No: EKFL/09/2020-21
Addressed to: ______

INFORMATION MEMORANDUM
ESS KAY FINCORP LIMITED
(Erstwhile Ess Kay Auto Finance Private Limited)
A public limited company incorporated under the Companies Act, 1956
Date of Incorporation: November 21, 1994
Registered Office: G 1-2, New Market, Khasa Kothi, Jaipur, Rajasthan – 302001
Telephone No.: +91 141 4734016
Website: www.skfin.in

Information Memorandum for Issue of Debentures on a private placement basis

Issue of 750 (Seven Hundred Fifty) Rated, Unsubordinated, Senior, Redeemable, Taxable, Transferable, Listed, Non-convertible Debentures of face value of Rs. 10,00,000/- (Rupees Ten Lakhs only) each, aggregating up to Rs. 75,00,00,000/- (Rupees Seventy Five Crores only) on a private placement basis (the "Issue").

Background

This Information Memorandum is related to the Debentures (as defined below) to be issued by Ess Kay Fincorp Limited (the "Issuer" or "Company") on a private placement basis and contains relevant information and disclosures required for the purpose of issuing of the Debentures. The issue of the Debentures comprised in the Issue and described under this Information Memorandum (as defined below) has been authorised by the Issuer through resolutions passed by the shareholders of the Issuer on May 21, 2020 and the Board of Directors of the Issuer on June 03, 2020 read with the resolution passed by the Executive Committee of the Board of Directors dated July 06, 2020 and the Memorandum and Articles of Association of the Company. Pursuant to the resolution passed by the Company's shareholders dated May 21, 2020 in accordance with provisions of the Companies Act, 2013, the Company has been authorised to borrow, upon such terms and conditions as the Board may think fit, for amounts up to INR 45,00,00,00,000 (Indian Rupees Four Thousand and Five Hundred Crores). The present issue of the Debentures in terms of this Information Memorandum is within the overall powers of the Board as per the above shareholder resolution(s).

General Risks

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

Issuer's Absolute Responsibility

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

Credit Rating

The Debentures proposed to be issued by the Issuer have been rated by CRISIL Limited ("Rating Agency" / "CRISIL"). The Rating Agency has, vide its letter dated June 24, 2020 assigned a rating of "[CRISIL A" (pronounced as "CRISIL A]") with 'stable' outlook in respect of the Debentures. The above rating is not a recommendation to buy, sell or hold securities and the investors should take their own decision. The ratings may be subject to revision or withdrawal at any time by the rating agency and should be evaluated independently of any other ratings. Please refer to Annexure II of this Information Memorandum for the letter dated June 24, 2020 from the Rating Agency assigning the credit rating abovementioned and the rating rationale dated June 24, 2020 issued by the Rating Agency disclosing the rating rationale adopted for the aforesaid rating.

Issue Schedule

Issue Opens on: July 10, 2020
Issue Closing on: July 10, 2020
Deemed Date of Allotment: July 13, 2020

The Issue shall be open for subscription during the banking hours on each day during the period covered by the Issue Schedule.

The Debentures are proposed to be listed on the wholesale debt market of the Bombay Stock Exchange ("BSE").

Debenture Trustee	Registrar and Transfer Agent
IDBI trustee IDBI Trusteeship Services Ltd IDBI Trusteeship Services Limited Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai – 400001 Phone: 022 40807000 Email: deepak.avasthi@idbitrustee.com	KFINTECH Registrar & Share Transfer Agent Kfin Technologies Private Limited 46, Avenue, 4th Street, No. 1, Banjara Hills, Hyderabad-500034 Tel: +91 40 33211000, 67162222 Email: rakesh.santhalia@karvy.com

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SECTION 1: DEFINITIONS AND ABBREVIATIONS

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

Allot/Allotment/Allotted	Unless the context otherwise requires or implies, the allotment of the Debentures pursuant to this Issue.
Act/ Companies 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.
Applicable Law	Includes all applicable statutes, enactments or acts of any legislative body in India, laws, ordinances, rules, bye-laws, regulations, notifications, guidelines, policies, directions, directives and orders of any Governmental Authority and any modifications or re-enactments thereof.
Applicant	means a person who has submitted a completed Application Form to the Company.
Application Form	Means the application form set out in Annexure IV below.
Application Money	means the subscription amounts paid by the Debenture Holders at the time of submitting the Application Form.
Assets	means, for any date of determination, the assets of the Company on such date as the same would be determined in accordance with Indian GAAP.
Board/Board of Directors	The Board of Directors of the Issuer.
Beneficial Owners	means the holder(s) of the Debentures in dematerialised form whose name is recorded as such with the Depository in the Register of Beneficial Owners.
BSE	means BSE Limited.
Business Day	means any day (other than a Saturday or Sunday or a public holiday under Section 25 of the Negotiable Instruments Act, 1881) on which banks are open for general business in Mumbai, India.
Capital Adequacy Ratio	means the capital adequacy ratio as defined under the NBFC Directions.
CDSL	Central Depository Services (India) Limited.
CERSAI	means the Central Registry of Securitisation Asset Reconstruction and Security Interest of India.
Client Loan	Each loan made by the Issuer as a lender, and "Client Loans" shall refer to the aggregate of such loans.
Conditions Precedent	means the conditions precedent set out in Section 5.23 below.
Conditions Subsequent	means the conditions subsequent set out in Section 5.23 below.
Constitutional Documents	means the certificate of incorporation of the Company, the memorandum of association and articles of association of the Company and the certificate of registration issued by the RBI to the Company.
Control	Has the meaning given to it in the Act.

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Debenture Holders	Means the persons who have been allotted the Debentures by the Issuer, and for any subsequent Debenture Holders, each person who is: (a) registered as a Beneficial Owner; and (b) registered as a debenture holder in the Register of Debenture Holders. Sub-paragraphs (a) and (b) shall be deemed to include transferees of the Debentures registered with the Company and the Depository from time to time, and in the event of any inconsistency between sub-paragraphs (a) and (b) above, sub-paragraph (a) shall prevail.
Debenture Trustee	Means IDBI Trusteeship Services Limited, a company incorporated under the Companies Act, 1956 with CIN U65991MH2001GOI131154, having its registered office at Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai – 400001 and acting through its office at 10th Floor, 1009, Ansal Bhawan, KG Marg, New Delhi – 110001.
Debenture Trustee Agreement	Means the agreement executed / to be executed by and between the Debenture Trustee and the Company for the purposes of appointment of the Debenture Trustee to act as debenture trustee in connection with the issuance of the Debentures.
Debenture Trustees Regulations	Means the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993.
Debenture Trust Deed / DTD	means the debenture trust deed executed/to be executed by and between the Debenture Trustee and the Company *inter alia* recording the terms and conditions upon which the Debentures are being issued and shall include the representations and warranties and the covenants to be provided by the Issuer.
Debentures	Means the 750 (Seven Hundred Fifty) rated, unsubordinated, senior, redeemable, taxable, transferable, listed, non-convertible debentures denominated in INR each having a face value of INR 10,00,000 (Indian Rupees Ten Lakh) and aggregating to a face value of INR 75,00,00,000 (Indian Rupees Seventy Five Crore).
Debt Disclosure Documents	means collectively the PPOA and the Information Memorandum, and "Debt Disclosure Document" means any one of them.
Deemed Date of Allotment	Means that date on which the Debentures will be/are deemed to be allotted to the Debenture Holders, being July 13, 2020.
Deed of Hypothecation	Means the unattested deed of hypothecation executed or to be executed and delivered by the Issuer in a form acceptable to the Debenture Trustee within the timelines prescribed by the Debenture Holders for the creation of security over the Charged Receivables.
Demat	Refers to dematerialized securities which are securities that are in electronic form, and not in physical form, with the entries noted by the Depository.
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Depository	means the depository with whom the Company has made arrangements for dematerialising the Debentures, being NSDL and/or CDSL.
Depository Participant	A depository participant as defined under the Depositories Act

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/ DP	
Director(s)	Means the Director(s) of the Issuer.
DP ID	Depository Participant Identification Number.
Due Date	means the date on which any interest or liquidated damages, any Redemption Payment or premature redemption amount and/or any other amounts payable, are due and payable.
EBP Guidelines	The guidelines issued by SEBI with respect to electronic book mechanism under the terms of the SEBI Circular dated January 5, 2018 (bearing reference number SEBI/HO/DDHS/CIR/P/2018/05) on "*Electronic book mechanism for issuance of securities on private placement basis*" read with the SEBI Circular dated August 16, 2018 (bearing reference number SEBI/HO/DDHS/CIR/P/2018/122) "*Electronic book mechanism for issuance of securities on private placement basis - Clarifications*" and the operational guidelines issued by the relevant Electronic Book Provider, as may be amended, clarified or updated from time to time.
Electronic Book Provider / EBP	shall have the meaning assigned to such term under the EBP Guidelines.
EBP Platform	has the meaning given to it under the EBP Guidelines.
EFT	Electronic Fund Transfer.
Events of Default	Means the events set out under Section 7 below.
Final Settlement Date	means the date on which all Secured Obligations have been irrevocably and unconditionally paid and discharged in full to the satisfaction of the Debenture Holders.
Financial Indebtedness	means any indebtedness for or in respect of: (a) moneys borrowed; (b) any amount raised by acceptance under any acceptance credit, bill acceptance or bill endorsement facility or dematerialised equivalent; (c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, loan stock or any similar instrument; (d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with the Indian GAAP, be treated as a finance or capital lease; (e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis); (f) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing; (g) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value shall be taken into account);

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	(h) shares which are expressed to be redeemable or shares which are the subject of a put option or any form of guarantee; (i) any obligation under any put option in respect of any securities; (j) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; (k) any corporate/personal guarantee, a letter of comfort or any other similar contractual comfort issued or incurred in respect of a liability incurred by any other third person; and (l) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (a) to (k) above.
Financial Year/ FY	means each period of 12 (twelve) months commencing on April 1 of any calendar year and ending on March 31 of the subsequent calendar year.
GAAP/Indian GAAP	means the generally accepted accounting principles as prescribed by the Institute of Chartered Accountants of India from time to time and consistently applied by the Company, and include, to the extent applicable, Ind-AS.
Governmental Authority	means any government (central, state or otherwise) or any governmental agency, semi-governmental or judicial or quasi-judicial or administrative entity, department or authority, agency or authority including any stock exchange or any self-regulatory organization, established under any Applicable Law.
Hypothecated Assets	Has the meaning given to it in Section 5.23.
ICCL	Indian Clearing Corporation Limited
Increased Costs	means: (a) a reduction in the rate of return from the Debentures or in a Debenture Holder's overall capital (including as a result of any reduction in the rate of return on capital brought about by more capital being required to be allocated by the Debenture Holder); (b) an additional or increased cost; or (c) a reduction of any amount due and payable under any Transaction Document, which is incurred or suffered by a Debenture Holder to the extent that it is attributable to the undertaking, funding or performance by the Debenture Holders of any of its obligations under any Transaction Document or any subscription by the Debenture Holder of the Debentures.

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Information Memorandum	Means this Information memorandum issued by the Issuer which sets out the information regarding the Debentures being issued on a private placement basis.
Information Utility	has the meaning given to it in the Insolvency and Bankruptcy Code, 2016.
Initial Security Creation Date	means the date occurring on the expiry of a period of 90 calendar days from the Deemed Date of Allotment.
INR	Means India Rupees.
Interest Payment Date	means the payment dates as specified in Annexure VI, unless such day is not a Business Day, in which case the payment date will be the next Business Day.
Interest Rate	Means 10.90% per annum payable annually and on redemption
Issue	Means this private placement of the Debentures by the Issuer.
Issue Closing Date	Means July 10, 2020
Issue Opening Date	Means July 10, 2020
Issuer/ Company	Means Ess Kay Fincorp Limited.
Listing Period	has the meaning given to it in Section 5.23.
LODR Regulations	means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
Majority Debenture Holders	means such number of Debenture Holders collectively holding more than 50% (fifty percent) of the value of the Outstanding Principal Amounts of the Debentures.
Majority Resolution	means a resolution approved by the Majority Debenture Holders who are present and voting or if a poll is demanded, by the Majority Debenture Holders who are present and voting in such poll.
Material Adverse Effect	means the effect or consequence of an event, circumstance, occurrence or condition which has caused or could reasonably be expected to cause, as of any date of determination, a material and adverse effect: (a) on the rights or remedies of the Debenture Trustee acting for the benefit of the Debenture Holders hereunder or under any other Transaction Document; or (b) on the ability of the Company to perform its obligations under the Transaction Documents; or (c) on the validity or enforceability of any of the Transaction Documents (including the ability of any party to enforce any of its remedies thereunder).
Moratorium Directions (COVID-19)	means, collectively, the RBI's circular no. DOR.No.BP.BC.47/21.04.048/2019-20 dated March 27, 2020 on "*COVID-19 – Regulatory Package (Revised)*", the RBI circular no. DOR.No.BP.BC.63/21.04.048/2019-20 dated April 17, 2020 on "*COVID19 Regulatory Package - Asset Classification and Provisioning*", the RBI circular no. DOR.No.BP.BC.71/21.04.048/2019-20 dated May 23, 2020 on "*COVID-19 – Regulatory Package*", and the RBI circular no. DOR.No.BP.BC.72/21.04.048/2019-20 dated May 23, 2020 on "*COVID19 Regulatory Package – Review of Resolution Timelines under the Prudential Framework on Resolution of Stressed Assets*" (each as amended, modified or restated from time to time).

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N.A.	Not Applicable.
NBFC	Non-banking financial company
NBFC Directions	means the Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 dated September 1, 2016 and/or the Non-Banking Financial Company - Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 dated September 1, 2016 (each as amended, modified or restated from time to time) as may be applicable.
Net Worth	has the meaning given to it in the Act.
NSDL	National Securities Depository Limited.
Outstanding Amounts	means, at any date, the Outstanding Principal Amounts together with any interest, additional interest, costs, fees, charges, and other amounts payable by the Company in respect of the Debentures.
Outstanding Principal Amounts	means, at any date, the principal amounts outstanding under the Debentures.
Payment Default	means any event, act or condition which, with notice or lapse of time, or both, would constitute an Event of Default under Section 7.7(a).
PAN	Permanent Account Number.
Private Placement Offer cum Application Letter/PPOA	Shall mean the private placement offer cum application letter prepared in compliance with Section 42 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014.
Quarterly Dates	means each of January 31, April 30, July 31 and October 31 and Quarterly Dates shall be construed accordingly.
Rating	Means the rating assigned to the Debentures being CRISIL A.
Rating Agency	Means CRISIL Limited, being a credit rating agency registered with SEBI pursuant to SEBI (Credit Rating Agencies) Regulations 1999, as amended from time to time.
RBI	Reserve Bank of India.
Redemption Date	April 21, 2023.
Record Date	7 (Seven) Business Days prior to each coupon payment date and redemption date.
Redemption Payment	means the payment of the Outstanding Principal Amounts of the Debentures on the Redemption Date.
Redemption of Beneficial Owners	means the register of beneficial owners of the Debentures maintained in the records of the Depository.
Register of Debenture Holders	means the register of debenture holders maintained by the Company in accordance with Section 88 of the Act.
R&T Agent / Registrar	Means the Registrar and Transfer Agent to the Issue, in this case being Kfin Technologies Private Limited.
Related Party	has the meaning given to it in the Act.
ROC	Registrar of Companies.
Rs. / INR	Indian Rupee.
RTGS	Real Time Gross Settlement.
SEBI	Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992 (as amended from time to time).

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SEBI Debt Listing Regulations	The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulation, 2008 issued by SEBI, as amended from time to time.
Security	has the meaning given to it in Section 5.23.
Security Cover	has the meaning given to it in Section 5.23.
Secured Obligations	means all present and future obligations (whether actual or contingent and whether owed jointly or severally or in any capacity whatsoever) of the Company to the Debenture Holders or the Debenture Trustee under the Transaction Documents, including without limitation, the making of payment of any interest, redemption of principal amounts, default interest, additional interest, liquidated damages and all costs, charges, expenses and other amounts payable by the Company in respect of the Debentures.
Special Majority Debenture Holders	means such number of Debenture Holders collectively holding more than 75% (seventy five percent) of the value of the Outstanding Principal Amounts of the Debentures.
Special Resolution	means resolution approved by the Special Majority Debenture Holders who are present and voting or if a poll is demanded, by the Special Majority Debenture Holders who are present and voting in such poll.
Tax	means any present or future tax, levy, duty, charge, fees, deductions, withholdings, surcharges, cess, turnover tax, transaction tax, stamp tax or other charge of a similar nature (including any penalty or interest payable on account of any failure to pay or delay in paying the same), now or hereafter imposed by Applicable Law by any Governmental Authority and as maybe applicable in relation to the payment obligations of the Company under the DTD.
Tax Deduction	means a deduction or withholding for or on account of Tax from a payment under a Transaction Document pursuant to Applicable Law.
TDS	Tax Deducted at Source.
Total Assets	means, for any date of determination, the total Assets of the Company on such date.
Terms & Conditions	Shall mean the terms and conditions pertaining to the Issue as outlined in the Transaction Documents.
Transaction Documents	means, collectively, the DTD, the Deed of Hypothecation, the Debenture Trustee Agreement, the Debt Disclosure Documents, the letters issued by the Debenture Trustee, the Rating Agency and the Registrar and all other documents in relation to the issuance of the Debentures, and any other document designated as such by the Debenture Trustee (acting on the instructions of the Debenture Holders).
WDM	Wholesale Debt Market segment of the BSE.
Wilful Defaulter	Shall mean an Issuer who is categorized as a wilful defaulter by any Bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

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SECTION 2: NOTICE TO INVESTORS AND DISCLAIMERS

2.1 ISSUER'S DISCLAIMER

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

As per the applicable provisions, it is not necessary for a copy of this Information Memorandum/ Disclosure Document to be filed or submitted to the SEBI for its review and/or approval. However, pursuant to the provisions of Applicable Law, the copy of this Information Memorandum shall be filed with the SEBI within the stipulated timelines thereunder.

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

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

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

This Information Memorandum, the Private Placement Offer cum Application Letter(s) and the contents hereof are restricted only for the intended recipient(s) who have been addressed directly and specifically through a communication by the Issuer and only such recipients are eligible to apply for the Debentures. All Investors are required to comply

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with the relevant regulations/guidelines applicable to them for investing in this Issue. The contents of this Information Memorandum and/or the Private Placement Offer cum Application Letter(s) are intended to be used only by those potential Investors to whom it is distributed. It is not intended for distribution to any other person and should not be reproduced by the recipient.

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

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

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

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

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

2.2 DISCLAIMER CLAUSE OF STOCK EXCHANGES

As required, a copy of this Information Memorandum has been filed with the BSE in terms of the SEBI Debt Listing Regulations. It is to be distinctly understood that submission of this Information Memorandum to the BSE should not in any way be deemed or construed to mean

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that this Information Memorandum has been reviewed, cleared, or approved by the BSE; nor does the BSE in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Information Memorandum, nor does the BSE warrant that the Issuer's Debentures will be listed or will continue to be listed on the BSE; nor does the BSE take any responsibility for the soundness of the financial and other conditions of the Issuer, its promoters, its management or any scheme or project of the Issuer.

2.3 DISCLAIMER CLAUSE OF SEBI

As per the provisions of the SEBI Debt Listing Regulations, it is not stipulated that a copy of this Information Memorandum has to be filed with or submitted to the SEBI for its review / approval. It is to be distinctly understood that this Information Memorandum should not in any way be deemed or construed to have been approved or vetted by SEBI and that this Issue is not recommended or approved by SEBI. SEBI does not take any responsibility either for the financial soundness of any proposal for which the Debentures issued thereof is proposed to be made or for the correctness of the statements made or opinions expressed in this Information Memorandum. However, the Company undertakes to file this Information Memorandum and/or the Private Placement Offer cum Application Letter(s) (if so required) with SEBI in accordance with the timelines prescribed under Applicable Law.

2.4 DISCLAIMER IN RESPECT OF JURISDICTION

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

2.5 DISCLAIMER IN RESPECT OF RATING AGENCIES

Ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. The Rating Agency has based its ratings on information obtained from sources believed by it to be accurate and reliable. The Rating Agency does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by the Rating Agency have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

2.6 ISSUE OF DEBENTURES IN DEMATERIALISED FORM

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

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2.7 DISCLAIMER OF THE 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 document. It is to be distinctly understood that this document should not, in any way, be deemed or construed that the securities have been recommended for investment by the RBI. It does not take any responsibility either for the financial soundness of the Issuer, or the securities being issued by the Issuer or for the correctness of the statements made or opinions expressed in this document. Investors may make investment decision in the securities offered in terms of this Information Memorandum solely on the basis of their own analysis and RBI does not accept any responsibility about servicing/ repayment of such investment.

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SECTION 3: RISK FACTORS

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

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

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

3.2 THE SECONDARY MARKET FOR DEBENTURES MAY BE ILLIQUID.

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

3.3 CREDIT RISK & RATING DOWNGRADE RISK

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

3.4 CHANGES IN INTEREST RATES MAY AFFECT THE PRICE OF DEBENTURES.

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

3.5 TAX CONSIDERATIONS AND LEGAL CONSIDERATIONS

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

3.6 ACCOUNTING CONSIDERATIONS

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

3.7 SECURITY MAYBE INSUFFICIENT TO REDEEM THE DEBENTURES

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

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

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

3.9 LEGALITY OF PURCHASE

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

3.10 POLITICAL AND ECONOMIC RISK IN INDIA

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

3.11 RISKS RELATED TO THE BUSINESS OF THE ISSUER

A. ***Majority of the Issuer's loans are secured 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.***

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The vehicle loans provided by the Issuer are secured and if the Issuer is unable to control the level of 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.

As on March 31, 2020, the gross NPA of the Issuer was Rs 97.39 crores on a gross portfolio of Rs 2986.47 crores (including managed / securitized portfolio of Rs. 128.32 crores)*

*Pass Through Certificates (PTCs) are included in own books

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.

B. *The Issuer's business operates through a large number of rural and semi urban branches and is exposed to operational risks including fraud*

The Issuer is exposed to operational risks, including fraud, petty theft and embezzlement, as it handles a large amount of cash due to high volume of small transactions. This could harm its operations and its financial position.

As the Issuer handles a large amount of cash through a high volume of small transactions taking place in its network, the Issuer is exposed to the risk of fraud or other misconduct by its employees or outsiders. These risks are further compounded due to the high level of delegation of power and responsibilities that the Issuer's business model requires. Given the high volume of transactions processed by the Issuer, certain instances of fraud and misconduct may go unnoticed before they are discovered and successfully rectified. Even when the Issuer discovers such instances of fraud or theft and pursue them to the full extent of the law or with its insurance carriers, there can be no assurance that the Issuer will recover any such amounts. In addition, the Issuer's dependence upon automated systems to record and process transactions may further increase the risk that technical system flaws or employee tampering or manipulation of those systems will result in losses that are difficult to detect.

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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.

To mitigate the above risk, 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 MIS system able to generate data analysis that can be used to monitor financial and operational performance.

C. *Loans due within three years 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 two years of disbursement. The relatively short-term nature of the Issuer's loans means that the Issuer's long-term interest income stream is less certain than if a portion of its loans were for a longer term. In addition, the Issuer's customers may not obtain new loans from the Issuer upon maturity of their existing loans, particularly if competition increases. The 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 has increased from one year to two year which has provided stability to the portfolio and interest income and has also smoothened operating expense.

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

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

E. *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.

F. *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.

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

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

In addition, there are various types of risks and losses for which the Issuer does not maintain insurance, such as losses due to business interruption and natural disasters, because they are either uninsurable or because insurance is not available to the Issuer on acceptable terms. A successful assertion of one or more large claims against the Issuer that exceeds it's 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.

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

NBFCs in India are subject to strict regulation and supervision by the RBI. The Issuer requires certain approvals, licenses, registrations and permissions for operating, including registration with the RBI as a non-deposit taking NBFC (NBFC-ND). Further, such approvals, licenses, registrations and permissions must be maintained/renewed over time, applicable requirements may change and the Issuer may not be aware of or comply with all requirements all of the time. Additionally, the Issuer may need additional approvals from regulators to introduce new insurance and other fee based products to its members. In particular, the Issuer is required to obtain a certificate of registration for carrying on business as a NBFC that is subject to numerous conditions. In addition, branches are required to be registered under the relevant shops and establishments laws of the states in which they are located. The shops and establishment laws regulate various employment conditions, including working hours, holidays and leave and overtime compensation. If the Issuer fails to obtain or retain any of these approvals or licenses, or renewals thereof, in a timely manner, or at all, business may be adversely affected. If the Issuer fails to comply, or a regulator claims that the Issuer has not complied with any of these conditions, its certificate of registration may be suspended or cancelled and the Issuer shall not be able to carry on such activities.

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I. *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. The 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.

3.12 RISKS RELATED TO CORONAVIRUS DISEASE 2019 (COVID-19)

The last few months have been very crucial for not just India but the entire world to have gone through the COVID-19 virus, the resultant lockdown in various phases in different countries. But the impact has been equally difficult for all those who were affected with the virus. The world has been phasing out commendably with both the virus and the lockdown. COVID-19 has impacted economies all over the nations since the lockdown led to economic activities come at a standstill. As of now, while the corona virus continue to exist in the health and finance system worldwide we have to re-start the activities to suppress the after math of the virus that has affected the over-all functioning of nations including the financial markets.

I. <u>Impact on Disbursements and our plan ahead:</u>

a) To give a brief understanding of our current situation and how Ess Kay has managed the COVID-19 situation so far, we have taken a conservative approach and in the last 2 months have held back on our disbursals. Our sales and collections task force has been deployed to concentrate right now only on collections and managing the on-ground situation of the moratoriums provided pursuant to, *inter alia*, the Moratorium Directions (COVID-19) operational exercise.
b) As the economy is opening up, we understand that all activities including its supply chain have been restated back to normal. Even government is now supporting and insisting on getting back to normal activity levels albeit certain precautions. The segment that we cater to has two primary characteristics, i.e. one being the rural segment and two being agri-backed. COVID 19 and its after impacts were less felt in the rural/semi-urban segment that we have a presence in. As we see the demand surging in goods transportation and passenger vehicles we are devising a policy which is risk- balanced and we plan to cater at the start of it to our existing customers for initial few days till we gauge the complete scenario before us. We have made requisite changes in our policy pertaining to LTV, FOIR, segmentation, IRR, Average ticket size and alike important indicators that form our underwriting decision making.
c) While this is very early to commit but the basic sense is that we through a limping approach would first like to cater to demand of our existing customers or its ecosystem through their reference checks and then to new customers outside our ecosystem for business while we are positively and gradually getting back to normalcy in terms of collections.
d) Since we cater to borrowers who operate in last mile connectivity daily consumption segment who are part of our ecosystem we feel that all our borrowers should be able to resume normal activities with limping approach wherein in the short they would need and are expecting need based support from us for the time being so that they would be able to focus on earning rather getting distracted by undue pressure of debt servicing.

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c) Further as stated above would start normal process of disbursement by taking gradual approach and will incrementally can increase the pace depending upon the response from the market. In the initial stage we will begin with our farm equipment and MSME segment then gradually will move towards small commercial vehicle segment.

II. Impact on the Collections:

The lockdown was announced on March 22nd 2020 for a period of 21 days until April 17th 2020 whereby the entire nation was under lockdown with only basic services of grocery being open for general public. On 27th March 2020 the Reserve Bank of India, in order to prevent transmission of financial stress to real economy and ensure the continuity of viable businesses and provide relief to borrowers in the extraordinarily troubled times announced a moratorium of 3 months from March 2020 to May 2020. The collection efficiency in the month of March 2020 was slightly impacted due to the announcements made in the later end of the month.

Due to the slow-down in the economic activities and the moratorium availed by our underlying customers, focus of the consumers was on conserving cash to prepare for the unforeseen circumstances of the pandemic and there was no visibility on possibility of opening up of lockdown in near future thereby creating fear psychosis of dipping into savings and servicing debt obligations.

1. With gradual phasing out of lockdown in the Lockdown 3.0 and Lockdown 4.0 measures during the month of May 2020, major segments primarily essentials, goods transportation and passenger vehicles resumed their normal operations followed by allied activities.
2. The Rabi Harvest was transported to the Farmer's market whereby the Government of India has been prompt enough to repay to the farmers. Since majority of our consumer segment are rural and agri backed, this development in the transportation of farm produce added to the cash reserve and to avoid additional debt burden due to accrued interest in the Moratorium period, the borrowers have prioritized debt obligations.
3. The passenger vehicle segment which is a major part of our portfolio includes owners who drive their own vehicle for livelihood. Since the source of livelihood is their vehicle, the customers usually avoid deferring the payments and with passenger vehicles plying back on the roads since majorly migrant workers are getting back to their work places and borders have been opening up, our borrowers are resuming back to business which helps them to earn daily wages and make due repayments of their debt.
4. So accordingly in the month of May 2020, the collection efficiency stood at 62% and 142% based on pre moratorium and post moratorium billing respectively. The billing in the month of May 2020 has been above industry average for Ess Kay Fincorp.
5. This provides us with due confidence that going forward including current month the collection efficiencies will start significantly improving.

III. Overall Expected write offs:

In the normal times historically the overall write offs generally over in the range of 1.25% to 1.50% which includes everything like write offs, Repossession loss, One time settlements. Post COVID-19 our expectation is that there would be additional dent of 100 bps over and above normal write offs for which we have already increased our provision coverage ratio from 25% last year to 45% this year.

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SECTION 4: FINANCIAL STATEMENTS

The audited financial statements of the Issuer for the FY ended 31.03.2020, 31.03.2019 and 31.03.2018 are set out in Annexure V hereto

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SECTION 5: REGULATORY DISCLOSURES

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

5.1 Documents Submitted to the Exchanges

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

A. Memorandum and Articles of Association of the Issuer and necessary resolution(s) for the allotment of the Debentures;
B. Copy of last 3 (Three) years audited Annual Reports;
C. Statement containing particulars of, dates of, and parties to all material contracts and agreements;
D. Certified copy of the Board Resolution dated June 03, 2020 read with the resolution passed by the Executive Committee of the Board of Directors dated July 06, 2020 authorising the issuance of the Debentures;
E. Certified true copy of the shareholders' resolution passed by the Company at the General Meeting held on May 21, 2020 authorizing the Company to borrow, upon such terms as the Board may think fit, up to an aggregate limit of INR 45,00,00,00,000 (Indian Rupees Four Thousand and Five Hundred Crores);
F. Certified true copy of the shareholders' resolution passed by the Company at the General Meeting held on May 21, 2020 authorizing the Company to create security in respect of its borrowings under Section 180(1)(a) of the Companies Act, 2013;
G. Certified true copy of the shareholders' resolution passed by the Company at the General Meeting held on May 21, 2020 authorizing the Company to issue non-convertible debentures under Section 42 of the Companies Act, 2013;
H. An undertaking from the Issuer stating that the necessary documents for the creation of the charge, including the Debenture Trust Deed would be executed within the time frame prescribed in the relevant regulations/acts/rules etc. and the same would be uploaded on the website of the BSE, where the debt securities have been listed, within 5 (Five) working days of execution of the same;
I. Where applicable, an undertaking that permission / consent from the prior creditor for a second or *pari passu* charge being created, in favour of the trustees to the proposed issue has been obtained; and
J. Any other particulars or documents that the recognized stock exchange may call for as it deems fit.

5.2 Documents Submitted to Debenture Trustee

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

A. Memorandum and Articles of Association of the Issuer and necessary resolution(s) for the allotment of the Debentures;
B. Copy of last 3 (Three) years audited Annual Reports;
C. Statement containing particulars of, dates of, and parties to all material contracts and agreements;
D. Latest audited / limited review half yearly consolidated (wherever available) and standalone financial information (profit & loss statement, balance sheet and cash flow statement) and auditor qualifications, if any.

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E. An undertaking to the effect that the Issuer would, until the redemption of the debt securities, submit the details mentioned in point (D) above to the Debenture Trustee within the timelines as mentioned in Simplified Listing Agreement issued by SEBI vide circular No. SEBI/IMD/BOND/1/2009/11/05 dated May 11, 2009 as amended or restated from time to time, for furnishing / publishing its half yearly/ annual result. Further, the Issuer shall within 180 (One Hundred and Eighty) calendar days from the end of the financial year, submit a copy of the latest annual report to the Debenture Trustee and the Debenture Trustee shall be obliged to share the details submitted under this clause with all 'Qualified Institutional Buyers' and other existing debenture-holders within 2 (two) Business Days of their specific request.

5.3 Name and Address of Registered Office of the Issuer:

Name:	Ess Kay Fincorp Limited
Registered Office of Issuer:	G1&2, New Market, Khasa Koti Circle, Jaipur, Rajasthan – 302001
Corporate Office of Issuer:	G1&2, Adarsh Plaza, Khasa Kothi Circle, Jaipur, Rajasthan - 302001
Compliance Officer of Issuer:	Ms. Anagha Bangur, Company Secretary G1&2, Adarsh Plaza, Khasa Kothi Circle, Jaipur, Rajasthan - 302001
CFO of Issuer:	Mr. Atul Arora, Phone No: 0141-4734016 Address: G1&2, Adarsh Plaza, Khasa Kothi Circle, Jaipur, Rajasthan – 302001
Corporate Identification Number:	U65923RJ1994PLC009051
Phone No.:	+91 141 4734016
Fax No:	-
Contact Person:	Mr. Vivek Singh, G1&2, Adarsh Plaza, Khasa Kothi Circle, Jaipur, Rajasthan – 302006
Email:	anagha.bangur@skfin.in
Website of Issuer:	www.skfin.in
Arranger, if any, of the Instrument:	N.A.
Auditors of the Issuer:	B S R & Co. LLP Address: 5th Floor, Lodha Excelus, Apollo Mills Compound N.M Joshi Marg Mahalaxmi Mumbai-4000 11 Tel: +91-97727-09002 E-mail: anandvijay@bsraffiliates.com

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Trustee to the Issue:	IDBI Trusteeship Services Limited Address: Asian Building, Ground Floor, 17. R. Kamani Marg, Ballard Estate, Mumbai – 400001, Tel: +91 22 40807000 Email: deepak.avasthi@idbitrustee.com
Registrar to the Issue:	Kfin Technologies Private Limited 46, Avenue, 4th Street, No. 1, Banjara Hills, Hyderabad-500034 Tel: +91 40 6716 1602 E-mail: hanumantha.patri@kfintech.com
Credit Rating Agency of the Issue:	CRISIL Limited, Address: CRISIL House, Central Avenue, Hiranandani Business Park, Powai, Mumbai 400 076 Tel: +0124 6722123 E-mail: sunanda.agarwal@crisil.com

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

A. Overview:

Ess Kay Fincorp Limited is registered as an Asset Financing Non-Banking Financial Corporation (NBFC-AFC) with the RBI. It was incorporated in 1994 and is primarily engaged in financing of commercial vehicles – mostly light commercial vehicles and multi utility vehicles. Its corporate and registered office is in Jaipur, Rajasthan.

It provides loans primarily to first time buyers and small transporters for purchase of used vehicles. The Issuer's experienced management team, knowledge of local market, good franchise in Rajasthan, good systems and processes, control on asset quality indicators and adequate profitability are credit the positives for the company.

B. Corporate Structure/Organization Structure

i. Current Corporate Status:

The Issuer was incorporated as a private limited company under the Companies Act of 1956 on November 21, 1994 and is registered with the Reserve Bank of India as a non-deposit accepting NBFC and converted from a private limited to public limited company under the Companies Act of 2013 on September 04, 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, Ess Kay 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.

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- **Commercialisation:** Classifying Ess Kay 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, Ess Kay will be more likely to attract mainstream capital resources which Societies or Trusts would find difficult to attract.
- **Regulatory Coverage:** As Ess Kay grows in size, operating as an NBFC within the regulatory framework mitigates risks from political and regulatory intervention.
- **Stakeholder Involvement:** As an NBFC, Ess Kay can bring a variety of stakeholders to the table, including clients, management, employees and investors.

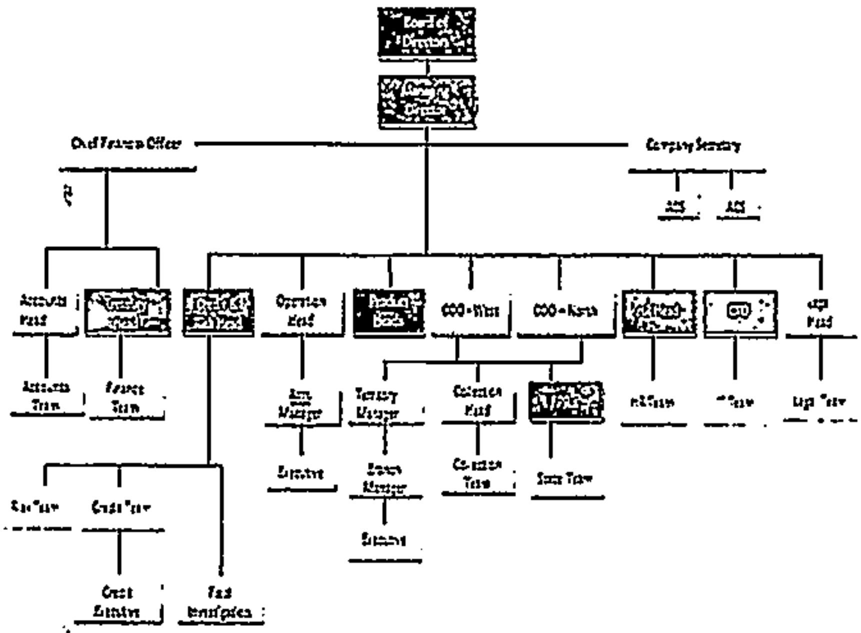
ii. **Business Segments**

Ess Kay lends financial assistance in the form of loans, to help meet customers' needs in the transportation life cycle from end-to-end. We finance Medium Commercial Vehicles (MCV), Light Commercial Vehicles (LCV), Multi-Utility Vehicle (MUV), Cars, Two - Wheelers and MSME financing. Apart from financing new vehicles, we have Refinancing loans available for used and pre-owned vehicles of all kinds and brands.

PRODUCT DETAILS

Product	Features	Purpose	Eligibility
Vehicles loans	Secured by hypothecation of vehicle	Purchase of vehicle	Self-occupied individuals
MSME	Secured by mortgage of property	Expansion of business	Self-occupied residential and commercial property Individuals

(I) **Corporate Structure**



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

(Rs. In lacs)

Parameters	Audited	Audited	Audited	Audited
	31-Mar-17	31-Mar-18	31-Mar-19	31-Mar-20
	(In Lakhs)	(In Lakhs)	(In Lakhs)	(In Lakhs)
Net Worth	8,627	20,630	55,518	87,873
Total Debt	61462	89763	129917	2,56,178
- Non-current maturities of long term Borrowings	30198	42815	80262	* Bifurcation not available
- short term borrowings	4597	8523	6505	
- Current maturities of long term Borrowings	26667	38425	43150	
Net Fixed Assets	1016	1230	1704	4210
Non-Current Assets	38367	69175	102226	
Cash and Cash equivalents	5543	2937	27761	6,237
Current Investments	-	-	1100	13,837
Current Assets	37714	51696	66525	-
Current liabilities	37811	56944	59369	-
Assets Under Management	82449	128198	200184	3,07,665

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Off balance sheet assets	24931	27155	47216	12,832
Interest Income	12056	16931	28901	54,545
Interest Expense	6570	8479	13096	23,248
Provisioning & write offs	674	1206	2059	4777
PAT	1230	2195	5223	7,854
Gross NPA (%)	4.22%	3.37%	3.83%	4.04%
Net NPA (%)	3.41%	2.57%	2.87%	2.42%
Recognition of NPA	120 days	90 days	90 days	90 days
Tier I Capital Adequacy Ratio (%)	11.56%	16.72%	31.17%	30.62%
Tier II Capital Adequacy Ratio (%)	6.20%	3.52%	1.85%	1.04%

D. **Gross Debt: Equity Ratio of the Company (As on March 31, 2020):**

Debt to Equity Ratio as on 31.03.2020	2.92
Before the issue of the Debentures	2.63
After the issue of the Debentures	2.71

Calculations

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

Debt – INR in lakhs	236128
Equity – INR in lakhs	89873
Debt/Equity	2.63

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

Debt – INR lakhs	243628
Equity – INR lakhs	89873
Debt/Equity	2.71

E. **Project cost and means of financing, in case of funding new projects: N.A.**

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

A. **Details of Share Capital as on last quarter end i.e. March 31, 2020:**

Share Capital	Rs.
Authorised	In INR Lakhs
Equity share capital	575.00
Preference share capital	Nil
TOTAL	575.00
Issued, Subscribed and Fully Paid-up	503.90
Equity share capital	503.90
Preference Shares	Nil
TOTAL	503.90

B. **Changes in its capital structure as on last quarter end i.e. March 31, 2020, for the last five years:**

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Changes in its capital structure as on last quarter end	Change in Authorised Share Capital (Equity and Preference) (Rs.)		Particulars
Date of Change (AGM/EGM)	Existing	Revised	Change in capital (Rs.)
31.12.2010	12,500,000	25,000,000	+12,500,000
31.12.2011	25,000,000	25,000,000	-
31.12.2012	25,000,000	45,000,000(E.S.) 12,500,000(P.S)	+20,000,000 +12,500,000
31.12.2013	45,000,000(E.S.) 12,500,000(P.S)	45,000,000(E.S.) 12,500,000(P.S)	-
31.12.2014	45,000,000(E.S.) 12,500,000(P.S)	45,000,000(E.S.) 12,500,000(P.S)	-
31.12.2015	45,000,000(E.S.) 12,500,000(P.S)	45,000,000(E.S.) 12,500,000(P.S)	-
31.03.2017	45,000,000(E.S.) 12,500,000(P.S)	45,000,000(E.S.) 12,500,000(P.S)	-
5.12.2017	45,000,000(E.S.) 12,500,000(P.S)	5,75,00,000(E.S.)	-
11.09.2018	5,75,00,000(E.S.)	5,75,00,000(E.S.)	Each ES of Rs. 100 was splitted into 50 ES of Rs. 02 each.

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

Date of allotment	Name of equity shareholder	No. shares	Face Value (Rs.)	Issue price	Consideration Amount (Rs.) (Cash, other than cash)	Nature of Allotment	Cumulative paid-up capital (Rs.)		Remarks
					(No. of shares * Issue price)		No. of equity shares	Equity share Capital	
31.03.2010	Asha Kothari	3650	100	500	1,825,000	Equity	123,150	12,315,000	Share transferred on 15.1.2012
	Mantra Trading Company	2000	100	500	1,000,000	Equity			Share transferred on 22.12.2011
	Vajra	2000	10	500	1,000,00	Equity			Share

	Trading Company		0		0				transferred on 22.12.2011
	Ess Kay Finserve Pvt. Ltd.	3200	100	500	1,600,000	Equity			Share transferred on 22.12.2011
	Total	10,850	100	500	5,425,000	Equity			
31.03.2011	Shalini Setia	800	100	500	400,000	Equity	164,790	16,479,000	
	Arjun Das Setia	320	100	500	160,000	Equity			Shared Transferred on 07.07.2014
	Rajendra Kumar Setia	40520	100	500	20,260,000	Equity			
	Total	41,640	100	500	20,820,000	Equity			
27.12.2011	Rajendra Kumar Setia	17,620	100	500	8,810,000	Equity	182,410	18,241,000	
05.03.2012	BanyanTree Growth Capital LLC	60	100	1500	90,000	Equity	182,470	18,247,000	
31.03.2012	Shalini Setia	2368	100	2000	1,184,000	Equity	199,518	19,951,800	
	Arjun Das Setia	1200	100	2000	600,000	Equity			Shares transferred on 16.08.2014
	Rajendra Kumar Setia	13480	100	2000	6,740,000	Equity			
	Total	17,048	100	2000	34,096,000	Equity			
26.03.2014	Rajendra Kumar Setia	190	100	2632	500,080	Equity	202,415	20,241,500	
	Ladder Up Corporate Advisory Private Limited	2707	100	2632	7,124,824	Equity			
	Total	2,897	100	2632	7,624,904	Equity			

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	BanyanTree Growth Capital LLC	119,940	100	100	179,910,000	Preference	119,940	11,994,000	
12.11.2016	Yash Setia	13	100	NA	NA	Equity	322,355	32,235,500	Share received on 12.11.2016
	Shalini Setia	13	100	NA	Na	Equity			Share received on 12.11.2016
	Atul Arora	13	100	3790.68	49278.84	Equity			Share purchased from existing shareholder on 12.11.2016
27.03.2017	Banyan Tree Growth Capital LLC	68294	100	175.623	NA	Equity	270709	27070900	68294 Equity share issued in lieu of Compulsory Convertible preference shares
	Total	68333	-	3790.68	49278.84	Equity			
30.12.2017	Norwest Venture Partners X - Mauritius	44,468	100	12,467.26	55,43,94,117.68	Equity	350919	35091900	Fresh Allotment
	Baring Private Equity India AIF	15,963	100	12,467.26	19,90,14,871.38	Equity			Fresh Allotment
	Karma Holdings Mauritius Limited	4,817	100	12,467.26	6,00,54,791.42	Equity			Fresh Allotment
	Evolvence India Fund II LTD	14,962	100	12,467.26	18,65,35,144.12	Equity			Fresh Allotment

	Norwest Venture Partners X – Mauritius	41,356	100	12,467.26	51,55,96,004.56	Equity			Transfers from Banyan Tree Growth Capital, Rajendra Kumar Setia & Ladder Up Finance Limited
30.12.2017	Baring Private Equity India AIF	14,845	100	12,467.26	18,50,76,474.70	Equity	350919	35091900	Transfers from Banyan Tree Growth Capital, Rajendra Kumar Setia & Ladder Up Finance Limited
	Karma Holdings Mauritius Limited	4,480	100	12,467.26	5,58,53,324.80	Equity			Transfers from Banyan Tree Growth Capital, Rajendra Kumar Setia & Ladder Up Finance Limited
	Evolvence India Fund II LTD	13,914	100	12,467.26	17,34,69,455.64	Equity			Transfers from Banyan Tree Growth Capital, Rajendra Kumar Setia & Ladder

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									Up Finance Limited
23.02.2018	Evolvence Coinvest I	28,876	100	12,467.26	36,00,04,599.76	Equity	350919	35091900	Transfers
26.02.2018	Rajendra Kumar Setia HUF	1,250	100	20,000.00	2,50,00,000.00	Equity	350919	35091900	Transfers
11.09.2018	Splited Into 50 Equity Shares having FV 02 Per Share	NA	02	NA	NA	Equity	17545950	35091900	Split
13.10.2018	Rajendra Kumar Setia	754650	02	NA	NA	Equity	18300600	36601200	Conversion of Warrants
31.10.2018	TPG Growth IV SF Pte Limited	167703	02	596.29	99999621.87	Equity	18468303	36936606	Purchase from RKS
31.10.2018	TPG Growth IV SF Pte Limited	2904835	02	596.29	1732124062.15	Equity	18756447	37512894	Fresh Allotment
31.10.2018	Evolvence Coinvest I	455847	02	596.29	271817007.63	Equity	21661282	43322564	Fresh Allotment
31.10.2018	Norwest Venture Partners X – Mauritius	1354847	02	596.29	807881717.63	Equity	23016129	46032258	Fresh Allotment
21.11.2019	TPG Growth IV SF Pte Limited	1,316,497	02	1078.62	1,419,999,994.14	Equity	24332626	48665252	Fresh Allotment
21.11.2019	Norwest Venture Partners X – Mauritius	630,435	02	1078.62	679,999,799.70	Equity	24963061	49926122	Fresh Allotment
21.11.2019	Evolvence India Fund III Ltd	231,778	02	1078.62	250,000,386.36	Equity	25194839	50389678	Fresh Allotment

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

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

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5.6 Details of the shareholding of the Company as on the latest quarter end, i.e., March 31, 2020:

A. Shareholding pattern of the Company as on the latest quarter end, i.e., March 31, 2020:

S. No.	Name of Shareholder/Particulars	Nature of Shares	Face Value per share in Rs.	No. of shares in demat form	Total No. of equity shares	% of paid-up share capital/ Total Shareholding as % of total no of equity shares
1	Rajendra Kumar Setia	Equity	02	1,03,27,547	1,03,27,547	40.99
2	Shalini Setia	Equity	02	650	650	0.00
3	Yash Setia	Equity	02	650	650	0.00
4	Bhajan Devi Setia	Equity	02	650	650	0.00
5	Rajendra Kumar Setia (HUF)	Equity	02	62,500	62,500	0.25
6	Norwest Venture Partners X-Mauritius	Equity	02	62,76,482	62,76,482	24.91
7	Baring Private Equity India AIF	Equity	02	15,40,400	15,40,400	6.11
8	Karma Holdings Mauritius Limited	Equity	02	4,64,850	4,64,850	1.85
9	Evolvence Coinvest I	Equity	02	18,99,647	18,99,647	7.54
10	TPG Growth IV SF Pte Limited	Equity	02	43,89,035	43,89,035	17.42
11	Evolvence India Fund III Ltd.	Equity	02	2,31,678	2,31,678	0.92
12	Atul Arora	Equity	02	650	650	0.00
Total				2,51,94,839	2,51,94,839	100.00

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

B. List of top 10 holders of equity shares of the Company as on March 31, 2020:

S. No.	Name of Shareholder	Nature of Shares	Face Value per share in Rs.	No. of shares in demat form	No. of shares	% of paid-up share capital
1	Rajendra Kumar Setia	Equity	02	1,03,27,547	1,03,27,547	40.99
2	Shalini Setia	Equity	02	650	650	0.00
3	Yash Setia	Equity	02	650	650	0.00
4	Bhajan Devi Setia	Equity	02	650	650	0.00
5	Rajendra Kumar Setia (HUF)	Equity	02	62,500	62,500	0.25
6	Norwest Venture Partners X-	Equity	02	62,76,482	62,76,482	24.91

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	Mauritius					
7	Baring Private Equity India AIF	Equity	02	15,40,400	15,40,400	6.11
8	Karma Holdings Mauritius Limited	Equity	02	4,64,850	4,64,850	1.85
9	Evolvence Coinvest I	Equity	02	18,99,647	18,99,647	7.54
10	TPG Growth IV SF Pte Limited	Equity	02	43,89,035	43,89,035	17.42
11	Evolvence India Fund III Ltd.	Equity	02	2,31,678	2,31,678	0.92
12	Atul Arora	Equity	02	650	650	0.00
Total				2,51,94,839	2,51,94,839	100.00

5.7 Following details regarding the directors of the Company:

A. Details of current directors of the Company:

This table sets out the details regarding the Company's Board of Directors as on the date of this Information Memorandum:

Sr. No	Director's name	Designation	Date of Birth	Age	PAN	Director of the company since	DIN	Address	Details of other directorships
1.	Rajendra Kumar Setia	Managing Director	01.07.1969	49 Years	AGWPS0094A	21.11.1994	00957374	2 Cha 12 Jawahar Nagar, Jaipur	Nil
2.	Shalini Setia	Whole Time Director	04.06.1972	47 Years	ABXPS3855K	01.01.2010	02817624	2 Cha 12 Jawahar Nagar, Jaipur	Nil
3.	Amar Lal Daultani	Independent Director	13.03.1955	64 Years	AKDPD8573G	01.04.2016	05228156	703, Dev Plaza, Near Tejaswani Hospital Kadri, Temple Road, Mangalore, Karnataka.	Devenio Optimus Advisors Private Limited; Ativir Stock Broking Private Limited; Viraj Profiles Limited

4.	Munish Dayal	Nominee Director	03.04.1966	53 Years	AAFPD7954D	26.02.2018	01683836	H.N. LCG804A, Sushant Lok-1, Laburnum Apartment Gurgaon, Teh - Gurgaon	IVC Association Manappuram Home Finance Limited Starkarma Realty Holdings India Private Limited Proactive Data Systems Private Limited RMZ Infotech Private Limited Infrasoft Technologies Pte. Ltd., Singapore Infrasoft Technologies Inc. USA
5.	Anand Raghvan	Independent Director	04.06.1961	58 Years	AACPA1877D	07.04.2018	00243485	22/1, Warren Road, Mylapore, Chennai 600004	Sterling Holiday Resorts Limited Five-Star Business Finance Limited Five-Star Housing Finance Private Limited Chennai Internationa

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									l Centre Nani Palkhivala Arbitration Centre
6.	Akshay Tanna	Nominee Director	20/11/1982	38 yrs	ADQPT5302K	03.06.2020	02967021	A/72, Darshan Apts, Mount Pleasant Road, Malabar Hill, Near Chief Ministers Bungalow, Mumbai-400006, Maharashtra	-Dodla Dairy Limited -Big Tree Entertainment Private Limited -Landmark Insurance Brokers Private Limited -Lenskart Solutions Private Limited -Automark Motors Private Limited -Landmark Commercial Vehicles Private Limited -FSN E-Commerce Ventures Private Limited

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

Name	Designation	DIN	Date of Appointment	Date of Resignation (In case of resignation)	Remarks
Naval Jawaharlal Totla	Independent Director	2408585	05.03.2012	20.05.2014	Appointment and Resignation
Anshuman Goenka	Independent Director	02276712	20.05.2014	25.03.2015	Appointment and Resignation
Sanjiv Singhal	Nominee Director	02408616	25.03.2015	30.12.2017	Appointment and Resignation
Govind Saboo	Independent Director	06724172	29.12.2014	01.04.2016	Appointment and Resignation
Amar	Independen	07144359	25.03.2015	08.05.2018	Appointment and

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Chand Chug	t Director				Resignation
Arjun Das Setia	Director	00469127	21.11.1994	29.09.2015	Appointment and Resignation
Amar Lal Daultani	Independen t Director	05228156	01.04.2016	-	Appointment
Rahul Bhasin	Nominee Director		30.12.2017	05.09.2018	Appointment and Resignation
Munish Dayal	Nominee Director	01683836	26.02.2018		Appointment
R Anand	Independen t Director	00243485	07.04.2018		Appointment
Gaurav Trehan	Nominee Director	03467781	31.10.2018	20.05.2020	Appointment and Resignation
Akshay Tanna	Additional Director	02967021	03.06.2020		Appointment

**Company to disclose name of the current directors who are appearing in the RBI defaulter list and/or ECGC default list, if any: Nil*

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

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

Name	Address	Auditor since	Remark
B S R& Co. LLP	5th Floor, Lodha Excelus Apollo Mills Compound N.M Joshi Marg Mahalaxmi Mumbai-4000 11	11.09.2018	NA

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

Name	Address	Date of appointment/ resignation	Auditor of the Company since (in case of resignation)	Remark
SS Kothari Mehta	146-148 Tribhuvan Complex, Ishwar Nagar, Mathura road, New Delhi 110017	30.09.2014	30.09.2014 to 1.09.2018	NIL
M/s B S R & Co. LLP	5th Floor, Lodha Excelus Apollo Mills Compound N.M. Joshi Marg, Mahalaxmi, Mumbai, Maharashtra-400011	11.09.2018	11.09.2018 to 01.09.2023	NIL

5.9 **Details of borrowings of the Company, as on latest quarter end i.e. June 30, 2020:**

A. **Details of Secured Loan Facilities as on June 30, 2020**

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SN	Name of the Bank / Institution	Type of Facility	Date of Sanction	Sanctioned Amount	O/s as on 30.06.2020	Maturity	Security Margin on receivables
1	RBL Bank Limited	Term Loan	16-Feb-18	22.90	5.79	28-Feb-21	133%
2	RBL Bank Limited	Term Loan	05-Mar-19	40.00	24.00	08-Mar-22	133%
3	HDFC Bank Limited	Term Loan	14-Feb-18	10.00	3.13	07-Apr-21	133%
4	HDFC Bank Limited	Term Loan	30-Aug-18	15.00	9.22	07-Sep-22	133%
5	HDFC Bank Limited	Term Loan	07-Mar-19	25.00	16.20	07-Apr-22	133%
6	HDFC Bank Limited	Term Loan	27-Aug-19	25.00	19.48	07-Sep-22	133%
7	The South Indian Bank Limited	Term Loan	25-Aug-16	12.00	2.34	25-Aug-20	125%
8	The South Indian Bank Limited	Term Loan	16-Mar-20	10.00	10.00	31-Mar-23	120%
9	Oriental Bank of Commerce	Term Loan	03-Apr-19	15.00	12.85	03-Apr-23	118%
10	Dcb Bank Limited	Term Loan	09-Oct-17	13.00	1.48	31-Oct-20	133%
11	Bank of Baroda (earlier Vijaya Bank)	Term Loan	03-Apr-17	5.00	2.04	01-Apr-22	125%
12	Indusind Bank Limited	Term Loan	16-Nov-17	25.00	6.28	30-Nov-20	133%
13	Indusind Bank Limited	Term Loan	01-Oct-18	15.00	10.86	30-Nov-22	120%
14	Utkarsh Small Finance Bank	Term Loan	19-Dec-17	20.00	5.00	31-Mar-21	110%
15	Ujjivan Small Finance Bank Ltd	Term Loan	05-Dec-18	20.00	5.00	31-Dec-20	120%
16	Ujjivan Small Finance Bank Ltd	Term Loan	24-Dec-19	20.00	16.67	31-Dec-22	120%
17	Kotak Mahindra Bank Limited	Term Loan	27-Mar-19	40.00	25.56	09-May-22	120%
18	Bank of Maharashtra	Term Loan	11-Jun-19	15.00	15.00	29-Jun-23	133%
19	Federal Bank Limited	Term Loan	25-Jun-19	15.00	9.00	28-Dec-21	125%
20	IDFC First Bank Limited	Term Loan	24-Jun-19	100.00	76.92	28-Dec-22	120%
21	Capital Small Finance Bank Ltd	Term Loan	16-Sep-19	10.00	8.60	01-Dec-22	125%
22	Axis Bank 2nd	Term Loan	23-Sep-19	15.00	11.25	30.09.2022	120%
23	Federal Bank Limited	Term Loan	21-Dec-19	15.00	12.00	21-Jun-22	125%
24	Utkarsh Small Finance Bank	Term Loan	25-Nov-19	15.00	12.08	30-Nov-22	115%
25	Dcb Bank Limited	Term Loan	08-Jan-20	15.00	13.37	01-Feb-23	133%
26	Indusind Bank Limited	Term Loan	06-Jan-20	35.00	32.01	31-Mar-24	125%
27	SBM	Term Loan	04-Mar-20	20.00	17.50	28-Feb-22	115%
28	ICICI Bank	Term Loan	25-Feb-20	10.00	9.58	28-Feb-22	133%
29	State Bank of India	Term Loan	15-Jun-20	4.50	4.50	15-Jun-22	133%
30	Small Industries Development Bank of India II	Term Loan	19-Sep-16	15.00	5.75	10-May-22	133%
31	Small Industries Development Bank of India II	Term Loan	12-Jun-20	50.00	50.00	10-Apr-21	133%
32	Hinduja Leyland Finance Limited	Term Loan	30-Jun-17	7.00	0.23	30-Jun-20	110%
33	Hinduja Leyland Finance Limited	Term Loan	09-Oct-17	7.50	1.19	31-Oct-20	110%
34	Hinduja Leyland Finance Limited	Term Loan	20-Mar-18	20.00	5.62	31-Mar-21	120%
35	Hinduja Leyland Finance Limited	Term Loan	21-Feb-20	22.00	20.44	04-Mar-23	110%
36	Bajaj Finance Limited	Term Loan	28-Sep-17	20.00	4.62	31-Mar-21	120%
37	Bajaj Finance Limited-II	Term Loan	26-Feb-19	25.00	13.09	28-Feb-22	120%
38	Bajaj Finance Limited -III	Term Loan	27-Feb-20	25.00	22.22	31-Mar-23	120%

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39	Nabkisan Finance Limited	Term Loan	06-Sep-17	15.00	7.49	31-Jan-22	110%
40	Nabkisan Finance Limited	Term Loan	22-Jan-19	7.75	5.81	22-Apr-24	110%
41	Nabsamruddhi Finance Limited	Term Loan	13-Mar-20	20.00	18.75	29-Feb-24	110%
42	Manappuram Finance Limited	Term Loan	16-Nov-17	25.00	7.14	31-May-21	110%
43	Manappuram Finance Limited-II	Term Loan	26-Feb-19	50.00	31.32	31-Mar-22	110%
44	CLIX Capital India Unlimited	Term Loan	27-Nov-17	30.00	4.76	30-Nov-20	133%
45	Fedbank Financial Service Limited	Term Loan	23-Dec-17	15.00	3.10	01-Aug-22	110%
46	Magma Fincorp Limited	Term Loan	30-Dec-17	10.00	2.49	28-Feb-21	100%
47	Tata Capital Finance Service Limited	Term Loan	28-May-18	5.00	1.67	30-Jun-21	120%
48	Fedbank Financial Service Limited	Term Loan	27-Jul-18	5.00	2.26	01-Jan-22	110%
49	Volkswagen Finance Pvt Ltd.(T.L)	Term Loan	19-Sep-18	20.00	10.23	01-Nov-21	110%
50	Vivriti Capital Private Limited	Term Loan	28-Mar-19	10.00	6.86	30-Sep-22	110%
51	Bank of Maharashtra	CC/WCDL	17-Oct-12	15.00	15.00	On Demand	133%
52	State Bank of India	CC/WCDL	15-Nov-11	6.00	6.00	On Demand	133%
53	State Bank of India - WCDL	CC/WCDL	22-Aug-16	39.00	39.00	On Demand	133%
54	RBL Bank Limited	CC/WCDL	24-Sep-15	5.00	5.00	On Demand	133%
55	HDFC Bank Limited	CC/WCDL	14-Feb-18	10.00	10.00	On Demand	133%
56	Au Small Finance Bank	CC/WCDL	28-Mar-17	32.85	32.85	On Demand	110%
57	Axis Bank	CC/WCDL	22-Mar-17	5.00	5.00	On Demand	120%
58	Tata Capital Finance Service Limited- WCDL	CC/WCDL	28-May-18	10.00	10.00	On Demand	120%
59	Indusind Bank	CC/WCDL	06-Jan-20	10.00	10.00	On Demand	125%

B. Details of Unsecured Loan Facilities as on March 31, 2020:

Name of the Bank / Institution	Type of facility	Date of Sanction	Sanctioned Amount	O/s as on 30.06.2020	Maturity Date
IDFC First Bank Ltd (Capital First)	Tier-II	21-Sep-15	20.00	20.00	23-Sep-21

C. Details of Non-Convertible Debentures as on March 31, 2020:

Debenture Series	Tenor /Period of Maturity	Coupon (Rate of Interest)	Amount (Rs in Crore)	Date of allotment	Redemption Date/ Schedule	Credit Rating	Secured/ Unsecured	Including Security
2751-3230	5 years	14.75%	48.00	28/05/2014	533.33 Lacs each at 30.05.2015, 30.11.2015, 30.05.2016, 30.11.2016, 30.05.2017,	CARE BBB	Secured	120% of the aggregate of the outstanding principal amount of the Debentures or 100% of the aggregate of the outstanding principal amount of the Debentures and the value of all future

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					30.11.2017, 30.05.2018, 30.11.2018, 30.05.2019			interest payments on those outstanding Debentures, whichever is greater.
3231-192185	3.37 years	12.05% P.A	944.775	21/12/2015	05/02/2019 05/05/2019	CARE BBB	Secured	Secured by way of hypothecation of book debt which shall be maintained at 110% of debenture outstanding.
192186-192385	6 Years	13.00%	2000.00	29/09/2016	29/09/2022	CARE BBB-	Unsecured	NIL
192586-194085	1.5 Years	11.50%	15.00	20-Mar-17	20-Sep-18 Quarterly Instalments after a period of 9 months	CARE BBB	Secured	Nil
195586-195835	42 months	Market Linked	250000000	12/07/17	12/01/21	(CARE) BBB+	Unsecured	NIL
195836-197335	15 months	11.00%	150000000	16/08/18	16/02/18 16/05/18 16/08/18 16/11/18	(CARE) BBB+	Secured	And first exclusive charge with 1.33 times (133%) security cover over the book debts of the company.
197336-204835	36} Months	Market Linked	150000000	18/08/17	18/08/2020	(CARE) BBB+	Secured	Exclusive charge via a deed of hypothecation over specific standard asset portfolio of receivables covering security of 1.1X at all times & Pari passu charge over the immovable property of the Company.
204836-205035	24 Months	10.85% Monthly	20,00,00,000	27 December 2017	31.01.2018 28.02.2018 30.03.2018 30.04.2018 31.05.2018 29.06.2018 31.07.2018 31.08.2018 28.09.2018 31.10.2018 30.11.2018 31.12.2018 31.01.2019 28.02.2019 29.03.2019 30.04.2019 31.05.2019 28.06.2019 31.07.2019 30.08.2019 30.09.2019 31.10.2019 29.11.2019 27.12.2019	IND A (SO)	Secured	Exclusive charge via a deed of hypothecation over specific standard asset portfolio of receivables covering security of 1.2X at all times & Pari passu charge over the immovable property of the Company.
205036-205335	24 Months	10.85% Monthly	30,00,00,000	28 Dec2017	31.01.2018 28.02.2018 30.03.2018 30.04.2018 31.05.2018 29.06.2018 31.07.2018 31.08.2018 28.09.2018	IND A (SO)	Secured	Exclusive charge via a deed of hypothecation over specific standard asset portfolio of receivables covering security of 1.2X at all times & Pari passu charge over the immovable property of the Company.

					31.10.2018 30.11.2018 31.12.2018 31.01.2019 28.02.2019 29.03.2019 30.04.2019 31.05.2019 28.06.2019 31.07.2019 30.08.2019 30.09.2019 31.10.2019 29.11.2019 27.12.2019			
205336-205685	24 Months	10.60%	35000000 0	18th January, 2018	16.02.2018 16.03.2018 18.04.2018 18.05.2018 18.06.2018 18.07.2018 17.08.2018 18.09.2018 18.10.2018 16.11.2018 18.12.2018 18.01.2019 18.02.2019 18.03.2019 18.04.2019 17.05.2019 18.06.2019 18.07.2019 16.08.2019 18.09.2019 18.10.2019 18.11.2019 18.12.2019 17.01.2020	IND A(SO)	Secured	Exclusive charge via a deed of hypothecation over specific standard asset portfolio of receivables covering security of 1.2X at all times & Pari passu charge over the immovable property of the Company.
205686-205935	22 Months	10.60%	25,00,00,000	27th February, 2018	30.03.2018 30.04.2018 31.05.2018 29.06.2018 31.07.2018 31.08.2018 28.09.2018 31.10.2018 30.11.2018 31.12.2018 31.01.2019 28.02.2019 29.03.2019 30.04.2019 31.05.2019 28.06.2019 31.07.2019 30.08.2019 30.09.2019 31.10.2019 29.11.2019 27.12.2019	IND A(SO)	Secured	Exclusive charge via a deed of hypothecation over specific standard asset portfolio of receivables covering security of 1.2X at all times & Pari passu charge over the immovable property of the Company.
205936-207935	18 Month	9.75%	20,00,00,000	12th March, 2018	12.09.2018 12.10.2018 12.11.2018	[CARE] BBB+	Secured	Exclusive charge via a deed of hypothecation over specific standard asset

					12.12.2018 12.01.2019 12.02.2019 12.03.2019 12.04.2019 12.05.2019 12.06.2019 12.07.2019 12.08.2019 12.09.2019			portfolio of receivables covering security of 1.2X at all times & Pari passu charge over the immovable property of the Company.
207936-210435	1277 Days	Linked to Reference Index	25,0 0,00, 000	15th May 2018	Bullet Payment	CARE PP-MLD BBB+	Secured	First ranking, exclusive and continuing charge on identified receivables covering security of 110.0% (One Hundred and Ten Percent) the aggregate amount of principal outstanding of the NCDs
210436-211935	36 Months	11.23% p.a	75,0 0,00, 000	24th May 2018	26.11.2018 24.05.2019 25.11.2019 25.05.2020 24.11.2020 24.05.2021	CARE BBB+	Secured	The Debenture shall be first ranking exclusive charge on Hypothecated Assets of Receivables which shall be maintained at 1.20x times of debentures outstanding.
211936-212435	36 Months	10.9007 % p.a	50,0 0,00, 000	14th June 2018	31.05.2019 29.05.2020 11.06.2021	BWR A	Secured	First ranking, exclusive and continuing charge on identified receivables covering security of 105.0% the aggregate amount of principal outstanding of the NCDs
212436-213185	15 months	10.85% XIRR	75,0 0,00, 000	29th June 2018	28-09-2018 28-12-2018 29-03-2019 28-06-2019 27-09-2019	BWR A	Secured	Exclusive charge via a deed of hypothecation over specific standard asset portfolio of receivables covering security of 105% aggregate amount of principal outstanding at all times & Pari passu charge over the immovable property of the Company.
213186-213935	36 months	10.9007 % monthly coupon, compounded monthly and payable annually	75,0 0,00, 000	27th July 2018	31 May 2019 29 May 2020 11 June 2021	Brickwork Ratings (A Stable)	Secured	First ranking, exclusive and continuing charge on identified receivables covering security of 105.0% the aggregate amount of principal outstanding of the NCDs
213936-214185	24 Months	11.14% p.a	25,0 0,00, 000	31st August 2018	01 March 2019 02 September 2019 02 March 2020 31 August 2020	CARE A-	Secured	first ranking exclusive charge by way of hypothecation in favour of the Debenture Trustee on behalf of and for the benefit of the Debenture Holders over the Hypothecated Assets
214436 - 215185	24 Months	11.14% p.a	75,0 0,00, 000	26th Sept 2018	22 March 2019 22			first ranking exclusive charge by way of hypothecation in favour of

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					September 2019 22 March 2020 22 August 2020 22 September 2020			the Debenture Trustee on behalf of and for the benefit of the Debenture Holders over the Hypothecated Assets
215186-215935	36 months	10.9007 % monthly coupon, compounded monthly and payable annually	75,00,00,000	28th September 2018	31 May 2019 29 May 2020 11 June 2021	Brickwork Ratings (A Stable)	Secured	First ranking, exclusive and continuing charge on identified receivables covering security of 105.0% the aggregate
215936-5215935	63 Months	11.1610 % coupon (equivalent to 11.75% XIRR)	50,00,00,000	21st December 2018	5th March 2024	CARE A-	Secured	Secured by way of hypothecation of book debts which shall be maintained at 100% of debentures outstanding.
5215936-5219935	731 days	PPMLD	36.65	07.06.2019	04.06.2021	CRISIL A Stable	Secured	Secured by way of hypothecation of book debts which shall be maintained at 120% of debentures outstanding.
5219936-5220185	23	11.50	25	14.06.2019	14.05.2021	CRISIL A Stable	Secured	Secured by way of hypothecation of book debts which shall be maintained at 105.0% of debentures outstanding.
5220186-5220435	24	11.50	25	14.06.2019	14.06.2021	CRISIL A Stable	Secured	Secured by way of hypothecation of book debts which shall be maintained at 105.0% of debentures outstanding.
5220436-5220685	25	11.50	25	14.06.2019	14.07.2021	CRISIL A Stable	Secured	Secured by way of hypothecation of book debts which shall be maintained at 105.0% of debentures outstanding.
5220686-5221435	26	11.85	75	14.06.2019	14.08.2021	CRISIL A Stable	Secured	Secured by way of hypothecation of book debts which shall be maintained at 105.0% of debentures outstanding.
5221436-5224435	48 months	12.00%	300	01.08.2019	01.08.2023	CRISIL A Stable	Secured	Secured by way of hypothecation of book debts which shall be maintained at 120.0% of debentures outstanding.

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5224436-5229435	36 months	0-12 months-11.00% 13-18 months-11.50% 19-24 months-11.75% 25-30 months-12.00% 31-36 months-12.25%	50	13.08.2019	13.08.2022	CRISIL A	Secured	Secured by way of hypothecation of book debts which shall be maintained at 120.0% of debentures outstanding.
5229436-5231935	36 months	0-6 months-11.00% 7-12 months-11.25% 13-18 months-11.50% 19-24 months-11.75% 25-30 months-12.00% 31-36 Months-12.25%	25	16.08.2019	16.08.2022	CRISIL A Stable	Secured	Secured by way of hypothecation of book debts which shall be maintained at 120.0% of debentures outstanding.
5231936-5232285	36 months	11.94% P.a Payable Quarterly	35	13.09.2019	13.09.2022	CRISIL A Stable	Secured	Secured by way of hypothecation of book debts which shall be maintained at 105.0% of debentures outstanding.
5232286-5232435	36 months	11.94% P.a Payable Quarterly	15	19.09.2019	13.09.2022	CRISIL A Stable	Secured	Secured by way of hypothecation of book debts which shall be maintained at 105.0% of debentures outstanding.
5232436-5235335	1857 Days	10.435%	290.00	11.12.2019	10.01.2025	NA	Secured	Secured by way of hypothecation of book debts which shall be maintained at 115.0% of debentures outstanding.
5235336-5236195	72 Months	12.05% p.a net of withholding tax and payable semi-annually	86	23.12.2019	23.12.2025	CRISIL A Stable	Secured	Secured by way of hypothecation of book debts which shall be maintained at 110.0% of debentures outstanding.

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5236196-5236595	24 Months	Market Linked Debentures	33.60	09th January, 2020	09th January, 2022	CRISIL PP-MLD Ar/Stable	Secured	The value of security at all times equal to 1.10x times of security cover over the book debts and Pari passu charge over the immovable property in the form of land located in Chennai
5236596-5237095	36 months	RBI repo rate plus 6.85%	50.00	02/06/2020	02/06/2023	CRISIL A	Senior, Secured	The value of security at all times equal to 1.10x times of security cover over the book debts.
5237096-5237195	36 Months	11.25%	10.00	08/06/2020	08/06/2023	CRISIL A	Senior, Secured	The value of security at all times equal to 1.20x times of security cover over the book debts.
NA	36 Months	11.25%	20.00	12/06/2020	12/06/2023	CRISIL AA	Senior, Secured	As per Vivriti Omega Trust
5237596-5238095	36 Months	11.00%	50.00	16/06/2020	16/06/2023	CRISIL A	Senior, Secured	The value of security at all times equal to 1.25x times of security cover over the book debts.
	36 Months	11.00%	25.00	18/06/2020	18/06/2023	CRISIL A	Senior, Secured	The value of security at all times equal to 1.25x times of security cover over the book debts.
5238346-5238595	36 Months	11.00%	25.00	22/06/2020	22/06/2023	CRISIL A	Senior, Secured	The value of security at all times equal to 1.25x times of security cover over the book debts.
5238596-5239095	18 Months	9.50%	50.00	26/06/2020	26/12/2021	CRISIL A	Senior, Secured	The value of security at all times equal to 1.10x times of security cover over the book debts.

D. List of Top 10 Debenture Holders (as on March 31, 2020):

S. No.	Name of Debenture Holders	Amount (Rs. in Crores)
1	Franklin Tempelton	300.00
2	FMO	290.00
3	ResponsAbility	86.00
4	Karvy Capital	50.00
5.	Bank of India	50.00
6.	Punjab and Sindh Bank	50.00
7.	Avendus PPMLD	36.65
8.	Avendus PPMLD-2	33.60
9.	Northern Arc Capital (Ifmr Fimpact Income Bu) & A.K.Capital Services Limited	25.00
10.	Indian Bank	25.00

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

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

NIL

F. **Details of Commercial Paper:**

NIL

G. **Details of rest of the borrowing (if any including hybrid debt like FCCB, Optionally Convertible Debentures / Preference Shares) as on March 31, 2020:**

NIL

H. **Details of all default/s and/or delay in payments of interest and principal of any kind of term loans, debt securities and other financial indebtedness including corporate guarantee issued by the Company, in the past 5 years:**

NIL

I. **Details of any outstanding borrowings taken / debt securities issued where taken / issued (i) for consideration other than cash, whether in whole or part, (ii) at a premium or discount, or (iii) in pursuance of an option:**

NIL

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

A. **Details of Promoter Holding in Company as on latest quarter end, i.e. March 31, 2020:**

Sr No	Name of the shareholders	Total No of Equity shares	No. of shares in Demat form	Total shareholding as % of total no of equity shares	No of shares Pledged	% of shares pledged with respect to shares owned
1	Rajendra Kumar Setia	1,03,27,547	1,03,27,547	40.99%	Nil	NA
2	Shalini Setia	650	650	0.003%	Nil	NA
3	Yash Setia	650	650	0.003%	Nil	NA
4	Bhajan Devi Setia	650	650	0.003%	Nil	NA
5	Rajendra Kumar Setia HUF	62,500	62,500	0.25%	Nil	NA

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

[Note: Financial information submitted must be in line with the timelines specified in the Simplified Listing Agreement, issued vide Circular no. SEBI/IMD/BOND/1/2009/11/05, dated May 11, 2009]

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Profit and Loss Statement (INR)	31.03.2017	31.03.2018	31.03.2019	31.03.2020
	Audited	Audited	Audited	Audited
Interest Income	12,056.46	18,569.43	31,240.41	54,544.50
Less: Interest Expenses	6,569.91	8,945.06	13,846.22	23,248.45
Net Interest Income	5,486.56	9,624.37	17,394.19	31,296.05
Other Income	3,664.14	4,163.56	5,253.05	3,695.77
Total Income	9,150.70	13,787.93	22,647.24	34,991.82
Operating Expenses	6,547.22	8,885.62	11,858.89	14,625.84
Provisions & Write Offs	559.93	1,376.24	2,918.00	8,997.98
Operating Profit	2,043.55	3,526.07	7,870.35	11,368.00
Depreciation	161.32	233.62	321.25	817.53
Profit Before Tax	1,882.23	3,292.45	7,549.10	10,550.47
Provisions for tax	652.37	1,097.22	2,326.08	2,696.80
Profit After Tax	1,229.86	2,195.23	5,223.02	7,853.67

Balance Sheet (INR)	31.03.2017	31.03.2018	31.03.2019	31.03.2020
Equity capital	270.71	350.92	460.32	503.90
Reserve & Surplus	8,356.41	20,279.16	55,058.14	87,368.85
TNW (A)	8,627.12	20,630.08	55,518.46	87,872.75
Total Non-Current Liabilities	31,114.64	44,802.90	84,427.05	2,64,771.24
Current Liabilities+ Provisions	37,810.60	56,667.23	59,369.47	-
Total Outside Liabilities (B)	31,114.64	44,802.90	84,427.05	2,64,771.24
Total Liabilities (A + B)	39,741.76	65,432.99	1,39,945.51	3,52,643.99
Fixed assets (Net)	1,016.25	1,326.73	1,710.06	4,559.70
Investments	1,650.50	466.67	466.67	13,836.90
Gross Advances	63,830.28	1,11,025.76	1,63,796.53	2,96,760.51
Less: Loan Loss Reserve	-	-	-	11,759.47
Net Loan Outstanding	63,830.28	1,11,025.76	1,63,796.53	2,85,001.04
Cash / Liquid Investments	5,542.58	2,937.15	27,760.67	43,281.83
Deferred Tax Assets	432.72	623.64	824.23	1,931.92
Intangible Assets	21.71	27.04	59.43	50.55
Other current assets	3,651.54	4,722.70	3,001.30	3,982.05
Other Non-Current Assets	1,406.77	970.51	1,696.10	-
Total Assets	76,145.59	1,21,129.70	1,97,618.88	3,52,643.99

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

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Attached in Annexure V below.

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

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

5.14 Names of the Debentures Trustees and Consents thereof

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

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

The Rating Agency has assigned ratings of ["CRISIL A" (pronounced as "CRISIL A")] with stable outlook to the Debentures. Instruments with this rating are considered to have [moderate] degree of safety regarding timely servicing of financial obligations. Such instruments carry low credit risk. The rating letter and rationale from the Rating Agency is provided in Annexure II of this Information Memorandum.

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

Not Applicable.

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

The Debentures 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 in-principle approval of the BSE will be applied in this regard.

5.18 Other details:

A. Debenture Redemption Reserve Creation:

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

The Company hereby agrees and undertakes that, if required under Applicable Law, it will create a DRR in accordance with the provisions of the Act (and the rules and regulations made thereunder) and the guidelines issued by the relevant Governmental Authorities. If during the tenor of the Debentures, any guidelines are formulated (or modified or revised) by any Governmental Authority in respect of creation of the DRR, the Company shall abide by such guidelines and shall do all deeds, acts and things as may be required by the Debenture Trustee. Where applicable, the Company shall submit to the Debenture Trustee a certificate duly certified by a chartered accountant certifying that the Company has transferred the required amount to the DRR at the end of each Financial Year. In addition to the foregoing, to the extent required by Applicable Law, the Company shall invest or deposit amounts up to such thresholds, and in such form and manner and within the time periods, as may be prescribed by Applicable Law, in respect of any amounts of the Debentures maturing in any Financial Year.

B. Issue / Instrument specific regulations:

The Issue of the Debentures shall be in conformity with the applicable provisions of the Companies Act including the notified rules thereunder, the SEBI Debt Listing Regulations, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Debenture Trustees Regulations and other RBI guidelines and SEBI guidelines applicable to issuance of non-convertible debentures by NBFCs on a private placement basis.

C. Application process:

The application process for the Issue is as provided in 7.4 of this Information Memorandum.

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

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

Sr. No.	Nature of Contract
1	Certified true copy of the Memorandum & Articles of Association of the Issuer.
2	Board Resolution dated June 03, 2020 read with the resolution passed by the Executive Committee of the Board of Directors dated July 06, 2020 authorizing the Issue of Debentures offered under terms of this Information Memorandum.
3	Shareholder Resolution dated May 21, 2020 authorizing the issue of non-convertible debentures by the Company.
4	Shareholder Resolution dated May 21, 2020 authorizing the borrowing/raising funds by the Company and the creation of security.

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5	Copies of Annual Reports of the Company for the last three financial years.
6	Credit rating letter from the Rating Agency dated June 24, 2020 read with the rating rationale dated June 11, 2020.
7	Letter from IDBI Trusteeship Services Limited giving its consent to act as Debenture Trustee dated July 06, 2020.
8	Letter for Register and Transfer Agent.
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 NSDL/CDSL.
11	Copy of application made to BSE for grant of in-principle approval for listing of Debentures.

5.20 Details of Debt Securities Sought to be Issued

Under the purview of the current document, the Issuer intends to raise an amount of Rs. 75,00,00,000/- (Rupees Seventy Five Crores only) by issue of 750 (Seven Hundred Fifty) rated, unsubordinated, senior, redeemable, taxable, transferable, listed, non-convertible debentures each having a face value of INR 10,00,000 (Indian Rupees Ten Lakh), on a private placement basis.

For further details of the Debentures, please refer to the terms and conditions of the debentures set out in Section 5.23 of this Information Memorandum.

5.21 Issue Size

The aggregate issue size for the Debentures is Rs. 75,00,00,000/- (Rupees Seventy Five Crores only).

5.22 Utilization of the Issue Proceeds

The proceeds of this issue shall be utilized for meeting the Issuer's funding requirements in the ordinary course of its business including for (i) on-lending to its borrowers/expanding the loan portfolio of the Issuer, and/or (ii) repayment/refinancing of the existing debt of the Issuer, and/or (iii) for general corporate purposes of the Issuer, and/or (iv) such other purpose as may be agreed with the Investors.

The funds raised by the Issue shall be utilized by the Issuer solely for the Purpose and the Issuer shall not use the proceeds of the Issue towards:

(i) any capital market instrument such as equity, debt, debt linked and equity linked instruments or any other capital market related activities;

(ii) any speculative purposes;

(iii) investment in the real estate sector;

(iv) any purpose, that is prohibited for bank finance to non-banking financial companies, or, which results in a breach of the RBI's master circular no. DBR.BP.BC.No.5/21.04.172/2015-16 dated July 1, 2015 on "*Bank Finance to Non-Banking Financial Companies (NBFCs)*"; or

(v) in contravention of any Applicable law (including but not limited to the guidelines, rules

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or regulations of the RBI applicable to non-banking financial companies).

5.23 Issue Details

DESCRIPTION	PARTICULARS
Issuer/Company	Ess Kay Fincorp Limited
Debenture Trustee	IDBI Trusteeship Limited
Investor(s) / Debenture Holders	[o]
Rating Agency	CRISIL Limited
Rating	CRISIL A
Issuance	Rated, Listed, Fully Paid-up, Senior, Secured, Redeemable, Taxable, Non-Convertible Debentures ("NCDs" or "Debentures")
Issuance Size	INR 75,00,00,000 (Indian Rupees Seventy Five Crores)
Interest Rate / Coupon	10.90% per annum payable annually and on redemption
Coupon/ Interest Payment Frequency	Annual
Interest Type	Fixed
Maturity Date	April 21, 2023
Ranking	Each Debenture issued by the Issuer will constitute direct, senior and secured obligations of the Issuer. The claims of the Debenture Holders shall be akin to the claims of senior, secured investors / lenders and shall rank pari passu to all senior, secured indebtedness of the Issuer. Each of the Debenture Holders shall inter-se rank pari passu in relation to their rights and benefits in relation to the Debentures, without any preference or privilege.
Registrar & Transfer Agent	Kfin Technologies Private Limited
Depository	NSDL/CDSL
Issuance mode	Dematerialized, Private Placement
Trading mode	Dematerialized
Settlement mode	RTGS / NEFT
Issue Schedule	Issue Open Date: July 10, 2020 Issue Close Date: July 10, 2020 Pay-in Date: July 13, 2020 Deemed Date of Allotment: July 13, 2020
Listing	The NCDs are proposed to be listed on the Bombay Stock Exchange ("BSE") within 20 calendar days of the Deemed Date of Allotment In case of a delay by the Issuer in listing the Debentures beyond 20 (Twenty) days from the Deemed Date of Allotment the Issuer shall make payment the Debenture Holders of penal interest calculated on the face value of the Debentures at the rate of minimum of 2% (Two Percent) p.a. over the Coupon Rate from the expiry of 30 (Thirty) calendar days from the Deemed Date of Allotment until the listing of the Debentures. In the event that the NCDs are not listed within 20 (Twenty) days from

	the Deemed Date of Allotment for any reason whatsoever, then to the extent that any Debenture Holders are Foreign Institutional Investors or sub-accounts of Foreign Institutional Investors or Qualified Foreign Investors, the Issuer undertakes to immediately redeem and/or buyback any and all Debentures within 2 (two) Business Days of the expiry of the Listing Period.
Business Days	A day (other than a Saturday, a Sunday or a Bank Holiday) on which banks are open for general business in Mumbai.
Business Day Convention	• If any coupon payment date falls on a day that is not a working day, the payment shall be made on the immediately succeeding working day. • If the redemption date of the Debentures falls on a day that is not a working day, the redemption proceeds shall be paid on the immediately preceding working day • If the Maturity Date (also the last coupon payment date) of the Debentures falls on a day that is not a working day, the redemption proceeds and coupon payment shall be paid on the immediately preceding working day.
Record Date	7 (Seven) Business Days prior to each coupon payment date and redemption date.
End Use	The proceeds of the Issuance will be utilized for the following purposes: ▪ General corporate purposes ▪ for the ordinary course of business of the Issuer including repayment/re-financing of existing debt The Issuer shall not use the proceeds of the Issue towards: ▪ any capital market instrument such as equity, debt, debt linked and equity linked instruments or any other capital market related activities; or ▪ any speculative purposes; or ▪ any activity on the Exclusion List; or ▪ investment in the real estate sector; ▪ any purpose, that is prohibited for bank finance to non-banking financial companies, or, which results in a breach of the RBI's master circular no. DBR.BP.BC.No.5/21.04.172/2015-16 dated July 1, 2015 on "Bank Finance to Non-Banking Financial Companies (NBFCs)"; or ▪ in contravention of any Applicable law (including but not limited to the guidelines, rules or regulations of the RBI applicable to non-banking financial companies) The Issuer shall be entitled to temporarily invest the funds raised by the Issue in liquid mutual funds and deposits held with scheduled commercial banks for a period not exceeding 90 (ninety) calendar days from the Deemed Date of Allotment.
Issue price	At par
Security	The Debentures shall be secured by way of a first ranking, exclusive and continuing charge on identified receivables ("Hypothecated Receivables") created pursuant to the deed 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 1.33X times of outstanding principal amount (including

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	accrued interest) of the Debentures. The Issuer undertakes that: • The outstanding Facility amount, together with interest, default interest, remuneration of the Trustee, charges, fees, expenses and any other charges due from the Company, shall be secured (to the satisfaction of the NCD holders) • to maintain the value of security at all times equal to 1.33x (One Decimal Point Thirty Three Zero) time or 133.00% (One Hundred and thirty three Percent) the aggregate amount of principal outstanding (including accrued interest) of the NCDs where at least 1.33x (One Decimal Point thirty three) times or 133.00% (One Hundred and Thirty three Percent) of the security cover is from principal receivables ("Security Cover"); • to create, register and perfect the security over the Hypothecated Assets as contemplated above no later than 90 (Ninety) calendar days after the Deemed Date of Allotment by executing a duly stamped deed of hypothecation ("Deed of Hypothecation") and filing CHG-9 within the time period applicable; • to provide a list on a quarterly basis, of specific loan receivables/identified book debts to the Debenture Trustee over which the charge is created and subsisting by way of hypothecation in favour of the Debenture Trustee (for the benefit of the Debenture Holders) ("Monthly Hypothecated Asset Report") • to add fresh loan assets to the Security Cover to ensure that the value of the Hypothecated Assets is equal to 1.33x (One Decimal Point thirty three) times or 133.0% (One Hundred and Thirty three Percent) the aggregate amount of principal outstanding (including accrued interest) of the NCDs where at least 1.33x (One Decimal Point thirty three) times or 133.0% (One Hundred and thirty three Percent of the security cover is from principal receivables. • to replace any Hypothecated Receivables that become non-performing (90 days overdue) with current receivables. Such replacement shall be effected within 15 (Fifteen) Business Days of the receivables becoming non-performing. • Personal Guarantee of Promoters Eligibility Criteria for the Hypothecated Receivables: • the receivables are existing at the time of selection and have not been terminated or pre-paid; • the receivables are not non-performing on the day of selection • the receivables have not been restructured or rescheduled • all applicable "Know Your Customer" norms have been complied with as prescribed by the Reserve Bank of India or the National Housing Bank; • All loans hypothecated under the deed of hypothecation comply with RBI norms and guidelines
Face value per Debenture	INR 10,00,000 (Indian Rupees Ten Lakh Only)
Issue Price	INR 10,00,000 (Indian Rupees Ten Lakh Only)
Minimum subscription amount	INR 1,00,00,000 (Indian Rupees One Crore Only)

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Day count basis	Actual/Actual
Principal Amortization	Bullet on redemption
Debt Service Reserve Account	• The company shall maintain liquidity buffer equivalent to at-least one third of the total amount of issuance at the end of first year which will further go up to two third at the end of second year from the date of issuance and fifteen days prior to the date of maturity. the company shall maintain an amount equivalent to issue size in liquidity buffer to make bullet repayment. • The company shall provide a certificate duly certified by an Independent Chartered Accountant stating the availability of said liquidity buffer at the end first year, second year and fifteen days prior to maturity.
Default Interest Rate	• In case of default in payment of interest and / or principal redemption on the due dates, additional interest @ 2% p.a. over the Coupon Rate will be payable by the Issuer for the defaulting period. • In case of default by the Issuer in the performance of any of the covenants of this Issuance, including but not limited to the financial covenants of this Issuance, additional interest @ 2% p.a. over the Coupon Rate will be payable by the Issuer for the defaulting period
Prepayment	No prepayment is permitted.
Redemption Amount	The sum of the principal outstanding on the Debentures, accrued Coupon, Default Interest payable (if any) and other charges and fees payable.
Interest on application money	The Issuer shall be liable to pay the Debenture Holders, interest on application money at the Coupon Rate for the period commencing from the date on which the Debenture Holders have made payment of the application monies in respect of the Debenture to the Issuer and ending on one Business Day prior to the Deemed Date of Allotment. The interest on application monies, if any, shall be paid by the Issuer to the Debenture Holders within 7 (Seven) Business days from the Deemed Date of Allotment.
Transaction documents	The Issuer has executed/ shall execute the documents including but not limited to the following, as required, in connection with the Issue as per latest SEBI guidelines / Companies Act 2013 (as applicable) for issuance of NCDs through Private Placement: 1. Letter appointing Trustees to the Debenture Holders; 2. Debenture Trusteeship Agreement; 3. Debenture Trust Deed; 4. Deed of Hypothecation; 5. Information Memorandum; 6. Private Placement Offer Letter (Form PAS 4); 7. Board Resolution authorizing this Issuance; 8. Applicable Shareholder Resolutions under the Companies Act 2013; 9. Rating Agreement with the aforesaid Rating Agency(ies) with respect to this Issuance; and 10. Tripartite Agreements with the Depository(ies) and Registrar & Transfer Agent
Conditions Precedent	The Company shall fulfil the following Conditions Precedent the satisfaction of the Debenture Trustee and submit Conditions Precedent documentation where applicable to the Debenture Trustee, prior to the Pay In Date: 1. All corporate approvals from the Board of Directors and

	shareholders of the Issuer, if applicable, shall have been received for the issuance of the NCDs, and the execution, delivery and performance by the Issuer of the Transaction Documents in accordance with the Companies Act, 2013, the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other rules prescribed; 2. Execution of the Debenture Trustee Agreement, in a form and manner satisfactory to the Debenture Trustee shall have taken place; 3. The Issuer shall have submitted to the Debenture Trustee the rating letter and rating rationale; 4. The Issuer shall have submitted to the Debenture Holders / Debenture Trustee, all required documents for the purpose of satisfying its respective KYC requirements; 5. The Issuer shall have submitted to the Debenture Trustee a certified true copy of the constitutional documents of the Company (the Memorandum and Articles of Association and the Certificate of Incorporation) 6. The Issuer shall have submitted to the Debenture Trustee its audited account statements for the most recent financial year or audited financial half-year
Conditions Subsequent	The Issuer shall ensure that the following documents are executed/activities are completed as per the time frame stipulated in the Debenture Trust Deed 1. The Issuer shall immediately on receipt of funds, take on all necessary steps to, including making all applicable filings in the Registrar of Companies and obtaining all necessary approvals including filing Form PAS 5 along with the Information Memorandum and Form PAS 3 along with requisite fee within prescribed timelines; 2. To create, register and perfect the security over the Hypothecated Assets no later than 90 (Ninety) calendar days from the Deemed Date of Allotment or as applicable under relevant regulation and Law, whichever is earlier. 3. To execute Debenture Trustee Deed and Deed of Hypothecation within 90 days from deemed date of allotment. 4. Receive final listing approval from the BSE within 20 calendar days from the Deemed Date of Allotment 5. The Issuer shall ensure credit of demat account(s) of the allottee(s) with the number of NCDs allotted within 5 (Five) Business Days of the Deemed Date of Allotment 6. Execution of the Debenture Trust Deed in form and manner satisfactory to the Debenture Trustee shall have taken place; 7. The Issuer shall ensure compliance with SEBI / Companies Act 2013 (as applicable) for issuance of NCDs.

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Events of Default	Customary for financings of this nature and others appropriate in the judgment of the Debenture Holders, including but not limited to: 1. Non-payment of any of the dues under this Issuance, 2. Issuer is unable or admits in writing its inability to pay its debts as they mature or suspends making payment of any of its debts, by reason of actual or anticipated financial difficulties or proceedings for taking it into liquidation have been admitted by any competent court or a moratorium or other protection from its creditors is declared or imposed in respect of any indebtedness of the Company; 3. Insolvency, winding up, liquidation 4. Creditors' processes initiated against the company a. If initiated by a creditor that is not a lender / debt investor, cure period of 90 days 5. Repudiation of Transaction Documents by the Issuer 6. Cessation of business 7. All or a material part of the undertaking, assets, rights or revenues of the Company are condemned, seized, nationalised, expropriated or compulsorily acquired, or shall have assumed custody or control of the business or operations of the Company, or shall have taken any action for the dissolution of the Company, or any action that would prevent the Company, their member, or their officers from carrying on their business or operations or a substantial part thereof, by or under the authority of any Government or Government authority; 8. Occurrence of a Material Adverse Effect as determined by the Debenture Trustee, acting solely on the instructions of the Majority Debenture Holders 9. Application of insolvency petition under bankruptcy code/NCLT by the Issuer including any breach of any covenants mentioned in the TS. Upon occurrence of any of the aforesaid event of default, the Debenture Trustee may by a notice in writing to the Company initiate actions as may be contemplated in the Transaction Documents including the following: 1. require the Company to mandatorily redeem the Debentures and repay the principal amount on the Debentures, along with accrued but unpaid interest, and other costs, charges and expenses incurred under or in connection with this Deed and other Transaction Documents; 2. declare all or any part of the Debentures to be immediately (or on such dates as the Debenture Trustee may specify) due and payable, whereupon it shall become so due and payable. 3. enforce security
Reporting Covenants	1. *Quarterly Reports – within 45 (Forty Five) calendar days from the end of each financial quarter* a) Information on financials

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	b) List of Board of Directors c) Shareholding Pattern d) Financial covenant compliance certificate signed by a Director or the Chief Financial Officer/Treasury Head 2. Annual Reports – within 180 (One Hundred and Eighty) calendar days from the end of each financial year a) Audited financial statements 3. Event Based Reports – Within 15 (Fifteen) Business Days of the event occurring a) Change in Shareholding structure b) Change in Board composition c) Changes in Accounting Policy, which have a material impact, and excluding changes required due to compliance with statutory requirements d) Board approval of annual business plan e) Change in the constitutional documents of the Company f) Material Adverse Effect g) Any dispute, litigation, investigation or other proceeding which could result in a Material Adverse Effect. h) Winding up proceedings i) IBC related application/petition
Financial Covenants	1. The Capital Adequacy Ratio shall be always compliant with minimum levels stipulated by the regulator ("RBI") at all points in time 2. The Gearing ratio shall not be more than 6 times 3. The Gross NPA shall be less than 7% 4. The Net NPA shall be less than 5% All covenants would be tested on quarterly basis for the Company, i.e. as on 31st March, 30th June, 30th September and 31st December every year, on consolidated and standalone balance sheet till the redemption of the Debentures. The covenants shall be certified by the Company within 45 (Forty-Five) calendar days from the end of each financial half year. *For the purpose of this aforesaid clause, the following definitions may be relied upon:* *"Debt" shall mean aggregate of* *a. All long-term outstanding, whether secured or unsecured, plus* *b. Any short term debt outstanding whether secured or unsecured, availed of in lieu of long term debt or by way of bridge financing for long term debt* *c. Any amount raised by acceptance under any acceptance credit facility*

	d. *Receivables sold or discounted (other than receivables to the extent they are sold on a non-recourse basis)* e. *Any put option, shortfall / liquidity support undertaking, debt service reserve account undertaking, keep fit letter(s), Letter of Comfort issued in favour of any person(s), which give or may give rise to any financial obligation(s)* f. *Any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing;* *"Equity" shall mean issued and paid up Equity, compulsorily convertible instruments and Compulsorily convertible Preference Share Capital (+) all reserves (excluding revaluation reserves and pertaining to instruments which are not equity or compulsorily convertible) (+) Tier II Capital (-) any dividend declared (+) deferred tax liability (-) deferred tax assets (-) intangibles (including but not restricted to brand valuation, goodwill etc) as per the latest audited financials of the Issuer.* *"Gross NPA (including write-offs)" shall mean the entire outstanding principal value of the relevant portfolio of the Issuer that has one or more instalments of payments (including principal overdue) for 90 days or more.* *"Net NPA" shall mean the difference between (i) on the Company's entire assets under management at any point of time, as the case may be, the outstanding principal value of the relevant portfolio of the Company that has one or more instalments of principal overdue for 90 days or more but excluding loans that have been written off by the Company and (ii) all provisions created against standard assets, sub-standard assets, doubtful assets and loss assets.*
Affirmative Covenants	1. To utilise the proceeds of this Issue in accordance with applicable laws and regulations 2. To comply with corporate governance, fair practices code prescribed by the RBI 3. To comply with latest regulatory guidelines, including on LCR, if applicable 4. Notification of any potential Event of Default or Event of Default; 5. Obtain, comply with and maintain all licenses / authorizations 6. Permit visits and inspection of books of records, documents and accounts to Debenture Trustee as and when required by them 7. Comply with any monitoring and/or servicing requests from Debenture Trustee
Representations & Warranties	1. The Company is registered as an NBFC 2. No Event of Default has occurred and is continuing on the date of this transaction 3. The Debentures under this Issuance shall rank pari passu amongst themselves, and with all other senior, secured creditors. Binding obligation of Transaction Documents 4. No conflict with other obligations / constitutional documents 5. No Material Adverse Change in business, condition or operations of

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	the Issuer 6. Company has the power and authority to issue Debentures and such Transactions Documents are valid and admissible in evidence 7. Absence of any pending or threatened litigation, investigation or proceedings that may have a material adverse effect on the business condition (financial or otherwise), operations, performance or prospects of the Issuer or that purports to affect the Facility 8. Illegality And as set out in greater detail in the Transaction Documents.
Indemnification	The Issuer will indemnify, and hold harmless the Debenture Holders from and against any claim, liability, demand, loss, damage, judgment or other obligation or right of action which may arise as a result of breach of this Term Sheet by the Issuer or its Promoter/s.
Confidentiality	The terms and conditions described in this Term Sheet, including its existence, shall be confidential information and shall not be disclosed to any third party except to each Party's advisors and counsel. Provided however that if any of the Parties is required by law to disclose information regarding this Term Sheet or to file this Term Sheet with any regulatory body, it shall, at a reasonable time after making any such disclosure or filing, informing the other Parties.
Governing Law & Jurisdiction	This Term Sheet shall be governed and construed exclusively in accordance with the laws of India and any disputes arising there from shall be subject to the jurisdiction of appropriate courts and tribunals at Mumbai, India.
Transaction Costs	The Issuer shall bear all transaction related costs incurred by the Debenture Holders with respect to legal counsel, valuers and auditors / consultants. Such costs include: 1. Trustee fees 2. Listing fees 3. Rating fees 4. Stamping and registration in relation to all Transaction Documents.
Taxes, Duties, Costs and Expenses	1. Relevant taxes such as TDS, GST and any other applicable direct and indirect taxes for the time being in force, duties and levies are to be borne by the Issuer. 2. The charges / fees and any amounts payable under this Debentures by the Issuer as mentioned herein do not include any applicable taxes, levies including service tax etc. and all such impositions shall be borne by the Issuer additionally.
Eligible Investors	As permitted under Applicable Law

Note:

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

2. The default/additional interest rates mentioned above as payable by the Issuer are independent of each other.

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SECTION 6: DISCLOSURES PERTAINING TO WILFUL DEFAULT

In case of listing of debt securities made on private placement, the following disclosures are required to be made vide *SEBI (Issue and Listing of Debt Securities) (Amendment) Regulations, 2016 w.e.f. 25-05-16*:

A. Name of the Bank declaring the entity as a Wilful Defaulter: NIL

B. The year in which the entity is declared as a Wilful Defaulter: NIL

C. Outstanding amount when the entity is declared as a Wilful Defaulter: NIL

D. Name of the entity declared as a Wilful Defaulter: NIL

E. Steps taken, if any, for the removal from the list of wilful defaulters: NIL

F. Other disclosures, as deemed fit by the Issuer in order to enable investors to take informed decisions: NIL

G. Any other disclosure as specified by the Board: NIL

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SECTION 7: TRANSACTION DOCUMENTS AND KEY TERMS

7.1 Transaction Documents

The following documents shall be executed in relation to the Issue:

A. Debenture Trustee Agreement, which will confirm the appointment of Beacon Trusteeship Limited as the Debenture Trustee ("Debenture Trustee Agreement");

B. Debenture Trust Deed, which will set out the terms upon which the Debentures are being issued and shall include the representations and warranties and the covenants to be provided by the Issuer ("Debenture Trust Deed");

C. Deed of Hypothecation whereby the Issuer will create an exclusive charge by way of hypothecation over the Hypothecated Assets in favour of the Debenture Trustee to secure its obligations in respect of the Debentures ("Deed of Hypothecation"); and

D. Such other documents as agreed between the Issuer and the Debenture Trustee.

7.2 Representations and Warranties of the Issuer

The Issuer makes the representations and warranties set out below to the Debenture Trustee for the benefit of the Debenture Holders as on the Effective Date, which representations shall be true and valid until the Final Settlement Date.

(a) *Status*

(i) It is a company, duly incorporated, registered and validly existing under Applicable Law.

(ii) It is a non-deposit accepting or holding non-banking financial company registered with the RBI.

(iii) It has the power to own its Assets and carry on its business as it is being conducted.

(b) *Binding obligations*

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

(c) *Non-conflict with other obligations*

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

(i) any Applicable Law;

(ii) its Constitutional Documents; or

(iii) any agreement or instrument binding upon it or any of its Assets.

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(d) *Power and authority*

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

(e) *Validity and admissibility in evidence*

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

(i) to enable it lawfully to enter into, exercise its rights and comply with its obligations under the Transaction Documents to which it is a party;

(ii) to make the Transaction Documents to which it is a party admissible in evidence in its jurisdiction of incorporation; and

(iii) for it to carry on its business, and which are material,

have been obtained or effected and are in full force and effect.

(f) *No default*

(i) No Event of Default has occurred and is continuing or would reasonably be expected to result from the execution or performance of any Transaction Documents or the issuance of the Debentures.

(ii) No other event or circumstance is outstanding which constitutes (or which would, with the lapse of time, the giving of notice, the making of any determination under the relevant document or any combination of the foregoing, constitute) a default or termination event (however described) under any other agreement or instrument which is binding on the Issuer or any of its Assets or which might have a Material Adverse Effect.

(g) *Pari passu ranking*

Commencing from the Initial Security Creation Date, its payment obligations under the Transaction Documents shall rank at least *pari passu* with the claims of all of its other senior secured creditors, except for obligations mandatorily preferred by Applicable Law applying to companies generally. Commencing from the Deemed Date of Allotment until the Initial Security Creation Date, its payment obligations under the Transaction Documents rank at least *pari passu* with the claims of all of its other unsecured creditors, except for obligations mandatorily preferred by Applicable Law applying to companies generally.

(h) *No proceedings pending*

Except as disclosed by the Issuer in the Debt Disclosure Documents, annual reports and financial statements, no litigation, arbitration or administrative proceedings of or before any court, arbitral body or agency have been commenced against the Issuer, which if determined adversely, may have a Material Adverse Effect.

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(i) *No misleading information*

All information provided by the Issuer to the Debenture Trustee/Debenture Holders is true and accurate in all material respects as at the date it was provided or as at the date (if any) at which it is stated and is not misleading due to omission of material fact or otherwise.

(j) *Compliance*

(i) The Issuer has complied with Applicable Law.

(ii) There has not been and there is no investigation or enquiry by, or order, decree, decision or judgment of any Governmental Authority issued or outstanding or to the best of the Issuer's knowledge (after making due and careful enquiry), anticipated against the Issuer which would have a Material Adverse Effect.

(iii) No notice or other communication (official or otherwise) from any Governmental Authority has been issued or is outstanding or to the best of the Issuer's knowledge (after making due and careful enquiry), anticipated with respect to an alleged, actual or potential violation and/or failure to comply with any such Applicable Law or requiring them to take or omit any action.

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

(k) *Assets*

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

(l) *Financial statements*

(i) Its financial statements most recently supplied to the Debenture Trustee as of March 31, 2019 were prepared in accordance with Indian GAAP consistently applied save to the extent expressly disclosed in such financial statements.

(ii) Its financial statements as of March 31, 2019 provided to the Debenture Trustee, give a true and fair view and represent its financial condition and operations during the Financial Year save to the extent expressly disclosed in such financial statements.

(m) *Solvency*

(i) The Issuer is able to, and has not admitted its inability to, pay its debts as they mature and has not suspended making payment on any of its debts

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and it has not been deemed by a court to be unable to pay its debts for the purposes of Applicable Law, nor will it become unable to pay its debts for the purposes of Applicable Law as a consequence of entering into the Transaction Documents. PROVIDED THAT the foregoing shall not apply to any moratorium provided to the Issuer or re-scheduling pursuant to the Moratorium Directions (COVID-19).

(ii) The Issuer, by reason of actual or anticipated financial difficulties, has not commenced, and does not intend to commence, negotiations with one or more of its creditors with a view to rescheduling its Financial Indebtedness. PROVIDED THAT the foregoing shall not apply to any moratorium provided to the Issuer or re-scheduling pursuant to the Moratorium Directions (COVID-19).

(iii) The value of the Assets of the Issuer is more than its liabilities (taking into account contingent and prospective liabilities) and it has sufficient capital to carry on its business.

(iv) The Issuer has not taken any corporate action nor has it taken any legal proceedings or other procedure or steps in relation to any bankruptcy proceedings.

(v) No insolvency or bankruptcy process has commenced under Applicable Law in respect of the Issuer (including pursuant to 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).

(vi) No reference has been made, or enquiry or proceedings commenced, in respect of the Issuer, before the National Companies Law Tribunal or under any mechanism or prescription of the RBI in respect of resolution/restructuring of stressed assets (including without limitation, under the 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").

(n) *Hypothecated Assets*

(i) The Hypothecated Assets are the sole and absolute property of the Issuer and are free from any other mortgage, charge or encumbrance and are not subject to any *lis pendens*, attachment, or other order or process issued by any Governmental Authority.

(ii) None of the Client Loans comprising the Hypothecated Assets have been previously hypothecated, sold, transferred or assigned to any other bank or financial institution.

(iii) The Transaction Documents executed or to be executed constitute legal, valid and enforceable security interest in favour of the Debenture Trustee and for the benefit of the Debenture Holders on all the assets thereby secured and all necessary and appropriate consents for the creation, effectiveness, priority and enforcement of such security have been obtained.

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7.3 AFFIRMATIVE COVENANTS OF THE ISSUER

The Issuer shall:

(a) *Use of Proceeds*

Use the proceeds of the Issue only for the Purpose;

(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 Issuer;

(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 Issuer may suffer due to any force majeure circumstances or act of God, such as earthquake, flood, tempest or typhoon, etc. against which the Issuer may not have insured its properties;

(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 Issuer 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 Issuer 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; and

(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;

(g) *Pay Stamp Duty*

pay all such stamp duty (including any additional stamp duty), other duties, taxes, charges and penalties, if and when the Issuer may be required to pay according to the applicable state laws. In the event the Issuer fails to pay such stamp duty, other duties, taxes and penalties as aforesaid, the Debenture Trustee shall be at liberty (but shall not be bound) to pay such amounts and the Issuer shall reimburse the aforementioned amounts to the Debenture Trustee on demand;

(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 Issuer or to investigate the affairs of the Issuer;

(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 CERSAI and an 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 Issuer 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

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(B) any and all information required to be provided to the Debenture Holders under Applicable Law and the listing agreement to be entered into between the Issuer and the BSE;

(i) *Redressal of Grievances*

promptly and expeditiously attend to and redress the grievances, if any, of the Debenture Holders. The Issuer 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) *Comply with Investor Education and Protection Fund Requirements*

comply with the provisions of the Act relating to transfer of unclaimed/ unpaid amounts of interest on Debentures and redemption of Debentures to Investor Education and Protection Fund ("IEPF"), if applicable to it. The Issuer hereby further agrees and undertakes that until the Final Settlement Date it shall abide by the regulations, rules or guidelines/listing requirements if any, issued from time to time by the Ministry of Corporate Affairs, RBI, SEBI or any other competent Governmental Authority;

(k) *Corporate Governance; Fair Practices Code*

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

(l) *Further Assurances*

(i) provide details of any litigation, arbitration or administrative proceedings that if determined adversely could have a Material Adverse Effect on the Issuer;

(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 the Transaction Documents or to ensure the legality, validity, enforceability or admissibility in evidence in India of the Transaction Documents;

(v) comply with:

(A) all Applicable Law (including but not limited to environmental, social and taxation related laws and all directions issued by the RBI to non-banking financial companies), as applicable in respect

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of the Debentures and obtain such regulatory approvals as may be required from time to time;

(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 Issuer shall do so in the manner that is most tax efficient for the Debenture Holders but without, in any way requiring the Issuer to incur any additional costs, expenses or taxes and the Issuer shall avail of all the benefits available under any treaty applicable to the Issuer and/or the Debenture Holders;

(m) *Collateral*

the Issuer 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 Issuer specifically appropriated to this Security and be dealt with only under the directions of the Debenture Trustee;

(iii) the Issuer 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;

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(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, as soon as practicable and in any case no later than 30 (thirty) calendar days from the date on which such security over the Hypothecated Assets is created in accordance with the Deed of Hypothecation;

(vii) commencing from the Initial Security Creation Date until the Final Settlement Date, the Issuer 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;

(viii) to keep the Application Money in a separate bank account in the event the DTD and the other Transaction Documents are not executed on or before the Deemed Date of Allotment;

(ix) the Issuer 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 Issuer 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 Issuer 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) 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 Issuer to the Debenture Trustee and/ or the Debenture Holders;

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(xvi) the Debenture Holders shall have a beneficial interest in the Hypothecated Assets of the Issuer which have been charged to the Debenture Trustee to the extent of the Outstanding Amounts of the Debentures under the DTD; and

(xvii) 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;

(n) *Filings; Compliance with BSE Requirements*

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

(i) while submitting half yearly/annual financial results in accordance with Regulation 52 of the LODR Regulations, the Issuer shall file with the BSE for dissemination, along with a noting certificate of the Debenture Trustee, containing, *inter alia*, the following information:

(A) credit rating (and any change thereto);

(B) asset cover, if required, accompanied with a half yearly certificate regarding maintenance of 100% asset cover in respect of the Debentures, by either a practicing company secretary or a practicing chartered accountant, within one month from the end of the half year;

(C) debt to equity ratio accompanied with a certificate of a practicing chartered accountant confirming such debt to equity ratio;

(D) previous Due Date for the payment of interest/principal and whether the same has been paid or not;

(E) next Due Date for the payment of interest/principal;

(F) debt service coverage ratio (if required);

(G) interest service coverage ratio (if required);

(H) outstanding redeemable preference shares (quantity and value);

(I) debenture redemption reserve;

(J) net worth;

(K) net profit after tax; and

(L) earnings per share;

(ii) in accordance with Regulation 52 of the LODR Regulations, the Issuer shall file with the BSE the prescribed statements, financial statements and noting certificate of the Debenture Trustee within the timelines prescribed therein;

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(iii) In accordance with Regulation 56 of the LODR Regulations, the Issuer shall submit the following to the Debenture Trustee:

(A) a copy of the annual report at the same time as it is issued and a copy of the certificate from the Issuer's auditors in respect of utilisation of funds raised by the issue of the Debentures, at the same time or at the end of each Financial Year until such funds have been fully utilized or the purpose for which such funds were intended has been achieved;

(B) a copy of all notices, resolutions and circulars relating to any new issue of non-convertible debt securities (at the same time as they are sent to shareholders/holders of non-convertible debt securities), the meetings of holders of non-convertible debt securities (at the same time as they are sent to the holders of non-convertible debt securities or advertised in the media including those relating to proceedings of the meetings);

(C) intimations regarding any revision in the rating or any default in timely payment of interest or redemption or both in respect of the non-convertible debt securities issued by the Issuer or any failure to create charge on the assets; and

(D) a copy of the statement, if any filed with the BSE in compliance of Regulation 52(7) of the LODR Regulations indicating material deviations, if any, in the use of funds raised by the issue of the Debentures from the object stated in the Information Memorandum.

(iv) In accordance with Regulation 58 of the LODR Regulations, the Issuer shall furnish the following to the Debenture Holders in the manner prescribed therein:

(A) physical copies of full annual reports to those Debenture Holders who request the same;

(B) notice of all meetings of the Debenture Holders specifically stating that the provisions for appointment of proxy in accordance with Section 105 of the Companies Act, 2013 shall be applicable for such meeting; and

(C) proxy forms for the Debenture Holders clearly providing the Debenture Holders to vote for each resolution in such a manner that they may vote either for or against each resolution;

(o) *Execution of Transaction Documents*

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

(i) refund the Application Money as set out in the Transaction Documents, to the Debenture Holders; or

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(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 such Transaction Document (including the DTD or the Deed of Hypothecation) is duly executed and delivered;

(p) *Internal Control*

the Issuer shall maintain internal control for the purpose of:

(i) preventing fraud on amounts lent by the Issuer; and

(ii) preventing money being used for money laundering or illegal purposes;

(q) *Audit and Inspection*

the Issuer shall 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;

(r) *Books and Records*

the Issuer shall maintain its accounts and records in accordance with Applicable Law; and

(s) *Access; Periodic Portfolio Monitoring*

the Issuer shall 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 Issuer:

(i) examine and inspect the books and records, office premises, and the premises of the Issuer;

(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 Issuer, and be advised as to the same, by the relevant officers.

7.4 NEGATIVE COVENANTS

The Issuer shall not take any action in relation to the items set out below without the prior written consent of the Debenture Trustee. The Debenture Trustee shall endeavour (but is not bound to) to provide its prior written consent/dissent within 15 (fifteen) Business Days after receiving a request to provide its consent. PROVIDED THAT such request must be accompanied by all relevant information substantiating the request to enable the Debenture Holders to make a reasoned decision. The Debenture Trustee reserves the right to take the consent of the Majority Debenture Holders prior to any such approval/dissent, if it deems necessary.

(a) *Change of Business /Constitutional Documents*

(i) change the general nature of its business from that which is permitted as

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a non-deposit accepting or holding non-banking financial company registered with the RBI;

(ii) any diversification of its business outside from that which is permitted as a non-deposit accepting or holding non-banking financial company registered with the RBI; or

(iii) any changes to its Constitutional Documents other than in respect of an increase in its authorized capital for any equity raise by the Issuer in the ordinary course of business which does not result in a Change of Control;

(b) *Dividend*

(i) declare or pay any dividend to its shareholders (including holders of preference shares) during any Financial Year unless it has paid or made arrangements to pay (to the satisfaction of the Debenture Trustee) all the dues to the Debenture Holders/ Debenture Trustee upto the date on which the dividend is proposed to be declared or paid or has made satisfactory provisions thereof; or

(ii) if an Event of Default has occurred and is continuing, declare or pay any dividend to its shareholders;

(c) *Merger, Consolidation, etc.*

In any Financial Year:

(i) undertake or permit any merger, acquisition, investment, re-structuring or amalgamation in excess of 10% (ten percent) of the Net Worth of the Issuer; or

(ii) enter into any merger, de-merger, consolidation, re-organization, scheme of arrangement or compromise with its creditors or shareholders or effect any scheme of amalgamation or reconstruction.

PROVIDED THAT the foregoing shall not apply in case where the Issuer not entering into any such any merger, de-merger, consolidation, re-organization, scheme of arrangement or compromise with its creditors or shareholders or effect any scheme of amalgamation or reconstruction, may result in an Event of Default or potential Event of Default;

(d) *Change of Control*

permit the occurrence of any Change of Control, or any Change of Control Event;

(e) *Loans and Guarantees*

the Issuer shall not:

(i) provide any loan or any other form of Financial Indebtedness to any person in excess of 10% (ten percent) of the Net Worth of the Issuer;

(ii) give or issue any guarantee, indemnity, bond or letter of credit to or for the benefit of any person; or

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(iii) permit to subsist any guarantee in respect of any Financial Indebtedness of any other person;

(f) *Related Party Transactions*

enter into any transactions with any Related Party or any transactions that are classified as "related party transactions" for the purposes of Indian GAAP except in accordance with Applicable Law;

(g) *Promoter Shareholding*

issue any additional shares or equity interests or permit any of its existing shares or equity interests to be transferred, sold, pledged or otherwise encumbered which would lead to the Promoters, directly or indirectly:

(i) ceasing to maintain their current shareholding (as of the Effective Date) in the Issuer; or

(ii) ceasing to Control the Issuer;

(h) *Role of Promoter*

the Promoters ceasing to be involved in the management of the Issuer or the Promoters ceasing to direct the management or policy decisions of the Issuer;

(i) *Disposal of Assets*

sell, transfer, or otherwise dispose of in any manner whatsoever any material Assets of the Issuer (whether in a single transaction or in a series of transactions (whether related or not) or any other transactions which cumulatively have the same effect) other than any securitization/portfolio sale of assets undertaken by the Issuer in its ordinary course of business that has the effect of exiting the current business of the Issuer or re-structuring of the existing business;

(j) *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;

(k) *Change in Capital Structure*

(i) permit or undertake any change in capital structure that would lead to a reduction in the paid-up capital or authorized capital of the Issuer;

(ii) purchase, redeem buyback, defease, retire, return or pay any of its issued shares or reduce its share capital or resolve to do any of the foregoing;

(l) *Change in Financial Year*

change its Financial Year end from March 31 of each year to any other date; or

(m) *Business*

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undertake any new major new businesses except in relation to financial services or diversify its business outside the financial services sector.

7.5 REPORTING COVENANTS

The Issuer shall provide or cause to be provided to the Debenture Trustee and to the Debenture Holders (including on any online reporting platform notified by the Debenture Trustee or any Debenture Holder), in form and substance reasonably satisfactory to the Debenture Trustee, each of the following items:

(a) prior to the Deemed Date of Allotment, all documents and information and confirmations comprising the Conditions Precedent;

(b) as soon as available, and in any event within 180 (one hundred and eighty) calendar days after the end of each Financial Year of the Issuer:

(i) certified copies of its audited consolidated and non-consolidated (if any) financial statements for its most recently completed fiscal year, prepared in accordance with Indian GAAP including its balance sheet, income statement and statement of cash flow.

All such information shall be complete and correct in all material respects and shall fairly represent the financial condition, results of operation and changes in cash flow and a list comprising all material financial liabilities of the Issuer whether absolute or contingent as of the date thereof; and

(ii) a certificate from an authorized officer of the Issuer confirming that there is no existing potential Event of Default or Event of Default;

(c) within 60 (sixty) calendar days after each Quarterly Date:

(i) certified copies of its un-audited consolidated and non-consolidated (if any) quarterly financial statements for the preceding fiscal quarter, prepared in accordance with Indian GAAP including its balance sheet, income statement and statement of cash flow;

(ii) details of operations, portfolio growth and asset quality (including static portfolio cuts, collection efficiency and portfolio at risk data), funding data, and asset liability management (ALM) data, in such form and manner as may be acceptable to the Debenture Holders;

(iii) copies of the quarterly returns filed with the RBI and SEBI; and

(iv) a certificate signed by a director or the chief financial officer of the Issuer stating that the Issuer is in compliance with all financial covenants;

(d) as soon as practicable, and in any event within 30 (thirty) Business Days after the Issuer obtains or reasonably should have obtained actual knowledge thereof, notice of the occurrence of any event or circumstance that could reasonably be expected to result in a Material Adverse Effect;

(e) as soon as practicable, and in any event within 30 (thirty) Business Days after the Issuer obtains or reasonably should have obtained actual knowledge thereof, notice of any dispute, litigation, investigation or other proceeding affecting the

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Issuer or its property or operations, which, if adversely determined, could result in a Material Adverse Effect;

(f) as soon as practicable, and in any event within 30 (thirty) Business Days after the Issuer obtains or reasonably should have obtained actual knowledge thereof obtains or reasonably, notice of the occurrence of any Event of Default or potential Event of Default including any steps taken to cure such event;

(g) as soon as practicable, and in any event within 30 (thirty) Business Days, any prepayment, or the receipt of notice of any Financial Indebtedness of the Issuer 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;

(h) as soon as practicable, and in any event within 30 (thirty) Business Days after such default, notice of any default in the observance or performance of any agreement or condition relating to any Financial Indebtedness by the Issuer 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 in respect of the Issuer;

(i) as soon as practicable, and in any event within 30 (thirty) Business Days of receiving any notice of any application for winding up/insolvency having been made or any notice of winding up or insolvency under the provisions of the Act or the (Indian) Insolvency and Bankruptcy Code, 2016 or any other statute relating to winding up/insolvency or otherwise of any suit or other legal process intended to be filed or initiated against the Issuer;

(j) as soon as practicable and in any event within 30 (thirty) Business Days of the occurrence of:

(i) any change in the board of directors of the Issuer;

(ii) any change in the accounting policy of the Issuer;

(iii) any change in the shareholding in the Issuer;

(iv) any change in senior management officials of the Issuer being the chief executive officer or any other official discharging similar functions and responsibilities;

(v) approval by the board of directors of the annual business plan of the Issuer, a snapshot (in a form acceptable to the Debenture Trustee and the Debenture Holders) of the approved annual business plan;

(vi) details of the occurrence of any fraud amounting to more than 1% (one percent) of the Gross Loan Portfolio;

(vii) any change in the Constitutional Documents of the Issuer other than in respect of an increase in its authorized capital for any equity raise by the Issuer in the ordinary course of business which does not result in a Change of Control;

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(viii) new products introduced or change in existing product features by the Issuer;

(ix) new business correspondent relationships or discontinuance of existing relationships by the Issuer;

(x) geographical expansion to any new state/city/district/location by the Issuer;

(xi) material changes to any information technology system or monthly reporting/information systems used by the Issuer;

(xii) any change in credit bureaus used by the Issuer; and

(xiii) any revisions in business plans of the Issuer;

(k) without prejudice to any other provision set out herein, within 60 (sixty) calendar days from each Quarterly Date, a certification from an authorized signatory or director or the Chief Financial Officer confirming compliance with the financial covenants;

(l) within such timelines as may be prescribed by the Debenture Trustee, provide all relevant information required by the Debenture Trustee for the effective discharge of its duties and obligations under the Transaction Document, including but not limited to the copies of all reports, balance sheets and the profit and loss account of the Issuer;

(m) on a quarterly basis (and within such days from each Quarterly Date as may be prescribed by the Debenture Trustee), provide to the Debenture Trustee:

(i) a certificate from the Issuer's director or the managing director certifying the value of the book debts/receivables; and

(ii) a certificate from an independent chartered accountant providing/confirming the value of the book debts/receivables;

(n) (if so required by the Debenture Trustee and within the timelines agreed with the Debenture Trustee) provide to the Debenture Trustee a certificate from the statutory auditor of the Issuer providing/confirming the value of the book debts/receivables and/or the utilisation of the proceeds of the Debentures (together with such details and information as may be required by the Debenture Trustee);

(o) without prejudice of (o) below, as soon as practicable and in any event within 30 (thirty) calendar days of receipt of a request, such additional documents or information as the Debenture Trustee or the Debenture Holders, may reasonably request from time to time; and

(p) as soon as practicable and in any event within the timelines prescribed by the Debenture Trustee (and Applicable Law), such other information, notifications, details, documents, reports, statements and certificates (including from chartered accountants, auditors and/or directors of the Issuer) as may be required by the Debenture Trustee from time to time, to ensure compliance with the provisions of the Applicable Law, including but not limited to the Debenture Trustees

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Regulations and the Companies (Share Capital and Debentures) Rules, 2014.

7.6 FINANCIAL COVENANTS

Until the Final Settlement Date, the Issuer shall comply with such financial covenants as may be agreed between the Issuer and the Debenture Holders from time to time.

7.7 EVENTS OF DEFAULT

(a) *Payment Defaults*

The Issuer does not pay on the Due Date any amount payable pursuant to the DTD and the Debentures at the place and in the currency in which it is expressed to be payable, unless its failure to pay is caused by technical error and payment is made within 3 (three) days of such Due Date.

(b) *Insolvency/Inability to Pay Debts*

The Issuer 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. PROVIDED THAT the foregoing shall not apply to any moratorium provided to the Issuer, or Financial Indebtedness of the Issuer rescheduled, pursuant to the Moratorium Directions (COVID-19).

(c) *Business*

The Issuer 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.

(d) *Misrepresentation*

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

(e) *Material Adverse Effect*

The occurrence of a Material Adverse Effect, in the sole determination of the Debenture Trustee (acting on the instructions on the Debenture Holders).

(f) *Cross Default*

The Issuer:

(a) defaults in any payment of any Financial Indebtedness beyond the period of grace (not to exceed 30 (thirty) days), if any, provided in the instrument or agreement under which such Financial Indebtedness was created;

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(b) 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

(c) any Financial Indebtedness of the Issuer shall be declared to be due and payable, or required to be prepaid other than by a regularly scheduled required prepayment, prior to the stated maturity thereof.

(g) *Liquidation, Insolvency or Dissolution of the Company / Appointment of Receiver, Resolution Professional or Liquidator*

Any corporate action, legal proceedings or other procedure or step is taken in relation to:

(i) the suspension of payments, a moratorium of any Financial Indebtedness, winding-up, dissolution, administration or re-organisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of the Issuer. PROVIDED THAT the foregoing shall not apply to any moratorium provided to the Issuer pursuant to the Moratorium Directions (COVID-19);

(ii) a composition, compromise, assignment or arrangement with any creditor of the Issuer;

(iii) the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of the Issuer;

(iv) the Issuer, 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");

(v) the commencement of an insolvency resolution process under the (Indian) Insolvency and Bankruptcy Code, 2016 read together with 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 under any other Applicable Law, in respect of the Issuer;

(vi) enforcement of any security over any Assets of the Issuer or any analogous procedure or step is taken in any jurisdiction; or

(vii) any other event occurs or proceeding instituted under any Applicable Law that would have an effect analogous to any of the events listed (i) to (vi) above.

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(h) *Creditors' Process and Expropriation*

Any expropriation, attachment, garnishee, sequestration, distress or execution affects any material Assets of the Issuer and is not discharged within 30 (thirty) calendar days or as otherwise provided in any order of any competent court or tribunal relating to the aforementioned actions.

(i) *Judgment Defaults*

One or more judgments or decrees entered against the Issuer involving a liability (not paid or not covered by a reputable and solvent insurance company), individually or in the aggregate, exceeding 10% (ten percent) of the Total Assets of the Issuer provided 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) calendar days.

(j) *Transaction Documents*

The DTD or any other Transaction Document (in whole or in part), is terminated or ceases to be effective or ceases to be in full force or no longer constitutes valid, binding and enforceable obligations of the Issuer.

(k) *Unlawfulness*

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

(l) *Repudiation*

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

(m) *Security in Jeopardy*

In the opinion of the Debenture Trustee any Hypothecated Asset(s) are in jeopardy.

(n) *Security*

(i) The Issuer fails to create security within the timelines prescribed in the Transaction Documents and/or in the manner prescribed in the Transaction Documents.

(ii) The value of the Hypothecated Assets is insufficient to maintain the Security Cover or the Issuer fails to maintain the Security Cover (including by way of providing additional/alternate security to the satisfaction of the Debenture Trustee) within the timelines prescribed in the relevant Transaction Documents.

(iii) Any of the Transaction Documents fails to provide the security interests, rights, title, remedies, powers or privileges intended to be created thereby (including the priority intended to be created thereby), or such security

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interests fail to have the priority contemplated under the Transaction Documents, or the security interests become unlawful, invalid or unenforceable.

(iv) The Issuer creates or attempts to create any mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having similar effect, over the Hypothecated Assets, without the prior consent of the Debenture Trustee.

(o) *Breach of Other Covenants*

Any breach of any covenant or undertaking of the Issuer in the Transaction Documents (other than (a) to (n) above) which is not cured within 30 (thirty) days of occurrence or such other time period as may be prescribed by the Debenture Holders in their sole discretion.

7.9 CONSEQUENCES OF EVENTS OF DEFAULT

If one or more events specified below occur, the Debenture Trustee may, in its discretion, and, upon request, in writing, of the Special Majority Debenture Holders or by a Special Resolution duly passed at the meeting of the Debenture Holders by a notice in writing to the Issuer initiate the following course of action:

(a) subject to Applicable Law, require the Issuer to mandatorily redeem the Debentures and repay the principal amount on the Debentures, along with accrued but unpaid interest and other costs, charges and expenses incurred under or in connection with the DTD and the other Transaction Documents;

(b) subject to Applicable Law, declare all or any of the Debentures and/or Secured Obligations to be immediately due and payable, whereupon it shall become immediately due and payable;

(c) appoint any independent agency to inspect and examine the working of the Issuer and give a report to the Debenture Holders/ the Debenture Trustee. The Issuer shall to give full co-operation and provide necessary assistance to such agency and bear all costs and expenses of the examination including the professional fees and travelling and other expenses;

(d) take all such other action expressly permitted under the Transaction Documents or in the other Transaction Documents or permitted under the Applicable Law;

(e) exercise such other rights as the Debenture Trustee may deem fit under Applicable Law to protect the interests of the Debenture Holders;

(f) accelerate the redemption of the Debentures;

(g) enforce the security interest created under the Transaction Documents in accordance with the terms of the Transaction Documents; and/or

(h) exercise any other right that the Debenture Trustee and/or the Debenture Holder(s) may have under the Transaction Documents or under Applicable Law.

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SECTION 8: OTHER INFORMATION AND APPLICATION PROCESS

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

8.1 Mode of Transfer/Transmission of Debentures

The Debentures shall be transferable freely in whole or in part without the prior consent of the Issuer. The Debenture(s) shall be transferred and/or transmitted in accordance with the applicable provisions of the Act and other applicable laws. The Debentures held in dematerialized form shall be transferred subject to and in accordance with the rules/procedures as prescribed by NSDL/CDSL and the relevant DPs of the transferor or transferee and any other applicable laws and rules notified in respect thereof. The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, amounts due will be paid/redemption will be made to the person, whose name appears in the register of debenture holders maintained by the R&T Agent as on the Record Date, under all circumstances. In cases where the transfer formalities have not been completed by the transferor, claims, if any, by the transferees would need to be settled with the transferor(s) and not with the Issuer. The normal procedure followed for transfer of securities held in dematerialized form shall be followed for transfer of these Debentures held in dematerialised form. The seller should give delivery instructions containing details of the buyer's DP account to his DP.

8.2 Debentures held in Dematerialised Form

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

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

8.3 Trustee for the Debenture Holder(s)

The Issuer has appointed IDBI Trusteeship Services Limited to act as trustee for the Debenture Holder(s). The Issuer and the Debenture Trustee intends to enter into the Debenture Trustee Agreement and the Debenture Trust Deed *inter alia*, specifying the powers, authorities and obligations of the Debenture Trustee and the Issuer. The Debenture Holder(s) shall, without further act or deed, be deemed to have irrevocably given their consent to the Debenture Trustee or any of its agents or authorized officials to do all such acts, deeds, matters and things in respect of or relating to the Debentures as the Debenture Trustee may in its absolute discretion deem necessary or require to be done in the interest of the Debenture Holder(s). Any payment made by the Issuer to the Debenture Trustee on behalf of the Debenture Holder(s) shall discharge the Issuer *pro tanto* to the Debenture Holder(s). The Debenture Trustee will protect the interest of the Debenture Holder(s) in regard to the repayment of principal and coupon thereon and they will take necessary action, subject to and in accordance with the Debenture Trustee Agreement and the Debenture Trust Deed, at the cost of the Issuer. No Debenture Holder shall be entitled to

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proceed directly against the Issuer unless the Debenture Trustee, having become so bound to proceed, fails to do so. The Debenture Trustee Agreement and the Debenture Trust Deed shall more specifically set out the rights and remedies of the Debenture Holder(s) and the manner of enforcement thereof.

8.4 Sharing of Information

The Issuer may, at its option, but subject to applicable laws, use on its own, as well as exchange, share or part with any financial or other information about the Debenture Holder(s) available with the Issuer, with its subsidiaries and affiliates and other banks, financial institutions, credit bureaus, agencies, statutory bodies, as may be required and neither the Issuer nor its subsidiaries and affiliates nor their agents shall be liable for use of the aforesaid information.

8.5 Debenture Holder not a Shareholder

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

8.6 Modification of Debentures

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

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

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

A. Amendment to the terms and conditions of the Debentures or the Transaction Documents.

8.7 Right to accept or reject Applications

The Board of Directors/Committee of Directors reserves its full, unqualified and absolute right to accept or reject any application for subscription to the Debentures, in part or in full, without assigning any reason thereof.

8.8 Notices

Any notice may be served by the Issuer upon the Debenture Holders/Debenture Trustee in accordance with the terms of the Transaction Documents. Until the execution of the DTD, such notice may be served through registered post, recognized overnight courier service, hand delivery or by facsimile transmission addressed to such Debenture Holder at its/his registered address, e-mail or facsimile number.

All notice(s) to be given by the Debenture Holder(s) to the Issuer/ Debenture Trustee shall be sent by registered post, recognized overnight courier service, hand delivery, email or by facsimile transmission to the Issuer or to such persons at such address/ facsimile number as may be

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notified by the Issuer from time to time through suitable communication. All correspondence regarding the Debentures should be marked "Private Placement of Debentures".

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

8.9 Issue Procedure

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

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

Details of size of the Issue including green shoe option, if any, and a range within which green shoe may be retained (if applicable)	750 (Seven Hundred Fifty) rated, unsubordinated, senior, redeemable, taxable, transferable, listed, non-convertible debentures each having a face value of INR 10,00,000 (Indian Rupees Ten Lakh) and aggregating to a face value of INR 75,00,00,000/- (Indian Rupees Seventy Five Crore) Green Shoe Option: N.A.
Bid opening and closing date	Bid opening date: July 10, 2020; and Bid closing date: July 10, 2020
Bid Timings	10:00:00 to 14:00:00 (IST)
Minimum Bid lot	750 (Seven Hundred Fifty) Debentures aggregating to a face value of INR 10,00,000/- (Indian Rupees Ten Lakh)
Manner of bidding in the Issue	Closed Bidding
Manner of allotment in the Issue	Uniform Yield
Manner of settlement in the Issue	The pay-in of the Application Money for the Debentures shall be made by way of transfer of funds from the bank account(s) of the Eligible

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	Investors (whose bids have been accepted) as registered with the Electronic Book Provider into the account of the ICCL, as specified in this regard below.
Settlement cycle	T+1, where T refers to the date of bid opening date / issue opening date Settlement of the issue will be on July 10, 2020

Process flow of settlement:

Eligible Investors whose bids have been accepted by the Issuer and to whom a signed copy of this Information Memorandum along with the Private Placement Offer Letter have been issued by the Issuer and who have submitted/shall submit the application form ("Successful Bidders"), shall make pay-in of subscription monies in respect of the Debentures towards the allocation made to them, into the bank account of the ICCL, the details of which are as set out below, on or before 10:30 a.m. on the Deemed Date of Allotment:

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

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

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

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

NAME	ESS KAY FINCORP LTD
ACCOUNT NO.	409001042376
IFSC CODE	RATN0000088

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BANK NAME	RBL BANK LIMITED
BRANCH	Lower Parel (West)
ACCOUNT TYPE	CURRENT ACCOUNT

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

8.10 Application Procedure

Eligible Investors will be invited to subscribe by way of the Application Form prescribed in the Information Memorandum during the period between the Issue Opening Date and the Issue Closing Date (both dates inclusive). The Issue will be open for subscription during the banking hours on each day during the period covered by the Issue Schedule, and the procedure shall be in accordance with the EBP Guidelines.

8.11 Fictitious Application

All fictitious applications will be rejected.

8.12 Basis of Allotment

Notwithstanding anything stated elsewhere, Issuer reserves the right to accept or reject any application, in part or in full, without assigning any reason. In case of over subscription, allotment shall be made on a "yield time priority basis" in accordance with the EBP Guidelines. The Investors will be required to remit the funds in the account of the ICCL as well as submit the duly completed Application Form along with other necessary documents to the Issuer by the Deemed Date of Allotment.

8.13 Payment Instructions

The Application Form should be submitted directly. The amount of Rs. 10,00,000/- (Rupees Ten Lakhs only) per Debenture is payable along with the making of an application. Applicants can remit the application amount through RTGS on Pay-in Date in the ICCL account set out in Section 8.9 above.

8.14 Eligible Investors

The following categories of Investors, who have been 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. Non-banking financial companies
C. Provident Funds and Pension Funds
D. Corporates
E. Banks
F. Foreign Portfolio Investors (FPIs)
G. Foreign Institutional Investors (FIIs)
H. Qualified Foreign Investors (QFIs)
I. Insurance Companies
J. Investment holding companies of high net worth individuals

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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, including with the EBP Guidelines.

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

8.15 Procedure for Applying for Dematerialised Facility

A. The applicant must have at least one beneficiary account with any of the DP's of NSDL/CDSL prior to making the application.

B. The applicant must necessarily fill in the details (including the beneficiary account number and DP - ID) appearing in the Application Form under the heading "Details for Issue of Debentures in Electronic/Dematerialised Form".

C. Debentures allotted to an applicant will be credited to the applicant's respective beneficiary account(s) with the DP.

D. For subscribing to the Debentures, names in the Application Form should be identical to those appearing in the details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details maintained with the DP.

E. Non-transferable allotment advice/refund orders will be directly sent to the applicant by the Registrar and Transfer Agent to the Issue.

F. If incomplete/incorrect details are given under the heading "Details for Issue of Debentures in Electronic/Dematerialised Form" in the Application Form, it will be deemed to be an incomplete application and the same may be held liable for rejection at the sole discretion of the Issuer.

G. For allotment of Debentures, the address, nomination details and other details of the applicant as registered with his/her DP shall be used for all correspondence with the applicant. The applicant is therefore responsible for the correctness of his/her demographic details given in the Application Form vis-a-vis those with his/her DP. In case the information is incorrect or insufficient, the Issuer would not be liable for the losses, if any.

H. The redemption amount or other benefits would be paid to those Debenture Holders whose names appear on the list of beneficial owners maintained by the R&T Agent as on the Record Date. In case of those Debentures for which the beneficial owner is not identified in the records of the R&T Agent as on the Record Date, the Issuer would keep in abeyance the payment of the redemption amount or other benefits, until such time that the beneficial owner is identified by the R&T Agent and conveyed to the Issuer, whereupon the redemption amount and benefits will be paid to the beneficiaries, as identified.

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8.16 Depository Arrangements

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

8.17 List of Beneficiaries

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

8.18 Application under Power of Attorney

A certified true copy of the power of attorney or the relevant authority as the case may be along with the names and specimen signature(s) of all the authorized signatories of the Investor and the tax exemption certificate/document of the Investor, if any, must be lodged along with the submission of the completed Application Form. Further modifications/additions in the power of attorney or authority should be notified to the Issuer or to its agents or to such other person(s) at such other address(es) as may be specified by the Issuer from time to time through a suitable communication.

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

8.19 Procedure for application by Mutual Funds and Multiple Applications

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

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

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

8.20 Documents to be provided by Investors

Investors need to submit the following documents, as applicable
A. Memorandum and Articles of Association or other constitutional documents
B. Resolution authorising investment
C. Power of Attorney to custodian
D. Specimen signatures of the authorised signatories
E. SEBI registration certificate (for Mutual Funds)

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F. Copy of PAN card
G. Application Form (Including EFT/RTGS details)

8.21 Applications to be accompanied with Bank Account Details

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

8.22 Succession

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

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

8.23 Mode of Payment

All payments must be made through EFT/RTGS.

8.24 Effect of Holidays

(a) If any Due Date on which any Interest or additional Interest is payable falls on a day which is not a Business Day, the payment to be made on such Due Date shall be made on the succeeding Business Day and to the extent not contrary to Applicable Law, the Company shall be liable to the pay the Interest or additional Interest till such succeeding Business Day.

(b) If any Due Date on which any Outstanding Principal Amounts are payable falls on a day which is not a Business Day, the payment to be made on such Due Date shall be made on the preceding Business Day.

(c) If the Redemption Date falls on a day which is not a Business Day, the payment of any amounts in respect of any Interest and the Outstanding Principal Amounts to be made shall be made on the preceding Business Day.

8.25 Tax Deduction at Source

Tax as applicable under the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof will be deducted at source. For seeking TDS exemption/lower rate of TDS, relevant certificate/document must be lodged by the Debenture Holder(s) at the office of the R&T Agents of the Issuer at least 7(Seven) Business days before the relevant payment becoming due. Tax exemption certificate / declaration of non-deduction of tax at source on interest on application money, should be submitted along with the Application Form.

8.26 Letters of Allotment

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The letter of allotment, indicating allotment of the Debentures, will be credited in dematerialised form within 2 (Two) Business Days from the Deemed Date of Allotment. The aforesaid letter of allotment shall be replaced with the actual credit of Debentures, in dematerialised form, within 3 (three) Business Days from the Deemed Date of Allotment.

8.27 Deemed Date of Allotment

All the benefits under the Debentures will accrue to the Investor from the specified Deemed Date of Allotment. The Deemed Date of Allotment for the Issue is July 13, 2020 by which date the Investors would be intimated of allotment.

8.28 Record Date

The Record Date will be 7 (Seven) Business days prior to any Due Date.

8.29 Refunds

For applicants whose applications have been rejected or allotted in part, refund orders will be dispatched within 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 R&T Agent shall upon receiving instructions in relation to the same from the Issuer repay the moneys to the extent of such excess, if any.

8.30 Interest on Application Money

Interest shall be payable on all application monies received at the Coupon Rate. Such interest shall be payable from the from the credit of subscription monies in respect of the Debentures until the Deemed Date of Allotment and the same shall be paid to the relevant Investors within 7 (Seven) Business Days from the Deemed Date of Allotment.

8.31 PAN Number

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

8.32 Payment on Redemption

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

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

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

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

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SECTION 9: DECLARATION

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

For Ess Kay Fincorp Limited

ESS KAY FINCORP LIMITED

Authorised Signatory
Name: Mr. Devendra Sharma
Title: Assistant Manager Treasury
Date: July 06, 2020

ANNEXURE I: TERM SHEET

As set out in Section 5.23 (*Issue Details*) above.

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ANNEXURE II: RATING LETTER & RATING RATIONALE
(Attached Separately)

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ANNEXURE III: CONSENT LETTER FROM THE DEBENTURE TRUSTEE
(Attached Separately)

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ANNEXURE IV: APPLICATION FORM

ESS KAY FINCORP LIMITED
(Erstwhile Ess Kay Auto Finance Private Limited)
A public limited company incorporated under the Companies Act, 1956
Date of Incorporation: November 21, 1994
Registered Office: G 1-2, New Market, Khasa Kothi, Jaipur, Rajasthan – 302001
Telephone No.: +91 141 4734016
Website: www.skfin.in

DEBENTURE SERIES APPLICATIONFORMSERIALNO. 0 9 / 2 0 2 0 2 1

ISSUE OF UPTO 750 (SEVEN HUNDRED FIFTY) RATED, UNSUBORDINATED, SENIOR, REDEEMABLE, TAXABLE, TRANSFERABLE, LISTED, NON-CONVERTIBLE DEBENTURES OF FACE VALUE OF INR 10,00,000/- (INDIAN RUPEES TEN LAKHS ONLY) EACH AND AGGREGATING UPTO RS. 75,00,00,000/- (RUPEES SEVENTY FIVE CRORES ONLY).

DEBENTURE SERIES APPLIED FOR:

Number of Debentures_____ in words ____________________

Amount Rs.____________/- in words Rupees__________________Crores only

DETAILS OF PAYMENT:

RTGS
No._________ Drawn on______________________________

Funds transferred to Ess Kay Fincorp Limited
Dated ________

Total Amount Enclosed
(In Figures)________ (In words)_________________________

APPLICANT'S NAME IN FULL (CAPITALS)	SPECIMEN SIGNATURE

APPLICANT'S ADDRESS

ADDRESS					
STREET					
CITY					
PIN		PHONE		FAX	

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APPLICANT'S PAN/GIR NO.________ IT CIRCLE/WARD/DISTRICT ___

WEARE() COMPANY () OTHERS () SPECIFY________

We have read and understood the Terms and Conditions of the issue of Debentures including the Risk Factors described in the Memorandum and have considered these in making our decision to apply. We bind ourselves to these Terms and Conditions and wish to apply for allotment of these Debentures. We request you to please place our name(s) on the Register of Holders.

Name of the Authorised Signatory(ies)	Designation	Signature

Applicant's
Signature

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

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

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 Information 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) the Applicant must ensure that the sequence of names as mentioned in the Application Form matches the sequence

ESS KAY FINCORP LIMITED

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.	0	9	/	2	0	2	0	2	1	

Received from ____________________

Address ________________________________
Cheque/Draft/UTR # _________ Drawn on ____________________ for Rs. ________ 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:

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

4.

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

5.

Name of Bank	YES BANK
IFSC Code	YESB0CMSNOC
Account number	ICCLEB

ESS KAY FINCORP LIMITED

Name of beneficiary	INDIANCLEARINGCORPORATIONLTD

6. 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.

7. Receipt of applicants will be acknowledged by the Company in the "Acknowledgement Slip" appearing below the application form. No separate receipt will be issued.

8. 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.

ESS KAY FINCORP LIMITED

ANNEXUREV: LAST AUDITED FINANCIAL STATEMENTS
(Attached Separately)

ESS KAY FINCORP LIMITED

ANNEXURE VI: ILLUSTRATION OF BOND CASH FLOWS

Illustration of Bond Cash Flows	
Company	Ess Kay Fincorp Limited
Face Value (per security)	Rs 10,00,000/- (Rupees Ten Lakhs only)
Issue Date/ Date of Allotment	Issue Opening Date: July 10, 2020 Issue Closing Date: July 10, 2020 Deemed Date of Allotment: July 13, 2020
Maturity Date	April 21, 2023
Frequency of the Coupon Payment with specified dates	Coupon payable Annually and at redemption.
Day Count Convention	Actual/Actual

Payout Date	Days	Principle OS	Principle Payment	Interest Payment
13-Jul-20	0	75,00,00,000	0	0
13-Jul-21	365	75,00,00,000	0	8,17,50,000
13-Jul-22	365	75,00,00,000	0	8,17,50,000
21-Apr-23	282	75,00,00,000	75,00,00,000	6,31,60,274
Total	1012	-	75,00,00,000	22,66,60,274

ESS KAY FINCORP LIMITED

IDBI Trusteeship Services Ltd
CIN : U65991MH2001GOI131154

IDBI trustee

16595/ITSL/OPR/CL/20-21/DEB/309
Date: July 6, 2020

Ess Kay Fincorp Limited
B-11 Adarsh Plaza
Khasa Kothi Jaipur

Kind Attn: Ms. Anagha Bangur

Dear Sir,

Subject: Consent to act as Debenture Trustee for Rated, Listed, Fully Paid-up, Senior, Secured, Redeemable, Taxable, Non-Convertible Debentures(NCDs) aggregating up to Rs. 75,00,00,000/-(Rupees Seventy Five Crores Only).

This is with reference to the email dated 06th July, 2020 from you regarding appointment of IDBI Trusteeship Services Limited as Debenture Trustee for the proposed Rated, Listed, Fully Paid-up, Senior, Secured, Redeemable, Taxable, Non-Convertible Debentures (NCDs) aggregating up to Rs. 75,00,00,000/- (Rupees Seventy Five Crores Only). In this connection we confirm our acceptance of the assignment.

We are agreeable for inclusion of our name as trustee in the offer document/disclosure document as required subject to the following conditions:

1. The Company shall enter into Written Debenture Trustee Agreement (DTA) for the said issue before the opening of Subscription list for issue of debentures.

2. The Company agrees and undertakes to create the securities over such of its immovable and moveable properties and on such terms and conditions as agreed by the Debenture holders and disclose in the Information Memorandum or Disclosure Document and execute, the Debenture Trust Deed (DTD) and other necessary security documents for each series of debentures as approved by the Debenture Trustee, within a period as agreed by us in the Information Memorandum or Disclosure Document in any case not exceeding three months of closure of the issue or offer.

3. The Company agrees & undertakes to pay to the Debenture Trustees so long as they hold the office of the Debenture Trustee, remuneration as stated above for their services as Debenture Trustee in addition to all legal, traveling and other costs, charges and expenses which the Debenture Trustee or their officers, employees or agents may incur in relation to execution of the Debenture Trust Deed and all other Documents affecting the Security till the monies in respect of the Debentures have been fully paid-off and the requisite formalities for satisfaction of charge in all respects, have been complied with.

4. The Company agrees & undertakes to comply with the provisions of SEBI (Debenture Trustees) Regulations, 1993, Issuance of Non-Convertible Debentures (Reserve Bank) Directions, 2010, SEBI (Listing Obligations Disclosure Requirements) Regulations, 2015, the Companies Act, 1956/the Companies Act, 2013 and the Rules thereunder as amended from time to time and other applicable provisions and agree to furnish to Trustees such information in terms of the same on regular basis.

Regd. Office : Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai - 400 001.
Tel. : 022-4080 7000 • Fax : 022-6631 1776 • Email : itsl@idbitrustee.com • response@idbitrustee.com
Website : www.idbitrustee.com

SS KAY FINCORP LIMITED

IDBI Trusteeship Services Ltd
CIN : U65991MH2001GOI131154

5. Any payment in respect of Debentures required to be made by the Debenture Trustee to a Debenture Holder (who is a FII Entity) at the time of enforcement would, if required by applicable law, be subject to the prior approval of RBI for such remittance through an Authorized Dealer. The Company/Investor shall obtain all such approvals, if required, to ensure prompt and timely payments to the said Debenture Holder. Such remittance shall not exceed total investment (and interest provided for herein) made by the Debenture Holder (who is a FII).

Looking forward to a fruitful association with you and assuring you of our best services at all times.

Yours faithfully,
For IDBI Trusteeship Services Limited

(Authorized Signatory)

we accept the above terms
for Ess Kay Fincorp Limited

ESS KAY FINCORP LIMITED

(Authorized Signatory)

Ratings

CRISIL
An S&P Global Company

CONFIDENTIAL

ESKAFPL/249523/NCD/062054598
June 24, 2020

Mr. Vivek Singh
Vice President
Ess Kay Fincorp Limited
G-1 & G-2, New Market
Adarsh Plaza Building
Khasa Kothi Circle
Jaipur - 302001

Dear Mr. Vivek Singh,

Re: CRISIL Rating on the Rs.100 Crore Non-Convertible Debentures of Ess Kay Fincorp Limited

We refer to your request for a rating for the captioned Debt Instrument.

CRISIL has, after due consideration, assigned a "CRISIL A/Stable" (pronounced as CRISIL A rating with Stable outlook) rating to the captioned debt instrument. Instruments with this rating are considered to have adequate degree of safety regarding timely servicing of financial obligations. Such instruments carry low credit risk.

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

Further, in view of your decision to accept the CRISIL Rating, we request you to apprise us of the instrument details (in the enclosed format) as soon as it has been placed. In the event of your company not making the issue within a period of 180 days from the above date, or in the event of any change in the size or structure of your proposed issue, a fresh letter of revalidation from CRISIL will be necessary.

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

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

With warm regards,

Yours sincerely,

Ajit Velonie
Director - CRISIL Ratings

ESS KAY FINCORP LIMITED

Nivedita Shibu
Associate Director - CRISIL Ratings

CRISIL

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

Details of the Rs.100 Crore Non-Convertible Debentures of Ess Kay Fincorp Limited

	1st tranche		*2nd tranche*		*3rd tranche*	
Instrument Series:						
Amount Placed:						
Maturity Period:						
Put or Call Options (if any):						
Coupon Rate:						
Interest Payment Dates:						
Principal Repayment Details:	Date	Amount	Date	Amount	Date	Amount
Investors:						
Trustees:						

In case there is an offer document for the captioned Debt issue, please send us a copy of it.

ESS KAY FINCORP LIMITED
G 1-2, NEW MARKET, KHASA KOTHI, JAIPUR, RAJASTHAN - 302001
Email : info@skfin.in || Phone : 0141-4161300
CIN : U65923RJ1994PLC009051
Balance Sheet as at March 31, 2020

(Amount in Rs. in lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
ASSETS		
Financial assets		
Cash and cash equivalents	6,236.85	7,406.29
Bank balance other than cash and cash equivalents	37,044.98	21,988.88
Receivables		
Other receivables	0.30	2.65
Loans	2,85,001.04	1,79,337.97
Investments	13,836.90	1,594.60
Other financial assets	3,451.28	4,411.31
Total financial assets	3,45,571.35	2,14,741.70
Non-financial assets		
Current tax assets (Net)	93.09	31.33
Deferred tax assets (Net)	1,931.92	756.42
Property, plant and equipment	4,210.18	3,212.59
Capital work-in-progress	266.72	6.30
Intangibles under development	82.80	-
Other intangible assets	50.55	59.43
Other non-financial assets	437.38	367.69
Total non-financial assets	7,072.64	4,433.76
Total assets	3,52,643.99	2,19,175.46
LIABILITIES AND EQUITY		
LIABILITIES		
Financial liabilities		
Derivatives financial instruments	545.00	250.90
Payables		-
Trade payables		-
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
Debt securities	1,26,014.13	71,492.05
Borrowings (other than debt securities)	1,25,571.17	78,520.82
Subordinated liabilities	4,047.72	4,045.79
Other financial liabilities	7,201.67	7,607.07
Total financial liabilities	2,63,379.69	1,61,916.63
Non-financial liabilities		
Current tax liabilities (Net)	301.68	6.15
Provisions	740.03	578.85
Deferred tax liabilities (Net)	-	-
Other non-financial liabilities	349.84	339.38
Total non-financial liabilities	1,391.55	924.38
EQUITY		
Equity share capital	503.90	460.32
Other equity	87,368.85	55,874.13
Total equity	87,872.75	56,334.45
Total liabilities and equity	3,52,643.99	2,19,175.46

ESS KAY FINCORP LIMITED
G 1-2, NEW MARKET, KHASA KOTHI, JAIPUR, RAJASTHAN - 302001
Email : info@skfin.in | Phone : 0141-4161300
CIN : U65923RJ1994PLC009051
Statement of profit & loss for the year ended March 31, 2020

(Amount in Rs. in lakhs)

	Particulars	For the half year ended March 31, 2020 (Refer note 4)	For the half year ended March 31, 2019 (Refer note 4)	For the year ended March 31, 2020	For the year ended March 31, 2019
	Revenue from operations				
	Interest income	30,467.48	21,258.96	54,544.50	36,698.92
	Fees and commission income	913.03	617.19	1,951.52	958.34
	Net gain on fair value changes	756.28	-	752.94	-
(I)	Total revenue from operations	32,136.79	21,876.15	57,248.96	37,657.26
(II)	Other income	399.63	111.09	991.31	433.03
(III)	Total income (I+II)	32,536.42	21,987.24	58,240.27	38,090.29
	Expenses				
	Finance costs	12,629.27	8,154.72	23,248.45	14,337.63
	Net loss on fair value changes	-	3.11	-	20.61
	Impairment on financial instruments	4,067.76	1,245.42	8,997.98	4,407.56
	Employee benefit expenses	5,855.74	3,986.69	10,571.01	7,136.97
	Depreciation and amortization	539.60	346.69	817.53	604.35
	Other expenses	2,569.71	1,553.10	4,054.83	2,681.27
(IV)	Total expenses	25,662.08	15,289.73	47,689.80	29,188.39
(V)	Profit before tax (III-IV)	6,874.34	6,697.51	10,550.47	8,901.90
(VI)	Tax expense				
	(1) Current tax	2,877.39	1,441.43	3,874.32	2,526.68
	(2) Deferred tax	(1,050.83)	299.52	(1,177.52)	27.94
	Total tax expense	1,826.56	1,740.95	2,696.80	2,554.62
(VII)	Profit for the year (V-VI)	5,047.78	4,956.56	7,853.67	6,347.28
(VIII)	Other comprehensive income / (expenses)				
	Items that will not be reclassified to profit or loss				
	- Remeasurements of the defined benefit plans	(38.68)	(16.32)	8.02	(30.43)
	Sub-total	(38.68)	(16.32)	8.02	(30.43)
	Income tax relating to items that will not be reclassified to profit or loss	10.12	4.75	(2.02)	8.86
	Other comprehensive income/(expenses)	(28.56)	(11.57)	6.00	(21.57)
(IX)	Total comprehensive income for the year (VII+VIII) (comprising profit and other comprehensive income/(expenses) for the year)	5,019.22	4,944.99	7,859.67	6,325.71
(X)	Earnings per equity share#				
	Basic (Rs.)	20.81	24.06	33.00	31.90
	Diluted (Rs.)	20.49	23.69	32.68	31.62

Earnings per share for the interim period is not annualized.

Ess Kay Fincorp Limited

Statement of Cash Flow
for the year ended March 31, 2020

(Amount in Rs. in lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Cash flow from operating activities		
Profit before tax	10,550.47	8,901.90
Adjustments for		
(Profit) loss on sale of fixed asset	(0.36)	0.95
Finance cost incurred	21,824.69	11,845.03
Interest income accrued	(52,083.53)	(32,905.26)
Impact of derecognition of loans sold under direct assignment transaction	(1,037.21)	(1,301.06)
Net (gain) loss on FVTPL investments and derivatives	(752.94)	20.61
Impairment on financial instruments	8,997.98	4,407.56
Employee share based payment expenses	178.63	82.92
Depreciation and amortization	817.53	604.35
Operating cash flow before working capital changes	(11,504.74)	(8,343.00)
Adjustments for working capital changes:		
Decrease in trade receivables	2.35	21.19
Increase in loans	(109,346.15)	(73,246.63)
Decrease (Increase) in other financial assets	696.18	(2,423.06)
Increase in other non-financial assets	(69.69)	(152.93)
Increase (decrease) in other financial liabilities	(405.40)	2,393.0[illegible]
Increase in provisions	169.20	189.46
Increase in other non-financial liabilities	10.46	116.52
Finance cost paid	(24,122.44)	(9,425.68)
Interest income received	48,100.26	29,394.92
Cash generated from operations	(96,469.97)	(61,269.14)
Direct taxes paid (net of refunds)	(3,640.55)	(2,861.49)
Net cash used in operating activities (A)	(100,110.52)	(64,130.63)
Cash flow from investing activities		
Purchase of property plant and equipment, capital work in progress and other intangible assets	(2,163.44)	(1,363.32)
Proceeds from sale of property plant and equipment	14.34	13.92
Investment in Fixed deposits	(88,022.03)	(18,500.00)
Proceeds from redemption of fixed deposits	75,427.89	208.9[illegible]
Purchase of investments	(41,110.00)	(1,100.00)
Proceeds from redemptions of investments	29,255.03	4.19
Net cash used in investing activities (B)	(26,598.21)	(20,646.24)
Cash flow from financing activities		
Proceeds from issue of shares and securities premium	23,500.00	29,665.36
Debt securities issued	90,250.00	60,000.00
Debt securities repaid	(35,316.66)	(14,154.53)
Borrowings other than debt securities taken	87,230.01	35,867.08
Borrowings other than debt securities repaid	(40,124.06)	(20,056.89)
Net cash generated from financing activities (C)	125,539.29	91,321.11
Net increase (decrease) in cash and cash equivalents (A+B+C)	(1,169.44)	6,544.21
Add : cash and cash equivalents as at the beginning of the year	7,406.29	862.05
Cash and cash equivalents as at the end of the year*	6,236.85	7,406.29
*Components of cash and cash equivalents		
Balances with banks	6,135.85	6,435.55
Fixed deposits on hand	31.32	68.16
Cash on hand	69.68	902.58
	6,236.85	7,406.29

ESS KAY FINCORP LIMITED
JAIPUR

B S R & Co. LLP
Chartered Accountants

Ess Kay Fincorp Limited

Statement of Cash Flow *(Continued)*
for the year ended March 31, 2020

(Amount in Rs. in lakhs)

Change in liabilities arising from financing activities

Particulars	As at April 1, 2018	Issued/ taken	Repaid	Non-cash changes	As at March 31, 2019	Issued/ taken	Repaid	Non-cash changes	As at March 31, 2020
Debt securities	23,389.61	60,000.00	(14,154.53)	2,256.97	71,492.05	90,250.00	(35,316.66)	(411.26)	126,014.13
Borrowings (other than debt securities)	62,507.11	35,867.08	(20,056.80)	203.40	78,520.82	87,230.01	(40,124.06)	(55.54)	125,571.17
Subordinated liabilities	4,192.65	-	-	(146.86)	4,045.79	-	0.00	1.94	4,047.72
Total	90,089.37	95,867.08	(34,211.33)	2,313.51	154,058.66	177,480.01	(75,440.72)	(464.86)	255,633.02

The above cash flow statement has been prepared under the 'indirect method' as set out in Ind AS 7 - 'Statement of cash flows'
The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firms' Registration No. 101248W/W-100022

Ashwin Suvarna
Partner
ICAI Membership No. 109503

Place : Mumbai
Date : 16 June 2020

For and on behalf of the Board of Directors of
Ess Kay Fincorp Limited

Rajendra Kumar Setia
(Managing Director)
DIN - 00937374

Shalini Setia
(Whole Time Director)
DIN - 02817624

Atul Arora
(Chief Financial Officer)

Anagha Bangur
(Company Secretary)

Place : Jaipur
Date : 16-June-2020

Notes:

1) The Company is a systemically important non-deposit taking Non-banking financial Company ('NBFC') as defined under Section 45-IA of the Reserve Bank of India (RBI) act, 1934.

2) The financial results for the year ended March 31, 2020 have been reviewed by the audit committee and approved by the Board of Directors at its meeting held on June 16, 2020. The report is being filed with the Bombay Stock Exchange ("BSE") and is also available on the Company's website www.skfin.in.

3) The financial results for the half year and year ended March 31, 2020 have been audited by the Statutory Auditors of the Company.

4) The figures for the last half year of the current year and of the previous year are the balancing figures between audited figures in respect of the full financial year and the published year-to-date unaudited figures up to first half year.

5) The transition to Ind AS has been carried out from the erstwhile accounting standards notified under the Act read with Rule 7 of Companies (Accounts) Rules 2014 (as amended), guidelines issued by the RBI and other generally accepted accounting principles in India (collectively referred to as 'the previous GAAP').

These financial results have been drawn up on the basis of Ind AS that are applicable to the Company as at March 31, 2020 based on the press release issued by the Ministry of Corporate Affairs on January 18, 2016. Any application guidance / clarifications / directions issued by RBI or other regulators are implemented as and when they are issued / applicable.

6) In accordance with the Board approved moratorium policy read with the Reserve Bank of India (RBI) guidelines dated March 27, 2020 and April 17, 2020 relating to'COVID-19-regulatory package', the Company has granted moratorium up to three months on the payment of installments falling due between March 1, 2020 and May 31, 2020 to all eligible borrowers. In respect of accounts over due but standard at February 29, 2020 where moratorium benefit has been granted, the staging of those accounts at March 31, 2020 is based on the days past due status as on February 29, 2020. The Company continues to recognize interest income during the moratorium period and in the absence of other credit risk indicators, the granting of a moratorium period does not result in accounts becoming past due and automatically triggering stage 2 or stage 3 classification criteria.

7) In terms of the requirement as per RBI notification no. RBI/2019-20/170DOR(NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020 on implementation of Ind AS, Non-Banking Financial Companies (NBFCs) are required to create an impairment reserve for any short fall in impairment allowances under Ind AS 109 and income recognition, asset classification and provisioning (IRACP) norms (including provision on standard assets). The impairment allowances under Ind AS 109 made by the Company exceeds the total provision required under IRACP (including standard asset provisioning), as at 31 March 2020 and accordingly, no amount is required to be transferred to impairment reserve.

8) All secured non-convertible debentures (NCDs) issued by the Company are secured by pari-passu charges on property at Chennai and exclusive charge on receivables under loan contracts, owned assets and book debts to the minimum extent of 100% of outstanding secured NCDs.

9) The Company has adopted Ind AS 116, leases, effective April 1, 2018 using modified retrospective method of transition. Adoption of this standard did not have a material effect on audited financial results for the half year and year ended March 31, 2020. As per the requirements of this standard, right-of-use assets amounting to Rs.2,517.35 lakhs and lease liabilities amounting to Rs.2,368.33 lakhs have been included within the line items "property, plant and equipment" and "other financial liabilities" respectively.

10) The Company has elected to exercise the option permitted under Section 115BAA of the Income-tax Act, 1961, as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has recognized provision for income tax for the year ended March 31, 2020 and re-measured its deferred tax assets basis the rate prescribed in the said section.

11) Provision for impact of COVID-19

The 'severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2)', generally known as COVID-19, which was declared as a global pandemic by World Health Organisation on 11 March 2020, continues to spread across globe and in India. Globally countries and businesses are under lockdown. On 24 March 2020, the Government of India announced a 21 days lockdown initially, which was extended by 19 days across the country to contain the spread of the virus. Considering the severe health hazard associated with COVID-19 pandemic, certain parts of the country have further extended the lockdown. There is a high level of uncertainty about the duration of the lockdown and the time required to return to normalcy. The extent to which COVID-19 pandemic will impact the Company's provision on assets is dependent on the future developments which are highly uncertain. The impact of the global health pandemic may be different from that estimated at the date of approval of these financial results and the Company will continue to closely monitor any material changes to future economic conditions.

12) The Company is engaged in the business of financing, and accordingly, there are no separate reportable segments as per Ind AS 108 on operating segment.

13) As required by Paragraph 32 of Ind AS 101, net profit reconciliation between the figures reported under previous GAAP and Ind AS is as under, for the year ended March 31, 2019 is as under:

(Amount in Rs. in lakhs)

Particulars	For the year ended March 31, 2019
Net profit after tax for the year as per Previous GAAP	5,223.02
Ind AS adjustments	
Impact on recognition of financial assets and financial liabilities at amortised cost by application of EIR	(26.81)
I. Financial assets	
II. Financial liability	
Income accrued on Stage III (Impaired) assets	324.96
Impact on application of Expected Credit Loss method for loan loss provisions	(1,885.19)
Impact on derecognition of loans sold under direct assignment transaction and recognition of financial assets transferred under securitisation transaction	1,754.40
Accrual of Income, earlier recognised at cash basis	1,624.03
Fair value measurement of derivatives classified as FVTPL	(7.68)
Fair value measurement of investments classified as FVTPL	(17.12)
Reversal of unamortised incomes on derecognised assets	(256.16)
Security deposits initially recognised at amortised cost	8.35
Reversal of straight lining of lease rentals	(112.98)
Tax impact on above adjustments	(220.18)
ESOPs recognised at grant date fair value	(82.92)
Profit for the year	6,325.73
Other comprehensive income (net of tax)	-
Total comprehensive income for the year as per Ind AS	6,325.73

14) The Company is large corporate as per the criteria given under SEBI circular SEBI/HO/DDHS/CIR/P/2018/144 dated 26 November 2018 and the disclosure in respect of said circular is as below.

Disclosure persuant to SEBI circular SEBI/HO/DDHS/CIR/P/2018/144 dated 26 November 2018
for the year ended March 31, 2020

(Annexure A)

Sr. No	Particulars	Details
1	Name of the Company	Ess Kay Fincorp Limited
2	CIN	U65923RJ1994PLC009051
3	Outstanding borrowing of Company as on 31st March (Rs in crore)	2,556.33
4	Highest credit rating during the previous FY along with name of the credit rating company	CRISIL "A" | CARE "A" | BWR "A"

We confirm that we are a Large Corporate as per the applicability criteria given under the SEBI circular SEBI/HO/DDHS/CIR/P/2018/144 dated 26 November 2018

(Annexure B1)

Sr. No	Particulars	Details
1	Name of the Company	Ess Kay Fincorp Limited
2	CIN	U65923RJ1994PLC009051
3	Report filled for financial year	2019-20
4	Details of the borrowings:	

(Amount in Rs. in lakhs)

Sr. No	Particulars	Details
(i)	Incremental borrowing done in FY (a)	1,77,480.01
(ii)	Mandatory borrowing to be done through issuance of debt securities (b) = 25% of (a)	44,370.00
(iii)	Actual borrowing done through debt securities in FY (c)	90,250.00
(iv)	Shortfall in the mandatory borrowing through debt securities, if any (d) = (b) - (c)	NIL
(v)	Reason for shortfall, if any, in mandatory borrowings through debt securities	NA

15) Information under regulation 52(4) of SEBI (listing obligations and disclosure requirements) regulations, 2015 is as follows:

(a) Credit rating and change in credit rating:

The Credit Analysis & Research Limited (CARE), Brickwork Ratings (BWR) & Credit Rating Information Services of India Limited (CRISIL) have assigned following ratings to the Company:

Facility	March 31, 2020	March 31, 2019
(a) Secured debentures	CRISIL A | CARE A | BWR A	CARE A- | BWR A
(b) Unsecured debentures	CRISIL A | CARE A (Tier-II) | CARE A	CARE A- (Tier-II) | CARE A-
(c) Subordinated term loan	CARE A	CARE A-
(d) Bank facilities	CRISIL A | CARE A | BWR A	CARE A- | BWR A

(b) Information regarding interest and principal payable on non convertible debentures are disclosed at Annexure B.

(c) As at March 31, 2020, the Company has outstanding secured redeemable non-convertible debentures amounting to Rs. 120,704.00 lakhs. The said non-convertible debentures are secured by an adequate asset cover by way of creation of exclusive charge by hypothecation on the receivables of the Company. The Company also has unsecured redeemable non-convertible debentures amounting to Rs.5,310.13 lakhs as at the period end.

(d) Debt equity ratio : Debt [including interest accrued but not due] / Equity [paid up equity share capital and reserves and surplus]

Particulars	As at March 31, 2020
Debt equity ratio	2.99

(e) Net worth : Equity share capital + other equity - deferred tax assets - deferred expenses - intangible assets

(Amount in Rs. in lakhs)

Particulars	As at March 31, 2020
Net worth	85,601.51

(f) Capital redemption reserve/ debenture redemption reserve as at March 31, 2020 : Not applicable, since, debenture redemption reserve is not required in respect of privately placed debentures in terms of rule 18 (7) (b) (ii) of Companies (Share Capital and Debenture) Rules, 2014.

(g) Outstanding redeemable preference shares (quantity and value) as at March 31, 2020: Not applicable

(h) Debt service coverage ratio: Not applicable

(i) Interest service coverage ratio: Not applicable

(j) Asset cover available: Not applicable

(k) Net profit after tax: 7,853.67 lakhs

(l) Earnings per share (of Rs. 2/- each):

Basic (Rs.)	33.00
Diluted (Rs.)	32.68

For and on behalf of the Board of Directors of
Ess Kay Fincorp Limited

RAJENDRA KUMAR SETIA Digitally signed by RAJENDRA KUMAR SETIA Date: 2020.06.16 21:24:31 +05'30'

Rajendra Kumar Setia
Managing Director
DIN : 00957374

Place : Jaipur
Date : 16 June 2020

"Annexure B"

(Amount in Rs. in lakhs)

ISIN	Outstanding as on March 31, 2020 **	Previous due date for repayment of principal	Previous due date for payment of interest	Whether the previous interest payment has been paid or not	Next due date and amount of interest and principal			
					Principal		Interest/Premium	
					Date	Amount	Date	Amount
INE124N07325	2,500.00	*	May 16, 2020	Paid	August 16, 2022	2,500.00	June 16, 2020	22.54
INE124N07317	250.00	*	May 13, 2020	Paid	August 13, 2022	5,000.00	June 13, 2020	-
INE124N08067	2,500.00	*	*	*	January 12, 2021	2,500.00	January 12, 2021	-
INE124N08042	2,000.00	*	January 31, 2020	Paid	February 03, 2023	2,000.00	May 1, 2020	60.56
INE124N08034	2,000.00	*	March 31, 2020	Paid	September 29, 2022	2,000.00	June 29, 2020	-
INE124N07259	3,665.00	*	*	*	June 04, 2021	3,665.00	June 04, 2021	-
INE124N07267	375.00	*	March 14, 2020	Paid	June 14, 2021	375.00	June 14, 2020	11.08
INE124N07275	2,500.00	*	March 14, 2020	Paid	July 14, 2020	2,500.00	June 14, 2020	71.68
INE124N07283	2,500.00	*	March 14, 2020	Paid	June 14, 2021	2,500.00	June 14, 2020	71.68
INE124N07291	2,500.00	*	March 14, 2020	Paid	May 14, 2021	2,500.00	June 14, 2020	71.68
INE124N07143	5,000.00	*	May 29, 2020	Paid	June 11, 2021	1,250.00	June 11, 2021	570.78
INE124N07168	7,500.00	*	May 31, 2019	Paid	February 26, 2021	1,875.00	May 29, 2020	856.17
INE124N07200	7,500.00	*	May 29, 2020	Paid	June 11, 2021	7,500.00	June 11, 2021	-
INE124N07309	30,000.00	*	April 30, 2020	Paid	August 1, 2023	10,000.00	July 31, 2021	897.53
INE124N07127	2,500.00	*	*	*	November 12, 2021	2,500.00	November 12, 2021	-
INE124N07077	700.00	*	*	*	August 18, 2020	700.00	August 18, 2020	-
INE124N07333	5,000.00	*	March 13, 2020	Paid	September 13, 2022	5,000.00	June 13, 2020	145.83
INE124N07242	5,000.00	*	April 30, 2020	Paid	March 05, 2024	5,000.00	June 1, 2020	-
INE124N07358	8,600.00	*	*	*	December 23, 2025	8,600.00	June 23, 2020	-
INE124N07341	29,000.00	*	*	*	January 10, 2025	29,000.00	July 10, 2020	-
INE124N07366	3,360.00	*	*	*	January 09, 2022	3,360.00	January 09, 2022	-
TOTAL	1,24,950.00							

* No due date before March 31, 2020.

**Details provided above are for debentures outstanding as at March 31, 2020 and includes the derivative portion but does not include interest accrued but not due.

B S R & Co. LLP
Chartered Accountants

5th Floor, Lodha Excelus,
Apollo Mills Compound
N. M. Joshi Marg, Mahalaxmi
Mumbai - 400 011
India

Telephone +91 (22) 4345 5300
Fax +91 (22) 4345 5399

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Ess Kay Fincorp Limited

Report on the audit of the Annual Financial Results

Opinion

We have audited the accompanying annual financial results of Ess Kay Fincorp Limited (hereinafter referred to as the "Company") for the year ended 31 March 2020, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid annual financial results:

a. are presented in accordance with the requirements of Regulation 52 of the Listing Regulations in this regard; and

b. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information for the year ended 31 March 2020.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Annual Financial Results* section of our report. We are independent of the Company, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our opinion on the annual financial results.

Emphasis of Matter

We draw attention to Note 6 to the annual financial results, in respect of accounts overdue but standard at 29 February 2020 where moratorium benefit has been granted, the staging of those accounts at 31 March 2020 is based on the days past due status as on 29 February 2020 in accordance with the Reserve Bank of India COVID-19 Regulatory Package.

We draw attention to Note 11 to the annual financial results, the extent to which the COVID-19 pandemic will impact the Company's financial performance is dependent on future developments, which are highly uncertain.

Our opinion is not modified in respect of the above matters.

Management's and Board of Directors' Responsibilities for the Annual Financial Results

These annual financial results have been prepared on the basis of the annual financial statements.

The Company's Management and the Board of Directors are responsible for the preparation and presentation of these annual financial results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 52 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the annual financial results, the Management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process

Auditor's Responsibilities for the Audit of the Annual Financial Results

Our objectives are to obtain reasonable assurance about whether the annual financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the financial results made by the Management and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual financial results, including the disclosures, and whether the annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

The annual financial results include the results for the half year ended 31 March 2020 and the corresponding half year ended in the previous year being the balancing figure between the audited figures in respect of the full financial year (including Ind AS adjustments) and the published unaudited year to date figures up to the half year of the relevant financial years which were subject to limited review by us.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No. 101248W/W-100022

ASHWIN S SUVARNA Digitally signed by ASHWIN S SUVARNA Date: 2020.06.16 22:03:07 +05'30'

Ashwin Suvarna
Partner
(Membership No. 109503)
UDIN: 20109503AAAAAR7490

Place: Mumbai
Date: 16 June 2020

S S KOTHARI MEHTA & CO

CHARTERED ACCOUNTANTS

146-148 Tribhuvan Complex
Ishwar Nagar
Mathura Road
New Delhi-110065
Phones : +91-11-4670 8888
Fax : +91-11-6662 8889
E-mail : delhi@sskmin.com

Independent Auditor's Report

To
The Members
Ess kay Fincorp Private Limited
(Erstwhile Ess Kay Auto Finance Private Limited)

Report on the Financial Statements

We have audited the accompanying financial statements of Ess Kay Fincorp Private Limited (Erstwhile Ess Kay Auto Finance Private Limited)("the Company"), which comprise the Balance sheet as at March 31, 2017, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements, that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment rules ,2016. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies, making judgments and estimates that are reasonable and prudent, and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by section 143 (3) of the Act, we report that:

(a) We have sought and except for the matter referred to in para g (iv) below, and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

(b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account.

(d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment rules ,2016;

(e) On the basis of written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The company has disclosed the impact of pending litigation on its financial position in its financial statements – Refer note 28 to financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. The Company has provided disclosures in Note 40 in the financial statements as to the holding of Specified Bank Notes on November 8, 2016 and December 30, 2016 as well as dealings in Specified Bank Notes during the period from November 9, 2016 to December 30, 2016 read together with point a &b mentioned below. Based on our audit procedures and relying on the management representation regarding the holding and nature of cash transactions, including those in Specified Bank Notes, we report that these disclosures are in accordance with the books of accounts maintained by the Company and as produced to us by the management.

(a)As stated in note 40(1) in the financial statements, the Company has maintained information of various denomination into two category namely 'SBN' and 'Other Denomination'. Separate denomination wise details under each category is not available for the period 8th November, 2016 to 30th December, 2016.

(b) Further, as stated in note 40(2), the customers of the Company have directly deposited cash in the Company's bank accounts and we report that we were not made available sufficient and appropriate audit evidence to report on the matter of denomination wise details of such deposits, the details of which, as represented to us, are not available with the Company.

For S.S. KOTHARI MEHTA & CO.
Chartered Accountants
Firm Reg. No.: 000756N

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

Yogesh K. Gupta
Partner
Membership No.:093214

Place: Jaipur
Date: May 19, 2017

"Annexure A" to the Independent Auditors' Report

The Annexure as referred In paragraph (1) 'Report on Other Legal and Regulatory Requirements of our Independent Auditors' Report to the members of Ess Kay Fincorp Private Ltd (Erstwhile Ess Kay Auto Finance Private Limited). on the financial statements for the year ended 31 March 2017, we report that:

i. (a)The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b)The Company has a phased programme of physical verification of its fixed assets which in our opinion, is reasonable having regard to the size of the Company and the nature of its fixed assets. In accordance with this program, certain fixed assets were physically verified by the Management during the year and no material discrepancies were noticed on such verification as compared to the books of accounts.

(c)According to the information and explanations given to us and on the basis of our examination of the records of the Company, The Company does not hold any immovable properties. Accordingly, the provisions of clause 3(ii) (c) of the Order are not applicable.

ii. The company does not have any inventory. Accordingly, the provisions of clause 3(ii) of the order are not applicable.

iii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has granted unsecured loans to the parties covered in the Register maintained under section 189 of the Act.

(b) In our opinion, rate of interest and other terms and condition on which the loan had been granted to the parties covered in register maintained under section 189 of the Companies Act, 2013 were not prima facie, prejudicial to the interest of the Company.

(c) The loans were repayable on demand. Accordingly, the provisions of clause 3(iii) (b) &(c) of the order are not applicable.

iv. According to the information and explanations given to us, the company have complied with the provisions of section 185 and 186 of the Companies Act, 2013 with respect to the loans, investments made.

v. According to the information and explanations given to us, during the year the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3 (v) of the Order are not applicable to the Company.

vi. To the best of our Knowledge and as explained, the central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

vii. (a) According to the information and explanations given to us and on the basis of examination of the records of the Company, the company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, sales-tax, wealth tax, income tax, service tax, custom duty, excise duty, value added tax, cess and any other material statutory dues with the appropriate authorities to the extent applicable and further, there are no undisputed statutory dues payable for a period of more than six months from the date they become payable as at 31st March 2017.

(b) According to the records and information and explanations given to us, there are no dues in respect of income tax, sales tax, service tax, duty of excise, duty of custom, or value added tax which have not been deposited on account of any dispute except as given below:

Name of the Statute	Nature of the dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending
Finance Act ,1994 Service Tax	Service Tax and Penalty	53,037,596	December 2010 to March 2015	Joint Commissioner(Appeals), Jaipur

viii. In our opinion, on the basis of audit procedures and according to the information and explanations given to us, the Company has not defaulted in repayment of loan or borrowing to any banks and financial institutions and dues to debenture/bond holders. The Company does not have any loans or borrowings from the government.

ix. According to the information and explanations given to us, the company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Further, monies raised by the Company by way of debt instruments and term loans were applied for the purpose for which those were raised, though idle/surplus funds which were not required for immediate utilization were gainfully invested in liquid assets payable on demand

x. During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the Management

xi. The Company is a private limited company and section 197 is not applicable on private limited company. Accordingly, paragraph 3(xi) of the Order is not applicable.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.

xiii. According to the information and explanations given to us and based on our examination of the record of the company, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

xiv. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

xvi. The Company is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and such registration has been obtained by the company.

For S.S. KOTHARI MEHTA & CO.
Chartered Accountants
Firm Reg. No. : 000756N

S.S. KOTHARI MEHTA & CO.
NEW DELHI
CHARTERED ACCOUNTANTS

Yogesh K. Gupta
Partner
Membership No.:093214

Place: Jaipur
Date: May 19 2017

"Annexure B" to the Independent Auditor's Report of even date on the Financial Statements of Ess Kay Fincorp Private Limited(Erstwhile Ess Kay Auto Finance Private Limited).

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 2(f) of 'Report on Other Legal and Regulatory Requirements' section

We have audited the internal financial controls over financial reporting of Ess kay Fincorp Private Limited (Erstwhile Ess Kay Auto Finance Private Limited)("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S.S. KOTHARI MEHTA & CO.
Chartered Accountants
Firm Reg. No. : 000756N

Yogesh K. Gupta
Partner
Membership No.:093214

Place: Tarapur
Date: May 15, 2017

ESS KAY FINCORP PRIVATE LIMITED, JAIPUR
(Erstwhile Ess Kay Auto Finance Private Limited)

BALANCE SHEET AS AT 31st MARCH 2017

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S. No.		PARTICULARS	NOTE NO.	AMOUNT AS AT 31-Mar-17	AMOUNT AS AT 31-Mar-16
I		EQUITY AND LIABILITIES			
	1	SHAREHOLDER'S FUNDS			
		SHARE CAPITAL	3	2,70,70,900	3,22,35,500
		RESERVES AND SURPLUS	4	83,56,41,022	70,74,92,272
		MONEY RECEIVED AGAINST SHARE WARRANTS		-	-
		TOTAL(1)		86,27,11,922	73,97,27,772
	2	SHARE APPLICATION MONEY PENDING ALLOTMENT		-	-
	3	NON-CURRENT LIABILITIES			
		LONG TERM BORROWINGS	5	3,01,97,50,623	2,26,14,69,212
		DEFERRED TAX LIABILITIES (NET)		-	-
		OTHER LONG-TERM LIABILITIES	6	6,13,89,357	50,51,377
		LONG-TERM PROVISIONS	7	3,03,23,936	1,98,80,063
		TOTAL(3)		3,11,14,63,916	2,28,64,00,652
	4	CURRENT LIABILITIES			
		SHORT TERM BORROWINGS	8	45,97,17,039	73,30,82,729
		TRADE PAYABLES		-	-
		OTHER CURRENT LIABILITIES	9	3,22,79,15,025	1,45,71,94,302
		SHORT TERM PROVISIONS	7	9,34,27,655	3,53,82,677
		TOTAL(4)		3,78,10,59,719	2,22,56,59,708
		TOTAL(1+2+3+4)		7,76,52,35,557	5,25,17,88,132
II		ASSETS			
	1	NON-CURRENT ASSETS			
		FIXED ASSETS			
		i) PROPERTY PLANT & EQUIPMENT	11 (a)	10,16,25,311	4,97,73,246
		ii) INTANGIBLE ASSETS	11 (b)	21,71,405	18,11,401
		iii) CAPITAL WORK IN PROGRESS		-	-
		iv) INTANGIBLE ASSETS UNDER DEVELOPMENT		-	-
		NON-CURRENT INVESTMENTS		-	-
		DEFERRED TAX ASSETS (NET)	10	4,32,72,147	1,76,97,256
		LONG-TERM LOANS AND ADVANCES	16	3,69,60,59,281	2,43,44,87,203
		OTHER NON-CURRENT ASSETS	12	14,06,76,550	3,36,87,974
		TOTAL(1)		3,98,38,04,694	2,53,75,57,080
	2	CURRENT ASSETS			
		CURRENT INVESTMENTS	14	16,50,50,163	-
		INVENTORIES		-	-
		TRADE RECEIVABLES	13	1,89,24,511	1,22,46,165
		CASH AND BANK BALANCE	15	55,42,57,843	26,51,24,076
		SHORT-TERM LOANS AND ADVANCES	16	2,66,60,43,993	2,21,60,36,809
		OTHER CURRENT ASSETS	17	36,51,54,353	22,08,22,002
		TOTAL(2)		3,77,14,30,863	2,71,42,31,052
		TOTAL(1+2)		7,75,52,35,557	5,25,17,88,132

Overview and significant accounting policies 1 & 2

The accompanying notes are an integral parts of the financial Statements

As per our report of even date

For S.S. Kothari Mehta & Co.
Chartered Accountants
Firm Reg. No. 000756N

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

(YOGESH GUPTA)
PARTNER
(M. No - 093214)

Place : Jaipur
Date : 19th May 2017

For and on behalf of the board of Directors of
Ess Kay Fincorp Private Limited

(RAJENDRA KUMAR SETIA)
MANAGING DIRECTOR
(DIN- 00957374)

(SHALINI SETIA)
DIRECTOR
(DIN - 02817624)

(ATUL ARORA)
CHIEF FINANCIAL OFFICER

(ANAGHA BANGUR)
COMPANY SECRETARY

ESS KAY FINCORP PRIVATE LIMITED, JAIPUR
(Erstwhile Ess Kay Auto Finance Private Limited)

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON 31st MARCH 2017

S. No.	PARTICULARS	NOTE NO.	AMOUNT AS AT 31-Mar-17	AMOUNT AS AT 31-Mar-16
	REVENUE			
I	Revenue from Operations	18	1,49,97,22,355	1,10,52,72,613
II	Other Income	19	7,23,38,478	5,25,76,317
III	TOTAL REVENUE(I+II)		1,57,20,60,833	1,15,78,48,930
IV	EXPENSES:			
	Employee Benefit Expenses	20	31,67,12,658	17,95,41,912
	Finance Cost	21	69,15,53,369	50,23,21,495
	Depreciation And Amortization Expenses	22	1,61,32,389	86,84,425
	Provisions and bad debts written off	23	5,59,92,900	4,36,02,174
	Other Expenses	24	30,34,48,636	23,78,16,714
V	TOTAL EXPENSES		1,38,38,38,152	97,19,66,720
VI	PROFIT BEFORE TAX (III-V)		18,82,22,681	18,58,82,210
VII	TAX EXPENSE			
	(1). CURRENT TAX		9,06,04,692	7,16,44,577
	(2). EARLIAR YEARS TAX		2,07,280	-
	(3). DEFERRED TAX		(2,55,74,891)	(58,71,484)
VIII	PROFIT AFTER TAX		12,29,85,600	12,01,09,117
XVI	EARNING PER EQUITY SHARE	25		
	(1). BASIC		606	593
	(2). DILUTED		454	444
	Nominal Value of Equity Shares		100	100

Overview and significant accounting policies — 1 & 2
The accompanying notes are an integral parts of the financial Statements
As per our report of even date

For S.S. Kothari Mehta & Co.
Chartered Accountants
Firm Reg. No. 000756N

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

(YOGESH GUPTA)
PARTNER
(M. No - 093214)

For and on behalf of the board of Directors of
Ess Kay Fincorp Private Limited

(RAJENDRA KUMAR SETIA)
MANAGING DIRECTOR
(DIN- 00957374)

(SHALINI SETIA)
DIRECTOR
(DIN - 02817624)

(ATUL ARORA)
CHIEF FINANCIAL OFFICER

(ANAGHA BANGUR)
COMPANY SECRETARY

Place : Jaipur
Date : 19 th May 2017

ESS KAY FINCORP PRIVATE LIMITED, JAIPUR
(Erstwhile Ess Kay Auto Finance Private Limited)

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

S. No	PARTICULARS	AMOUNT AS AT 31-Mar-17		AMOUNT AS AT 31-Mar-16	
1	CASH FLOW ARISING FROM OPERATING ACTIVITIES:				
	Profit Before Tax		18,62,22,681		16,58,82,210
	ADJUSTMENT FOR:				
	Depreciation and Amortisation		1,61,32,389		66,84,425
	Provisions and bad debts written off		5,59,92,900		4,36,02,174
	Loss on Sale of Fixed Assets		3,85,457		1,79,670
	Operating Profit before working capital Changes		24,07,33,427		23,83,48,479
	MOVEMENT IN WORKING CAPITAL CHANGES				
	(Increase) / Decrease in Trade Receivables		(66,78,346)		(73,65,351)
	(Increase) / Decrease in Short term Loans and Advances		(46,93,43,017)		(63,28,25,729)
	(Increase) / Decrease in Long term Loans and Advances		(1,26,15,72,078)		(75,67,37,279)
	(Increase) / Decrease in Other Non -Current Assets		(10,69,88,576)		79,09,681
	(Increase) / Decrease In Other Current Assets		(14,43,32,351)		(2,72,272)
	Increase / (Decrease) in Other Current Liability		32,31,15,996		1,16,40,026
	Increase / (Decrease) in Other Long term Liabilities		5,63,37,960		(46,62,666)
	Increase / (Decrease) in Other Short term provision		(1,26,895)		6,24,394
	Increase / (Decrease) in Other Long term provision		56,62,789		47,24,134
	Increase/(Decrease) in Bank Deposits(Having Maturity more than three months shown in Cash and Bank Balance)		5,81,64,639		(48,93,303)
	Cash generated from Operations before tax		(1,28,50,34,432)		(1,14,35,29,925)
	Net Taxes Paid	(6,65,06,083)	(6,65,06,083)	(7,34,16,179)	(7,34,16,179)
	Net Cash Flows from Operating activities (A)		(1,35,15,40,515)		(1,21,69,46,107)
2	CASH FLOW ARISING FROM INVESTING ACTIVITIES:				
	Purchase of Investments		(16,50,50,163)		92,80,886
	Purchase of Fixed Assets		(6,96,23,914)		(2,75,59,562)
	Sale of Fixed Assets		9,94,000		16,67,201
	Net cash flow in cases of Investing Activities(B)		(23,36,80,077)		(1,66,11,475)
3	CASH FLOW ARISING FROM FINANCING ACTIVITIES				
	Amount received from issuance of Non Convertible Debentures		70,00,00,000		9,44,77,500
	Repayment of Non Convertible Debentures		(13,41,86,585)		(13,41,66,768)
	Amount received from long term borrowings		3,70,27,64,000		2,76,16,00,000
	Repayment of borrowings		(2,06,27,32,496)		(2,04,52,31,290)
	Short Term Borrowings (Net)		(27,33,65,690)		56,80,43,480
	Corporate dividend tax paid		(251)		(251)
	Net Cash flow in cases of Financing Activities (c)		1,93,25,18,998		1,24,47,22,671
	Net increase/(Decrease) in Cash and Cash equivalent (A+B+C)		34,72,98,406		1,11,65,089
	cash and cash equivalent as at the beginning of the year		5,36,25,436		4,24,60,347
	Cash and Cash Equivalent at the End of the year as per books		40,09,23,842		5,36,25,436
	Note: Cash and cash equivalents included in the Cash Flow Statement comprise of the following:-				
	i) Cash Balance on Hand		4,61,54,424		3,44,85,641
	ii) Balance with Banks :				
	-In Current Accounts		34,04,10,797		1,91,39,795
	-In Fixed Deposits(Having Maturity less than 3 Months)		1,43,58,621		-
	Total		40,09,23,842		5,36,25,436
	Non Cash Items				

During the year , 68,294 equity shares having face value of Rs 100/- were issued and allotted by the company to preference share holders at a premium of Rs 75.623 / per equity share on conversion of 1,19,940 compulsory convertible preference shares. Consequently Rs 51,64,600/- have been transferred in Security Premium Account

Summary of significant accounting policies 2.1

The accompanying notes are an integral parts of the financial Statements

As per our report of even date

For S.S. Kothari Mehta & Co.
Chartered Accountants
Firm Reg No. 000756N

(YOGESH GUPTA)
PARTNER
(M. No - 093214)

For and on behalf of the Board of Directors of
Ess Kay Fincorp Private Limited

(RAJENDRA KUMAR SETIA)
MANAGING DIRECTOR
(DIN- 00[illegible]57374)

(SHALINI SETIA)
DIRECTOR
(DIN - 02817624)

(ATUL ARORA)
CHIEF FINANCIAL OFFICER

(ANAGHA BANGUR)
COMPANY SECRETARY

Place : Jaipur
Date : 19 th May 2017

S S KOTHARI MEHTA & CO
CHARTERED ACCOUNTANTS

Plot No. 68,
Okhla Industrial Area, Phase-III,
New Delhi-110020
Phone : +91-11-4670 8888
E-mail : delhi@sskmin.com
Website: www.sskmin.com

Independent Auditor's Report

To
The Members
Ess kay Fincorp Limited
(Erstwhile Esskay Auto Finance Private Limited)

Report on the Financial Statements

We have audited the accompanying financial statements of **Ess Kay Fincorp Limited** ((Erstwhile Esskay Auto Finance Private Limited) **("the Company")**, which comprise the balance sheet as at March 31, 2018, the statement of profit and loss, cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements, that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and the Companies (Accounting Standards) Amendment Rules,2016. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies, making judgments and estimates that are reasonable and prudent, and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by section 143 (3) of the Act, we report that:

(·) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

(b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account.

(d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and the Companies (Accounting Standards) Amendment Rules,2016.;

(e) On the basis of written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The company has disclosed the impact of pending litigation on its financial position in its financial statements – Refer note 28 to financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **S.S. KOTHARI MEHTA & CO.**
Chartered Accountants
Firm Reg. No. : 000756N

Harish Gupta
Partner
Membership No.: 098336
Place: Jaipur
Date: May 08, 2018

"Annexure A" to the Independent Auditors' Report

The Annexure as referred in paragraph (1) 'Report on Other Legal and Regulatory Requirements of our Independent Auditors' Report to the members of **Ess Kay Fincorp Limited** (Erstwhile Esskay Auto Finance Private Limited) on the financial statements for the year ended 31 March 2018, we report that:

i. (a)The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b)The Company has a phased programme of physical verification of its fixed assets which in our opinion, is reasonable having regard to the size of the Company and the nature of its fixed assets. In accordance with this program, certain fixed assets were physically verified by the Management during the year and no material discrepancies were noticed on such verification as compared to the books of accounts.

(c)According to the information and explanations given to us and on the basis of our examination of the records of the Company, The Company does not hold any immovable properties. Accordingly, the provisions of clause 3(ii) (c) of the Order are not applicable.

ii. The company does not have any inventory. Accordingly, the provisions of clause 3(ii) of the order are not applicable.

iii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has granted unsecured loans to the parties covered in the Register maintained under section 189 of the Act.

(b) In our opinion, rate of interest and other terms and condition on which the loan had been granted to the parties covered in register maintained under section 189 of the Companies Act, 2013 were not prima facie, prejudicial to the interest of the Company.

(c) The loans were repayable on demand. Accordingly, the provisions of clause 3(iii) (b) &(c) of the order are not applicable.

iv. According to the information and explanations given to us, the company have complied with the provisions of section 185 and I86 of the Companies Act, 2013 with respect to the loans, investments made.

v According to the information and explanations given to us, during the year the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3 (v) of the Order are not applicable to the Company.

vi. To the best of our Knowledge and as explained, the central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.

vii. (a) According to the information and explanations given to us and on the basis of examination of the records of the Company, the company has been generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, sales-tax, wealth tax, income tax, service tax, custom duty, excise duty, value added tax, cess and any other material statutory dues with the appropriate authorities to the extent applicable, though there has been a slight delay in a few cases and further, there are no undisputed statutory dues payable for a period of more than six months from the date they become payable as at 31st March 2018.

(b) According to the records and information and explanations given to us, there are no dues in respect of income tax, sales tax, service tax, duty of excise, duty of custom, or value added tax which have not been deposited on account of any dispute except as given below:

Name of the Statute	Nature of the dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending
Finance Act ,1994	Service Tax and Penalty	53,027,956	December 2010 to March 2015	Joint Commissioner(Appeals), Jaipur

viii. In our opinion, on the basis of audit procedures and according to the information and explanations given to us, the Company has not defaulted in repayment of loan or borrowing to any banks and financial institutions and dues to debenture/bond holders. The Company does not have any loans or borrowings from the government.

ix. According to the information and explanations given to us, the company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Further, monies raised by the Company by way of debt instruments and term loans were applied for the purpose for which they were raised, though idle/surplus funds which were not required for immediate utilisation were gainfully invested in liquid assets payable on demand.

x. During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the Management

xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.

xiii. According to the information and explanations given to us and based on our examination of the record of the company, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.

xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has made private placement cum preferential allotment of equity shares for Rs.9999.99 Lacs during the year under review and has complied with the provisions of the Companies Act 2013. The funds raised have been utilized for the purposes for which they have been raised.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

xvi The Company is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and such registration has been obtained by the company.

For S.S. KOTHARI MEHTA & CO.
Chartered Accountants
Firm Reg. No. : 000756N

Harish Gupta
Partner
Membership No.: 098336
Place: Jaipur
Date: May 08, 2018

"Annexure B" to the Independent Auditor's Report of even date on the Financial Statements of Ess Kay Fincorp Limited (Erstwhile Esskay Auto Finance Private Limited)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 2(f) of 'Report on Other Legal and Regulatory Requirements' section

We have audited the internal financial controls over financial reporting of **Ess Kay Fincorp Limited** (Erstwhile Esskay Auto Finance Private Limited) ("the Company") as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Fc **S.S. KOTHARI MEHTA & CO.**
Chartered Accountants
Firm Reg. No. : 000756N

Harish Gupta
Partner
Membership No.: 098336
Place: Jaipur
Date: May 08, 2018

S S KOTHARI MEHTA & CO

CHARTERED ACCOUNTANTS

Plot No. 68,
Okhla Industrial Area, Phase-III,
New Delhi-110020
Phone : +91-11-4670 8888
E-mail : delhi@sskmin.com
Website: www.sskmin.com

Report in terms of "Non-Banking Financial Company's Auditor's Report (Reserve Bank) Directions, 2016"

To

The Board of Directors
Ess kay Fincorp Limited
(Erstwhile Esskay Auto Finance Private Limited)

We have audited the accounts of the **Ess Kay Fincorp Limited** (Erstwhile Esskay Auto Finance Private Limited) (**"the Company"**) for the year ending 31st march, 2018 and we report in respect of the matters specified in "Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016" issued by the Reserve Bank of India to the extent they are applicable to the company as follows:

a. The company is engaged in the business of Non-Banking Financial Institutions and is registered with the Reserve Bank of India as provided in section 45IA of the Reserve Bank of India Act, 1934 (2 of 1934) and it has obtained the registration certificate from the Reserve Bank of India.

b. The company is entitled to continue to hold the certificate of registration in terms of its assets/income as on March 31, 2018.

c. The company has been correctly classified as asset Management Company.

d. The board of directors of the company has passes resolution on May 8, 2018 resolving not to accept any deposit from public.

e. The company is meeting the required net owned fund requirement as laid down in master direction – Non-Banking Financial Company – Non-Systemically important Non-Deposit taking company (Reserve bank) directions, 2016 and master direction – Non-Banking Financial company – Systemically important Non-Deposit taking company and Deposit taking company (Reserve Bank) directions, 2016.

f. As per the certificate received from the practicing company secretary, the company has not accepted any deposits from public during year under audit.

g. According to information and Explanation given to us, the company has duly compiled with prudential norms relating to the income recognition, Accounting Standards, assets clarification and provisioning for bad and doubtful debts.

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

h. In respect of Systemically important Non-Deposit taking NBFCs as defined in paragraph 2(1) (xix) of the Non-Banking Financial (Non-Deposit Accepting or Holding) companies Prudential Norms (Reserve Bank) Directions, 2015.

- The capital adequacy ratio as disclosed in the return submitted to the Bank in form NBS-7, has been correctly arrived at and such ratio is in compliance with the minimum CRAR prescribed by the Bank.

- The company has furnished to the Bank the annual statement of capital funds, risk assets/exposure and risk asset ratio (NBS-7) within the stipulated period.

For **S.S. KOTHARI MEHTA & CO.**
Chartered Accountants
Firm Reg. No. : 000756N

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

Harish Gupta
Partner
Membership No.: 098336
Place: Jaipur
Date: May 08, 2018

ESS KAY FINCORP LIMITED, JAIPUR
CIN - U65923RJ1994PLC009051
(Erstwhile Ess Kay Auto Finance Private Limited)

BALANCE SHEET AS AT 31st MARCH 2018

S. No.		PARTICULARS	NOTE NO.	AMOUNT AS AT 31-Mar-18	AMOUNT AS AT 31-Mar-17
I		**EQUITY AND LIABILITIES**			
	1	**SHAREHOLDER'S FUNDS**			
		SHARE CAPITAL	3	3,50,91,900	2,70,70,900
		RESERVES AND SURPLUS	4	2,02,79,16,175	83,56,41,022
		MONEY RECEIVED AGAINST SHARE WARRANTS		-	-
		TOTAL (1)		2,06,30,08,075	86,27,11,922
	2	**SHARE APPLICATION MONEY PENDING ALLOTMENT**		-	-
	3	**NON-CURRENT LIABILITIES**			
		LONG TERM BORROWINGS	5	4,28,15,15,840	3,01,97,50,623
		OTHER LONG-TERM LIABILITIES	6	11,53,28,821	6,13,89,357
		LONG-TERM PROVISIONS	7	5,57,28,209	3,03,23,936
		TOTAL (3)		4,45,25,72,870	3,11,14,63,916
	4	**CURRENT LIABILITIES**			
		SHORT TERM BORROWINGS	8	85,23,07,264	45,97,17,039
		OTHER CURRENT LIABILITIES	9	4,68,31,99,114	3,22,79,15,025
		SHORT TERM PROVISIONS	7	15,89,33,842	9,34,27,655
		TOTAL(4)		5,69,44,40,220	3,78,10,59,719
		TOTAL(1+2+3+4)		12,21,00,21,165	7,75,52,35,557
II		**ASSETS**			
	1	**NON-CURRENT ASSETS**			
		FIXED ASSETS			
		i) PROPERTY PLANT & EQUIPMENT	11 (a)	12,29,86,722	10,16,25,311
		ii) INTANGIBLE ASSETS	11 (b)	27,03,701	21,71,405
		iii) CAPITAL WORK IN PROGRESS	11 (C)	96,86,434	-
		iv) INTANGIBLE ASSETS UNDER DEVELOPMENT		-	-
		NON-CURRENT INVESTMENTS	14 (a)	4,66,68,786	-
		DEFERRED TAX ASSETS (NET)	10	6,23,63,995	4,32,72,147
		LONG-TERM LOANS AND ADVANCES	16	6,69,89,98,237	3,69,60,59,281
		OTHER NON-CURRENT ASSETS	12	9,70,51,357	14,06,76,650
		TOTAL(1)		7,04,04,57,232	3,98,38,04,694
	2	**CURRENT ASSETS**			
		CURRENT INVESTMENTS	14 (b)	-	16,50,50,163
		INVENTORIES		-	-
		TRADE RECEIVABLES	13	23,84,111	1,89,24,511
		CASH AND BANK BALANCE	15	29,37,15,247	55,42,57,843
		SHORT-TERM LOANS AND ADVANCES	16	4,40,35,78,200	2,66,80,43,993
		OTHER CURRENT ASSETS	17	46,98,86,375	36,51,54,353
		TOTAL(2)		5,16,95,63,933	3,77,14,30,863
		TOTAL(1+2)		12,21,00,21,165	7,75,52,35,557

Overview and significant accounting policies — 1 & 2

The accompanying notes are an integral parts of the financial Statements

As per our report of even date

For S.S. Kothari Mehta & Co.
Chartered Accountants
Firm Reg. No. 000756N

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

(HARISH GUPTA)
PARTNER
(M. No - 098336)

Place : Jaipur
Date : 8th May, 2018

For and on behalf of the board of Directors of
Ess Kay Fincorp Limited

(RAJENDRA KUMAR SETIA)
MANAGING DIRECTOR
(DIN- 00957374)

(SHALINI SETIA)
WHOLE TIME DIRECTOR
(DIN - 02817624)

(ATUL ARORA)
CHIEF FINANCIAL OFFICER

(ANAGHA BANGUR)
COMPANY SECRETARY

ESS KAY FINCORP LIMITED, JAIPUR
CIN - U65923RJ1994PLC009051
(Erstwhile Ess Kay Auto Finance Private Limited)

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON 31st MARCH 2018

S. No.	PARTICULARS	NOTE NO.	FOR THE YEAR ENDED 31-Mar-18	FOR THE YEAR ENDED 31-Mar-17
	REVENUE			
I	Revenue from Operations	18	2,24,53,50,414	1,49,97,22,355
II	Other Income	19	2,79,48,912	7,23,38,478
III	TOTAL REVENUE (I+II)		2,27,32,99,326	1,57,20,60,833
IV	EXPENSES:			
	Employee Benefit Expenses	20	50,02,04,679	31,67,12,858
	Finance Cost	21	89,45,06,497	69,15,53,369
	Depreciation And Amortization Expenses	22	2,33,62,425	1,61,32,389
	Provisions and bad debts written off	23	13,76,23,809	5,59,92,900
	Other Expenses	24	38,83,56,879	30,34,46,636
V	TOTAL EXPENSES		1,94,40,54,289	1,38,38,38,152
VI	PROFIT BEFORE TAX (III-V)		32,92,45,037	18,82,22,681
VII	TAX EXPENSE			
	(1). CURRENT TAX		14,19,66,102	9,06,04,692
	(2). EARLIAR YEARS TAX		(1,31,51,530)	2,07,280
	(3). DEFERRED TAX		(1,90,91,848)	(2,55,74,891)
VIII	PROFIT AFTER TAX		21,95,22,313	12,29,85,600
XVI	EARNING PER EQUITY SHARE	25		
	(1). BASIC		754	606
	(2). DILUTED		754	454
	Nominal Value of Equity Shares		100	100

Overview and significant accounting policies 1 & 2
The accompanying notes are an integral parts of the financial Statements
As per our report of even date

For S.S. Kothari Mehta & Co.
Chartered Accountants
Firm Reg. No. 000756N

(HARISH GUPTA)
PARTNER
(M. No - 098336)

For and on behalf of the board of Directors of
Ess Kay Fincorp Limited

(RAJENDRA KUMAR SETIA)
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WHOLE TIME DIRECTOR
(DIN - 02817624)

(ATUL ARORA)
CHIEF FINANCIAL OFFICER

(ANAGHA BANGUR)
COMPANY SECRETARY

Place : Jaipur
Date : 8th May, 2018

ESS KAY FINCORP LIMITED, JAIPUR
CIN - U65923RJ1994PLC009051
(Erstwhile Ess Kay Auto Finance Private Limited)

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31st, 2018

S. No	PARTICULARS	FOR THE YEAR ENDED 31-Mar-18		FOR THE YEAR ENDED 31-Mar-17	
1	**CASH FLOW ARISING FROM OPERATING ACTIVITIES:**				
	Profit Before Tax		32,92,45,037		18,82,22,681
	ADJUSTMENT FOR:				
	Depreciation and Amortisation		2,33,62,425		1,61,32,389
	Provisions and bad debts written off		13,76,23,809		5,59,92,900
	Loss on Sale of Fixed Assets		41,109		3,85,457
	Operating Profit before working capital Changes		49,02,72,380		26,07,33,427
	MOVEMENT IN WORKING CAPITAL CHANGES				
	(Increase) / Decrease in Trade Receivables		1,65,40,400		(66,76,348)
	(Increase) / Decrease in Short term Loans and Advances		(1,60,99,46,790)		(46,93,43,017)
	(Increase) / Decrease in Long term Loans and Advances		(3,00,28,34,510)		(1,26,15,72,078)
	(Increase) / Decrease in Other Non -Current Assets		4,36,25,193		(10,69,88,576)
	(Increase) / Decrease in Other Current Assets		(10,47,32,022)		(14,43,32,351)
	Increase / (Decrease) in Other Current Liability		27,94,71,781		32,31,15,998
	Increase / (Decrease) in Other Long term Liabilities		5,39,39,464		5,63,37,980
	Increase / (Decrease) in Other Short term provision		19,93,354		(1,26,895)
	Increase / (Decrease) in Other Long term provision		1,26,69,612		56,52,789
	Increase/(Decrease) in Bank Deposits(Having Maturity more than three months shown in Cash and Bank Balance)		(4,84,88,306)		5,81,64,639
	Cash generated from Operations before tax		(4,06,74,89,444)		(1,28,50,34,432)
	Net Taxes Paid	(11,58,67,540)	(11,58,67,540)	(6,65,06,083)	(6,65,06,083)
	Net Cash Flows from Operating activities (A)		(4,18,33,56,984)		(1,35,15,40,515)
2	**CASH FLOW ARISING FROM INVESTING ACTIVITIES:**				
	Purchase/Sale of Investments		11,83,83,377		(16,50,50,163)
	Acquisition of Property,Plant & Equipment,Intangible Assets and Capital Work in Progress		(5,54,67,435)		(6,96,23,914)
	Sale of Property,Plant & Equipment		4,70,000		9,94,000
	Net cash flow in cases of Investing Activities(B)		6,33,85,942		(23,36,80,077)
3	**CASH FLOW ARISING FROM FINANCING ACTIVITIES**				
	Amount received from Issuance of Non Convertible Debentures		1,85,00,00,000		70,00,00,000
	Repayment of Non Convertible Debentures		(56,21,96,969)		(13,41,66,565)
	Amount received from long term borrowings		5,05,46,70,045		3,70,27,84,000
	Repayment of borrowings		(3,90,48,98,750)		(2,06,27,32,496)
	Short Term Borrowings (Net)		39,25,90,225		(27,33,65,690)
	Corporate dividend tax paid		(251)		(251)
	Equity shares issued		80,21,000		-
	Share Premium received (Net of issue expenses)		97,27,52,840		-
	Net Cash flow in cases of Financing Activities (c)		3,81,09,40,140		1,93,26,18,998
	Net Increase/(Decrease) in Cash and Cash equivalent (A+B+C)		(30,90,30,902)		34,72,98,406
	cash and cash equivalent as at the beginning of the year		40,09,23,842		5,36,25,436
	Cash and Cash Equivalent at the End of the year as per books		9,18,92,940		40,09,23,842
	Note: Cash and cash equivalents included in the Cash Flow Statement comprise of the following:-				
	I) Cash Balance on Hand		7,59,91,249		4,61,54,424
	II) Balance with Banks :				
	-In Current Accounts		1,28,79,290		34,04,10,797
	-In Fixed Deposits(Having Maturity less than 3 Months)		30,22,401		1,43,58,621
	Total		9,18,92,940		40,09,23,842
	Summary of significant accounting policies	2			
	The accompanying notes are an integral parts of the financial Statements				
	As per our report of even date				

For S.S. Kothari Mehta & Co.
Chartered Accountants
Firm Reg. No. 0007[illegible]N

(HARISH GUPTA)
PARTNER
(M. No - 098336)

Place : Jaipur
Date : 8th May 2018

For and on behalf of the Board of Directors of
Ess Kay Fincorp Limited

(RAJENDRA KUMAR SETIA)
MANAGING DIRECTOR
(DIN- 00957374)

(SHALINI SETIA)
WHOLE TIME DIRECTOR
(DIN - 02817624)

(ATUL ARORA)
CHIEF FINANCIAL OFFICER

ANAGHA BANGUR)
COMPANY SECRETARY

B S R & Co. LLP
Chartered Accountants

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N. M. Joshi Marg, Mahalaxmi
Mumbai - 400 011
India

Telephone +91 (22) 4345 5300
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Independent Auditors' Report

To the Members of Ess Kay Fincorp Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Ess Kay Fincorp Limited ("the Company"), which comprise the balance sheet as at 31 March 2019, the statement of profit and loss, and cash flow statement for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2019, and profit and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

We draw attention to Note 43 to the financial statements, which describes regrouping / reclassification of certain items reported in the financial statements for the year ended 31 March 2018 to confirm to current year's classification.

Our opinion is not modified in respect of these matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

B S R & Co. LLP
Lodha Excelus, Apollo Mills Compound, N. M. Joshi Marg, Mahalaxmi, Mumbai - 400 011 India.
Chartered Accountants

B S R & Co (a partnership firm with Registration No. BA61223) converted into B S R & Co. LLP (a Limited Liability, Partnership with LLP Registration No. AAB-8181) with effect from October 14, 2013

Registered Office
5th Floor, Lodha Excelus
Apollo Mills Compound
N. M. Joshi Marg, Mahalaxmi
Mumbai - 400 011. India

Independent Auditors' Report *(Continued)*

Ess Kay Fincorp Limited

Key Audit Matters *(Continued)*

Description of Key Audit Matters:

<table>
<tr><th>Key Audit Matter</th><th>How the matter was addressed in our audit</th></tr>
<tr><td colspan="2">Identification of Non Performing Assets (NPA) and adequacy of provisions
Gross NPAs: INR 585,989,322 at 31 March 2019
Charge: INR 65,529,197 for year ended 31 March 2019
Closing Provisions on NPAs: INR 147,051,195 at 31 March 2019</td></tr>
<tr><td colspan="2">Refer to the accounting policies in the Financial Statements: Significant Accounting Policies, 2.2 –Use ofEstimates, 2.23 –provisioning on receivables from financing activity". "Note 17 to the Financial Statements: Loans and advances" and "Note: 7 to the financial statement. Long-term and short-term provisions"</td></tr>
<tr><td>Significant area of estimate and judgment combined with automated and manual processes to identify NpAs

Identification of NPA's is undertaken in accordance with the Prudential Norms on Income Recognition, Asset Classification & Provisioning. Provisions in respect of non-performing advances (provisioning on loans and advances) are made based on management's assessment of the degree of impairment of the advances subject to the minimum provisioning levels prescribed under the RBI guidelines with regard to the Prudential Norms on Income Recognition, Asset Classification & Provisioning, prescribed from time to time as applicable to NBFCs and as per polices approved by the Board of Directors of the Company.

We have identified NPA identification and provision as a key audit matter because –
1) It is an area which involves significant management judgement;
2) The Company uses a combination of automated and manual processes to identify overdue status and tagging of NPAs; and
3) Availability and valuation of collateral is an important element in determining the extent of provisions required. Provisions are also dependent on having a clear unencumbered title on the collateral and an estimate of collateral value.</td><td>Our key audit procedures included:

Design/ controls

• Assessing the design, implementation and operating effectiveness of key internal controls over monitoring process of recoverability of loans, timely identification of NPA accounts, measurement of collateral value, assessment and quantification of provisions and assessing the reliability of management information, including overdue reports.

• Testing of management's controls over application of Company's NPA provision policy and presenting appropriate disclosures in financial statements.

• Through involvement of information system specialists gain assurance and evidence of management controls over data integrity, automated computations and inter-system reconciliations.

Substantive tests

• Test of details over of calculation of NPA provisions as at 31 March 2019 for assessing the completeness, accuracy and relevance of data and to ensure that the same is in compliance with the RBI guidelines with regard to the Prudential Norms on Income Recognition, Asset Classification & Provisioning.

• Test of details over appropriate application of accounting principles and validating completeness and accuracy of the data used in the identification of NPA's and measurement of provision amounts.

• Test of details over assessing external collateral valuer's credentials and comparing external valuations to values used in management's assessments.</td></tr>
</table>

Chartered Accountants

Independent Auditors' Report *(Continued)*

Ess Kay Fincorp Limited

Key Audit Matters *(Continued)*

Description of Key Audit Matters: *(Continued)*

Key audit matter	How the matter was addressed in our audit
Information technology (IT)	
IT systems and controls The Company's key financial accounting and reporting processes are highly dependent on the automated controls, such that there exists a risk that gaps in the IT control environment could result in the financial accounting and reporting records being materially misstated. The Company primarily uses three systems for its financial reporting. We have focused on user access management, change management, segregation of duties, system reconciliation controls and system application controls over key financial accounting and reporting systems.	Our audit procedures to assess the IT system access management included the following: **General IT controls/ user access management** • We tested a sample of key controls operating over the information technology in relation to financial accounting and reporting systems, including system access and system change management, program development and computer operations. • We tested the design and operating effectiveness of key controls over user access management which includes granting access right, new user creation, removal of user rights and preventative controls designed to enforce segregation of duties. • For a selected group of key controls over financial and reporting system, we independently performed procedures to determine that these controls remained unchanged during the year or were changed following the standard change management process. • evaluating the design, implementation and operating effectiveness of the significant accounts-related IT automated controls which are relevant to the accuracy of system calculation, and the consistency of data transmission. • Other areas that were independently assessed included password policies, system configurations, system interface controls, controls over changes to applications and databases and that business users, developers and production support did not have access to change applications, the operating system or databases in the production environment.

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Annual Report, but does not include the financial statements and our auditors' report thereon. The other information is expected to be made available to us after the date of this auditors' report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Independent Auditors' Report *(Continued)*

Ess Kay Fincorp Limited

Other Information *(Continued)*

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

Management's Responsibility for the Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit/loss and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

BSR & Co. LLP
Chartered Accountants
Mumbai - 400 011
India

Independent Auditors' Report *(Continued)*

Ess Kay Fincorp Limited

Auditors' Responsibilities for the Audit of the Financial Statements *(Continued)*

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

Attention is drawn to the fact that the comparative figures as reported in the financial statements for the year ended 31 March 2018 were audited, by the predecessor statutory auditor who expressed an unmodified opinion on those financial information vide their reports dated 8 May 2018.

Our opinion is not modified in respect of this matter.

B S R & Co. LLP
Lodha Excelus, Apollo Mills Compound, N. M. Joshi Marg, Mahalaxmi, Mumbai - 400 011 India.
Chartered Accountants

Independent Auditors' Report *(Continued)*

Ess Kay Fincorp Limited

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. (A) As required by Section 143(3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The balance sheet, the statement of profit and loss, and statement of cash flows dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act.

   e) On the basis of the written representations received from the directors as on 31 March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

   (B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has disclosed the impact of pending litigations as at 31 March 2019 on its financial position in its financial statements - Refer Note 31 to the financial statements;

   ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts- Refer Note 33 to the financial statements;

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

   iv. The disclosures in the financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2019.

BSR & Co. LLP
Chartered Accountants
Mumbai - 400 011
India

Independent Auditors' Report *(Continued)*

Ess Kay Fincorp Limited

Report on Other Legal and Regulatory Requirements *(Continued)*

(B) With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanation given to us, during the current year, the remuneration paid by the Company to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Manoj Kumar Vijai
Partner
Membership No. 046882

Place: Jaipur
Date: 3 May 2019

Annexure A to the Independent Auditor's Report of even date on financial statements of Ess Kay Fincorp Limited

(i) a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

b. The Company has a regular program of physical verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanation given to us, no material discrepancies were noticed on such verification.

c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of the immovable property is held in the name of the Company.

(ii) The Company is in the business of providing services and does not have any physical inventories. Accordingly, the provision of clause 3(ii) of the Order is not applicable to the Company.

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provision of clause 3(iii) of the Order is not applicable to the Company.

(iv) According to the information and explanations given to us, the Company has not granted any loans, made investments or provided guarantees under section 185 and 186 of the Act. Accordingly, the provision of clause 3(iv) of the Order is not applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of Section 73 to Section 76 or any other relevant provisions of the Act and the rules framed there under apply.

(vi) The Central Government has not prescribed the maintenance of cost records under sub section (1) of section 148 of the Act for any of the services rendered by the Company. Accordingly, the provision of clause 3(vi) of the Order is not applicable.

(vii) a) According to the information and explanations given to us and on the basis of our examination of records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and services tax, cess and other material statutory dues have generally been regularly deposited by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of sales tax, duty of customs, goods and services tax or duty of excise.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, goods and services tax, cess and other material statutory dues were in arrears as at 31 March 2019 for a period of more than six months from the date they became payable.

B S R & Co. LLP
5th Floor, Lodha Excelus, Apollo Mills Compound, N. M. Joshi Marg, Mahalaxmi, Mumbai - 400 011 India.
Chartered Accountants

Annexure A to the Independent Auditors' Report of even date on financial statements of Ess Kay Fincorp Limited *(Continued)*

b) According to the information and explanations given to us, there are no dues in respect of income tax, sales tax, service tax, duty of customs, goods and services tax, value added tax or duty of excise which have not been deposited on account of dispute except as given below:

Name of the statute	Nature of dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending
Finance Act, 1994	Service tax liability	55,037,596	AY 2014-2016	Custom, Excise, Income Tax Appelate Tribunal
Finance Act, 1994	Service tax liability	44,689,643	AY 2016-2018	Custom, Excise, Income Tax Appelate Tribunal

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks, Government or debenture holders.

(ix) In our opinion and according to the information and explanations given to us, term loans taken by the Company have been applied for the purpose for which they were raised. The Company has not raised any money by way of initial public offer or further public offer during the year.

(x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the explanation and information given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, the provision of clause 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details have been disclosed in the financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has complied with provisions of Section 42 of the Companies Act, 2013 in respect of the preferential allotment of equity shares during the year. According to the information and explanations given to us, we report that the amounts raised, have been used for the purposes for which the funds were raised. As explained, the Company has not made any fully or partly convertible debentures during the year.

B S R & Co. LLP
5th Floor, Lodha Excelus, Apollo Mills Compound, N. M. Joshi Marg, Mahalaxmi, Mumbai - 400 011 India.
Chartered Accountants

Annexure A to the Independent Auditors' Report of even date on financial statements of Ess Kay Fincorp Limited *(Continued)*

(xv) According to the information and explanations given to us and based on our examination of the records, during the year the Company has not entered into any non-cash transactions with directors or persons connected with him and hence the provision of Section 192 of the Act is not applicable.

(xvi) The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and it has obtained certificate of registration dated 16 October 1998.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Manish Kumar Vijai
Partner
Membership No: 046882

Place: Jaipur
3 May 2019

Ess Kay Fincorp Limited

Annexure - B to the Independent Auditor's Report of even date on the financial statements of Ess Kay Fincorp Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Qualified Opinion

We have audited the internal financial controls over financial reporting of Ess Kay Fincorp Limited (the "Company") as of 31 March 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

According to the information and explanations given to us and based on our audit, the following material weakness has been identified as at March 31, 2019:

We noted lack of control relating to timely recording and maintaining contemporaneous documentary evidence for cash collections from borrowers towards loan interest / instalments at year end, which could potentially impact recording of cash collection and consequently impact loans balances and related accounts at reporting period.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the effects/possible effects of the material weakness described above on the achievement of the objectives of the control criteria, the Company has maintained adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of March 31, 2019, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

We have considered the material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the financial statements of the Company, and the material weakness do not affect our opinion on the financial statements of the Company.

Management's responsibility for internal financial controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial information, as required under the Act.

B S R & Co. LLP Chartered Accountants 5th Floor, Lodha Excelus, Apollo Mills Compound, N. M. Joshi Marg, Mahalaxmi, Mumbai - 400011 India.

Ess Kay Fincorp Limited

Annexure - B to the Independent Auditor's Report of even date on the financial statements of Ess Kay Fincorp Limited *(Continued)*

Auditor's responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by the ICAI and prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of internal financial controls over financial reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

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Mahalaxmi,
Mumbai - 400 011
India.
Chartered Accountants

Ess Kay Fincorp Limited

Annexure - B to the Independent Auditor's Report of even date on the financial statements of Ess Kay Fincorp Limited *(Continued)*

Inherent limitations of internal financial controls over financial reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248 W/W-100022

Manok Kumar Vijai
Partner
Membership No: 046882

Jaipur
3 May 2019

ESS KAY FINCORP LIMITED

Balance Sheet as at March 31, 2019

(Amount in Rs.)

Particulars	Note No.	As at March 31, 2019	As at March 31, 2018
EQUITY AND LIABILITIES			
Shareholders' funds			
(a) Share capital	3	4,60,32,256	3,50,91,900
(b) Reserves and surplus	4	5,50,58,13,960	2,02,79,16,175
		5,55,18,46,218	2,06,30,08,075
Non-current liabilities			
(a) Long-term borrowings	5	8,02,61,79,330	4,28,15,15,840
(b) Deferred tax liabilities (net)	12	-	-
(c) Other long-term liabilities	6	31,40,45,763	14,30,46,376
(d) Long-term provisions	7	10,24,80,047	5,94,11,321
		8,44,27,05,140	4,48,39,73,637
Current liabilities			
(a) Short-term borrowings	8	65,04,67,288	85,23,07,264
(b) Trade payables	9		
i) total outstanding dues to micro and small enterprises; and		-	-
ii) total outstanding dues of creditors other than micro and small enterprises		29,95,63,327	30,37,59,323
(c) Other current liabilities	10	4,79,03,18,782	4,35,17,22,236
(d) Short-term provisions	7	19,65,97,470	15,52,50,730
		5,93,69,46,867	5,66,30,39,553
TOTAL		19,9314,98,225	12,2100,21,165
ASSETS			
Non-current assets			
(a) Fixed assets			
(i) Tangible assets	11	17,03,78,667	12,29,88,722
(ii) Intangible assets	11	59,42,878	27,03,701
(iii) Capital work-in-progress	11	8,29,562	96,88,434
(b) Non-current investments	15 (a)	4,68,66,786	4,66,66,786
(c) Deferred tax assets (net)	12	8,24,23,239	6,23,03,995
(d) Long-term loans and advances	17	9,91,72,86,530	6,69,92 84,238
(e) Other non-current assets	13	16,98,10,375	12,59,31,059
		10,39,29,38,037	7,06,96,22,933
Current assets			
(a) Current investments	15 (b)	11,00,00,000	-
(b) Trade receivables	14	2,85,143	23,84,111
(c) Cash and bank balance	16	2,77,60,68,660	29,37,15,247
(d) Short-term loans and advances	17	8,46,23,65,981	4,03,6188,943
(e) Other current assets	18	18,98,64,404	20,81,09,931
		9,53,85,62,188	5,14,03,98,232
TOTAL		19,93,14,98,225	12,21,00,21,165
Significant accounting policies and notes to the financial statements	2-44		

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

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firms' Registration No: 101248W/W-100022

Manoj Kumar Vijai
Partner
M. No. : 046882

Place : Jaipur
Date : May 03, 2019

For and on behalf of the Board of Directors of
Ess Kay Fincorp Limited

Rajendra Kumar Setia
Managing Director
DIN-00967374

Shalini Setia
Director
DIN - 02247624

Atul Arora
Chief Financial Officer

Anagha Bangur
Company Secretary

Place : Jaipur
Date : May 03, 2019

ESS KAY FINCORP LIMITED

Statement of Profit and Loss for the year ended March 31, 2019			
			(Amount in Rs.)
Particulars	Note No.	For the year ended March 31, 2019	For the year ended March 31, 2018
Revenue from operations	19	3,49,34,20,320	2,20,83,87,225
Other income	20	15,59,25,688	6,49,12,101
Total Revenue		3,64,93,46,008	2,27,32,99,326
Expense:			
Employee benefit expenses	21	70,64,48,411	50,02,04,879
Finance costs	22	1,38,46,21,714	89,45,06,497
Depreciation and amortisation expenses	23	3,21,24,975	2,33,62,425
Provisions and write offs	24	29,18,00,049	21,68,79,313
Other expenses	25	47,74,40,526	30,91,01,175
Total expenses		2,89,44,35,675	1,94,40,54,289
Profit before tax		75,49,10,333	32,92,45,037
Tax Expenses			
a. Current tax		25,49,07,427	14,19,68,102
b. Deferred tax	12	(2,99,48,680)	(1,90,91,848)
c. Taxes for earlier year		76,49,612	(1,31,51,530)
Total tax expense		23,26,08,359	10,97,22,724
Profit for the year		52,23,01,974	21,96,22,313
Basic earnings per equity share (Face value Rs. 2 each)	28	26.32	15.08
Diluted earnings per equity share (Face value Rs. 2 each)	28	26.32	15.08
Significant accounting policies and notes to the financial statements	2-44		

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

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firms' Registration No: 101248W/W-100022

Manoj Kumar Vijai
Partner
M. No. : 046882

For and on behalf of the Board of Directors of
Ess Kay Fincorp Limited

Rajendra Kumar Setia
Managing Director
DIN- 00957374

Shalini Setia
Director
DIN - 02817024

Atul Arora
Chief Financial Officer

Anagha Bangur
Company Secretary

Place : Jaipur
Date : May 03, 2019

Place : Jaipur
Date : May 03, 2019

ESS KAY FINCORP LIMITED

Cash Flow Statement for the year ended March 31, 2019

(Amount in Rs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
A Cash flow from operating activities		
Profit before tax	75,49,10,333	32,92,45,037
Adjustment for		
Interest expenses	1,30,96,28,308	84,78,65,330
Interest income	(2,86,46,20,337)	(1,66,60,98,335)
Depreciation and amortization expenses	3,21,24,975	2,33,62,425
Provisions and write offs	29,18,00,049	21,68,79,313
Loss on sale of fixed assets	94,527	41,110
Provision for employee benefits	2,39,89,734	1,62,79,018
Gain on sale of investments	(4,18,652)	(7,95,569)
Operating cash flow before working capital changes	(45,24,91,063)	(22,32,21,672)
Adjustment for working capital changes		
(Increase) / decrease in trade receivables	21,18,968	1,65,40,400
(Increase) / decrease in short-term loans and advances	(2,02,98,67,384)	(2,12,18,13,038)
(Increase)/ decrease in long-term loans and advances	(3,21,78,11,794)	(3,00,31,20,5 09)
(Increase) / decrease in other non-current assets	(4,36,79,316)	1,47,45,491
(Increase) / decrease in other current assets	(1,17,22,637)	20,08,48,284
Increase/ (decrease) in other current liabilities	(27,41,29,572)	22,38,62,496
Increase / (decrease) in other long-term liabilities	17,09,99,387	8,16,57,019
Increase/ (decrease) in other short-term provisions	79,71,198	(1,199)
Increase/ (decrease) in other long-term provisions	(20,00,583)	(10,14,853)
Increase/ (decrease) in bank deposits (having original maturity more than three months)	(1,83,14,92,970)	(4,84,88,306)
Interest paid	(1,07,36,34,761)	(81,99,73,600)
Interest received	2,69,45,88,501	1,61,22,94,473
Cash generated from operations	(5,86,11,52,026)	(4,06,82,85,014)
Direct taxes paid (net of refunds)	(28,65,12,688)	(11,58,67,540)
Net cash flow generated from/ (used in) operating activities (A)	(6,14,76,64,714)	(4,18,41,52,553)
B Cash flow from investing activities		
Purchase of investments	(50,00,00,000)	-
Sale of investments	39,04,18,652	11,91,78,946
Purchase of fixed assets	(7,51,84,344)	(5,54,67,435)
Sale of fixed assets	13,92,592	4,70,000
Net cash flow generated from / (used in) investing activities (B)	(18,33,73,100)	6,41,81,511
C Cash flow from financing activities		
Proceeds from issue of share capital	1,09,40,356	80,21,000
Proceeds from share premium	2,95,55,95,812	97,27,52,840
Amount received from issuance of non-convertible debentures	6,00,00,00,000	1,85,00,00,000
Repayment of non-convertible debentures	(1,41,54,61,362)	(76,21,86,969)
Amount received from long-term borrowings	1,05,07,00,000	5,05,46,70,045
Repayment of long-term borrowings	(1,41,80,36,572)	(3,70,48,96,750)
Short-term borrowings (net)	(20,18,39,976)	39,25,90,225
Dividend tax paid	-	(251)
Net cash flow generated from / (used in) financing activities (C)	6,98,18,96,257	3,81,00,40,140
Net increase/ (decrease) in cash and cash equivalent (A+B+C)	65,08,58,443	(30,90,30,002)
Add:- Cash and cash equivalent at the beginning of the year	9,18,92,940	40,09,23,942
Cash and cash equivalent at the end of the year*	74,27,51,383	9,18,92,940

*Components of cash and cash equivalents		
Balances with banks	64,45,85,195	1,28,79,290
Fixed deposits (having original maturity less than 3 months)	79,07,887	30,22,401
Cash on hand	9,02,58,301	7,59,91,249
Total	74,27,51,383	9,18,92,940

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firms' Registration No: 101248W/W-100022

Manoj Kumar Vijai
Partner
M. No. : 046882

Place : Jaipur
Date : May 03, 2019

For and on behalf of the Board of Directors of
Ess Kay Fincorp Limited

Rajendra Kumar Setia
Managing Director
DIN- 00957374

[illegible] Setia
Director
DIN - [illegible]817624

Atul Arora
Chief Financial Officer

Anagha Bangur
Company Secretary

Place : Jaipur
Date : May 03, 2019

6. DECLARATION BY THE DIRECTORS THAT-

(a) the Company has complied with the provisions of the Companies Act 2013 and the rules made thereunder;

(b) the compliance with the said Act and the rules made thereunder do not imply that payment of dividend or interest or repayment of preference shares or debentures, if applicable, is guaranteed by the Central Government;

(c) the monies received under the offer shall be used only for the purposes and objects indicated in the private placement offer cum application letter;

I am authorised by the board of directors of the Company vide resolution number 09 and resolution number 35 dated April 22, 2020, and June 3, 2020 respectively, read together with the resolution of the Executive Committee of the Board of the Company dated 6th July, 2020 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 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. It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

Signed

For Ess Kay Fincorp Limited
For ESS KAY FINCORP LIMITED

Managing Director

Name: Rajendra Kumar Setia
Designation: Managing Director
Date: 10th July, 2020
Place: Jaipur

Attachments:

- Annexure I: Equity Share Capital
- Annexure II: Related Party Transactions
- Annexure III: Last Audited Financial Statements
- Annexure IV: Interest Payment Schedule / Redemption Schedule
- Annexure V: Board resolution and Committee Resolution
- Annexure VI: Shareholders resolution
- Application Form: Please refer the application form enclosed in the information memorandum dated July 06, 2020 issued by the Company in relation to the Debentures
- Copy of optional attachments, if any