to provide on a quarterly basis, book debts to the Debenture Trustee over which the charge is created and subsisting by way of hypothecation in favour of the Debenture Trustee (for the benefit of the Debenture Holders) ("Hypothecated Asset Report") • to add fresh loan assets to the Security Cover to ensure that the value of the Hypothecated Assets is equal to 1.10 (one decimal point one zero) time or 110% (one hundred and ten percent) the aggregate amount of principal outstanding of the Debentures where at least 1.10 (one decimal point one zero) time or 110% (one hundred and ten percent) of the security cover is from principal receivables. • to replace/top up any Hypothecated Receivables that become overdue for more than 90 days with current receivables in terms of the hypothecation agreement. Eligibility Criteria for the Hypothecated Receivables: • the receivables are current at the time of selection and have not been terminated or pre-paid. • the receivables have not been restructured or rescheduled. • all "Know Your Customer" norms have been complied with as prescribed by the Reserve Bank of India.

	• Every loan originated from the issue proceeds should be originated by the Company and not loans purchased from a third party. • Loans constituting the Portfolio shall not be extended to students. • Loans constituting the Portfolio shall be utilised only to originate personal loans through Kreditbee platform. • Loans originated from the portfolio should not be provided to individuals who have had a history of late payments or overdues. Every hypothecated loan shall be below INR 5 lakhs of ticket size. Company to share details of hypothecated loans in the format as required by debenture trustee / Debenture Holders from time to time.
Transaction Documents	Including but not limited to the following documents: 1. Debenture Trust Deed 2. Information Memorandum 3. Debenture Trustee Appointment Agreement; 4. Deed of Hypothecation; 6. Term Sheet; 7. Board and Shareholders Resolution authorising the Issue; and Any other documentation as may be desired by the Debenture Trustee and mutually agreed with Issuer
Conditions Precedent to Disbursement	Refer to Section 10 of this Disclosure Document
Conditions Subsequent to Disbursement	Refer to Section 10 of this Disclosure Document
Events of Default (including manner of voting /conditions of joining Inter Creditor Agreement)	Refer to Section 10 of this Disclosure Document
Creation of recovery expense fund	Details and purpose of the recovery expense fund The Issuer shall create and maintain the Recovery Expense Fund up to the amounts prescribed under the SEBI REF Circular, in accordance with and within the timelines prescribed in the SEBI REF Circular. The Recovery Expense Fund shall be created to enable the Debenture Trustee to take prompt action in relation to the enforcement of the Security in accordance with the Transaction Documents. The amounts in the Recovery Expense Fund shall be utilised in the manner as may be prescribed by the Debenture Holders by a Special

	Resolution duly passed at the meeting of the Debenture Holders held in accordance with the provisions set out in the Transaction Documents. On the occurrence of an Event of Default, if the Security is proposed to be enforced, the Debenture Trustee shall follow the procedure set out in the SEBI REF Circular for utilisation of the Recovery Expense Fund.
Conditions for breach of covenants (as specified in Debenture Trust Deed)	Refer to Section 10 of this Disclosure Document
Provisions related to Cross Default Clause	Refer to Section 10 of this Disclosure Document
Role and Responsibilities of Debenture Trustee	Refer to Section 10 of this Disclosure Document
Risk factors pertaining to the issue	Refer to Section 10 of this Disclosure Document
Governing Law and Jurisdiction	Indian laws. Non-exclusive jurisdiction of the courts of Chennai and Delhi
Valuation Frequency and Publication	The Valuation Agency will publish a valuation on its website at least once every calendar week. The valuation shall be available on the website of the Valuation Agency and the Issuer. The latest and historical valuations for these Debentures will be published on the website of the Issuer and the Valuation Agency. Upon request by any Debenture/NCD Holder for the valuation of these Debentures/NCDs, the Issuer shall provide them with the latest valuation.
Valuation Agent	ICRA Analytics Ltd.
Valuation Agency Fees	Fees paid to valuation agency by issuer shall not be more than 0.025% p.a. on the face value of outstanding debentures.

- A. 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.
- B. The list of documents which has been executed in connection with the issue and subscription of debt securities shall be annexed.
- C. While the debt securities are secured to the of 110% of the principal and interest amount or as per the terms of Placement Memorandum, in favour of Debenture Trustee, it is the duty of the Debenture Trustee to monitor that the security is maintained.
- D. The issuer shall provide granular disclosure in their placement memorandum, with regards to the "Objects of the Issue" including the percentage of the issue proceeds earmarked for each of the "object of the issue".

SECTION 9 DISCLOSURE PERTAINING TO WILFUL DEFAULT

The following disclosures shall be made if the issuer or its promoter or director is declared wilful defaulter:

- a) Name of the bank declaring the entity as a wilful defaulter:
Not Applicable
- b) The year in which the entity is declared as a wilful defaulter:
Not Applicable
- c) Outstanding amount when the entity is declared as a wilful defaulter:
Not Applicable
- d) Name of the entity declared as a wilful defaulter:
Not Applicable
- e) Steps taken, if any, for the removal from the list of wilful defaulters:
Not Applicable
- f) Other disclosures, as deemed fit by the issuer to enable Investors to take informed decisions:
Not Applicable
- g) Any other disclosure as specified by the Board:
Not Applicable

SECTION 10 KEY TERMS OF THE ISSUE

Transaction Documents

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

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

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

AFFIRMATIVE COVENANTS

The Company shall:

(a) ***Use of Proceeds***

use the proceeds of the Issue only for the Purpose and in accordance with Clause 2.2;

(b) ***Notice of Winding up or other Legal Process***

promptly, and in any case not later than 10 (ten) Business Days of occurrence, inform the Debenture Trustee if it has received:

- (i) any notice of any application for winding up or insolvency process or any statutory notice of winding up or insolvency process under the provisions of the Act or any other Applicable Law (including the (Indian) Insolvency and Bankruptcy Code, 2016, the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019, and any other rules and regulations made thereunder from time to time); or
- (ii) any other notice under any other statute relating to the commencement/initiation of winding up or insolvency process or otherwise of any suit or other legal process against the Company;

(c) ***Loss or Damage by Uncovered Risks***

promptly inform the Debenture Trustee and the Debenture Holders 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;

(d) ***Costs and Expenses***

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

(e) ***Payment of Rents, etc.***

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 such amounts are payable;

(f) ***Preserve Corporate Status***

- (i) diligently preserve and maintain its corporate existence and status and all rights, privileges, and concessions now held or hereafter acquired by it in the conduct of its business;
- (ii) comply with all acts, authorizations, consents, permissions, rules, regulations, orders and directions of any Governmental Authority;
- (iii) not do or voluntarily suffer or permit to be done any act or thing whereby its right to transact its business might or could be terminated or whereby payment of the Outstanding Amounts might or would be hindered or delayed; and
- (iv) So long as any amount is due under this issuance, the Issuer shall continue to use origination, underwriting and risk management services of Finnovation;
- (v) The Issuer shall ensure and furnish an undertaking to that effect, that the interest rate charged on Kreditbee platform by the Company is approved by the Board of the Company. The Company shall not change its risk sharing arrangement with Finnovation which leads to a negative financial impact on the Company without 5 days prior written intimation to the Debenture Holders.

(g) ***Pay Stamp Duty***

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. In the event the Company fails to pay such stamp duty, other duties, taxes and penalties as aforesaid, the Debenture Trustee shall be at liberty (but shall not be bound) to pay such amounts and the Company shall reimburse the aforementioned amounts to the Debenture Trustee on demand;

(h) ***Furnish Information to Debenture Trustee***

- (i) provide to the Debenture Trustee or its nominee(s)/ agent(s) such information/copies of relevant extracts as they may require on any matters relating to the business of the Company or to investigate the affairs of the Company;
- (ii) allow the Debenture Trustee to make such examination and investigation as and when deemed necessary and shall furnish the Debenture Trustee with all such information as they may require and shall pay all reasonable costs, charges and expenses incidental to

such examination and investigation;

- (iii) provide to the Debenture Trustee or its nominee(s)/agent(s) such information/copies of relevant extracts as they may require for the purpose of filing any relevant forms with any Governmental Authority (including but not limited to the CERSA and any Information Utility) in relation to the Debentures and the Hypothecated Assets;
- (iv) furnish quarterly reports to the Debenture Trustee (as may be required in accordance with Applicable Law) containing the following particulars:
 - (A) updated list of the names and addresses of the Debenture Holders;
 - (B) details of the interest due, but unpaid and reasons thereof;
 - (C) the number and nature of grievances received from the Debenture Holders and resolved and unresolved by the Company along with the reasons for the same; and
 - (D) a statement that the Hypothecated Assets are sufficient to discharge the claims of the Debenture Holders as and when they become due; and
- (v) inform and provide the Debenture Trustee with applicable documents in respect of the following:
 - (A) notice of any Event of Default or potential Event of Default; and

(i) ***Redressal of Grievances***

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;

(j) ***Corporate Governance; Fair Practices Code***

comply with any corporate governance requirements applicable to the Company (as may be prescribed by the RBI, or any Governmental Authority) and the fair practices code prescribed by the RBI;

(k) ***Further Assurances***

- (i) provide details of any litigation, arbitration or administrative proceedings that if determined adversely could have a Material Adverse Effect on the Company;
- (ii) comply with any monitoring and/or servicing requests from Debenture Holders;
- (iii) execute and/or do, at its 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 Applicable Law require or consider necessary in relation to enforcing or exercising any of the rights and authorities of the Debenture Trustee;
- (iv) 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 this Deed or to ensure the legality, validity, enforceability or admissibility in evidence in India of this Deed;

(v) comply with:

- (A) all Applicable Law (including but not limited to environmental, social and taxation related laws, all directions issued by the RBI to non-banking financial companies), as applicable in respect of the Debentures and obtain such regulatory approvals as may be required from time to time including but not limited, in relation to the following (i) Issue and Listing of Structured Debt Securities Market Linked Debt Securities under Operational Circular read with NCS Listing Regulations, as may be in force from time to time during the tenor of the Debentures; (ii) the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ((v) NCS Listing Regulation and (iv) the provisions of the listing agreement to be entered into by the Company with the BSE in relation to the Debentures;
- (B) the Debenture Trustees Regulations 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 of the Debenture Trustees Regulations 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;
- (D) procure that the Debentures are rated and continue to be rated until the Final Settlement Date; and
- (E) 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 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;

(l) ***Collateral and Guarantee***

the Company hereby further agrees, declares and covenants with the Debenture Trustee that:

- (i) the Debentures shall be collateralised by a 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) all the Hypothecated Assets that will 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;
- (iii) the Company shall not create any charge, lien or other encumbrance upon or over the Hypothecated Assets or any part thereof except in favour of the Debenture Trustee nor will it do or allow anything that may prejudice this Security;

- (iv) 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 Security undiminished and claim reimbursement thereof;
- (v) to create the security over the Hypothecated Assets as contemplated in the Transaction Documents on or prior to the Initial Security Creation Date by executing the duly stamped Deed of Hypothecation;
- (vi) to register and perfect the security interest created thereunder by filing Form CHG-9 with the concerned ROC and ensuring and procuring that the Debenture Trustee files the prescribed Form I with CERSAI reporting the charge created to the CERSAI in relation thereto, each within 30 (thirty) calendar days from the date on which such security over the Hypothecated Assets is created in accordance with the Deed of Hypothecation, and in any case not later than 90 (ninety) calendar days from date of execution of the Deed of Hypothecation;
- (vii) commencing from the Initial Security Creation Date until the Final Settlement Date, the Company shall, at the time periods set out in the Deed of Hypothecation, provide a list of specific loan receivables/identified book debts to the Debenture Trustee over which charge is created and subsisting by way of hypothecation in favour of the Debenture Trustee (for the benefit of the Debenture Holders) and sufficient to maintain the Security Cover ("**Monthly Hypothecated Assets Report**");
- (viii) to keep the Application Money in a separate bank account in the event this Deed and the other Transaction Documents are not executed on or before the Deemed Date of Allotment;
- (ix) the Company shall, on each Top-up Date (as defined in the Deed of Hypothecation), add fresh receivables to the Hypothecated Assets so as to ensure that the Security Cover is maintained or to replace such Hypothecated Assets that do not satisfy the eligibility criteria prescribed in the Transaction Documents. Without prejudice to the foregoing, the Company will replace all Client Loans comprising the Hypothecated Assets that are overdue by 90 (ninety) days or more with fresh Client Loans that fulfil the eligibility criteria prescribed in the Transaction Documents promptly and in no case later than 15 (fifteen) Business Days of any Client Loans becoming overdue by 90 (ninety) days or more;
- (x) the Company shall, on a half yearly basis, as and when required by the Debenture Trustee, give full particulars to the Debenture Trustee of all the Hypothecated Assets from time to time;
- (xi) furnish and verify all statements, reports, returns, certificates and information from time to time and as required by the Debenture Trustee in respect of the Hypothecated Assets;
- (xii) furnish and execute all necessary documents to give effect to the Hypothecated Assets;
- (xiii) the security interest created on the Hypothecated Assets shall be a continuing security;
- (xiv) the Hypothecated Assets shall fulfil the eligibility criteria set out in the Deed of Hypothecation;

- (xv) it shall, within 3 (three) months from the Deemed Date of Allotment, re-work and re-assess its asset-liability management framework/structure in all time buckets to ensure that for a period of 3 (three) months from the Deemed Date of Allotment, to ensure that its asset-liability management (determined in accordance with the NBFC Directions) is positive. Without prejudice to the above, the Company further undertakes that upon the expiry of 3 (three) months from the Deemed Date of Allotment, and until the Final Settlement Date, it will ensure that the cumulative mismatch/difference in the asset-liability management statement in all time buckets (determined in accordance with the NBFC Directions) is positive;
- (xvi) nothing contained herein shall prejudice the rights or remedies of the Debenture Trustee and/ or the Debenture Holders in respect of any present or future security, guarantee obligation or decree for any indebtedness or liability of the Company to the Debenture Trustee and/ or the Debenture Holders;
- (xvii) the Debenture Holders shall have a beneficial interest in the Hypothecated Assets of the Company which have been charged to the Debenture Trustee to the extent of the Outstanding Amounts of the Debentures under this Deed; and
- (xviii) to 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;
- (xix) 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.

(m) ***Execution of Transaction Documents***

in the event of any delay in the execution, or delivery of, any Transaction Document (including this Deed or the Deed of Hypothecation) in accordance with the terms set out herein, the Company will, at the option of the Debenture Holders:

- (i) refund the Application Money together with interest (including interest accrued) at the Interest Rate/dischARGE the Secured Obligations; or
- (ii) pay to the Debenture Holders penal interest at the rate of 2% (two percent) per annum charged on the Outstanding Principal Amounts in addition to the Interest Rate until the relevant Transaction Document (including this Deed or the Deed of Hypothecation) is duly executed and delivered;

(n) ***Internal Control***

maintain internal control for the purpose of:

- (i) preventing fraud on amounts lent by the Company; and
- (ii) preventing money being used for money laundering or illegal purposes;

(o) ***Audit and Inspection***

permit visits and inspection of books of records, documents and accounts to the Debenture Trustee and representatives of Debenture Holders as and when required by them;

(p) ***Books and Records***

maintain its accounts and records in accordance with Applicable Law; and

(q) ***Access; Periodic Portfolio Monitoring***

provide the Debenture Trustee and the Debenture Holders and any of their representatives, professional advisers and contractors with access to and/or permit them to, at the cost of the Company:

- (i) examine and inspect the books and records, office premises, and the premises of the Company;
- (ii) portfolio data in the format prescribed by the Debenture Holders from time to time; and
- (iii) discuss the affairs, finances and accounts of the Company, and be advised as to the same, by the relevant officers.

(r) ***Where Debenture Holder is a Foreign Investor***

Company shall in the event a Debenture Holder is a foreign portfolio investor, foreign institutional investor or sub-account of foreign institutional investors, or qualified foreign investor, the Company shall, in relation to each Interest Payment Date and in relation to each date when any other payment is due by the Company under the Debentures (each a "Relevant Payment Date"), courier to the Debenture Holders (or their designated agent, as confirmed by the Debenture Holders) within 1 (One) Business Day after a Relevant Payment Date, the duly completed and signed Form 15 CA/CB. A scanned copy of such duly completed and signed Form 15 CA/CB shall be sent to the Debenture Holders on the Relevant Payment Date by e-mail.

(s) ***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 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.

(t) ***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.

(u) ***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.

(v) ***Corporate Governance***

- (i) the Company shall maintain the highest standards of corporate governance in accordance with the NBFC Master Directions;
- (ii) the Company shall at all times comply with the NBFC Master Directions.

(w) ***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 and delivered;
- (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 materially in compliance with applicable Law.

(x) ***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, 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.

(y) ***Conditions Subsequent***

Company shall comply with the conditions stipulated below

The Company shall fulfil the following conditions subsequent, to the satisfaction of the Debenture Trustee:

- (a) the Company shall ensure that the Debentures are credited into the demat accounts of the Debenture Holders of the Debentures within 2 Business Days from the Deemed Date of Allotment;

- (b) the Company shall file a return of allotment of securities under Form PAS-3 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 with the ROC within 15 (fifteen) days of the allotment of Debentures along with a list of the Debenture Holders and with the prescribed fee;
- (c) the Company shall, in respect of the Deed of Hypothecation, file a copy of Form CHG-9 with ROC within such timeline as per applicable law and shall ensure and procure that the Debenture Trustee files the prescribed Form I with CERSAI, each within 30 (thirty) days from the date of execution of the Deed of Hypothecation/creation of security over the Hypothecated Assets in accordance with the Deed of Hypothecation, and in any case not later than 90 (ninety) calendar days from date of execution of the Deed of Hypothecation;
- (d) the Company shall execute/provide such other information, documents, undertakings, certificates, opinions and instruments as the Debenture Trustee and the Applicants may request in connection with the transactions contemplated under this Deed and the other Transaction Documents.
- (e) The Company shall provide/submit all such post listing disclosures as required under Operational Circular and NCS Listing Regulations.

(2) ***Financial Covenants***

Company shall comply with the financial covenants stipulated in Schedule B-XI (Financials Covenants).

NEGATIVE COVENANTS

The Company shall not take any action in relation to the items set out in this Clause without the prior written consent of the Debenture Trustee.

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

- (i) Change the general nature of its business from that which is permitted by the RBI.
- (ii) Change or make any 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 matter whatsoever of the equity shares held by the Promoter in the Company whereby the equity stake of the Promoter in the share capital of the Company falls below 99.475%, nor will the Promoter encumber (in any manner whatsoever) the equity shares held by the Promoter in the Company.
- (iv) Until the Final Redemption Date, the Company will procure and ensure that the Promoter will not exit from or reduce its involvement from the management activities of the Company as is subsisting on the date of execution of this Deed.

(b) ***Dividend***

Declare or pay any dividend 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);

- (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 XI (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.
- (c) ***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.
- (d) ***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.
- (e) ***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 5% (Five percent) of the Equity.
- (f) ***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).
- (g) ***Loans and Guarantees***
- The Company shall not:
- (i) extend a loan to any single individual or entity amounting to greater than 5% (Five 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).
- (h) ***Arm's length basis; No profit sharing arrangements***
- The Company shall not, without the prior written consent of the Majority Debenture Holders:

- (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.
- (i) ***Immunity***
- Claim any immunity or limitation of liability against any payment obligations arising towards the Debenture Holders.
- (j) ***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.
- (k) ***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 45 (Forty five) 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.
- (l) ***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.
- (m) ***Management Control***
- (i) Any change in Management Control of the Company.
 - (ii) Mr. Madhusudan Ekambaram and Mr. Krishnaswamy Karthikeyan ceasing to hold an executive position in the Company.
- (n) ***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.

(o) ***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.

(p) ***Related Party Transactions***

Without the prior written consent of the Debenture Holders, the Company shall not 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% of its net worth (as defined in the Act). 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.

(q) ***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.

TRUSTEE'S RIGHTS, POWERS, DISCRETIONS, REPRESENTATIONS AND RESPONSIBILITIES

5.1 Representations and Warranties of Trustee

The Debenture Trustee hereby represents, warrants and covenants in favour of the Company that as on the date hereof:

- (a) The Debenture Trustee is a company duly incorporated and validly existing under applicable Law and the Debenture Trustee is duly qualified and authorised to enter into the Transaction Documents.
- (b) This Deed has been duly and validly executed and delivered by Debenture Trustee and constitutes a legal and binding obligation of Debenture Trustee, enforceable against Debenture Trustee in accordance with its terms.
- (c) The execution, delivery and performance by Debenture Trustee of this Deed does not and will not, with or without the giving of notice or lapse of time or both, violate, conflict with, require any consent under or result in a breach of or default under:
 - (i) any Law to which Debenture Trustee is subject; or
 - (ii) any order, judgment or decree applicable to Debenture Trustee; or
 - (iii) any term, condition, covenant, undertaking, agreement or other instrument to which Debenture Trustee is a party or by which Debenture Trustee is bound;
- (d) The Debenture Trustee is in a position to observe, comply with and carry out all its obligations hereunder to be performed and complied with by it;
- (e) The Debenture Trustee is registered as a debenture trustee with the Securities and Exchange Board

of India under the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993;

- (f) The Debenture Trustee shall not have any claim or exercise any right of deduction, lien or set-off on, over or in respect of any of the amounts, writings or things held by it or continued to be held by it or coming within its power or possession pursuant to or in connection with these presents; and
- (g) All information set forth in this Deed, and all information furnished and/or to be furnished by the Debenture Trustee to the Debenture Holder/s is true and correct and was/is not misleading whether by reason of omission to state a material fact or otherwise.

5.2 General Rights, Powers and Discretions

In addition to the other powers conferred on the Debenture Trustee and provisions for their protection and not by way of limitation or derogation of anything contained in this Deed or of any statute limiting the liability of the Debenture Trustee, IT IS EXPRESSLY DECLARED as follows:

- (a) the Debenture Trustee may, in relation to these presents, act on the opinion or advice of or any information obtained from any solicitor, counsel, advocate, valuer, surveyor, broker, auctioneer, qualified accountant or other expert whether obtained by the Company or by the Debenture Trustee or otherwise;
- (b) the Debenture Trustee shall be the attorney of the Company and shall have the right to execute, sign and do any deeds, documents, assurances, acts and things in the name and on behalf of the Company, which shall in the opinion of the Debenture Trustee be necessary or expedient that the Company should execute, sign and do for the purpose of carrying out any of the trusts or obligations declared or imposed upon the Debenture Trustee;
- (c) the Debenture Trustee is not permitted to release / exclude any part of the Hypothecated Assets temporarily or permanently from the security created / to be created for the Debentures except in accordance with a Special Resolution;
- (d) subject to the approval of the Debenture Holders by way of Special Resolution passed at a meeting of Debenture Holders held for determining the liability of the Debenture Trustee, the Debenture Trustee shall, as regards all trusts, powers, authorities and discretions, have absolute and uncontrolled discretion as to the exercise thereof and to the mode and time of exercise thereof and in the absence of any fraud, gross negligence, willful misconduct or breach of trust shall not be responsible for any loss, costs, charges, expenses or inconvenience that may result from the exercise or non-exercise thereof and in particular they shall not be bound to act at the request or direction of the Debenture Holders under any provisions of these presents unless sufficient monies shall have been provided or provision to the satisfaction of the Debenture Trustee made for providing the same;
- (e) with a view to facilitating any dealing under any provisions of these presents the Debenture Trustee shall have full power to consent (where such consent is required) to a specified transaction or class of transactions conditionally;
- (f) the Debenture Trustee shall not be responsible for the monies paid by Applicants for the Debentures;

- (g) the Debenture Trustee shall have full power to determine all questions and doubts arising in relation to any of the provisions hereof and every such determination bonafide made (whether or not the same shall relate wholly or partially to the acts or proceedings of the Debenture Trustee) in the absence of any fraud, gross negligence, willful misconduct or breach of trust, shall be conclusive and binding upon all persons interested hereunder;
- (h) subject to the approval of the Debenture Holders by way of Special Resolution passed at a meeting of Debenture Holders held for determining the liability of the Debenture Trustee, the Debenture Trustee shall not be liable for anything whatsoever except any fraud, gross negligence, willful misconduct or breach of trust by the Debenture Trustee;
- (i) subject to the approval of the Debenture Holders by way of Special Resolution passed at a meeting of Debenture Holders held for determining the liability of the Debenture Trustee, the Debenture Trustee, except for any fraud, gross negligence, willful misconduct or breach of trust, shall not be liable for any default, omission or delay in performing or exercising any of the powers or trusts herein expressed or contained or any of them or in enforcing the covenants herein contained or any of them or in giving notice to any person or persons 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 Special Majority Debenture Holder(s) or by a Special Resolution duly passed at a meeting of the Debenture Holders and the Debenture Trustee shall not be bound to perform, exercise or do any such acts, powers or things or to take any such steps unless and until sufficient moneys shall have been provided or provision to the satisfaction of the Debenture Trustee made for providing the same by or on behalf of the Debenture Holders or some of them in order to provide for any costs, charges and expenses which the Debenture Trustee may incur or may have to pay in connection with the same;
- (j) notwithstanding any contained to the contrary in this 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;
- (k) the Debenture Trustee shall forward to the Debenture Holders copies of any information, documents from the Company pursuant to this Deed within 2 (two) Business Days of receiving the same from the Company; and
- (l) The Debenture Trustee shall take all reasonable steps to realise the monies due to the Trust.
- (m) Before creating a charge on the security for the Debentures, the Debenture Trustee shall exercise independent due diligence to ensure that such security is free from any encumbrance or that it has obtained the necessary consent from other charge-holders if the security has an existing charge, in the manner as may be specified by the Board from time to time.
- (n) Subject to the approval of the Debenture Holders and the conditions as may be specified by the Board from time to time, the debenture trustee, on behalf of the debenture holders, may enter into inter-creditor agreements provided under the framework specified by the Reserve Bank of India.
- (o) ensure the implementation of the conditions regarding creation of security for the debentures, if any, debenture redemption reserve and recovery expense fund;

- (p) Debenture trustee shall periodical monitor the security created and other such disclosures provided by the Company and submit the following reports/ certification to Stock Exchange(s) within the following timelines
- a. Asset cover certificate within 60 days from the end of each quarter;
 - b. Value of debt service account or any other form of security offered within 60 days from the end of each quarter;
 - c. Valuation report on hypothecated/ movable assets on an annual basis within 75 days form end of each financial year.

PROVIDED THAT nothing contained in this Clause shall exempt the Debenture Trustee or any receiver, attorney, manager, agent or other person appointed by the Debenture Trustee from or indemnify them against any liability for breach of trust nor any liability which by virtue of any rule or Law would otherwise attach to them in respect of any negligence, default or breach of trust which they may be guilty of in relation to their duties hereunder.

5.3 Power of Trustee to Delegate

The Debenture Trustee hereof being a corporation may, in the execution and exercise of all or any of the trusts, powers, authorities and discretions vested in them act by an officer or officers for the time being of the Debenture Trustee and the Debenture Trustee may also, whenever they think it expedient, delegate by power of attorney or otherwise to any such officer all or any of the trusts, powers, authorities and discretions vested in them be these presents and any such delegation may be made upon such terms and conditions and subject to such regulations (including power to sub-delegate) as the Debenture Trustee may think fit. The Debenture Trustee shall however be liable for any negligence, illegality, fraud, breach of trust, bad faith and wilful misconduct of the officer or Person to whom the Debenture Trustee has delegated its powers and shall not be absolved of its obligations under this Deed. PROVIDED THAT the Debenture Trustee shall ensure that any powers under this Clause shall be exercised with reasonable care to ensure the competency of the officer or Person to whom the Debenture Trustee has delegated its powers.

5.4 Powers of Trustee to Employ Agents

The Debenture Trustee hereof being a corporation may, in the execution and exercise of all or any of the trusts, powers, authorities and discretions vested in them act by an agent/ agents.

5.5 Powers of Trustee to Inspect

The Debenture Trustee or its authorized representatives may carry out inspections of the Company's offices records, registers and books of accounts upon giving a 15 (fifteen) calendar days' notice in writing to the Company, to the extent such inspection is necessary for exercising any of the powers or discharging any of the duties of the Debenture Trustee under this Deed. The cost of inspection, including travelling and other related expenses shall be borne and paid by the Company.

5.6 Trustee may Contract with the Company

Neither the Debenture Trustee nor any agent of the Debenture Trustee shall be precluded from making any contract or entering into any arrangement or transaction with the Company or with itself in the ordinary course of business of the Debenture Trustee or from undertaking any banking, financial or agency services for the Company or for itself or from underwriting or guaranteeing the subscription of or

placing or subscribing for or otherwise acquiring, holding or dealing with any of the stocks or shares or debentures or bond stocks or any other securities whatsoever of the Company or in which the Company may be interested either with or without a commission or other remuneration or otherwise at any time entering into any contract of loan or deposit or any other contract or arrangement or transaction with the Company or being concerned or interested in any such contract or arrangement or transaction which any other company or person not being a Debenture Trustee would be entitled to enter into with the Company and they shall not be in anywise liable to account either to the Company or to the Debenture Holders for any profits made by them thereby or in connection therewith and the Debenture Trustee or any agent of the Debenture Trustee shall also be allowed to retain for their or his own benefit any customary share of brokerage, fee, commission, interest, discount or other compensation or remuneration allowed to them or him.

5.7 **When Trustee May Interfere**

Until the happening of one or more of the events upon the happening of which the security created pursuant to the Hypothecation Agreement shall become enforceable as provided therein, the Debenture Trustee shall not be in any manner required, bound or concerned to interfere with the management or the affairs of the Company or its business or the custody, care, preservation or repair of the Hypothecated Assets or any part thereof.

5.8 **Application to Court**

The Debenture Trustee may at any time after the security created pursuant to the Hypothecation Agreement becomes enforceable, apply to the courts for an order that the powers and trusts hereof be exercised and carried into execution under the direction of the court and for the appointment of a receiver and manager of the Hypothecated Assets or any of them and for any other order in relation to the execution and administration of the powers and limits hereof as the Debenture Trustee shall deem expedient and they may assent to approve of any application to the court made at the instance of any of the beneficial owner(s) and shall be indemnified by the Company against all costs, charges and expenses incurred for or in relation to any such applications or proceedings.

5.9 **Nominee Director**

The Debenture Holders and the Debenture Trustee shall have a right to appoint a nominee director as per the Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993 on the board of directors of the Company (hereinafter referred to as the "**Nominee Director**") upon the occurrence of any of the following:

- (a) the earlier of (i) two consecutive defaults in the payment of interest to the Debenture Holders (as per the Debenture Trustees Regulations) or (ii) without prejudice to any other rights of the Debenture Trustee under the Transaction Documents, the occurrence of a Payment Default that has not been remedied for a period of 30 days;
- (b) default in creation of security for Debentures;
- (c) default in redemption of Debentures; or
- (d) occurrence of any event specified in **Part B- Schedule XIV (Events of Default)** of this Deed;
- (e) default in any of the reporting covenants prescribed in **Part B- Schedule XII (Reporting Covenants)**.

The Nominee Director shall not be liable to retire by rotation nor required to hold any qualification shares. The Company shall appoint the Nominee Director forthwith on receiving a nomination notice from the Debenture Trustee. The Nominee Director shall be appointed on all key committees of the board of directors of the Company.

5.10 Receipt of Debenture Holders

The receipt of each Debenture Holder or if there be more than one holder of any such Debentures, then the receipt of the first named Debenture Holder or of the survivor or survivors for the principal monies or of the nominee or nominees, if any, of the Debenture Holder of such Debentures for the interest payable in respect of each of such Debentures, shall be a good discharge to the Debenture Trustee.

5.11 Purchasers and Persons Dealing with the Trustee not put on Enquiry

No purchaser or other Person dealing with the Debenture Trustee and/or the receiver appointed by them or their attorneys or agents shall be bound or concerned to see or to inquire whether the power exercised or purported to be exercised has become exercisable or whether any money remains owing on the security interest created pursuant to the Hypothecation Agreement and under these presents or as to the necessity or expediency of the stipulations and conditions subject to which any sale and/or assignment shall have been made or otherwise as to the propriety or regularity of any sale and/or assignment, calling in, collection or to see to the application of any money paid to the Debenture Trustee or receiver and in the absence of *mala fides* on the part of such purchaser or other Person such dealing shall be deemed, so far as regards the safety and protection of such Person, to be within the powers hereby conferred and be valid and effectual accordingly and the remedy of the Company or its assigns in respect of any impropriety or irregularity whatsoever in the exercise of such power shall be in damages.

5.12 Retirement and Removal of Trustee

(a) Resignation

The Debenture Trustee may resign as the Debenture Trustee with the prior written approval of the Majority Debenture Holders, provided that they shall continue to act as Debenture Trustee until a New Trustee is appointed by the Company with consent of the Majority Debenture Holders and such New Trustee accepts its appointment pursuant to this **Clause 5.12 (Retirement and Removal of Trustee)**.

(b) Removal

The Debenture Holders may for sufficient cause but, after giving not less than two months' notice in writing, remove the Debenture Trustee by passing a Special Resolution to that effect, and by the same resolution nominate an entity competent to act as their trustee and require the Company to appoint such entity as the trustee (the "**New Trustee**"). The Company shall within 15 (fifteen) Business Days of receipt of such resolution passed by the Debenture Holders take all necessary steps to appoint the entity named in the resolution as the New Trustee and complete all necessary formalities to give effect to such appointment.

(c) New Trustee as the trustee

Upon appointment of the New Trustee pursuant to the preceding sub-Clause(a) or (b), all references in this Deed to the Debenture Trustee shall, unless repugnant to the context, mean and refer to the New Trustee and the New Trustee shall without any further act or deed succeed to all

the powers and authorities of the Debenture Trustee as if it had been originally appointed as the Debenture Trustee.

5.13 **Trustee's Remuneration**

The remuneration of the Debenture Trustee shall be as per the terms of the Fee Letter. Subject to **Clause 5.5 (Power of Trustee to Inspect)**, the Company shall pay to the Debenture Trustee all legal, traveling and other costs, charges and expenses incurred by them, their officers, employees, agents in connection with execution of these presents including costs, charges and expenses of and incidental to the approval and execution of these presents and will indemnify them against all actions, proceedings, costs, charges, expenses, claims and demands whatsoever which may be brought or made against or incurred by them in respect of any matter or thing done or omitted to be done without their wilful default in respect of or in relation to the properties charged/to be charged to the Debenture Trustee.

5.14 **Decision making by Debenture Trustee in an Event of Default**

- a. In an Event of Default or breach of the covenants by the Company or any such acts/omissions which may have Material Adverse Effect on the Debentures shall the Debenture Trustee may, in its discretion, that is, without requiring any consent or confirmation of the Company and upon request in writing of 75% of the 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) the Debenture Trustee shall take all such steps required as stated in this Clause or elsewhere in the Deed or as per applicable laws to enforce security and protect the rights of the Debentures Holders including entering into ICA to protect the interest of the Debenture Holders.
- b. Debenture Trustee shall take all such steps as provided in Operational Circular for transactions in defaulted debt securities post maturity date/ redemption date under provisions of NCS Listing Regulations.
- c. Debenture Trustee shall take all steps for the enforcement of security in an event of default including as stated in SEBI Circular bearing reference number SEBI/HO/MIRSD/CRADT/CIR/P/2020/203 dated October 13, 2020 on "Standardisation of procedure to be followed by Debenture Trustee(s) in case of 'Default' by Issuers of listed debt securities" ("SEBI Default (Procedure) Circular").
- d. Any notice for a meeting in respect of the SEBI Defaults (Procedure) Circular shall contain the details prescribed in the SEBI Defaults (Procedure) Circular, including without limitation, positive consent for signing the inter-creditor agreement, the time period within which the consent needs to be provided, and the date of meeting to be convened.
- e. Any action of the Debenture Trustee in respect of the occurrence of an Event of Default and the application of the SEBI Defaults (Procedure) Circular shall be in accordance with the decision of the Debenture Holders taken at any meeting convened in accordance with this clause, subject to the exceptions (if any) set out in the SEBI Defaults (Procedure) Circular.
- f. For the purposes of a meeting convened in accordance with this Clause, in accordance with the SEBI Defaults (Procedure) Circular, all decisions shall require the consent of 75% (seventy five percent) of the Debenture Holders (by value) and 60% (sixty percent) of the Debenture Holders (by numbers) at the ISIN level.

EVENTS OF DEFAULT

(a) ***Payment Defaults***

The Company does not pay on the Due Date any amount payable pursuant to this Deed 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 Hypothecation Agreement 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 Hypothecation Agreement 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

- (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 Hypothecation Agreement within the stipulated timelines in the Hypothecation Agreement.

(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 and the same is not rectified within 30 (thirty) days by the Company.

(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; or
 - (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.

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

(l) ***Transaction Documents***

- (i) This 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 XI (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.

(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***

The Debenture Holders' assessment from quarterly or annual financial reporting from the company, or at any time certified by an accountant of a firm or chartered accountant appointed by the Debenture Trustee (which the Debenture Trustee is entitled and hereby authorized to do so at any time), that the net worth (as defined in the Act) of the Company has eroded by 50% or more.

(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 3rd 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 Promoters 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 promoter/s and/or director, including any accusations, charges and/or convictions of any offence relating to bribery.

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

Any breach of financial covenants stipulated in **Schedule IX (Financial Covenants)** and such breach is not remedied (if capable of remedy) within the expiry of Cure Period for breach of Financial Covenants from the date of such breach, such breach continuing beyond 30 (thirty) days.

(3a) ***Breach of Negative Covenants***

Any breach of negative covenants mentioned in **Schedule XI** (*Negative Covenants*).

SECTION 11 DECLARATION

The Issuer undertakes and confirms that this Disclosure Document does not omit disclosure of any material fact which may make the statements made therein, in light of the circumstances under which they are made, misleading. The Disclosure Document also does not contain any false or misleading statement.

The Issuer accepts no responsibility for the statement made otherwise than in the Disclosure Document or in any other material issued by or at the instance of the issuer and that any one placing reliance on any other source of information would be doing so at his own risk.

Without prejudice to the above, the Company and each of the directors of the Company, confirm that:

- a. The Issuer undertake that this Disclosure Document contain full disclosures in accordance with SEBI NCS Regulations, as amended, and Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended and Companies (Prospectus and Allotment of Securities) Rules, 2014, Securities Contracts (Regulation) Act, 1956 and the Securities and Exchange Board of India Act, 1992.
- b. the compliance with the Act and the rules does not imply that payment of dividend or interest or repayment of non-convertible securities, is guaranteed by the Central Government;
- c. the monies received under the offer shall be used only for the purposes and objects indicated in the Offer document;
- d. whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form 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.

I, Vivek Veda, is authorized by the Board Committee (Borrowings) of the Company vide Resolution dated December 27, 2021 to sign this Information Memorandum and declare that all the requirements of the Companies Act, 2013 and the rules made there under in respect of the subject matter of this Information Memorandum and matters incidental thereto have been complied with. Whatever is stated in this Information Memorandum and in the attachments thereto is true, correct and complete and no information material to the subject matter of this Disclosure Document has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum and Articles of Association.

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

For Krazybee Services Private Limited


Vivek Veda
Director
DIN: 07560229



Date: December 31, 2021
Place: Bangalore

ANNEXURE E: LAST AUDITED FINANCIAL STATEMENTS

(Financial Statement along with Auditors Report attached seperately)

ANNEXURE II: CREDIT RATING LETTER



Press Release

Krazybee Services Private Limited

December 13, 2021



Rating Assigned and Reaffirmed

Product	Initial Quantum (Rs. Cr.)	Net Quantum (Rs. Cr.)	Long Term Rating	Short Term Rating
Bank Loan Ratings	200.00	200.00	ACUTE 888+ Stable Reaffirmed	
Commercial Paper (CP)	75.00	75.00		ACUTE A2+ Reaffirmed
Non Convertible Debentures (NCD)	75.00	75.00	ACUTE 888+ Stable Assigned	
Non Convertible Debentures (NCD)	50.00	50.00	PP-MLD ACUTE 888+ Stable Reaffirmed	
Total	-	400.00	-	-

Rating Rationale

Acuite has assigned the long term rating of '**ACUTE 888+**' (read as **ACUTE 1 riple 8 plus**) on the Rs.75.00 Cr. proposed principal protected market linked debentures of Krazybee Services Private Limited (KSPL).

Acuite has reaffirmed the long term rating of '**ACUTE 888+**' (read as **ACUTE 1 riple 8 plus**) on the Rs.200.00 Cr. bank loan facilities of Krazybee Services Private Limited (KSPL). The outlook is '**Stable**'.

Acuite has reaffirmed the long term rating of '**ACUTE PP-MLD 888+**' (read as **ACUTE Principal Protected Market Linked Debentures 1 riple 8 Plus**) on the Rs.50.00 Cr. proposed principal protected market linked debentures of Krazybee Services Private Limited (KSPL).

Acuite has reaffirmed the short term rating of '**ACUTE A2+**' (read as **ACUTE A two plus**) on the Rs.75.00 Cr. of commercial paper programme of Krazybee Services Private Limited (KSPL).

The rating takes into account the healthy capitalization levels as a result of steady capital infusion from investors as well as comfortable liquidity buffers. Finnav Private Limited (FPL) has raised USD 190 million (primary and secondary) in multiple rounds of equity infusion till March 2021. As a result, the consolidated tangible networth increased to Rs.696.6 Cr. as on March 31, 2021 (P.Y.: Rs.477.0 Cr.). The rating also factors in experienced management and resourceful board that has helped to build scalable business model with robust risk management systems and technology driven digital lending platform. The company has adopted branchless lending practice by putting in place the credit risk management frameworks and processes which are largely end to end automated thereby requiring minimal human intervention. There are various rule based scoring engines that are used to aid the decision-making process during the life cycle of the customer. The company leverages on the technology platform and complex information through various sources which includes the bank statement, credit bureau score, KYC checks, social behavior etc. for the assessment. This has enabled FPL in achieving cumulative disbursements of over Rs.10,000 Cr. and build a customer base of over 40 lac borrowers (including active customer base of KSPL of approximately 8 lac borrowers as on March 31, 2021). This in turn helped FPL to post profits in its

Acuite Ratings & Research Limited

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early stage of operations. The group continuously monitors the collection efficiency with inhouse team of around 590 staff and tie up with third party agencies across product and segments which helps in fine tuning the model.

These strengths are however partially offset by muted profitability indicators during FY2021 on account of subdued disbursement levels leading to decline in AUM coupled with elevated credit costs on account of high write-offs. While the group has demonstrated track record of disbursements and expanding client base, its ability to profitably & sustainably scale up business volumes remains to be seen. Acuité take note of cautious approach adopted by the management to discontinue ultra-short tenor loan product and expand its relatively longer tenor loans which is expected to support growth in AUM. Nonetheless, the asset quality will remain a monitorable given unsecured nature of portfolio besides technology and regulatory risks. Additionally, Acuité believes the ability of KSPL to profitably scale up its portfolio while maintaining robustness of its technology platform/ security given the evolving nature of fintech model is also a monitorable.

About the company

Krazybee Services Private Limited (KSPL) is a Bengaluru-based Systemically Important NBFCND that operates in unsecured lending segment through a digital lending platform, "Kreditbee" owned by a group entity, Finnovation Tech Solutions Private Limited (FTSPL). KSPL is a subsidiary of FPL and has a board of six directors including three independent directors. The company commenced its operations in May 2017 and has leveraged the digital platform to expand its presence across India with an active borrower base of approximately 8 lacs and Assets Under Management (AUM) of Rs.660.5 Cr. as on June 30, 2021.

About the Group

Finnov Private Limited (FPL) is a Singapore based company that commenced its operations in May 2016 and is engaged in providing lending and lending platform through its subsidiaries, KSPL and Finnovation Tech Solutions Private Limited (FTSPL) respectively. FPL is promoted by Mr. Madhusudhan Ekambaram, Mr. Karthikeyan Krishnaswamy, and Mr. Vivek Veda who are part of the board that also comprises four shareholder directors. FPL is backed by marquee investors like Premji Invest, Motilal Oswal, Mirae Asset and ICICI Bank Bahrain and has raised approximately USD 190 million (primary and secondary) through multiple rounds of equity infusion.

Analytical Approach

Acuité has considered the consolidated business and financial risk profile of the Finnov Private Limited (FPL) to arrive at this rating. This approach is in view of capital, operational and managerial support from the parent entity, FPL besides interlinkages between FTSPL ('Kreditbee' platform) and KSPL.

Extent of Consolidation: Full

Key Rating Drivers

Strength

Experienced management team coupled with backing from marquee investors

Finnov Private Limited (FPL), the holding company of KSPL, is promoted by Mr. Madhusudhan Ekambaram, CEO and Director having over 15 years of experience in various fields including product portfolio management, sales and business development, Mr. Karthikeyan Krishnaswamy, CTO and Director having over 12 years of experience in technology and products and Mr. Vivek Veda with over 14 years of experience dealing in multiple domains in Finance. The company provides lending through its NBFC arm, KSPL and offers data-driven lending platform ('Kreditbee') through FTSPL that facilitates lending via NBFCs and banks. FPL

is backed by marquee investors like Premji Invest, Motilal Oswal, ICICI Bank Bahrain, NewQuest Capital and Mirae Asset and has completed multiple rounds of equity funding and raised approximately USD 190 million (primary and secondary) funding till March 2021, of which USD 147 million (primary and secondary) was raised in latest round in FY2021. The board of FPL comprises eight directors including promoter group and representation from four shareholder directors.

Acuité believes the business risk profile of FPL will benefit from the support from the management and presence/backing of marquee investors.

Comfortable capital position and gearing

The multiple rounds of equity infusion since inception in 2016 has enabled FPL to maintain comfortable capital position and gearing levels. On a consolidated basis, FPL reported networth of Rs.696.6 Cr. as on March 31, 2021 (FY2020: Rs.477.0 Cr.) with gearing of 0.67 times as on March 31, 2021 (FY2020: 1.66 times). CAR and Tier I of KSPL improved to 64.60 % and 63.48% respectively as on March 31, 2021 (FY2020: 29.77 % and 29.42 % respectively). Comfortable capitalization and gearing levels provide adequate headroom to KSPL to pursue its growth strategy and also adequate cushion to absorb asset quality shocks given the unsecured nature of portfolio.

The company has demonstrated ability to raise capital, both equity and debt. On the debt front, the company has well diversified resources profile with healthy resources raising ability. Acuité expects FPL to maintain gearing of 2.5 times on a steady state basis in the near to medium term.

Acuité expects the Group to continue to benefit from diversified funding mix across domestic banks, institutional investors and lenders, foreign investors and domestic retail investors amongst others.

Scalable business model with robust risk management systems

KSPL has lending presence across India enabled by its digital lending model (through 'Kreditbee', owned by Group entity, FTSPL) with majority of credit underwriting process right from sourcing of loans to collections and recoveries performed digitally over in-house technology platform. This enables the company to achieve scalability in business at a faster pace with well-defined risk and rule engines continuously monitoring asset quality metrics. With app based lending and turnaround time (TAT) (from application to disbursement) of around 20 minutes, the company has garnered a large borrower base comprising predominantly of younger borrowers (~28 years).

Weakness

Moderation in profitability indicators

FPL commenced its operations in May 2016 and turned profitable in FY2019 with consolidated profits (PAT) of Rs.41.7 Cr. which rose to Rs.134.2 Cr. in FY2020 on the back of strong disbursements of Rs.7324.1 Cr. for FY2020 (FY2019: Rs.1609.3 Cr.). For FY2021, the consolidated earnings profile was impacted due to pandemic stress with losses of Rs.100.6 Cr. on account of sharp decline in processing and service fees (Kreditbee Platform) to Rs.162.8 Cr. from Rs.560.2 Cr. on the back of lower disbursements of Rs.2133.6 Cr., partially offset by cost saving measures undertaken which led to reduction in operating expenses.

On a standalone basis, KSPL's NIM moderated to 10.04 % during FY2021 from 23.3 % for FY2020 on account of decline in disbursements leading to lower interest income. ROAA declined to 2.65% as on March 31, 2021 from 4.37% as on March 31, 2020 on account of high base effect during FY2020 as the profitability dipped marginally.

Acuité believes that KSPL's ability to sustain improvement in earnings profile in the current operating environment coupled with the intense competition in the unsecured loan segment will be key rating monitorable.

Moderate scale of operations and asset quality a monitorable

KSPL commenced its operations in May 2017 in unsecured personal loan segment and currently caters to salaried and self-employed individuals. The AUM stood at Rs.660.5 Cr. as on June 30, 2021 (Rs.652.4 Cr. as on March 31, 2021 and Rs.957.5 Cr. as on March 31, 2020). The

portfolio declined on account of lower disbursements of Rs. 1386.3 Cr. in FY2021 (FY2020: Rs. 6159.3 Cr.) due to pandemic stress coupled with cautious approach adopted by the management to discontinue ultra-short tenor loan product and expand its relatively longer tenor loans evident from the share of such loans growing to 57 % of AUM as on March 31, 2021 (FY2020: 48 %) which is expected to support growth in AUM. KSPL asset quality witnessed deterioration with GNPA at 7.22% as on March 2021 (FY2020: 3.59%) owing to pandemic-related stress and niche customer profile. Further, write offs as percentage of disbursements for FY2021 jumped to 7.7% (FY2020: 2.8%). However, since inception, it stood 3.3% till FY2021. Acuté notes that collection capabilities built over time with in-house team of around 590 staff and tie up with third party agencies is expected to further strengthen collections mechanism. Nonetheless, the company's business is yet to stabilize given its moderate scale of operations; its scalability and the asset quality needs to be monitored given unsecured nature of portfolio and inherent vulnerability of the borrower segment.

Evolving nature of fintech business model

Given that the digital lending particularly in B2C segment is evolving and company is still in the early stage of operations, it is yet to be seen how the companies achieve the scalability and sustained profitability. Though the experience of the management and the strong board composition has successfully led the group to become PAT positive in just over 2 years and reserve positive in 2.5 years of commencing operations, owing to the Covid-19 pandemic induced stress, the disbursements sharply declined and credit costs were high in FY21, leading to losses for the group in FY 2021 and also for Q1 FY2022. Hence the sustained performance and stability of the business model remains to be seen.

Technology and regulatory risks

Given that innovative technology is the backbone of fintech business model, the company is exposed to technology risks encompassing data security, privacy and technology failure. Since all the business functions including data storage, disbursements and collections mechanism is done digitally, any breach shall expose the company to cyber events and liabilities arising thereon. Acuté understands that the company is frequently conducting tech audit to keep a track of any potential risk. Furthermore, the company has availed a cyber-insurance policy to meet any unforeseen liability arising on the tech front. Additionally, the company is also exposed to evolving regulatory developments given that the fintech business model is at nascent stage.

ESG Factors Relevant for Rating

KSPL belongs to the NBFC sector which continues to complement the efforts of banks in enhancing small ticket retail lending in India. Some of the material governance issues for the financial services sector are policies and practices with regard to business ethics, board diversity and independence, compensation structure for board and KMPs, role of the audit committee and shareholders' rights. On the social aspect, some of the critical issues for the sector are the contributions to financial inclusion and community development, responsible financing including environmentally friendly projects and policies around data privacy. The industry, by nature has a low exposure to environmental risks. The entity has made adequate disclosures regarding its policies on related party transactions, vigil mechanism and whistle blowing. It also adheres to Reserve Bank of India's Fair Practices Code and has the necessary interest rate and grievance redressal policies. The board of directors consist of 3 independent directors out of a total of 6 directors. All the three members of the Audit Committee are Non-Executive Directors with majority of them being independent Directors. KSPL does not, however have a woman director on its board. In accordance with the guidelines issued by RBI, the entity has constituted a Risk Management Committee that is responsible for identification, evaluation and mitigation of operational, strategic and external environmental risks. Further, KSPL has also constituted an IT strategy committee to ensure adequate control over issues like cyber security and data privacy. KSPL provides personal loan, salary advance loan and online purchase loans with a focus on the young working class of India. KSPL aims at making credit highly accessible to the salaried and self-employed segment through adoption of technology. Till date, KSPL has upgraded more than 1 million

customers. KSPL supports community development through CSR projects mainly aimed at promotion of education, eradication of hunger, environmental sustainability, protection of national heritage and culture among other causes.

Rating Sensitivity

- Parent/ investor support
- Significant and sustained increase in AUM
- Movement in profitability and asset quality metrics
- Changes in Regulatory environment

Material Covenants

KSPL is subject to covenants stipulated by its lenders/investors in respect of various parameters like capital structure, asset quality among others. As per confirmation received from the company vide mail dated October 05, 2021, 'the Company is adhering to all terms and conditions stipulated as covenants by all its lenders/investors.'

Liquidity Position: Adequate

KSPL's liquidity profile as on June 30, 2021 is well matched with no negative cumulative mismatches upto one year bucket. As on September 30, 2021, cash and liquid investments for the company stood at Rs.166.30 Cr. with debt obligations for the next six months ended March 2022 at Rs.193.22 Cr. Average collection efficiency has been in the range of 91%-93% since March 2021. At consolidated level, cash and liquid investments stood at Rs.265 Cr. with debt obligations for the next six months ended March 2022 at Rs.193.22 Cr.

Outlook: Stable

Acuité believes that FPL will maintain 'Stable' outlook over the near to medium term on account of healthy capital position and support from marquee investors. The outlook may be revised to 'Positive' in case FPL demonstrates significant and sustainable growth in its scale of operations while mitigating asset quality risks in portfolio. Conversely, the outlook may be revised to 'Negative' in case of any challenges in scaling up operations or in case of any sharp deterioration in asset quality and profitability levels.

Key Financials - Standalone / Originator

Particulars	Unit	FY2021 (Actual)	FY2020 (Actual)
Total Assets	Rs. Cr.	1,021.29	1,094.88
Total Income (Net of Interest Expense)	Rs. Cr.	162.48	324.92
PAT	Rs. Cr.	28.02	31.77
Net Worth	Rs. Cr.	537.50	296.89
Return on Average Assets (RoAA)	(%)	2.65	4.37
Return on Average Net Worth (RoNW)	(%)	6.72	12.08
Total Debt/Tangible Net Worth (Gearing)	Times	0.87	2.64
Gross NPA	(%)	7.22	3.59
Net NPA	(%)	2.00	0.99

Ratios as per Acuité calculations

Key Financials - Consolidated

Particulars	Unit	FY2021 (Actual)	FY2020 (Actual)
Total Assets	Rs. Cr.	1250.10	1441.69
Total Income (Net of Interest Expense)	Rs. Cr.	240.91	717.47
PAT	Rs. Cr.	-100.57	134.18
Net Worth	Rs. Cr.	696.58	477.00
Return on Average Assets (RoAA)	(%)	-7.47	13.78
Return on Average Net Worth (RoNW)	(%)	-17.14	32.91
Total Debt/Tangible Net Worth (Gearing)	Times	0.67	1.66
Gross NPAs	(%)	-	-
Net NPAs	(%)	-	-

Ratios as per Acuite calculations.

Status of non-cooperation with previous CRA (if applicable):

Not Applicable

Any other information

Not Applicable

Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Commercial Paper: <https://www.acuite.in/view-rating-criteria-54.htm>
- Consolidation Of Companies: <https://www.acuite.in/view-rating-criteria-60.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Non-Banking Financing Entities: <https://www.acuite.in/view-rating-criteria-44.htm>

Note on complexity levels of the rated instrument

<https://www.acuite.in/view-rating-criteria-55.htm>

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
23 Nov 2021	Working Capital Demand Loan	Long Term	15.00	ACUTE B8B+ Stable (Reaffirmed)
	Proposed Commercial Paper Program	Short Term	75.00	ACUTE A2+ (Reaffirmed)
	Proposed Non Convertible Debentures	Long Term	50.00	ACUTE PP-MILD B8B+ Stable (Assigned)
	Proposed Term Loan	Long Term	185.00	ACUTE B8B+ Stable (Reaffirmed)
29 Oct 2021	Proposed Commercial Paper Program	Short Term	75.00	ACUTE A2+ (Assigned)
	Proposed Term Loan	Long Term	185.00	ACUTE B8B+ Stable (Reaffirmed)
	Working Capital Demand Loan	Long Term	15.00	ACUTE B8B+ Stable (Reaffirmed)
07 Oct 2021	Proposed Term Loan	Long Term	200.00	ACUTE B8B+ Stable (Assigned)

Annexure - Details of Instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Initial Quantum (Rs. Cr.)	Net Quantum (Rs. Cr.)	Rating
Not Applicable	Not Applicable	Proposed Commercial Paper Program	Not Applicable	Not Applicable	Not Applicable	75.00	75.00	ACUTE A2+ Reaffirmed
Not Applicable	Not Applicable	Proposed Non Convertible Debentures	Not Applicable	Not Applicable	Not Applicable	50.00	50.00	PP-MLD ACUTE BBB+ Stable Reaffirmed
Not Applicable	Not Applicable	Proposed Non Convertible Debentures	Not Applicable	Not Applicable	Not Applicable	75.00	75.00	ACUTE BBB+ Stable Assigned
Not Applicable	Not Applicable	Proposed Term Loan	Not Applicable	Not Applicable	Not Applicable	35.00	185.00	ACUTE BBB+ Stable Reaffirmed
Yes Bank Ltd	Not Applicable	Working Capital Demand Loan (WCCL)	03-08-2021	Not Applicable	Not Applicable	15.00	15.00	ACUTE BBB+ Stable Reaffirmed

Contacts

Analytical	Rating Desk
Mohit Jain Senior Vice President-Rating Operations Tel: 022-49294041 mohit.jain@acuite.in Shreyans Mehta Senior Analyst-Rating Operations Tel: 022-49294065 shreyans.mehta@acuite.in	Varsha Bhat Senior Manager-Rating Operations Tel: 022-49294011 rating.desk@acuite.in

About Acuité Ratings & Research

Acuité Ratings & Research Limited is a full-service Credit Rating Agency registered with the Securities and Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI), for Bank Loan Ratings under BASEL-II norms in the year 2012. Since then, it has assigned more than 8,850 credit ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Konjurmarg, Mumbai.

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116

CATALYST

Believe in yourself... Trust us!

CL/MUM/21-22/DEB/829

27-December-2021



Krazybee Services Private Limited
3rd Floor, No.128/9,
Maruthi Sapphire, HAL Airport Road,
Murgesh Palya,
Bangalore KA 560017 IN.

Dear Sir/Madam,

Consent to act as Trustee for Secured, Listed, Rated, Redeemable, Principal Protected Market Linked Non-Convertible Debentures aggregating upto Rupees 50 Crores to be issued by your Company.

This is with reference to the discussions in respect of appointment of Catalyst Trusteeship Limited to act as Debenture Trustee for the Secured, Listed, Rated, Redeemable, Principal Protected Market Linked Non-Convertible Debentures aggregating upto Rupees 50 Crores to be issued by your Company. In this connection, we are agreeable to act as Trustee on the terms and conditions as mutually agreed between the Trustee and the Company.

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 create the security within the timeline as per relevant Laws / Regulations and in the Offer Document / Information Memorandum / Disclosure Document and company agreeing / undertaking to comply with the provisions of SEBI (Debenture Trustee) Regulations, 1993, SEBI (Issue and Listing of Debt securities) Regulations 2008, SEBI (Listing Obligations & Disclosure Requirements) Regulation 2015, Companies Act, 2013 and Rules thereunder and other applicable laws as amended from time to time.

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

Yours faithfully,

For Catalyst Trusteeship Limited

Authorised Signatory

We accept the above terms

For Krazybee Services Private Limited

VIVEK VEDA

Digitally signed
by VIVEK VEDA
Date: 2021.12.28
19:08:45 +05'30'

Authorised Signatory

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

CATALYST TRUSTEESHIP LIMITED COMPANY IN THE FORM OF PRIVATE LIMITED

AN ISO 9001:2015 CERTIFIED

Mumbai Office: Windcor, 6th Floor, Office No. 604, C.S.T. Road, Kalina, Santacruz (East), Mumbai 400 055. Tel: +91 (22) 4902 0555. Fax: +91 (22) 4902 0556.
Regd. Office: CDA House, Plot No. 48, Western Express Bldg, Peed Road, Pune 411 004. Tel: +91 (20) 44400000.
Delhi Office: Office No. 010, 6th Floor, Kalash Building, 26, Kirti Road, Connaught Place, New Delhi - 110001. Tel: +91 (11) 430 28001/02.
CHINA: 020-88881987/1988 Email: chn@ctltrustee.com Website: www.catalysttrustee.com

Pune | Mumbai | Bangalore | Delhi | Chennai



ANNEXURE IV: BOARD COMMITTEE (BORROWINGS) RESOLUTION



Krazybee Services Private Limited

CERTIFIED TRUE COPY OF THE RESOLUTION PASSED AT THE MEETING OF THE BOARD COMMITTEE (BORROWINGS) OF KRAZYBEE SERVICES PRIVATE LIMITED HELD AT THE REGISTERED OFFICE ON 3RD FLOOR, NO.128/9, MARUTHI SAPPHIRE, HAL AIRPORT ROAD, MURGESH PALYA, BANGALORE - 560017 ON MONDAY, THE 27TH OF DECEMBER, 2021.

"RESOLVED THAT in accordance with the resolution passed by the Members of the Company at the Extra-Ordinary General meeting held on March 30, 2021 and subject to such other approvals, consents and sanctions, as may be required, and pursuant to Section 179 (3)(c) of Companies Act, 2013, approval of the Board Committee (Borrowings) be and is hereby given for issuance of 500 Rated, Secured, Taxable, Listed, Redeemable, Principal Protected Market Linked Non-Convertible Debentures ("Debentures") of a nominal value of Rs. 10,00,000 per Debenture amounting up to Rs. 50,00,00,000/- (Rupees Fifty Crore Only), redeemable at par and on such terms and conditions as mentioned in the draft Information Memorandum ("Information Memorandum").

RESOLVED FURTHER THAT the aforesaid Debentures be listed on the wholesale debt segment of the BSE Limited.

RESOLVED FURTHER THAT Catalyst Trusteeship Limited, having its registered office at Windsor, 6th Floor, Office No. 604, C.S.T. Road, Kalina, Santacruz (East), Mumbai - 400 098, to be appointed as the debenture trustee ("Debenture Trustee").

RESOLVED FURTHER THAT Mr. Vivek Veda, Mr. Madhusudan Ekambaram, Mr. Karthikeyan Krishnaswamy, Directors of the Company and Mrs. Pallavi Lingaraja, Company Secretary of the Company ("Authorized Persons") or any other person(s) as may be delegated by the authorized signatory be and are hereby severally authorized to:

- Negotiate and finalize the quantum, timing, other terms and conditions relating to the Debentures issue, and the investors to whom the debentures are to be issued on private placement basis;
- Accept and execute the transaction documents viz. Debenture Trust Deed, Deed of Hypothecation, Debenture Trustee Appointment Agreement and such other deeds, documents, letters and writings including Information Memorandum, Form PAS-4 (Private Placement Offer Letter) in and negotiate and agree/accept any changes and modification to the terms and conditions contained in the transaction documents (whether before or after executions of the transaction documents) together with all other documents, agreements, instruments, letters and writings required in connection with, or ancillary to, the transaction documents as may be necessary or required for the aforesaid purpose including to sign and/or dispatch all forms, filings, documents including Private Placement Offer Letter either in electronically or physically to which it is a party as well as to accept and execute any amendments to the transaction documents and other deeds, documents and other writings as and when necessary and to take all such further steps as may be required to give effect to the aforesaid resolutions;
- take all steps for the purpose of listing of the Debentures on the wholesale debt segment of the BSE Limited;
- to do all acts, matters, deeds and things necessary or desirable in connection with or incidental to giving effect to this resolution and to execute on behalf of the Company such deeds, documents, agreements and writings in this regard.

RESOLVED FURTHER THAT the certified true copy of the aforesaid resolutions under the signature of any of the aforesaid authorised persons or Company Secretary of the Company be forwarded to such persons or authorities as may be required from time to time."

CERTIFIED TRUE COPY

For KrazyBee Services Private Limited

Pallavi
Digitally signed by
Pallavi
Date: 2021.12.27
Reason: signed
Pallavi Lingaraja
Company Secretary
M.No: A56733

3rd Floor, No. 128/9, Maruthi Sapphire, HAL Airport Road, Murgesh Palya, Bangalore - 560017
CIN No: U65100KA2016PTC066990



080-44292555



reachus@kbnbfc.in

ANNEXURE V: SHAREHOLDERS RESOLUTION



Krazybee Services Private Limited

CERTIFIED TRUE COPY OF THE SPECIAL RESOLUTION PASSED BY THE SHAREHOLDERS OF KRAZYBEE SERVICES PRIVATE LIMITED (THE "COMPANY") AT THEIR MEETING HELD ON TUESDAY, MARCH 30, 2021, AT THE REGISTERED OFFICE OF THE COMPANY 3RD FLOOR, NO.128/5, MARUTHI SAPPHIRE, HAL AIRPORT ROAD, MURGESH PALYA, BANGALORE - 560017 KARNATAKA, INDIA AT 5.00 P.M.

Issuance of debt securities pursuant to Sections 23(1)(b), 42, 71 of the Companies Act, 2013, upto an overall ceiling of 500,00,00,000 (Rupees Five Hundred Crores Only) on Private Placement basis.

The following resolution passed unanimously as on special resolution.

"RESOLVED THAT pursuant to the provisions of Sections 23(1)(b), 42, 71 read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rule, 2014 and Rule 18 of the Companies (Share Capital & Debentures) Rules, 2014, read with relevant rules there under, SEBI (Issue and Listing of Debt Securities) Regulations, 2008, relevant RBI Regulations and such other applicable laws (including any amendment(s), statutory modification(s) or re-enactment thereof), the enabling clauses under the Articles of Association of the Company and subject to the permissions, consents, sanctions and approvals by any authority, as may be necessary, consent of the shareholders of the Company be and is hereby accorded for the issue and allotment on private placement basis, in one or more series or tranches, in such classes and with such rights or terms as may be considered necessary, one or more of the following non-convertible debt securities, that is to say, Secured, Unsecured, Listed, Unlisted Non-Convertible Debentures, Market Linked Debentures, Listed, Unlisted Bonds, Listed, Unlisted Commercial Papers, Subordinated Debt Securities, Covered Bonds, or other debt securities, whether constituting a charge (including in the nature of pledge) on any specific or general assets of the Company or not (herein inclusively referred to as "Debt Securities"), such that the aggregate value of such Debt Securities during financial year 2021-22 shall not exceed, excluding any Debt Securities already issued earlier, the limit of 500,00,00,000/- [Rupees Five Hundred Crore Only] to Banks, and other entities/individuals including but not limited to Institutional Investors, Financial Institutions, companies, bodies corporate, partnership firms, Proprietorship etc. as per the terms and conditions as stated in the Explanatory Statement.

RESOLVED FURTHER THAT consent of the shareholders of the Company be and is hereby accorded to the Board Committee (Borrowings) thereof (as may be authorized by the Board), to deal with the matters relating to the finalization of the terms and conditions of such Debt Securities to be issued and allotted from time to time, within the aggregate limit as specified above, including, but not limited to, decide on any terms as amount payable on application and calls from time to time, and offer the same on private placement basis to any one or more investors including any Banks, and other entities/individuals including but not limited to Institutional Investors, Financial Institutions, companies, bodies corporate, partnership firms, Proprietorship etc.

RESOLVED FURTHER THAT the Board Committee (Borrowings) thereof (as may be authorized by the Board), be and is hereby authorized and empowered to consider, transact and decide matters, from time to time, pertaining to the private placement of Debt Securities, including appointment of debenture trustees, finalization and issuance of any offer letter, and allot the Debt Securities in one or more tranches, to any one or more investors including any Banks, and other

3rd Floor, No. 128/5, Maruthi Sapphire, HAL Airport Road, Murgesh Palya, Bangalore - 560017
CIN No. U65100KA2016PTC006190

080-44292585

reachus@krazybee.in

entities/individuals including but not limited to Institutional Investors, Financial Institutions, companies, bodies corporate, partnership firms, Proprietorship etc., including, where so considered appropriate, amount payable on application and further amounts as may be called from time to time and the allotment thereof, to sign, verify, execute and file all necessary forms and documents, if any, with any governmental authority including but not limiting to the Registrar of Companies, Bangalore, Securities and Exchange Board of India and/or such other authorities as may be required from time to time and to do all such acts, deeds, matters and things necessary or expedient to give effect to the issue of Debt Securities and ensuring compliance and/or any actions as may be required under applicable law."

//Certified True Copy//

For Krazybee Services Private Limited



Pallavi Lingaraju
Company Secretary

Address: 1203, Prime Nilaya Park Road,
23rd Cross D Group I, Nagarbhavi,
Bangalore - 560091

ANNEXURE VI: DUE DILIGENCE CERTIFICATE FROM DEBENTURE TRUSTEE

CA V. Sridhar, B.Com., F.C.A.
CHARTERED ACCOUNTANT



31, Navodaya HBCS, Shakambhari Nagar
J. P. Nagar 1st Phase, Bengaluru - 560 078
Phone : 94480 50188
Email : sridharv5992@gmail.com

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

To,
Catalyst Trusteeship Ltd
Windsor, 6th floor, Office No.604, D.S.T. Road, Kalina, Santacruz (East) Mumbai 400098
Dear Sir / Madam,

SUBJ.: ISSUE OF NCD BY KRAZYBEE SERVICES PRIVATE LIMITED.

I V. Sridhar, Chartered Accountant appointed by the CATALYST Trusteeship Limited ("Debenture Trustee/ Catalyst") for KRAZYBEE SERVICES PRIVATE LIMITED ("Company / Issuer") state as follows:

1. I 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, I CONFIRM that:
 - a) The Issuer has made adequate provisions for and/or has taken steps to provide for adequate security for the debt securities to be issued.
 - b) The Issuer has obtained the permissions / consents necessary for creating security on the said property(ies).
 - c) The Issuer has made all the relevant disclosures about the security and also its continued obligations towards the holders of debt securities.
 - d) Issuer has adequately disclosed all consents/ permissions required for creation of further charge on assets in offer document or private placement memorandum/ information memorandum and all disclosures made in the offer document or private placement memorandum/ information memorandum with respect to creation of security are in confirmation with the clauses of debenture trustee agreement.
 - e) Issuer has disclosed all covenants proposed to be included in debenture trust deed (including any side letter, accelerated payment clause etc.), offer document or private placement memorandum/ information memorandum.
 - f) Issuer has given an undertaking that charge shall be created in favour of debenture trustee as per terms of issue before filing of listing application.
 - g) I have satisfied myself about the ability of the Issuer to service the debt securities.
 - h) All disclosures made in the offer document 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.

This Certificate has been ~~issued~~ based on the Non-Disclosure Agreement cum Engagement Letter executed between me and Catalyst and the same is for the sole use of Catalyst pursuant to its acceptance to act as Debenture Trustee for the issue of NCDs of the value of Rs. 50,00,00,000/- (Rupees Fifty crores only).


V. Sridhar
Chartered Accountant
Membership No: 028617
UDIN: 21028617AAAAK06382



Date: 28/12/2021
Place: Bangalore

**ANNEXURE VII: UNDERTAKING PURSUANT TO REGULATION 43 (2) OF THE SEBI NCS
REGAULTIONS**



Krazybee Services Private Limited

Undertaking on Creation of Security

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

For Krazybee Services Private Limited

VIVEK VEDA Digitally signed by VIVEK VEDA
DN: cn=VIVEK VEDA, o=Krazybee Services Private Limited

Authorised Signatory

Name: Mr. Vivek Veda

Title: Director

Date: 27.12.2021



ANNEXURE VIII: TERM SHEET

PARTIES INVOLVED IN THE ISSUE	
Security Name	Krazybee PPMLD 2023
Issuer / Company	Krazybee Services Private Limited
Debenture Trustee	Catalyst Trusteeship Limited
Name of Instrument	Rated, Secured, Taxable, Listed, Redeemable, Principal Protected Market Linked Non -Convertible Debentures (" Debentures ")
Seniority	Senior
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"): AA. Mutual Funds BB. NBFCs CC. Provident Funds and Pension Funds DD. Corporates EE. Banks FF. Foreign Institutional Investors (FIIs) GG. Qualified Foreign Investors (QFIs) HH. Foreign Portfolio Investors (FPIs) II. Insurance Companies JJ. Alternative investment funds KK. Any other person (not being an individual or a group of individuals) eligible to invest in the Debentures. All potential Investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this issue of Debentures.
Listing (including name of stock Exchange(s) where it will be listed and timeline for listing)	The Debentures are to be listed on the WDM of the BSE within a maximum period of 4 (four) trading days from the date of closure of the issue of Debentures.
Principal Protection	Principal is protected
Subscriber(s)	Northern Arc Capital Limited
Majority Debenture Holders	Shall mean Debenture Holders holding 51% of the value of total Debentures issued.

Depository	NSDL &/or CDSL
Registrar and transfer agent	NSDL database Management Ltd
Rating Agency	ACUITE
Structurer and Arranger	Not Applicable
Legal Counsel	N.A.
Promoter (s)	Finnov Private Limited
Credit Enhancer(s)	Not Applicable
Other obligor(s)	Not Applicable
DETAILS OF THE INSTRUMENT	
Type of instrument	Principal protected non-convertible market linked debentures
Nature of instrument	Rated Unsubordinated Secured Transferable Redeemable Principal Protected Non-Convertible Market Linked Debentures.
Ranking	Unsubordinated
Security requirements	Debentures shall be secured as per the terms and conditions stipulated under the heading ' Security Creation ' hereunder.
Rating	ACUITE BBB+ PP MLD
Valuation Agency	ICRA Analytics Ltd
Valuation Agency Fees	Fees paid to valuation agency by issuer shall not be more than 0.025% p.a. on the face value of outstanding debentures.
ISSUE DETAILS	
Mode of Issue	Private Placement
Form of issue	Debentures will be issued in dematerialized form.
Issue size	INR. 50,00,00,000 (Indian Rupees Fifty Crores only)
Object of the Issue	Issue proceed will be utilized for following purposes: • General Corporate Purpose • for ordinary course of business of Issuer including repayment/re-financing of existing debt For deployment in business & growth of asset book
Utilisation of Issue proceeds	The proceeds will be utilised as per the objects of the Issue. No part of the proceeds would be utilized directly / indirectly towards equity capital markets or land acquisition or usages as restrictive for bank financing.
Tenor	18 months
Face value	INR 10,00,000/- (Indian Rupees ten lakhs only)

Minimum Subscription	INR 10,00,000/- (Indian Rupees ten lakhs only)		
Minimum Application and in multiples of thereafter	INR 10,00,000/- (Indian Rupees ten lakhs only) and in multiples of INR. 10,00,000/- (Indian Rupees ten lakhs only)		
Option to retain oversubscription (Amount)	Not Applicable		
Interest on Application Money	Interest on application money shall be paid as per SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021		
Issue price	Debentures will be issued at par.		
Issue Timing	Issue Opening Date	31 st December, 2021	
	Issue Payin Date	31 st December, 2021	
	Issue Closing Date	4 th January, 2022	
	Deemed Date of Allotment	4 th January, 2022	
Record Date	Seven Calendar days		
Issuance mode of the Instrument	Dematerialised form		
Trading Mode of the Instrument	Dematerialised form		
Settlement mode of the Instrument	Dematerialised form		
REDEMPTION			
Redemption Amount	Effective Coupon Amount to be determined as per method of calculation set out in Schedule I.		
Scheduled Redemption	Debentures shall be redeemed on a pro rata basis as set out in Schedule II (Redemption Schedule) hereto and shall be fully redeemed by the Redemption Date.		
Redemption Date	30 th June 2023 or any prior date wherein the Debentures are redeemed pursuant to acceleration or Event of Default		
Early Redemption	Early redemption of the Debentures at the instance of the Issuer can be after the Lock-in Period (i.e. 365 days from the Deemed Date of Allotment), on any date other than the Final Redemption Date and not arising due to an Event of Default. Notwithstanding anything contained herein, any Early Redemption shall be subject to the consent of the Majority Debenture Holders. The Issuer shall give the Debenture Trustee and the Debenture Holders a written notice of at least 30 (Thirty) days for the Debenture Trustee to seek the consent of the Majority Debenture Holders for early redemption. Upon consent being received from the Majority Debenture Holders, the Issuer shall redeem all of the Debentures within 3 (Three) days.		
Early Redemption Premium	2% (Two percent) on the principal amount prepaid.		

COUPON PAYMENT	
Coupon Type	Linked to BSE SENSEX (" Reference Index ")
Coupon Rate	Effective Coupon Amount per Debenture shall be paid by the Company to the Debenture Holders as interest on the Redemption Date , as the case may be. The said 'Effective Coupon Amount' being the interest amount to be paid per Debenture by the Issuer to the Debenture Holders shall be determined in accordance with the method of calculation set out in Schedule II (<i>Method of calculation of Effective Coupon Amount</i>) hereto.
Initial Fixing Date	As mentioned in Schedule I
Final Fixing Date	As mentioned in Schedule I
Initial Fixing Level	As mentioned in Schedule I
Final Fixing Level	As mentioned in Schedule I
Justification for Issue Price	The Issue Price is calculated by discounting the expected maturity payout by the yield at which the issuance is being made for the remaining tenor of the security
Coupon Payment Frequency	Bullet
Coupon Payment Dates	As mentioned in Schedule II
Default interest	2.00 % (Two point Zero Zero percent)
Step Up Coupon Rate	In the event the Credit Rating on the instrument is downgraded from the rating of ACUTE BBB+ PP MLD, the Coupon Rate or Effective Annualised Coupon Rate, as applicable shall be increased by 0.25% 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 is rated by more than one rating agency, then the lowest of the ratings for term loans or senior debentures rating shall be considered.
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc.)	Not Applicable
CONVENTIONS	
Day Count Basis	Actual/Actual
Business Day	Means any day, other than a public holiday under Section 25 of the Negotiable Instruments Act, 1881 or a Sunday, on which banks are open for general business in Mumbai
Business Day Convention	(c) If the date of payment of any interest in respect of the Debentures falls on a day that is not a Business Day, such payment of interest shall be made on the next occurring Business Day;

	(d) 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 (e) If the Redemption Date as the case may be, falls on a day that is not a Business Day, such payment of interest and redemption amount shall be made on the immediately preceding Business Day.						
THIRD PARTY OBLIGATIONS							
Key Shareholders	Mr. Madhusudan Ekambaram and Mr. Krishnaswamy Karthikeyan						
Obligations to Finnovation Tech Pvt Ltd and Key Shareholders	(1) The Promoter shall not transfer or encumber the shares of Finnovation Tech Pvt Ltd ("Finnovation") held by them without the prior written consent of the Debenture Trustee. Finnovation shall procure and furnish the Debenture Trustee with undertaking(s) issued by the Promoter to that effect as a condition precedent for disbursement of the issuance or any part thereof. Any change in the stake of the Promoter below the existing level set out in the following table shall require prior written consent of the Debenture Trustee.						
	<table><tr><td>Name</td><td>Investment Type</td><td>Existing % stake</td></tr><tr><td>Finnov Private Limited</td><td>Ordinary Equity</td><td>99.99%</td></tr></table>	Name	Investment Type	Existing % stake	Finnov Private Limited	Ordinary Equity	99.99%
	Name	Investment Type	Existing % stake				
	Finnov Private Limited	Ordinary Equity	99.99%				
	(2) Each of the persons mentioned as Key Shareholders shall not transfer or encumber the shares of the Issuer held by them, respectively without the prior written consent of the Debenture Trustee.						
(3) Without prior written consent of the Debenture Trustee, the aggregate shareholding of the Key Shareholders shall not fall below 12% in the Promoter, without prior written consent of the Debenture Trustee, the Key Shareholders will not sell, transfer or encumber their stake in the Issuer, Finnovation or Finnov Private Limited.							
(4) As a Key Managerial Personnel of Issuer and on behalf of the Issuer, they will provide 7 days prior written intimation to the Debenture Trustee regarding - A) Any change in the shareholding that is > 3% and < 12% of the Promoter. Any change in shareholding of the Promoter that is >12% shall require prior written consent of the Debenture Trustee. B) Any change in the Board of Directors of the Promoter.							
	(5) Any change in the stake of the Promoter in the Issuer below the existing level set out in the following table shall require prior written consent of the Debenture Trustee.						

	<table><tr><td>Name</td><td>Investment Type</td><td>Existing % stake</td></tr><tr><td>Finnov Private Limited</td><td>Ordinary Equity</td><td>99.48%</td></tr></table>	Name	Investment Type	Existing % stake	Finnov Private Limited	Ordinary Equity	99.48%
Name	Investment Type	Existing % stake					
Finnov Private Limited	Ordinary Equity	99.48%					
SECURITY CREATION							
Description regarding Security (where applicable) including type of security (movable/immovable/tangible etc.), type of charge (pledge/ hypothecation/ mortgage etc.), date of creation of security/ likely date of creation of security, minimum security cover, revaluation, replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Trust Deed cum Hypothecation Agreement and disclosed in the Offer Document/ Information Memorandum	The Debentures shall be secured by way of a first ranking exclusive, and continuing charge on receivables ("Hypothecated Receivables") created pursuant to the agreement of hypothecation to be executed between the Company and the Debenture Trustee as described herein. The Hypothecated Receivables shall at all times be equal to the value of the outstanding principal amount of the Debentures. The Issuer undertakes: - to maintain the value of security at all times equal to 1.10 (one decimal point one zero) time or 110% (one hundred and ten percent) the aggregate amount of principal outstanding of the Debentures where at least 1.10 (one decimal point one zero) time or 110% (one hundred and ten percent) of the security cover is from principal receivables ("Security Cover"); - to pay a penal interest of 2.0% (Two Percent) p.a. in case there is any delay in the creation, registration and perfection of the security over the Hypothecated Assets; - to provide on a quarterly basis, book debts to the Debenture Trustee over which the charge is created and subsisting by way of hypothecation in favour of the Debenture Trustee (for the benefit of the Debenture Holders) ("Hypothecated Asset Report") - to add fresh loan assets to the Security Cover to ensure that the value of the Hypothecated Assets is equal to 1.10 (one decimal point one zero) time or 110% (one hundred and ten percent) the aggregate amount of principal outstanding of the Debentures where at least 1.10 (one decimal point one zero) time or 110% (one hundred and ten percent) of the security cover is from principal receivables. - to replace/top up any Hypothecated Receivables that become overdue for more than 90 days with current receivables in terms of the hypothecation agreement. Eligibility Criteria for the Hypothecated Receivables: - the receivables are current at the time of selection and have not been terminated or pre-paid. - the receivables have not been restructured or rescheduled. - all "Know Your Customer" norms have been complied with as prescribed by the Reserve Bank of India. - Every loan originated from the issue proceeds should be originated by the Issuer and not loans purchased from a third party.						

	- Loans constituting the Portfolio shall not be extended to students. - Loans constituting the Portfolio shall be utilised only to originate personal loans through Kreditbee platform. - Loans originated from the portfolio should not be provided to individuals who have had a history of late payments or overdues. - Every hypothecated loan shall be below INR 5 lakhs of ticket size. Issuer to share details of hypothecated loans in the format as required by debenture trustee / Debenture Holders from time to time.
Pledge	None.
Mortgage	None.
OTHER COVENANTS	
Environment, Social, Governance related covenants	As mentioned in Schedule III
Related Party Transactions	Without prior written intimation to the Debenture Holders, the issuer shall not enter into or perform any transaction(s) with a related party other than transactions which are related to portfolio origination, portfolio management, technology services and loss cover and the same shall be reported on a quarterly basis. Without prejudice to the foregoing, the issuer shall not without the prior written consent of the Debenture Holders (i) enter into any transaction(s) whereby the overall outstanding amount owed to the issuer under all such transactions exceeds 10.00% (Ten Point Zero Zero percent) of its net worth, (ii) whereby the overall expense incurred through such transactions during any financial year exceeds 10.00% (Ten Point Zero Zero percent) of its net profit, or (iii) provide any guarantee for any indebtedness of a related party, except where such guarantee is towards performance of any statutory obligation or procuring any license/ approval from any governmental authority. The Debenture Holders shall be granted access to any additional information that it deems necessary to monitor and evaluate this covenant. 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 the Companies Act, 2013 (and the Rules framed thereunder).
Affirmative Covenants	(a) To utilise the proceeds of this issue in accordance with applicable laws and regulations (b) To ensure that at least 1 Independent Director are on the Board of the Company (c) To promptly inform notice of winding up / other legal proceedings

	(d) To promptly inform Material Adverse Effect (e) To provide the Debenture Holders with access to data / information / meetings with the management team for periodical portfolio monitoring (f) To comply with corporate governance, fair practices code prescribed by RBI (g) So long as any amount is due under this issuance, the Issuer shall continue to use origination, underwriting and risk management services of Finnovation. (h) The Issuer shall furnish an undertaking that the interest rate charged on Kreditbee platform by the Issuer are approved by the Board of the Issuer (i) Issuer shall not change its risk sharing arrangement with Finnovation Tech Private Limited (Finnovation) which leads to a negative financial impact on the Issuer without 5 days prior written intimation to the Debenture Holders. And as set out in greater detail in the Debenture Trust Deed
Negative Covenants	The issuer shall take the prior written permission from the Investor / Debenture Trustee for the following: (a) Mr. Madhusudan Ekambaram and Mr. Krishnaswamy Karthikeyan ceasing to hold an executive position in the Company (b) Change in Promoter and Control; (c) Any dilution of control over the Board composition, other than appointment of independent directors (d) Mergers, acquisitions, slump sale, investment in associates, JVs and subsidiaries including disposal of any of the above (e) Material Change in nature of business of the Company (f) Change in constitutional documents (g) Loans exceeding 2% of net worth to any single party and/or guarantees on behalf of third parties (h) Provide any guarantee other than in normal course of business (i) Declare dividend on equity shares before payment of coupon due on the Debentures (j) Declare dividend on equity/preference shares before payment of coupon due on the Debentures when an Event of Default is subsisting (k) Change in auditors (l) Material compromise or settlement And as set out in greater detail in the Debenture Trust Deed.
Events of Default (including manner of voting/conditions of joining Inter Creditor Agreement)	(a) Non-payment of any of the dues under this term sheet (b) Default in compliance with financial covenants (c) Default in compliance with non-financial covenants (d) Default or trigger of event of default on any other indebtedness (cross default)

	(e) Misrepresentation or misleading information in any of the Transaction Documents (f) Insolvency, winding up, liquidation (g) Creditors' processes initiated against the company (h) Repudiation of Transactions Documents (i) Cessation of business (j) In the event the credit rating of the company by any of the rating agency gets downgraded below BB (k) Erosion of 50% or more of the Company's net worth as compared to previous financial year (l) Any corporate action, legal proceedings or other procedures or step is taken in relation to- enforcement of any security over any assets of the issuer or any affiliate (m) Any expropriation, attachment, sequestration, distress or execution affects any asset or assets of the issuer or any affiliate having an aggregate value more than or equal to the Facility or 10% of its Net Worth whichever is lesser and is not discharged within 15 days And as set out in greater detail in the Debenture Trust Deed
Provisions related to Cross Default	As mentioned in the Debenture Trust Deed
Role and Responsibilities of Debenture Trustee	As mentioned in the Debenture Trust Deed
Reporting Covenants	(a) QUARTERLY REPORTS - within 45 (Forty-five) calendar days after the end of each calendar quarter: (i) Information on financials, operations, portfolio growth & asset quality (static portfolio cuts, collection efficiency and PAR), breakup of stage wise provisioning, list of top 20 borrowers, debt funding in formats agreeable to the Investor (ii) If any change in accounting in between the financial year, Financials to be shared in both accounting formats (iii) List of Board of Directors (iv) Shareholding Pattern (v) Financial covenant compliance certificate issued by management (vi) Copy of returns filed with RBI (vii) Information on: • Material changes to the IT / MIS systems • Change in credit bureaus used • Revision in the Business Plan • Changes in the Accounting Policy • Any fraud amounting to more than 1% of GLP • Impact measurement metrics as defined in the debenture deed

	(b) ANNUAL REPORTS – within 120 days after the end of each fiscal year (i) Audited financials (ii) A certificate from the Director/CFO confirming that there is no Potential Default or Event of Default; (iii) Copy of all annual information submitted to the RBI; (c) EVENT BASED REPORTS – within 15 calendar days after event occurring (i) Change in Board of Directors (ii) Change in the shareholding structure (iii) Change in the Senior Management officials (Chief Executive Officer, Chief Financial Officer, Chief Operating Officer or Chief Risk Officer) (iv) Change in statutory auditors (v) Board approval of annual business plan (vi) Material change in the Constitutional Documents of the Company; (d) EVENT BASED REPORTS – within 5 business days after event occurring (i) Material Adverse Effect. (ii) Any dispute, litigation, investigation or other proceeding which could result in a Material Adverse Effect. (iii) Winding up proceedings (iv) Any Event of Default or Potential Default, and any steps taken / proposed to remedy the same (v) Any prepayment or notice of any prepayment of any Indebtedness of the Issuer.
Financial Covenants	(a) Capital 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 items shall not be less than 20.00% (Twenty Point Zero Zero percent) or as per the regulatory minimum prescribed by the Reserve Bank of India 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 issuer on securitization shall be reduced from Tier I Capital and Tier II Capital without any ceiling. (ii) credit enhancements provided by the Issuer on loans originated on behalf of other institutions shall be reduced from Tier I Capital and Tier II Capital without any ceiling. The deduction shall be made at 50 per cent from Tier I Capital and 50 per cent from Tier II Capital. (iii) It is also clarified that in computing the amount of subordinated debt eligible for inclusion in

	Tier II Capital, the aforementioned subordinated debt shall be subject to discounting as prescribed by RBI. For the purpose of aforementioned Financial Covenants, following terms shall have the following meanings: 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 Issuer (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. The Debenture Holders shall be granted access to any additional information that it deems necessary to monitor and evaluate compliance with the aforementioned Financial Covenants. The Covenants and Financial Covenants can be tested at any time during the tenure of the Facility. Without prejudice to its other rights under the Facility Documents, Debenture Holders reserves the right to levy a penalty of a sum equivalent to 1% (One percent) of the amount outstanding under the Facility on the Issuer in the event of breach of any of the Financial Covenants ("Penalty for Breach"). In such an event, the Issuer shall pay the Penalty for Breach to the Debenture Holders within 30 calendar days from the date of such breach. (b) Maintain a ratio of A:B not greater than 6% where A is PAR-90 including write-offs and B is the total loan disbursements of trailing 12 months. This covenant to be calculated from disbursement cohort of Apr'20 onwards. (c) Total Debt outstanding and Contingent Liabilities of the issuer and the Finnovation combined shall not exceed 4 times the aggregated Tangible Network of the issuer and Finnovation (d) Maximum permissible ratio of PAR > 90 of GLP (net of loan loss provisions) to aggregated Tangible Network of Issuer and Finnovation shall be 20%. Portfolio at Risk greater than 90 days or PAR > 90 shall mean, in a district or a branch or on the Issuer's and the Finnovation's Gross Loan Portfolio at any point of time, as the case may be, the outstanding principal value of the issuer's or the Finnovation's portfolio that has one or more instalments of principal, interest, penalty interest, fee or any other expected payments overdue for 90 days or more and includes restructured loans. Gross
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	Loan Portfolio means and includes the outstanding principal amounts of the loans originated by the Issuer or the Finnovation 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 or the Finnovation's own book. Tangible Networth 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. And as set out in greater detail in the Debenture Trust Deed
Transaction documents	Debenture Trust Deed, Hypothecation Agreement, Hypothecation Confirmation Letter, , Undertaking(s), Disclosure Documents, Resolutions, the letters issued by the Rating Agency and the Registrar and all other documents in relation to the issuance of the Debentures. Disclosure Documents means collectively, (a) the debt disclosure document to be issued by the Issuer in terms of sub-regulation (1) of Regulation 21 (<i>Disclosures in respect of Private Placements of Debt Securities</i>) of the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (if applicable); and (b) private placement offer letter to be issued by the Issuer in terms of section 42 (<i>Offer or invitation for subscription of securities on private placement</i>) of the Companies Act, 2013. Resolutions means collectively, (a) special resolution of the shareholders of the Company under Section 180(1)(a) of the Companies Act, 2013; (b) special resolution of the shareholders of the Company under Section 180(1)(c) of the Companies Act, 2013; (c) board resolution of the board of directors of the Company under Section 42 and other applicable provisions of the Companies Act, 2013 and Rules thereunder; (d) special resolution of the shareholders of the Company under the applicable provisions of the Companies Act, 2013 and Rule 14(2) and other applicable provisions of Companies (Prospectus and Allotment of Securities) Rules, 2014.
Other Costs & Conditions	The Issuer shall bear the costs and expenses incurred in connection with the transactions contemplated hereby including stamp duty and registration fee (if applicable) on the Transaction Documents (and the Debentures), appointment of the Debenture trustee, legal advisors'

	expenses and expenses incurred in the preparation for the Transaction Documents.
Condition Precedent to Disbursement	As set out in detail in DTD
Condition Subsequent to Disbursement	As set out in detail in DTD
Creation of Recovery Expense Fund	Details and purpose of the recovery expense fund The Issuer shall create and maintain the Recovery Expense Fund up to the amounts prescribed under the circular no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/207 dated October 22, 2020 on "Contribution by Issuers of listed or proposed to be listed debt securities towards creation of "Recovery Expense Fund" ("SEBI REF Circular") issued by SEBI REF Circular, in accordance with and within the timelines prescribed in the SEBI REF Circular. The Recovery Expense Fund shall be created to enable the Debenture Trustee to take prompt action in relation to the enforcement of the Security in accordance with the Transaction Documents. The amounts in the Recovery Expense Fund shall be utilised in the manner as may be prescribed by the Debenture Holders by a Special Resolution duly passed at the meeting of the Debenture Holders held in accordance with the provisions set out in the Transaction Documents. On the occurrence of an Event of Default, if the Security is proposed to be enforced, the Debenture Trustee shall follow the procedure set out in the SEBI REF Circular for utilisation of the Recovery Expense Fund.
Risk Factors	The securities are created on the basis of complex mathematical models involving multiple derivative exposures which may or may not be hedged and the actual behavior of the securities selected for hedging may significantly differ from the returns predicted by the mathematical models. The principal amount is subject to the credit risk of the Issuer whereby the investor may or may not recover all or part of the funds in case of default by the Issuer.
Governing Law and Jurisdiction	Indian Law with non exclusive jurisdiction of the courts and tribunals of Chennai and Delhi

Schedule I

Effective Coupon Amount determined in accordance with the method of calculation set out here below shall be paid per Debenture on the Redemption Date. In the event Effective Coupon Amount could not be determined or becomes indeterminable on account of termination / suspension of Reference Index (given below) or due to any force majeure circumstances or act of God, the Debenture Trustee shall with the consent of the Majority Debenture Holders shall contemplate a new Reference Index mechanism agreeable to the Company within 90 (Ninety) Business Days therefrom.

Method of calculation of Effective Coupon Amount

Effective Coupon Amount	$Face\ Value * [(1 + Effective\ Annualized\ Coupon\ Rate)^{(Tenor\ in\ Days/365)} - 1]$								
Effective Annualized Coupon Rate	Based on 'Reference Index Performance', corresponding 'Effective Annualized Coupon Rate' function will be applicable <table border="1"> <thead> <tr> <th>Reference Index Performance</th><th>'Effective Annualized Coupon Rate' function</th></tr> </thead> <tbody> <tr> <td>$\leq -75\%$</td><td>0%</td></tr> <tr> <td>$> -75\% \text{ but } \leq 1.69\%$</td><td>Max (11.85% XIRR, Annualized Coupon Rate)</td></tr> <tr> <td>$> 1.69\%$</td><td>11.95% XIRR *</td></tr> </tbody> </table> (*12.00% XIRR is thus a ceiling and translates into a comparable coupon rate of 11.39% per annum when the coupon is paid out on a monthly basis. Please refer 'Scenario Analysis' section of the term sheet for further details)	Reference Index Performance	'Effective Annualized Coupon Rate' function	$\leq -75\%$	0%	$> -75\% \text{ but } \leq 1.69\%$	Max (11.85% XIRR, Annualized Coupon Rate)	$> 1.69\%$	11.95% XIRR *
Reference Index Performance	'Effective Annualized Coupon Rate' function								
$\leq -75\%$	0%								
$> -75\% \text{ but } \leq 1.69\%$	Max (11.85% XIRR, Annualized Coupon Rate)								
$> 1.69\%$	11.95% XIRR *								
Annualized Coupon Rate	$\left[\left(\frac{Face\ Value + Coupon\ Amount}{Face\ Value} \right)^{\frac{1}{Tenor\ in\ Days/365}} - 1 \right]$								
Coupon Amount	$Face\ Value * \{ [(1.119000)^{\frac{Tenor\ in\ Days}{365}} + (Participation\ Ratio * Reference\ Index\ Performance)] - 1 \}$								
Face Value	INR 10,00,000 (Rupees Ten Lakh only) per Debenture								
Tenor In Days	542 Days from Deemed Date of Allotment**								
	**In the case of an Early Redemption, Tenor in Days will be number of days between the Deemed Date of Allotment and Early Redemption Date								
Participation Ratio	5%								
Reference Index	BSE SENSEX 30								

Reference Index Performance	$\left(\frac{\text{Final Fixing Level}}{\text{Initial Fixing Level}} \right) - 1$
Initial Fixing Level	Official closing level of the Reference Index as on Initial Fixing Date
Initial Fixing Date	Deemed Date of Allotment
Final Fixing Level	Simple Average of the official closing level of the Reference Index on the Observation Dates.

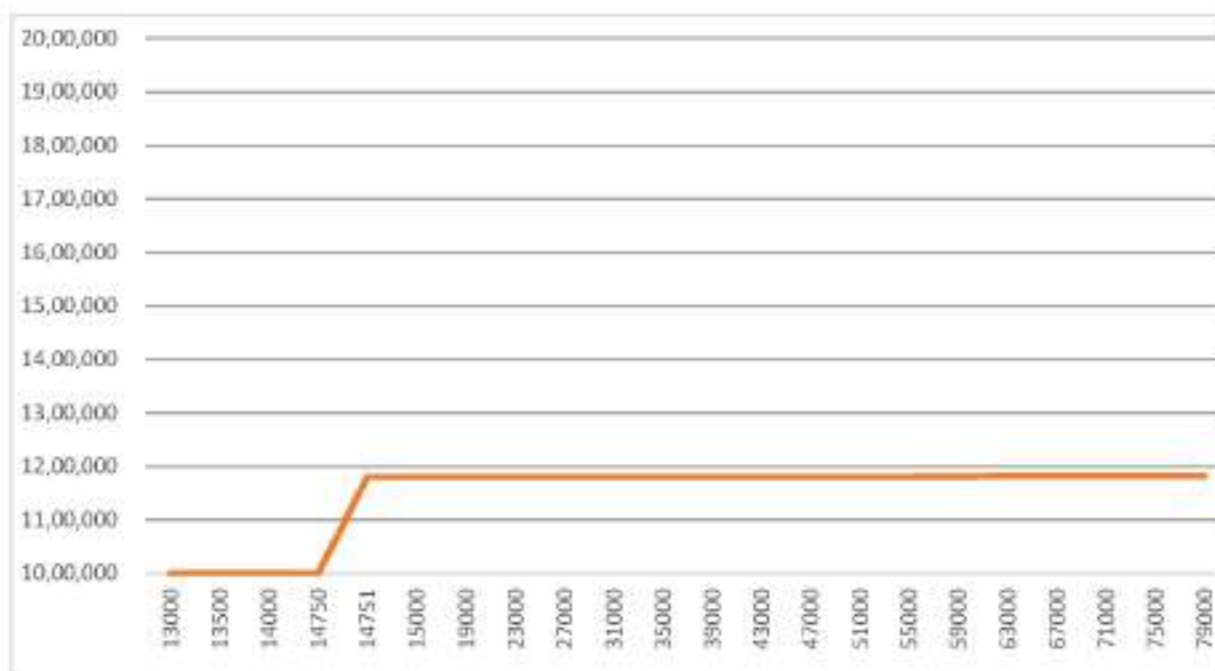
Observation Dates	The Deemed Date of Allotment (DDA) and the subsequent Reference Index futures expiry date in the months of February, May, August & November falling over life of the instrument. The same are expected to be as below***: <table border="1" data-bbox="475 344 1187 823"> <thead> <tr> <th>Observation Date No.</th><th>Observation Date</th></tr> </thead> <tbody> <tr><td>1</td><td>January 04, 2022</td></tr> <tr><td>2</td><td>February 24, 2022</td></tr> <tr><td>3</td><td>May 26, 2022</td></tr> <tr><td>4</td><td>August 25, 2022</td></tr> <tr><td>5</td><td>November 24, 2022</td></tr> <tr><td>6</td><td>February 23, 2023</td></tr> <tr><td>7</td><td>May 25, 2023</td></tr> <tr><td></td><td></td></tr> <tr><td></td><td></td></tr> <tr><td></td><td></td></tr> <tr><td></td><td></td></tr> </tbody> </table> In the event the Debentures are to be redeemed on a date earlier than the Final Redemption Date, the final Observation Date for calculating the Coupon Amount, if any, will be 15 calendar days from the date on which the Debenture Trustee receives the Early Redemption Notice/Put Option Notice. <i>***Provided that, if any such date except the DDA is not a scheduled Reference Index futures expiry date, then the Reference Index futures expiry date as notified by the Bombay Stock Exchange for that month will be considered as the observation date.</i>	Observation Date No.	Observation Date	1	January 04, 2022	2	February 24, 2022	3	May 26, 2022	4	August 25, 2022	5	November 24, 2022	6	February 23, 2023	7	May 25, 2023								
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6	February 23, 2023																								
7	May 25, 2023																								
Scenario Analysis																									

Scenario Analysis: Tabular Representations

Falling Scenario					
Initial Level	Final Level	Performance	Ann. Coupon Rate (XIRR)	Comparable Monthly Coupon Rate	Redemption at Face Value plus Coupon Amt.
59000	8850	-85.0%	0.00%	0.00%	10,00,000
59000	14750	-75.0%	0.00%	0.00%	10,00,000
59000	20650	-65.0%	11.85%	11.25%	11,80,922
Stable Scenario					
Initial Level	Final Level	Performance	Ann. Coupon Rate (XIRR)	Comparable Monthly Coupon Rate	Redemption at Face Value plus Coupon Amt.
59000	53100	-10.0%	11.85%	11.25%	11,80,922
59000	59000	0.0%	11.90%	11.30%	11,81,706
59000	64900	10.0%	11.95%	11.34%	11,82,490
59000	70800	20.0%	11.95%	11.34%	11,82,490
Rising Scenario					
Initial Level	Final Level	Performance	Ann. Coupon Rate (XIRR)	Comparable Monthly Coupon Rate	Redemption at Face Value plus Coupon Amt.
59000	91450	55.0%	11.95%	11.34%	11,82,490
59000	97350	65.0%	11.95%	11.34%	11,82,490
59000	103250	75.0%	11.95%	11.34%	11,82,490

Note: This scenario analysis is being provided for illustrative purposes only. It does not represent all possible outcomes

Scenario Analysis: Graphical Representation of Effective Coupon Amount vs Final SENSEX Levels



Note: This scenario analysis assumes initial SENSEX Level as 59,000 and is being provided for illustrative purposes only. It does not represent all possible outcomes

Schedule II

Redemption Schedule

Redemption Installments	Redemption Date	Amount to be redeemed per Debenture (in INR)
1	June 30, 2023	10,00,000

Schedule III

DEFINITIONS

"Client Protection Claim" means any claim, proceeding or investigation by a person in respect of any Client Protection Laws;

"Client Protection Laws" means any laws, rules or regulations applicable to the Company as a non-banking finance company or otherwise concerning consumer protection matters;

"Environmental and Social Claim" shall mean any claim, proceeding or investigation in respect of any Environmental and Social Requirements.

"Environmental and Social Requirements" means any law, rule or regulation (including international treaty obligations) applicable in the Republic of India and, in respect of the Company, any country in which the Company carries out business activities concerning (i) environmental matters, (ii) natural resource management, (iii) any environmental and/or social permit, license, consent, approval or other authorisation required by the Company to conduct its business, (iv) labour, (v) social security, (vi) industrial relations, (vii) protection of occupational as well as public health and safety, (viii) public participation, (ix) the protection and regulation of ownership of land rights (both formal and traditional), immovable goods and intellectual and cultural property rights, (x) the protection and empowerment of indigenous people or ethnic groups, (xi) the protection, restoration and promotion of cultural heritage and (xii) protection of employees and citizens.

"Exclusion List" means the list of excluded activities set out in **Annexure A (Exclusion List)**;

"Group Entities" shall mean and refer to the subsidiaries of the Company, associate companies (as defined under the extant Companies Act, 2013) of the Company, and the entities under Control of the Company, from time to time, and **"Group Entity"** shall mean anyone of them;

"Objectionable Practice" means any acts of bribery or corruption, financing of terrorist/terrorist organisation, misrepresentation for financial benefit, money laundering activities (howsoever described under applicable Law) or any act of falsifying/alteration of evidence relating to the aforesaid activities;

"OFAC" means the Office of Foreign Assets Control of the U.S. Department of the Treasury, which administers and enforces economic and trade sanctions based on U.S. foreign policy and national security goals against targeted individuals, organizations, and foreign countries and regimes.

"OFAC Lists" means the Specially Designated Nationals and Blocked Persons List and any other lists administered or enforced by OFAC, including but not limited to the Sectoral Sanctions Identifications List, the Foreign Sanctions Evaders List, the Palestinian Legislative Council List, and the List of Foreign Financial Institutions Subject to Correspondent Account or Payable-Through Account Sanctions, in each case as published by OFAC from time to time.

"Sanctions" means the economic sanctions laws, regulations, embargoes or restrictive measures administered, enacted or enforced by any Sanctioning Authority.

"Sanctioning Authority" means any of the United Nations Security Council, the European Union (or member state thereof), the United Kingdom (including Her Majesty's Treasury) and the United States (including OFAC).

"Workers' Rights Requirements" shall have the meaning given to it in **Annexure B (Workers' Rights Requirements)**.

REPRESENTATIONS AND WARRANTIES

- 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.
- 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.
- 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.
- No Corrupt Practices
 - (i) Neither the Company nor its Promoters 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.

AFFIRMATIVE COVENANTS

- (i) The Company shall (and it shall ensure that all of the Group Entities will) conduct 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 and take all reasonable steps in anticipation of known or expected future changes to or obligations under the same.
- (ii) The Company shall promptly inform the Debenture Trustee any material breach of any Environmental and Social Requirements and provide accurate and complete information with respect to such breach and any additional information in relation thereto, in whichever form as the Debenture Trustee may request at its sole discretion. The Company shall promptly inform the Debenture Trustee, on (i) any Environmental and Social Claim and/or any Client Protection Claim being commenced against it or against any Group Entity, and (ii) any facts or circumstances which will or are reasonably likely to result in any Environmental and Social Claim and/or any Client Protection Claim being commenced or threatened against it or any Group Entity, and provide accurate and complete information with respect to such Environmental and Social Claim and/or any Client Protection Claim and any additional information in relation thereto, in whichever form as the Debenture Trustee may request at its sole discretion.
- (iii) The Company shall (and it shall ensure that the Group Entities will) abide by the Workers' Rights Requirements.

NEGATIVE COVENANTS

- Perform or involve in any of the excluded activities as listed in the Exclusion List or finance any Person or Obligor performing any of the excluded activities as listed in the Exclusion List.
- Engage in any Objectionable Practice, nor authorise or permit any other Person acting on its behalf or on behalf of such Person to do so.
- Neither the Company nor any other person benefiting in any capacity, either directly or indirectly, in connection with or from the Debenture Trust Deed and/or any instruments and/or payments thereunder is included in any OFAC List or otherwise the subject or target of any Sanctions. The Company shall not, and shall require that none of its borrowers engage in any transaction, activity or conduct that would violate any Sanctions. The Company shall not use all or any part of the proceeds of the Issue for any purpose that would be in breach of any Sanctions. The Company shall require that none of its borrowers to whom any debt was made available by the Company utilising the proceeds of the Issue use all or any part of such debt for any purpose that would be in breach of any Sanctions.

Annexure A EXCLUSION LIST

The Company shall not, finance any activity, production, use, distribution, business or trade involving any of the following:

1. Forced labor^[1] or child labor.^[2]
2. Activities deemed illegal under host country laws or regulations or international conventions and agreements, or subject to international phaseouts or bans, such as:
 - (a) Pharmaceuticals,¹ pesticides, and herbicides,² ozone depleting substances,³ PCBs (Polychlorinated Biphenyls),⁴ or
 - (b) Wildlife or products regulated under Convention on International Trade in Endangered Species or Wild Fauna and Flora (CITES), or
 - (c) Drift net fishing in the marine environment using nets in excess of 2.5 km. in length or other unsustainable fishing methods like blast fishing.
3. Cross border trade in waste and waste products, unless compliant with the Basel Convention and the underlying regulations.

^[1] Forced labor means all work or service, not voluntarily performed, that is extracted from an individual under threat of force or penalty as defined by ILO conventions.

^[2] Persons may only be employed if they are at least 14 years old, as defined in the ILO Fundamental Human Rights Conventions (Minimum Age Convention C138, Art. 2), unless local legislation specifies compulsory school attendance or the minimum age for working. In such cases the higher age shall apply.

¹ A list of pharmaceutical products subject to phaseouts or bans is available at <http://www.who.int>.

² A list of pesticides and herbicides subject to phaseouts or bans is available at <http://www.pic.int>.

³ A list of the chemical compounds that react with and deplete stratospheric ozone resulting in the widely publicized ozone holes is listed in the Montreal Protocol, together with target reduction and phaseout dates. Information is available at <http://www.unep.org/ozone/montreal.shtml>.

⁴ A group of highly toxic chemicals, polychlorinated biphenyls are likely to be found in oil-filled electrical transformers, capacitors, and switchgear dating from 1950 to 1985.

4. Destruction^[3] of High Conservation Value areas.^[4]
5. Pornography and/or prostitution.
6. Racist and/or anti-democratic media.
7. Weapons and munitions, including paramilitary materials.
8. Alcoholic beverages (excluding beer and wine).⁵
9. Tobacco.⁵
10. Gambling, casinos and equivalent enterprises.⁵
11. Radioactive materials⁶ including nuclear reactors and components thereof or unbonded asbestos fibers.⁷
12. Hazardous chemicals,⁸ or commercial scale usage of hazardous chemicals (hazardous chemicals include gasoline, kerosene, and other petroleum products).
13. Commercial logging operations or the purchase of logging equipment for use in primary tropical forests or old-growth forests.
14. Marine and coastal fishing practices, such as large-scale pelagic drift net fishing and fine mesh net fishing, harmful to vulnerable and protected species in large numbers and damaging to marine biodiversity and habitats.
15. Production or activities that impinge on the lands owned, or claimed under adjudication, by indigenous peoples, without full documented consent of such peoples.
16. Any activity which may result in funding or supporting any individual or organization designated as: (i) terrorists or terrorist organizations by the United Nations, the European Union and any other applicable country; (ii) persons, groups or entities which are subject to United Nations, European Union and the US Office of Foreign Asset Control (OFAC) sanctions.

Annexure B

WORKERS' RIGHTS REQUIREMENTS

The Company shall ensure that it provides a healthy and safe work environment for its employees by complying with applicable national laws and regulations related to healthy and safe work environments.

^[3] Destruction means the (1) elimination or severe diminution of the integrity of an area caused by a major, long-term change in land or water use or (2) modification of a habitat in such a way that the area's ability to maintain its role is lost

^[4] High Conservation Value (HCV) areas are defined as natural habitats where these values are considered to be of outstanding significance or critical importance [See <http://www.hcvnetwork.org>]

⁵ This does not apply to project sponsors who are not substantially involved in these activities. Not substantially involved means that the activity concerned is ancillary to a project sponsor's primary operations.

⁶ This does not apply to the purchase of medical equipment, quality control (measurement) equipment, and any equipment for which ADB considers the radioactive source to be trivial and adequately shielded.

⁷ This does not apply to the purchase and use of bonded asbestos cement sheeting where the asbestos content is less than 20%.

⁸ A list of hazardous chemicals is available at <http://www.pic.int>.

The Company's relationship with all of its employees shall be based on principles of equal opportunity and fair treatment. There shall be no discrimination on grounds like age, sex, gender, disability, ailment, religion, race, nationality, social or ethnic origin, colour, sexual orientation, political opinion and other personal characteristics unrelated to the inherent requirements of the job.

The Company shall not discriminate with respect to any aspect of the employment relationship including the hiring/selection process, promotions, transfers, provision of training opportunities, compensation, employee benefits, termination or retirement policies, and disciplinary practices.

The Company shall:

- (i) not take any actions to prevent its employees from lawfully exercising their rights of association and their right to organize and bargain collectively, or take any actions, or otherwise interfere with, coerce, or penalize, on the basis of the right of association or on the basis of organization and collective bargaining activities or membership, that may result in any form of retaliation, including, but not limited to, the termination, suspension, demotion, blacklisting, or transfer of any employee by it, or by an officer, agent, or representative thereof;
- (ii) observe applicable laws relating to a minimum age for employment of children, acceptable conditions of work with respect to minimum wages, hours of work, and occupational health and safety;
- (iii) not use forced or compulsory labour, including, but not limited to any form of slavery or bonded labour, or child labour;
- (iv) explain, document, and make available in writing to each new employee prior to commencing work and to each existing employee, information regarding all of their working conditions and terms of employment, including their entitlement to wages and any benefits;
- (v) not employ persons, formally or informally, under the age of fifteen (15) for general work or under the age of eighteen (18) for any economically exploitative work, is likely to be hazardous or to interfere with the person's education, or is likely to be harmful to the person's health or development (where applicable laws diverge from this specified age standard, the higher standard shall apply);
- (vi) not make employment decisions or discriminate with respect to aspects of the employment relationship on the basis of personal characteristics unrelated to inherent job requirements, including gender, race, religion, nationality, political opinion, or social or ethnic origin; and
- (vii) pay all wages, including all legally mandated bonus pay and premium pay for overtime work, in full, in legal tender, and in a timely fashion, to employees except when employees have agreed otherwise.

The Company shall provide a grievance redressal mechanism for its employees (including grievances in relation to alleged discrimination at the workplace) including an anonymous channel for employees to utilise should they choose to do so. It is clarified that the said grievance redressal mechanism shall be in addition to and without prejudice to any rights or recourse that employees may have under applicable laws.

ANNEXURE IX- TRANSACTION DOCUMENTS

The list of documents which has been executed in connection with the issue and subscription of debt securities shall be annexed.

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

ANNEXURE IX: APPLICATION FORM

A Private Limited Company/public limited company incorporated under the Companies Act,
1956/2013

Date of Incorporation: [●]

Registered Office: [●]

Telephone No.: [●]

Website: [●]

DEBENTURE SERIES APPLICATION FORM SERIAL NO.									
---	--	--	--	--	--	--	--	--	--

Issue of 500 (Five Hundred) secured, rated, listed, redeemable, transferable, non-convertible Debentures of face value of INR 10,00,000/- (Indian Rupees Ten Lakhs only) each, aggregating up to INR 50,00,00,000 (Indian Rupees Fifty Crores) on a private placement basis (the "Issue").

DEBENTURE SERIES APPLIED FOR:

Number of Debentures: ____ In words: _____ -only

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

DETAILS OF PAYMENT:

Cheque / Demand Draft / RTGS

No. _____ Drawn on _____

Funds transferred to [●]

Dated _____

Total Amount Enclosed

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

APPLICANT'S NAME IN FULL (CAPITALS)

SPECIMEN SIGNATURE

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

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

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

(Note: Cheque and Drafts are subject to realisation)

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

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

Applicant's

Signature

FOR OFFICE USE ONLY

DATE OF RECEIPT _____ DATE OF CLEARANCE _____

(Note : Cheque and Drafts are subject to realisation)

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

ACKNOWLEDGMENT SLIP

(To be filled in by Applicant) SERIAL NO.

1	-	-	-	-	-	-	-	-	-
---	---	---	---	---	---	---	---	---	---

Received from _____

Address _____

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

INSTRUCTIONS

1. Application form must be completed in full, IN ENGLISH.
2. Signatures must be made in English or in any of the Indian languages. Thumb Impressions must be attested by an authorized official of the Bank or by a Magistrate/Notary Public under his/her official seal.
3. Application form, duly completed in all respects, must be submitted with the respective Collecting Bankers. The payment is required to be made to the following account of ICCL by way of an electronic transfer, in accordance with the terms of the EBP Guidelines, if applicable.

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

- a) for adjustment against allotment of securities; or
- b) for the repayment of monies where the company is unable to allot securities.

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

ANNEXURE X- VALUATION MATRIX FOR MLD

A detailed scenario analysis/ valuation matrix showing value of the security under different market conditions such as rising, stable and falling market conditions shall be disclosed in a table along with a suitable graphic representation

Effective Coupon Amount	$Face\ Value * [(1 + Effective\ Annualized\ Coupon\ Rate)^{(Tenor\ in\ Days/365)} - 1]$								
Effective Annualized Coupon Rate	Based on 'Reference Index Performance', corresponding 'Effective Annualized Coupon Rate' function' will be applicable <table border="1"> <thead> <tr> <th>Reference Index Performance</th><th>'Effective Annualized Coupon Rate' function</th></tr> </thead> <tbody> <tr> <td>$\leq -75\%$</td><td>0%</td></tr> <tr> <td>$> -75\% \text{ but } \leq 1.69\%$</td><td>Max (11.85% XIRR, Annualized Coupon Rate)</td></tr> <tr> <td>$> 1.69\%$</td><td>11.95% XIRR*</td></tr> </tbody> </table> (*12.00% XIRR is thus a ceiling and translates into a comparable coupon rate of 11.39% per annum when the coupon is paid out on a monthly basis. Please refer 'Scenario Analysis' section of the term sheet for further details)	Reference Index Performance	'Effective Annualized Coupon Rate' function	$\leq -75\%$	0%	$> -75\% \text{ but } \leq 1.69\%$	Max (11.85% XIRR, Annualized Coupon Rate)	$> 1.69\%$	11.95% XIRR*
Reference Index Performance	'Effective Annualized Coupon Rate' function								
$\leq -75\%$	0%								
$> -75\% \text{ but } \leq 1.69\%$	Max (11.85% XIRR, Annualized Coupon Rate)								
$> 1.69\%$	11.95% XIRR*								
Annualized Coupon Rate	$\left[\left(\frac{Face\ Value + Coupon\ Amount}{Face\ Value} \right)^{\frac{1}{Tenor\ in\ Days/365}} - 1 \right]$								
Coupon Amount	$Face\ Value * \{ [(1.119000)^{\frac{Tenor\ in\ Days}{365}} + (Participation\ Ratio * Reference\ Index\ Performance)] - 1 \}$								
Face Value	INR 10,00,000 (Rupees Ten Lakh only) per Debenture								
Tenor In Days	542 Days from Deemed Date of Allotment**								
	**In the case of an Early Redemption, Tenor in Days will be number of days between the Deemed Date of Allotment and Early Redemption Date								
Participation Ratio	5%								
Reference Index	BSE SENSEX 30								
Reference Index Performance	$\left(\frac{Final\ Fixing\ Level}{Initial\ Fixing\ Level} \right) - 1$								
Initial Fixing Level	Official closing level of the Reference Index as on Initial Fixing Date								
Initial Fixing Date	Deemed Date of Allotment								

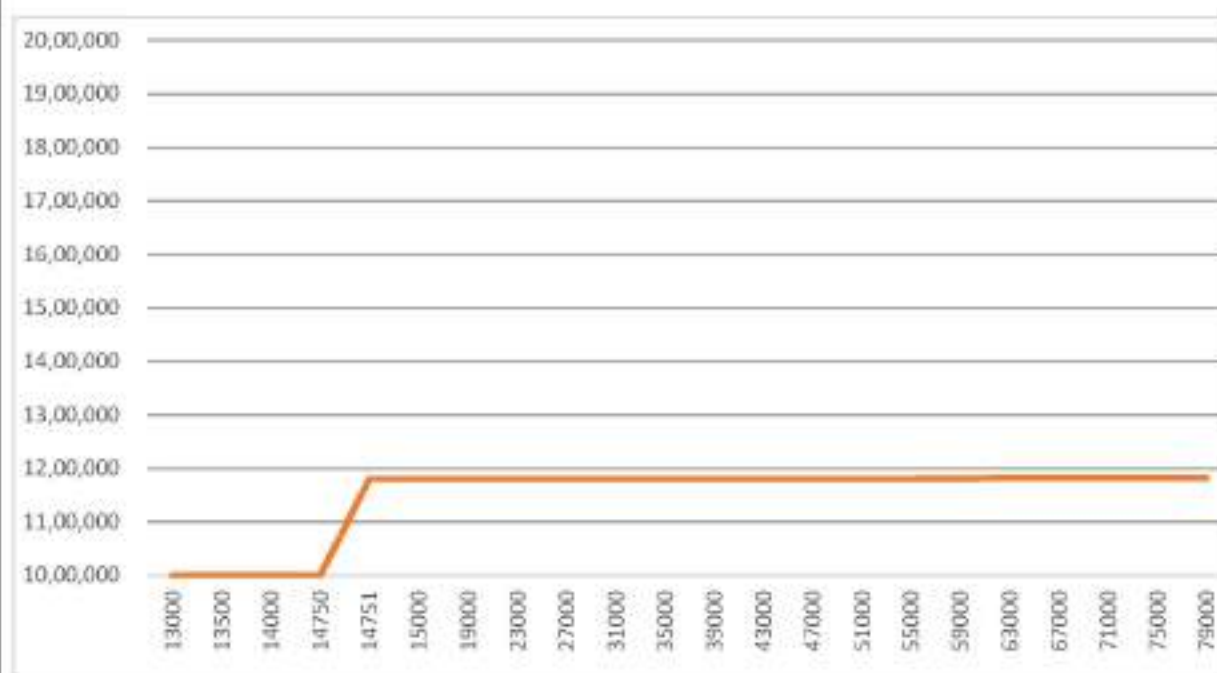
Final Fixing Level	Simple Average of the official closing level of the Reference Index on the Observation Dates.																								
Observation Dates	The Deemed Date of Allotment (DDA) and the subsequent Reference Index futures expiry date in the months of February, May, August & November falling over life of the instrument. The same are expected to be as below***: <table border="1"> <thead> <tr> <th>Observation Date No.</th><th>Observation Date</th></tr> </thead> <tbody> <tr><td>1</td><td>January 04, 2022</td></tr> <tr><td>2</td><td>February 24, 2022</td></tr> <tr><td>3</td><td>May 26, 2022</td></tr> <tr><td>4</td><td>August 25, 2022</td></tr> <tr><td>5</td><td>November 24, 2022</td></tr> <tr><td>6</td><td>February 23, 2023</td></tr> <tr><td>7</td><td>May 25, 2023</td></tr> <tr><td></td><td></td></tr> <tr><td></td><td></td></tr> <tr><td></td><td></td></tr> <tr><td></td><td></td></tr> </tbody> </table> In the event the Debentures are to be redeemed on a date earlier than the Final Redemption Date, the final Observation Date for calculating the Coupon Amount, if any, will be 15 calendar days from the date on which the Debenture Trustee receives the Early Redemption Notice/Put Option Notice. <i>***Provided that, if any such date except the DDA is not a scheduled Reference Index futures expiry date, then the Reference Index futures expiry date as notified by the Bombay Stock Exchange for that month will be considered as the observation date.</i>	Observation Date No.	Observation Date	1	January 04, 2022	2	February 24, 2022	3	May 26, 2022	4	August 25, 2022	5	November 24, 2022	6	February 23, 2023	7	May 25, 2023								
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Scenario Analysis: Tabular Representations

Scenario Analysis: Tabular Representations					
Falling Scenario					
Initial Level	Final Level	Performance	Ann. Coupon Rate (XIRR)	Comparable Monthly Coupon Rate	Redemption at Face Value plus Coupon Amt.
59000	8850	-85.0%	0.00%	0.00%	10,00,000
59000	14750	-75.0%	0.00%	0.00%	10,00,000
59000	20650	-65.0%	11.85%	11.25%	11,80,922
Stable Scenario					
Initial Level	Final Level	Performance	Ann. Coupon Rate (XIRR)	Comparable Monthly Coupon Rate	Redemption at Face Value plus Coupon Amt.
59000	53100	-10.0%	11.85%	11.25%	11,80,922
59000	59000	0.0%	11.90%	11.30%	11,81,706
59000	64900	10.0%	11.95%	11.34%	11,82,490
59000	70800	20.0%	11.95%	11.34%	11,82,490
Rising Scenario					
Initial Level	Final Level	Performance	Ann. Coupon Rate (XIRR)	Comparable Monthly Coupon Rate	Redemption at Face Value plus Coupon Amt.
59000	91450	55.0%	11.95%	11.34%	11,82,490
59000	97350	65.0%	11.95%	11.34%	11,82,490
59000	103250	75.0%	11.95%	11.34%	11,82,490

Note: This scenario analysis is being provided for illustrative purposes only. It does not represent all possible outcomes

Scenario Analysis: Graphical Representation of Effective Coupon Amount vs Final SENSEX Levels



Note: This scenario analysis assumes initial SENSEX Level as 59,000 and is being provided for illustrative purposes only. It does not represent all possible outcomes

ANNEXURE XI- DECLARATION OF PROMOTER

We/ hereby declare that the that the Permanent Account Number, Aadhaar Number, Driving License Number, Bank Account Number(s) and Passport Number of the promoters and Permanent Account Number of directors have been submitted to the stock exchanges on which the non-convertible securities are proposed to be listed.

Authorized Signatory

A handwritten signature, possibly "Vick", is written over a circular stamp. The stamp contains the text "KRAZEE SERVICES PVT. LTD." around the perimeter and "BANGALORE" in the center.

ANNEXURE XII- PAS 4

Private Placement Offer cum Application Letter
Serial Number: 1
Addressed to: Northern Arc Capital Limited
No. 1, Kanagam Village, 10th Floor IITM
Research Park, Taramani Chennai - 600113

Date: 31.12.2021

FORM NO PAS-4
PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER
("PBOA")

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

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

KRAZYBEE SERVICES PRIVATE LIMITED

PART A

I. General Information:

LL. Name, address, website and other contact details of the Company, indicating both registered office and the corporate office:

Issuer / Company: Krazybee Services Private Limited
Registered Office: 3rd Floor, No.128/9, Maruthi Sapphire,
HAL Airport Road, Murgesh Palya,
Bangalore, Karnataka 560017
Website: <https://www.kbnbfc.in/>
Contact Person: Mr. Vivek Veda
Email: vivek@krazybee.com

B. Date of Incorporation of the Company:

March 16, 2016

C. Business carried on by the Company and its subsidiaries with the details of branches or units, if any;

Krazybee Services Private Limited (the Company) is a Systemically Important, Non-Deposit Taking, Non-Banking Finance Company (NBFC-ND-SI), which is regulated by the Reserve Bank of India (RBI). The company was co-founded by Madhusudhan Ekambaram and Karthikeyan Krishnawamy in March 2016 and received an NBFC license from the RBI in May 2017.

KrazyBee offers unsecured personal loans of up to Rs. 2,00,000 to young professionals with a tenor of up to 15 months. Company's mission is financial inclusion of masses and enabling consumer credit for 400 Mn+ Indian consumers via technology, especially for those who are new to credit and do not have credit history, which is consistent with Government of India's ('GoI') priority.

KrazyBee operates in the fintech lending space and its entire loan origination is via the mobile application platform under the brand name - "KreditBee". The company has till date catered to ~3.5 million young professionals (compared to an addressable target market of 180 million), disbursed 10,300 Crore+ value of loans across 2 Crore number of loans.

The founders and the management each have 10-15 years of experience in the areas of technology, operations, project management, sales, finance, risk management, data science, digital marketing and quantitative analysis.

KrazyBee is headquartered in Bangalore and has a lending presence across India. It is a 99.449% subsidiary of a Singapore-based entity named Finnov Private Limited ('Finnov'). Finnov has till date ~USD 90M in equity from renowned and reputed investors namely, Premji Invest, Motilal Oswal Private Equity, NewQuest, Alpine Capital and Mirae Asset Ventures.

D. Brief particulars of the management of the Company:

Management Details		
Name	Designation	Experience
Madhusudan Ekambaram	Director	Madhusudan has over 15 years of experience across Product Portfolio Management, Business Innovation, Sales and Business Development. Add to that his personal interest of money lending (lent over \$200,000 at 24% interest rate per annum) & chit business (was the Fund Manager for his chit business of size \$1.8 million, with 50 members contributing \$375 per month). Madhusudan also co-founded FACE (Fintech Association of Consumer Empowerment), a not for profit organization, with the intent to work with all stakeholders including the consumers, regulators, policymakers to proactively evolve consumer-centric practices in the Indian Fin-Tech digital lending space. Madhusudan has completed his BE in Information Technology from NIT Suratkal.
Karthikeyan Krishnaswamy	Director	Karthikeyan has over 12 years of experience in Technology and Products. He has good experience across server/ consumer domains and commonly used languages (JAVA, C, PHP etc) and has conceptualized & commercialized many micro-innovations and software solutions targeted for India and South Pacific market. He started his career at Innovo Solutions and worked there for 5 years. This was followed by an 8 years stint at Huawei

Management Details		
Name	Designation	Experience
		where he was the System Architect. This was followed by a one-year stint as CTO at NTT Solutions. At KrazyBee, he led the entire technical implementation which includes website development, B2C app roll out and Campus Manager app roll out. Karthikeyan has completed Masters in Computer Science from National University of Singapore (NUS).
Vivek Veda	Director	Vivek has over 14 years of experience dealing in multiple domains in Finance. He is a Chartered Accountant by qualification and has done his B.Com from Delhi University. He started his career as a Consultant at S.S.Kothari Mehta & Co, where he worked for 4 years (including internship years) and was involved in valuation for M&A, merger, demerger, private equity placement etc. This was followed by a 4 year stint at HSBC Global Banking & Markets (Assistant Manager), 3 years at Edelweiss Capital (Mid cap analyst), 1 year at Espirito Santo Investment Bank (Consumer analyst) and 2 years as Emerging Markets Consumer Research Analyst at Societe Generale.

E. Name, address, director identification number (DIN) and occupations of the directors:

Sl. No.	Name of the Directors	Address	DIN	Occupation
1	Madhusudan Ekambaram	No.296, Behind JubleeCollege, JinkethimmanaHalli, Ramamurthy Nagar, Bengaluru 560036 KA IN	07442577	Director
2	Karthikeyan Krishnaswamy	K-701,SNN Raj Lake View Apts, 29th Main Road NS Palya Main Road, BTM Layout, Bengaluru 560076 KA IN	07449376	Director
3	Vivek Veda	Flat No. 1073, Shoba Daisy Apartment, Bellandur, Green Glay Layout, Bangalore 560103 KA IN	07560229	Director
4	Adesh Gupta Kumar	701, Tagore Avenue, Tagore Road, Santacruz (West), Mumbai - 400 054.	00020403	Independent Director

5	Abhishek Singhvi	B-803, Joy Valencia, Off J V L R, Jogeshwari East, Mumbai -400060	07972535	Independent Director
6	Gopalakrishna Gurrappa	B 301-302, Lady Ratan Tower, Dainik Shivner Marg, Gandhi Nagar Behind Four Seasons Hotel Upper Worli Lower Mumbai Maharashtra 400018 India	06407040	Independent Director

F. Management perception of Risk Factors:

i. Repayment is subject to the Credit Risk of the Issuer.

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

ii. THE SECONDARY MARKET FOR DEBENTURES MAY BE ILLIQUID.

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

iii. TAX CONSIDERATIONS AND LEGAL CONSIDERATIONS

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

iv. ACCOUNTING CONSIDERATIONS

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

v. THERE MAY BE DELAY OR FAILURE IN RECOVERING THE EXPECTED VALUE OF ASSETS CHARGED AS SECURITY

In the event that the Company is unable to meet its payment and other obligations towards Investors under the terms of the Debentures, the Debenture Trustee may enforce the Security as per the terms of security documents, and other related documents. The Investors recovery in relation to the Debentures will be subject to realisable value of assets charged as security and any failure or delay to recover the expected value of the assets charged as security in connection with the NCDs could expose the investors to a potential loss.

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

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

vii. LEGALITY OF PURCHASE

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

viii. POLITICAL AND ECONOMIC RISK IN INDIA

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

ix. RISKS RELATED TO THE BUSINESS OF THE ISSUER

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

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

The Issuer cannot assure that the Issuer will be able to effectively control and reduce the level of the impaired loans in its total loan portfolio. The amount of the Issuer's reported non-performing loans may increase in the future as a result of growth in the total loan portfolio, and also due to factors beyond the Issuer's control, such as over-extended member credit that we are unaware of. Failure to manage NPAs or

effect recoveries will result in operations being adversely affected.

The Issuer's current loan loss reserves may not be adequate to cover an increase in the amount of NPAs or any future deterioration in the overall credit quality of the Issuer's total loan portfolio. As a result, if the quality of the Issuer's total loan portfolio deteriorates the Issuer may be required to increase the loan loss reserves, which will adversely affect the Issuer's financial condition and results of operations. The Issuer's members largely belong to low-income segment and, as a result, might be vulnerable if economic conditions worsen or growth rates decelerate in India, or if there are natural disasters such as floods and droughts in areas where the Issuer's members live. Moreover, there is no precise method for predicting loan and credit losses, and the Issuer cannot assure that the Issuer's monitoring and risk management procedures will effectively predict such losses or that loan loss reserves will be sufficient to cover actual losses. If the Issuer is unable to control or reduce the level of its NPAs or poor credit quality loans, the Issuer's financial condition and results of the Issuer's operations could be materially and adversely affected.

2. ***The Issuer's is exposed to operational risks, including employee negligence, petty theft, burglary, embezzlement and fraud by employees, agents, customers or third parties, which could harm our Company's results of operations and financial position.***

The issuer is exposed to many types of operational risks. Operational risks can result from a variety of factors, including failure to obtain proper internal authorisations, improperly documented transactions, failure of operational and information security procedures, computer systems, software or equipment, fraud, inadequate training and employee errors. The issuer attempts to mitigate operational risk by maintaining a comprehensive system of internal controls, establishing systems and procedures to monitor transactions, maintaining key back-up procedures, undertaking regular contingency planning and providing employees with continuous training. Any failure to mitigate such risks may adversely affect our Company's business and results of operations.

The Issuer's dependence upon automated systems to record and process transactions may increase the risk that technical system flaws or employee tampering or manipulation of those systems will result in losses that are difficult to detect.

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

3. ***Loans due within one year account for almost all of the Issuer's interest income, and a significant reduction in short term loans may result in a corresponding decrease in its interest income.***

All of the loans the Issuer issues are due within approximately one year of disbursement. Any potential instability of the Issuer's interest income could materially and adversely affect the Issuer's results of operations and financial position.

The loans given by the issuer are at fixed interest rate, and the tenor of the underlying asset is from 62 days to One year which has provided stability to the portfolio and interest income and has also smoothened operating expense.

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

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

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

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

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

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

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

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

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

8. ***Competition from banks and financial institutions, as well as state-sponsored social programs, may adversely affect our profitability and position in the Indian lending industry***

The Issuer faces most significant competition from other NBFCs and banks in India. Many of the institutions with which Issuer competes have greater assets and better access to, and lower cost of, funding than the issuer. In certain areas, they may also have better name recognition and larger member bases than Issuer. Issuer anticipates that it may encounter greater competition as they continue expanding the operations in India, which may result in an adverse effect on the business, results of operations and financial condition.

G. Details of defaults, if any, including the amounts involved, duration of default, and present status, in repayment of:

- (i) Statutory Dues: Nil
- (ii) Debenture and interest thereon: Nil
- (iii) Deposits and interest thereon: Nil
- (iv) Loans from banks and financial institutions and interest thereon: Nil

H. Name, designation, address and phone number, email ID of the nodal / compliance officer of the Company, if any, for the Issue:

Name: Pallavi Lingaraju
 Designation: Company Secretary
 Address: 3rd Floor, No.128/9, Maruthi Sapphire,
 HAL Airport Road, Murgesh Palya,
 Bangalore, Karnataka 560017
 Phone No.: +91 9972857010
 Email: pallavis@krazybee.com

I. Any default in annual filing of the Company under the Companies Act, 2013 or rules made thereunder: No

2. Particulars of the Offer:

(i) Financial position of the Company for the last 3 financial year	Refer to financials given below
(ii) Date of passing of Board Committee (Borrowing) Resolution	December 27, 2021
(iii) Date of passing of resolution in general meeting, authorizing the offer of securities	March 30, 2021
(iv) Kind of securities offered (i.e. whether share or debenture) and class of security; the total number of	Rated, Secured, Taxable, Listed, Redeemable, Principal Protected Market Linked Non -Convertible Debentures (" Debentures ")

shares or other securities to be issued	
(v) 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 10,00,000/- (Indian Rupees Ten Lakh only) per Debenture. Not applicable as each Debenture is a non-convertible debt instrument which is being issued at face value.
(vi) 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 each Debenture is a non-convertible debt instrument which is being issued at face value.
(vii) Relevant date with reference to which the price has been arrived at	Not applicable as each Debenture is a non-convertible debt instrument which is being issued at face value.
(viii) The class or classes of persons to whom the allotment is proposed to be made	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) Mutual Funds (b) NBFCs (c) Provident Funds and Pension Funds (d) Corporates (e) Banks (f) Foreign Institutional Investors (FIIs) (g) Qualified Foreign Investors (QFIs) (h) Foreign Portfolio Investors (FPIs) (i) Insurance Companies (j) Alternative investment funds (k) Any other person (not being an individual or a group of individuals) eligible to invest in the Debentures.

	All potential Investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this issue of Debentures.
(ix) Intention of promoters, 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]	Not applicable as the Debentures are non-convertible debt instruments
(x) The proposed time within which the allotment shall be completed	The Debentures will be deemed to be allotted on the date of receipt of subscription money during the offer period (i.e. <u>31.12.2021</u> to <u>04.01.2022</u>), and the Company will ensure that the debentures are credited into the demat accounts of the holders of the Debentures ("Debenture Holders") within stipulated period under the regulation. In any case, the period within which the Debentures will be allotted will not exceed the maximum period of 60 days from the date of receipt of application money prescribed under the Companies Act, 2013.
(xi) The names of the proposed allottees and the percentage of post Private Placement issue capital that may be held by them [not required in case of issue of non-convertible debentures];	Not applicable as the Debentures are non-convertible debt instruments
(xii) The change in control, if any, in the Company that would occur consequent to the Private Placement	Not applicable as the Debentures are non-convertible debt instruments
(xiii) The number of persons to whom allotment on preferential basis/private placement / rights issue has already been made during the year (Financial year), in terms of number of securities as well as price	Annexure II attached
(xiv) The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer	Not applicable as the Debentures are non-convertible debt instruments
(xv) Amount, which the Company intends to raise by way of securities	Up to INR 50,00,00,000/- (Indian Rupees Fifty Crore Only)

(xvi) Terms of raising of securities:	Duration, if applicable:	18 Months								
	Rate of Interest or dividend:	Based on 'Reference Index Performance', corresponding 'Effective Annualized Coupon Rate' function' will be applicable <table><tr><th>Reference Index Performance</th><th>'Effective Annualized Coupon Rate' function</th></tr><tr><td>< -75%</td><td>0%</td></tr><tr><td>> -75% but < -1.69%</td><td>Max (11.85% XIRR, Annualized Coupon Rate)</td></tr><tr><td>> 1.69%</td><td>11.95% XIRR*</td></tr></table> (*12.00% XIRR is thus a ceiling and translates into a comparable coupon rate of 11.39% per annum when the coupon is paid out on a monthly basis. Please refer 'Scenario Analysis' section of the term sheet for further details)	Reference Index Performance	'Effective Annualized Coupon Rate' function	< -75%	0%	> -75% but < -1.69%	Max (11.85% XIRR, Annualized Coupon Rate)	> 1.69%	11.95% XIRR*
	Reference Index Performance	'Effective Annualized Coupon Rate' function								
	< -75%	0%								
	> -75% but < -1.69%	Max (11.85% XIRR, Annualized Coupon Rate)								
> 1.69%	11.95% XIRR*									
Mode of Payment	Electronic Transfer									
Mode of Repayment	Electronic Transfer									
(xvii) Proposed time schedule for which the Issue/Private Placement Offer cum Application Letter is valid	Issue Open Date: 31.12.2021 Issue Closing Date: 04.01.2022									
(xviii) Purpose and objects of the Issue/Offer	The Proceeds of the Issuance will be utilized for the following purpose: 1. General Corporate Purpose 2. for ordinary course of business of Issuer including repayment/re-financing of existing debt 3. for deployment in business & growth of asset book									
(xix) Contribution being made by the Promoters or directors either as part of the offer or separately in furtherance of such objects	Not Applicable									
(xx) Principal terms of assets charged as security, if applicable	Exclusive Charge on Hypothecated Receivables to the extent of 110%.									
(xxi) The details of significant and material orders passed by the Regulators, Courts and Tribunals impacting the ongoing concern status of the	Not Applicable									

Company and its future operations

(xxii) The pre-issue and post issue shareholding pattern of the Company in the following pattern:

Sl. No.	Category	Pre-issue		Post Issue	
		No. of shares held	% of Shareholding	No. of shares held	% of Shareholding
A	Promoter's Holding				
1	Indian	-	-	-	-
	Individual	5900	0.551%	5900	0.525%
	Bodies Corporate	-	-	-	-
	Sub-Total	5900	0.551%	5900	0.525%
2	Foreign Promoters	11,17,952	99.475%	11,17,952	99.475%
	Sub-Total (A)	11,23,852	100%	11,23,852	100%
B	No-Promoters Holding				
1	Institutional Investors	-	-	-	-
2	Non-Institutional Investors	-	-	-	-
	Private Corporate Bodies	-	-	-	-
	Directors and Relatives	-	-	-	-
	Indian Public	-	-	-	-
	Other [Including Non-Resident Indians (NRI's)]	-	-	-	-

	Sub-Total (B)	-	-	-	-
	GRAND TOTAL (A + B)	11,23,852	100%	11,23,852	100%
(xxiii) Bank Accounts details for subscription of money		Account Name: Krazybee Services Private Limited Bank Name: ICICI Bank Ltd A/c no: 000205032465 IFSC Code: ICIC00000002 MICR 560229002 Address: Commercial Banking, 1 st Floor, West Wing, No.1 Commissariat Road, Sobha Pearl, Bangalore - 560025			

3. Mode of Payment for Subscription: Not applicable

() Cheque

() Demand Draft

() Other Banking Channels

4. Disclosure with regard to interest of directors, litigation, etc:

(i) 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	Not Applicable
(ii) 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 circulation 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	Not Applicable
(iii) Remuneration of directors (during the current year and last 3 (three) financial years):	
Name of the Director	Remuneration (in Rs)
2020-2021:	
Vivek Veda	40,75,000/-
Madhusudan Ekambaram	NIL

Karthikeyan Krishnaswamy	NIL
2019-2020:	
Vivek Veda	NIL
Madhusudan Ekambaram	NIL
Mahaveer Chaplot	NIL
Karthikeyan Krishnaswamy	NIL
2018-2019:	
Vivek Veda	NIL
Madhusudan Ekambaram	NIL
Mahaveer Chaplot	NIL
Karthikeyan Krishnaswamy	NIL

(iv) Related party transactions entered during the last 3 (three) financial years immediately preceding the year of circulation of this Private Placement offer cum application letter including with regard to loans made or, guarantees given or securities provided:

1.Transaction	2. Related Party	31-Mar-21 (in lakhs)	31-Mar-20 (in lakhs)	31-Mar-19 (in lakhs)
Sale of Services	Finnovation tech solutions Pvt Ltd.	6,645.56	17,771.19	2,627.26
	Kartbee Technologies Pvt Ltd	1,466.47	1,530.58	Nil
Purchase of services	Finnovation tech solutions Pvt Ltd.	403.28	2,261.32	462.90
	Kartbee Technologies Pvt Ltd	448.08	180.86	Nil
Securities premium	Finnov Private limited	21,031.31	3,438.26	18,461.54
Amount owed by related parties	Finnovation tech solutions Pvt Ltd.	-	298.52	957.26
	Kartbee Technologies Pvt Ltd	-	365.58	Nil

Amount owed to related parties	Finnovation tech solutions Pvt Ltd.	1,258.47	-	-
Amount owed to related parties	Finnov Pvt. Ltd.	0.02	0.02	0.02
Amount owed to related parties	Karlbee Technologies Private Limited	64.55	-	-
Borrowings from related party	Finnov Private Limited	14,700.94	15,077.18	-
Issue of Non-Convertible Debentures (including accrued interest)	Krishnaswamy Bhanumath	-	40.09	-
	Shanmuga Nursing Home	-	110.23	-
	Vani Jain	60.57	40.09	-
	Nutan Soudagar	40.38	20.04	-
	Madhusudan Ekambaram	90.85	-	-
	Sreenidhi Sattanathan	-	40.09	-
	Vibha Veda	20.22	-	-
	Vivek Veda	20.22	-	-
	Finnov Private Limited	791.54	409.33	-
	Sreenidhi Sattanathan	3.89	3.41	-
	Krishnaswamy Bhanumathi	3.89	3.41	-
	Madhusudan Ekambaram	7.64	-	-
	Nutan Soudagar	5.17	0.81	-
	Shanmuga Nursing Home	4.64	7.13	-
	Krishnamurthy Ekambaram	1.95	-	-

Finance Cost	Latha	1.96	-	-	
	Manjula	1.95	-	-	
	Vani Jain	7.68	3.41	-	
	Vibha Veda	0.23	-	-	
	Vivek Veda	0.23	-	-	
(v) Summary of reservations or qualifications or adverse remarks of auditors in the last 5 (five) financial years immediately preceding the year of issue of private placement basis offer cum application letter and of their impact on the financial statements and financial position of the Company and the corrective steps taken and proposed to be taken by the Company for each of the said reservations or qualifications or adverse remark		Not Applicable			
(vi) Details of any inquiry, inspections or investigations initiated or conducted under the Companies Act or any previous company law in the last 3 (three) years immediately preceding the year of issue of Private Placement offer cum application letter in the case of the Company and all of its subsidiaries. Also if there were any were any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last 3 (three) years immediately preceding the year of the Private Placement offer cum application letter and if so, section-wise details thereof for the Company and all of its subsidiaries		Not Applicable			
(vii) Details of acts of material frauds committed against the Company in the last 3 (three) years, if any, and if so, the action taken by the company		Not Applicable			

5. Financial Position of the Company:

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

The authorised, issued, subscribed and paid up capital (number of securities, description and aggregate nominal value)	Share Capital as on March 31, 2021		INR	
	Authorised			
	Equity Shares of Rs. 10 each		1,50,00,000	
	TOTAL		1,50,00,000	
	Issued, Subscribed and Fully Paid-up			
	Equity Shares of Rs. 10 each, fully paid-up		1,12,38,520	
	TOTAL		1,12,38,520	
Size of the Present Offer	Up to INR 50,00,00,000/- (Indian Rupees Fifty Crore Only)			
Paid-up Capital: a. After the offer: b. After the conversion of Convertible Instruments (if applicable)	No Change, since the offer pertains to issuance of Non-Convertible Debentures			
Share Premium Account: a. Before the offer: b. After the offer:	No Change, since the offer pertains to issuance of Non-Convertible Debentures			
Details of the existing share capital of the Issuer in tabular form, indicating therein with regard to each allotment, the date of the allotment, the number of shares allotted, the face value of the shares allotted, the price and the form of consideration.::				
Date of Allotment	No. of Shares allotted	Face value of shares	Issue Price	Form of Consideration
March 16, 2016	10	10/-	10	Cash
March 16, 2016	9990	10/-	10	Cash
August 16, 2016	10408	10/-	3162	Cash
July 28, 2017	18822	10/-	3162	Cash
November 17, 2017	88312	10/-	3162	Cash
September 12, 2018	41468	10/-	3500	Cash

November 15, 2018	144440	10/-	3500	Cash
January 11, 2019	100665	10/-	3500	Cash
March 1, 2019	203171	10/-	3500	Cash
March 28, 2019	39240	10/-	3500	Cash
June 12, 2019	99807	10/-	3500	Cash
March 26, 2021	3,13,900	10/-	6700	Cash
September 02, 2021	53,619	10/-	6880	Conversion of ECB to equity shares

Shareholding pattern of the Issuer

Sr. No.	Name of the Shareholder / Particulars	Class	Total Number of equity shares	Total percentage (%) of Shareholding	Number of shares held in Demat Form
1	Karthikeyan Krishnaswamy	Equity	10	0.001%	Nil
2	Madhusudan Ekambaram	Equity	5890	0.524%	Nil
3	Finnov Private Limited	Equity	11,17,952	99.475%	Nil

Details of allotments made by the Company in the last one year prior to the date of this Private Placement Offer cum Application Letter for consideration other than cash and details of the consideration in each case.

The Company has allotted 53,619 equity shares to Finnov Private Limited, Holding Company pursuant to partial conversion of External Commercial Borrowing into equity shares of the Company.

Profits of the Company, before and after making provision for tax, for the 3 (three) financial years immediately preceding the date of circulation of private placement Offer cum Application Letter	FY	PBT (in INR Cr)	PAT (in INR Cr)
	FY 2021	187.48	28.02
	FY 2020	44.27	31.77
	FY 2019	11.89	8.30
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)	Nil		

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	Annexure I
Audited Cash Flow Statement for the 3 (three) years immediately preceding the date of circulation of this private placement Offer cum Application Letter	Annexure I
Any change in accounting policies during the last 3 (three) years and their effect on the profits and the reserves of the Company	The Company has adopted Indian Accounting Standards (IND-AS) as per the applicable regulations and pursuant to Section 133 of Companies Act, 2013 read with Companies (Indian Accounting Standard) Rules, 2015. Previous year figures have been restated to conform to IND-AS.

6. DECLARATION (To be provided by the Directors)

- a. The Company has complied with the provisions of the Companies Act, 2013 and the rules made thereunder;
- b. The compliance with the Companies Act and the rules does not imply that payment of dividend or interest or repayment of the Debentures, if applicable, is guaranteed by the Central Government;
- c. the monies received under the Offer shall be used only for the purposes and objects indicated in this Private Placement Offer cum Application Letter;

I am authorized by the Board Committee (Borrowings) of the Company *vide* resolution no. 05 dated December 27, 2021 to sign this form 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 form and in the attachments thereto is true, correct and complete and no information material to the subject matter of the Private Placement Offer cum Application Letter 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 form.

For **Krazybee Services Private Limited**

Authorised Signatory

Name: Vivek Veda

Title: Director

DIN: 07560229

Date:

Place: Bangalore

Enclosed

Copy of Board Resolution

Copy of Shareholders Resolution

PART – B
(To Be filled by the applicant)

Sl. No.	Particulars	Details
1	Name	Northern Arc Capital Limited
2	Father's Name	NA
3	Complete Address (including Flat/ House Number, Street, Locality, Pin Code)	10th Floor-Phase I IIT-Madras Research Park Kanagam Village, Taramani Chennai 600113 India
4	Phone Number, if any	+91 44 66687382
5	Email ID, if any	Kalyanasundaram.C@Northernarc.com
6	PAN Number	AACCI0979B
7	Bank Account Details	Account No: 10023719388 Bank: IDFC Bank IFSC Code: IDFB0080101 Branch: Chennai RK Salai
8	Number of Equity Shares subscribed	NA
9	Total value of Non-Convertible Debentures subscribed	Rs.50,00,00,000

Authorised Signatory

Initial of the officer of the Company designated to keep the record

ANNEXURE I

KRAZYBEE SERVICES PRIVATE LIMITED

Balance sheet as at 31 March 2021

(All amounts are in INR Lakhs, unless otherwise stated)

S.No	Particulars	Note	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
ASSETS					
(1) Financial assets					
(a)	Cash and cash equivalents	4(i)	24,723.27	9,089.17	7,594.89
(b)	Bank balance other than (a) above	4(ii)	371.72	786.52	447.04
(c)	Derivative financial instruments	5	-	128.85	-
(d)	Trade receivables	6	-	1,103.73	1,383.09
(e)	Loans	7	54,114.48	91,852.27	24,104.92
(f)	Investments	8	3,511.25	2,544.15	194.85
(g)	Other financial assets	9	8,485.66	2,767.14	1,961.76
(2) Non-financial assets					
(a)	Current tax assets (net)	10	654.45	666.85	13.33
(b)	Deferred tax assets (net)	11	1,449.30	1,354.68	232.97
(c)	Property, plant and equipment	12	113.90	188.79	78.25
(d)	Right of use asset	39	86.95	220.22	159.15
(e)	Intangible assets	13	13.39	24.25	27.81
(f)	Other non-financial assets	14	54.75	123.84	93.50
	Total assets		1,03,598.55	1,10,752.89	36,201.56
LIABILITIES AND EQUITY					
LIABILITIES					
(1) Financial liabilities					
(a)	Trade payables	15	-	-	-
	(i) total outstanding dues of micro enterprises and small enterprises		19.05	23.42	4.04
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		1,352.02	117.65	78.65
(b)	Debt securities	16	11,717.74	22,207.14	1,925.65
(c)	Borrowings (other than debt securities)	17	25,116.74	36,126.77	9,628.96
(d)	Deposits	18	-	100.00	749.17
(e)	Other financial liabilities	19	560.01	1,394.58	420.29
(2) Non-financial liabilities					
(a)	Current tax liabilities (net)	20	712.75	-	-
(b)	Provisions	21	78.08	30.18	15.71
(c)	Other non-financial liabilities	22	382.28	1,103.84	452.64
(3) EQUITY					
(a)	Equity share capital	23	107.02	75.63	65.43
(b)	Other equity	24	53,442.82	29,613.72	22,856.80
	Total liabilities and equity		1,03,598.55	1,10,752.89	36,201.56

Summary of significant accounting policies

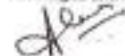
The accompanying notes are an integral part of the financial statements

As per our report of even date

For V.R. ASSOCIATES

Chartered Accountants

Firm Registration No: 001279C



ARVIND CHANDAN

Partner

Membership No: 406175

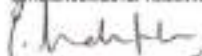
Place: Lucknow

Date: August 13, 2021

For and on behalf of the Board of Directors of

KrazyBee Services Private Limited

CIN: U5100KA2018PTC086490



MADHUSUDAN

KAMBARAM

Director

DIN: 07402577

Place: Bengaluru

Date: August 13, 2021



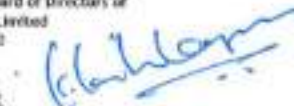
PALLAVI LINGARAJU

Company Secretary

Membership No: 436733

Place: Bengaluru

Date: August 13, 2021



KARTHIKEYAN

KRISHNASWAMY

Director

DIN: 07448376

Place: Bengaluru

Date: August 13, 2021

KRAZYBEE SERVICES PRIVATE LIMITED

Statement of profit and loss for the year ended 31 March 2021
(All amounts are in INR Lakhs, unless otherwise stated)

S.No	Particulars	Note	Year ended 31 March 2021	Year ended 31 March 2020
	Revenue from operations			
(i)	Interest income	25	14,374.28	21,403.58
(ii)	Fees and commission income	26	8,075.75	18,464.76
(iii)	Net gain/(loss) on fair value changes	27	(133.89)	118.61
1	Total revenue from operations		22,316.14	40,016.95
2	Other income	28	38.40	238.03
3	Total income (1+2)		22,354.54	40,254.98
	Expenses			
(i)	Finance costs	29	6,104.06	7,715.64
(ii)	Fees and commission expense	30	1,105.92	3,463.80
(iii)	Impairment on financial instruments	31	9,666.61	22,257.19
(iv)	Employee benefits expenses	32	1,018.75	870.86
(v)	Depreciation and amortization expense	33	211.83	184.00
(vi)	Other expenses	34	641.18	1,336.37
4	Total expenses		18,748.35	35,827.94
5	Profit before tax (3-4)		3,606.19	4,427.04
	Tax expense:	35		
	(1) Current tax		1,026.15	2,221.19
	(2) Deferred tax (credit) / charge		(201.09)	(1,032.89)
	(3) Tax in respect of earlier years			61.79
6	Total tax expense		825.06	1,219.09
7	Profit for the year (5-6)		2,781.13	3,207.95
8	Other comprehensive income			
	(i) Items that will not be reclassified to profit or loss			
	Gain/(Loss) on remeasurement of defined benefit plans		(14.02)	4.70
	(ii) Income tax relating to items that will not be reclassified to profit or loss		3.53	(1.18)
	Other comprehensive income		(10.49)	3.52
9	Total comprehensive income for the year (7+8)		2,770.64	3,211.47
10	Earnings per equity share	36		
	Basic and diluted (INR)		367.98	435.24
	(Nominal value per share - INR 10)			

Summary of significant accounting policies

2

The accompanying notes are an integral part of the financial statements

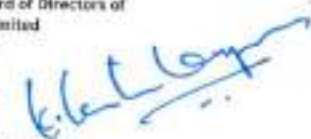
As per our report of even date
For V.R. ASSOCIATES
Chartered Accountants
Firm Registration No: 081239C


ABHINANDAN CHAUHAN
Partner
Membership No: 400175

Place: Lucknow
Date: August 13, 2021

For and on behalf of the Board of Directors of
KrazyBee Services Private Limited
CIN:U85100KA2016PTC086990


MADHUSUDAN EKAMBARAM
Director
DIN:07442577


KARTHIKEYAN KRISHNASWAMY
Director
DIN: 07449376

Place: Bengaluru
Date: August 13, 2021

Place: Bengaluru
Date: August 13, 2021


PALLAVI LINGARAJU
Company Secretary
Membership No: AS6731

Place: Bengaluru
Date: August 13, 2021

KrazyBee Services Private Limited
Balance sheet as at March 31, 2020
(All amounts in Rupees lakhs, unless otherwise stated)

	Notes	As at March 31, 2020	As at March 31, 2019
Equities and liabilities			
Shareholders' funds			
Share capital	3	75.53	65.65
Reserves and surplus	4	30,559.57	29,879.79
Non-current Liabilities			
Long-Term Borrowings	5	19,048.88	937.69
Long-Term Provisions	6	28.95	14.87
Current liabilities			
Short-term borrowings	5	21,441.12	6,088.54
Trade payables	7	141.07	82.69
Other current liabilities	8	32,894.38	5,985.59
Short-term provisions	6	3,524.60	764.34
TOTAL LIABILITIES		1,14,714.21	36,819.07
Assets			
Non-current assets			
Property, Plant and Equipment (Tangible Assets)	10	110.79	78.85
Intangible Assets	10	24.25	27.81
Non-Current Investments	9	-	100.00
Deferred tax asset (net)	27	70.05	34.51
Long term loans and advances	11	101.76	52.70
Receivables under financing activity	15	64.29	58.75
Other non-current assets	12	-	150.00
Current assets			
Current investments	9	8,541.25	4.05
Trade receivables	13	682.84	1,383.09
Cash and bank balances	14	10,026.09	8,085.56
Receivables under financing activity	15	95,082.93	24,447.23
Short term loans and advances	11	1,273.41	430.11
Other current assets	16	4,060.54	1,960.21
TOTAL ASSETS		1,14,714.21	36,819.07

Summary of significant accounting policies

2

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

As per our report of even date

For V.R.ASSOCIATES
 ICAI Firm Registration No.: 001239C
 Chartered Accountants

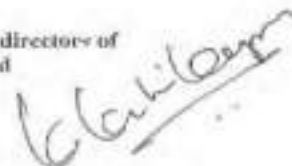

NIMESH SINGH

Partner
 Membership No.: 506725

For and on behalf of the board of directors of
KrazyBee Services Private Limited



MADHUSUDAN
EKAMBARAM
 Director
 DIN: 07442577



KARTHIKEYAN
KRISHNASWAMY
 Director
 DIN: 07443376


PARVATI LINGARAJU
 Company Secretary
 Membership No.: A56712

Place : Noida
 Date: July 06, 2020

Place : Bangalore
 Date: July 06, 2020

KRAZYBEE SERVICES PRIVATE LIMITED
Statement of profit and loss for the year ended 31 March 2021
(All amounts are in INR Lakhs, unless otherwise stated)

S.No	Particulars	Note	Year ended 31 March 2021	Year ended 31 March 2020
	Revenue from operations			
(i)	Interest income	25	14,374.28	21,433.58
(ii)	Fees and commission income	26	8,075.76	18,464.76
(iii)	Net gain/(loss) on fair value changes	27	(110.69)	118.61
1	Total revenue from operations		22,339.35	40,016.95
2	Other income		30.40	238.03
3	Total income (1+2)		22,377.55	40,254.98
	Expenses			
(i)	Finance costs	29	6,104.06	7,715.64
(ii)	Fees and commission expense	30	1,105.92	3,463.80
(iii)	Impairment on financial instruments	31	9,666.61	22,257.19
(iv)	Employee benefits expenses	32	1,018.75	870.86
(v)	Depreciation and amortization expense	33	211.83	184.08
(vi)	Other expenses	34	641.18	1,336.37
4	Total expenses		18,748.35	35,827.94
5	Profit before tax (3-4)		3,629.20	4,427.04
	Tax expense:	35		
	(1) Current tax		1,028.15	2,221.89
	(2) Deferred tax (credit) / charge		(201.09)	(1,832.89)
	(3) Tax in respect of earlier years		-	61.79
6	Total tax expense		827.06	1,250.09
7	Profit for the year (5-6)		2,802.14	3,176.95
8	Other comprehensive income			
	(i) Items that will not be reclassified to profit or loss			
	Gain/(Loss) on remeasurement of defined benefit plans		(14.02)	4.70
	(ii) Income tax relating to items that will not be reclassified to profit or loss		3.53	(1.18)
	Other comprehensive income		(10.49)	3.52
9	Total comprehensive income for the year (7+8)		2,791.65	3,180.47
10	Earnings per equity share			
	Basic and diluted (INR)	36	367.96	431.24
	(Nominal value per share - INR 10)			

Summary of significant accounting policies

2

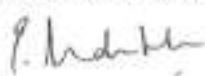
The accompanying notes are an integral part of the financial statements

As per our report of even date
For V.R. ASSOCIATES
Chartered Accountants
Firm Registration No: 001239C


ABHINANDAN CHAUHAN
Partner
Membership No: 400175

Place: Lucknow
Date: August 13, 2021

For and on behalf of the Board of Directors of
KrazyBee Services Private Limited
CIN: U65103KA2016PTC086990

 
MADHUSUDAN **KARTHIKEYAN**
EKANBARAM **KRISHNASWAMY**
Director Director
DIN: 07442577 DIN: 07449376

Place: Bengaluru Place: Bengaluru
Date: August 13, 2021 Date: August 13, 2021


PALLAVI LINGARAJU
Company Secretary
Membership No: A56733

Place: Bengaluru
Date: August 13, 2021

KrazyBee Services Private Limited
Statement of Profit & Loss for the year ended March 31, 2020
(All amounts in Rupees lakhs, unless otherwise stated)

	Notes	For the year ended March 31, 2020	For the year ended March 31, 2019
Income:			
Revenue from operations	17	40,141.43	5,874.44
Other income	18	105.34	-
Total revenue		40,246.77	5,874.44
Expenses:			
Employee benefits expense	19	766.99	608.24
Finance cost	20	7,168.56	382.56
Loan losses and provisions	21	19,961.45	1,814.65
Depreciation and amortization expense	22	74.52	20.16
Other expenses	23	5,840.19	1,858.65
Total expense		33,811.71	4,683.26
Profit before taxes		6,435.06	1,189.19
Tax expense			
Current tax expense		2,221.19	394.05
Deferred tax Credit		(44.45)	(34.61)
Tax in respect of earlier years		61.79	-
Total tax expense		2,238.53	359.44
Profit for the year after taxes		4,196.53	829.74
Earnings per share			
[nominal value of share: Rs. 10 (2019: Rs.10)]	24		
Basic and diluted (In Rs.)		569.64	339.58
Summary of significant accounting policies	2		

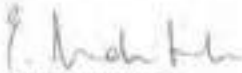
The accompanying notes are an integral part of these financial statements.

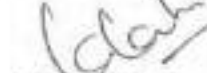
As per our report of even date

For V.R.ASSOCIATES
ICAI Firm Registration No.: 001239C
Chartered Accountants


UNMESH SINGHAL
Partner
Membership No.: 356725

**For and on behalf of the board of directors of
KrazyBee Services Private Limited**


**MADHUSUDAN
EKAMBARAM**
Director
DIN: 07442577


**KARTHIKEYAN
KRISHNASWAMY**
Director
DIN: 07449376


PALLAVI LINGARAJU
Company Secretary
Membership No.: A56733

Place: Noida
Date: July 06, 2020

Place: Bangalore
Date: July 06, 2020

KHAZYBEE SERVICES PRIVATE LIMITED
Statement of cash flows for the year ended 31 March 2021
(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Cash flow from operating activities		
Profit before tax	3,629.20	4,427.04
Adjustments for:		
Interest Income		
Depreciation and amortisation expenses	(13,897.98)	(21,372.97)
Depreciation on RDU asset	78.56	74.52
Interest income from investments	133.27	109.56
Gain on sale of investments	(476.30)	(60.61)
Impairment on financial instruments	(18.60)	(23.72)
Share based payment expense	9,666.61	22,257.19
Finance cost	206.16	96.17
Net gain on fair value changes	6,455.85	7,181.03
Unrealized foreign exchange loss	128.89	(94.89)
Interest income on security deposits	92.78	636.28
Interest on lease liability	(7.09)	(5.31)
Cash inflow from interest on loans	24.45	22.09
Cash outflow towards finance cost	10,887.73	20,592.50
Cash generated from operation before working capital changes	(6,575.70)	(6,905.68)
	10,328.41	26,855.19
Working capital changes		
Decrease / (increase) in loans		
Decrease in trade receivables	20,557.11	(88,578.41)
Increase in other financial assets	1,103.73	279.36
Decrease / (increase) in other non financial assets	(5,729.00)	(779.12)
Increase in trade payables	69.06	(40.39)
Increase in Provisions	1,140.00	58.38
Increase / (decrease) in other financial liabilities	33.88	19.17
Increase / (decrease) in other non financial liabilities	(590.04)	690.44
	(197.24)	5.54
Cash generated from / (used in) operations	26,755.93	(61,486.03)
Income tax paid (net of refunds)	(302.96)	(2,936.30)
Net cash flows generated from / (used in) operating activities (A)	26,452.97	(64,422.33)
Cash flow from investing activities		
Payment for property, plant and equipment and intangible assets		
Purchase of mutual funds	(0.81)	(172.90)
Redemption of investment in mutual fund	(3,499.83)	(2,500.00)
Redemption of investment in corporate bond	2,509.53	24.67
Net proceeds from fixed deposits	41.26	58.75
Interest received on investments	415.20	(335.88)
Net cash flow from / (used in) investing activities (B)	494.47	29.66
	(40.24)	(2,889.51)
Cash flow from financing activities		
Issue of equity share capital (including securities premium)		
Debt securities issued / (repaid) (net)	21,062.70	3,493.24
Borrowings other than debt securities issued / (repaid) (net)	(10,489.40)	20,271.49
Deposits repaid	(21,102.82)	45,824.54
Payment towards lease liabilities	(100.06)	(649.17)
Net cash flow from / (used in) financing activities (C)	(149.11)	(133.98)
	(10,778.63)	68,806.11
Net increase in cash and cash equivalents (A+B+C)	15,634.10	1,494.28
Cash and cash equivalents at the beginning of the year	9,089.17	7,594.80
Cash and cash equivalents at the end of the year	24,723.27	9,089.17

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

As per our report of even date
For V.R. ASSOCIATES
Chartered Accountants
Firm Registration No. 001236

ABHINAV CHAUHAN
Partner
Membership No: 400175

For and on behalf of the Board of Directors of
KrazyBee Services Private Limited
CIN: U55100KA2016PTC086990

MADHUSUDAN
EKAMBARAN
Director
DIN: 07442577

KARTHIKEYAN
KRISHNASWAMY
Director
DIN: 07449376

Place: Bengaluru
Date: August 13, 2021

Place: Bengaluru
Date: August 13, 2021

PALLAVI LINGARAJU
Company Secretary
Membership No: A56733
Place: Bengaluru
Date: August 13, 2021

Place: Lucknow
Date: August 13, 2021

KrazyBee Services Private Limited
Cash Flow Statement for the year ended March 31, 2020
(All amounts in Rupees lakhs, unless otherwise stated)

	For the year ended March 31, 2020	For the year ended March 31, 2019
Cash flow from operating activities		
Profit before tax	5,873.87	1,089.49
Adjustments for:		
Depreciation and amortisation	74.37	20.17
Foreign exchange loss	438.66	-
Provision for mark-to-market losses on derivatives	(94.89)	-
Interest expense	7,668.35	964.56
Interest income	(61.99)	(26.82)
Dividend from investments	-	(20.24)
Profit from sale of investments	(20.82)	(10.16)
Cash generated from operation before working capital changes	13,877.31	1,391.70
Working capital changes:		
Decrease / (Increase) in trade receivables	700.25	(1,340.47)
Increase in long-term loans and advances	(113.35)	(52.70)
Increase in short-term loans and advances	(69,150.90)	(22,197.87)
Increase in current assets	(1,453.90)	(1,936.55)
Increase in other current liabilities	676.13	327.84
Increase in long-term provisions	14.09	12.10
Increase in short-term provisions	539.07	563.54
Increase / (Decrease) in trade payables	58.38	(65.64)
Cash generated used in operations	(33,688.92)	(23,321.33)
Direct taxes paid	3,660.33	285.00
Net cash used in operating activities (A)	(58,249.27)	(23,606.33)
Cash flow from investing activities		
Purchase of fixed assets including capital advances	(172.89)	(126.82)
Dividend from investments	-	20.24
Profit from sale of investments	20.82	40.40
Interest on fixed deposits	46.45	40.60
Investment in fixed deposits and Bonds	(385.30)	(734.10)
Maturity of fixed deposits	592.74	(50.42)
Foreign exchange loss	(438.66)	-
(Investment) in/ Proceeds from Mutual Funds & Bond	(2,557.20)	1,736.39
Net cash (used) in/generated from investing activities (B)	(3,274.04)	1,097.65
Cash flow from financing activities		
Issue of share capital	0.08	32.00
Securities premium	3,483.26	18,461.34
Proceeds from short term borrowings (Gross)	35,115.00	7,500.00
Repayment of Short term borrowings (Gross)	(14,762.41)	(2,481.87)
Proceeds from long term borrowings (Gross)	22,136.00	1,500.00
Repayment of Long term borrowings (Gross)	(2,353.77)	-
Proceeds from Overdraft facility (Gross)	8,000.00	2,907.50
Repayment of Overdraft facility (Gross)	(3,064.48)	-
Proceeds from issue of debenture (Gross)	25,720.00	2,000.00
Repayment of debentures (Gross)	(5,399.20)	-
Interest Expense	(1,566.79)	(230.44)
Net cash generated from financing activities (C)	63,017.39	29,809.93



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Annexure II

Sr. No.	Person/Company/Body Corporate	Number of Securities allotted	Type of Securities Alloted	Face Value of Each Security (in INR)	Aggregate Value of Security (in INR)	Preferential basis/ Private Placement/ Rights Issue
1	Unifi AIF	3600	Class E8 Non Convertible Debentures	1,00,000	36,00,00,000	Private Placement
2	Credit Suisse Securities (India) Private Limited	385	Rated, Listed, Senior, Secured, Redeemable, Principal Protected Market-Linked, Non-Convertible Debentures	10,00,000	38,50,00,000	Private Placement
3	Almas Nazim Manekia	45	Rated, Listed, Senior, Secured, Redeemable, Principal Protected Market-Linked, Non-Convertible Debentures	10,00,000	4,50,00,000	Private Placement
4	Blanche Elizabeth Saldanha	30	Rated, Listed, Senior, Secured, Redeemable, Principal Protected Market-Linked, Non-Convertible Debentures	10,00,000	3,00,00,000	Private Placement
5	J K Enterprises, Represented by partners Anant Singhania and Roma Singhania	30	Rated, Listed, Senior, Secured, Redeemable,	10,00,000	3,00,00,000	Private Placement

			Principal Protected Market-Linked, Non-Convertible Debentures			
6	Smriti Agrawal	10	Rated, Listed, Senior, Secured, Redeemable, Principal Protected Market-Linked, Non-Convertible Debentures	10,00,000	1,00,00,000	Private Placement
7	Finnov Private Limited	53,619	Equity Shares	10	36,88,98,720	Preferential Allotment
8	Micro Labs Limited	300	Secured, Unlisted, Unrated, Redeemable Non-Convertible Debentures	10,00,000	30,00,00,000	Private Placement
9	Ghalla and Bhansali Securities Private Limited	20	Secured, Unlisted, Unrated, Redeemable Non-Convertible Debentures	10,00,000	2,00,00,000	Private Placement
10	Smita Nikunj Shah	10	Secured, Unlisted, Unrated, Redeemable Non-Convertible Debentures	10,00,000	1,00,00,000	Private Placement
11	Sanjay Kanaiyalal Shah	10	Secured, Unlisted, Unrated, Redeemable	10,00,000	1,00,00,000	Private Placement

			Non-Convertible Debentures			
12	Kanaiyalal Bupalal Shah	10	Secured, Unlisted, Unrated, Redeemable Non-Convertible Debentures	10,00,000	1,00,00,000	Private Placement
13	Anil Goyal	3	Secured, Unlisted, Unrated, Redeemable Non-Convertible Debentures	10,00,000	30,00,000	Private Placement
14	Anil Kumar Jain	4	Secured, Unlisted, Unrated, Redeemable Non-Convertible Debentures	10,00,000	40,00,000	Private Placement
15	Babita Goyal	5	Secured, Unlisted, Unrated, Redeemable Non-Convertible Debentures	10,00,000	50,00,000	Private Placement
16	Bela Wason	2	Secured, Unlisted, Unrated, Redeemable Non-Convertible Debentures	10,00,000	20,00,000	Private Placement
17	Chandrakala Goyal	5	Secured, Unlisted, Unrated, Redeemable Non-	10,00,000	50,00,000	Private Placement

			Convertible Debentures			
18	Girsh Chandra Keshavlal Shah	5	Secured, Unlisted, Unrated, Redeemable Non- Convertible Debentures	10,00,000	50,00,000	Private Placement
19	Harshad Laxmidas Dawda	5	Secured, Unlisted, Unrated, Redeemable Non- Convertible Debentures	10,00,000	50,00,000	Private Placement
20	Hemani Pradip Shah	2	Secured, Unlisted, Unrated, Redeemable Non- Convertible Debentures	10,00,000	20,00,000	Private Placement
21	Inder Kalra	2	Secured, Unlisted, Unrated, Redeemable Non- Convertible Debentures	10,00,000	20,00,000	Private Placement
22	Innovit Services Pvt. Ltd.	5	Secured, Unlisted, Unrated, Redeemable Non- Convertible Debentures	10,00,000	50,00,000	Private Placement
23	Jubee Bhageria	2	Secured, Unlisted, Unrated, Redeemable Non-	10,00,000	20,00,000	Private Placement

			Convertible Debentures			
24	Jyoti Gautam	2	Secured, Unlisted, Unrated, Redeemable Non- Convertible Debentures	10,00,000	20,00,000	Private Placement
25	Kalpana Kumari	2	Secured, Unlisted, Unrated, Redeemable Non- Convertible Debentures	10,00,000	20,00,000	Private Placement
26	Madhusudan Ekambaram	9	Secured, Unlisted, Unrated, Redeemable Non- Convertible Debentures	10,00,000	90,00,000	Private Placement
27	Mahendra Singh Mehta	2	Secured, Unlisted, Unrated, Redeemable Non- Convertible Debentures	10,00,000	20,00,000	Private Placement
28	Mamta Singh	3	Secured, Unlisted, Unrated, Redeemable Non- Convertible Debentures	10,00,000	30,00,000	Private Placement
29	Manjula Ramanujam	5	Secured, Unlisted, Unrated, Redeemable Non-	10,00,000	50,00,000	Private Placement

			Convertible Debentures			
30	Melarkode Vishwanath Ramnarayan	7	Secured, Unlisted, Unrated, Redeemable Non- Convertible Debentures	10,00,000	70,00,000	Private Placement
31	Nisha Agarwal	2	Secured, Unlisted, Unrated, Redeemable Non- Convertible Debentures	10,00,000	20,00,000	Private Placement
32	Niti Gupta	6	Secured, Unlisted, Unrated, Redeemable Non- Convertible Debentures	10,00,000	60,00,000	Private Placement
33	Nitin Agarwal	2	Secured, Unlisted, Unrated, Redeemable Non- Convertible Debentures	10,00,000	20,00,000	Private Placement
34	Nutan Soudagar	7	Secured, Unlisted, Unrated, Redeemable Non- Convertible Debentures	10,00,000	70,00,000	Private Placement
35	Paresh B Mehta HUF	3	Secured, Unlisted, Unrated, Redeemable Non-	10,00,000	30,00,000	Private Placement

			Convertible Debentures			
36	Pranay Jain HUF	17	Secured, Unlisted, Unrated, Redeemable Non- Convertible Debentures	10,00,000	1,70,00,000	Private Placement
37	Purushothaman M N	2	Secured, Unlisted, Unrated, Redeemable Non- Convertible Debentures	10,00,000	20,00,000	Private Placement
38	Rachit Agarwal	6	Secured, Unlisted, Unrated, Redeemable Non- Convertible Debentures	10,00,000	60,00,000	Private Placement
39	Rajesh Kumar Goyal	3	Secured, Unlisted, Unrated, Redeemable Non- Convertible Debentures	10,00,000	30,00,000	Private Placement
40	Ramita Mehta	2	Secured, Unlisted, Unrated, Redeemable Non- Convertible Debentures	10,00,000	20,00,000	Private Placement
41	Ranjeet Singh Chordia	15	Secured, Unlisted, Unrated, Redeemable Non-	10,00,000	1,50,00,000	Private Placement

			Convertible Debentures			
42	Ranu Khandelwal	4	Secured, Unlisted, Unrated, Redeemable Non- Convertible Debentures	10,00,000	40,00,000	Private Placement
43	Raskin Pushkar Momaya	2	Secured, Unlisted, Unrated, Redeemable Non- Convertible Debentures	10,00,000	20,00,000	Private Placement
44	Ratan Gobind Daryanani	10	Secured, Unlisted, Unrated, Redeemable Non- Convertible Debentures	10,00,000	1,00,00,000	Private Placement
45	Ratan Singh Bolia	2	Secured, Unlisted, Unrated, Redeemable Non- Convertible Debentures	10,00,000	20,00,000	Private Placement
46	Santosh Maheshwari	2	Secured, Unlisted, Unrated, Redeemable Non- Convertible Debentures	10,00,000	20,00,000	Private Placement
47	Shrikant Shankar Khandekar	2	Secured, Unlisted, Unrated, Redeemable Non-	10,00,000	20,00,000	Private Placement

			Convertible Debentures			
48	Sidharth Vishwanathan	9	Secured, Unlisted, Unrated, Redeemable Non- Convertible Debentures	10,00,000	90,00,000	Private Placement
49	Sneha R Kadni	2	Secured, Unlisted, Unrated, Redeemable Non- Convertible Debentures	10,00,000	20,00,000	Private Placement
50	Sudha Bhutra	2	Secured, Unlisted, Unrated, Redeemable Non- Convertible Debentures	10,00,000	20,00,000	Private Placement
51	Sudha S	2	Secured, Unlisted, Unrated, Redeemable Non- Convertible Debentures	10,00,000	20,00,000	Private Placement
52	Surbhi Bhuvanesh Sharma	2	Secured, Unlisted, Unrated, Redeemable Non- Convertible Debentures	10,00,000	20,00,000	Private Placement
53	Sushil Muhnot HUF	2	Secured, Unlisted, Unrated, Redeemable Non-	10,00,000	20,00,000	Private Placement

			Convertible Debentures			
54	Sushma Pansari	2	Secured, Unlisted, Unrated, Redeemable Non- Convertible Debentures	10,00,000	20,00,000	Private Placement
55	Vallari Viraj Londhe	4	Secured, Unlisted, Unrated, Redeemable Non- Convertible Debentures	10,00,000	40,00,000	Private Placement
56	Vani Jain	6	Secured, Unlisted, Unrated, Redeemable Non- Convertible Debentures	10,00,000	60,00,000	Private Placement
57	Vijay Prakash	4	Secured, Unlisted, Unrated, Redeemable Non- Convertible Debentures	10,00,000	40,00,000	Private Placement
58	Vishal Lohia	14	Secured, Unlisted, Unrated, Redeemable Non- Convertible Debentures	10,00,000	1,40,00,000	Private Placement
59	Yashika Anil Pansari	2	Secured, Unlisted, Unrated, Redeemable Non-	10,00,000	20,00,000	Private Placement

			Convertible Debentures			
60	Yogesh Gautam HUF	2	Secured, Unlisted, Unrated, Redeemable Non- Convertible Debentures	10,00,000	20,00,000	Private Placement
61	YSMM HUF	5	Secured, Unlisted, Unrated, Redeemable Non- Convertible Debentures	10,00,000	50,00,000	Private Placement
62	Unifi AIF	1800	secured, senior, rated, unlisted, transferable, redeemable and non- convertible debentures	1,00,000	18,00,00,000	Private Placement
63	Pushpa Devendra Agrawal	20	secured, senior, rated, unlisted, transferable, redeemable and non- convertible debentures	1,00,000	2,00,00,000	Private Placement
63	Rohini Agrawal	10	secured, senior, rated, unlisted, transferable, redeemable and non- convertible debentures	1,00,000	1,00,00,000	Private Placement