

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

Serial No.: 01
Addressed to:
Date: October 18, 2021

**PLACEMENT MEMORANDUM
(FOR PRIVATE PLACEMENT)**

by



The Power of Distribution

MAS Financial Services Limited

A public limited company incorporated under the Companies Act, 1956

Corporate Identification Number (CIN): L65910GJ1995PLC026064

Permanent Account Number (PAN): AABCM0640A

Date of Incorporation: 25/05/1995

Place of Incorporation: Ahmedabad

Registration number issued by the Reserve Bank of India:
B.01.00241

Corporate Office: 6 Ground Floor, Narayan Chambers, Behind Patang Hotel, Ashram Road Ahmedabad-09.

Registered Office: 6 Ground Floor, Narayan Chambers, Behind Patang Hotel, Ashram Road Ahmedabad-09.

Telephone No.: 079-41106500

Compliance Officer: Ms. Riddhi Bhayani

(available at 079-41106638)

Email: Riddhi_Bhayani@mas.co.in

Website: www.mas.co.in

Placement Memorandum for issue of Debentures on a private placement basis under Schedule II of Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 as amended from time to time in relation to the issue of 50 (Fifty) unsecured, rated, listed, redeemable, subordinated, taxable, transferable, non-convertible debentures denominated in Indian Rupees ("INR"), each having a face value of INR 1,00,00,000 (Indian Rupees One Crore) aggregating to INR 50,00,00,000 (Indian Rupees Fifty Crore) ("Debentures" or "NCDs") on a private placement basis (the "Issue"). Certain details of the Debentures are as follows:

- Rating:** The Debentures are rated as CARE A+; Stable (Single A Plus; Outlook: Stable) by CARE Ratings Ltd. pursuant to the letter dated September 24, 2021. Please refer Annexure II for the rating rationale and the press release.
- Listing:** The Debentures are proposed to be listed on the Wholesale Debt Market (WDM) of the BSE Limited within the time period prescribed under the SEBI Listing Timelines Requirements (as defined below).
- Eligible Investors:** Please refer Section 10.14 of the Placement Memorandum.
- Coupon related details:** The coupon rate for the debentures is 10.75% p.a. Please refer Section 8.1 (Issue Details) for details about coupon/dividend rate, coupon/dividend payment frequency, redemption date, redemption amount.
- Underwriting:** The Issue is not underwritten.
- Electronic Book Provider Platform:** Not applicable.

Issue Schedule

Issue Opening on: October 20, 2021

Date of earliest closing of the issue, if any: N.A.

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

Issue Closing on: October 20, 2021

Deemed Date of Allotment: October 20, 2021



Registrar and Transfer Agent
Link Intime India Pvt. Ltd.

Address: C-101, 1 st Floor, 247 Park, L.B.S.
Marg, Vikhroli (West),
Mumbai – 400083

Tel: 079 26465179 **Fax:** N.A.

Website: www.linkintime.co.in

Email: chandrashanker.r@linkintime.co.in



Debenture Trustee

Catalyst Trusteeship Limited

Address: Windsor, 6th floor, Office No.604,
C.S.T Road, Kalina, Santacruz (East)
Mumbai 400098

Tel: 022-49220555

Contact Person: Ms. Deesha Trivedi

Email: deesha.trivedi@ctltrustee.com



Rating Agency
CARE Ratings Ltd.

Address: 4th Floor, Godrej Coliseum,
Somaiya Hospital Road, Off Eastern
Express Highway, Sion (East),
Mumbai - 400 022.

Tel: 022- 6837 4400

Contact Person: Janki Aswani

Email: janki.aswani@careratings.com

**Issuer's Company Secretary &
Compliance Officer:**

Ms. Riddhi Bhayani

Tel: 079-41106638

Email: riddhi_bhayani@mas.co.in

Issuer's Chief Financial Officer:

Mr. Ankit Jain

Tel: 079-41106632

Email: ankit_jain@mas.co.in

Issuer's Promoters:

**Please refer Section 3 of the Placement
Memorandum.**

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BACKGROUND

This Placement Memorandum is related to the Debentures to be issued by MAS Financial Services 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 Placement Memorandum has been authorised by the Issuer through resolutions passed by the shareholders of the Issuer on December 9, 2020 and the Board of Directors of the Issuer on May 19, 2021 read with the resolution dated October 12, 2021 of the finance committee and the Memorandum and Articles of Association of the Company. The present issue of Debentures in terms of this Placement Memorandum is within the overall powers of the Board as per the above shareholder resolution(s).

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

DISCLAIMER

This Placement Memorandum contains no unsubstantiated forward-looking statements. To the extent there are any unsubstantiated forward-looking statements under this Placement Memorandum, such statements shall be considered to be null and void.

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SECTION 1: DEFINITIONS AND ABBREVIATIONS

Capitalised terms used herein and not defined shall have the meanings given to them in the Transaction Documents. Unless the context otherwise indicates or requires, the following terms shall have the meanings given below in this Placement Memorandum.

GENERAL DEFINITIONS

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.
Allot/Allotment/Allotted	The allotment of the Debentures pursuant to this Issue.
Applicable Accounting Standards	means the generally accepted accounting principles, standards and practices in India or any other prevailing accounting standard in India as may be applicable, and includes Indian Accounting Standards (IND-AS).
Applicant	means a person who has submitted a completed Application Form to the Issuer.
Application Form	means the application form for subscription of the Debentures annexed to this Placement Memorandum and marked as Annexure IV.
Application Money	means the subscription amounts paid by the Debenture Holders at the time of submitting the Application Form.
Beneficial Owner(s)	means the holder(s) of the Debentures in dematerialised form whose name is recorded as such with the Depository(ies) in the Register of Beneficial Owners.
Board / Board of Directors	The Board of Directors of the Issuer.
BSE	means the BSE Limited
CDSL	Central Depository Services (India) Limited.
CERSAI	means Central Registry of Securitisation Asset Reconstruction and Security Interest of India.
Company/Issuer/MAS	means MAS Financial Services Limited.
Conditions Precedent	means the conditions precedent set out in Section 8.1 (<i>Issue Details</i>).
Conditions Subsequent	means the conditions subsequent set out in Section 8.1 (<i>Issue Details</i>).
Crore / Cr. / Crs.	Ten Million
Debentures/NCDs	means 50 (Fifty) unsecured, rated, listed, redeemable, subordinated, taxable, transferable, non-convertible debentures, each having a face value of INR 1,00,00,000/- (Rupees One Crore Only) aggregating to INR 50,00,00,000/- (Rupees Fifty Crores only)
Debenture Trustee Agreement	means the agreement executed / to be executed by and between the Debenture Trustee and the Issuer <i>inter alia</i> 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, modified or restated from time to time.
Debenture Trust Deed/DTD	means the debenture trust deed executed / to be executed by and between the Debenture Trustee and the Company <i>inter alia</i> 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.
Debt Disclosure Documents	means, collectively, the PPOA and this Placement Memorandum, and "Debt Disclosure Document" means any one of them.
Deed of Hypothecation	means the unattested deed of hypothecation executed or to be executed by the Company on or about the Effective Date in favour of the

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	Debtenture Trustee in relation to the creation of a first ranking exclusive charge by the Company in favour of the Debtenture Trustee over the assets set out therein.
Deemed Date of Allotment	means October 20, 2021
Demat	means the dematerialized securities which are securities that are in electronic form, and not in physical form, with the entries noted by the Depository.
Depositories Act	means the Depositories Act, 1996, as amended from time to time.
Depositories	means the depositories with whom the Company has made arrangements for dematerialising the Debtentures, being NSDL and CDSL, and "Depository" shall mean any one of them.
Depository Participant / DP	A depository participant as defined under the Depositories Act
Director(s)	means the director(s) of the Issuer.
DP ID	Depository Participant Identification Number.
DRR	has the meaning given to it in Section 6.28 (<i>Other details</i>) of this Placement Memorandum.
Effective Date	means the date of execution of the DTD.
EFT	Electronic Fund Transfer
Eligible Investors	has the meaning given to it in Section 10.14 below.
Issue	means this issue of the Debtentures on a private placement basis pursuant to this Placement Memorandum.
Issue Closing Date	October 20, 2021
Issue Opening Date	October 20, 2021
Listed NCDs Operational Circular	means the circular issued by SEBI bearing the reference number SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 on " <i>Operational Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper</i> " to the extent applicable in respect of the private placement of debt securities, as amended, modified, or restated from time to time.
Listing Period	has the meaning given to it under Section 8.1 (<i>Issue Details</i>) below.
LODR Regulations	means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, modified or restated from time to time.
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 read with the RBI's circular no. DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020 on " <i>Implementation of Indian Accounting Standards</i> ".
N.A.	Not Applicable
NBFC	Non-banking financial company
NSDL	National Securities Depository Limited
PAN	Permanent Account Number
Placement Memorandum/PM	means this placement memorandum issued by the Issuer in respect of the Debtentures proposed to be issued.
Private Placement Offer cum Application Letter(s)/PPOA	means the private placement offer cum application letter(s) prepared in compliance with Section 42 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, issued by the Issuer in respect of the Debtentures.

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Rating	means the credit rating for the Debentures from the Rating Agency, which has affirmed a rating of CARE A+; Stable (Single A Plus; Stable) to the Issue through its letter dated September 24, 2021
Rating Agency	means CARE Ratings Limited.
RBI	means the Reserve Bank of India.
Record Date	The date falling 15 (fifteen) calendar days prior to the date on which interest is due and payable on the Debentures, or the date of redemption of such Debentures (as applicable).
Recovery Expense Fund	means the recovery expense fund established/to be established and maintained by the Issuer in accordance with the provisions of the SEBI Recovery Expense Fund Circular.
Register of Beneficial Owners	means the register of beneficial owners of the Debentures maintained in the records of the Depositories.
Register of Debenture Holders	means the register maintained by the Issuer in accordance with Section 88 of the Act.
R&T Agent/Registrar	means the registrar and transfer agent appointed for the issue of Debentures, being Link Intime India Private Limited.
ROC	means the jurisdictional registrar of companies.
Rs. / INR	Indian National Rupees.
RTGS	Real Time Gross Settlement.
SEBI	means the Securities and Exchange Board of India.
SEBI Debt Listing Regulations/Debt Listing Regulations	means the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended, modified or restated from time to time.
SEBI Defaults (Procedure) Circular	means the SEBI circular bearing reference number SEBI/HO/MIRSD/CRADT/CIR/P/2020/203 dated October 13, 2020 on " <i>Standardisation of procedure to be followed by Debenture Trustee(s) in case of 'Default' by Issuers of listed debt securities</i> ".
SEBI Due Diligence Circular	means the SEBI circular bearing reference number SEBI/HO/MIRSD/CRADT/CIR/P/2020/218 dated November 3, 2020 on " <i>Creation of Security in issuance of listed debt securities and 'due diligence' by debenture trustee(s)</i> ".
SEBI Listed Debentures Circulars	means, collectively, the SEBI Defaults (Procedure) Circular, SEBI Due Diligence Circular, the SEBI Monitoring Circular, the SEBI Recovery Expense Fund Circular, the Listed NCDs Operational Circular, and the LODR Regulations (to the extent applicable).
SEBI Listing Timelines Requirements	means the requirements in respect of the timelines for listing of debt securities issued on a private placement basis prescribed in Chapter VII (<i>Standardization of timelines for listing of securities issued on a private placement basis</i>) of the Listed NCDs Operational Circular.
SEBI Monitoring Circular	means the SEBI circular bearing reference number SEBI/ HO/ MIRSD/ CRADT/ CIR/ P/ 2020/23 dated November 12, 2020 on " <i>Monitoring and Disclosures by Debenture Trustee(s)</i> ".
SEBI Recovery Expense Fund Circular	means the SEBI circular bearing reference number SEBI/HO/MIRSD/CRADT/CIR/P/2020/207 dated October 22, 2020 on " <i>Contribution by Issuers of listed or proposed to be listed debt securities towards creation of 'Recovery Expense Fund'</i> ".
Stressed Assets Framework	means the RBI's circular no. DBR.No.BP.BC.45/21.04.048/2018-19 dated June 7, 2019 on " <i>Prudential Framework for Resolution of Stressed Assets</i> ", as may be amended, modified or restated from time to time.
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

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	on account of any failure to pay or delay in paying the same), now or hereafter, imposed pursuant to any Applicable Law or by any Governmental Authority and as maybe applicable in relation to the payment obligations of the Issuer under the DTD.
Tax Deduction	means a deduction or withholding for or on account of Tax from a payment under a Debenture Document pursuant to Applicable Law.
TDS	Tax Deducted at Source.
Transaction Documents	means, collectively, the DTD, the Debenture Trustee Agreement, the Debt Disclosure Documents, the letters issued by the Debenture Trustee, the Rating Agency and the Registrar, each tripartite agreement between the Company, the Registrar and any Depository, and all other documents, undertakings, letter-agreement(s) 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
Wilful Defaulter	means an issuer who is categorized as a wilful defaulter by any Bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India and includes an issuer whose director or promoter is categorized as such.

TRANSACTION SPECIFIC DEFINITIONS

Applicable Law	means 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.
Assets	means, for any date of determination, the assets of the Issuer on such date as the same would be determined in accordance with Applicable Accounting Standards.
Business Day	Means: (a) subject to (b) and (c) below, means any day on which commercial banks in Ahmedabad, India are open for business; (b) for the period commencing on the "Issue Opening Date" set out in the Placement Memorandum until the "Issue Closing Date" set out in the Placement Memorandum, any day (other than a Saturday, Sunday or a public holiday under Section 25 of the Negotiable Instruments Act, 1881), on which commercial banks in Ahmedabad, India are open for business; and (c) for the period commencing on the "Issue Closing Date" set out in the Placement Memorandum until the listing of the Debentures in accordance with the DTD, any trading day of BSE, other than a Saturday, Sunday or a bank holiday, as specified by SEBI.
Capital Adequacy Ratio	means the capital adequacy ratio determined in accordance with the NBFC Directions.
Client Loan	means each loan made by the Issuer as a lender.
Constitutional Documents	means the certificate of incorporation of the Issuer, the memorandum of association and articles of association of the Issuer and the certificate of

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	registration issued by the RBI to the Issuer.
Debenture Holder(s) / Investors	<p>each person who is:</p> <p>(a) registered as a Beneficial Owner; and</p> <p>(b) registered as a debenture holder in the Register of Debenture Holders.</p> <p>(a) and (b) above shall be deemed to include transferees of the Debentures registered with the Issuer and the Depository from time to time, and in the event of any inconsistency between (a) and (b) above, (a) shall prevail.</p>
Debenture Trustee/Trustee	Catalyst Trusteeship Limited
Due Date	means, collectively, each Interest Payment Date, the Final Redemption Date, and all other dates on which any interest, additional interest or liquidated damages and/or any other amounts, are due and payable.
Equity	means the aggregate of (a) the issued and paid up equity shares of the Issuer, (b) all compulsorily convertible instruments and preference share capital of the Issuer, (c) all reserves (and other surplus) of the Issuer (excluding revaluation reserves and pertaining to instruments which are not equity shares or compulsorily convertible instruments), as per the latest audited financials of the Issuer, and (d) subordinated debt of the Issuer in form of Tier II Capital (to the extent such capital is eligible for inclusion in Tier II Capital (i.e., subject to discounting as provided in the NBFC Directions)), as on the Quarterly Date occurring immediately prior to the date of determination.
Event of Default	means the events of default set out in Section 8.2.6.2.
Final Redemption Date	means the date occurring on the expiry of a period of 67 (Sixty-Seven) months from the Deemed Date of Allotment, being May 20, 2027.
Final Settlement Date	means the date on which all Obligations have been irrevocably and unconditionally paid and discharged in full to the satisfaction of the Debenture Holders, and all the Debentures have been redeemed by the Issuer in full in accordance with the terms of the Transaction Documents and the Debenture Holders have provided a written confirmation of the same to the Issuer (with a copy marked to the Debenture Trustee). The Debenture Holder(s) shall provide written confirmation within 15 (fifteen) calendar days upon the completion of all the compliances (including any filings related to any taxes deducted at source) by the Company in respect of the redemption of the Debentures.
Financial Indebtedness	<p>means any indebtedness for or in respect of:</p> <p>(a) moneys borrowed;</p> <p>(b) any amount raised by acceptance under any acceptance credit, bill acceptance or bill endorsement facility or dematerialised equivalent;</p> <p>(c) any amount raised pursuant to any note purchase facility or</p>

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	<p>the issue of bonds, notes, loan stock or any similar instrument;</p> <p>(d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with the Applicable Accounting Standards, be treated as a finance or capital lease;</p> <p>(e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);</p> <p>(f) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing;</p> <p>(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);</p> <p>(h) shares which are expressed to be redeemable or shares which are the subject of a put option or any form of guarantee;</p> <p>(i) any obligation under any put option in respect of any securities;</p> <p>(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;</p> <p>(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</p> <p>(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.</p>
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.
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.
IBC	means the (Indian) Insolvency and Bankruptcy Code, 2016 and the rules and regulations framed thereunder, as may be amended, modified and supplemented from time to time.
Interest Payment Dates	means the interest payment dates as specified in Annexure VI (Illustration of Cash Flows).
Interest Rate	means 10.75% (Ten Decimal Seven Five percent) per annum (fixed).

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Issue	means the issue of the Debentures on a private placement basis.
Majority Debenture Holders	mean the Debenture Holders holding an aggregate amount representing not less than 75% (seventy five 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.
Management Control	means the right to appoint majority of the directors, and the right to control the management or policy decisions exercisable by a person or persons acting individually or in concert, directly or indirectly, including by virtue of their shareholding or management rights or shareholders agreements or voting agreements
Material Adverse Effect	<p>means the effect or consequence of an event, circumstance, occurrence or condition (including any change in the credit rating/outlook/opinion in respect of the Debentures, any change in the senior management of the Issuer, and/or any change in the board of directors of the Issuer) which has caused, or could reasonably be expected to cause, as of any date of determination, a material and adverse effect on:</p> <ul style="list-style-type: none"> (a) the financial condition, business or operation of the Issuer (which in the opinion of the Debenture Holders) is prejudicial to the ability of the Issuer to perform its obligations under the Transaction Documents; (b) the rights or remedies of the Debenture Holders and/or the Debenture Trustee (acting for the benefit of the Debenture Holders) hereunder or under any other Transaction Document; or (c) the ability of the Issuer to perform its obligations under the Transaction Documents; or (d) the legality, validity or enforceability of any of the Transaction Documents (including the ability of any party to enforce any of its remedies thereunder).
Net NPA	means the net non-performing assets determined in accordance with the NBFC Directions.
Obligations	means all present and future obligations (whether actual or contingent and whether owed jointly or severally or in any capacity whatsoever) due, owing or incurred by the Issuer to the Debenture Trustee and the Debenture Holders in respect of the Debentures including without limitation, the obligation to redeem the Debentures in terms thereof together with interest, default interest/additional interest, if any, accrued thereon, any outstanding remuneration of the Debenture Trustee and all fees, costs, charges and expenses payable to the Debenture Trustee and other amounts payable by the Issuer in respect of the Debentures.
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 Issuer in respect of the Debentures.

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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 8.2.6.2(a).
Portfolio at Risk	means, on the Issuer's entire assets under management (on book assets only) at any point of time, as the case may be, the outstanding principal amounts of all Client Loans that have one or more instalments of principal, interest, penalty interest, fees or any other expected payments past due for more than a specified number of days.
Promoters	means the persons disclosed as comprising the "Promoters" in the filings made by the Issuer with BSE as of September 30, 2021.
Promoter Debt	means all existing and future Financial Indebtedness availed by the Issuer from any of its Promoters, the details of which (as on the Deemed Date of Allotment) are set out under the DTD.
Promoter Group	means the persons disclosed as comprising the "Promoter Group" in the filings made by the Issuer with BSE as of September 30, 2021.
Purpose	has the meaning given to it in Section 8.1 (<i>Issue Details</i>).
Quarterly Date	means each of March 31, June 30, September 30 and December 31 of a calendar year, and "Quarterly Dates" shall be construed accordingly.
Rating Covenant Event	<p>means the occurrence of any one or more of the following events:</p> <ul style="list-style-type: none"> (a) any downgrade in the credit rating of the Issuer or the Rating by any credit rating agency; (b) a long-term rating of "A-" or below is assigned to the Issuer by any credit rating agency; or (c) any credit rating of the Issuer or the Debentures is outstanding with remarks "Issuer not cooperating" or any similar remarks by the relevant credit rating agency. <p>PROVIDED THAT where ratings from multiple rating agencies are available, the lowest rating available (for long term borrowing) shall be considered for the purposes determining the occurrence of a Rating Covenant Event.</p>
Tangible Net-worth	means the equity share capital of the Issuer plus all reserves and surplus, as reduced by the intangible assets, deferred tax assets, revaluation reserve, miscellaneous expenses and any credit enhancement provided by the Issuer on its managed assets book.
Tier I Capital	has the meaning given to it in the NBFC Directions
Tier II Capital	has the meaning given to it in the NBFC Directions
Total Assets	means, for any date of determination, the total Assets of the Issuer on such date.

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Total Debt	<p>means the aggregate of:</p> <ul style="list-style-type: none">(a) all long-term borrowings, including the ineligible portion of subordinated debt in form of Tier II Capital (including current maturities) of the Issuer;(b) all short-term borrowings of the Issuer;(c) financial guarantees provided of the Issuer, if any; and(d) letters of comfort/shortfall undertakings provided of the Issuer, if any.
Total Debt to Equity Ratio	means the ratio of the Total Debt of the Issuer to the Equity.

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SECTION 2: NOTICE TO INVESTORS AND DISCLAIMERS

2.1 ISSUER'S DISCLAIMER

This Placement 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 Placement 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 Placement Memorandum to be filed or submitted to the SEBI for its review and/or approval. This Placement Memorandum has been prepared in conformity with the SEBI Debt Listing Regulations as amended from time to time and applicable RBI regulations governing private placements of debentures by NBFCs. This Placement Memorandum has been prepared solely to provide general information about the Issuer to Eligible Investors (as defined hereunder) to whom it is addressed and who are willing and eligible to subscribe to the Debentures. This Placement Memorandum does not purport to contain all the information that any Eligible Investor may require. Further, this Placement 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 Placement 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 Placement Memorandum should not consider such receipt as a recommendation to subscribe to any Debentures. Each potential Investor contemplating subscription to any Debentures should make its own independent investigation of the financial condition and affairs of the Issuer, and its own appraisal of the creditworthiness of the Issuer. Potential investors should consult their own financial, legal, tax and other professional advisors as to the risks and investment considerations arising from an investment in the Debentures and should possess the appropriate resources to analyse such investment and the suitability of such investment to such potential Investor's particular circumstances.

The Issuer confirms that, as of the date hereof, this Placement 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 Placement 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 being authorized by the Issuer. The Issuer certifies that the disclosures made in this Placement Memorandum and/or the Private Placement Offer cum Application Letter(s) are adequate and in conformity with the SEBI Debt Listing Regulations and the Companies (Prospectus and Allotment of Securities) Rules, 2014. Further, the Issuer accepts no responsibility for statements made otherwise than in the Placement 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 Placement Memorandum would be doing so at its own risk.

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

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No invitation is being made to any persons other than those to whom Application Forms along with this Placement Memorandum and/or the Private Placement Offer cum Application Letter(s) being issued have been sent. Any application by a person to whom the Placement 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 Placement Memorandum and/or the Private Placement cum Application Offer Letter(s) shall not reproduce or distribute in whole or in 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 the Issuer or any other person in connection with the Issue. This Placement 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 Placement Memorandum) without retaining any copies hereof. If any recipient of this Placement Memorandum and/or the Private Placement Offer cum Application Letter(s) decides not to participate in the Issue, that recipient must promptly return this Placement 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 Placement Memorandum and/or the Private Placement Offer cum Application Letter(s) to reflect subsequent events after the date of Placement 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 Placement 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 Placement 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 Placement Memorandum and/or the Private Placement Offer cum Application Letter(s) in any jurisdiction where such action is required. Persons into whose possession this Placement Memorandum and/or the Private Placement Offer cum Application Letter(s) comes are required to inform themselves of, and to observe, any such restrictions. The Placement 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 Placement 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 Placement Memorandum to the BSE should not in any way be deemed or construed to mean that this Placement 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 Placement 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.

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2.3 DISCLAIMER CLAUSE OF RBI

The Issuer is having a valid certificate of registration issued by the Reserve Bank of India under Section 45 IA of the Reserve Bank of India Act, 1934. However, the RBI does not accept any responsibility or guarantee about the present position as to the financial soundness of the company or for the correctness of any of the statements or representations made or opinions expressed by the company and for repayment of deposits/ discharge of liability by the company.

2.4 DISCLAIMER CLAUSE OF SEBI

As per the provisions of the SEBI Debt Listing Regulations, it is not stipulated that a copy of this Placement Memorandum has to be filed with or submitted to the SEBI for its review / approval. It is to be distinctly understood that this Placement 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 Placement Memorandum.

2.5 DISCLAIMER IN RESPECT OF JURISDICTION

This Issue is made in India to investors as specified under the paragraph titled "Eligible Investors" of this Placement Memorandum, who shall be/have been identified upfront by the Issuer. This Placement 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 Ahmedabad, India. This Placement 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.

2.6 DISCLAIMER IN RESPECT OF RATING AGENCIES

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

2.7 ISSUE OF DEBENTURES IN DEMATERIALISED FORM

The Debentures will be issued in dematerialised form. The Issuer has made arrangements with the Depositories for the issue of the Debentures in dematerialised form. Investors will have to hold the Debentures in dematerialised form as per the provisions of Depositories Act. The Issuer shall take necessary steps to credit the Debentures allotted to the beneficiary account maintained by the Investor with its depository participant. The Issuer will make the Allotment to the 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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SECTION 3: DETAILS OF PROMOTERS OF THE ISSUER

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

1. MR. KAMLESH C. GANDHI



- (a)
- (b) Date of Birth: February 2, 1966
- (c) Age: 55
- (d) Personal Address: 5-A, Kumar Society, Jivraj Park, Vejalpur, Ahmedabad, 380 051, Gujarat, India
- (e) Educational Qualifications: He received the higher secondary school examination certificate from the Gujarat Secondary Education Board, Gandhinagar in 1983.
- (f) Experience in the business or employment: He has over 25 years of experience in the financial services sector.
- (g) Positions/posts held in the past: Not Applicable
- (h) Directorships held:
 - (i) MAS Rural Housing & Mortgage Finance Limited;
 - (ii) Prarthna Marketing Private Limited;
 - (iii) Finance Industry Development Council
 - (iv) Swalamb Mass Financial Services Ltd.
- (i) Other ventures of the promoter: Not Applicable
- (j) Special achievements: Not Applicable
- (k) Their business and financial activities: Associated as the Chairman & Managing Director in the Company since inception and also appointed as a Director in FIDC.
- (l) Permanent Accountant Number: ABZPG8902H
- (m) Other details: Not Applicable

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2. LATE SHRI MUKESH C. GANDHI



- a.
- b. Other details: Shri Mukesh C. Gandhi left for his heavenly abode on January 19, 2021.

3. MRS. SHWETA KAMLESH GANDHI



- a)
- b) Date of Birth: February 25, 1971
- c) Age: 50
- d) Personal Address: 5-A, Kumar Society, Jivraj Park, Vejalpur, Ahmedabad, 380 051, Gujarat, India
- e) Educational Qualifications: She has received the secondary school examination certificate from Gujarat Secondary Education Board, Gandhinagar.
- f) Experience in the business or employment: Not Applicable
- g) Positions/posts held in the past: Not Applicable
- h) Directorships held: Not Applicable
- i) Other ventures of the promoter: Not Applicable
- j) Special achievements: Not Applicable
- k) Their business and financial activities: Not Applicable
- l) Permanent Accountant Number: AGSPG8212C
- m) Other details: N. A

4. PRARTHNA MARKETING PRIVATE LIMITED

- a) Date of Incorporation: April 8, 1997
- b) Age: N.A.
- c) Address: 6 Ground Floor, Narayan Chambers, Behind Patang Hotel, Ashram Road, Ahmedabad, 380 009, Gujarat.

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- d) Educational Qualifications: Not Applicable
- e) Experience in the business or employment: Not Applicable
- f) Positions/posts held in the past: Not Applicable
- g) Directorships held: Not Applicable
- h) Other ventures of the promoter: Not Applicable
- i) Special achievements: Not Applicable
- j) Their business and financial activities: Prarthna Marketing Private Limited ("PMPL") is enabled under its objects to carry on the business of inter alia traders, whole sellers, retailers, importers and exporters of merchandise goods, electrical and electronic goods and also act as service agents for providing after sales services. PMPL is currently not engaged in any business activities.
- k) Permanent Accountant Number: AAACP92O1D
- l) Other details: Not applicable

The Issuer hereby confirms and declares that Permanent Account Number, Aadhaar Number, Driving License Number, Bank Account Number(s) and Passport Number of the promoters and Permanent Account Number of directors have been submitted to BSE, at the time of filing the draft Placement Memorandum.

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SECTION 4: GENERAL RISKS

GENERAL RISK

Investment in non-convertible securities involve a degree of risk and investors should not invest any funds in such securities unless they can afford to take the risk attached to such investments. Investors are advised to take an informed decision and to read the risk factors carefully before investing in this offering. For taking an investment decision, investors must rely on their examination of the issue including the risks involved in it. Specific attention of investors is invited to statement of risk factors contained under Section 4 of this Placement Memorandum. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the non-convertible securities or investor's decision to purchase such securities.

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 stated in this Placement 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. Potential Investors should also read the detailed information set out elsewhere in this Placement Memorandum and/or the Private Placement Offer cum Application Letter(s) and reach their own views prior to making any investment decision.

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

Potential investors ("Investors") should be aware that receipt of the principal amount, (i.e. the redemption amount) and any other amounts that may be due in respect of the Debentures is subject to the credit risk of the Issuer whereby the Investors may or may not recover all or part of the funds in case of default by 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.

4.2 RISKS IN RELATION TO THE NON-CONVERTIBLE SECURITIES; THE SECONDARY MARKET FOR DEBENTURES MAY BE ILLIQUID; LIMITED OR SPORADIC TRADING OF NON-CONVERTIBLE SECURITIES OF THE ISSUER ON THE STOCK EXCHANGES.

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.

4.3 CREDIT RISK & RATING DOWNGRADE RISK; REGULATORY CAPITAL RISK

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

Instruments in the form of regulatory capital such as the Debentures may have certain unique features which, *inter alia*, grant the Issuer (in consultation with RBI) and/or the RBI discretion in terms of writing down the principal/ interest, to skip interest payments, to make an early recall etc. without commensurate right for investors to legal recourse, even if such actions of the issuer might result in potential loss to investors.

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4.4 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.

4.5 TAX CONSIDERATIONS AND LEGAL CONSIDERATIONS

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

4.6 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.

4.7 RISKS IN RELATION TO THE SECURITY; SECURITY MAY BE INSUFFICIENT TO REDEEM THE DEBENTURES; RISKS IN RELATION TO MAINTENANCE OF SECURITY COVER OR FULL RECOVERY OF THE SECURITY IN CASE OF ENFORCEMENT

Not applicable. The Debentures are unsecured and represent unsecured and subordinated obligations of the Issuer.

4.8 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.

4.9 LEGALITY OF PURCHASE

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

4.10 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.

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4.11 RISKS RELATED TO THE BUSINESS OF THE ISSUER

- a) The Issuer's business operations involve transactions with relatively high risk borrowers. Any default from the Issuer's customers could adversely affect the Issuer's business, results of operations and financial condition.**

The Issuer offers a wide range of financial products and services that address the specific financing requirements of low and middle income individuals as well as micro, small, and medium enterprises. Similarly, two-wheeler loans are principally focused on first time users with limited access to capital through formal banking channels. A significant portion of the Issuer's customer base is typically less economically stable than large corporates, and as a result, is usually adversely affected by declining economic conditions. Earning capacity of customers in these segments depends on various macro and micro economic factors that affect them from time to time. The Issuer has a greater risk of loan defaults and losses in the event there are adverse economic conditions which may have a negative effect on the ability of the Issuer's borrowers to make timely payments of their loans.

A significant portion of the Issuer's target customers typically have limited access to credit with limited to no prior credit history. As a result, the Issuer is more vulnerable to customer default risks including delay in repayment of principal or interest on our loans. Although the Issuer has its own customised due diligence and credit analysis procedures, there can be no assurance that the Issuer will be able to ensure a lower delinquency rate. The Issuer's profitability depends on its ability to evaluate the right income levels of its customers, assess the credit risks and to price the loans accordingly. The Issuer's customers may default on their obligations as a result of various factors including bankruptcy, insolvency, lack of liquidity and/or failure of the business or commercial venture in relation to which such borrowings were sanctioned. Certain product segments and micro-enterprise loans in particular, are mostly unsecured and are susceptible to higher levels of credit risks. Additionally, although the Issuer's SME, two-wheeler and Commercial Vehicle segments involve certain collateral, the Issuer may still be exposed to defaults in payment, which the Issuer may not be able to fully recover. If the Issuer's borrowers fail to repay loans in a timely manner or at all, the Issuer's business prospects, financial condition and results of operations will be adversely impacted.

- b) *The Issuer's inability to maintain relationships with our sourcing intermediaries could have an adverse effect on its business, prospects, results of operations and financial condition.***

In addition to the Issuer's sales team, the Issuer has entered into commercial arrangements with a large number of sourcing intermediaries, which include commission based DSAs, as well as revenue sharing arrangements with various dealers and distributors where part of loan default is guaranteed, by the sourcing partner. However, there can be no assurance that the guarantee provided by such sourcing partners would be sufficient to cover the loan defaults. If the Issuer is unable to provide services required by these sourcing intermediaries on a timely basis or offer products that meet the needs of their customers, the number of such arrangements and amount of loans originated by them, could decrease and adversely affect the Issuer's business, prospects, financial condition and results of operations.

These are non-exclusive arrangements and our loan origination is dependent to an extent on continuing such relationships on commercially reasonable terms. There can be no assurance that the Issuer will be successful in maintaining its relationships with these sourcing intermediaries or increasing the number of sourcing intermediaries we work with. These sourcing intermediaries could originate loans for the Issuer's competitors thereby adversely affecting our business prospects. In addition, sourcing intermediaries may not be able to effectively market our loan products, and any misbehaviour or misrepresentation by these sourcing intermediaries to the customers may impair or harm our reputation. If our relationships with these sourcing intermediaries are discontinued or such arrangements are affected or modified, the Issuer's ability

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to originate loans may be affected which may in turn adversely affect its business, prospects, financial condition and results of operations.

- c) *The quality of the Issuer's portfolio may be impacted due to higher levels of NPAs and its business may be adversely affected if the Issuer is unable to provide for such higher levels of NPAs.***

There can be no assurance that the Issuer's future NPA ratios will be consistent with its past experience or at levels that will maintain the Issuer's profitability. Also, there can be no assurance that the Issuer will be able to maintain its NPA ratios at levels with the credit performance of its customers, or at which the Issuer's credit and underwriting analysis, servicing and collection systems and controls will be adequate. The Issuer may not be successful in its efforts to improve collections and/or recover existing NPAs. In addition, the Issuer may experience greater defaults in principal and/or interest repayments in future. Thus, if the Issuer is unable to maintain our level of NPAs, the overall quality of our loan portfolio may deteriorate and our results of operations may be adversely affected.

Moreover, there can also be no assurance that there will be no deterioration in the Issuer's provisioning coverage as a percentage of gross NPAs or otherwise, or that the percentage of NPAs that the Issuer will be able to recover will be similar to its past experience of recoveries of NPAs. In the event of any further deterioration in the Issuer's NPA portfolio, or if the Issuer's provisioning coverage is insufficient to cover its existing or future levels of NPAs, the Issuer's ability to raise additional capital and debt funds as well as its business prospects, financial condition and results of operations could be adversely affected.

In addition, any adverse regulatory developments relating to the assessment and recognition of NPAs and provisioning therefore may have an adverse effect on the Issuer's financial performance.

- d) *The Issuer's business requires substantial funds, and any disruption in funding sources would have a material adverse effect on our liquidity and financial condition.***

The Issuer's liquidity and profitability are, in large part, dependent upon its timely access to, and costs associated with raising capital. The Issuer's funding requirements historically have been met from a combination of term loans, working capital facilities and assignment or securitization of its portfolio to banks and financial institutions to meet their priority sector and retail lending commitments, commercial paper, cash credit, convertible and non-convertible debentures, as well as equity contributions. On account of priority sector lending, the Issuer believe it has access to funds at relatively lower costs. Any change in RBI regulations on priority sector lending, or the Issuer's inability to maintain relationships with such banks, could adversely affect its results of operations and financial condition. The Issuer's business depends and will continue to depend on its ability to access diversified low cost funding sources. As a financial services company, the Issuer faces certain additional regulatory restrictions on its ability to obtain financing from banks.

Pursuing the Issuer's growth strategy and introducing new product offerings to its customers will have an impact on the Issuer's long-term capital requirements. With the growth of the Issuer's business, the Issuer may be increasingly reliant on funding from debt capital markets. The market for such funds is competitive and the Issuer's ability to obtain funds at competitive rates will depend on various factors. If the Issuer is unable to access funds at an effective cost that is comparable to or lower than its competitors, it may not be able to offer competitive interest rates for its loans. The Issuer's ability to raise funds on acceptable terms and at competitive rates continues to depend on various factors, including the regulatory environment and policy initiatives in India, lack of liquidity in the market, developments in the international markets affecting the Indian economy, investors' and/or lenders' perception of demand for debt and equity securities of NBFCs, and its current and future results of operations and financial condition. If the Issuer is unable to obtain adequate financing or financing on terms satisfactory to the Issuer and in a timely manner, the Issuer's ability to grow or support its business and to respond to business challenges could be limited and our business prospects, financial condition and results of operations would be

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materially and adversely affected.

- e) As part of the Issuer's business strategy, it has assigned or securitized a significant portion of the receivables from its loan portfolio to banks and other financial institutions. Any deterioration in the performance of any portfolio of receivables assigned to banks and other institutions may affect its ability to conduct further assignment and securitization and thus adversely impacting its business prospects, financial condition and results of operations.***

The Issuer has assigned or securitized a significant portion of the receivables from its loan portfolio (typically fixed interest loans that are standard assets) to banks and other institutions to obtain funding and minimise its risk. The banks purchase the Issuer's portfolio to meet their priority sector and retail lending commitments. These securitization and assignment transactions are conducted on the basis of the Issuer's internal estimates of its funding requirements, and may vary from time to time. Any deterioration in the performance of any batch of receivables assigned to banks could adversely affect the Issuer's credibility and hence the Issuer's ability to conduct further assignments and securitizations. The Issuer may also be named as a co-plaintiff in legal proceedings initiated by an assignee in relation to the securitized assets. Also, there can be no assurance that the Issuer's future NPA ratios will be consistent with prior experience or at levels that will enable the Issuer to maintain its current quality of loan portfolio. This could have an adverse impact on the Issuer's business prospects, financial condition and results of operations and our assignment and securitization plans in the future.

- f) The Issuer's financial performance is subject to interest rate risk, and an inability to manage its interest rate risk may have a material adverse effect on its interest income from financing activities, thereby adversely affecting our business prospects and financial performance.***

The Issuer's results of operations, including its interest income from financing activities are dependent on its ability to manage its interest rate risk. The Issuer's various financing products provide a range of loans at fixed or floating rates of interest. The Issuer's funding arrangements also include both fixed and floating rate borrowings.

Since the Issuer's financing products involve both floating and fixed rates, an inability to match its borrowing profile with its loan product portfolio may lead to various risks such as, increase in interest rate. The Issuer's net interest income from financing activities and net interest margin would be adversely impacted in case of an increase in interest rate, if the yield on the Issuer's interest-earning assets does not increase simultaneously with or to the same extent as the Issuer's cost of funds. In the event of a declining interest rate environment, if the Issuer's cost of funds does not decline simultaneously or to the same extent as the yield on its interest-earning assets, it could adversely impact the Issuer's interest income from financing activities and net interest margin. Additional risks arising from increasing interest rates, among others, include:

- increase in the rates of interest charged (where floating rates are typically used) on certain financing products in the Issuer's product portfolio, which could result in the extension of loan maturities and higher monthly instalments due from borrowers which, in turn, could result in higher rates of default;
- increase in defaults resulting from extension of loan maturities and higher monthly instalments due from borrowers;
- reduction in the volume of loan disbursements as a result of a customer's inability to service high interest rate payments;
- inability to raise low cost funds as compared to some of the Issuer's competitors, who may have access to lower cost deposits; and
- inability to collect anticipated interest amount in case of prepayment of loans by the Issuer's customers.

Interest rates are highly sensitive and fluctuations thereof are dependent upon many factors which are beyond the Issuer's control, including the monetary policies of the RBI, de-regulation of the

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financial services sector in India, domestic as well as international economic and political conditions, inflation and other factors. Interest rates in India have been volatile in the past. There can be no assurance that the Issuer will be able to adequately manage its interest rate risk. If the Issuer is unable to effectively manage its interest rate risks, it could have an adverse effect on the Issuer's net interest margin, thereby adversely affecting the Issuer's business prospects, financial condition and results of operations.

g) *The success of the Issuer's business operations is dependent on its senior management team and key management personnel as well as its ability to attract, train and retain employees.*

The continued success of the Issuer's business operations is attributable to its senior management team and key management personnel. The Issuer believes that the experience of its senior management team has enabled it to experience consistent growth and profitability as well as maintain a robust liquidity and capital position. The ability of the Issuer to sustain its growth depends upon its ability to attract and retain key personnel, developing managerial experience to address emerging business and operating challenges and ensuring a high standard of customer service. Hiring and retaining such personnel who are qualified and experienced in credit-appraisal and asset valuation, in the vehicle finance sector and affordable housing segment, may be difficult. The Issuer may also face attrition of its existing workforce as a result of increased competition or other factors relating to the Issuer's businesses. If the Issuer cannot hire additional qualified personnel or retain them, its ability to expand its business will be impaired and the Issuer's revenue could decline.

The Issuer will need to recruit new employees, who will have to be trained and integrated into its operations. The Issuer will also have to train existing employees to adhere properly to internal controls and risk management procedures. Failure to train and motivate its employees properly may result in an increase in employee attrition rates, require additional hiring, erode the quality of customer service, divert management resources, increase its exposure to high-risk credit and impose significant costs on the Issuer. The Issuer also has temporary sales, marketing and recovery personnel (including proprietorships) who work for the Issuer on a commission basis. However, a change in law or regulations which may result in these employees being regarded as a part of the Issuer's work force, hence making the Issuer liable for social welfare payments. Any inability to attract and retain talented employees, or the resignation or loss of key management personnel, or retain the Issuer's temporary personnel at commercially viable terms, may have an adverse impact on the Issuer's business, future financial performance and the price of the Issuer's equity shares.

h) *The Issuer's risk management measures may not be fully effective in mitigating its risks in all market environments or against all types of risks, which may adversely affect its business and financial performance.*

The Issuer is exposed to a variety of risks, including liquidity risk, interest rate risk, credit risk, operational risk and legal risk. The effectiveness of our risk management is limited by the quality and timeliness of available data. The Issuer's hedging strategies and other risk management techniques may not be fully effective in mitigating its risks in all market environments or against all types of risk, including risks that are unidentified or unanticipated. Some methods of managing risks are based upon observed historical market behaviour. As a result, these methods may not predict future risk exposures, which could be greater than the historical measures indicated. Other risk management methods depend upon an evaluation of information regarding markets, customers or other matters. This information may not in all cases be accurate, complete, current, or properly evaluated. Management of operational, legal or regulatory risk requires, among other things, policies and procedures to properly record and verify a number of transactions and events.

Many of the Issuer's customers may not have any credit history supported by tax returns, bank or credit card statements, statements of previous loan exposures, or other related documents, have limited formal education, and may only be able to furnish limited information for the Issuer to assess their creditworthiness accurately. In addition, the Issuer may not receive updated

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information regarding any change in their financial condition or may receive inaccurate or incomplete information as a result of any fraudulent misrepresentation. It is therefore, difficult to carry out credit risk analyses on the Issuer's customers. Although the Issuer has established stringent policies and procedures, they may not be fully effective.

- i) *The Issuer's business may be affected by seasonal trends in the Indian economy. Any significant event such as unforeseen floods, earthquakes, epidemics or economic slowdowns during peak seasons would materially and adversely affect the Issuer's results of operations and growth strategies.***

The Issuer's business operations and the non-banking financial services and housing finance industries may be affected by seasonal trends in the Indian economy. The Issuer has recently commenced extending term loans to farmers for purchase of new tractors, agricultural equipment, related accessories and implements. The Issuer intends to expand its presence in the agricultural value chain financing industry by offering products to cover the long term and short term credit needs in all aspects of agriculture. The Issuer's agricultural value chain product lending segment's growth strategy will be significantly impacted by traditional crop seasons in India. In India, majority of farmers depend on the monsoon for cultivation owing to the reduced access to artificial irrigation. Generally, the period from October to March is the peak period in India for retail economic activity. The Issuer's disbursements are likely to be highest in this period. This increased or seasonal activity is the result of several holiday periods, improved weather conditions, crop harvests and the business conditions the Issuer's customers operate in. The Issuer generally experiences higher volumes of business during this period. Any significant event such as unforeseen floods, earthquakes, epidemics or economic slowdowns during this peak season would materially and adversely affect the Issuer's business prospects, financial condition and results of operations. During these periods, the Issuer may continue to incur operating expenses, but its revenue from operations may be delayed or reduced.

- j) *The Issuer has provided corporate guarantees in relation to certain loans obtained by its subsidiary and any default by our subsidiary may result in invocation of the parent guarantee.***

We have provided corporate guarantees as security in relation to certain loans obtained by MAS Rural Housing & Mortgage Finance Limited ("MRHMFL"), any default by MRHMFL in meeting its obligations under any of these loans may result in the invocation of the corresponding corporate guarantee against the Issuer. The Issuer may accordingly be obligated to undertake the obligations of MRHMFL in relation to this loan, which may affect the Issuer's business prospects, financial condition, results of operations and cash flows.

- k) *Insurance obtained by the Issuer may not adequately protect it against all losses and could adversely affect its business prospects, financial condition and results of operations.***

The Issuer maintains insurance coverage that the Issuer believe is in accordance with industry standards. The Issuer's insurance policies, however, may not provide adequate coverage in certain circumstances and are subject to certain deductibles, exclusions and limits on coverage. The Issuer has taken a corporate cover policy including a fidelity guarantee policy which covers all its employees. The Issuer has a money insurance policy in respect of cash in safe and in transit. In addition, the Issuer's directors are insured under a directors' and officers' liability insurance policy. The Issuer also maintain insurance coverage against losses occasioned by fire, burglary for the premises and equipment in its offices, public liability insurance, group and personal accident insurance covering its employees. There can however be no assurance that the terms of the insurance policies will be adequate to cover any loss suffered by the Issuer or that such coverage will continue to be available on reasonable terms or will be available in sufficient amounts to cover one or more large claims, or that the insurer will not disclaim coverage as to any future claim. A successful assertion of one or more large claims against the Issuer that exceeds its available insurance coverage or changes in the Issuer's insurance policies, including premium increases or the imposition of a larger deductible or co-insurance requirement, could adversely affect the

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Issuer's business prospects, financial condition and results of operations.

4.12 TRADING OF THE NCDS MAY BE LIMITED BY TEMPORARY EXCHANGE CLOSURES, BROKER DEFAULTS, SETTLEMENT DELAYS, STRIKES BY BROKERAGE FIRM EMPLOYEES AND DISPUTES.

The Indian stock exchanges have experienced temporary exchange closures, broker defaults, settlement delays and strikes by brokerage firm employees. In addition, the governing bodies of the Indian stock exchanges have from time to time imposed restrictions on trading in certain securities, limitations on price movements and margin requirements. Furthermore, from time to time, disputes have occurred between listed companies and stock exchanges and other regulatory bodies, which in some cases may have had a negative effect on market sentiment.

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

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

4.14 IN CASE OF OUTSTANDING DEBT INSTRUMENTS OR DEPOSITS OR BORROWINGS:

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

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

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

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

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

OTHERS: A failure to observe the covenants under the Issuer's financing arrangements or to obtain necessary consents required thereunder may lead to the termination of the Issuer's credit facilities, acceleration of all amounts due under such facilities and the enforcement of any security provided. Any acceleration of amounts due under such facilities may also trigger cross default provisions under the Issuer's other financing agreements. If the obligations under any of the Issuer's financing documents are accelerated, the Issuer may have to dedicate a substantial portion of the Issuer's cash flow from operations to make payments under such financing documents, thereby reducing the availability of cash for the Issuer's working capital requirements and other general corporate purposes. Further, during any period in which the Issuer is in default, the Issuer may be unable to raise, or face difficulties raising, further financing. Any of these circumstances could adversely affect the Issuer's business, credit rating and financial condition, cash flows and results of operations. If the Issuer fails to meet its debt service obligations or covenants provided under the financing agreements, the relevant lenders could declare the Issuer to be in default under the terms of the Issuer's agreements or accelerate the maturity of the Issuer's obligations. the Issuer cannot assure the Investors that, in the event of any such acceleration, the Issuer will have sufficient resources to repay the borrowings.

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SECTION 5: FINANCIAL STATEMENTS

The audited financial statements of the Issuer for the year ended March 31, 2021, March 31, 2020 and March 31, 2019, and the limited review financial statements as of June 30, 2021 are set out in **Annexure V** hereto.

*As Board meeting is yet to be held for approving financial result for the quarter and half year ended September 30, 2021 the same is not yet updated.

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SECTION 6: REGULATORY DISCLOSURES

This Placement 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 the SEBI Debt Listing Regulations (including Schedule II thereof).

6.1 The Issuer shall file the following documents along with the listing application to the stock exchange and with the Debenture Trustee:

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

- (a) Placement Memorandum;
- (b) Memorandum of Association and Articles of Association;
- (c) Copy of the requisite board/ committee resolutions authorizing the borrowing and list of authorised signatories for the allotment of securities;
- (d) Copy of last three years Annual Reports;
- (e) Statement containing particulars of, dates of, and parties to all material contracts and agreements;
- (f) An undertaking from the issuer stating that the necessary documents for creation of the charge, wherever applicable, including the Trust Deed has been executed within the time frame prescribed in the relevant regulations/Act/rules etc. and the same would be uploaded on the website of the designated stock exchange, where such securities have been proposed to be listed;
- (g) In case of debt securities, an undertaking that permission / consent from the prior creditor for a second or pari passu charge being created, wherever applicable, in favour of the debenture trustee to the proposed issue has been obtained;
- (h) Any other particulars or documents that the recognized stock exchange may call for as it deems fit.
- (i) Due diligence certificate from the Debenture Trustee in the format as specified in Schedule IV of the Debt Listing Regulations.
- (j) Due diligence certificate from the Debenture Trustee as per the format specified in Annexure B of the SEBI Due Diligence Circular.

6.2 The following documents have been / shall be submitted to BSE at the time of filing the draft of this Placement Memorandum:

Due diligence certificate from the Debenture Trustee as per the format specified in Annexure A of the SEBI Due Diligence Circular and the format as specified in Schedule IV of the Debt Listing Regulations.

6.3 Details of credit rating along with reference to the rating letter issued (not older than one month on the date of the opening the issue) by the rating agencies in relation to the issue shall be disclosed.

The Debentures have been rated **CARE A+; Stable (Single A Plus; Stable)** by CARE Ratings Ltd. The rating letter, press release and the rating rationale from the Rating Agency is provided in **Annexure II**.

6.4 Name(s) of the stock exchange(s) where the non-convertible securities are proposed to be listed and the details of their in-principle approval for listing obtained from these stock exchange(s).

The Debentures are proposed to be listed on the WDM segment of BSE within 4 (four) Business Days from the Issue Closing Date. 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 Recovery Expense Fund shall be created by the Issuer with BSE.

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The in-principle approval from BSE is provided in **Annexure XI**.

6.5 Issue Schedule:

PARTICULARS	DATE
Issue Opening Date	October 20, 2021
Issue Closing Date	October 20, 2021
Pay In Date	October 20, 2021
Deemed Date of Allotment	October 20, 2021

6.6 Name, logo, addresses, website URL, email address, telephone number and contact person of:

(a) Debenture Trustee to the Issue

Name	Catalyst Trusteeship Limited
Logo	
Address	Windsor, 6th floor, Office No.604, C.S.T Road, Kalina, Santacruz (East) Mumbai 400098
Website	www.catalysttrustee.com
E-mail address	deesha.trivedi@ctltrustee.com
Telephone Number	022-49220506
Contact Person Details	Ms. Deesha Trivedi

(b) Credit Rating Agency for the Issue


Name	CARE Ratings Ltd.
Logo	
Address	4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (East), Mumbai - 400 022.
Website	www.careratings.com
E-mail address	janki.aswani@careratings.com
Telephone Number	022- 6837 4400
Contact Person Details	Ms. Janki Aswani

(c) Registrar the Issue

Name	Link Intime India Pvt. Ltd.
Logo	
Address	C-101, 1 st Floor, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400083
Website	www.linkintime.co.in
E-mail address	chandrashanker.r@linkintime.co.in
Telephone Number	079 26465179
Contact Person Details	Mr. Chandrasekhar

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(d) **Statutory Auditors**

Name	Mukesh M. Shah & Co.
Logo	
Address	7 th Floor, Heritage Chambers, Azad Society Road, B/h Bikanerwala / Sahajanand College, Nehrunagar, Ambawadi, Ahmedabad – 380015
Website	www.mmsco.in
E-mail address	Mukesh@mmsco.in
Telephone Number	(079) 26472002
Contact Person Details	CA Mukesh Shah

(e) **Legal Counsel**

Name	N. A. The Issuer has been advised by its in-house legal and compliance team.
Logo	N. A
Address	N. A
Website	N. A
E-mail address	N. A
Telephone Number	N. A
Contact Person Details	N. A

(f) **Guarantor**

Name	Not Applicable
Logo	
Address	
Website	
E-mail address	
Telephone Number	
Contact Person Details	

(g) **Arrangers**

Name	N. A
Logo	N. A
Address	N. A
Website	N. A
E-mail address	N. A
Telephone Number	N. A
Contact Person Details	N. A

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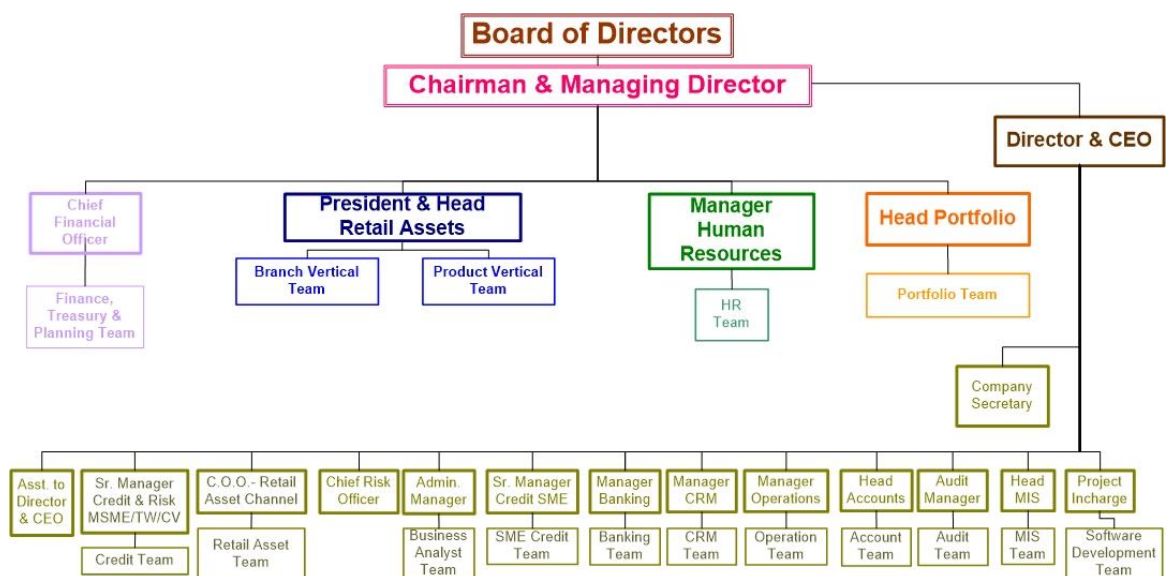
6.7 About the Issuer

(A brief summary of the business / activities of the Issuer and its subsidiaries with the details of branches or units if any and its line of business containing at least following information)

(a) Overview of the business of the Issuer

MAS Financial Services Limited ("the Company" or "MAS") has been engaged in specialized retail financing services for over two decades. The Company's inception dates back to 1995, when it was registered with the Reserve Bank of India as an NBFC. Catering to the financial needs of lower income and middle-income groups of society, MAS offers a range of retail financing products for Micro Enterprises and Small and Medium Enterprises, Two-Wheeler Loans, Used Car Loans and Commercial Vehicle Loans. With a presence across urban, semiurban and rural areas, the Company provides credit solutions for both the formal and informal sectors. With its network of 99 branches, as at end September 2021, MAS catering in more than 3,450 centers, in an endeavour to fulfill its quest to take top-class services to the doorstep of the people of India. These touch points are spread across the states of Gujarat, Maharashtra, Rajasthan, Madhya Pradesh, Tamil Nadu, Karnataka and NCT of Delhi. Targeting a significant market share of the financial services space, MAS has been putting in place systems and processes that enable the Company to expand its distribution and assess various perspectives of credibility, in the absence of proper and systematic credit documents, including creditworthiness through other channels. It also leverages the distribution network of its partner NBFCMFIs/ NBFCs/HFCs/franchisees, thus tapping the emerging opportunity by extending financial services to underpenetrated regions and the BOP segment.

(b) Corporate Structure of the Issuer



Board of Directors

Mr. Kamlesh C. Gandhi - Founder, Chairman & Managing Director

He manages the Company with the guidance and support of the Board. He is a proficient and experienced industry practitioner with a brilliant track record. He has over two decades managed and propelled the Company's growth. His understanding and vision is among the key enablers for the consistent performance of the Company. He is also the Director of Finance Industry Development Council (FIDC).

Mrs. Darshana S. Pandya - Director & CEO

She is responsible for leading the operations at MAS and also the relationship of the Company with its more than 100 NBFC-MFI & NBFC Partners. She is a commerce graduate who joined the Company in 1996 as a junior executive and through her hard work, immaculate working and

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determination to excel, accompanied by enabling support from the management; rose to the level of Director & CEO.

Mr. Balabhaskaran N. Nair - Independent Director

He is a management graduate with two decades of experience in the consultancy and financial sector. He has a number of management consultancy inputs from his rich experience. He has done his engineering from IIT-Madras, MBA from IIM-Bangalore and CFA from ICFAI.

Mr. Chetan R. Shah - Independent Director

He holds bachelor's degrees in commerce and law (general) from Gujarat University. He is also a qualified chartered accountant registered with the Institute of Chartered Accountants of India. He has over 34 years of experience in the financial services sector and has in the past worked with the Natpur Co-operative Bank as the Manager – Finance.

Mr. Umesh R. Shah - Independent Director

He is a Chartered Accountant. He has more than three decades of experience in the diverse fields connected with Finance, Accounting, Auditing and Taxation. He also has 5 years hands-on experience of working in an NBFC.

Mrs. Daksha Niranjana Shah - Independent Director

She is a business graduate from Indian Institute of Management (IIM), Ahmedabad, specialising in Finance and Marketing and also a student of Economics and Statistics. She has rich experience of more than three decades in diversified fields of Textile, Chemical and Financial services. She has undergone various courses such as the course in Microfinance at the Economic Institute, Boulder, Colorado, USA.

- (c) **Project cost and means of financing, in case of funding of new projects:** Not applicable.

6.8 Financial Information

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

Note: Listed issuers (whose debt securities or specified securities are listed on recognised stock exchange(s)) in compliance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, may disclose unaudited financial information for the stub period in the format as prescribed therein with limited review report in the placement memorandum, as filed with the stock exchanges, instead of audited financial statements for stub period, subject to making necessary disclosures in this regard in placement memorandum including risk factors: N.A. The latest audited financial statements for the financial year ending March 31, 2021 have been disclosed. Further, the limited review financial statements as of June 30, 2021 have also been disclosed.

Standalone Financials and Cash flows

STANDALONE BALANCE SHEET	As at	As at	As at	As at
	30-June-21	31-Mar-21	31-Mar-20	31-Mar-19
ASSETS				
Financial assets				
Cash and cash equivalents	77,623	96,505	1,02,478	35,577
Bank balance other than cash and cash equivalents	3,455	3,181	191	1,279
Loans	381,517	3,80,513	3,34,847	3,21,854

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Investments	23,974	23,503	3,750	2,227
Other financial assets	4,002	4,765	7,799	3,411
Total financial assets	490,572	5,08,467	4,49,064	3,64,348
Non-financial assets				
Income tax assets (net)	592.4	592	221	95
Deferred tax assets (net)	2,142	2,117	1,498	-
Property, plant and equipment	1,054	1,081	1,199	1,141
Capital work-in-progress	5,061	5,003	4,821	4,564
Right-of-use asset	25.97	38	128	-
Other intangible assets	6.98	9	11	11
Other non-financial assets	342.74	453	235	196
Total non-financial assets	9,225	9,292	8,114	6,008
Total assets	499,797	5,17,760	4,57,178	3,70,355
LIABILITIES AND EQUITY				
LIABILITIES				
Financial liabilities				
Payables				
(I) 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	769	757	753	553
(II) Other 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	41,363	31,412	-	-
Borrowings (other than debt securities)	273,444	2,91,975	2,52,021	1,95,983
Subordinated liabilities	5,998	5,997	5,989	5,982
Other financial liabilities	50,872	63,254	90,694	72,419
Total financial liabilities	372,446	3,93,394	3,49,457	2,74,937
Non-financial liabilities				
Current tax liabilities (net)	1,367	1,177	-	1,621
Provisions	411	396	46	16
Deferred tax liabilities (net)	-	-	-	861
Other non-financial liabilities	4,548	5,536	9,584	1,939
Total non-financial liabilities	6,326	7,109	9,630	4,436
Total liabilities	378,772	4,00,503	3,59,087	2,79,373
EQUITY				
Equity share capital	5,466	5,466	5,466	5,466
Other equity	115,559	1,11,791	92,624	85,516
Total equity	121,025	1,17,257	98,090	90,982

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Total liabilities and equity	499,797	5,17,760	4,57,178	3,70,355
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		(Rs. in Lakhs)			
	STANDALONE STATEMENT OF PROFIT AND LOSS	As at	As at	As at	As at
		30-June-21	31-Mar-21	31-Mar-20	31-Mar-19
I.	Revenue from operations				
	Interest income	12,826	48,307	55,509	46,452
	Gain on assignment of financial assets	1,490	8,059	10,117	9,414
	Fees and commission income	384	2,796	1,574	1,367
	Net gain on fair value changes	73	56	-	-
	Total revenue from operations	14,773	59,218	67,200	57,233
	Other income	77	171	72	25
	Total income	14,850	59,389	67,272	57,258
II.	Expenses				
	Finance costs	6,994	26,449	27,220	20,413
	Fees and commission expense	94	624	602	404
	Impairment on financial assets	1,410	7,489	8,247	5,453
	Employee benefits expenses	855	2,973	5,241	4,715
	Depreciation and amortization	48	213	232	129
	Others expenses	496	2,352	2,914	2,751
	Total expenses	9,896	40,100	44,456	33,865
	Profit before exceptional items and tax (I - II)	4,953	19,289	22,816	23,393
	Exceptional items	-	-	-	-
III.	Profit before tax	4,953	19,289	22,816	23,393
IV.	Tax expense:				
	Current tax	1,273	5,810	6,292	8,226
	Short / (excess) provision for tax relating to prior years	-	-	(96)	9
	Net current tax expense	1,273	5,810	6,196	8,235
	Deferred tax (credit) / charge	(3)	(871)	(35)	(54)
	Net tax expense	1,271	4,939	6,161	8,181
V.	Profit for the year (III - IV)	3,683	14,350	16,655	15,212
VI.	Other comprehensive income				
	(A) Items that will not be reclassified to profit or loss:				
	Remeasurement of the defined benefit liabilities	17	67	(30)	(15)
	Income tax impact on above	(4)	(17)	7	5
	Net gain on equity instruments measured through other comprehensive income	-	-	-	(1)
	Income tax impact on above	-	-	-	0
	Total (A)	13	50	(22)	(10)
	(B) Items that will be reclassified to profit or loss:				
	Loans and advances through other comprehensive	(106)	936	658	(994)

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	Income				
	Income tax impact on above	27	(236)	(166)	347
	Total (B)	(79)	701	492	(647)
	Other comprehensive income (A+B)	66	751	470	(657)
VII.	Total comprehensive income (V + VI)	3,616	15,101	17,126	14,555
VIII.	Earnings per equity share (of Rs. 10 each):				
	Basic (Rs.)	6.74	26.25	30.47	27.83
	Diluted (Rs.)	6.74	26.25	30.47	27.83

	STANDALONE STATEMENT OF CASH FLOWS	Year ended		Year ended		Year ended	
		31-Mar-21		31-Mar-20		31-Mar-19	
A.	CASH FLOW FROM OPERATING ACTIVITIES						
	Net profit before tax		19,289		22,816		23,393
	Adjustments for :						
	Depreciation and amortisation	213		232		129	
	Finance cost	26,449		27,220		20,413	
	Provision for impairment on financial assets	4,068		2,257		1,449	
	Loss assets written off (net)	3,421		5,991		4,004	
	(Profit) / loss on sale of property, plant and equipment	1		1		(2)	
	Loss on sale of repossessed assets	351		347		200	
	Interest income	(43,935)		(52,414)		(44,426)	
	Interest income from bank deposits	(2,914)		(1,155)		(654)	
	Income received in advance	9		(19)		(20)	
	Income from debt component of OCPS investment in subsidiary	(91)		(33)		-	
	Interest income from NCD measured at amortised cost	(39)		(8)		-	
	Interest income from pass through certificates	(2)		-		-	
	Financial guarantee commission income	(3)		(5)		(14)	
	Dividend income	(39)		(6)		(3)	
	Gain on derecognition of leased asset	(3)		(1)		-	
	Net gain on equity instruments measured through other comprehensive income	-		-		(1)	
			(12,514)		(17,594)		(18,923)
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		6,775		5,222		4,470

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	Changes in working capital:						
	Adjustments for (increase)/decrease in operating assets:						
	Loans	(51,072)		(17,256)		(72,223)	
	Advances received against loan agreements	(10,023)		10,023		-	
	Deposits given as collateral	1		(14)		297	
	Bank balance other than cash and cash equivalents	33		1,001		(989)	
	Other financial asset	(363)		-		-	
	Other non-financial asset	(503)		(415)		(176)	
	Adjustments for increase/(decrease) in operating liabilities:						
	Trade payables	4		200		231	
	Security deposits from borrowers	(18,283)		(1,162)		7,459	
	Other financial and non-financial liabilities	(3,328)		8,794		5,169	
	Provisions	353	(83,181)	30	1,201	(60)	(60,292)
	CASH GENERATED FROM / (USED IN) OPERATIONS		(76,406)		6,424		(55,823)
	Interest income received	50,251		46,924		43,532	
	Dividend received	39		6		3	
	Interest income on Investment measured at amortised cost	42		5		-	
	Finance cost paid	(26,452)		(26,508)		(20,584)	
	Income tax paid (net)	(5,004)	18,876	(7,943)	12,484	(7,103)	15,847
	NET CASH FLOW GENERATED FROM / (USED IN) OPERATING ACTIVITIES (A)		(57,530)		18,908		(39,976)
B.	CASH FLOW FROM INVESTING ACTIVITIES						
	Acquisition of property, plant and equipments and intangible assets, including capital advances	(201)		(454)		(193)	
	Proceeds from sale of property, plant and equipments and intangible assets	0		1		4	
	Change in Earmarked balances with banks	(3,023)		87		732	
	Interest income from bank deposits	2,914		1,155		813	
	Purchase of investments at amortised cost	(19,663)		(500)		(900)	
	Purchase of optionally convertible preference shares ("OCPS") in subsidiary	-		(1,000)		-	

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	Proceeds from redemption of equity instruments	-		-		10	
	NET CASH FLOW GENERATED FROM / (USED IN) INVESTING ACTIVITIES (B)		(19,974)		(711)		466
C.	CASH FLOW FROM FINANCING ACTIVITIES						
	Proceeds from debt securities and borrowings	1,22,900		95,425		67,490	
	Repayments of borrowings	(74,114)		(42,349)		(21,522)	
	Net increase in working capital borrowings	22,826		3,316		27,780	
	Repayment of lease liabilities	(81)		(89)		-	
	Dividends paid including dividend distribution tax	-		(7,648)		(2,408)	
	CASH FLOW GENERATED FROM / (USED IN) FINANCING ACTIVITIES (C)		71,531		48,655		71,340
	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)		(5,973)		66,852		31,830
	Cash and cash equivalents at the beginning of the year		1,02,478		35,626		3,796
	Cash and cash equivalents at the end of the year		96,505		1,02,478		35,626

Consolidated Financials and Cash flows

CONSOLIDATED BALANCE SHEET			
	(Rs. in Lakhs)		
	As at	As at	As at
	31-Mar-21	31-Mar-20	31-Mar-19
ASSETS			
Financial assets			
Cash and cash equivalents	98,711	1,04,586	39,700
Bank balance other than cash and cash equivalents	3,220	193	1,281
Loans	4,06,331	3,60,187	3,48,268
Investments	20,158	500	-
Other financial assets	4,976	8,061	3,578
Total financial assets	5,33,396	4,73,526	3,92,826
Non-financial assets			
Income tax assets (net)	592	223	95
Deferred tax assets (net)	2,256	1,626	69

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Property, plant and equipment	1,145	1,283	1,240
Capital work-in-progress	5,003	4,821	4,564
Right-of-use asset	54	168	-
Other intangible assets	9	12	12
Other non-financial assets	507	318	245
Total non-financial assets	9,567	8,451	6,226
Total assets	5,42,963	4,81,977	3,99,052
LIABILITIES AND EQUITY			
LIABILITIES			
Financial liabilities			
Payables			
(I) 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	829	813	600
(II) Other 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	31,412	-	-
Borrowings (other than debt securities)	3,13,867	2,73,600	2,21,327
Subordinated liabilities	5,997	5,989	5,982
Other financial liabilities	63,467	91,051	73,276
Total financial liabilities	4,15,571	3,71,453	3,01,185
Non-financial liabilities			
Current tax liabilities (net)	1,215	-	1,622
Provisions	397	47	17
Deferred tax liabilities (net)	-	-	861
Other non-financial liabilities	5,745	9,853	1,935
Total non-financial liabilities	7,357	9,900	4,435
Total liabilities	4,22,928	3,81,353	3,05,620
EQUITY			
Equity share capital	5,466	5,466	5,466
Other equity	1,12,522	93,242	86,089
Equity attributable to the owners of the Holding Company	1,17,988	98,708	91,555
Non-controlling interest	2,047	1,916	1,877
Total equity	1,20,035	1,00,624	93,432
Total liabilities and equity	5,42,963	4,81,977	3,99,052

CONSOLIDATED STATEMENT OF PROFIT AND LOSS				
				(Rs. in Lakhs)
		As at	As at	As at
		31-Mar-21	31-Mar-20	31-Mar-19
I.	Revenue from operations			

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	Interest income	51,729	59,283	49,669
	Gain on assignment of financial assets	8,126	10,098	9,414
	Fees and commission income	2,814	1,585	1,375
	Net gain on fair value changes	30	-	-
	Total revenue from operations	62,698	70,965	60,458
	Other income	73	36	12
	Total income	62,771	71,001	60,470
II.	Expenses			
	Finance costs	28,494	29,630	22,366
	Fees and commission expense	624	602	404
	Impairment on financial assets	7,785	8,466	5,544
	Employee benefits expenses	3,503	5,869	5,205
	Depreciation and amortization	257	285	160
	Others expenses	2,511	3,122	2,990
	Total expenses	43,174	47,973	36,669
	Profit before exceptional items and tax (I - II)	19,597	23,028	23,801
	Exceptional items	-	-	-
III.	Profit before tax	19,597	23,028	23,801
IV.	Tax expense:			
	Current tax	5,935	6,391	8,341
	Short / (excess) provision for tax relating to prior years	(0)	(96)	7
	Net current tax expense	5,935	6,295	8,348
	Deferred tax (credit) / charge	(890)	(76)	(8)
	Net tax expense	5,044	6,219	8,340
V.	Profit for the year (III - IV)	14,552	16,809	15,461
	Share of profit attributable to non-controlling interest	(116)	(69)	(107)
	Profit for the year attributable to the owners of the Holding Company	14,436	16,739	15,354
VI.	Other comprehensive income			
	(A) Items that will not be reclassified to profit or loss:			
	Remeasurement of the defined benefit liabilities	75	(34)	(12)
	Income tax impact on above	(19)	9	4
	Net gain on equity instruments measured through other comprehensive income	-	-	(1)
	Income tax impact on above	-	-	0
	Total (A)	57	(25)	(8)
	(B) Items that will be reclassified to profit or loss:			
	Loans and advances through other comprehensive income	960	665	(994)
	Income tax relating to items that will be reclassified to profit or loss	(242)	(167)	347
	Total (B)	719	498	(647)
	Other comprehensive income (A+B)	775	473	(655)
VII.	Total comprehensive income for the year (V + VI)	15,328	17,281	14,806
VIII.	Profit for the year attributable to			
	Owners of the Holding Company	14,436	16,739	15,354
	Non-controlling interest	116	69	107
IX.	Other comprehensive income attributable to			
	Owners of the Holding Company	765	472	(655)
	Non-controlling interest	10	1	1
X.	Total comprehensive income attributable to			

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	Owners of the Holding Company	15,201	17,211	14,698
	Non-controlling interest	126	70	108
XI.	Earnings per equity share (of Rs. 10 each):			
	Basic (Rs.)	26.41	30.62	28.28
	Diluted (Rs.)	26.41	30.62	28.28

		As at		As at		As at	
		31-Mar-21		31-Mar-20		31-Mar-19	
A.	CASH FLOW FROM OPERATING ACTIVITIES						
	Net profit before tax		19,597		23,028		23,801
	Adjustments for :						
	Depreciation and amortisation	257		285		160	
	Finance cost	28,494		29,630		22,366	
	Provision for impairment on financial assets	4,218		2,449		1,465	
	Loss assets written off (net)	3,567		6,018		4,079	
	(Profit) / loss on sale of property, plant and equipment	1		1		(2)	
	Loss on sale of repossessed assets	351		347		200	
	Interest income	(47,294)		(56,070)		(47,417)	
	Interest income from deposits	(2,972)		(1,273)		(729)	
	Income received in advance	9		(19)		(20)	
	Interest income from NCD measured at amortised cost	(39)		(8)		-	
	Interest income from pass through certificates	(2)		-		-	
	Gain on derecognition of leased asset	(3)		(1)		-	
	Net gain on equity instruments measured through other comprehensive income	-		-		(1)	
			(13,413)		(18,642)		(19,898)
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		6,184		4,386		3,903
	Changes in working capital:						
	Adjustments for (increase)/decrease in operating assets:						
	Loans and advances	(51,755)		(16,527)		(78,789)	
	Advances received against loan agreements	(10,021)		10,022		-	
	Deposits given as collateral	1		(14)		297	
	Bank balance other than cash and cash equivalents	21		1,001		(988)	
	Other financial and non-financial asset	(844)		(456)		(187)	
	Adjustments for increase/(decrease) in operating liabilities:						
	Trade payables	16		213		239	
	Security deposits from borrowers	(18,346)		(1,142)		6,340	
	Other financial and non-financial liabilities	(3,404)		8,472		5,410	
	Provisions	350	(83,983)	30	1,598	(67)	(67,745)
	CASH GENERATED FROM / (USED IN) OPERATIONS		(77,799)		5,984		(63,842)
	Interest income received	53,632		50,577		46,491	
	Interest income on Investment measured at amortised cost	42		5		-	
	Finance cost paid	(28,597)		(28,882)		(22,252)	
	Income tax paid (net)	(5,089)	19,988	(8,045)	13,655	(7,198)	17,042

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	NET CASH FLOW FROM / (USED IN) OPERATING ACTIVITIES (A)		(57,811)		19,639		(46,800)
B.	CASH FLOW FROM INVESTING ACTIVITIES						
	Acquisition of property, plant and equipments and intangible assets, including capital advances	(201)		(461)		(200)	
	Proceeds from sale of property, plant and equipment and intangible assets	0		1		4	
	Change in Earmarked balances with banks and other free deposit	(3,048)		87		732	
	Interest income from bank deposits	2,972		1,273		888	
	(Purchase) / Redemption of investments	(19,661)		(500)		10	
	NET CASH FLOW (USED IN) INVESTING ACTIVITIES (B)		(19,939)		399		1,434
C.	CASH FLOW FROM FINANCING ACTIVITIES						
	Proceeds from issue of shares of subsidiary	-		-		200	
	Proceeds from debt securities and borrowings	1,29,110		99,825		84,790	
	Repayments of borrowings	(79,972)		(50,530)		(27,137)	
	Net increase / (decrease) in working capital borrowings	22,848		3,316		24,774	
	Repayment of lease liabilities	(106)		(119)		-	
	Dividends paid including dividend distribution tax	(5)		(7,693)		(2,449)	
	NET CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES (C)		71,875		44,799		80,177
	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)		(5,874)		64,837		34,810
	Cash and cash equivalents at the beginning of the year		1,04,586		39,749		4,938
	Cash and cash equivalents at the end of the year		98,711		1,04,586		39,749

- (b) *Issuers other than unlisted REITs / unlisted InvITs desirous of issuing debt securities on private placement basis and who are in existence for less than three years may disclose financial statements mentioned at (a) above for such period of existence, subject to the following conditions:*

- i. The issue is made on the EBP platform irrespective of the issue size; and*
- ii. The issue is open for subscription only to Qualified Institutional Buyers*

N.A.

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

Please refer **Annexure V** for the audited financial statements for the financial years 2018-19, 2019-20 and 2020-21 and the limited review financial statements as of June 30, 2021 along with the auditor's report along with the requisite schedules, footnotes, summary etc.

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(d) **Key Operational and Financial Parameters on a consolidated basis and standalone basis (in INR, in Lakh)****

1) Consolidated basis unless specifically mentioned on standalone basis:

Particulars	30-Jun-21	FY 2020-21	FY 2019-20	FY 2018-19
Balance Sheet				
Net Fixed assets	6,122.21	6,092.76	6,030.97	5,716.30
Current assets	327,961.35	338,160.92	270,210.08	218,494.56
Non-current assets	165,713.32	173,506.05	180,936.73	146,144.30
Total assets	499,796.88	517,759.73	457,177.78	370,355.16
Non-Current Liabilities	118,984.02	111,845.57	113,895.13	91,083.12
Current Liabilities	259,787.97	288,657.29	245,192.26	188,290.34
Equity (equity and other equity)	121,024.90	117,256.87	98,090.39	90,981.70
Total equity and liabilities	499,796.89	517,759.73	457,177.78	370,355.16
Profit and Loss				
Total revenue	14,849.50	59,388.90	67,271.84	57,258.02
Total Expenses	9,896.23	40,099.61	44,455.64	33,865.07
Total comprehensive income	3,616.23	15,101.08	17,125.59	14,554.77
Profit / loss after tax	3,682.68	14,350.30	16,655.35	15,211.51
Earnings per equity share: (a) basic; and (b)	6.74	26.25	30.47	27.83
Cash Flow				
Net cash generated from operating activities	-10,096.94	-57,529.58	18,907.87	-39,975.92
Net cash used in / generated from investing activities	-166.19	-19,973.99	-710.85	465.99
Net cash used in financing activities	-8,619.11	71,530.59	48,655.45	71,339.63
Cash and cash equivalents	96,505.14	102,478.12	35,625.65	3,795.95
Balance as per statement of cash flows	77,622.90	96,505.14	102,478.12	35,625.65
Additional Information				
Net worth	121,024.90	117,256.87	98,090.39	90,981.70
Cash and Cash Equivalents	77,622.91	96,505.14	102,478.12	35,577.06
Current Investments	9,405.11	6,107.17	500	0
Assets Under Management	516,163.44	537,244.14	596,628.37	533,837.43
Off Balance Sheet Assets	111,453.87	132,268.69	264,079.16	208,678.15
Total Debts to Total assets	0.64	0.64	0.56	0.55
Debt Service Coverage Ratios	N.A.	N.A.	N.A.	N.A.
Interest Income	12,825.51	48,307.24	55,509.01	46,452.03
Interest Expense	6,993.51	26,449.08	27,220.31	20,413.33
Interest service coverage ratio	1.71	1.73	1.84	2.14
Provisioning & Write-offs	1,409.87	7,488.62	8,247.29	5,452.73
Bad debts to Account receivable ratio *	1.24%	0.84%	1.80%	1.23%
Gross NPA (%)	1.82%	1.59%	1.89%	2.04%

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Net NPA (%)	1.18%	0.98%	1.32%	1.62%
Tier I Capital Adequacy Ratio (%)	26.55%	24.81%	29.88%	27.40%
Tier II Capital Adequacy Ratio (%)	1.87%	2.05%	2.09%	1.73%

*Figures annualised for June 21

***As Board meeting is yet to be held for approving financial result for the quarter and half year ended September 30, 2021 the same is not yet updated.*

**On Standalone Basis*

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2) Standalone basis

(INR in Lakh)

Particulars	FY 2020-21	FY 2019-20	FY 2018-19
Balance Sheet			
Net Fixed assets	6,092.76	6,030.97	5,716.30
Current assets	3,38,160.92	2,70,210.08	2,18,494.56
Non-current assets	1,73,506.05	1,80,936.73	1,46,144.30
Total assets	5,17,759.73	4,57,177.78	3,70,355.16
Non-Current Liabilities	1,11,845.57	1,13,895.13	91,083.12
Current Liabilities	2,88,657.29	2,45,192.26	1,88,290.34
Equity (equity and other equity)	1,17,256.87	98,090.39	90,981.70
Total equity and liabilities	5,17,759.73	4,57,177.78	3,70,355.16
Profit and Loss			
Total revenue	59,388.90	67,271.84	57,258.02
Total Expenses	40,099.61	44,455.64	33,865.07
Total comprehensive income	15,101.08	17,125.59	14,554.77
Profit / loss after tax	14,350.30	16,655.35	15,211.51
Earnings per equity share: (a) basic; and (b)	26.25	30.47	27.83
Cash Flow			
Net cash generated from operating activities	-57,529.58	18,907.87	-39,975.92
Net cash used in / generated from investing activities	-19,973.99	-710.85	465.99
Net cash used in financing activities	71,530.59	48,655.45	71,339.63
Cash and cash equivalents	1,02,478.12	35,625.65	3,795.95
Balance as per statement of cash flows	96,505.14	1,02,478.12	35,625.65
Additional Information			
Net worth	1,17,256.87	98,090.39	90,981.70
Cash and Cash Equivalents	96,505.14	1,02,478.12	35,577.06
Current Investments	6,107.17	500.00	0
Assets Under Management	5,37,244.14	5,96,628.37	5,33,837.43
Off Balance Sheet Assets	1,32,268.69	2,64,079.16	2,08,678.15
Total Debts to Total assets	0.64	0.56	0.55
Debt Service Coverage Ratios	N.A.	N.A.	N.A.
Interest Income	48,307.24	55,509.01	46,452.03
Interest Expense	26,449.08	27,220.31	20,413.33
Interest service coverage ratio	1.73	1.84	2.14
Provisioning & Write-offs	7,488.62	8,247.29	5,452.73
Bad debts to Account receivable ratio	0.84%	1.80%	1.23%
Gross NPA (%)	1.59%	1.89%	2.04%
Net NPA (%)	0.98%	1.32%	1.62%
Tier I Capital Adequacy Ratio (%)	24.81%	29.88%	27.40%
Tier II Capital Adequacy Ratio (%)	2.05%	2.09%	1.73%

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(e) **Debt: Equity Ratio of the Issuer**

Before the issue	2.93
After the issue	2.97

6.9 **Details of any other contingent liabilities of the issuer based on the last audited financial statements including amount and nature of liability**

Particulars	Amount (Rs. in lakhs)
I) Guarantees given on behalf of subsidiary company:	
a) To banks	
Amount of guarantees Rs. 1,000 lakhs	
Amount of loans outstanding	107.14
b) To National Housing Bank	
Amount of guarantees Rs. 500 lakhs	
Amount of loan outstanding	144.07

6.10 **A brief history of the Issuer since its incorporation giving details of its following activities:**

(a) **Details of Share Capital as on last quarter end, i.e., September 30, 2021:**

Share Capital	INR
Authorised	
6,40,00,000 Equity Shares of Rs. 10 each	64,00,00,000
2,20,00,000, 0.01% Compulsorily Convertible Cumulative Preference Shares of Rs. 10 each	22,00,00,000
2,20,00,000, 13.31% Compulsorily Convertible Cumulative Preference Shares of Rs. 10 each	22,00,00,000
400, 9.75% Compulsorily Convertible Cumulative Preference Shares of Rs. 1,00,000 each	4,00,00,000
Total Authorised Share Capital	112,00,00,000
Issued, Subscribed and Paid-up	
Issued, Subscribed and Paid-up	54,66,20,430

(b) **Changes in its capital structure as on last quarter end i.e., September 30, 2021, for the last three years:**

Date of Change (AGM/EGM)	Rs.	Particulars
28.01.2014	600,00,000 Equity Shares	Increase in Authorized Share Capital

(c) **Equity Share Capital History of the Company for the last three years:**

Date of Allotment	No. of Equity /Preference Shares	Face Value (Rs)	Issue Price (Rs)	Consideration (Cash, other than cash, etc.)	Nature of Allotment	Cumulative			Remarks
						No. Equity /Preference Shares	Equity /Preference Share Capital (Rs.)	Equity /Preference Share Premium (in Rs.)	
28.01.2014	6000000 Equity Shares	10	-	60000000 Bonus Shares	Cash	59471215	594860900	148750	Nil

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13.05.2016	400 Preference Shares	100000	100000	40000000 Cash	Cash	59471615	63486090 0	148750	Nil
18.11.2016	24000188 Equity Shares	10	-	240001880 Bonus Shares	Cash	83471803	87486278 0	148750	Nil
30.03.2017	2955869 Equity Shares	10	338.31	1000000041 Cash	Cash	86427672	18748628 21	970590101	Nil
19.04.2017	1034553 Equity Shares	10	338.31	349999625 Cash	Cash	87462225	222486244 6	131024419 7	Nil
12.09.2017	25141290 Preference Shares#	10	10	251412900 Conversion of CCCPs	Cash	62320935	19734495 46	131024419 7	Nil
12.09.2017	18329800 Preference Shares#	10	10	183298000 Conversion of CCCPs	Cash	43991135	17901515 46	131024419 7	Nil
12.09.2017	400 Preference Shares#	100000	100000	40000000 Conversion of CCCPs	Cash	43990735	17501515 46	131024419 7	Nil
12.09.2017	1739865 Equity Shares	10	124.93	217355450 Conversion of CCCPs	Cash	45730600	19675069 96	151020688 1	Nil
12.09.2017	1280723 Equity Shares	10	169.71	217355450 Conversion of CCCPs	Cash	47011323	21848624 46	171475115 2	Nil
12.09.2017	87716 Equity Shares	10	456	877160 Conversion of CCCPs	Cash	47099039	22248624 46	175387248 8	Nil
21.09.2017	2470175 Equity Shares	10	202.33	499800000 Conversion of CCCPs	Cash	49569214	27246624 46	222896124 5	Nil
16.10.2017	4923747 Equity Shares	10	459	2259999873 Allotment to Public	Cash	54492961	49846623 19	443972364 8	Nil
16.10.2017	169082 Equity Shares	10	414	699999948 Allotment to Employees	Cash	54662043	546620430	450803277 6	Nil

Notes: # Shares are converted

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Complete Equity / Preference History:

Date of allotment	Type of Security allotted (Equity / Preference)	No. of equity / Preference shares	Face value (Rs.)	Issue price (Rs.)	Amount of issue (in Rs.)	Nature of consideration	Cumulative no. of equity/ Preference shares	Cumulative paid-up share capital (Amount in Rs.)
Incorporation	Equity	700	10	10	7000	CASH	700	7000
01.11.1995	Equity	95500	10	10	955000	CASH	96200	962000
15.12.1995	Equity	232000	10	10	2320000	CASH	328200	3282000
12.01.1996	Equity	227200	10	10	2272000	CASH	555400	5554000
30.03.1996	Equity	221600	10	10	2216000	CASH	777000	7770000
31.03.1996	Equity	914800	10	10	9148000	Other than Cash (Issued against taking stock on hire)	1691800	16918000
02.05.1996	Equity	50500	10	10	505000	CASH	1742300	17423000
01.07.1996	Equity	601000	10	10	6010000	CASH	2343300	23433000
30.09.1996	Equity	631400	10	10	6314000	CASH	2974700	29747000
31.03.1997	Equity	454600	10	10	4546000	CASH	3429300	34293000
22.07.1997	Equity	12700	10	10	127000	CASH	3442000	34420000
31.03.1998	Equity	8800	10	10	88000	CASH	3450800	34508000
11.10.1998	Equity	3800	10	10	38000	CASH	3454600	34546000
10.10.1998	Preference	9550	100	100	955000	CASH	3464150	35501000
10.10.2000	Preference*	9550	100	100	955000	CASH	3454600	34546000
31.03.2001	Equity	250000	10	10	2500000	CASH	3704600	37046000
31.03.2004	Equity	295400	10	10	2954000	CASH	4000000	40000000
31.07.2006	Preference	650000	100	100	65000000	CASH	4650000	105000000
01.12.2006	Equity	2000000	10	-	20000000	Bonus Shares	6650000	125000000
16.08.2007	Equity	3000000	10	-	30000000	Bonus Shares	9650000	155000000
31.03.2008	Equity	500000	10	10	5000000	CASH	10150000	160000000
23.04.2008	Preference	20000000	10	10	200000000	CASH	30150000	360000000
23.06.2008	Preference	20000000	10	10	200000000	CASH	50150000	560000000
19.08.2008	Preference	25141290	10	10	251412900	CASH	75291290	811412900
13.10.2008	Preference	18329800	10	10	183298000	CASH	93621090	994710900
14.08.2010	Preference*	650000	100	100	65000000	CASH	92971090	929710900
28.12.2011	Equity	500000	10	-	5000000	Bonus Shares	93471090	934710900
28.07.2012	Preference*	40000000	10	10	400000000	CASH	53471090	534710900
30.07.2012	Equity	125	10	1200	150000	CASH	53471215	534860900
28.01.2014	Equity	6000000	10	-	60000000	Bonus Shares	59471215	594860900
13.05.2016	Preference	400	100000	100000	40000000	CASH	59471615	634860900
18.11.2016	Equity	24000188	10	-	240001880	Bonus Shares	83471803	874862780
30.03.2017	Equity	2955869	10	338.31	1000000041	CASH	86427672	1874862821
19.04.2017	Equity	1034553	10	338.31	349999625	CASH	87462225	2224862446
12.09.2017	Preference#	25141290	10	10	251412900	Conversion of CCCPs	62320935	1973449546
12.09.2017	Preference#	18329800	10	10	183298000	Conversion of CCCPs	43991135	1790151546
12.09.2017	Preference#	400	100000	100000	40000000	Conversion of CCCPs	43990735	1750151546
12.09.2017	Equity	1739865	10	124.93	217355450	Conversion of CCCPs	45730600	1967506996
12.09.2017	Equity	1280723	10	169.71	217355450	Conversion of CCCPs	47011323	2184862446
12.09.2017	Equity	87716	10	456	877160	Conversion of CCCPs	47099039	2224862446
21.09.2017	Equity	2470175	10	202.33	499800000	Conversion CCDs	49569214	2724662446
16.10.2017	Equity	4923747	10	459	2259999873	Allotment to Public	54492961	4984662319

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16.10.2017	Equity	169082	10	414	69999948	Allotment to Employees	54662043	5054662267
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**Note: *Shares are redeemed
Shares are converted**

(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**

TYPE OF EVENT	DATE OF ANNOUNCEMENT	DATE OF COMPLETION	DETAILS
NA	NA	NA	NA

(f) **Details of the shareholding of the Company as at the latest quarter end, as per the format specified under the listing regulations:** The shareholding pattern of the Issuer as on September 30, 2021, prepared in accordance with the LODR Regulations is set out in **Annexure XII**.

* As the Issuer is a listed company, the latest published information is available only up to September 30, 2021. The Issuer will disclose all the relevant information up to September 30, 2021 to BSE Limited within the timelines prescribed under the LODR Regulations.

(g) **List of top 10 holders of equity shares of the Company as on the latest quarter end, i.e. September 30, 2021:**

Sr. No.	Particulars/Name of the shareholders	Total No. of Equity Shares	No. of Shares in demat form	Total shareholding as % of total no of equity shares
1.	Mrs. Shweta Kamlesh Gandhi	16338450	16338450	29.89
2.	Shri Mukesh Chimanlal Gandhi *	16156814	16156814	29.56
3.	Mr. Kamlesh Chimanlal Gandhi	6286833	6286833	11.50
4.	Vistra Itcl I Ltd Business Excellence Trust Iii India Business	4044579	4044579	7.40
5.	Axis Mutual Fund Trustee Limited A/C Axis Mutual Fund A/C Axis Long Term Equity Fund	1547805	1547805	2.83
6.	Prarthana Marketing Private Limited	1310057	1310057	2.40
7.	Axis Mutual Fund Trustee Limited A/C Axis Mutual Fund A/C Axis Small Cap Fund	1216254	1216254	2.22
8.	Idfc Sterling Value Fund	700000	700000	1.28
9.	Tata Aia Life Insurance Co Ltd- Whole Life Mid Cap Equity Fund- Ulif 009 04/01/07 Wle 110	576675	576675	1.05
10.	Idfc Tax Advantage (Elss) Fund	425000	425000	0.78

* Deceased

6.11 Following details regarding the directors of the Company:

(a) **Details of the current directors of the Company:**

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

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NAME	DESIGNATION	DIN	AGE (IN YEARS)	ADDRESS	DATE OF APPOINTMENT	DETAILS OF OTHER DIRECTORSHIPS	WHETHER WILLFUL DEFAULTER (YES/NO)
Mr. Kamlesh C. Gandhi	Chairman & Managing Director	00044852	55	5/A , Kumar Society, Jivraj Park, Vejalpur, Ahmedabad - 380051, Gujarat	May 25, 1995	Swalamb MASS Financial Services Limited MAS Rural Housing & Mortgage Finance Limited Prarthna Marketing Pvt. Ltd. Finance Industry Development Council	No
Mrs. Darshana Saumil Pandya	Director & CEO	07610402	48	36 - Maruti Nandan Kutir, Nr, Shyam Villa-1, Gala Club Road, Bopal , Ahmedabad - 380058, Gujarat	September 23, 2016	MAS Rural Housing & Mortgage Finance Limited Swalamb MASS Financial Services Limited Prarthna Marketing Pvt. Ltd.	No
Mr. Bala Bhaskaran	Non-Executive Independent Director	00393346	70	A-404, Gala Marvella, South Bopal Near Safal Parisar, Bopal Daskroi Ahmedabad 380058 GJ IN	May 25, 1995	Swalamb MASS Financial Services Limited Kesavan Chandrika Foundation MAS Rural Housing & Mortgage Finance Limited	No
Mr. Chetan Shah	Non-Executive Independent Director	02213542	66	Sadar Pole, Kakar Khad, Nadiad - 387001, Gujarat,	June 6, 2008	MAS Rural Housing & Mortgage Finance Limited	No
Mr. Umesh Rajanikant Shah	Non-Executive Independent Director	07685672	64	104, Vatsraj Appartment , Opp. Shraddha School, Jodhpur Gam Road, Satellite, Ahmedabad 380015,	December 21, 2016	NA	No

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				Gujarat			
Mrs. Daksha Niranjan Shah	Non-Executive Independent Director	00376899	75	31, Viva Bungalow, B/H Ranjit Petrol Pump, Bodakdev, Thaltej, Dascroi, Ahmedabad 380059 Gujarat.	March 14, 2019	MAS Financial Services Limited Saline Area Vitalisation Enterprise Limited Sadbhav Infrastructure Project Limited Altura Financial Services Limited Sadbhav Udaipur Highway Private Limited Rohtak – Panipat Tollway Private Limited Rohtak – Hissar Tollway Private Limited Sadbhav Jodhpur Ring Road Private Limited Sadbhav Kim Expressway Private Limited Maharashtra Border Check Post Network Limited	No

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(b) **Details of change in directors since last three years:**

NAME	DESIGNATION	DIN	DATE OF APPOINTMENT	DATE OF CESSATION, IF APPLICABLE	DATE OF RESIGNATION, IF APPLICABLE	REMARKS
Mrs. Daksha Shah	Independent Director	00376899	14/03/2019	-	-	-
Shri Mukesh C. Gandhi	Whole-time Director	00187086	25/05/1995	19/01/2021	NA	Due to death

6.12 Following details regarding the auditors of the Issuer:

(a) **Details of the auditor of the Issuer:**

NAME OF THE AUDITOR	ADDRESS	AUDITOR SINCE
Mukesh M. Shah & Co.	7th Floor, Heritage Chambers, Azad Society Road, B/h Bikanerwala / Sahajanand College, Nehrunagar, Ambawadi, Ahmedabad – 380015	August 11, 2021

(b) **Details of change in auditors since last three years:**

NAME OF THE AUDITOR	ADDRESS	DATE OF APPOINTMENT	DATE OF CESSATION, IF APPLICABLE	DATE OF RESIGNATION, IF APPLICABLE
BSR & Co. LLP	5 Floor, Lodha Excelus, Apollo Mills Compound, N.M. Joshi Marg, Mahalaxmi, Mumbai – 400011.	Appointed on June 27, 2018	NA	August 11, 2021
Mukesh M. Shah & Co.	7th Floor, Heritage Chambers, Azad Society Road, B/h Bikanerwala / Sahajanand College, Nehrunagar, Ambawadi, Ahmedabad – 380015	Appointed on August 25, 2021	NA	NA

6.13 Details of borrowings of the Company, as at the end of the last quarter or if available, a later date:

The information set out in (a) to (f) below has been disclosed as of September 30, 2021.

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(a) **Details of Outstanding Secured Loan Facilities:**

NAME OF LENDER	TYPE OF FACILITY	AMOUNT SANCTIONED (IN INR)	PRINCIPAL AMOUNT OUTSTANDING (IN INR)	REPAYMENT DATE/SCHEDULE	SECURITY
Axis Bank	Term Loan	24.00	20.00	Repayable in 12 Quarterly installments from 30 June 2021	Exclusive charge by way of hypothecation of on standard receivables of the Borrower
HDFC Bank	Term Loan	7.50	7.08	Repayable in 36 monthly installments from 7 August 2021	Secured by a first and exclusive charge on specific receivables of the Company created out of the loan availed .
HDFC Bank	Term Loan	30.00	28.33	Repayable in 36 monthly installments from 7 August 2021	Secured by a first and exclusive charge on specific receivables of the Company created out of the loan availed .
HDFC Bank	Term Loan	12.50	11.81	Repayable in 36 monthly installments from 7 August 2021	Secured by a first and exclusive charge on specific receivables of the Company created out of the loan availed .
Bank of India	Term Loan	80.00	72.00	Repayable in 20 Quarterly installments from 30 June 2021.	Secured by a first ranking and exclusive charge on standard receivables of the Company created out of the loan availed. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi.
DBS Bank	Term Loan	75.00	68.18	Repayable in 33 monthly installments from 30 July 2021.	Secured by a first and exclusive charge on specific receivables of the Company created out of the loan availed .
Bank of Maharashtra	Term Loan	150.00	150.00	Repayable in 20 Quarterly installments from 05 November 2021.	Secured by exclusive charge by hypothecation of Standard Book Debt/Receivables which are to be financed by the bank finance. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi.
HDFC Bank	Term Loan	50.00	50.00	Repayable in 12 Quarterly installments from 16 December 2021.	Secured by exclusive charge by hypothecation of Standard Book Debt/Receivables arising out of the bank finance.
HDFC Bank	Term Loan	54.00	17.51	Repayable in 96 monthly installments from 7 April 2018.	First and exclusive charge on land, property and commercial property under construction.

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HDFC Bank	Term Loan	35.00	13.57	Repayable in 36 monthly installments from 7 November 2019.	Secured by a first and exclusive charge on specific receivables of the Company created out of the loan availed .
HDFC Bank	Term Loan	7.50	3.99	Repayable in 36 monthly installments from 7 April 2020.	Secured by a first and exclusive charge on specific receivables of the Company created out of the loan availed .
HDFC Bank	Term Loan	30.00	15.94	Repayable in 36 monthly installments from 7 April 2020.	Secured by a first and exclusive charge on specific receivables of the Company created out of the loan availed .
HDFC Bank	Term Loan	12.50	6.64	Repayable in 36 monthly installments from 7 April 2020.	Secured by a first and exclusive charge on specific receivables of the Company created out of the loan availed .
HDFC Bank	Term Loan	7.50	6.25	Repayable in 36 monthly installments from 7 April 2021.	Secured by a first and exclusive charge on specific receivables of the Company created out of the loan availed .
HDFC Bank	Term Loan	30.00	25.00	Repayable in 36 monthly installments from 7 April 2021.	Secured by a first and exclusive charge on specific receivables of the Company created out of the loan availed .
HDFC Bank	Term Loan	12.50	10.42	Repayable in 36 monthly installments from 7 April 2021.	Secured by a first and exclusive charge on specific receivables of the Company created out of the loan availed .
Federal bank	Term Loan	40.00	33.33	Repayable in 36 monthly installments from 30 April 2021.	Secured by a first and exclusive charge on specific book debt and future receivables of the Company created/to be created out of the loan availed .
IDFC First Bank	Term Loan	150.00	20.83	Repayable in 36 monthly installments from 30 April 2019.	First exclusive charge of present and future book debts and receivables of the Company.
Indian Bank	Term Loan	100.00	7.27	Repayable in 11 Quarterly installments from 30 September 2019.	Exclusive charge by way of hypothecation of such of the book debts, which are financed / to be financed by the Company out of the bank finance. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi.

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Indian Bank	Term Loan	100.00	54.62	Repayable in 11 Quarterly installments from 30 December 2020.	Exclusive charge by way of hypothecation of such of the book debts, which are financed / to be financed by the Company out of the bank finance. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi.
Indian Bank	Term Loan	100.00	100.00	Repayable in 18 Quarterly installments from 30 December 2021.	Exclusive charge by way of hypothecation of such of the book debts, which are financed / to be financed by the Company out of the bank finance. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi.
Axis Bank	Term Loan	25.00	8.33	Repayable in 12 Quarterly installments from 30 November 2019.	Exclusive charge on specific standard book debts and receivables which are financed / to be financed by the Company out of the bank finance.
ICICI Bank	Term Loan	60.00	22.50	Repayable in 8 Quarterly installments from 30 September 2020.	Exclusive charge by way of hypothecation of on standard receivables of the Borrower
Punjab National Bank	Term Loan	100.00	32.23	Repayable in 12 Quarterly installments from 31 March 2020.	Exclusive charge by way of hypothecation of such of the book debts, which are financed/ to be financed by the Company out of the bank financed to the Company. Personal Guarantee of Mr. Kamlesh Gandhi, Mrs. Shweta Gandhi and legal heirs of Mr. Mukesh Gandhi.
State Bank of India	Term Loan	100.00	39.00	Repayable in 16 Quarterly installments from 30 September 2019.	Secured by Hypothecation of portfolio of the Company created out of the term loan. Personal Guarantee of Mr. Kamlesh Gandhi, Mrs. Shweta Gandhi and legal heirs of Mr. Mukesh Gandhi.
State Bank of India	Term Loan	200.00	102.00	Repayable in 16 Quarterly installments from 29 February 2020.	Secured by Hypothecation of portfolio of the Company created out of the term loan. Personal Guarantee of Mr. Kamlesh Gandhi, Mrs. Shweta Gandhi and legal heirs of Mr. Mukesh Gandhi.

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SBM India	Term Loan	20.00	17.50	Repayable in 16 Quarterly installments from 26 June 2021.	Exclusive charge by way of hypothecation on book debts under standard assets portfolio of the borrower eligible for Bank finance.
Union Bank of India	Term Loan	200.00	143.77	Repayable in 18 Quarterly installments from 31 December 2020.	Exclusive charge by the way of hypothecation on specific receivables of the Company. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi.
Union Bank of India	Term Loan	100.00	94.74	Repayable in 19 Quarterly installments from 30 September 2021.	Exclusive charge by the way of hypothecation on specific receivables of the Company. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi.
Tata Capital Financial Services limited	Term Loan	40.00	4.79	Repayable in 36 monthly installments from 15 March 2019.	Exclusive charge by way of hypothecation of specific standard receivable of the Company.
Sundaram Finance	Term Loan	50.00	7.97	Repayable in 36 monthly installments from 10 March 2019.	Secured by hypothecation of specific book debts created out of the loan availed. Personal Guarantee of Mr. Kamlesh Gandhi and legal heirs of Mr. Mukesh Gandhi.
Bajaj Finance Limited	Term Loan	50.00	8.33	Repayable in 36 monthly installments from 30 April 2019.	Secured by exclusive first charge by way of hypothecation of specific book debts of the Company created out of the loan availed.
Bajaj Finance Limited	Term Loan	25.00	11.81	Repayable in 36 monthly installments from 31 March 2020.	Secured by exclusive first charge by way of hypothecation of specific book debts of the Company created out of the loan availed.
Bajaj Finance Limited	Term Loan	34.00	25.50	Repayable in 36 monthly installments from 31 January 2021.	Secured by exclusive first charge by way of hypothecation of specific book debts of the Company created out of the loan availed.
Bajaj Finance Limited	Term Loan	16.00	13.33	Repayable in 36 monthly installments from 30 April 2021.	Secured by exclusive first charge by way of hypothecation of specific book debts of the Company created out of the loan availed.
National Bank for Agriculture	Term Loan	200.00	180.00	Repayable in 20 Quarterly installments	Exclusive charge by way of hypothecation of the specific receivables/book

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and Rural Development				from 30 June 2021.	debts. Liquid collateral of 10% of the sanctioned amount.
Bajaj Finance Limited	Term Loan	50.00	50.00	Repayable in 36 monthly installments from 31 October 2021.	Secured by exclusive first charge by way of hypothecation of specific book debts of the Company created out of the loan availed.
Small Industries Development Bank of India	Term Loan	125.00	125.00	Repayable in 9 monthly installments from 10 January 2022	Secured by exclusive charge on the book debt/receivables of loans provided by the borrower. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi.
State Bank of India	Overdraft against FD	13.50	13.50	N.A.	Secured against Fixed Deposit
Bank of India	Overdraft against FD	50.00	50.00	N.A.	Secured against Fixed Deposit
Bank Of Baroda	Cash Credit	400.00	292.95	N.A.	hypothecation of movable assets of the Company and goods covered under hypothecation ("HP") agreements / Loan cum HP agreements and book debts, receivables, loans and advances and entire portfolio outstanding (except specific portfolio generated from various term loans sanctioned by various banks/financial institutions on an exclusive basis) and equitable mortgage/negative lien by deposit of title deeds on some of the Company's immovable properties, as collateral security. The loans are also guaranteed by Mr. Kamlesh Chimanlal Gandhi, Mrs. Shweta Kamlesh Gandhi and Legal heirs of Late Mr. Mukesh Chimanlal Gandhi.
State Bank Of India	Cash Credit	290.00	290.00		
Bank Of India	Cash Credit	100.00	99.98		
IDBI Bank Ltd.	Cash Credit	150.00	100.00		
Central Bank Of India	Cash Credit	105.00	0.00		
Punjab National Bank	Cash Credit	250.00	245.48		
Baroda Gujarat Gramin Bank	Cash Credit	30.00	30.00		
South Indian Bank	Cash Credit	20.00	20.00		
Indian Bank	Cash Credit	100.00	100.00		
Indian Overseas Bank	Cash Credit	50.00	50.00		
Bank Of Maharashtra	Cash Credit	60.00	60.00		
Union Bank Of India	Cash Credit	120.00	120.00		
Indusind Bank	Cash Credit	75.00	37.00		
Tamilnad Mercantile Bank	Cash Credit	20.00	10.00		

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(b) **Details of Outstanding Unsecured Loan Facilities:**

NAME OF LENDER	TYPE OF FACILITY	AMOUNT SANCTIONED (IN INR)	PRINCIPAL AMOUNT OUTSTANDING (IN INR)	REPAYMENT DATE/SCHEDULE
Bajaj Finance Limited	Term Loan	25	25	Bullet Repayment on 17 August, 2026.

(c) **Details of Outstanding Non-Convertible Securities:**

SERIES OF NCS	TENOR / PERIOD OF MATURITY	COUPON	AMOUNT (IN INR)	DATE OF ALLOTMENT	REDEMPTION DATE / SCHEDULE	CREDIT RATING	SECURED / UNSECURED	SECURITY
400, 14.00% Unsecured, Redeemable, Non-Convertible Debentures of Rs. 10 lakhs each	84 Months	13.00%	40,00,00,000	22-06-2015	22-06-2022	ICRA A	Unsecured	-
1000 (One Thousand) Rated, Senior, Redeemable, Taxable, Transferable, Listed, Non-Convertible Debentures Each with a Face Value of Rs. 10,00,000	18 Months	9.00%	1,00,00,00,000	24-07-2020	24-01-2022	CARE A+	Secured	The Debentures shall be secured by way of a first ranking, exclusive and continuing charge on identified standard receivables ("Hypothecated Receivables") to maintain the value of security at all times equal to 1.10x (One Decimal One Zero times) or 110.0% (One Hundred and Ten Percent)

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								the aggregate amount of principal outstanding (including accrued interest) of the NCDs.
500 (Five Hundred) Rated, Senior, Redeemable, Taxable, Transferable, Listed, Non-Convertible Debentures each with a face value of Rs. 10,00,000	18 Months	9.00%	50,00,00,000	30-07-2020	30-01-2022	CARE A+	Secured	The Debentures shall be secured by way of a first ranking, exclusive and continuing charge on identified standard receivables ("Hypothecated Receivables") to maintain the value of security at all times equal to 1.10x (One Decimal One Zero times) or 110.0% (One Hundred and Ten Percent) the aggregate amount of principal outstanding (including accrued interest) of the NCDs.
1000 (One Thousand) Rated, Senior, Redeemable, Taxable, Transferable, Listed, Non-Convertible Debentures each with a face value	18 Months	9.00%	1,00,00,00,000	19-08-2020	19-02-2022	CARE A+	Secured	The Debentures shall be secured by way of a first ranking, exclusive and continuing charge on identified standard receivables ("Hypothecated Receivables") to maintain the value of

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of Rs. 10,00,000								security at all times equal to 1.10x (One Decimal One Zero times) or 110.0% (One Hundred and Ten Percent) the aggregate amount of principal outstanding (including accrued interest) of the NCDs.
6,500 (six thousand five hundred) Rated, Senior, Listed, Transferable, Redeemable, Principal Protected Market Linked Non-Convertible Debentures each having a face value of INR 1,00,000	24 Months	(a) 8.80% (XIRR), if the Reference Index Performance is greater than 75% ; and/or (b) 8.75% (XIRR), if the Reference Index Performance is equal to or lesser than 75% but greater than 25% ; and/or (c) 0% (XIRR), if the Reference Index Performance is lesser than or equal to 25% .	65,00,00,000	30-03-2021	30-03-2023	CARE PP-MLD A+; Stable	Secured	The Issue shall be secured by way of a first ranking exclusive and continuing charge to be created pursuant to the deed of hypothecation to be executed between the Issuer and the Debenture Trustee ("Deed of Hypothecation") over certain identified receivables of the Issuer (the "Hypothecated Assets"). A security cover of 1.1x the value of the outstanding principal amounts of the Debentures shall always be maintained until the redemption of the Debentures

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								("Security Cover").
10,000 (Ten thousand) Rated, Senior, Listed, Transferable, Redeemable, Principal Protected Market Linked Non-Convertible Debentures each having a face value of INR 1,00,000	30 Months	(a) 8.50% (XIRR), if the Reference Index Performance is greater than 75% ; and/or (b) 8.45% (XIRR), if the Reference Index Performance is equal to or lesser than 75% but greater than 25% ; and/or (c) 0% (XIRR), if the Reference Index Performance is lesser than or equal to 25% .	1,00,00,00, 000	23-06- 2021	23-12-2023	CARE PP- MLD A+; Stable	Secured	The Issue shall be secured by way of a first ranking exclusive and continuing charge to be created pursuant to the deed of hypothecation to be executed between the Issuer and the Debenture Trustee ("Deed of Hypothecation") over certain identified receivables of the Issuer (the "Hypothecated Assets"). A security cover of 1.1x the value of the outstanding principal amounts of the Debentures shall always be maintained until the redemption of the Debentures ("Security Cover").
1,000 (One thousand) Rated, Senior, Listed, Transferable, Redeemable,	24 Months 1Day	(a) 8.50% (XIRR), if the Reference Index Performance is greater than 75% ; and/or	1,00,00,00, 000	17-09- 2021	18-09-2023	CARE PP- MLD A+; Stable	Secured	The Issue shall be secured by way of a first ranking exclusive and continuing charge to be created

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Principal Protected Market Linked Non-Convertible Debentures each having a face value of INR 10,00,000		(b) 8.45% (XIRR), if the Reference Index Performance is equal to or lesser than 75% but greater than 25% ; and/or						pursuant to the deed of hypothecation to be executed between the Issuer and the Debenture Trustee ("Deed of Hypothecation") over certain identified receivables of the Issuer (the "Hypothecated Assets"). A security cover of 1.1x the value of the outstanding principal amounts of the Debentures shall always be maintained until the redemption of the Debentures ("Security Cover").
		(c) 0% (XIRR), if the Reference Index Performance is lesser than or equal to 25% .						

(d) **List of Top 10 holders of non-convertible securities in terms of value (in cumulative basis)**

SR. NO.	NAME OF HOLDER OF NON-CONVERTIBLE SECURITIES	AMOUNT (IN INR in Lacs)	% OF TOTAL NON-CONVERTIBLE SECURITIES OUTSTANDING
1	BANK OF INDIA	10000.00	18.02%
2	UNION BANK OF INDIA	10000.00	18.02%
3	CENTRAL BANK OF INDIA	5000.00	9.01%
4	IDFC FIRST BANK LIMITED	4000.00	7.21%
5	OFB TECH PRIVATE LIMITED .	2500.00	4.50%
7	KAIRUS SHAVAK DADACHANJI	1500.00	2.70%
6	HINDUJA LEYLAND FINANCE LIMITED	1450.00	2.61%
8	NAWAL KISHORE SINGH	1000.00	1.80%
9	VIVRITI CAPITAL PRIVATE LIMITED	887.00	1.60%
10	SUBODH GUPTA	750.00	1.35%

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- (e) **Details of Outstanding Commercial Paper as at the end of the last quarter, i.e., September 30, 2021, in the following format:**

S. NO.	ISIN OF COMMERCIAL PAPER	MATURITY DATE	AMOUNT OUTSTANDING
Nil			

- (f) **Details of the Rest of the borrowing (if any including hybrid debt like FCCB, Optionally Convertible Debentures / Preference Shares):**

NAME OF PARTY (IN CASE OF FACILITY)/ NAME OF INSTRUMENT	TYPE OF FACILITY / INSTRUMENT	AMOUNT SANCTIONED/ ISSUED	PRINCIPAL AMOUNT OUTSTANDING	DATE OF REPAYMENT/ SCHEDULE	CREDIT RATING	SECURED / UNSECURED	SECURITY
Nil							

- 6.14 Details of any outstanding borrowings taken/ debt securities issued for consideration other than cash. This information shall be disclosed whether such borrowing/ debt securities have been taken/ issued: (i) in whole or part, (ii) at a premium or discount, or (iii) in pursuance of an option or not:

Nil

- 6.15 Where the issuer is a Non-Banking Finance Company or Housing Finance Company the following disclosures on Asset Liability Management (ALM) shall be provided for the latest audited financials

S. NO.	PARTICULARS OF DISCLOSURE	DETAILS
1.	Details with regard to lending done out of the issue proceeds of earlier issuances of debt securities (whether public issue or private placement) by NBFC	<p>Lending Policy: Please refer Section 9.</p> <p>Classification of Loans given to associate or entities related to Board, Senior management, promoters, etc: Please refer Section 9.</p> <p>Classification of loans into several maturity profile denomination: Please refer Section 9.</p> <p>Aggregated exposure to top 20 borrowers: Please refer Section 9.</p> <p>Details of loans, overdue and classified as Non performing assets (NPA): Please refer Section 9.</p>
2.	Details of borrowings made by NBFC	<p>Portfolio Summary of borrowings made by NBFC: Please refer Section 9.</p> <p>Quantum and percentage of Secured vs. Unsecured borrowings: Please refer Section 9.</p>
3.	Details of change in shareholding	Any change in promoters holding in NBFC during last financial year beyond the threshold prescribed by Reserve Bank of India: Please

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		refer Section 9.
4.	Disclosure of Assets under management	Segment wise break up and Type of loans: Please refer Section 9.
5.	Details of borrowers	Geographical location wise: Please refer Section 9.
6.	Details of Gross NPA	Segment wise: Please refer Section 9.
7.	Details of Assets and Liabilities	Residual maturity profile wise into several bucket: Please refer Section 9.
8.	Additional details of loans made by, Housing Finance Company	N.A.
9.	Disclosure of latest ALM statements to stock exchange	Please refer Section 9.

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

Nil

- 6.17 Any material event/ development or change having implications on the financials/credit quality (e.g. any material regulatory proceedings against the Issuer/promoters, 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 non-convertible securities.**

Nil

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

Nil

- 6.19 Details of default and non-payment of statutory dues**

Nil

- 6.20 The names of the debenture trustee(s) shall be mentioned with statement to the effect that debenture trustee(s) has given its consent for appointment along with the copy of the consent letter from the debenture trustee.**

The Debenture Trustee for the proposed issuance of Debentures is Catalyst Trusteeship Limited. Debenture Trustee 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 Placement 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 Placement Memorandum.

- 6.21 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**

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Not Applicable

6.22 Disclosure of Cash flow with date of interest/dividend/ redemption payment as per day count convention: Please refer Annexure VI.

- (a) ***The day count convention for dates on which the payments in relation to the non-convertible securities which need to be made, should be disclosed:*** Interest and all other charges shall accrue based on an actual/actual basis.
- (b) ***Procedure and time schedule for allotment and issue of securities should be disclosed:*** Please refer Section 6.5 and Section 10.
- (c) ***Cash flows emanating from the non-convertible securities shall be mentioned in the offer document, by way of an illustration:*** Please refer Annexure VI.

6.23 Disclosures pertaining to wilful defaulter:

- (a) **The following disclosures shall be made if the issuer or its promoter or director is declared wilful defaulter:**
 - (i) ***Name of the bank declaring as a wilful defaulter:*** Not Applicable
 - (ii) ***The year in which it was declared as a wilful defaulter:*** Not Applicable
 - (iii) ***Outstanding amount when declared as a wilful defaulter:*** Not Applicable
 - (iv) ***Name of the entity declared as a wilful defaulter:*** Not Applicable
 - (v) ***Steps taken, if any, for the removal from the list of wilful defaulters:*** Not Applicable
 - (vi) ***Other disclosures, as deemed fit by the issuer in order to enable investors to take informed decisions:*** Not Applicable
 - (vii) ***Any other disclosure as specified by the Board:*** Not Applicable
- (b) **The fact that the issuer or any of its promoters or directors is a wilful defaulter shall be disclosed prominently on the cover page with suitable cross-referencing to the pages:** Not Applicable

6.24 Undertaking by the Issuer: Please refer Section 7.1.

6.25 Risk Factors: Please refer Section 4.

6.26 Attestation by Directors: Please refer Section 7.3.

6.27 Disclosure in case of non-convertible preference shares: Not Applicable.

6.28 Other details:

- (a) ***Creation of Debenture Redemption Reserve (DRR) / Capital Redemption Reserve (CRR) - relevant legislations and applicability:***
 - (i) It is hereby clarified that as on the Effective Date, pursuant to the Companies (Share Capital and Debenture Rules), 2014, non-banking financial companies

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registered with the RBI are exempted from the requirement to maintain a debenture redemption reserve ("DRR") in case of privately placed debentures.

- (ii) The Issuer 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.
- (iii) 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 Issuer shall abide by such guidelines and shall do all deeds, acts and things as may be required by the Debenture Trustee.
- (iv) Where applicable, the Issuer shall submit to the Debenture Trustee a certificate duly certified by a chartered accountant certifying that the Issuer has transferred the required amount to the DRR at the end of each Financial Year.
- (v) In addition to the foregoing, to the extent required by Applicable Law, the Issuer 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 - relevant details (Companies Act, Reserve Bank of India guidelines, etc.):***

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

(c) ***Default in Payment:***

Please refer the sections named "Default Interest Rate" and "Additional Disclosures (Default in Payment)" of Section 8.1 (Issue Details) in respect of the additional interest in the event of a Payment Default.

Please also refer Section 8.2.6.2(a) in respect of an event of default arising due to a non-payment by the Issuer.

(d) ***Delay in Listing:***

Please refer the section named "Listing (name of stock Exchange(s) where it will be listed and timeline for listing)" of Section 8.1 (Issue Details) in relation to the listing requirements in respect of the Debentures and section named "Additional Disclosures (Delay in Listing)" of Section 8.1 (Issue Details) in respect of the default interest in the event of delay in listing.

(e) ***Delay in allotment of securities:***

- (i) The Company shall ensure that the Debentures are allotted to the respective Debenture Holders and are credited into the demat accounts of the relevant Debenture Holders within the timelines prescribed under the SEBI Listing Timelines Requirements.
- (ii) The Debentures shall be deemed to be allotted to the Debenture Holders

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on October 20, 2021 ("**Deemed Date of Allotment**"). All benefits relating to the Debentures are available to the Debenture Holders from the Deemed Date of Allotment.

(iii) If the Company fails to allot the Debentures to the Applicants within 60 (sixty) calendar days from the date of receipt of the Application Money ("**Allotment Period**"), it shall repay the Application Money to the Applicants within 15 (fifteen) calendar days from the expiry of the Allotment Period ("**Repayment Period**").

(iv) If the Company fails to repay the Application Money within the Repayment Period, then Company shall be liable to repay the Application Money along with interest at 12% (twelve percent) per annum, gross of withholding taxes, from the expiry of the Allotment Period.

(f) **Issue details:** Please refer Section 8.

(g) **Application process:** The application process for the Issue is as provided in Section 10 of this Placement Memorandum.

(h) **Disclosure prescribed under PAS-4 of Companies (Prospectus and Allotment of Securities), Rules, 2014 but not contained in this schedule, if any:** The finalised form of the PPOA prepared in accordance with the Form PAS 4 prescribed under the Companies (Prospectus and Allotment of Securities), Rules, 2014 is provided as **Annexure XIII**. Please refer **Annexure XIII** for all disclosures required under the Companies (Prospectus and Allotment of Securities), Rules, 2014 are set out therein.

(i) **Project details: gestation period of the project; extent of progress made in the project; deadlines for completion of the project; the summary of the project appraisal report (if any), schedule of implementation of the project:** Not applicable.

6.29 Details in case of non-convertible redeemable preference shares issue: Not Applicable.

6.30 Issue Details: Please refer Section 8.1.

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SECTION 7: UNDERTAKINGS AND DISCLOSURES BY THE ISSUER AND DIRECTORS

7.1 UNDERTAKING BY THE ISSUER

- (a) Investors are advised to read the risk factors (set out in Section 4) carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Issuer and the offer including the risks involved. The securities/Debentures have not been recommended or approved by the any regulatory authority in India, including the Securities and Exchange Board of India (SEBI) nor does SEBI guarantee the accuracy or adequacy of this document.

Specific attention of investors is invited to the statement of 'Risk factors' given on page number 21 under the section 'General Risks'.

- (b) The Issuer, having made all reasonable inquiries, accepts responsibility for, and confirms that this Offer Document/Placement Memorandum contains all information with regard to the Issuer and the Issue, that the information contained in the offer document/Placement Memorandum is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this document/Placement Memorandum as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.
- (c) The Issuer has no side letter with any debt securities holder except the one(s) disclosed in the offer document/Placement Memorandum. Any covenants later added shall be disclosed on the stock exchange website where the debt is listed.

7.2 UNDERTAKING ON SECURITY

Not applicable. The Debentures are unsecured and represent unsecured and subordinated obligations of the Issuer.

7.3 ATTESTATION BY DIRECTORS

The directors of the Issuer hereby attest as follows:

- (a) The Issuer is in compliance with the provisions of Securities Contracts (Regulation) Act, 1956 and the Securities and Exchange Board of India Act, 1992, Companies Act, 2013 and the rules and regulations made thereunder.
- (b) The compliance with the Companies Act, 2013 and the rules does not imply that payment of dividend or interest or repayment of non-convertible securities, is guaranteed by the Central Government.
- (c) The monies received under the offer shall be used only for the purposes and objects indicated in the Offer document/Placement Memorandum.
- (d) Whatever is stated in this form/Placement Memorandum and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form/Placement Memorandum 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.
- (e) General Risk:

Investment in non-convertible securities involve a degree of risk and investors should not invest any funds in
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such securities unless they can afford to take the risk attached to such investments. Investors are advised to take an informed decision and to read the risk factors carefully before investing in this offering. For taking an investment decision, investors must rely on their examination of the issue including the risks involved in it. Specific attention of investors is invited to statement of risk factors contained under Section 4 of this Placement Memorandum. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the non-convertible securities or investor's decision to purchase such securities.

On behalf of the directors of the Issuer:



Riddhi Bhayani
Company Secretary & Compliance Officer
A41206



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SECTION 8: TERMS OF THE ISSUE

8.1 ISSUE DETAILS

Security Name	10.75% MAS Financial Services Limited 2027
Issuer / Company	MAS Financial Services Limited (Issuer / Company/ MAS)
Type of instrument	Rated, Unsecured, Subordinated, Listed, Redeemable, Taxable, Transferable, Non-Convertible Debentures ("NCDs" / "Debentures")
Nature of instrument (Secured or Unsecured)	Unsecured
Seniority (Senior or Subordinated)	Subordinated
Mode of Issue	Private placement
Eligible Investors	<p>Qualified Institutional Buyer (QIB) and such other persons as per applicable regulation shall be eligible to participate in the primary issuance of this NCD.</p> <p>All Eligible Investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this issue of Debentures.</p>
Listing (including name of stock Exchange(s) where it will be listed and timeline for listing)	<p>The proposed NCDs are to be listed on the WDM of the BSE Limited. The NCDs shall be listed within 4 (Four) working days from the Issue Closure Date.</p> <p>In case of a delay by the Issuer in listing the Debentures beyond 4 (Four) working days from the Issue Closure Date, 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 1% (One Percent) p.a. over the Coupon Rate from the Deemed Date of Allotment until the listing of the Debentures</p>
Rating of the Instrument (Rating)	<p>"CARE A+/Stable" by CARE Ratings Limited.</p> <p>The Issuer/Investor(s) reserves the right to obtain an additional credit rating from any SEBI registered Credit Rating Agency for full or part of the issue size, as it may deem fit, which shall be at least equivalent to the prevailing credit rating to the issue.</p>
Rating Agency	CARE Ratings Limited
Issue Size	Upto Rs. 50,00,00,000/- (Rupees Fifty Crores only)
Option to Retain Oversubscription	NA
Object of the Issue	The Company desires to raise Tier II capital to maintain the Company's Capital Adequacy Ratio at a level not below the minimum required to be maintained as per applicable guidelines. Accordingly the all the issue proceeds will enhance capital adequacy of the Company from the present level requirements and finance the asset growth of the Company

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Details of the utilization of the Proceeds	The Company desires to raise Tier II capital to maintain the Company's Capital Adequacy Ratio at a level not below the minimum required to be maintained as per applicable guidelines. Accordingly the all the issue proceeds will enhance capital adequacy of the Company from the present level requirements and finance the asset growth of the Company
Step-Up / Step Down Coupon Rate	NA
Coupon Rate	10.75% p.a.
Coupon Payment Frequency	Monthly and on Redemption Date
Coupon Payment Dates	The Coupon shall be payable on a monthly basis from the Deemed Date of Allotment and on the Redemption Date (subject to the Business Day convention set out in the row titled 'Business Day Convention'). The Coupon Payment Dates are specifically set out in Annexure VI hereto.
Coupon Type	Fixed
Coupon Reset Process	NA
Day Count Basis	Actual/ Actual
Interest on Application Money	At the Coupon Rate (subject to deduction of tax at source, as applicable) from the date of realization of cheque(s)/ demand draft(s)/ RTGS up to one day prior to the Deemed Date of Allotment. Where pay-in Date and Deemed date of Allotment are the same, no interest on Application money is to be paid.
Default Interest Rate	Without prejudice to any other rights and remedies available to the Debenture Trustee pursuant to the terms of Transaction Documents: a) If, at any time, a Payment Default occurs, the Issuer agrees to pay additional coupon the rate of 2% (Two Percent) p.a. over and above the applicable Coupon Rate on all amounts outstanding NCDs (including the Outstanding Principal Amounts and any accrued but unpaid interest) from the date of occurrence of such a Payment Default until such Payment Default is cured or the Debentures are fully redeemed. b) If, at any time, a breach of any terms, covenant, obligation, representation or warranty of the Issuer and any other obligations of the Issuer under the Transaction Documents, the Issuer agrees to pay additional coupon at the rate of 2% (Two Percent) p.a. over and above the applicable Coupon Rate on all amounts outstanding (including the Outstanding Principal Amounts and any accrued but unpaid interest) from the date of occurrence of such a breach, until the Debentures are fully redeemed or till the covenants criteria has been replenished.

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	c) In the event there is any delay in listing of the Debentures beyond 4 (Four) working days from the Deemed Date of Allotment, the Company will pay additional interest of 1% (One percent) p.a. over the Coupon Rate, from the from the Deemed Date of Allotment till the listing of the NCDs are completed.
Tenor	67 (Sixty-Seven) Months
Redemption Date	May 20, 2027
Redemption Amount	Bullet at Par, at Maturity
Redemption Premium/ Discount	NA
Issue price	Rs. 1,00,00,000/- (Rupees One Crore Only) per Debenture
Discount at which the security is issued and the effective yield as a result of such discount	NA
Put Option	NA
Put Option Date	NA
Put Option Price	NA
Put Option Notice	NA
Put Notification Date/ Time	NA
Call Option	NA
Call Option Date	NA
Call Option Price	NA
Call Option Notice	NA
Call Notification Date/Time	NA
Face Value	Rs. 1,00,00,000/- (Rupees One Crore Only) per Debenture
Minimum application and multiples of Debt securities thereafter	The minimum application size for the Issue shall be 1 (One) Debentures and in multiples of 1 (One) Debenture thereafter.
Issuance mode of the Instrument	Demat only on a Private placement basis
Trading mode of the Instrument	Demat only
Settlement mode of the Instrument	RTGS
Business Day	Any day of the week (excluding Sundays and any a holiday on which banks are normally open for business in Gujarat, India);
Business Day Convention	If any Coupon Payment Date or the due date for the performance of any event falls on a day that is not a Business Day, then the

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	<p>succeeding Business Day will be considered as the effective date. The interest for such additional period shall be adjusted and paid in the next coupon cycle. Hence the subsequent coupon payment period remains intact.</p> <p>If the Redemption Date (also being the last Coupon Payment Date) of the Debentures falls on a day that is not a Business Day, the redemption proceeds shall be paid on the immediately preceding Business Day, along with coupon/interest accrued on the Debentures until but excluding the date of such payment.</p>
Record Date	The date which will be used for determining the Debenture Holder(s) who shall be entitled to receive the amounts due on any Due Date, which shall be the date falling 15 (Fifteen) calendar days prior to any Due Date, if any for the purposes of actual payment or as may be prescribed by the Securities and Exchange Board of India ("SEBI") during the tenure of the Debentures
Description regarding Security (where applicable) including type of security (movable/ immovable/ tangible etc.), type of charge (pledge/ hypothecation/ mortgage etc.), date of creation of security/ likely date of creation of security, minimum security cover, revaluation, replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Trust Deed and disclosed in the Offer Document/ Information Memorandum.	The NCDs to be issued are unsecured in nature.
Transaction Documents	<p>The Issuer has executed/shall execute the documents including but not limited to the following, as required, in connection with the Issue as per latest SEBI guidelines/ Companies Act 2013 (as applicable) for issuance of NCDs through private placement:</p> <ul style="list-style-type: none"> i. Debenture Trustee Agreement ii. Debenture Trust Deed; iii. Placement Memorandum iv. Private Placement Offer Letter (Form PAS-4); v. Such other documents as agreed between the Issuer and the Debenture Trustee
Conditions Precedent to	1. Execution of the Transaction Documents

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Disbursement	<ol style="list-style-type: none"> 2. Receipt of credit rating letter and rationale from the Rating Agency; 3. Receipt of the Debenture Trustee Consent Letter; 4. Receipt of the BSE in-principal approval letter 5. A certified copy of the resolution of the Company's board of directors authorizing the issuance of the Debentures to be provided prior to the Deemed Date of Allotment; 6. A certified copy of the resolution of the shareholders of the Company under 180(1)(c) of the Act to be provided prior to the Deemed Date of Allotment; 7. A certified copy of the resolution of the shareholders of the Company under Section 42 of the Act to be provided prior to the Deemed Date of Allotment; 8. A certificate issued by the independent chartered accountant, prior to the Deemed Date of Allotment confirming that: issuance of the Debentures would not cause any borrowing, or similar limit binding on the Company to be exceeded and would not breach any limits under the constitutional documents of the Company, the terms of any other contractual arrangements entered into by the Company or any limits prescribed by the shareholders or board of directors of the Company; 9. Duly completed certified/ self-attested KYC Documents of the Issuer and the Authorized Signatories of the Issuer 10. The Issuer to provide a management undertaking that all the borrowing facilities of the Company are standard in nature, the Company has not defaulted in making any payments in respect thereto and the Issuer has obtained all regulatory and statutory consents to issue Debentures. 11. Execution of the Debenture Trust Deed
Conditions Subsequent to Disbursement	<p>The Company shall fulfil the following conditions subsequent, to the satisfaction of the Debenture Trustee, pursuant to the Deemed Date of Allotment:</p> <ol style="list-style-type: none"> 1. The Company shall ensure that the Debentures are credited into the beneficial owner account(s) of the Debenture within 2 (Two) Business Days from the Deemed Date of Allotment; 2. The Company will ensure listing of Debentures on the BSE within 4 (Four) working days from the Issue Closure Date; 3. The Company shall file a copy of Form PAS-3 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 with the relevant registrar of companies and SEBI within 5 (Five) days from the date of the Private Placement Offer Letter; 4. The Company shall provide the details on utilisation of funds raised through the issue of Debentures duly certified by the Company's chartered accountants/ statutory auditors to the Debenture Trustee within 30 (Thirty) days from the Deemed Date of Allotment; 5. Execution of any other documents as the Debenture Trustee may require.
Representations and Warranties of the Issuer	<p>The Company declares, represents and warrants to the Debenture Trustee and the Debenture Holders, as follows which</p>

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	<p>representations and warranties shall be made as on the date of this Term Sheet and shall be deemed to repeated on each date until the Final Settlement Date:</p> <p>(a) Authority and Capacity</p> <ul style="list-style-type: none"> - The Issuer has been duly incorporated, organized and is validly existing, under applicable law. - The Company is a non-banking financial company registered with the RBI and such registration is valid and subsisting; - The Issuer has the corporate power, authority and all material permits, approvals, authorizations, licenses, registrations, and consents including registrations, to own and operate its assets and to carry on its business in substantially the same manner as it is currently conducted. - The Issuer is in compliance with all laws for the performance of its obligations with respect to this Issue. - The Issuer represents that all consents, and actions of, filings with and notices to any governmental authority as may be required to be obtained by the Issuer in connection with the Issue have been obtained or made and are in effect. <p>(b) Corporate Matters</p> <ul style="list-style-type: none"> - All the legal and procedural requirements specified in the constitutional documents or required under applicable law have been duly complied with in all respects in relation to the Issue. - The registers and minute books (including the minutes of board and shareholders meeting) required to be maintained by the Issuer under applicable law: <ul style="list-style-type: none"> I. are up-to-date and have been maintained in accordance with applicable law; II. comprise complete and accurate records of all information required to be recorded in such books and records; and III. no notice or allegation that any of them are incorrect and/ or should be rectified has been received. <p>(c) Binding Obligations</p> <p>The obligations expressed to be assumed by it under the Transaction Documents are legal, valid, binding and enforceable obligations.</p> <p>(d) Non-conflict with other obligations</p> <p>The entry into and performance by the Company of, the</p>
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	<p>transactions contemplated by the Transaction Documents do not and will not conflict with:</p> <ol style="list-style-type: none"> I. any Applicable Law to which the Company is subject including, without limitation, any laws and regulations regarding anti-money laundering/ terrorism financing and similar financial sanctions; II. its constitutional documents; III. any agreement or instrument binding upon it or any of its assets, including but not limited to any terms and conditions of the Financial Indebtedness availed of by the Company. <p>(e) Power and authority</p> <p>It has the power to issue the Debentures and enter into, perform and deliver, and has taken all necessary action to authorize its entry into, performance and delivery of, the Transaction Documents to which it is a party and the transactions contemplated by those Transaction Documents.</p> <p>(f) Validity and admissibility in evidence</p> <p>All approvals, authorizations, consents, permits (third party, statutory or otherwise) required or desirable:</p> <ol style="list-style-type: none"> I. to enable it lawfully to enter into, exercise its rights and comply with its obligations in the Transaction Documents to which it is a party; II. to make the Transaction Documents to which it is a party admissible in evidence in its jurisdiction of incorporation; and III. for it to carry on its business, and which are material, have been obtained or effected and are in full force and effect. <p>(a) Accounts and Records</p> <p>The books of accounts of the Company have been fairly and properly maintained, the accounts of the Company have been prepared in accordance with Applicable Law and in accordance with the generally accepted accounting principles, so as to give a true and fair view of the business (including the assets, liabilities and state of affairs) of the Company and its subsidiaries. The Company has a proper, efficient and effective book-keeping and accounting system in place as well as adequate professional staff, including maintaining of accounts showing the loan drawings, payments, interest etc.</p> <p>(g) Taxation Matters</p> <ol style="list-style-type: none"> (i) The Issuer has complied with all the requirements as specified under the respective tax laws as applicable
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	<p>to it in relation to returns, computations, notices and information which are or are required to be made or given by the Issuer to any tax authority for taxation and for any other tax or duty purposes, have been made and are correct.</p> <p>(ii) The Company has not received any notice of any tax disputes or other liabilities of taxes in respect of which a claim has been made or notice has been issued against the Company which is material in nature.</p> <p>(h) Legal / Litigation Matters</p> <ul style="list-style-type: none"> - There are no claims, investigations or proceedings before any court, tribunal or governmental authority in progress or pending against or relating to the Issuer, which would have a Material Adverse Effect. - There are no unfulfilled or unsatisfied judgments or court orders in respect of the Company. - The Issuer has not taken any action nor has any order been passed for its winding-up, dissolution or re-organization or for the enforcement of its assets or for the appointment of a liquidator, supervisor, receiver, administrator, administrative receiver, compulsory manager, trustee or other similar officer for it or in respect of its assets. <p>(i) Assets</p> <p>Except for the security interests and encumbrances created and recorded with the Ministry of Corporate Affairs (available using CIN L65910GJ1995PLC026064) on the website http://www.mca.gov.in/MCA21/index.html under the heading Index of Charges), the Issuer has, free from any security interest or encumbrance, the Issuer has, free from any security interest or encumbrance, the absolute legal and beneficial title to, or valid leases or licenses of, or is otherwise entitled to use (in each case, where relevant, on arm's length terms), all material assets necessary for the conduct of its business as it is being, and is proposed to be, conducted.</p> <p>(j) Compliance with law</p> <p>The Company is in compliance in all respects with all Applicable Law including, without limitation, the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulation 2021 for the performance of the Company of its obligations with respect to this Issue and to carry on their business</p>
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	<p>(k) Pari Passu Ranking</p> <p>The Company's payment obligations under the Transaction Documents rank at least <i>pari-passu</i> with the claims of all of unsecured creditors, except for obligations mandatorily preferred by law applying to companies generally.</p> <p>(l) No Default</p> <p>No Event of Default has occurred and is continuing or would be expected to result from the execution or performance of any Transaction Documents or the issuance of the Debentures. No other event or circumstance is outstanding which constitutes (or which would, with the lapse of time, the giving of notice, the making of any determination under the relevant document or any combination of the foregoing, constitute) a default or termination event (however described) under any other agreement or instrument which is binding on the Company or any of its assets or which might have a Material Adverse Effect</p> <p>(m) Material Adverse Effect</p> <p>The Issuer hereby represents that there is no Material Adverse Effect existing and that there are no circumstances existing which could give rise, with the passage of time or otherwise, to a Material Adverse Effect.</p> <p>(n) No Immunity</p> <p>Neither the Issuer nor any of its assets is entitled to immunity from suit, execution, attachment or other legal process in its jurisdiction of incorporation. This Issue (and the documents to be executed in relation thereto) constitutes, and the exercise of its rights and performance of and compliance with its obligations in relation thereto, will constitute, private and commercial acts done and performed for private and commercial purposes.</p> <p>(o) Information</p> <p>All information provided by the Issuer is true and accurate in all material respects as at the date it was provided or as at the date at which it was stated and is not misleading whether by reason of omission to state a fact or otherwise</p> <p>(p) Illegality</p> <p>It is not illegal or unlawful for the Company to perform any of its obligations under the Transaction Documents.</p>
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	<p>For the purposes of this Term Sheet:</p> <p>“Material Adverse Effect” shall mean, with respect to any entity, the effect or consequence of an event, circumstance, occurrence or condition including change in credit rating/ outlook/ opinion, change in senior management team, change in board of directors’ member which has caused, as of any date of determination, or could reasonably be expected to cause a material and adverse effect on: (i) the financial condition, business or operation of the entity which in the opinion of the Debenture Holder is prejudicial to the ability of the entity to perform its obligations under the Transaction Documents; (ii) on the rights or remedies of the Debenture Holders hereunder or under any other Transaction Documents; (iii) the ability of the entity to perform its obligations under the Transaction Documents; or (iv) the legality, validity or enforceability of any of the Transaction Documents</p> <p>“Final Settlement Date” shall mean the date on which the Payments have been irrevocably discharged in full and all the Debentures have been redeemed by the Company in full in accordance with the terms of the Transaction Documents and the Debenture Holders have provided a written confirmation of the same to the Company (with a copy marked to the Debenture Trustee). The Debenture Holder shall provide written confirmation within 15 (fifteen) calendar days upon the completion of all the compliances (including any filings related to any taxes deducted at source) by the Company in respect of the redemption of the Debentures.</p>
Financial Covenants	<p>The Issuer shall maintain the below mentioned covenants during the entire tenor of the Debentures and till all the amounts outstanding are been duly repaid:</p> <p>(a) The capital adequacy ratio shall be maintained at a minimum of 20% at all points in time and Tier I Capital to remain at minimum of at 15%.</p> <p>(b) Total Debt/Equity ratio to be within 5x.</p> <p>(c) Gross NPA (PAR > 90 days) on a standalone basis shall not exceed 4% of the Assets under Management of the Issuer.</p>
Affirmative & Reporting Covenants	<p>The Company hereby covenants with the Debenture Trustee that the Company shall at all times till the Final Settlement Date:</p> <p>(a) Purpose The Company shall utilise the monies received upon subscription of the Debentures solely towards the purpose and in accordance with Applicable Law as set out in the row titled ‘Objects the Issue’.</p> <p>(b) Validity of Transaction Documents Ensure that the Transaction Documents shall be validly executed and delivered and will continue in full force and effect and will constitute valid, enforceable and binding obligations of the Company.</p> <p>(c) Further Documents and Acts Execute all such deeds, documents, instruments and assurances and do all such acts and things as the Debenture</p>

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	<p>Trustee may require for exercising the rights under the Transaction Documents and the Debentures.</p> <p>(d) Make the Relevant filings with the Registrar of Companies/SEBI Pursuant to the Act and the relevant rules thereunder, the Company undertakes to make the necessary filings of the documents mandated therein.</p> <p>(e) Compliance with laws The Company shall comply with:</p> <p>A. all Applicable Law (including, without limitation, the Act) as applicable in respect to the issuance of the Debentures, and obtain such regulatory approvals as may be required from time to time, including but not limited, in relation to the following (i) the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as may be in force from time to time during the currency of the Debentures; (ii) the provisions of the listing agreement entered into by the Company with the stock exchange in relation to the Debentures including the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), and (iii) the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the other rules under the Act; and</p> <p>B. comply with all the provisions as mentioned in the Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993, the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, the Act, corporate governance and fair practices code prescribed by the RBI and/or any other notification, circular, press release issued by the SEBI/RBI, from time to time.</p> <p>(f) The Company shall maintain adequate internal controls for the purpose of preventing fraud on or in relation to the amounts lent by the Company. The Company shall ensure that no amounts lent by the Company are being used for money laundering or illegal purposes.</p> <p>(g) The Company shall keep proper books of account as required by the Act and make true and proper entries therein of all dealings and transactions of and in relation to the Debentures, and the business of the Company and the Company will ensure that the same shall at times be open for inspection by the Debenture Trustee and such person or persons, as the Debenture Trustee shall, from time to time, in writing for that purpose appoint.</p>
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	<p>(h) The Company shall permit the Debenture Trustee and such person, as the Debenture Trustee shall from time to time for that purpose appoint, to enter into or upon and to view and inspect the books of records, documents and accounts maintained by the Company and when required by the Debenture Trustee.</p> <p>(i) The Company shall comply with any directions/ guidelines issued by any governmental authority, in relation to the issuances of the Debentures.</p> <p>(j) The Company shall submit to the Debenture Trustee (and to the Debenture Holder(s), if so requested) within 120 (One Hundred and Twenty) days from the close of each Financial Year:</p> <ul style="list-style-type: none"> (i) its duly audited annual financial statements; (ii) a certificate from a director of the Company/ the chief financial officer of the Company confirming that no Event of Default or potential Event of Default has occurred or is subsisting; (iii) all information/ documents required to be submitted by the Company to the RBI on an annual basis in respect of such Financial Year. <p>(k) The Company shall submit to the Debenture Trustee (and to the Debenture Holder(s), if so requested), within 45 (Forty-Five) calendar days from the close of each quarter in a Financial Year:</p> <ul style="list-style-type: none"> (i) Updated list of the names and addresses of the Debenture Holders (ii) its quarterly financials along with the relevant schedules thereto; (iii) information on financials, operations, portfolio growth and asset quality (collection efficiency and portfolio at risk data), funding data, in a format acceptable to the Debenture Holders; (iv) the list of the directors on the board of directors of the Company; (v) the shareholding pattern of the Company; (vi) a certificate signed by a director of the Company or the chief financial officer of the Company confirming the compliance of the Company with the Financial Covenants; (vii) the debt profile of the Company (including, without limitation, the non-convertible debentures issued by the Company) with detailed terms of borrowings availed by the Company; (viii) Asset liability management ("ALM") statement of the Company for such quarter;
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	<p>(ix) Liquidity position of the Company at the end of such quarter, in a format acceptable to the Debenture Holders;</p> <p>(x) Certified copy of the filings/ returns filed by the Company with the RBI for and during such quarter;</p> <p>(l) The Company shall submit to the Debenture Trustee and to the Debenture Holder(s), a certificate from the authorised signatory of the Company (duly authorised by the board of directors of the Company) certifying the debt profile of the Company (including, without limitation, the guarantee obligations of the Company) and Static Pool Data in a format acceptable to the Debenture Trustee: (a) for the half-year period ended March 31st of a Financial Year by April 15th of the immediately succeeding Financial Year; and (b) for the half-year period ended September 30th of a Financial Year by October 15th of such Financial Year, until the Final Settlement Date.</p> <p>(m) Notification to the Debenture Trustee</p> <p>The Company shall provide information to the Debenture Trustee in respect of the following promptly on the occurrence of such event:</p> <p>A. notify the Debenture Trustee in writing, of any notice of an application or petition for insolvency and/ or winding up having been made or receipt of any statutory notice of insolvency and/ or winding up under the provisions of the Act or any other notice under any other Applicable Law or otherwise of any suit or legal process intended to be filed affecting the title to the property of the Company;</p> <p>B. notify the Debenture Trustee in writing, if it becomes aware of any fact, matter or circumstance which would cause any of the representations and warranties under any of the Transaction Documents to become untrue or inaccurate or misleading in any respect;</p> <p>C. provide to the Debenture Trustee such further information regarding the financial condition, business and operations of the Company as the Debenture Trustee may request;</p> <p>D. notify the Debenture Trustee promptly of any revision in the rating or assignment of a fresh rating provided by the Rating Agency to the Debentures;</p> <p>(n) The Company agrees that it shall forward to the Debenture Trustee promptly a copy of the statutory auditors' and</p>
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	<p>directors' annual report, balance sheet and profit and loss account and of all periodical and special reports at the same time as they are issued;</p> <p>(o) Preserve Corporate Status The Company shall diligently preserve its corporate existence and status and obtain, comply with and maintain all its licenses and/ or authorisations required including, without limitation, the license to conduct business as a non-banking financial company and any other rights, licenses and franchises necessary for its obligations under the Debentures and the Transaction Documents and continue to be a validly existing organization in good standing and at all times act and proceed in relation to its affairs and business in compliance with Applicable Law.</p> <p>(p) The Company shall forthwith provide a written intimation to the Debenture Trustee of any event which constitutes an Event of Default or which may with the expiry of time be classified as an Event of Default, specifying the nature of such event and any steps the Company is taking and proposes to take to remedy the same.</p> <p>(a) The Company shall keep the Debenture Trustee informed of all the orders, directions or notices of any court or tribunal affecting or likely to affect the assets (or any part thereof) of the Company.</p> <p>(b) The Company shall forthwith provide to the Debenture Trustee the details of any litigation, arbitration or administrative proceedings filed or initiated against the Company.</p> <p>(c) Event Based Reporting</p> <p>1. The Company shall provide to the Debenture Trustee and to the Debenture Holder(s), information in respect of the following events forthwith and in any event not later than 5 (Five) calendar days from the occurrence of such event:</p> <ul style="list-style-type: none"> (i) Any changes effected in promoter shareholding structure of the Company; (ii) Any change in the composition of the board of directors of the Company; (iii) Any change in the senior management officials of the Company (including, without limitation, the CXO or any official holding an equivalent position); (iv) Any amendment to the constitutional documents of the Company; (v) Any Material Adverse Effect; (vi) Any dispute, litigation, investigation or other
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	<p>proceeding against the Company and/ or any notice in this regard received by the Company;</p> <p>(vii) Resignation of the statutory auditor of the Company along with its resignation letter;</p> <p>(viii) Any prepayment of Financial Indebtedness by the Issuer or any notice received for prepayment of any Financial Indebtedness of the Company that would lead to a negative mismatch on cumulative basis in any of the buckets till one year of the ALM of the Company;</p> <p>2. The Company shall provide to the Debenture Trustee and to the Debenture Holder(s), information in respect of the following events forthwith and in any event not later than 1 (One) calendar days from the occurrence of such event:</p> <p>(i) Any events of default, breach of warranties or covenants set out in transaction documents of any Financial Indebtedness of the Company;</p> <p>(ii) any legal proceeding/ notice instituted against/ received by the Company other than ordinary course of business;</p> <p>(iii) default in any Financial Indebtedness/ obligations to any creditors.</p> <p>(iv) Any application or petition filed for the dissolution or re-organization of the Company;</p> <p>(v) Occurrence of any Event of Default or potential Event of Default</p> <p>(vi) Occurrence of other events such breach of warranties or covenants set out in Transaction Documents of any indebtedness of the Company, any legal proceeding / notice instituted against / received by the Company, default in any indebtedness / obligations to any creditors, any Material Adverse Change and such other material events as set out in the Transaction Documents.</p> <p>(i) The Company shall provide to the Debenture Trustee such information as it may require for any filings, statements, reports that the Debenture Trustee is required to provide to any Governmental Authority under Applicable Law;</p> <p>(ii) The Company shall, while submitting half yearly/ annual financial results to the BSE disclose <i>inter alia</i> the following line items along with the financial results accompanied by a certificate from the Debenture Trustee confirming that it has taken note of the said content and the same shall be communicated to the Debenture Holder(s) on a half-yearly basis or such other timely basis as communicated by BSE:</p>
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	<p>A. Credit rating of the Issue and change in credit rating, if any;</p> <p>B. Debt- equity ratio of the Company;</p> <p>C. Previous due date for the payment of interest/ repayment of principal and whether the same has been paid or not;</p> <p>D. Next due date of payment along with the amount of interest/ principal along with the amount of interest/redemption payable;</p> <p>E. Debenture Redemption Reserve;</p> <p>F. Net Worth;</p> <p>G. Net profit after tax;</p> <p>H. Earnings per share;</p> <p>I. and</p> <p>J. Interest service coverage ratio.</p>
	<p>(d) The Company shall promptly comply with any monitoring and/or servicing requests from Debenture Trustee.</p>
	<p>(e) The Company shall submit to the Debenture Trustee such other information as may be required by the Debenture Trustee for the effective discharge of its duties and obligations hereunder, including copies of reports, balance sheets, profit and loss account etc.</p>
	<p>(f) The Company hereby agrees and undertakes that the Promoter Debt shall at all times be contractually subordinated (in ranking and payment) to the Obligations and at any time after the occurrence of an Event of Default no payments shall be made in respect of the Promoter Debt except with the express prior written consent of the Debenture Trustee (acting on the instructions of the Majority Debenture Holders).</p>
	<p>(g) Filings The Company shall cooperate with the Debenture Trustee/ Debenture Holders in connection with any assistance the Debenture Trustee/ Debenture Holders may require for the purpose of submitting information in relation to the Debentures and the Transaction Documents to any relevant information utility in accordance with the IBC, and to confirm or authenticate all filings and information sought to be uploaded, and update or modify or rectify any errors in such financial information submitted.</p>
	<p>(h) Financial Terms and Conditions The Company shall comply with each of the financial terms and conditions set out in the Transaction Documents until the Final Settlement Date.</p>
	<p>For the purposes of this Term Sheet:</p>

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	<p>“Financial Year” shall mean the financial year of the Company used for the purposes of accounting;</p> <p>“IBC” shall mean the Insolvency and Bankruptcy Code, 2016 and the rules and regulations issued in respect thereof, as the same may be amended, modified and supplemented from time to time;</p> <p>“Majority Debenture Holder(s)” shall mean Debenture Holder(s) holding an aggregate amount representing not less than 75% (Seventy-Five per cent) of the value of the nominal amount of the Debentures for the time being outstanding;</p> <p>“Promoter Debt” shall mean all existing and future Financial Indebtedness availed of by the Company from the Promoters. The details of the existing Financial Indebtedness availed of from the Promoters are set out in the Debenture Trust Deed;</p> <p>“Obligations” shall mean all obligations at any time due, owing or incurred by the Company to the Debenture Trustee and the Debenture Holder(s) in respect of the Debentures and shall include, without limitation, the obligation to redeem the Debentures in terms thereof together with the Coupon accrued thereon, Default Interest, if any, accrued thereon, any outstanding remuneration of the Debenture Trustee and all fees, costs, charges and expenses payable to the Debenture Trustee and other monies payable by the Company in respect of the Debentures.</p>
Negative Covenants	<p>The Issuer shall maintain the below mentioned covenants during the entire tenor of the NCDs and till all the amounts outstanding are been duly repaid, in case of any change the Issuer to seek a prior-written consent of the Majority Debenture Holders:</p> <ol style="list-style-type: none"> Change the general nature of its business from that which is permitted as 'Non-Banking Financial Company' by the RBI Change its Constitutional Documents in any material way or reduce its authorized capital in any way which would prejudicially affect the interests of the Debenture Holders. The Issuer will ensure that prior to the Final Redemption Date, there will be no sale, disposal or transfer in any matter whatsoever of the equity shares held by the Promoter in the Company, nor will the Promoter encumber (in any manner whatsoever) the equity shares held by the Promoter in the Company. Change in the financial year end from 31st March unless such change is mandatorily required to be made for compliance with Applicable Law Until the Final Redemption Date, the Company will procure

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	<p>and ensure that the Promoter will not exit from or reduce its involvement from the management activities of the Company as is subsisting on the Effective Date. Without prejudice to the foregoing, the Company will procure and ensure that Promoters will continue to maintain an executive role in the Company until the Final Redemption Date.</p> <p>f) Declare or pay any dividend or make any distributions on its share capital (other than dividends or distributions payable on shares of the Company), unless:</p> <ol style="list-style-type: none"> i. the proposed payment or distribution is out of net income of the current Financial Year (excluding any amount resulting from the revaluation of any of the Company's assets); ii. no Event of Default has occurred and is then continuing, or could occur or is reasonably likely to occur, as a result of such payment or declaration of any dividend or distribution and after giving effect to any such action; and iii. the Company is in compliance with the financial covenants <p>g) pay or declare any dividend to its shareholders in any year, during the tenor of the Debentures, until the Issuer has paid or has made satisfactory provision for payment of the installments of the principal due and interests due on the Debentures;</p> <p>h) Undertake or permit any merger, consolidation, , scheme of arrangement or compromise with its creditors or shareholders or effect any scheme of amalgamation or</p> <p>i) Acquire (or agree to acquire) any shares, stocks, securities or other interest in any joint venture; or transfer any assets or lend to or guarantee or indemnify or give security for the obligations of a joint venture (or agree to transfer, lend, guarantee, indemnify or give security for the obligations of a joint venture).</p> <p>j) The Issuer shall not extend a loan to any single individual or entity amounting to greater than 15% (Fifteen percent) of its Tangible Net Worth and/ or undertake to guarantee the liabilities of any individual or entity (unless the entity is a wholly owned subsidiary of the Company).</p> <p>k) The Issuer shall not:</p> <ol style="list-style-type: none"> (i) enter into any transaction with any person or enter into or continue business relations with its shareholders, employees, affiliate(s), holding company(ies), and/or
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	<p>subsidiary(ies) except on proper commercial terms negotiated on an arm's length basis;</p> <p>(ii) enter into or establish any partnership, profit sharing, royalty agreement or other similar other arrangement whereby the Company's income or profits are, or might be, shared with any other person other than in the ordinary course of business on an arms' length basis and in compliance with applicable.; or</p> <p>(iii) enter into any management contract or similar arrangement whereby its business or operations are managed by any other person.</p> <p>l) Effect any change in the statutory auditors of the Company, other than as per mandatory requirement under Applicable Law;</p> <p>m) Undertake any new business outside financial services or any diversification of its business outside financial services.</p> <p>n) Make any amendments to its memorandum of association and articles of association of the Company related to reduction in share capital and discontinuation of any existing line of business.</p> <p>o) Appoint or continue to the appointment of any person classified as or who is director of a company classified as a wilful defaulter as a director and/ or a key managerial person of the Company</p> <p>p) Enter into any contractual obligation which may adversely affect the financials standing</p> <p>q) Apply to the court for the winding up of the Company or agree to the winding up of the Company</p> <p>r) Enter into compromise or arrangement or settlement with any of its creditors (secured and unsecured) that would prejudicially affect the interest of the Debenture Holders.</p> <p>s) Participate in any involuntary process under IBC</p> <p>t) Undertake/permit any voluntary process under the Insolvency and Bankruptcy Code 2016 (IBC)</p> <p>u) Voluntary prepayment of any financial indebtedness of the company, which would lead to a mismatch in the ALM, after incorporating all the liabilities of the Company including Put Options, Resets etc. (in any form) & excluding Unutilized Bank lines, on the proposed day of prepayment.</p> <p>v) Unsecured Loans from Promoters/ related parties/ Inter</p>
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	Corporate Deposits shall not be repaid (except by way of equity conversion) incase wherein breach of covenant/s is subsisting.
Holding & Management Covenant	<p>The Company undertakes that the following covenants ("Holding and Management Covenants") shall be maintained at all times until the Final Settlement Date, unless the prior written consent of the Debenture Trustee (acting on the instructions of the Majority Debenture Holders) is obtained:</p> <ol style="list-style-type: none"> The Current Promoter Group shall hold minimum unencumbered 51% stake in the Company, on fully diluted basis and management control of the Company. Mr. Kamlesh Gandhi to remain on the Board of Directors as Managing Director of the Issuer For the purpose of this clause "Management Control" means - <ul style="list-style-type: none"> the right to appoint majority of the directors and to control the management or policy decisions exercisable by a person or persons acting individually or in concert, directly or indirectly, by virtue of their shareholding or management rights or shareholders agreements or voting agreements.
Rating Covenant	<p>The Company shall maintain the below mentioned covenants during the entire tenor of the Debentures and till all the amounts outstanding are been duly repaid</p> <ol style="list-style-type: none"> The Company shall ensure that there is no downgrade in the credit rating of the Company/Instrument and/or assignment of long-term credit rating at "A- or below" from the any credit rating agency; The rating that is outstanding with "Issuer / Issuer / Company not cooperating" or such similar words <p>In case, rating from multiple rating agencies is available, the lowest rating available for long term borrowing shall be considered for the purpose of this clause.</p>
Event of Defaults (including manner of voting /conditions of joining Inter Creditor Agreement)	<p>An Event of Default ("Event of Default") shall have occurred upon the happening of any event or circumstances mentioned hereunder:</p> <ol style="list-style-type: none"> <u>Payment based Defaults:</u> <ol style="list-style-type: none"> The Company does not pay on the Due Date(s) any amount payable in terms of the Transaction Documents at the place at and in the currency in which it is expressed to be payable, unless its failure to pay is caused by technical error and payment is made within 1 (One) calendar day of the relevant Due Date; An event of default shall arise if the Company/any of the Promoters/ guarantors (if any)/ the subsidiaries or holding company(ies) of the Company:

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	<p>(a) defaults in any payment of Financial Indebtedness beyond the period of grace if any, provided in the instrument or agreement under which such Financial Indebtedness was created; or</p> <p>(b) defaults in the observance or performance of any agreement or condition relating to any Financial Indebtedness the effect of which default or other event or condition is to cause or to permit the holder or holders of such Financial Indebtedness to cause (with the giving of notice or the passage of time or both would permit or cause) any such Financial Indebtedness to become due prior to its stated maturity; or</p> <p>(c) any Financial Indebtedness of the Issuer is declared to be due and payable, or would permit to be prepaid other than by a regularly scheduled required prepayment, (whether or not such right shall have been waived) prior to the stated maturity thereof;</p> <p><i>provided that if the above-mentioned Event of Default is capable of being remedied in the sole discretion of the Debenture Holders, the Majority Debenture Holder may provide a cure period as deemed appropriate to them.</i></p> <p>For the Purpose of this clause the event of default shall only arise if any of the Promoters/ guarantors (if any)/ the subsidiaries or holding company(ies) of the Issuer defaults for a total amount exceeding Rs. 5,00,000 (Rs Five Lakhs) during the tenor of the NCDs.</p> <p>(c) The Issuer admits in writing its inability to pay its debts as they fall due or suspends making payments on any of its debts or by reason of actual financial difficulties commences negotiations with one or more creditors with a view to rescheduling its indebtedness;</p> <p>2. <u>Covenants & Information based Defaults:</u></p> <p>(a) The breach of any terms, covenants (including, without limitation, negative covenants, affirmative covenants, reporting covenants) or obligation under the Transaction Documents</p> <p>(b) The Issuer fails to share the any information within 5 (five) calendar days upon the request by the Debenture Holder.</p> <p>3. <u>Defaults relating to the validity of the Transaction Documents</u></p> <p>(a) The Placement Memorandum or any other Transaction Document in whole or in part, becomes invalid or ceases to be a legally valid, binding and enforceable obligation of the Company;</p>
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	<p>(b) It is or becomes unlawful for the Company to perform any of its obligations under the Transaction Documents and/or any obligation or obligations of the Company under any Transaction Document are not or cease to be valid, binding or enforceable;</p> <p>(c) Any representation or warranty made by the Company in any Transaction Document or in any certificate, financial statement or other document delivered to the Debenture Trustee/ Debenture Holders by the Company shall have been incorrect, false or misleading in any respect when made or deemed made;</p> <p>(d) The Company repudiates any of the Transaction Documents, or evidences an intention to repudiate any of the Transaction Documents;</p> <p>4. <u>Other Defaults</u></p> <p>(a) There shall have occurred Material Adverse Effect and such Material Adverse Effect has not been remedied or rectified within a period of 15 (Fifteen) calendar days;</p> <p>(b) Any corporate action, legal proceedings or other procedure or step is taken in relation to:</p> <ol style="list-style-type: none"> i. the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganization (by way of voluntary arrangement, scheme of arrangement or otherwise) of the Company; ii. the composition, compromise, assignment or arrangement with any creditor of the Company; iii. the appointment of a liquidator, receiver or similar other officer in respect of the Company, a composition, compromise, assignment or arrangement with any creditor of the Company; iv. enforcement of any assets of the Company or any analogous procedure or step is taken in any jurisdiction; v. any other event occurs or proceeding is instituted that under any applicable law would have an effect analogous to any of the events listed in paragraphs (a), (b), (c) and (d) above; <p>(c) Any Governmental Authority condemns, nationalizes, seizes, expropriates or otherwise assumes custody or control of all or any substantial part of the business, operations, property or other assets of the Company or of its share capital, or takes any action for the dissolution of the Company or any action that would prevent the Company or its officers from carrying on all or a substantial part of its business or operations;</p>
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	<p>(d) The Company's organizational status or any licenses or franchise is revoked or suspended by any government agency or authority after the Company has exhausted all remedies and appeals relating thereof;</p> <p>(e) Surrender, revocation or suspension of the Company's certificate of registration as a non-banking financial company by the Reserve Bank of India provided that this shall not apply where such certificate of registration is surrendered pursuant to obtaining a banking license;</p> <p>(f) The listing of the Debentures ceases or is suspended at any point of time prior to the Maturity Date</p> <p>(g) The Company ceases to carry on its business or any substantial part thereof or gives notice of its intention to do so.</p> <p>(h) The Company has taken or suffered to be taken any action for reorganization of its capital or any rearrangement, merger or amalgamation without prior approval of the Debenture Holders in terms hereof;</p> <p>(i) Any material act of fraud, embezzlement, misstatement, misappropriation, or siphoning off of the Issuer/Promoter funds or revenues or any other act having a similar effect being committed by the management of the Issuer/Promoter.</p> <p>(j) The Promoters and/or the directors/ or the key managerial personnel of the Company are accused of, charged with, arrested or convicted a criminal offence involving moral turpitude, dishonesty or which otherwise impinges on the integrity of the Promoters and/or the directors and/ or the key managerial personnel of the Company, including any accusations, charges and/or convictions of any offence relating to bribery or being declared a willful defaulter;</p> <p>(k) In the event that an application for corporate insolvency resolution process of the Company is filed or any form of communication indicating an intention to file such application is issued or any creditor of the Company takes any steps requesting the filing of such application, in each case, by the appropriate regulator (i.e. the Reserve Bank of India), under the IBC and the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019;</p> <p>(l) If the Company commences a voluntary proceeding under</p>
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	<p>any applicable bankruptcy, insolvency, winding up or other similar law now or hereafter in effect (including by passing any resolution of the Board or the shareholders of the Company) or consents to the entry of an order for relief in an involuntary proceeding under any such law, or consents to the appointment of or the taking of possession by a receiver, liquidator, assignee (or similar official) for any or a substantial part of its property;</p> <p>(m) If a petition is filed for the winding up of the Company under the Companies Act, 2013 and the same is not stayed or dismissed within a period of 15 days of its filing;</p> <p>(n) Any order/ judgement passed by any of the regulatory authorities against any of the Promoter / Promoter Group /Issuer resulting in debarment of the Promoter / Promoter Group/Issuer for raising funds from the financial markets.</p> <p>(o) The Company commences negotiations with one or more of its lenders/ debenture trustees/ debenture holders with a view to rescheduling any of its indebtedness or failure or inability of the Company to pay its debts as they mature</p> <p>In case of breach of any of the above-mentioned covenants, the Issuer shall have a cure period of 15 calendar days for rectify the breach. However, there shall be no cure period for Payment based Defaults and Covenants & Information based defaults.</p> <p>Subject to the approval of the debenture holders and the conditions as may be specified by the SEBI from time to time, the Debenture Trustee, on behalf of the debenture holders, may enter into inter-creditor agreements provided under the framework specified by the Reserve Bank of India. The voting shall be through show of hands or poll or through such other manner as the Majority Debenture Holder/s may deem fit.</p> <p>For the purposes of this Term Sheet: “Maturity Date” shall mean the date falling at the expiry of 67 (Sixty-Seven) months from the Deemed Date of Allotment or such other earlier date on which the Debentures are required to be redeemed pursuant to the Transaction Documents.</p>
Provisions related to Cross Default Clause	As mentioned in Clause 1 (b) of the row titled ‘Events of Default’
Consequences Of Events Of Default	On and at any time after the occurrence of an Event of Default, unless such Event of Default at the request of the Company is expressly waived by the Debenture Trustee acting on the instructions of the Majority Debenture Holder(s), (a) upon the expiry of the cure period provided to the Company, if any, or (b) if the cure period provided is mutually extended by the Parties hereto upon the expiry of such extended period or (c) where no cure period is provided or it is not practical to provide a cure period, then

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	<p>forthwith, or (d) where no cure period has been provided and the Parties mutually agree to provide for a cure period, upon the expiry of such mutually agreed cure period, the Debenture Trustee shall if so directed by an individual Debenture Holder holding Debentures for an amount of atleast Rs 5.00 (Five) Crores) or the Majority Debenture Holder(s): declare that all or part of the obligations be immediately due and payable, whereupon they shall become immediately due and payable;</p> <ul style="list-style-type: none"> i. accelerate the redemption of the Debentures, subject to applicable RBI approval; ii. Disclosure of information to relevant authorities or regulatory such as Credit Information Bureau (India) Limited and/or any other agency so authorized by the Reserve Bank of India in any such manner that deem fit to the Lender iii. Publish the names of Directors in RBI / CIBIL list iv. Exercise all the rights and remedies available to it in such manner as Debenture Holder may deem fit without intervention of the Court and without having to obtain any consent of the Issuer; v. Appoint a Nominee Director
Creation of recovery expense fund	<p>The Issuer shall create a recovery expense fund in the manner as may be specified by SEBI from time to time and same shall be informed to the Debenture Trustee.</p> <p>The recovery expense fund shall be utilised for the activities as may be permitted by the applicable regulations</p>
Conditions for breach of covenant (as specified in the Debenture Trust Deed)	<p>The Conditions for breach of covenants if any shall be specified in the Debenture Trust Deed</p>
All covenants of the Issue (including side letters, accelerated payment clause, etc.)	<p>Other than as disclosed in the Placement Memorandum, there are no other covenants.</p>
Right to Re-purchase and Re-issue the Debenture	<p>The Company, subject to the prevailing guidelines, rules/regulations of Reserve Bank of India, the Securities and Exchange Board of India and other Authorities, shall have the option from time to time to repurchase a part or all of the Debentures from the secondary markets or otherwise, on prior mutual consent(s) from the debenture holder(s), at any time prior to the date of maturity.</p> <p>In the event of a part or all of its Debentures being repurchased as aforesaid or redeemed under any circumstances whatsoever, the Company shall have, and shall be deemed to have had, the power to reissue the Debenture either by reissuing the same Debentures or by issuing other Debenture in their place.</p> <p>Further the Company, in respect of such repurchased/redeemed</p>

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	Debenture shall have the power exercisable either for a part or all of those Debenture, to cancel, keep alive, appoint nominee(s) to hold or reissue at such price and on such terms and conditions as it may deem fit and as permitted by law..
Role and Responsibilities of Debenture Trustee	To oversee and monitor the overall transaction for and on behalf of the Debenture Holder(s).
Risk Factors pertaining to the Issue	As mentioned in the Placement Memorandum under captioned "Risk Factor"
Reissuance	<p>Company reserves the right to make multiple issuance under the same ISIN with reference to SEBI circular CIR/IMD/DF-1/67/2017 dated 30th June 2017</p> <p>Issue can be made either by way of creation of fresh ISIN or by way of issuance under the existing ISIN at premium / par / discount as the case may be in line with SEBI circular CIR/IMD/DF-1/67/2017 dated 30th June 2017.</p>
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 Promoters.
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.
Superior Borrowing Clause	In case the Issuer offers any additional covenant or superior covenant than as agreed above, the same will be applicable to the proposed captioned NCD.
Governing Law	<p>(a) Governing Law This Deed is governed by and construed in accordance with the laws of India.</p> <p>(b) Jurisdiction (i) The Parties agree that the courts and tribunals at Mumbai, India shall have exclusive jurisdiction to settle all disputes which may arise out of or in connection with this Deed ("Dispute"). Accordingly, any suit, action or proceedings relating to any Dispute (together referred to as "Proceedings") arising out of or in connection with this Deed may be brought in the courts and tribunals of Mumbai, India and the Company irrevocably submits to and accepts for itself and in respect of its property, generally and unconditionally, the jurisdiction of those courts and tribunals.</p> <p>(ii) The Parties irrevocably waive any objection now or in future, to the laying of the venue of any Proceedings in the courts and tribunals at Mumbai, India and any claim that any such</p>

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	<p>Proceedings have been brought in an inconvenient forum. The Company further irrevocably agrees that a judgment in any Proceedings brought in the courts and tribunals at Mumbai, India shall be conclusive and binding upon it and may be enforced in the courts of any other jurisdiction, (subject to the laws of such jurisdiction) by a suit upon such judgment, a certified copy of which shall be conclusive evidence of such judgment, or in any other manner provided by Applicable Law.</p> <p>(iii) Nothing contained in this Clause (ii)(b) (Jurisdiction), shall limit any right of the Debenture Trustee to take the Proceedings in any other court or tribunal of competent jurisdiction, nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction whether concurrently or not and the Company irrevocably submits to and accepts for itself and in respect of its property, generally and unconditionally, the jurisdiction of such court or tribunal, and the Company irrevocably waives any objection it may have now or in the future to the laying of the venue of any Proceedings and any claim that any such Proceedings have been brought in an inconvenient forum.</p> <p>(iv) To the extent that the Company may in any jurisdiction claim for itself or its Assets immunity from suit, execution, attachment (whether in aid of execution, before judgment or otherwise) or other legal process and to the extent that in any such jurisdiction there may be attributed to itself or its Assets such immunity (whether or not claimed), the Company hereby irrevocably agrees not to claim and hereby irrevocably waives such immunity</p>
Transaction Costs	<p>The Issuer shall bear all transaction related costs incurred by the Debenture Holders/ Debenture Trustee with respect to legal counsel, valuers and auditors/ consultants. Such costs include:</p> <ul style="list-style-type: none"> • Debenture Trustee fees; • Rating fees; • Stamping and registration costs in relation to all Transaction Documents; • Any other reasonable transaction related expense incurred by the Debenture Holders/ Debenture Trustee.
Taxes, Duties, Costs and Expenses	<ul style="list-style-type: none"> • Relevant taxes, duties and levies are to be borne by the Issuer. <p>The charges/ fees and any amounts payable under the 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.</p>
Issue Schedule	
Issue Opening Date	October 20, 2021
Issue Closing Date	October 20, 2021
Pay-In Date	October 20, 2021
Deemed Date of Allotment	October 20, 2021

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Note:

1. If there is any change in Coupon Rate pursuant to any event including elapse of certain time period or downgrade in rating then such new Coupon Rate and events which lead to such change shall be disclosed
2. The procedure used to decide the dates on which the payment can be made and adjusting payment dates in response to days when payment can't be made due to any reason like sudden bank holiday etc., should be laid down
3. 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.

8.2 TERMS OF THE TRANSACTION DOCUMENTS

8.2.1.1. *Additional obligations of the Debenture Trustee*

In respect of the SEBI Defaults (Procedure) Circular, the entering into, and the performance of any obligations under any inter-creditor agreement (pursuant to the Stressed Assets Framework) or any resolution plan shall be subject to the terms of the SEBI Defaults (Procedure) Circular (including without limitation, the resolution plan being finalised within the time period prescribed in the SEBI Defaults (Procedure) Circular, and exiting of the inter-creditor agreement on the occurrence of the matters prescribed under the SEBI Defaults (Procedure) Circular).

8.2.2. Listing and Monitoring Requirements

(a) Monitoring

The Issuer will provide all such assistance to the Debenture Trustee as may be required by it, to carry out the necessary due diligence and monitor the asset cover in the manner as may be specified by SEBI from time to time. In this regard, in accordance with the SEBI's circular bearing reference number SEBI/ HO/ MIRSD/ CRADT/ CIR/ P/ 2020/23 dated November 12, 2020 on "*Monitoring and Disclosures by Debenture Trustee(s)*", the Issuer undertakes and agrees to provide all relevant documents/information, as applicable, to enable the Debenture Trustee to submit the following reports/certifications to BSE in accordance with the SEBI Monitoring Circular:

- (i) (to the extent applicable) an asset cover certificate on a quarterly basis, within 60 (sixty) days from each Quarterly Date in the format prescribed in the SEBI Monitoring Circular;
- (ii) (to the extent applicable) a statement of the value of the pledged securities on a quarterly basis, within 60 (sixty) days from each Quarterly Date;
- (iii) (to the extent applicable) a statement of the value of the debt service reserve account or any other form of security offered on a quarterly basis, within 60 (sixty) days from each Quarterly date;
- (iv) (to the extent applicable) a net worth certificate of the guarantor who has provided a personal guarantee in respect of the Debentures on a half yearly basis, within 60 (sixty) days from the end of each financial half-year;
- (v) (to the extent applicable) the financials/value of guarantor prepared on the basis

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of audited financial statement etc. of the guarantor who has provided a corporate guarantee in respect of the Debentures on an annual basis, within 75 (seventy five) days from the end of each Financial Year; and

- (vi) (to the extent applicable) the valuation report and title search report for the immovable/movable assets, as applicable, on an annual basis, within 75 (seventy five) days from the end of each Financial Year.

(b) Recovery Expense Fund

- (i) To the extent applicable, the Issuer hereby undertakes and confirms that it shall, within the time period prescribed under the SEBI Recovery Expense Fund Circular, establish, maintain and utilize the Recovery Expense Fund in such manner/mode as is prescribed under the SEBI Recovery Expense Fund Circular, to enable the Debenture Trustee to take prompt action in relation to the enforcement of the security under the Transaction Documents.
- (ii) To the extent applicable, the Issuer shall deposit cash or cash equivalents including bank guarantees towards the contribution to Recovery Expense Fund with the designated stock exchange and submit relevant documents evidencing the same to the Debenture Trustee from time to time.
- (iii) To the extent applicable, the Issuer shall ensure that any bank guarantees provided in respect of the Recovery Expense Fund remain valid for a period of 6 (six) months following the maturity date of the Debentures. The Issuer shall keep the bank guarantees in force and renew the bank guarantees at least 7 (seven) working days before its expiry, failing which the designated stock exchange may invoke such bank guarantee.
- (iv) To the extent applicable, on the occurrence of any Event of Default, the Debenture Trustee shall obtain the consent of Debenture Holders for enforcement of security and shall inform the designated stock exchange of such occurrence and the obtaining of any consent in respect thereof (if any). The amount lying in the Recovery Expense Fund may be released to the Debenture Trustee within such time period and such manner as may be prescribed under the SEBI Recovery Expense Fund Circular. The Debenture Trustee shall keep a proper account of all expenses incurred out of the funds received from Recovery Expense Fund towards enforcement of the security under the Transaction Documents.
- (v) To the extent applicable, the amounts in the Recovery Expense Fund shall be refunded to the Issuer on repayment/redemption of the Debentures, following which a "no objection certificate" shall be issued by the Debenture Trustee(s) to the designated stock exchange. The Debenture Trustee shall ensure that there is no default on any other listed debt securities of the Issuer before issuing such "no objection certificate".

(c) Requirements under the LODR Regulations

- (a) The Issuer agrees, declares and covenants with the Debenture Trustee that it will comply with all requirements prescribed under the LODR Regulations applicable to it (including without limitation, Chapter IV of the LODR Regulations (to the extent applicable) and Chapter V of the LODR Regulations (to the extent applicable)).
- (b) without prejudice to (a) above, the Issuer hereby further agrees, declares and

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covenants with the Debenture Trustee that while submitting quarterly/annual financial results in accordance with Regulation 52 of the LODR Regulations, the Issuer shall disclose the following line items along with the financial results:

- (A) debt-equity ratio;
- (B) debt service coverage ratio (to the extent applicable);
- (C) interest service coverage ratio (to the extent applicable);
- (D) outstanding redeemable preference shares (quantity and value);
- (E) capital redemption reserve/debenture redemption reserve;
- (F) net worth;
- (G) net profit after tax;
- (H) earnings per share;
- (I) current ratio;
- (J) long term debt to working capital;
- (K) bad debts to Account receivable ratio;
- (L) current liability ratio;
- (M) total debts to total assets;
- (N) debtors turnover;
- (O) inventory turnover;
- (P) operating margin (%);
- (Q) net profit margin (%);
- (R) sector specific equivalent ratios, as applicable.

(d) **Due Diligence**

- (i) The Issuer acknowledges, understands, and confirms that:
 - (A) the Debenture Trustee shall carry out due diligence on continuous basis to ensure compliance by the Issuer, with the provisions of the Act, the LODR Regulations, the Debt Listing Regulations, the Debenture Trustees Regulations, the listing agreement of the stock exchange(s) where the Debentures are listed, the Transaction Documents, and any other regulations issued by SEBI pertaining to the Issue;
 - (B) for the purposes of carrying out the due diligence as required in terms of the SEBI Listed Debentures Circulars, the Debenture Trustee, either through itself or its agents, advisors, consultants, shall have the power to examine the books of account of the Issuer and to have the Issuer's assets inspected by its officers and/or external auditors, valuers, consultants, lawyers, technical experts, management consultants

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appointed by the Debenture Trustee; and

- (C) the Debenture Trustee may at any time through its authorized representatives and agents, inspect books of account, records, registers of Issuer and the trust property (as set out in the DTD) to the extent necessary for discharging its obligations. The Issuer shall provide full and unimpeded access to the records, registers and books of accounts and facilitate in the inspection and due diligence process. Any fees, costs expenses incurred in conducting such inspection/due diligence process shall be fully borne by the Issuer. In the event, any fees, costs expenses are borne by the Debenture Trustee, the above shall be reimbursed forthwith by the Issuer upon request.
- (ii) The Issuer shall submit documents/information as the Debenture Trustee may require to conduct continuous and periodical due diligence and monitoring, which shall, *inter alia*, include:
 - (A) periodical status/ performance reports from the Issuer within seven days of the relevant board meeting of the Issuer or within 45 (forty five) days of the respective quarter, whichever is earlier;
 - (B) details with respect to defaults, if any, with regard to payment of interest or redemption of Debentures;
 - (C) details with respect to the implementation of the conditions regarding the debenture redemption reserve and Recovery Expense Fund;
 - (D) details with respect to the assets of the Issuer and of the guarantors (to the extent applicable) to ensure that they are sufficient to discharge the interest and principal amount at all times and that such assets are free from any other encumbrances except those which are specifically agreed to by the Debenture Holders;
 - (E) reports on the utilization of funds raised by the issue of Debentures;
 - (F) details with respect to conversion or redemption of the Debentures;
 - (G) (to the extent applicable) details with respect to dispatch of the debenture certificates and interest warrants, credit of the debentures in the demat account of the Debenture Holders and payment of amounts upon redemption of Debentures to the Debenture Holders due to them within the stipulated time period in accordance with the Applicable Law;
 - (H) (to the extent applicable) reports from the lead bank regarding the progress of the project relating to the proceeds of the Issue;
 - (I) details regarding monitoring of utilisation of funds raised in the issue of the Debentures;
 - (J) (to the extent applicable) certificate from the statutory auditors of the Issuer (i) in respect of utilisation of funds during the implementation period of the project relating to the proceeds of the Issue, and (ii) in the case of Debentures issued for financing working capital, at the end of each accounting year; and
 - (K) such other documents or information as may be required by the

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Debenture Trustee in accordance with the Applicable Law.

- (iii) Without prejudice to any other provision of the DTD and the other Transaction Documents, the Issuer shall:
- (A) provide such documents/information and assistance to the Debenture Trustee as may be required by the Debenture Trustee to carry out the necessary due diligence and monitor the asset cover on a quarterly basis in the manner as may be specified by SEBI from time to time;
 - (B) to the extent applicable, submit a certificate from the statutory auditor on a half-yearly basis, giving the value of receivables/book debts, and maintenance of asset cover in accordance with the terms of the Debt Disclosure Documents and the other Transaction Documents including compliance with the covenants of the Debt Disclosure Documents and the other Transaction Documents in the manner as may be specified by SEBI from time to time;
 - (C) (to the extent applicable) the Issuer shall submit the following reports/certification to the Debenture Trustee within the timelines mentioned below:

REPORTS/CERTIFICATES	TIMELINES FOR SUBMISSION REQUIREMENTS TO THE DEBENTURE TRUSTEE	TIMELINE FOR SUBMISSION OF REPORTS/CERTIFICATIONS BY DEBENTURE TRUSTEE
Asset cover Certificate	Quarterly basis within 30 days from end of each quarter or within such timelines as prescribed under Applicable Law	Quarterly basis within 60 days from end of each quarter or within such timelines as prescribed under Applicable Law
A statement of value of pledged securities		
A statement of value for Debt Service Reserve Account or any other form of security offered		
Net worth certificate of guarantor (secured by way of personal guarantee)	Half yearly basis within 30 days from end of each half-year or within such timelines as prescribed under Applicable Law	Half yearly basis within 60 days from end of each half-year or within such timelines as prescribed under Applicable Law.
Financials/value of guarantor prepared on basis of audited financial statement etc. of the guarantor (secured by way of corporate guarantee)	Annual basis within 45 days from end of each financial year or within such timelines as prescribed under Applicable Law.	Annual basis within 75 days from end of each financial year or within such timelines as prescribed under Applicable Law.
Valuation report and title search report for the immovable/movable assets, as applicable		

(e) **Forensic Audit**

In case of initiation of forensic audit (by whatever name called) in respect of the Issuer, the Issuer shall provide following information and make requisite disclosures to the stock exchanges:

- (i) the details of initiation of forensic audit along-with name of entity initiating the audit and reasons for such forensic audit, if available; and

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- (ii) the final forensic audit report (other than for forensic audit initiated by regulatory / enforcement agencies) on receipt by the Issuer along with comments of the management of the Issuer, if any.

(f) **Others**

- (i) The Issuer shall ensure due compliance and adherence to the SEBI Listed Debentures Circulars in letter and spirit.
- (ii) To the extent applicable and required in terms of the SEBI Defaults (Procedure) Circular, the Debenture Trustee shall execute an "inter creditor agreement" in the manner prescribed under the SEBI Defaults (Procedure) Circular.
- (iii) To the extent required/applicable, the Issuer shall provide intimation to the Debenture Trustee regarding (i) any default in timely payment of interest or redemption or both in respect of the non-convertible debt securities issued by the Issuer, and (ii) all covenants of the issue (including side letters, event of default provisions/clauses etc.).
- (iv) The Issuer shall promptly disclose and furnish to the Debenture Trustee, all documents/ information about or in relation to the Issuer or the Debentures, as requested by the Debenture Trustee to fulfil its obligations hereunder or to comply with any Applicable Law, including in relation to filing of its reports/ certification to stock exchange within the prescribed timelines.

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SECTION 9: SPECIFIC DISCLOSURES FOR NBFCs

9.1 Details with regard to the lending done by the Issuer out of the issue proceeds of debt securities in last three years, including details regarding the following:

9.1.1. Lending policy: Should contain overview of origination, risk management, monitoring and collections:

Products

Our business and financing products are primarily focused on middle and low income customer segments, and include four principal categories: (i) micro-enterprise loans; (ii) SME loans; (iii) two-wheeler loans and (iv) Commercial Vehicle loans.

Micro-Enterprise Loans: We provide Loans up to INR 300,000 to Micro-Enterprises which primarily include retailers, traders, small manufacturers and service providers.

Small and Medium Enterprise (SME) Loans: We provide Loans of up to INR 50 Mn. to SMEs which primarily include manufacturers, distributors, dealers and service providers engaged in various industries. SME loans include working capital loans, loans for machinery and loans to purchase Industrial Sheds.

Two-wheeler Loans: We provide two-wheeler loans primarily to farmers, self-employed and salaried individuals as well as professionals.

Commercial Vehicle Loans: We provide loans up to ₹ 700,000 for the purchase of new and used commercial vehicles, used cars as well as tractors. In this segment, our customers primarily include traders and manufacturers (for loading vehicles), travel businesses and small road transport operators.

Retail Asset Channel (Loans to MFIs, HFCs and other NBFCs): We leverage our in-depth market knowledge and experience to identify other financial institutions focused on similar sectors. We extend loans to MFIs, NBFCs and HFCs with their respective portfolio of receivables as collateral. These financial institutions are focused on markets similar to ours, enabling us to expand our geographic presence. We leverage our extensive experience in the financial services sector to assist them with asset liability management issues and best practices. We have developed strategic relationships with these institutions based on our long-term association with them. We examine their operations to gain an understanding of the local markets, customer demographics and operational challenges.

We generally enter into non-exclusive long-term relationships with these financial institutions. We extend term loans with tenures tailored for specific product segments ranging between 12 to 60 months. The rate of interest is determined at the time of sanction of the loan based on profitability of the applicant, existing relationship and synergy with our business. Typically, a portion of their receivables and book debts are hypothecated to us (providing coverage of at least 100% of the outstanding loan amount). We have introduced stringent credit checks for such underlying loan portfolio, including inspection of the hypothecated loan portfolio to ensure it meets agreed credit policies, and replacement of any sub-standard underlying asset. We continuously monitor the quality of such hypothecated loan portfolio. In accordance with our arrangements with these institutional borrowers, we obtain a list of underlying portfolio of receivables within periods stipulated in the sanction letter. If any of these underlying assets turns sub-standard, they are required to be replaced with standard assets. This arrangement is to ensure that these assets are always standard in nature for various facilities that may be

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extended. Personal guarantees from promoters/directors are also a preferred form of security for these transactions. In addition, as agreed at the time of sanction, an agreed percentage of the loan amount is maintained as cash reserves or a specific amount is placed as a security deposit by these institutions. We also obtain demand promissory notes, letters of continuity and other general undertakings as collateral security. In certain circumstances, we also have the right to convert outstanding amounts into fully paid up shares in these institutional borrowers. In order to manage our risk profile, we limit the maximum exposure of a single such institutional borrower to 10-15% of our total lending to each such category of borrowers.

Customer Origination

Customer origination is primarily through our sales team. They inform our target customers on our various product offerings to enable us to generate leads which are then followed until disbursement. We have entered into commercial arrangements with a large number of sourcing intermediaries, including commission based DSAs and revenue sharing arrangements with various dealers and distributors where part of the loan default is guaranteed by such sourcing partners. In accordance with our arrangements with these sourcing partners, they are required to conduct a preliminary assessment of the applicant based on pre-determined criteria provided by us. The applications that fulfil the pre-determined criteria are forwarded to us with a letter of recommendation from the respective sourcing partner. The sourcing partner is also required to collect all necessary supporting documents for the application and applicable margin money. Our arrangements with these sourcing intermediaries are non-exclusive and beneficial in furthering the business objectives of all parties involved. In addition, our sales and marketing personnel are also situated at Commercial Vehicle and two-wheeler dealer locations.

Loan Administration and Disbursement

Our loan administration process is documented and centralized to ensure operational efficiency. The branch manager evaluates a loan proposal based on recommendations from the sourcing credit officer and supporting documentation. In addition, our branch managers also consider other factors in the approval process such as site visit reports, details gathered from interviews, length of residence, past repayment record, and income sources. The branch manager recommends the approval of the application to our Central Processing Unit if the proposal meets the criteria established for approval. The applicant is intimated of the outcome of the approval process. If approved, the applicant is provided details of the loan amount, terms and conditions of such financing, including the rate of interest and the application of interest during the tenure of the loan. The borrower is required to execute a standard form loan-cum-hypothecation agreement. A loan repayment schedule is attached as a schedule to loan cum hypothecation agreement. The loan amount is disbursed as a lump sum or in instalments depending on the terms and conditions of the loan. Margin money and other charges are collected prior to disbursement.

Loan Monitoring

We identify our customers with a unique identification number and can track loan repayment of our customers, on a monthly basis, based on outstanding tenure of loans, number of instalments due and defaults, if any. Our Central Processing Unit monitors compliance with terms and conditions of credit facilities. A complete set of documents are stored at the central office which is controlled and monitored by a warehouse-in-charge. Accounts of borrowers with larger exposure are specifically reviewed every quarter by the Risk Management Committee. Delinquent borrowers are under constant scrutiny and follow-up by the collection team. Our close monitoring and endeavours to improve debt servicing methods enable us to maintain low NPA ratios.

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Collection

Our collection procedures are primarily non-cash processes, either through post-dated cheques or through the NACH system or Direct Debit Instruction to ensure ease of monitoring financial transactions. Through a customer's unique identification number we are able to track and process all payments through these non-cash methods. On the due date of each monthly instalment, we send the post-dated checks or NACH mandates to the banks. Default, if any, is intimated to the originating branch which does a field-level follow up and collection. Our collection mechanism is built around maintaining customer relationships and adequate care is taken to ensure timely repayment while maintaining cordial relationships. We are, in certain cases, able to manage defaults through financial counselling and support. Any further failure to collect is reported to our legal team which initiates legal action for the seizure of collateral for recovery of dues.

Loan Recovery

We track loan repayment schedules of our customers regularly based on the outstanding tenure of the loans, the number of instalments due and the conduct of account.

Risk Management

Risk management forms an integral part of our business. As an NBFC, we are exposed to various risks related to our lending business and operating environment. Our objective is to evaluate and monitor various risks that we are subject to and follow stringent policies and procedures to address these risks. Our Risk Management Committee assists the Board in addressing various risks and discharging duties relating to corporate accountability. A documented, systematic assessment of processes and outcomes surrounding key risks including internal control is undertaken annually. The Risk Management Committee reviews the effectiveness of risk management systems in place and ensures that they are effectively managed. The Risk Management Committee also provides an independent and objective oversight of information on corporate accountability and risks, and takes into account reports of the Audit Committee on all categories of identified risks.

Risk Management Architecture

The major risks we face in our businesses are credit risk, concentration risks, interest rate risk, operational risk, liquidity risk and asset risk.

Credit Risk

Credit risk arises from loss that may occur from defaults by customers under loan agreements. Customer defaults and inability to recover such amount may lead to higher NPA ratios. Our product specific credit policies which include proposal evaluation and investigation procedure for credit appraisal of each applicant are approved by our Board. We manage our credit risk by evaluating the appropriate level of income and creditworthiness of our customers, carrying out cash flow analysis, setting credit limits and prudent LTV ratios. Credit exposure, credit limits and asset quality are regularly monitored at various levels.

Concentration Risk

Our experience coupled with customised credit policies has enabled us to mitigate concentration risks significantly. As part of our consistent growth strategy, we maintain a geographically diverse portfolio. Further, with a view to mitigate concentration risks, we have fixed the following ceilings for individual and group exposure in accordance with the prudential ceiling norms stipulated by RBI:

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Particulars	Cap	RBI guidelines
Individual Exposure	15% of owned funds	15% of owned funds
Group Exposure	25% of owned funds	25% of owned funds

Interest Rate Risk

We are subject to interest rate risk, particularly because we lend to customers mostly at fixed interest rates and for periods that may differ from our funding sources, which bear fixed and/ or floating interest rates. Interest rates are susceptible to a number of factors beyond our control, including monetary policies of the RBI, deregulation of the financial sector in India, domestic and international economic and political conditions, inflation and other factors. We assess and manage interest rate risk on our balance sheet by managing our assets and liabilities in line with our asset and liability management policy.

We have an asset liability management policy, approved and adopted by our Board on recommendation by our Asset Liability Committee. Assets and liabilities are categorized into various buckets based on their maturities and repricing options. Efforts are made and action plans are drawn to ensure minimal mismatch, in line with guidelines prescribed by the RBI.

Operational Risk

Operational risks arise from inadequate or failed internal processes, people and systems or from external events. In order to control our operational risks, we have adopted well-defined loan approval processes and procedures. We also attempt to mitigate operational risk by maintaining a comprehensive system of internal controls, establishing systems and procedures to monitor transactions, maintaining key back-up procedures and undertaking contingency planning. In addition, we have appointed audit firms to conduct internal audits to assess adequacy of and compliance with internal controls, procedures and processes. Reports of internal auditors as well as measures proposed on matters reported are discussed and reviewed at Audit Committee meetings.

Liquidity Risk

Liquidity risk arises due to unavailability of adequate funds at appropriate prices or tenure. We attempt to minimize this risk through a mix of strategies, including assignment of receivables and short-term funding. We also monitor liquidity risk through adequate bank sanction limits at the beginning of each Fiscal. Monitoring liquidity risk involves categorizing all assets and liabilities into different maturity profiles and evaluating them for any mismatches in any particular maturities, particularly in the short-term. Through our asset and liability management policy, we cap maximum mismatches in various maturities in line with guidelines prescribed by the RBI.

Asset Risk

Asset risks arise from decrease in the value of collateral over time. Sale price of a repossessed asset may be less than the amount of loan and interest outstanding and we may not be able to realize the full amount lent to our customers due to such a decrease in the value of collateral. Our employees are required to follow legal procedures and take appropriate care in dealing with customers while repossessing assets. We may also face certain practical and execution challenges while seizing collateral.

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9.1.2. Classification of loans/ advances given to associates, entities/ person relating to board, senior management, promoters, others, etc.:

Nil

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

Please refer Section 9.3 below.

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

(INR in Lakh)

Name of the Borrower	Type of Borrower	Total Sanctioned Loan Amount	Disbursed Loan Amount	Un-disbursed Loan Amount	Total Principal Outstanding Amount	Total Accrued Interest Amount	Status of Account	Amount Outstanding
NBFC-PARTNER-1	Corporate	20500	20500	0	11002.37	54.65	Standard	11057.02
NBFC-PARTNER-2	Corporate	17000	17000	0	10308.47	35.99	Standard	10344.46
NBFC-PARTNER-3	Corporate	12500	12500	0	9804.01	58.96	Standard	9862.97
NBFC-PARTNER-4	Corporate	22000	22000	0	7831.61	63.65	Standard	7895.26
NBFC-PARTNER-5	Corporate	23250	23250	0	6770.36	52.73	Standard	6823.09
NBFC-PARTNER-6	Corporate	7500	7500	0	6574.58	40.35	Standard	6614.93
NBFC-PARTNER-7	Corporate	10000	10000	0	6401.58	7.12	Standard	6408.69
NBFC-PARTNER-8	Corporate	6000	6000	0	6097.08	9.92	Standard	6107.00
NBFC-PARTNER-9	Corporate	15700	15700	0	5859.17	32.54	Standard	5891.71
NBFC-PARTNER-10	Corporate	6000	6000	0	5795.06	12.22	Standard	5807.27
NBFC-PARTNER-11	Corporate	9000	9000	0	5598.51	23.38	Standard	5621.89
NBFC-PARTNER-12	Corporate	8000	8000	0	5422.29	1.32	Standard	5423.60
NBFC-PARTNER-13	Corporate	8900	8900	0	4783.39	22.44	Standard	4805.84
NBFC-PARTNER-14	Corporate	11350	11350	0	4659.28	25.97	Standard	4685.25
NBFC-PARTNER-15	Corporate	5000	5000	0	4584.22	15.82	Standard	4600.05
NBFC-PARTNER-16	Corporate	8600	8600	0	4032.34	49.23	Standard	4081.58
NBFC-PARTNER-17	Corporate	8500	8500	0	3917.38	22.91	Standard	3940.28
NBFC-PARTNER-18	Corporate	4000	4000	0	3838.49	5.45	Standard	3843.94
NBFC-PARTNER-19	Corporate	8500	8500	0	3663.70	9.61	Standard	3673.30
NBFC-PARTNER-20	Corporate	3500	3500	0	3506.44	2.16	Standard	3508.61

9.1.5. Details of loans, overdue and classified as non-performing in accordance with RBI stipulations:

Please refer Section 9.3 below.

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

9.2.1. A portfolio summary with regard to industries/ sectors to which borrowings have been made:

Please refer Section 9.3 below.

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9.2.2. NPA exposures of the issuer for the last three financial years (both gross and net exposures) and provisioning made for the same as per the last audited financial statements of the Issuer:

Please refer Section 9.3 below.

9.2.3. Quantum and percentage of secured vis-à-vis unsecured borrowings made:

Please refer Section 9.3 below.

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

No such change has occurred in the previous financial year.

9.3 Classification of loans/ advances given according to:

9.3.1. Type of loans:

Details of types of loans

S. No.	Type of loans	INR, Lakhs
1	Secured	3,92,026.11
2	Unsecured	1,45,218.03
	Total assets under management (AUM)*^	5,37,244.14

**Information required at borrower level (and not by loan account as customer may have multiple loan accounts);*

^Issuer is also required to disclose off balance sheet items;

9.3.2. Denomination of loans outstanding by loan-to-value:

Details of LTV

S. No.	LTV (at the time of origination)	Percentage of AUM
1.	Up to 40%	0.14%
2.	40-50%	0.21%
3.	50-60%	0.08%
4.	60-70%	0.31%
5.	70-80%	6.67%
6.	80-90%	81.51%
7.	>90	11.07%
	Total	100.00%

9.3.3. Sectoral exposure:

Details of sectoral exposure

S. No.	Segment-wise break-up of AUM	Percentage of AUM
1.	Retail	
A)	Mortgages (home loans and loans against property)	-

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B)	Gold loans	-
C)	Vehicle finance	5.86%
D)	MFI	-
E)	MSME	35.67%
F)	Capital market funding (loans against shares, margin funding)	-
G)	Others	-
2.	Wholesale	
A)	Infrastructure	-
B)	Real estate (including builder loans)	-
C)	Promoter funding	-
D)	Any other sector (as applicable)	-
E)	Others	58.48%
	Total	100.00%

9.3.4. Denomination of loans outstanding by ticket size*:

Details of outstanding loans :

S. No.	Ticket size (at the time of origination)	Percentage of AUM
1.	Up to INR 2 lakh	27.75%
2.	INR 2-5 Lakh	2.38%
3.	INR 5-10 Lakh	1.32%
4.	INR 10-25 Lakh	0.82%
5.	INR 25-50 Lakh	0.86%
6.	INR 50 Lakh - 1 crore	1.10%
7.	INR 1-5 crore	3.02%
8.	INR 5-25 crore	11.89%
9.	INR 25-100 crore	32.21%
10.	> INR 100 crore	18.64%
	Total	100.00%

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

9.3.5. Geographical classification of borrowers:

Top 5 states borrower wise

S. No.	State	Percentage of AUM
1.	GUJARAT	49.78%
2.	MAHARASHTRA	13.68%
3.	TAMIL NADU	11.67%
4.	RAJASTHAN	10.26%
5.	KARNATAKA	6.66%

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	Total	92.05%
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9.3.6. Details of loans overdue and classified as non-performing in accordance with RBI's stipulations:

Movement of gross NPA#

(in INR Lakh)

Movement of gross NPA*	2018-19	2019-20	2020-21
Opening gross NPA	4,746.91	6,579.60	6,291.85
- Additions during the year	8,293.74	9,740.88	2,970.58
- Reductions during the year	6,461.05	10,028.63	2,819.93
Closing balance of gross NPA	6,579.60	6,291.85	6,442.50

*NPA Recognition policy: 90 Days

#As per Standalone Financials of the company

Movement of provisions for NPA

Movement of provisions for NPA	2018-19	2019-20	2020-21
Opening balance	464.57	1,354.42	1,905.35
- Provisions made during the year	1,198.68	1,722.13	1,129.79
- Write-off/ Write-back of excess Provisions	308.83	1,171.20	547.54
Closing balance	1,354.42	1,905.35	2,487.60

9.3.7. Segment-wise gross NPA:

Segment wise gross NPA (On AUM Basis)

S. No.	Segment-wise gross NPA	Gross NPA (%)
1.	Retail	
(A)	Mortgages (home loans and loans against property)	
(B)	Gold loans	
(C)	Vehicle loans	4.60%
(D)	MFI	
(E)	MSME	4.26%
(F)	Capital market funding (loans against shares, margin funding)	
(G)	Others	
2.	Wholesale	
(A)	Infrastructure	
(B)	Real estate (including builder loans)	
(C)	Promoter funding	
(D)	Any other sector (as applicable)	
(E)	Others	0.27%
	Total	1.94%

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

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Residual maturity profile of assets and liabilities

Category	Up to 30/31 days	>1 month - 2 months	>2 months - 3 months	>3 months - 6 months	>6 months - 1 year	>1 year - 3 years	>3 years - 5 years	> 5 years	Total
Bank Fixed Deposits	38,011.6 2	7,809.88	1,702.06	-	1,026.92	-	2,137.54	-	50,688.02
Advances	22,225.1 0	21,376.0 5	21,989.9 3	62,696.5 2	1,01,753.3 5	1,30,109.4 8	18,519.9 9	1,842.9 8	3,80,513.4 0
Investment s	650.18	749.53	706.86	1,851.76	2,148.82	14,051.23	666.67	2,678.3 1	23,503.36
Borrowings	5,822.12	3,412.55	9,343.73	16,082.0 1	1,98,411.7 4	72,670.00	21,128.1 1	2,513.1 1	3,29,383.3 7
FCA*	-	-	-	-	-	-	-	-	-
FCL*	-	-	-	-	-	-	-	-	-

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

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9.4 Disclosure of latest ALM statements to stock exchange:

Particulars		0 day to 7 days	8 days to 14 days	15 days to 30/31 days (One month)	Over one month and upto 2 months	Over two months and upto 3 months	Over 3 months and upto 6 months	Over 6 months and upto 1 year	Over 1 year and upto 3 years	Over 3 years and upto 5 years	Over 5 years	Total
		X010	X020	X030	X040	X050	X060	X070	X080	X090	X100	X110
A. OUTFLOWS												
1.Capital (i+ii+iii+iv)	Y010	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5,466.20	5,466.20
(i) Equity Capital	Y020	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5,466.20	5,466.20
(ii) Perpetual / Non Redeemable Preference Shares	Y030	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(iii) Non-Perpetual / Redeemable Preference Shares	Y040	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(iv) Others	Y050	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2.Reserves & Surplus (i+ii+iii+iv+v+vi+vii+viii+ix+x+xi+xii+xiii)	Y060	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,15,558.70	1,15,558.70
(i) Share Premium Account	Y070	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	42,687.43	42,687.43
(ii) General Reserves	Y080	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(iii) Statutory/Special Reserve (Section 45-IC reserve to be shown separately below item no.(vii))	Y090	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(iv) Reserves under Sec 45-IC of RBI Act 1934	Y100	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	17,392.07	17,392.07
(v) Capital Redemption Reserve	Y110	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(vi) Debenture Redemption Reserve	Y120	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(vii) Other Capital Reserves	Y130	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(viii) Other Revenue Reserves	Y140	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(ix) Investment Fluctuation Reserves/ Investment Reserves	Y150	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(x) Revaluation Reserves (a+b)	Y160	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(a) Revl. Reserves - Property	Y170	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(b) Revl. Reserves - Financial Assets	Y180	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(xi) Share Application Money Pending Allotment	Y190	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(xii) Others (Please mention)	Y200	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	12,149.02	12,149.02
(xiii) Balance of profit and loss account	Y210	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	43,330.18	43,330.18
3.Gifts, Grants, Donations & Benefactions	Y220	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4.Bonds & Notes (i+ii+iii)	Y230	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(i) Plain Vanilla Bonds (As per residual maturity of the instruments)	Y240	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(ii) Bonds with embedded call / put options including zero coupon / deep discount bonds (As per residual period for the earliest exercise date for the embedded option)	Y250	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(iii) Fixed Rate Notes	Y260	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

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5. Deposits (i+ii)	Y27 0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(i) Term Deposits from Public	Y28 0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(ii) Others	Y29 0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6. Borrowings (i+ii+iii+iv+v+vi+vii+viii+ix+x+xi+xii+xiii+xiv)	Y30 0	3,358.56	320.80	1,986.25	4,699.32	11,258.65	20,833.09	1,92,325.31	91,604.27	21,902.25	2,983.75	3,51,272.24
(i) Bank Borrowings (a+b+c+d+e+f)	Y31 0	2,682.09	0.00	504.79	2,912.80	7,549.14	11,371.72	1,54,661.16	49,766.92	13,732.24	0.00	2,43,180.87
a) Bank Borrowings in the nature of Term Money Borrowings (As per residual maturity)	Y32 0	2,682.09	0.00	504.79	2,912.80	7,549.14	11,371.72	21,145.58	49,766.92	13,732.24	0.00	1,09,665.29
b) Bank Borrowings in the nature of WCDL	Y33 0	0.00	0.00	0.00	0.00	0.00	0.00	1,07,994.50	0.00	0.00	0.00	1,07,994.50
c) Bank Borrowings in the nature of Cash Credit (CC)	Y34 0	0.00	0.00	0.00	0.00	0.00	0.00	25,521.08	0.00	0.00	0.00	25,521.08
d) Bank Borrowings in the nature of Letter of Credit (LCs)	Y35 0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
e) Bank Borrowings in the nature of ECBs	Y36 0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
f) Other bank borrowings	Y37 0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(ii) Inter Corporate Deposits (Other than Related Parties) (These being institutional / wholesale deposits, shall be slotted as per their residual maturity)	Y38 0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(iii) Loans from Related Parties (including ICDs)	Y39 0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(iv) Corporate Debts	Y40 0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(v) Borrowings from Central Government / State Government	Y41 0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(vi) Borrowings from RBI	Y42 0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(vii) Borrowings from Public Sector Undertakings (PSUs)	Y43 0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(viii) Borrowings from Others (Please specify)	Y44 0	676.47	320.80	1,481.45	1,786.52	3,709.51	7,462.99	12,801.04	21,337.35	8,170.01	2,983.75	60,729.88
(ix) Commercial Papers (CPs)	Y45 0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Of which; (a) To Mutual Funds	Y46 0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(b) To Banks	Y47 0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(c) To NBFCs	Y48 0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(d) To Insurance Companies	Y49 0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(e) To Pension Funds	Y50 0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(f) To Others (Please specify)	Y51 0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(x) Non - Convertible Debentures (NCDs) (A+B)	Y52 0	0.00	0.00	0.00	0.00	0.00	0.00	24,863.10	16,500.00	0.00	0.00	41,363.10
A. Secured (a+b+c+d+e+f+g)	Y53 0	0.00	0.00	0.00	0.00	0.00	0.00	24,863.10	16,500.00	0.00	0.00	41,363.10
Of which; (a) Subscribed by Retail Investors	Y54 0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(b) Subscribed by Banks	Y55 0	0.00	0.00	0.00	0.00	0.00	0.00	24,863.10	0.00	0.00	0.00	24,863.10
(c) Subscribed by NBFCs	Y56 0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10,450.00	0.00	0.00	10,450.00
(d) Subscribed by Mutual Funds	Y57 0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(e) Subscribed by Insurance	Y58 0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

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Companies												
(f) Subscribed by Pension Funds	Y59 0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(g) Others (Please specify)	Y60 0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6,050.0 0	0.00	0.00	6,050.0 0
B. Un-Secured (a+b+c+d+e+f+g)	Y61 0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Of which; (a) Subscribed by Retail Investors	Y62 0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(b) Subscribed by Banks	Y63 0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(c) Subscribed by NBFCs	Y64 0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(d) Subscribed by Mutual Funds	Y65 0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(e) Subscribed by Insurance Companies	Y66 0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(f) Subscribed by Pension Funds	Y67 0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(g) Others (Please specify)	Y68 0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(xi) Convertible Debentures (A+B) (Debentures with embedded call / put options As per residual period for the earliest exercise date for the embedded option)	Y69 0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
A. Secured (a+b+c+d+e+f+g)	Y70 0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Of which; (a) Subscribed by Retail Investors	Y71 0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(b) Subscribed by Banks	Y72 0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(c) Subscribed by NBFCs	Y73 0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(d) Subscribed by Mutual Funds	Y74 0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(e) Subscribed by Insurance Companies	Y75 0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(f) Subscribed by Pension Funds	Y76 0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(g) Others (Please specify)	Y77 0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B. Un-Secured (a+b+c+d+e+f+g)	Y78 0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Of which; (a) Subscribed by Retail Investors	Y79 0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(b) Subscribed by Banks	Y80 0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(c) Subscribed by NBFCs	Y81 0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(d) Subscribed by Mutual Funds	Y82 0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(e) Subscribed by Insurance Companies	Y83 0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(f) Subscribed by Pension Funds	Y84 0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(g) Others (Please specify)	Y85 0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(xii) Subordinate Debt	Y86 0	0.00	0.00	0.00	0.00	0.00	1,998.3 8	0.00	4,000.0 0	0.00	0.00	5,998.3 8
(xiii) Perpetual Debt Instrument	Y87 0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(xiv) Security Finance	Y88 0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

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Transactions(a+b+c+d)	0											
a) Repo (As per residual maturity)	Y89 0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b) Reverse Repo (As per residual maturity)	Y90 0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c) CBLO (As per residual maturity)	Y91 0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d) Others (Please Specify)	Y92 0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7.Current Liabilities & Provisions (a+b+c+d+e+f+g+h)	Y93 0	3,829. 63	3,490. 56	12,40 7.74	876.0 4	202.33	103.38	469.25	1,527.7 6	0.00	0.00	22,906. 68
a) Sundry creditors	Y94 0	3,376. 39	3,482. 88	11,14 7.23	9.85	9.53	28.59	58.44	0.00	0.00	0.00	18,112. 89
b) Expenses payable (Other than Interest)	Y95 0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(c) Advance income received from borrowers pending adjustment	Y96 0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(d) Interest payable on deposits and borrowings	Y97 0	453.2 4	7.68	1,260. 51	866.1 9	192.80	74.79	0.00	160.48	0.00	0.00	3,015.7 0
(e) Provisions for Standard Assets	Y98 0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(f) Provisions for Non Performing Assets (NPAs)	Y99 0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(g) Provisions for Investment Portfolio (NPI)	Y10 00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(h) Other Provisions (Please Specify)	Y10 10	0.00	0.00	0.00	0.00	0.00	0.00	410.81	1,367.2 8	0.00	0.00	1,778.0 9
8.Statutory Dues	Y10 20	55.77	0.00	54.07	0.00	0.00	0.00	0.00	0.00	0.00	0.00	109.84
9.Unclaimed Deposits (i+ii)	Y10 30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(i) Pending for less than 7 years	Y10 40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(ii) Pending for greater than 7 years	Y10 50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
10.Any Other Unclaimed Amount	Y10 60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
11.Debt Service Realisation Account	Y10 70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
12.Other Outflows	Y10 80	122.2 3	107.8 9	282.6 9	458.0 4	422.23	961.55	1,162.6 0	909.10	42.78	14.11	4,483.2 2
13.Outflows On Account of Off Balance Sheet (OBS) Exposure (i+ii+iii+iv+v+vi+vii)	Y10 90	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(i)Loan commitments pending disbursement	Y11 00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(ii)Lines of credit committed to other institution	Y11 10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(iii)Total Letter of Credits	Y11 20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(iv)Total Guarantees	Y11 30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(v) Bills discounted/rediscounted	Y11 40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(vi)Total Derivative Exposures (a+b+c+d+e+f+g+h)	Y11 50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(a) Forward Forex Contracts	Y11 60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(b) Futures Contracts	Y11 70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(c) Options Contracts	Y11 80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(d) Forward Rate Agreements	Y11 90	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(e) Swaps - Currency	Y12 00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(f) Swaps - Interest Rate	Y12 10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(g) Credit Default Swaps	Y12 20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

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(h) Other Derivatives	Y12 30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(vii) Others	Y12 40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
A. TOTAL OUTFLOWS (A) (Sum of 1 to 13)	Y12 50	7,366.18	3,919.25	14,730.74	6,033.40	11,883.21	21,898.02	1,93,957.15	94,041.13	21,945.02	1,24,022.77	4,99,796.89
A1. Cumulative Outflows	Y12 60	7,366.18	11,285.43	26,016.17	32,049.57	43,932.79	65,830.81	2,59,787.97	3,53,829.10	3,75,774.12	4,99,796.89	4,99,796.89
B. INFLOWS												
1. Cash (In 1 to 30/31 day time-bucket)	Y12 70	8.53	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	8.53
2. Remittance in Transit	Y12 80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3. Balances With Banks	Y12 90	29,698.07	18,805.23	12,372.83	10,719.75	4,772.63	25.29	2,520.07	123.95	2,031.88	0.00	81,069.69
a) Current Account (The stipulated minimum balance be shown in 6 months to 1 year bucket. The balance in excess of the minim balance be shown in 1 to 30 day time bucket)	Y13 00	21,975.91	0.00	12.66	0.00	0.00	0.00	0.00	0.00	0.00	0.00	21,988.57
b) Deposit Accounts /Short-Term Deposits (As per residual maturity)	Y13 10	7,722.16	18,805.23	12,360.17	10,719.75	4,772.63	25.29	2,520.07	123.95	2,031.88	0.00	59,081.12
4. Investments (Net of Provisions) (i+ii+iii+iv+v)	Y13 20	0.00	0.00	3,681.26	743.00	970.18	2,194.18	1,816.49	10,206.42	1,000.00	3,362.61	23,974.14
(i) Statutory Investments (only for NBFCs-D)	Y13 30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(ii) Listed Investments	Y13 40	0.00	0.00	2,496.21	0.00	0.00	0.00	0.00	7,027.75	0.00	0.00	9,523.97
(a) Current	Y13 50	0.00	0.00	2,496.21	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,496.21
(b) Non-current	Y13 60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7,027.75	0.00	0.00	7,027.75
(iii) Unlisted Investments	Y13 70	0.00	0.00	1,185.05	743.00	970.18	2,194.18	1,816.49	3,178.66	1,000.00	3,362.61	14,450.18
(a) Current	Y13 80	0.00	0.00	488.14	357.70	336.32	839.16	140.07	0.00	0.00	0.00	2,161.40
(b) Non-current	Y13 90	0.00	0.00	696.91	385.30	633.86	1,355.02	1,676.41	3,178.66	1,000.00	3,362.61	12,288.77
(iv) Venture Capital Units	Y14 00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(v) Others (Please Specify)	Y14 10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5. Advances (Performing)	Y14 20	3,722.16	4,155.74	18,757.04	22,305.45	22,464.15	62,121.05	1,01,773.14	1,28,226.60	9,260.48	1,364.79	3,74,150.59
(i) Bills of Exchange and Promissory Notes discounted & rediscounted (As per residual usage of the underlying bills)	Y14 30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(ii) Term Loans (The cash inflows on account of the interest and principal of the loan may be slotted in respective time buckets as per the timing of the cash flows as stipulated in the original / revised repayment schedule)	Y14 40	2,881.21	3,596.48	17,801.77	22,305.45	22,464.15	62,121.05	1,01,773.14	1,28,226.60	9,260.48	1,364.79	3,71,795.13
(a) Through Regular Payment Schedule	Y14 50	2,881.21	3,596.48	17,801.77	22,305.45	22,464.15	62,121.05	1,01,773.14	1,22,319.13	4,766.23	1,364.79	3,61,393.41
(b) Through Bullet Payment	Y14 60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5,907.47	4,494.26	0.00	10,401.73
(iii) Interest to be serviced through regular schedule	Y14 70	699.34	559.25	955.26	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,213.86
(iv) Interest to be serviced to be in Bullet Payment	Y14 80	141.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	141.60
6. Non-Performing Loans (Net of Provisions)	Y14 90	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7,154.13	212.44	7,366.56
(i) Substandard	Y15 00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7,154.13	212.44	7,366.56
(a) All over dues	Y15 00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7,154.13

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and instalments of principal falling due during the next three years (In the 3 to 5 year time-bucket)	10									7,154.13		3
(b) Entire principal amount due beyond the next three years (In the over 5 years time-bucket)	Y15 20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	212.44	212.44
(ii) Doubtful and loss	Y15 30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(a) All instalments of principal falling due during the next five years as also all over dues (In the over 5 years time-bucket)	Y15 40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(b) Entire principal amount due beyond the next five years (In the over 5 years time-bucket)	Y15 50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7. Inflows From Assets On Lease	Y15 60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
8. Fixed Assets (Excluding Assets On Lease)	Y15 70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6,115.23	6,115.23
9. Other Assets :	Y15 80	127.80	127.84	468.72	437.03	375.13	868.16	1,930.45	619.85	8.35	2,148.81	7,112.13
(a) Intangible assets & other non-cash flow items (In the 'Over 5 year time bucket)	Y15 90	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6.98	6.98
(b) Other items (e.g. accrued income, other receivables, staff loans, etc.) (In respective maturity buckets as per the timing of the cash flows)	Y16 00	0.00	0.00	14.74	0.00	0.00	0.00	0.00	0.00	0.00	0.00	14.74
(c) Others	Y16 10	127.80	127.84	453.98	437.03	375.13	868.16	1,930.45	619.85	8.35	2,141.83	7,090.41
10.Security Finance Transactions (a+b+c+d)	Y16 20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
a) Repo (As per residual maturity)	Y16 30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b) Reverse Repo (As per residual maturity)	Y16 40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c) CBLO (As per residual maturity)	Y16 50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d) Others (Please Specify)	Y16 60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
11.Inflows On Account of Off Balance Sheet (OBS) Exposure (i+ii+iii+iv+v)	Y16 70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(i)Loan committed by other institution pending disbursement	Y16 80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(ii)Lines of credit committed by other institution	Y16 90	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(iii) Bills discounted/rediscounted	Y17 00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(iv)Total Derivative Exposures (a+b+c+d+e+f+g+h)	Y17 10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(a) Forward Forex Contracts	Y17 20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(b) Futures Contracts	Y17 30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(c) Options Contracts	Y17 40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(d) Forward Rate Agreements	Y17 50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(e) Swaps -	Y17	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

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

Currency	60											
(f) Swaps - Interest Rate	Y17 70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(g) Credit Default Swaps	Y17 80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(h) Other Derivatives	Y17 90	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(v)Others	Y18 00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B. TOTAL INFLOWS (B) (Sum of 1 to 11)	Y18 10	33,55 6.55	23,08 8.81	35,27 9.84	34,20 5.23	28,582. 10	65,208. 68	1,08,04 0.15	1,39,17 6.82	19,454. 84	13,203. 87	4,99,79 6.88
C. Mismatch (B - A)	Y18 20	26,19 0.37	19,16 9.56	20,54 9.10	28,17 1.83	16,698. 88	43,310. 65	85,917. 01	45,135. 68	2,490.1 8	1,10,81 8.89	0.00
D. Cumulative Mismatch	Y18 30	26,19 0.37	45,35 9.93	65,90 9.03	94,08 0.86	1,10,77 9.74	1,54,09 0.39	68,173. 39	1,13,30 9.07	1,10,81 8.89	0.00	0.00
E. Mismatch as % of Total Outflows	Y18 40	355.5 5%	489.1 1%	139.5 0%	466.9 3%	140.52 %	197.78 %	- 44.30%	- 48.00%	- 11.35%	- 89.35%	0.00%
F. Cumulative Mismatch as % of Cumulative Total Outflows	Y18 50	355.5 5%	401.9 3%	253.3 4%	293.5 5%	252.16 %	234.07 %	26.24%	32.02%	29.49%	0.00%	0.00%

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

SECTION 10: 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 Placement Memorandum, Application Form and other terms and conditions as may be incorporated in the Transaction Documents.

10.1 Mode of Transfer/Transmission of Debentures

The Debentures shall be transferable freely; however, it is clarified that no Investor shall be entitled to transfer the Debentures to a person who is not entitled to subscribe to the Debentures. The Debenture(s) shall be transferred and/or transmitted in accordance with the applicable provisions of the Act and other applicable 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.

10.2 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/EFT/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 debit corporate action.

The list of beneficiaries as of the relevant Record Date setting out the relevant beneficiaries' name and account number, address, bank details and DP's identification number will be given by the 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.

10.3 Debenture Trustee for the Debenture Holder(s)

The Issuer has appointed Catalyst Trusteeship Limited to act as trustee for the Debenture Holder(s). The Issuer and the Debenture Trustee have entered/intend 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 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.

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

10.4 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.

10.5 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.

10.6 Modification of Debentures

Any Transaction Document may be modified or amended with the written consent of the Debenture Trustee (acting on the instructions of the Majority Debenture Holders) by way of an instrument in writing executed by the Issuer and the Debenture Trustee.

10.7 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.

10.8 Notices

Any notice, in respect of the Debentures, may be served by the Issuer upon the Debenture Trustee/Debenture Holders in accordance with the terms of the Transaction Documents.

10.9 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.

10.10 Application Procedure

Potential Investors will be invited to subscribe by way of the Application Form prescribed in the Placement 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.

10.11 Fictitious Applications

All fictitious applications will be rejected.

10.12 Basis of Allotment

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

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

10.13 Payment Instructions

The Application Form should be submitted directly. The entire amount of INR 1,00,00,000 (Indian Rupees One Crore) per Debenture is payable along with the making of an application. Applicants can remit the application amount through cheque(s) demand draft(s), or RTGS on Pay-in Date in accordance with the instructions set out in the Application Form. The RTGS details of the Issuer are as under:

Beneficiary Name	MAS FINANCIAL SERVICES LIMITED - DEBENTURE APPLICATION MONEY ACCOUNT
Bank Account No.	0009102000079709
IFSC Code	IBKL0000009
Bank Name	IDBI BANK
Branch Address	CG ROAD AHMEDABAD

10.14 Eligible Investors

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

- In line with Chapter XIII of the circular issued by SEBI bearing the reference number SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 on "*Operational Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper*" to the extent applicable in respect of the private placement of debt securities, as amended, modified, or restated from time to time, only investors classified as "qualified institutional buyers" or "QIBs" will be permitted to participate in the issue of the Debentures.

All potential Investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this issue of Debentures.

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

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10.15 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.

10.16 Depository Arrangements

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

10.17 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.

10.18 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.

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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.

10.19 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

10.20 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) Certified true copy of the Power of Attorney to custodian
- (d) Specimen signatures of the authorised signatories
- (e) SEBI registration certificate (for Mutual Funds)
- (f) Copy of PAN card
- (g) Application Form (including EFT/RTGS details)

10.21 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 cheque/EFT/RTGS.

10.22 Succession

In the event of winding up of a Debenture Holder (being a company), the Issuer will recognise the legal representative as having title to the Debenture(s). The Issuer shall not be bound to recognize such legal representative as having title to the Debenture(s), unless they obtain legal representation, from a court in India having jurisdiction over the matter.

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

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10.23 Mode of Payment

All payments must be made through cheque(s) demand draft(s), EFT/RTGS as set out in the Application Form.

10.24 Effect of Holidays

Please refer Section 8.1 (*Issue Details*).

10.25 Tax Deduction at Source

- (a) All payments to be made by the Company to the Debenture Holders under the Transaction Documents shall be made free and clear of and without any Tax Deduction unless the Company is required to make a Tax Deduction pursuant to Applicable Law.
- (b) The Company shall promptly upon becoming aware that it must make a Tax Deduction (or that there is any change in the rate or the basis of a Tax Deduction) notify the Debenture Trustee accordingly.
- (c) If the Company is required to make a Tax Deduction, it shall make that Tax Deduction and any payment required in connection with that Tax Deduction within the time allowed and in the minimum amount required by Applicable Law.
- (d) Within the earlier of (A) 60 (sixty) days of making either a Tax Deduction or any payment required in connection with that Tax Deduction or (B) 60 (sixty) days of each Due Date, the Company shall deliver to the Debenture Trustee evidence reasonably satisfactory to the Debenture Trustee that the Tax Deduction has been made or (as applicable) any appropriate payment paid to the relevant taxing authority.

10.26 Allotment

The Company shall ensure that the Debentures are allotted to the respective Debenture Holders and are credited into the demat accounts of the relevant Debenture Holders within the timelines prescribed under the SEBI Listing Timelines Requirements.

10.27 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 October 20, 2021 by which date the Investors would be intimated of allotment.

10.28 Record Date

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

10.29 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.

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

10.30 Interest on Application Money

Please refer Section 8.1 (*Issue Details*).

10.31 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.

10.32 Payment on Redemption

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

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

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

Disclaimer: Please note that only those persons to whom this Placement 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. Provisions in respect of 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 11: DECLARATION

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

I am authorized by the Board of Directors of the Issuer *vide* resolution number 47 dated May 19, 2021 read together with the resolution dated October 12, 2021 of the finance committee of the Issuer, to sign this Placement Memorandum 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 Placement Memorandum and in the attachments thereto is true, correct and complete and no information material to the subject matter of this Placement Memorandum 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 Placement Memorandum.

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 Placement 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 Placement Memorandum is as applicable to privately placed debt securities and subject to the information available with the Issuer. The extent of disclosures made in this Placement Memorandum is consistent with disclosures permitted by regulatory authorities to the issue of securities made by the companies in the past.

For ~~MAS~~ Financial Services Limited

Authorised Signatory

Name: Riddhi Bhayani
Title: Company Secretary & Compliance Officer
Place: Ahmedabad
Date: October 18, 2021



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

ANNEXURE I: TERM SHEET

As provided in Section 8.1 (*Issue Details*) above.

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

ANNEXURE II: RATING LETTER, RATING RATIONALE AND PRESS RELEASE FROM THE RATING AGENCY

Attached separately.

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

ANNEXURE III: CONSENT LETTER FROM THE DEBENTURE TRUSTEE

Attached separately.

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

ANNEXURE IV: APPLICATION FORM

MAS FINANCIAL SERVICES LIMITED

A public limited company incorporated under the Companies Act, 1956

Date of Incorporation: May 25, 1995

Registered Office: 6 Narayan Chambers, Ground Floor, B/h Patang Hotel, Ashram Road,
Ahmedabad – 380009, Gujarat, India

Telephone No.: 079-41106500

Website: www.mas.co.in

DEBENTURE SERIES APPLICATION FORM SERIAL NO.

ISSUE OF 50 (FIFTY) UNSECURED, RATED, LISTED, REDEEMABLE, SUBORDINATED, TAXABLE, TRANSFERABLE, NON-CONVERTIBLE DEBENTURES, EACH HAVING A FACE VALUE OF INR 1,00,00,000 (RUPEES ONE CRORE) AGGREGATING TO INR 50,00,00,000 (INDIAN RUPEES FIFTY CRORE) AT PAR ON A PRIVATE PLACEMENT BASIS ("ISSUE")

DEBENTURE SERIES APPLIED FOR:

Number of Debentures: _____ In words: _____ only

Amount INR _____ /- In words

Rupees: _____ only

DETAILS OF PAYMENT:

Cheque / Demand Draft / RTGS

No. _____ Drawn on _____

Funds transferred to the account specified in "Instructions" below on _____

Total Amount Enclosed

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

APPLICANT'S NAME IN FULL (CAPITALS)

SPECIMEN SIGNATURE

--	--

APPLICANT'S ADDRESS

ADDRESS					
STREET					
CITY					
PIN		PHONE		FAX	

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

I AM / WE ARE () COMPANY () OTHERS (Please specify) _____

We have read and understood the terms and conditions of the issue of Debentures including the risk factors described in the enclosed Placement Memorandum ("PM") and the private placement offer cum application

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

letter of the same date ("PPOA") issued by the Issuer (collectively, the "Debt Disclosure Documents") and have considered these in making our decision to apply. We bind ourselves to the terms and conditions of the Debt Disclosure Documents and wish to apply for allotment of the Debentures. We request you to please place our name(s) on the register of holders.

Name of the Authorised Signatory(ies)	Designation	Signature

Applicant's Signature

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

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

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 Debt Disclosure Documents is provided by the Issuer. We confirm that we have for the purpose of investing in these Debentures carried out our own due diligence and made our own decisions with respect to investment in these Debentures and have not relied on any representations made by anyone other than the Issuer, if any.

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

Applicant's Signature

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

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

(Note : Cheque and Drafts are subject to realisation)

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

ACKNOWLEDGMENT SLIP

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

Received from _____

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

Initial of the Officer of MAS Financial Services Limited designated to keep the record

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

INSTRUCTIONS

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

Beneficiary Name:	MAS FINANCIAL SERVICES LIMITED - DEBENTURE APPLICATION MONEY ACCOUNT
Bank Account No.	0009102000079709
IFSC CODE:	IBKL0000009
Bank Name	IDBI BANK
Branch Address:	CG ROAD AHMEDABAD
Account Type	CURRENT ACCOUNT

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

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

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ANNEXURE V: AUDITED FINANCIAL STATEMENTS ALONG WITH AUDIT REPORTS, SCHEDULES, FOOTNOTES, SUMMARY ETC.

Attached separately.

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

ANNEXURE VI: ILLUSTRATION OF BOND CASH FLOWS

Illustration of Bond Cash Flows	
Name of the Issuer	MAS Financial Services Limited
Face Value (per security)	INR 1,00,00,000 (Indian Rupees One Crore)
Issue Date / Date of Allotment	Issue Opening Date: October 20, 2021 Deemed Date of Allotment: October 20, 2021
Date of Redemption	Redemption Date / Maturity Date: May 20, 2027
Tenure	Please refer Section 8.1 (<i>Issue Details</i>).
Coupon Rate	Please refer Section 8.1 (<i>Issue Details</i>). Please also see below.
Frequency of the Coupon Payment with specified dates	Actual/Actual

REDEMPTION SCHEDULE

Illustration of Bond Cash Flows	
Issuer	MAS Financial Services Limited
Face Value	Rs.1,00,00,000 (Rupees One Crore only) per Debenture
Tenor	67 Months
Date of Allotment	October 20, 2021
Redemption	Bullet, At Par
Coupon Rate	10.75% p.a.
Frequency of the Coupon	Monthly on Redemption
Day Count Convention	Actual/ Actual

Cash Flow on a Per Debenture basis

Months	Payment Dates	Net Cash Flow	Principal	Interest	Principal O/s
0	Wednesday, October 20, 2021	(1,00,00,000)			1,00,00,000
1	Saturday, November 20, 2021	91,301	-	91,301	1,00,00,000
2	Monday, December 20, 2021	88,356	-	88,356	1,00,00,000
3	Thursday, January 20, 2022	91,301	-	91,301	1,00,00,000
4	Sunday, February 20, 2022	91,301	-	91,301	1,00,00,000
5	Sunday, March 20, 2022	82,466	-	82,466	1,00,00,000
6	Wednesday, April 20, 2022	91,301	-	91,301	1,00,00,000
7	Friday, May 20, 2022	88,356	-	88,356	1,00,00,000
8	Monday, June 20, 2022	91,301	-	91,301	1,00,00,000
9	Wednesday, July 20, 2022	88,356	-	88,356	1,00,00,000
10	Saturday, August 20, 2022	91,301	-	91,301	1,00,00,000
11	Tuesday, September 20, 2022	91,301	-	91,301	1,00,00,000
12	Thursday, October 20, 2022	88,356	-	88,356	1,00,00,000
13	Sunday, November 20, 2022	91,301	-	91,301	1,00,00,000
14	Tuesday, December 20, 2022	88,356	-	88,356	1,00,00,000

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15	Friday, January 20, 2023	91,301	-	91,301	1,00,00,000
16	Monday, February 20, 2023	91,301	-	91,301	1,00,00,000
17	Monday, March 20, 2023	82,466	-	82,466	1,00,00,000
18	Thursday, April 20, 2023	91,301	-	91,301	1,00,00,000
19	Saturday, May 20, 2023	88,356	-	88,356	1,00,00,000
20	Tuesday, June 20, 2023	91,301	-	91,301	1,00,00,000
21	Thursday, July 20, 2023	88,356	-	88,356	1,00,00,000
22	Sunday, August 20, 2023	91,301	-	91,301	1,00,00,000
23	Wednesday, September 20, 2023	91,301	-	91,301	1,00,00,000
24	Friday, October 20, 2023	88,356	-	88,356	1,00,00,000
25	Monday, November 20, 2023	91,301	-	91,301	1,00,00,000
26	Wednesday, December 20, 2023	88,356	-	88,356	1,00,00,000
27	Saturday, January 20, 2024	91,301	-	91,301	1,00,00,000
28	Tuesday, February 20, 2024	91,052	-	91,052	1,00,00,000
29	Wednesday, March 20, 2024	85,178	-	85,178	1,00,00,000
30	Saturday, April 20, 2024	91,052	-	91,052	1,00,00,000
31	Monday, May 20, 2024	88,115	-	88,115	1,00,00,000
32	Thursday, June 20, 2024	91,052	-	91,052	1,00,00,000
33	Saturday, July 20, 2024	88,115	-	88,115	1,00,00,000
34	Tuesday, August 20, 2024	91,052	-	91,052	1,00,00,000
35	Friday, September 20, 2024	91,052	-	91,052	1,00,00,000
36	Sunday, October 20, 2024	88,115	-	88,115	1,00,00,000
37	Wednesday, November 20, 2024	91,052	-	91,052	1,00,00,000
38	Friday, December 20, 2024	88,115	-	88,115	1,00,00,000
39	Monday, January 20, 2025	91,052	-	91,052	1,00,00,000
40	Thursday, February 20, 2025	91,301	-	91,301	1,00,00,000
41	Thursday, March 20, 2025	82,466	-	82,466	1,00,00,000
42	Sunday, April 20, 2025	91,301	-	91,301	1,00,00,000
43	Tuesday, May 20, 2025	88,356	-	88,356	1,00,00,000
44	Friday, June 20, 2025	91,301	-	91,301	1,00,00,000
45	Sunday, July 20, 2025	88,356	-	88,356	1,00,00,000
46	Wednesday, August 20, 2025	91,301	-	91,301	1,00,00,000
47	Saturday, September 20, 2025	91,301	-	91,301	1,00,00,000
48	Monday, October 20, 2025	88,356	-	88,356	1,00,00,000
49	Thursday, November 20, 2025	91,301	-	91,301	1,00,00,000
50	Saturday, December 20, 2025	88,356	-	88,356	1,00,00,000
51	Tuesday, January 20, 2026	91,301	-	91,301	1,00,00,000
52	Friday, February 20, 2026	91,301	-	91,301	1,00,00,000
53	Friday, March 20, 2026	82,466	-	82,466	1,00,00,000
54	Monday, April 20, 2026	91,301	-	91,301	1,00,00,000
55	Wednesday, May 20, 2026	88,356	-	88,356	1,00,00,000
56	Saturday, June 20, 2026	91,301	-	91,301	1,00,00,000
57	Monday, July 20, 2026	88,356	-	88,356	1,00,00,000
58	Thursday, August 20, 2026	91,301	-	91,301	1,00,00,000

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

59	Sunday, September 20, 2026	91,301	-	91,301	1,00,00,000
60	Tuesday, October 20, 2026	88,356	-	88,356	1,00,00,000
61	Friday, November 20, 2026	91,301	-	91,301	1,00,00,000
62	Sunday, December 20, 2026	88,356	-	88,356	1,00,00,000
63	Wednesday, January 20, 2027	91,301	-	91,301	1,00,00,000
64	Saturday, February 20, 2027	91,301	-	91,301	1,00,00,000
65	Saturday, March 20, 2027	82,466	-	82,466	1,00,00,000
66	Tuesday, April 20, 2027	91,301	-	91,301	1,00,00,000
67	Thursday, May 20, 2027	1,00,88,356	1,00,00,000	88,356	-

Notes:

1. The Coupon Shall be payable on a monthly basis subject to Business Day Convention

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

ANNEXURE VII: BOARD RESOLUTION

Attached separately.

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

ANNEXURE VIII: SHAREHOLDERS' RESOLUTION

Attached separately.

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

ANNEXURE IX: DUE DILIGENCE CERTIFICATES

1. **Due diligence certificate as per the format specified in Annexure A of the SEBI Due Diligence Circular:** Not applicable. The Debentures are unsecured and represent unsecured and subordinated obligations of the Issuer.

2. **Due diligence certificate as per the format specified in Schedule IV of the Debt Listing Regulations:** Not applicable. The Debentures are unsecured and represent unsecured and subordinated obligations of the Issuer.

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ANNEXURE X: DISCLOSURES PURSUANT TO THE SEBI DUE DILIGENCE CIRCULAR

Not applicable. The Debentures are unsecured and represent unsecured and subordinated obligations of the Issuer.

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

ANNEXURE XI: IN-PRINCIPLE APPROVAL FROM BSE

Attached separately.

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ANNEXURE XII: SHAREHOLDING PATTERN

Sr. No.	Category	No. of Shares	% of holding as on September 30, 2021
1.	Promoters & Promoter group	4,02,33,821	73.60
2.	FII & FIIs	9,06,935	1.66
3.	Mutual Funds	46,70,509	8.54
4.	Corporates	4,16,882	0.76
5.	Resident & Non -Resident Individuals	33,77,521	6.18
6.	Others	50,56,375	9.26
	Total:	5,46,62,043	100.00

The Issuer is a listed company, and the detailed shareholding pattern (filed with the BSE as of September 30, 2021) is available at <https://www.bseindia.com/stock-share-price/mas-financial-services-ltd/masfin/540749/shareholding-pattern/>

As the Issuer is a listed company, the latest published information is available only up to September 30, 2021. The Issuer will disclose all the relevant information up to September 30, 2021 to BSE Limited within the timelines prescribed under the LODR Regulations.

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

ANNEXURE XIII: FINALISED FORM OF THE PPOA (ALONG WITH ALL DISCLOSURES)

Attached separately.

B S R & Co. LLP

Chartered Accountants

14th Floor, Central Wing B Wing and North C Wing,
Nesco IT Park 4, Nesco Center,
Western Express Highway, Goregaon (East),
Mumbai - 400 063, India

Telephone: +91 22 6257 1000
Fax: +91 22 6257 1010

Limited review report on unaudited quarterly standalone financial results of MAS Financial Services Limited under Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of MAS Financial Services Limited

1. We have reviewed the accompanying Statement of unaudited standalone financial results of MAS Financial Services Limited for the quarter ended 30 June 2021 (the 'Statement').
2. This Statement, which is the responsibility of the Company's management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 '*Interim Financial Reporting*' ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 (the 'Act'), and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the 'SEBI Listing Regulations'). Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements ('SRE') 2410 '*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*' issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. As described in Note 5 to the Statement, during the quarter ended 30 September 2020, the Company had changed its accounting policy for recognising gain on derecognition of loans upon assignment retrospectively. As per the previous policy, such gain was recognised immediately in the statement of profit or loss. As per the new policy adopted by the Company, such gain is recorded as 'Unearned income on assigned loans' under the head 'Other non-financial liabilities' and is amortised in the statement of profit or loss over the period of the underlying residual terms of the assigned loan portfolio. This change in accounting policy constitutes a departure from the Indian Accounting Standards prescribed under Section 133 of the Act (Ind AS 109 - 'Financial Instruments') which requires the gain / loss to be recognised immediately in the statement of profit or loss upon derecognition of assigned loans. In our view, this change in accounting policy is not in compliance with the requirements of Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' that permits to change the accounting policy only if the change satisfies given criteria therein.

Had the Company not revised its policy, 'gain on assignment' would have decreased by Rs. 754.51 lakh and 'deferred tax credit' would have been increased by of Rs. 189.89 lakh for the quarter ended 30 June 2021.

Registered Office:

**Limited review report on unaudited quarterly standalone financial results of
MAS Financial Services Limited under Regulation 33 of the Securities and
Exchange Board of India (Listing Obligations and Disclosure Requirements)
Regulations, 2015 (*Continued*)**

MAS Financial Services Limited

5. Based on our review conducted as above, except for the effects / possible effects of the matter described in paragraph 4 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI Listing Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. As more fully explained in Note 7 to the Statement, 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 conclusion on the Statement is not modified in respect of this matter

For **B S R & Co. LLP**
Chartered Accountants

Firm's Registration No: 101248W/W-100022

SAMEER
HIRACHA
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by SAMEER
HIRACHAND
MOTA
Date: 2021.08.11
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Sameer Mota
Partner

Place: Mumbai
Date: 11 August 2021

Membership No: 109928
UDIN: 21109928AAAAVU3430



MAS FINANCIAL SERVICES LIMITED

Regd. Office: 6 Ground Floor, Narayan Chambers, B/h Patang Hotel, Ashram Road, Ahmedabad-380 009.
Phone No.: +91 79 41106500 Fax No.: +91 79 41106597 E-mail : riddhi_bhayani@mas.co.in Website: www.mas.co.in
CIN: L65910GJ1995PLC026064

Statement of unaudited standalone financial results for the quarter ended 30 June 2021

(₹ in Lakh)

Sr. No.	Particulars	Quarter ended			Year ended
		30.06.2021 (Unaudited)	31.03.2021 (Audited)	30.06.2020 (Unaudited) (Restated refer note 6)	31.03.2021 (Audited)
1	INCOME				
	(a) Revenue from operations				
	Interest income	12,825.51	11,413.47	14,160.56	48,413.64
	Gain on assignment of financial assets (Refer note 5)	1,490.48	1,741.63	1,571.72	8,058.70
	Fees and commission income	384.16	692.59	303.27	2,796.05
	Net gain on fair value changes	72.81	56.32	-	56.32
	Total revenue from operations	14,772.96	13,904.01	16,035.55	59,324.71
	(b) Other income	76.54	10.53	4.03	64.19
	Total income	14,849.50	13,914.54	16,039.58	59,388.90
2	EXPENSES				
	(a) Finance costs	6,993.51	6,108.28	6,935.41	26,449.08
	(b) Fees and commission expense	94.49	172.60	98.95	624.36
	(c) Impairment on financial instruments	1,409.87	751.64	2,987.31	7,488.62
	(d) Employee benefits expenses	854.91	730.43	812.34	2,972.89
	(e) Depreciation, amortisation and impairment	47.93	47.75	57.05	212.98
	(f) Other expenses	495.52	1,107.25	256.47	2,351.68
	Total expenses	9,896.23	8,917.95	11,147.53	40,099.61
3	Profit before exceptional items and tax (1-2)	4,953.27	4,996.59	4,892.05	19,289.29
4	Exceptional items	-	-	-	-
5	Profit before tax (3-4)	4,953.27	4,996.59	4,892.05	19,289.29
6	Tax expense				
	(a) Current tax	1,273.42	1,741.08	1,286.43	5,809.77
	(b) Short / (excess) provision for tax relating to prior years	-	-	-	-
	Net current tax expense	1,273.42	1,741.08	1,286.43	5,809.77
	(c) Deferred tax expense/(credit)	(2.83)	(397.12)	(53.61)	(870.78)
	Total tax expense	1,270.59	1,343.96	1,232.82	4,938.99
7	Profit for the period / year from continuing operations (5-6)	3,682.68	3,652.63	3,659.23	14,350.30
8	Profit / (loss) from discontinued operations	-	-	-	-
9	Tax expense of discontinued operations	-	-	-	-
10	Profit / (loss) from discontinued operations (after tax) (8-9)	-	-	-	-
11	Profit for the period / year (7+10)	3,682.68	3,652.63	3,659.23	14,350.30
12	Other comprehensive income (OCI)				
	(a) (i) Items that will not be reclassified to profit or loss				
	- Re-measurement of the defined benefit liabilities	16.75	68.15	(7.42)	67.01
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(4.22)	(17.16)	1.87	(16.87)
	Sub-total (a)	12.53	50.99	(5.55)	50.14
	(b) (i) Items that will be reclassified to profit or loss				
	- Loans and advances through other comprehensive Income	(105.54)	59.77	691.42	936.29
	(ii) Income tax relating to items that will be reclassified to profit or loss	26.56	(15.03)	(174.03)	(235.65)
	Sub-total (b)	(78.98)	44.74	517.39	700.64
	Other comprehensive income / (loss) (a+b)	(66.45)	95.73	511.84	750.78
13	Total comprehensive income for the period / year (11+12)	3,616.23	3,748.36	4,171.07	15,101.08
14	Earnings per share (of ₹10 each) (not annualized for interim periods)				
	(a) Basic (₹)	6.74	6.68	6.69	26.25
	(b) Diluted (₹)	6.74	6.68	6.69	26.25

**MAS FINANCIAL SERVICES LIMITED****Regd. Office: 6 Ground Floor, Narayan Chambers, B/h Patang Hotel, Ashram Road, Ahmedabad-380 009.****Phone No.: +91 79 41106500 Fax No.: +91 79 41106597 E-mail : riddhi_bhayani@mas.co.in Website: www.mas.co.in****CIN: L65910GJ1995PLC026064****Notes :**

- 1 The unaudited standalone financial results of the Company have been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard ('Ind AS') 34 'Interim Financial Reporting' prescribed under Section 133 of the Companies Act, 2013 (the 'Act') read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the 'SEBI Listing Regulations'). Any application guidance/ clarifications/ directions issued by Reserve Bank of India ('RBI') or other regulators are implemented as and when they are issued/ applicable.
- 2 The above standalone financial results have been reviewed by the Audit Committee and subsequently approved by the Board of Directors of the Company at its meeting held on 11 August 2021.
- 3 In compliance with the SEBI Listing Regulations, a limited review of the standalone financial results for the quarter ended 30 June 2021 has been carried out by the Statutory Auditors.
- 4 The Board of directors at its meeting held on 19 May 2021 recommended final dividend of ₹ 1.5 per equity share of face value of ₹ 10 each for the year ended 31 March 2021, which is subject to approval by the shareholders of the Company.
- 5 **Amortising the gain on assignment of financial assets over the residual tenure instead of booking upfront and management's response to comments of the statutory auditors in the limited review report:**

With regards to comments of the statutory auditors in paragraph 4 of the limited review report, it is submitted that, as per earlier policy followed by the Company up to 30 June 2020, on derecognition of loans in its entirety upon assignment, as per Ind AS 109 'Financial Instruments', the Company has been recognising the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including new asset obtained less any new liability assumed) as gain immediately in the statement of profit or loss.

In view of the Company, earlier accounting treatment inflates the income at the time of assignment and leads to reporting higher earnings per share, potentially higher dividend pay-out and improved capital adequacy ratio. Further, after taking views from RBI circular no. RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13 March 2020 which states that the responsibility of preparing and ensuring fair presentation of the financial statements of a NBFC vests primarily with its Board of Directors, RBI circular no. DNBS. PD. No. 301/3.10.01/2012-13 dated 21 August 2012 which had clearly mandated the NBFCs to amortise the gain on assignment over the tenure of the loan and also as per paragraph 19 of Ind AS 1 'Presentation of Financial Statements', management has concluded that the upfront booking of income which is to be received over underlying residual tenure of the assigned portfolio would be so misleading for the users of the financial statements, that it would conflict with the objective of the financial statements set out in the Conceptual Framework for Financial Reporting under Ind AS and therefore to present a true and fair view of the Company's financial position, financial performance for the given period, from the quarter ended 30 September 2020, the Company had departed from the requirements of Ind AS 109 retrospectively and restated the earlier periods presented.

As per the new policy, on derecognition of financial assets on account of direct assignment of loans, gain is recognized as "Unearned income on assigned loans" under the head "Other non-financial liabilities" and amortized in the statement of profit or loss over the underlying residual terms of the assigned portfolio.

Further, NBFC industry body Finance Industry Development Council (the 'association') which is represented by more than 100 NBFCs, has made representation to Reserve Bank of India and National Financial Reporting Authority ('NFRA') whereby the said change in accounting policy has also been requested by the association also. The association has requested RBI and NFRA to allow the gain on direct assignment transactions to be amortized instead of recognition of the gain in the statement of profit and loss immediately upon assignment of loans due to above mentioned limitations.

As per paragraph 14(b) of Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors', an entity may change its accounting policy if it results in the financial statements providing reliable and more relevant information about the effects of transactions, other events or conditions on the entity's financial position, financial performance or cash flows. The Company believes that by following new policy, the above objective will be achieved.

Had the Company followed the accounting policy which it followed hitherto, the Company would have recognized gain on assignment of ₹ 735.97 lakh for the quarter ended 30 June 2021. As per the new policy, the Company has recognized gain on assignment (on amortised basis) of ₹ 1,490.48 lakh for the quarter ended 30 June 2021. Accordingly, gain on assignment would have decreased by ₹ 754.51 lakh and deferred tax credit would have increased by ₹ 189.89 lakh for the quarter ended 30 June 2021.



**MAS FINANCIAL SERVICES LIMITED**

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CIN: L65910GJ1995PLC026064

- 6 As per the requirement of Ind AS 8, the Company has restated the financial information of comparable interim periods to reflect the change in accounting policy as per point no. 5 above. The following table summarises the reconciliation of figures restated with previously reported figures:

		(₹ in Lakh)
Particulars		Quarter ended
		30.06.2020
Revised gain on assignment of financial assets		1,571.72
Impact due to change in accounting policy		(127.71)
Gain on assignment as previously reported before policy change		1,444.01
Revised profit before tax		4,892.05
Add/(Less) adjustments for:		
Gain on assignment of financial assets reversed (recognised on date of assignment)		1,444.01
Gain on assignment of financial assets recorded (on amortisation basis)		(1,571.72)
Profit before tax as previously reported before policy change		4,764.34
Revised deferred tax expense / (credit)		(53.61)
Impact due to change in accounting policy		(32.15)
Deferred tax credit as previously reported before policy change		(85.76)
Revised profit after tax		3,659.23
Add/(Less) adjustments for:		
Gain on assignment of financial assets reversed (recognised on date of assignment)		1,444.01
Gain on assignment of financial assets recorded (on amortisation basis)		(1,571.72)
Tax Impact on above adjustments		32.15
Profit after tax as previously reported before policy change		3,563.67
Revised basic earnings per share		6.69
Impact due to change in accounting policy		(0.17)
Basic earnings per share as previously reported before policy change		6.52
Revised diluted earnings per share		6.69
Impact due to change in accounting policy		(0.17)
Diluted earnings per share as previously reported before policy change		6.52

- 7 In accordance with the board approved moratorium policy read with the RBI guidelines dated 27 March 2020, 17 April 2020 and 23 May 2020 relating to 'COVID-19 - Regulatory Package', the Company had granted moratorium up to six months on the payment of installments which became due between 1 March 2020 and 31 August 2020 to all eligible borrowers. This relaxation did not automatically trigger a significant increase in credit risk. The Company continued to recognize interest income during the moratorium period and in the absence of other credit risk indicators, the granting of a moratorium period did not result in accounts becoming past due and automatically triggering Stage 2 or Stage 3 classification criteria.

The impact of COVID-19 on the global economy and how governments, businesses and consumers respond is uncertain. This uncertainty is reflected in the Company's assessment of impairment loss allowance on its loans which are subject to a number of management judgements and estimates. In relation to COVID-19, judgements and assumptions include the extent and duration of the pandemic, the impacts of actions of governments and other authorities, and the responses of businesses and consumers, along with the associated impact on the Indian and global economy. The Company has separately incorporated estimates, assumptions and judgements specific to the impact of the COVID-19 pandemic and the associated support packages in the measurement of impairment loss allowance. The Company has been duly servicing its debt obligations, maintains a healthy capital adequacy ratio and has adequate capital and financial resources to run its business. As at 30 June 2021, the cumulative amount of management overlay provisions stood at ₹ 5,427.08 lakh in the standalone financial results, to reflect deterioration in the macro-economic outlook. The final impact of this pandemic is very uncertain and the actual impact may be different than that estimated based on the conditions prevailing as at the date of approval of these financial results. Management will continue to closely monitor the material changes in the macro-economic factors impacting the operations of the Company.

- 8 In accordance with the requirement of RBI circular nos. RBI/2021-22/31 DOR.STR.REC.11/21.04.048/2021-22 and RBI/2021-22/32 DOR.STR.REC.12/21.04.048/2021-22 dated 5 May 2021, the Company has framed policy for restructuring 2.0. As at 30 June 2021, the Company has not restructured any borrowers under the above RBI circulars.
- 9 In terms of the requirement as per RBI notification no. RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13 March 2020 on implementation of Indian Accounting Standards, Non-Banking Financial Companies ('NBFCs') are required to create an impairment reserve for any shortfall 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 assets provisioning), as at 30 June 2021 and accordingly, no amount is required to be transferred to impairment reserve.
- 10 During the quarter ended 30 June 2021, the Company has made an investment of ₹ 1,000 lakh in MAS Rural Housing & Mortgage Finance Limited, its subsidiary, by way of 6% optionally convertible preference shares ('OCPs') of face value of ₹ 10 each with a non-cumulative dividend right with the subsidiary company. The preference shares are optionally convertible into equity shares at a price to be determined at the time of conversion. The conversion / redemption option is to be exercised for 33.33% of the shares in the 5th year, for 33.33% of the shares in the 6th year and for remaining 33.34% of the shares in the 7th year from the date of issue of these shares. If the option of convertible preference shares are not exercised then the preference shares shall be redeemed at a face value of ₹ 10 each.





MAS FINANCIAL SERVICES LIMITED

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CIN: L65910GJ1995PLC026064

- 11 The Board of Directors in its meeting held on 19 May 2021 had approved issuance of non-convertible debentures ('NCDs') in tranches up to ₹ 70,000 lakh on a private placement basis. Up to the date of finalization of these financial results, principal protected market linked NCDs ('PP-MLDs') amounting to ₹ 10,000 lakh have been issued to various investors on a private placement basis. These PP-MLDs are listed on BSE Limited.
- 12 All secured NCDs issued by the Company are secured by way of a first ranking, exclusive and continuing charge on identified standard receivables ('Hypothecated Receivables') to maintain the value of security at all times equal to 1.10x (One Decimal One Zero times) or 110.0% (One Hundred and Ten Percent) of the aggregate amount of principal outstanding (including accrued interest) of the NCDs as per the respective term-sheets of outstanding secured NCDs.
- 13 The Indian Parliament has approved the Code on Social Security, 2020 which subsumes the provident fund Act and the gratuity Act and rules there under. The Ministry of Labour and Employment has also released draft rules thereunder on 13 November 2020 and has invited suggestions from stakeholders which are under active consideration by the Ministry of Labour and Employment. The Company will evaluate the rules, assess the impact, if any, and account for the same once the rules are notified and become effective.
- 14 The Company is engaged primarily in the business of financing and all its operations are in India only. Accordingly, there is no separate reportable segment as per Ind AS 108 on 'Operating Segments' in respect of the Company.
- 15 The figures for the last quarter of the previous year are the balancing figures between audited figures in respect of the full financial year and the published year-to-date figures up to third quarter.
- 16 Previous period / year figures have been regrouped / reclassified, wherever found necessary, to conform to current period classification.



Kamlesh C. Gandhi
(Chairman & Managing Director)
(DIN - 00044852)

Ahmedabad
11 August 2021

B S R & Co. LLP

Chartered Accountants

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Nesco IT Park 4, Nesco Center,
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Limited review report on unaudited quarterly consolidated financial results of MAS Financial Services Limited under Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of MAS Financial Services Limited

1. We have reviewed the accompanying statement of unaudited consolidated financial results of MAS Financial Services Limited (the 'Parent') and its subsidiary (the Parent and its subsidiary together referred to as the 'Group'), for the quarter ended 30 June 2021 (the 'Statement'), being submitted by the Parent pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the 'SEBI Listing Regulations').
2. This Statement, which is the responsibility of the Parent's management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 'Interim Financial Reporting' ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 (the 'Act'), and other accounting principles generally accepted in India and in compliance with Regulation 33 of the SEBI Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements ('SRE') 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI Listing Regulations, to the extent applicable.

4. The statement includes the following entities:

Name of Company	Relationship
MAS Financial Services Limited	Parent
MAS Rural Housing & Mortgage Finance Limited	Subsidiary

Registered Office:

Limited review report on unaudited quarterly consolidated financial results of MAS Financial Services Limited under Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Continued)

MAS Financial Services Limited

5. As described in Note 5 to the Statement, during the quarter ended 30 September 2020, the Group had changed its accounting policy for recognising gain on derecognition of loans upon assignment retrospectively. As per the previous policy, such gain was recognised immediately in the profit or loss. As per the new policy adopted by the Group, such gain is recorded as 'Unearned income on assigned loans' under the head 'Other non-financial liabilities' and is amortised in the profit or loss over the period of the underlying residual terms of the assigned loan portfolio.

Had the Group not revised its policy, 'gain on assignment' would have decreased by Rs. 731.34 lakh and 'deferred tax credit' would have been increased by of Rs. 184.05 lakh for the quarter ended 30 June 2021.

6. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of other auditor referred to in paragraph 8 below, except for the effects / possible effects of the matters described in paragraph 5 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
7. As described in Note 7 to the Statement, the extent to which the Covid-19 pandemic will impact the Group's financial performance is dependent on future developments, which are highly uncertain.

Our conclusion on the Statement is not modified in respect of this matter.

8. We did not review the interim financial information of the subsidiary included in the Statement, whose interim financial information reflect total revenues of Rs.885.45 lakh, total net profit after tax (before consolidation adjustments) of Rs. 82.25 lakh and total comprehensive income/ loss of (before consolidation adjustments) Rs. 97.84 lakh for the quarter ended 30 June 2021, as considered in the Statement. This interim financial information have been reviewed by the other auditor whose report has been furnished to us by management, and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the report of the other auditor and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of this matter.

For B S R & Co. LLP
Chartered Accountants

Firm's Registration No: 101248W/W-100022

SAMEER Digitally signed by
HIRACHA SAMEER
ND MOTA HIRACHAND MOTA
Date: 2021.08.11
18:25:26 +05'30'

Sameer Mota
Partner

Place: Mumbai
Date: 11 August 2021

Membership No: 109928
UDIN: 21109928AAAAVV2332

**MAS FINANCIAL SERVICES LTD.**

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Statement of unaudited consolidated financial results for the quarter ended 30 June 2021

(₹ in Lakh)

Sr. No.	Particulars	Quarter ended			Year ended
		30.06.2021 (Unaudited)	31.03.2021 (Audited)	30.06.2020 (Unaudited) (Restated refer note 6)	31.03.2021 (Audited)
1 INCOME					
(a) Revenue from operations					
Interest income		13,671.23	12,225.75	15,000.95	51,770.11
Gain on assignment of financial assets (Refer note 5)		1,506.43	1,756.87	1,585.09	8,125.55
Fees and commission income		390.00	696.55	309.02	2,813.92
Net gain on fair value changes		72.81	29.90	-	29.90
Total revenue from operations		15,640.47	14,709.07	16,895.06	62,739.48
(b) Other income		11.62	16.81	1.74	31.75
Total income		15,652.09	14,725.88	16,896.80	62,771.23
2 EXPENSES					
(a) Finance costs		7,505.43	6,569.98	7,474.71	28,493.54
(b) Fees and commission expense		94.49	172.60	98.95	624.36
(c) Impairment on financial instruments		1,469.02	889.27	2,988.21	7,784.81
(d) Employee benefits expenses		985.42	865.69	959.17	3,503.32
(e) Depreciation, amortisation and impairment		56.94	57.75	69.53	257.24
(f) Other expenses		547.53	1,174.17	274.21	2,511.05
Total expenses		10,658.83	9,729.46	11,864.78	43,174.32
3 Profit before exceptional items and tax (1-2)		4,993.26	4,996.42	5,032.02	19,596.91
4 Exceptional items		-	-	-	-
5 Profit before tax (3-4)		4,993.26	4,996.42	5,032.02	19,596.91
6 Tax expense					
(a) Current tax		1,306.72	1,771.18	1,314.23	5,935.17
(b) Short / (Excess) provision for tax relating to prior years		-	(0.29)	-	(0.29)
Net current tax expense		1,306.72	1,770.89	1,314.23	5,934.88
(c) Deferred tax expense/(credit)		(7.50)	(415.74)	(41.84)	(890.40)
Total tax expense		1,299.22	1,355.15	1,272.39	5,044.48
7 Profit for the period / year from continuing operations (5-6)		3,694.04	3,641.27	3,759.63	14,552.43
8 Profit / (loss) from discontinued operations		-	-	-	-
9 Tax expense of discontinued operations		-	-	-	-
10 Profit / (loss) from discontinued operations (after tax) (8-9)		-	-	-	-
11 Profit for the period / year (7+10)		3,694.04	3,641.27	3,759.63	14,552.43
12 Other comprehensive income (OCI)					
(a) (i) Items that will not be reclassified to profit or loss					
- Re-measurement of the defined benefit liabilities		18.80	73.26	(8.45)	75.21
(ii) Income tax relating to items that will not be reclassified to profit or loss		(4.73)	(18.44)	2.51	(18.55)
Sub-total (a)		14.07	54.82	(5.94)	56.66
(b) (i) Items that will be reclassified to profit or loss					
- Loans and advances through other comprehensive Income		(86.76)	144.51	663.09	960.33
(ii) Income tax relating to items that will be reclassified to profit or loss		21.84	(36.36)	(166.90)	(241.70)
Sub-total (b)		(64.92)	108.15	496.19	718.63
Other comprehensive income / (loss) (a+b)		(50.85)	162.97	490.25	775.29
13 Total comprehensive income for the period / year (11+12)		3,643.19	3,804.24	4,249.88	15,327.72
14 Profit for the period / year attributable to					
Owners of the Parent		3,660.87	3,633.06	3,717.25	14,436.01
Non-controlling interest		33.17	8.21	42.38	116.42
15 Other comprehensive income for the period / year attributable to					
Owners of the Parent		(57.14)	135.86	498.96	765.41
Non-controlling interest		6.29	27.11	(8.71)	9.88
16 Total comprehensive income for the period / year attributable to					
Owners of the Parent		3,603.73	3,768.92	4,216.21	15,201.42
Non-controlling interest		39.46	35.32	33.67	126.30
17 Earnings per share (of ₹10 each) (not annualized for interim periods)					
(a) Basic (₹)		6.70	6.65	6.80	26.41
(b) Diluted (₹)		6.70	6.65	6.80	26.41





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Notes :

- 1 The unaudited consolidated financial results of MAS Financial Services Limited (the 'Parent') and its subsidiary (collectively referred to as the 'Group') have been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard (referred to as 'Ind AS') prescribed under Section 133 of the Companies Act, 2013 (the 'Act') read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the 'SEBI Listing Regulations'). Any application guidance/ clarifications/ directions issued by Reserve Bank of India ('RBI') or other regulators are implemented as and when they are issued/ applicable.
- 2 The above consolidated financial results have been reviewed by the Audit Committee and subsequently approved by the Board of Directors of the Parent at its meeting held on 11 August 2021.
- 3 In compliance with the SEBI Listing Regulations, a limited review of the consolidated financial results for the quarter ended 30 June 2021 has been carried out by the Statutory Auditors.
- 4 The Board of directors of the Parent has recommended dividend of ₹ 1.5 per equity share of face value of ₹ 10 each, which is subject to approval by the shareholders of the Parent.
- 5 **Amortising the gain on assignment of financial assets over the residual tenure instead of booking upfront and management's response to comments of the statutory auditors in the Audit Report:**

With regards to comments of the statutory auditors in paragraph 5 of the limited review report, it is submitted that, as per earlier policy followed by the Group up to 30 June 2020, on derecognition of loans in its entirety upon assignment, as per Ind AS 109 'Financial Instruments', the Group has been recognising the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including new asset obtained less any new liability assumed) as gain immediately in the statement of profit or loss.

In view of the Group, earlier accounting treatment inflates the income at the time of assignment and leads to reporting higher earnings per share, potentially higher dividend pay-out and improved capital adequacy ratio. Further, after taking views from RBI circular no. RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13 March 2020 which states that the responsibility of preparing and ensuring fair presentation of the financial statements of a NBFC vests primarily with its Board of Directors, RBI circular no. DNBS. PD. No. 301/3.10.01/2012-13 dated 21 August 2012 which had mandated the NBFCs to amortise the gain on assignment over the tenure of the loan and also as per paragraph 19 of Ind AS 1 'Presentation of Financial Statements', management has concluded that the upfront booking of income which is to be received over underlying residual tenure in some cases of the assigned portfolio would be so misleading for the users of the financial statements, that it would conflict with the objective of the financial statements set out in the Conceptual Framework for Financial Reporting under Ind AS and therefore to present a true and fair view of the Group's financial position, financial performance for the given period, from the quarter ended 30 September 2020, the Group had departed from the requirements of Ind AS 109 retrospectively and restated the earlier periods presented.

As per the new policy, on derecognition of financial assets on account of direct assignment of loans, gain is recognized as "Unearned income on assigned loans" under the head "Other non-financial liabilities" and amortized in the statement of profit or loss over the underlying residual terms of the assigned portfolio.

Further, NBFC industry body Finance Industry Development Council (the "association") which is represented by more than 100 NBFCs, has made representation to Reserve Bank of India and National Financial Reporting Authority ('NFRA') whereby the said change in accounting policy has also been requested by the association itself. The association has requested RBI and NFRA to allow the gain on direct assignment transactions to be amortized instead of recognition of the gain in the statement of profit and loss immediately upon assignment of loans due to above mentioned limitations.

As per paragraph 14(b) of Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors', an entity may change its accounting policy if it results in the financial statements providing reliable and more relevant information about the effects of transactions, other events or conditions on the entity's financial position, financial performance or cash flows. The Group believes that by following new policy, the above objective will be achieved.

Had the Group followed the accounting policy which it followed hitherto, the Group would have recognized gain on assignment of ₹ 775.11 lakh for the quarter ended 30 June 2021. As per the new policy, the Group has recognized gain on assignment (on amortised basis) of ₹ 1,506.43 lakh for the quarter ended 30 June 2021. Accordingly, 'gain on assignment' would have decreased by ₹ 731.32 lakh and 'deferred tax credit' would have increased by ₹ 184.05 lakh for the quarter ended 30 June 2021.



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- 6 As per the requirement of Ind AS 8, the Group has restated the financial information of comparable interim periods to reflect the change in accounting policy as per point no. 5 above. The following table summarises the reconciliation of figures restated with previously reported figures:

		(₹ in Lakh)
Particulars	Quarter ended	
	30.06.2020	
Revised gain on assignment of financial assets	1,585.09	
Impact due to change in accounting policy	(141.08)	
Gain on assignment as previously reported before policy change	1,444.01	
Revised profit before tax	5,032.02	
Add/(Less) adjustments for:		
Gain on assignment of financial assets reversed (recognised on date of assignment)	1,444.01	
Gain on assignment of financial assets recorded (on amortisation basis)	(1,585.09)	
Profit before tax as previously reported before policy change	4,890.94	
Revised deferred tax expense / (credit)	(41.84)	
Impact due to change in accounting policy	(35.51)	
Deferred tax credit as previously reported before policy change	(77.35)	
Revised profit after tax	3,759.63	
Add/(Less) adjustments for:		
Gain on assignment of financial assets reversed (recognised on date of assignment)	1,444.01	
Gain on assignment of financial assets recorded (on amortisation basis)	(1,585.09)	
Tax Impact on above adjustments	35.51	
Profit after tax as previously reported before policy change	3,654.06	
Revised profit for the period / year attributable to owners of the parent	3,717.25	
Impact due to change in accounting policy	(101.54)	
Profit for the period / year attributable to owners of the parent as previously reported before policy change	3,615.71	
Revised profit for the period / year attributable to non-controlling interest	42.38	
Impact due to change in accounting policy	(4.03)	
Profit for the period / year attributable to non-controlling interest as previously reported before policy change	38.35	
Revised total comprehensive income attributable to owners of the parent	4,216.21	
Impact due to change in accounting policy	(101.54)	
Total comprehensive income attributable to owners of the parent as previously reported before policy change	4,114.67	
Revised total comprehensive income attributable to non-controlling interest	33.67	
Impact due to change in accounting policy	(4.03)	
Total comprehensive income attributable to non-controlling interest as previously reported before policy change	29.64	
Revised basic earnings per share	6.80	
Impact due to change in accounting policy	(0.19)	
Basic earnings per share as previously reported before policy change	6.61	
Restated diluted earnings per share	6.80	
Impact due to change in accounting policy	(0.19)	
Diluted earnings per share as previously reported before policy change	6.61	





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- 7 In accordance with the board approved moratorium policy read with the RBI guidelines dated 27 March 2020, 17 April 2020 and 23 May 2020 relating to 'COVID-19 - Regulatory Package', the Group had granted moratorium up to six months on the payment of installments which became due between 1 March 2020 and 31 August 2020 to all eligible borrowers. This relaxation did not automatically trigger a significant increase in credit risk. The Group continued to recognize interest income during the moratorium period and in the absence of other credit risk indicators, the granting of a moratorium period did not result in accounts becoming past due and automatically triggering Stage 2 or Stage 3 classification criteria.
- The impact of COVID-19 on the global economy and how governments, businesses and consumers respond is uncertain. This uncertainty is reflected in the Group's assessment of impairment loss allowance on its loans which are subject to a number of management judgements and estimates. In relation to COVID-19, judgements and assumptions include the extent and duration of the pandemic, the impacts of actions of governments and other authorities, and the responses of businesses and consumers, along with the associated impact on the Indian and global economy. The Group has separately incorporated estimates, assumptions and judgements specific to the impact of the COVID-19 pandemic and the associated support packages in the measurement of impairment loss allowance. The Group has been duly servicing its debt obligations, maintains a healthy capital adequacy ratio and has adequate capital and financial resources to run its business. As at 30 June 2021, the cumulative amount of management overlay provisions stood at ₹ 5,726.97 lakh in the consolidated financial results, to reflect deterioration in the macro-economic outlook. The final impact of this pandemic is very uncertain and the actual impact may be different than that estimated based on the conditions prevailing as at the date of approval of these financial results. Management will continue to closely monitor the material changes in the macro-economic factors impacting the operations of the Group.
- 8 In accordance with the requirement of RBI circular nos. RBI/2021-22/31 DOR.STR.REC.11/21.04.048/2021-22 and RBI/2021-22/32 DOR.STR. REC.12/21.04.048/2021-22 dated 5 May 2021, the Group has framed policy for restructuring 2.0.
- 9 In terms of the requirement as per RBI notification no. RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13 March 2020 on implementation of Indian Accounting Standards, Non-Banking Financial Companies ('NBFCs') are required to create an impairment reserve for any shortfall 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 Group exceeds the total provision required under IRACP (including standard assets provisioning), as at 30 June 2021 and accordingly, no amount is required to be transferred to impairment reserve.
- 10 The Board of Directors of the Parent in its meeting held on 19 May 2021 had approved issuance of non-convertible debentures ('NCDs') in tranches up to ₹ 70,000 lakh on a private placement basis. Up to the date of finalization of these financial results, principal protected market linked NCDs ('PP-MLDs') amounting to ₹ 10,000 lakh have been issued to various investors on a private placement basis. These PP-MLDs are listed on BSE Limited.
- 11 All secured NCDs issued by the Parent are secured by way of a first ranking, exclusive and continuing charge on identified standard receivables ('Hypothecated Receivables') to maintain the value of security at all times equal to 1.10x (One Decimal One Zero times) or 110.0% (One Hundred and Ten Percent) of the aggregate amount of principal outstanding (including accrued interest) of the NCDs as per the respective term-sheets of outstanding secured NCDs.
- 12 The Indian Parliament has approved the Code on Social Security, 2020 which subsumes the provident fund Act and the gratuity Act and rules there under. The Ministry of Labour and Employment has also released draft rules thereunder on 13 November 2020 and has invited suggestions from stakeholders which are under active consideration by the Ministry of Labour and Employment. The Group will evaluate the rules, assess the impact, if any, and account for the same once the rules are notified and become effective.
- 13 The Group is engaged primarily in the business of financing and all its operations are in India only. Accordingly, there is no separate reportable segment as per Ind AS 108 on 'Operating Segments' in respect of the Group.
- 14 The figures for the last quarter of the previous year are the balancing figures between audited figures in respect of the full financial year and the published year-to-date figures up to third quarter.
- 15 Previous period / year figures have been regrouped / reclassified, wherever found necessary, to conform to current period / year classification.



Ahmedabad
11 August 2021

Kamlesh C. Gandhi
(Chairman & Managing Director)
(DIN - 00044852)