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Quadrillion Finance Private Limited



Corporate Identity Number (CIN): U65990KA2018PTC117025

Permanent Account Number: **AAACQ5619A**

Date and Place of Incorporation: 28/09/2018, 747, Pooja Building, 80ft Road, 4th Block,
Koramangala, Bangalore - 560034

NBFC Registration Number: N-02.00313

**Registered Office: 747, Pooja Building, 80ft Road, 4th Block,
Koramangala, Bangalore - 560034**

**Corporate Office: 747, Pooja Building, 80ft Road, 4th Block,
Koramangala, Bangalore - 560034.**

Telephone No: 080-470-96427 , Website: <https://www.quadrillion.finance/>, Email: secretarial@quadrillion.finance

Compliance Officer: Ms. Jineesha Porwal. Contact details of Compliance Officer: Email Id: secretarial@quadrillion.finance
Phone No: +91 89494 50979

Company Secretary: Ms. Jineesha Porwal. Contact details of Company Secretary: Email Id: jineesha.p@sliceit.com
Phone No: +91 89494 50979

Chief Financial Officer: Mr. Sudhesh Chandrasekar Contact details of Chief Financial Officer: Email Id: sudesh@sliceit.com
Phone No: +91 99860 47473

Promoter(s): Garagepreneurs Internet Private Limited. Contact details of Promoter(s): Email Id: rajan@sliceit.com Phone No: +91 99000 03950

Private Placement Memorandum Date: 29-09-2021

ISSUE OF 250 SECURED, LISTED, RATED, REDEEMABLE, NON-CONVERTIBLE DEBENTURES ("DEBENTURE(S)" OR "NCD(S)") OF FACE VALUE OF RS.10,00,000 (INDIAN RUPEES TEN LAKHS ONLY) EACH, ISSUED IN ONE OR MORE TRANCHES, AGGREGATING TO RS.25,00,00,000 (INDIAN RUPEES TWENTY FIVE CRORES ONLY) (THE "ISSUE"), BY WAY OF A PRIVATE PLACEMENT (THE "ISSUE"), BY QUADRILLION FINANCE PRIVATE LIMITED (THE "COMPANY" OR "ISSUER").

Issue Details			
Coupon	Coupon Frequency	Redemption Date	Redemption Amount
13.50%	Monthly	December 30, 2022	INR 10,00,000

Debenture Trustee	Register & Transfer Agent	Credit Rating Agency
 Beacon Trustee Limited 4C & D Siddhivinayak Chambers, Gandhi Nagar, Opp MIG Cricket Club, Bandra (East) Mumbai Mumbai City MH 400051 IN http://beacontrustee.co.in/ Phone: 022-26558759 Email: contact@beacontrustee.co.in	 NSDL Database Management Limited 4th Floor, Trade World, 'A' wing, Kamala Mills Compound, Lower Parel (west), Mumbai - 400013. CIN : U72400MH2004PLC147094 https://www.ndml.in/ Email: nileshb@nsdl.co.in Phone No.: 022 4914 2591 (D), 022 4914 2700 (B)	 CARE Ratings Limited 4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (East), Mumbai - 400 022. Phone: +91-022- 6754 3456 Email: care@careratings.com https://www.careratings.com/index.aspx

RATING DETAILS		
Credit Rating	Press Release	Date of Credit Rating
CARE BBB-; Stable	https://www.careratings.com/upload/CompanyFiles/PR/01092021065052_Quadrillion_Finance_Private_Limited.pdf	September 01, 2021

ISSUE SCHEDULE	
Issue Opens on:	September 29, 2021
Issue Closes on:	September 29, 2021
Pay in Date	September 30, 2021
Deemed date of allotment	September 30, 2021

PURSUANT TO THE DEBT CIRCULAR DATED JANUARY 2018 BEARING REFERENCE NUMBER SEBI/HO/DDHS/CIR/P/2018/05 AND SEBI CIRCULAR DATED AUGUST 16, 2018 BEARING REFERENCE NUMBER SEBI/HO/DDHS/CIR/P/2018/122, AND OPERATIONAL CIRCULAR FOR ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES, SECURITISED DEBT INSTRUMENTS, SECURITY RECEIPTS, MUNICIPAL DEBT SECURITIES AND COMMERCIAL PAPER DATED AUGUST 10, 2021 BEARING REFERENCE NUMBER SEBI/HO/DDS/P/CIR/2021/613 EACH AS AMENDED ("SEBI EBP CIRCULARS"), READ WITH THE UPDATED OPERATIONAL GUIDELINES FOR ISSUANCE OF SECURITIES ON PRIVATE PLACEMENT BASIS THROUGH AN ELECTRONIC BOOK MECHANISM ISSUED BY BSE VIDE THEIR NOTICE NUMBER 20180928-24 DATED SEPTEMBER 28, 2018 ("BSE EBP GUIDELINES"), THE COMPANY INTENDS TO USE THE BSE EBP PLATFORM FOR THIS ISSUE

The issue is subject to the provisions of the companies act, 2013, the Memorandum and Articles of Association of the issuer, the application form, the securities and exchange board of India (Issue and Listing of Non-Convertible securities) Regulations, 2021 ("SEBI NCS REGULATIONS"), the SEBI listing Regulations, other terms and conditions as may be incorporated in the Debenture Trust Deed and the other documents in relation to this issuance

Details of Eligible Investors	<p>Pursuant to clause 2.3.8 (c) (ii) of Schedule 2 of the SEBI NCS Regulations, eligible investors include only qualified institutional buyers ("QIBs") (as defined in the securities and exchange board of india (Issue of capital and disclosure Requirements) Regulations, 2018), which may include the following</p> <ul style="list-style-type: none"> A. Mutual Funds B. NBFCs C. Provident Funds and Pension Funds D. Corporates E. Banks F. Foreign Institutional Investors (FIIs) G. Qualified Foreign Investors (QFIs) H. Foreign Portfolio Investors (FPIs) I. Insurance Companies J. Alternative investment funds K. Any other person (not being an individual or a group of individuals) eligible to invest in the Debentures. <p>All potential Investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this issue of Debentures.</p>
Listing	The Debentures are proposed to be listed on the wholesale debt market segment of the BSE Limited (" BSE " or the " Stock Exchange ").
Electronic Book Provider Platform	Not Applicable
Willful Defaulter	Neither The Issuer Nor Any Of The Current Directors Of The Issuer Has Been Declared As Wilful Defaulter

Details about underwriting of the issue including the amount undertaken to be underwritten by the underwriters
– Not applicable

The proposed bond issue does not form part of non-equity regulatory capital mentioned under Chapter V of SEBI NCS Regulations, 2021.

GENERAL RISK

Investment in non convertible securities involve a degree of risk and investors should not invest any funds in the debt instruments, unless they can afford to take the risks attached to such investments. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For detailed description on risks, please see **Section 4 - RISK FACTORS** of the Disclosure Document. For taking an investment decision, investors must rely on their own examination of the Company and the Issue including the risks involved. The Debentures have not been recommended or approved by Securities and Exchange Board of India ("SEBI") nor does SEBI guarantee the accuracy or adequacy of this document.

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

ISSUER'S ABSOLUTE RESPONSIBILITY

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

CREDIT RATING

CARE Ratings Limited has assigned "CARE BBB-; Stable" rating to the Issue by the Company by a letter dated 01 September 2021. Instruments with this rating are considered to have adequate degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk. For more details on credit rating of the Issuer refer to press release at https://www.careratings.com/upload/CompanyFiles/PR/01092021065052_Quadrillion_Finance_Private_Limited.pdf.

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

LISTING

The Debentures are proposed to be listed on the wholesale debt market segment of the BSE Limited ("BSE" or the "Stock Exchange"). The Company has obtained "in principle" approvals from BSE on September 20, 2021 for listing the Debentures offered through this Issue.

RECOVERY EXPENSE FUND

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

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SECTION 1 DISCLAIMERS

GENERAL DISCLAIMER

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

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

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

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

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

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

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

DISCLAIMER TO THE ISSUER

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

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

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

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

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

DISCLAIMER TO THE STOCK EXCHANGE

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

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

DISCLAIMER CLAUSE OF SEBI

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

DISCLAIMER TO THE DEBENTURE TRUSTEE

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

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

DISCLAIMER IN RESPECT OF CREDIT RATING AGENCY

The ratings of the Credit Rating Agency should not be treated as a recommendation to buy, sell or hold the Debentures. The Credit Rating Agency ratings are subject to a process of surveillance which may lead to a revision in ratings. Please visit the Credit Rating Agency's website <https://www.careratings.com/> or contact the Credit Rating Agency's office for the latest information on the Credit Rating Agency's ratings. All information contained herein has been obtained by the Credit Rating Agency from sources believed by it to be accurate and reliable. Although reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and the credit rating agency in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or opinion and Credit Rating Agency shall not be liable for any losses incurred by users from any use of this publication and completeness of any such information. All information contained herein must be construed solely as statements or its contents.

DISCLAIMER OF RESERVE BANK OF INDIA

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

SECTION 2 DEFINITIONS AND ABBREVIATIONS

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

Act	means the Companies Act, 2013, and shall include any re-enactment, amendment or modification of the Companies Act, 2013, as in effect from time to time.
Application Form	The form which shall be circulated to the prospective investors along with the Information Memorandum/ Disclosure document for the purpose of applying for the debentures and marked as Annexure IX.
Allot/ Allotment/ Allotted	Unless the context otherwise requires or implies, the allotment of the Debentures pursuant to this Issue
Account Bank	Yes Bank
Beneficial Owner(s)	means the holder(s) of the Debentures in dematerialized form whose name is recorded as such with the Depository.
Board/ Board of Director(s)	Board of Director(s) of the Issuer
BSE Limited/BSE	Stock Exchange / Designated Stock Exchange
Business Day	Business Day shall mean a day (other than a public holiday for the purpose of Section 25 of the Negotiable Instruments Act, 1881 (26 of 1881) or a Sunday) on which banks are normally open for business and the money market is functioning in Mumbai.
CERSAI	means the Central Registry of Securitisation Asset Reconstruction and Security Interest of India.
CDSL	Central Depository Services (India) Limited
Company / Issuer	Quadrillion Finance Private Limited
Coupon	means the coupon payable on the Debentures on the Coupon Payment Date(s), at the Coupon Rate.
Coupon Payment Date	mean the date(s) as specified in Section 8- Issue Details of this Information Memorandum.
Date of Subscription	Date of realization of proceeds of subscription money in the bank account of the Company.
Debentures or NCDs	250 secured, rated, listed, redeemable, transferable, non-convertible debentures having a face value of Rs. 10,00,000/- (Rupees Ten Lakhs only) each, aggregating to Rs. 25,00,00,000 - (Rupees Twenty Five Crores Only).
Debenture Holder(s)/Investors	Person(s) holding Debenture(s) and whose name is recorded as beneficial owner with the Depository (if the Debentures are in dematerialized form) as defined under Section 2 of the Depositories Act, 1996) or the person(s) whose name appears as holder of Debentures in the Register of Debentures (if the Debentures are in the physical form)
Debenture Trust Deed / DTD	The Debenture trust deed dated on or about the date of this Disclosure Document entered / to be entered into between the Company and the Debenture Trustee.
Debenture Trustee	Trustee for the Debenture Holder(s), in this case being Beacon Trusteeship Limited
Debenture Trustee Agreement	means the agreement entered into by and between the Issuer and the Debenture Trustee and dated September 29, 2021
Hypothecation Agreement	means the Hypothecation Agreement executed and delivered by the Issuer in favour of the Debenture Trustee to evidence creation of first ranking exclusive charge by the Issuer in favour of the Debenture Trustee (for the benefit of the Debenture Holders) over the Hypothecated Property (in a form acceptable to the Majority Debenture Holders).

Deemed Date of Allotment	means September 30, 2021
Depository Participant / DP	A Depository participant as defined under Depositories Act, 1996 as amended from time to time
Depository	A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 1996 as amended from time to time.
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Disclosure Document / Information Memorandum	This document dated September 29, 2021 which sets out the information regarding the Debentures being issued on a private placement basis.
DRR	Debenture Redemption Reserve
Financial Year / FY	Financial year the of Company i.e. a period commencing from 1 st April and ending on 31 st March of the next calendar year
Insolvency Filing Event	The filing of any petition for insolvency resolution or liquidation against the Company under the Insolvency and Bankruptcy Code, 2016
Issue Opening Date	September 29, 2021
Issue Closing Date	September 29, 2021
NEFT	National Electronic Fund Transfer
NOC	No Objection Certificate(s)
NSDL	National Securities Depository Limited
PAN	Permanent Account Number
Private Placement Offer Cum Application Letter/ PPOL	The letter issued by the Issuer pursuant to the provisions of Section 42 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended, to the Investors in the format set out in the said rules
POA	Power of Attorney
Rating Agency/ Credit Rating Agency	CARE Ratings with SEBI pursuant to SEBI (Credit Rating Agencies) Regulations 1999, as amended from time to time and having its office at 4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (East), Mumbai - 400 022.
Record Date	shall mean the date being 7 (seven) calendar days prior to the due date on which any payments are to be made to the Debenture Holder(s) in accordance with the terms of the Debentures on the basis of which the determination of the persons entitled to receive redemption of principal, Coupon, and other Payments, if any, as the case may be, in respect of the Debentures shall be made.
REF / Recovery Expense Fund	means recovery expense fund created/to be created by the Issuer with the BSE.
R&T Agent	Registrar and Transfer Agent to the Issue, in this case being NSDL Database Management Limited
RTGS	Real Time Gross Settlement
SEBI	Securities and Exchange Board of India
SEBI NCS Regulations	Securities And Exchange Board Of India (Issue And Listing Of Non-Convertible Securities) Regulations, 2021 as amended from time to time.
SEBI LODR Regulations	means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
TDS	Tax Deduction at Source
TL	Term Loan

WDM	Wholesale Debt Market
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SECTION 3 UNDERTAKING OF THE ISSUER

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

Specific attention of investors is invited to the statement of 'Risk factors' given on page number 11 under the section '**General Risks**'." "The Issuer, having made all reasonable inquiries, accepts responsibility for, and confirms that this Disclosure Document contains all information with regard to the issuer and the issue, that the information contained in the offer document is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

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

SECTION 4 RISK FACTORS

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

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

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

RISKS RELATING TO THE DEBENTURES

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

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

II. Secondary market for the Debentures may be illiquid

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

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

III. Credit risk and rating downgrade risk

The Credit Rating Agency has assigned the credit rating of "CARE BBB-; Stable" rating to the Debentures. In the event of deterioration in the financial health of the Issuer, there is a possibility that the rating agency may downgrade the

rating of the Debentures. In such cases, potential investors may incur losses on revaluation of their investment or make provisions towards sub-standard/ non-performing investment as per their usual norms. The Issuer cannot guarantee that this rating will not be downgraded. Such a downgrade in the credit rating may lower the value of the Debentures and may also affect the Issuer's ability to raise further debts.

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

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

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

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

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

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

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

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

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

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

VIII. Security may be insufficient to redeem the Debentures

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

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

IX. Payment of penalty

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

INTERNAL RISKS

Risk Factor in relation to the Issuer's business

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

The Client Loans are secured against hypothecation of stock, receivables and other current assets and the clients of these loans are of the high-risk category. There is uncertainty on the client's ability to fulfil its loan obligations. Such non-performing or low credit quality loans can negatively impact our results of operations.

As on March 31, 2021, the gross NPA was Rs. 1.62 Cr on a gross portfolio of Rs. 146.57 Cr

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

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

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

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

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

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

To mitigate the above risk, the Issuer maintains an internal audit process to ensure the operations team follows the defined procedures and reports any deviations to the operations staff and management team. The Issuer also has a MIS system able to generate data analysis that can be used to monitor financial and operational performance.

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

[All/ a majority] of the loans the Issuer issues are due within approximately two years of disbursement. The relatively short-term nature of the Issuer's loans means that the Issuer's long-term interest income stream is less certain than if a portion of its loans were for a longer term. In addition, the Issuer's customers may not obtain new loans from the Issuer upon maturity of their existing loans, particularly if competition increases. The potential instability of the Issuer's interest income could materially and adversely affect the Issuer's results of operations and financial position.

The loans given by the issuer are at fixed interest rate, and the tenor of the underlying asset has increased from one year to two year which has provided stability to the portfolio and interest income and has also smoothed operating expense.

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

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

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

NBFCs in India are subject to strict regulation and supervision by the RBI. The Issuer requires certain approvals, licenses, registrations and permissions for operating its business, including registration with the RBI as a NBFC pursuant to Section 45-IA of the RBI Act, 1934. Further, such approvals, licenses, registrations and permissions must be maintained/renewed over time, applicable requirements may change and the Issuer may not be aware of or comply with all requirements all of the time. In particular, the Issuer is required to obtain a certificate of registration for carrying on business as a **NBFC-ND** that is subject to numerous conditions. Additionally, RBI has issued detailed directions on prudential norms *inter alia* prescribing guidelines on income recognition, asset classification and provisioning requirements applicable to NBFCs, exposure norms, disclosures in the balance sheet, requirement of capital adequacy, restrictions on investments in land and building and unquoted shares besides others. In addition, its branches are required to be registered under the relevant shops and establishments laws of the states in which they are located. The shops and establishments laws regulate various employment conditions, including working hours, holidays and leave and overtime compensation. If the Issuer fails to obtain or retain any of these approvals or licenses, or renewals thereof, in a timely manner, or at all, its business may be adversely affected. If the Issuer fails to comply, or a regulator claims that it has not complied, with any of these conditions, the Issuer's certificate of registration may be suspended or cancelled, and it shall not be able to carry on such activities. If the Issuer fails to comply with any directions issued applicable on NBFCs and fails to maintain the status of NBFC it may attract penal provisions under the RBI Act, 1934 for non-compliance. The penal action can also result in RBI cancelling the certificate of registration issued to the NBFC.

EXTERNAL RISK FACTORS

I. Future legal and regulatory obstructions

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

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

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

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

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

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

Macroeconomic factors that affect the Indian economy and the global economic scenario have an impact on Company's business. Recent trends suggest that the economy may grow at a flat pace which may have a direct impact on our

business and a slowdown in the economy as a whole can increase such an impact thereby adversely impacting the Company's growth plans.

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

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

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

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

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

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

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

GENERAL RISKS

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

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

II. Taxation

Potential purchasers and sellers of the Debentures should be aware that they may be required to pay stamp duties or other documentary charges/taxes in accordance with the laws and practices of India. Payment and/or delivery of any

amount due in respect of the Debentures will be conditional upon the payment of all applicable taxes, duties and/or expenses.

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

III. Delays in court proceedings in India

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

IV. Accounting Considerations

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

SECTION 5 REGULATORY DISCLOSURES

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

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

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

- I. Memorandum and articles of association of the Issuer and necessary resolution(s) for the allotment of the debt securities;
- II. Copy of last three years audited and adopted annual reports;
- III. Statement containing particulars of, dates of, and parties to all material contracts and agreements;
- IV. Copy of the Board resolution dated 31st August 2021 authorizing the borrowing and list of authorized signatories.
- V. Copy of the resolution passed by the shareholders of the Company at the Extra Ordinary General Meeting held on 31st August 2021 authorizing the issue/offer of non-convertible debentures by the Company;
- VI. An undertaking from the Issuer stating that the necessary documents for the creation of the charge, where applicable, including the Debenture Trust Deed would be executed within the time frame prescribed in the relevant regulations/ act/ rules etc. and the same would be uploaded on the website of the Stock exchange, where the debt securities have been listed, within five working days of execution of the same.
- VII. Any other particulars or documents that the BSE may call for as it deems fit.
- VIII. An undertaking that permission/ consent from the existing creditor for an exclusive/ first or *pari passu* charge being created, where ever applicable, in favour of the trustees to the proposed issue has been obtained.

Material contracts and agreements

S. No.	Nature of Contract
1.	Certified true copy of the Memorandum & Articles of Association of the Issuer.
2.	Board Resolution dated 31 st August, 2021 authorizing the issue of Debentures offered under the terms of this Disclosure Document.
3.	Shareholders' Resolution dated 31 st August 2021 authorizing the issue of non-convertible debentures by the Company.
4.	Copies of Annual Reports of the Company for the last three financial years.
5.	Credit rating letter from the Rating Agency dated 01 September 2021.
6.	Letter from Debenture Trustee dated September 16, 2021 giving its consent to act as Debenture Trustee. ("Consent Letter")
7.	Letter for Register and Transfer Agent dated 29th April, 2021
8.	Certified true copy of the certificate of incorporation of the Company.
9.	Certified true copy of the tripartite agreement between the Company, the Registrar & Transfer Agent and the NSDL/CDSL dated 29 th April, 2021.
10.	Debenture Trustee Agreement dated September 29, 2021 executed between the Issuer and the Debenture Trustee.
11.	Debenture Trust Deed date September [29], 2021 executed between the Issuer and the Debenture Trustee.
12.	Hypothecation Agreement date September [29], 2021 executed between the Issuer and the Debenture Trustee.

SECTION 6 ISSUER INFORMATION

I. PROMOTERS OF THE COMPANY

Details of Promoters of the Issuer Company

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

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

	Particulars	Details
	Insert Photograph	NA
1)	Name	Garagepreneurs Internet Private Limited
2)	Date of Birth:	NA
3)	Age:	NA
4)	Personal Address/ Registered Office:	747, Pooja Building, 80ft Road, 4th Block, Koramangala Bangalore - 560034
5)	Educational Qualifications:	NA
6)	Experience in the business or employment:	NA
7)	Positions/posts held in the past:	NA
8)	Directorships held:	NA
9)	Other ventures of the promoter:	NA
10)	Special achievements:	NA
11)	Their business and financial activities:	NA
12)	Permanent Accountant Number:	AAGCG0060M
13)	Other details:	CIN U72900KA2015PTC080871

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

Promoter Holding in the Company

The details of Promoter Holding in the Company on the latest quarter ended on 30th June, 2021 is given below:

Sr. No	Name of the Shareholders	Total No. of securities	No. of shares in demat form	Total Shareholding as % of total number of equity shares/	No of securities pledged	% of shares pledged with respect to shares owned.
EQUITY SHARES						
1	Garagepreneurs Internet Private Limited	2,50,67,199	-	100%	-	-
2	Sanjay Kumar Bajaj (Nominee shareholder of Garagepreneurs Internet Private Limited)	1	-	0%	-	-

II. Credit Rating of Debenture

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

CARE Ratings Limited has assigned “BBB – (Stable)” rating to these Debentures by a letter dated 01 September 2021. Instruments with this rating are considered to have adequate degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk

The rating letter as released by CARE Ratings Limited is enclosed as **Annexure II**.


III. Listing



The Debentures are proposed to be listed on the wholesale debt market segment of the BSE Limited (“BSE” or the “Stock Exchange”). The Company has obtained “in principle” approvals from BSE on September 20, 2021 for listing the Debentures offered through this Issue.

IV. Issue schedule

ISSUE SCHEDULE	
Issue Opens on:	September 29, 2021
Issue Closes on:	September 29, 2021
Pay in Date	September 30, 2021
Deemed date of allotment	September 30, 2021

V. Intermediaries and other details

Name of Issuer:	Quadrillion Finance Private Limited
Arrangers, if any	NA
Debenture Trustee:	 Beacon Trusteeship Limited 4C & D Siddhivinayak Chambers, Gandhi Nagar, Opp MIG Cricket Club, Bandra (East) Mumbai Mumbai City MH 400051 IN http://beacontrustee.co.in/ Phone: 022-26558759 Email: contact@beacontrustee.co.in
Register and Transfer Agent	 NSDL Database Management Limited NSDL Database Management Ltd. (NDML)

	4th Floor, Trade World, 'A' wing, Kamala Mills Compound, Lower Parel (west), Mumbai - 400013. CIN : U72400MH2004PLC147094				
Credit Rating Agency	 <p>CARE Ratings Limited 4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (East), Mumbai - 400 022. Phone: +91-022- 6754 3456 Email: care@careratings.com https://www.careratings.com/index.aspx</p>				
Auditors:	<table border="1"> <thead> <tr> <th>Name</th> <th>Address</th> </tr> </thead> <tbody> <tr> <td>M/s Walker Chadiok & Co. LLP</td> <td>5th Floor, No. 65/2, Block "A" Bagmane Tridib, Bagmane Tech park, C V Raman Nagar, Bangalore - 560093</td> </tr> </tbody> </table>	Name	Address	M/s Walker Chadiok & Co. LLP	5 th Floor, No. 65/2, Block "A" Bagmane Tridib, Bagmane Tech park, C V Raman Nagar, Bangalore - 560093
Name	Address				
M/s Walker Chadiok & Co. LLP	5 th Floor, No. 65/2, Block "A" Bagmane Tridib, Bagmane Tech park, C V Raman Nagar, Bangalore - 560093				
Guarantor	GaragePreneurs Internet Pvt Ltd 747, Pooja Building, 80ft Road, 4th Block, Koramangala Bangalore - 560034 CIN U72900KA2015PTC080871				
Legal Counsel	 <p>The Empire Business Centre, 414 Senapati Bapat Marg, Lower Parel, Mumbai 400013 https://veristlaw.com/ sudha.muddaiah@veristlaw.com +91 9004 388 205</p>				

I. Overview of the Business of the Issuer:

Established in the year 2018 as a wholly owned subsidiary of Garagepreneurs Internet Private Limited, Quadrillion Finance Private Limited is a Type -II NBFC-ND, engaged in the business of providing credit to unserved young customers in India through efficient usage of technology and lean physical processes for low cost risk management.

II. Corporate Structure of the Issuer

The corporate structure of the Company is given below:

Quadrillion Finance Private Limited is 100% Subsidiary of Garagepreneurs Internet Private Limited.

a. Branch details:

<i>Branch</i>	<i>NO. OF LOANS</i>	<i>Principal O/s</i>
Bengaluru	2,26,509	1,24,38,39,542
Chennai	71,716	40,76,26,716
Delhi	28,572	18,01,24,658
Hyderabad	66,477	49,05,79,856
Mumbai	21,883	13,06,34,589
Pune	32,465	18,21,09,093

b. Subsidiary details:

Nil

III. Financial Information

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

Annexure I

However if the issuer being a listed REIT/listed InvIT has been in existence for a period less than three completed years and historical financial statements of such REIT/InvIT are not available for some portion or the entire portion of the reporting period of three years and interim period, then the combined financial statements need to be disclosed for the periods when such historical financial statements are not available.- **Not applicable**

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

[Not applicable]

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

IV. **Key Operational and Financial Parameters**

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

Parameters	FY2020-21	FY2019-20	FY2018-19
	(Audited)	(Audited)	(Audited)
Balance Sheet			
Net Fixed assets	14,49,215	-	-
Current assets	1,83,43,93,883	58,81,74,730	4,13,91,225
Non-current assets	9,51,27,778	1,29,75,818	36,999
Total assets	1,93,09,70,876	60,11,50,547	4,14,28,224
Non-current liabilities	4,71,53,485	12,30,54,104	1,50,00,000
Current liabilities	1,41,87,84,485	21,85,12,154	12,38,855
Equity (equity and other equity)	46,50,32,906	25,95,84,289	2,51,89,368
Total equity and liabilities	1,93,09,70,876	60,11,50,546	4,14,28,224
Profit and Loss Statement			
Total Revenue	38,81,44,345	12,01,28,314	13,94,437
From Operations	37,09,25,355	11,82,84,006	9,05,172
Other Income	1,72,18,990	18,44,308	4,89,265
Total Expenses	38,32,41,569	11,12,08,124	11,37,068
Total comprehensive income	49,02,776	89,20,190	2,57,369
Profit/Loss after tax	38,48,616	64,69,921	1,89,368
Earnings per equity share: (a) basic; and (b) diluted			
Continuing operations	0	0	0
Discontinued operations			
Total Continuing and discontinued operations			
Cash Flow			
Net cash generated from operating activities	1,05,23,13,404	48,26,81,794	3,52,10,697
Net cash used in / generated from investing activities	-1,29,144	4,74,591	-
Net cash used in financing activities Cash and cash equivalents	1,12,95,07,771	49,34,94,364	3,99,27,876
Balance as per statement of cash flows	9,30,69,564	1,60,04,341	47,17,179
Additional Information			

Net Worth	46,50,32,906	25,95,84,289	2,51,89,368
Cash and Cash Equivalents	12,40,69,564	4,80,04,341	47,17,179
Current Investments	18,09,12,934	6,63,03,462	9,05,172
Assets Under Management	1,49,89,49,747	47,13,54,804	3,57,68,873
Off Balance Sheet Assets	-	-	-
Total Debts	1,13,88,82,423	15,54,90,072	1,50,00,000
Total Debts to Total assets	0.590	0.259	0.362
Debt Service Coverage Ratios	0.004	0.049	0.017
Interest Income	23,34,58,949	8,03,86,193	9,05,172
Interest Service Coverage Ratio	0.05	0.35	3.57
Interest Expense	9,61,67,261	2,56,84,872	72,124
Provisioning & Write-offs	12,50,83,199	2,93,23,343	1,42,305
Bad Debts to Account Receivable Ratio			
Gross NPA (%)	1.104%	0.267%	0.000%
Net NPA (%)	0.275%	0.000%	0.000%
Tier I Capital Adequacy Ratio (%)	25.885%	46.736%	65.201%
Tier II Capital Adequacy Ratio (%)	1.190%	1.508%	0.369%

V. GROSS DEBT/ EQUITY RATIO OF THE COMPANY

Particulars	Value
Before the issue of debt securities	2.45
After the issue of debt securities	2.99

VI. PROJECT COST AND MEANS OF FINANCING, IN CASE OF FUNDING OF NEW PROJECT
not applicable

- a. **Details of any other contingent liabilities of the issuer based on the last audited financial statements including amount and nature of liability. As Given Below.**

Nature of Liability
Nil

VII. BRIEF HISTORY OF THE ISSUER

i. Capital Structure

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

AUTHORIZED, ISSUED, SUBSCRIBED AND PAID UP CAPITAL			
Type of Securities	Number of Securities	Face Value (Rs.)	Amount (Nominal Value) Rs in Lakh
Authorized Capital	25,150,000	10	251,500,000.00
Issue Capital, Subscribed and Paid Up Capital	25,067,200	10	250,672,000.00

ii. Change in Capital Structure

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

Date of Transfer	Rs.	Particulars			
		Name of the Transferor			
September 20, 2019	1	Mr. Sanjay Kumar Bajaj			

Srl No : 01
Date: []

Private and Confidential
For Private Circulation Only

iii. History of Equity Share Capital

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

Date of Allotment	No of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Consideration (cash, other than cash)	Nature of Allotment	Cumulative			Remarks
						No of Equity Shares	Equity Shares Capital (Rs)	Equity Share Premium (Rs)	
03-07-2020	67,200	10	2,990	20,16,00,000	Right issue	67,200	25,067,200	2,990	NA

iv. History of Preference Share Capital

Preference Share Capital History of the Company as on last quarter ended on 30th June 2021, for the last three years:-

Date of Allotment	No of Preference Shares	Face Value (Rs.)	Issue Price (Rs.)	Consideration (cash, other than cash)	Nature of Allotment	Cumulative			Remarks
						No of Preference Shares	Preference Shares Capital (Rs. In Lakhs)	Preference Share Premium (Rs)	
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

Notes: (if any)

v. Amalgamation/ Acquisition

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

vi. Reorganization or Reconstruction

Details of any Reorganization or Reconstruction in the last 1 year: **Not Applicable**

vii. Details Of The Shareholding Of The Company As On The Latest Quarter End

Shareholding Pattern of the Company as on the latest quarter end:

The shareholding pattern of the Company as on last quarter ended on 30 June 2021 :-

A. Equity Shares

Sr. No	Name of the Shareholders	Total No. of Equity Shares	No. of shares in demat form	Total Shareholding as % of total number of equity shares.
1	Garagepreneurs Internet Private Limited	2,53,17,199	-	100.00%
2	Sanjay Kumar Bajaj – Nominee of Garagepreneurs Internet Private Limited	1	-	0.00%
		2,53,17,200	-	100.00%

Note: Details of Pledge or encumbrance by the promoters (if any)

Sr. No	Name of the Shareholders	Total No. of Equity shares held	Total No. of Equity share already pledged
1.	Garagepreneurs Internet Private Limited	2,50,67,199	NA
2.	Sanjay Kumar Bajaj – Nominee of Garagepreneurs Internet Private Limited	1	NA

viii. Top 10 shareholders of the Company

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

A. Equity Shares

Sr. No	Name of the Shareholders	Total No. of Equity Shares	No. of shares in demat form	Total Shareholding as % of total number of equity shares.
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Sr. No	Name of the Shareholders	Total No. of Equity Shares	No. of shares in demat form	Total Shareholding as % of total number of equity shares.
1	Garagepreneurs Internet Private Limited	2,53,17,199	-	100.00%
2	Sanjay Kumar Bajaj – Nominee of Garagepreneurs Internet Private Limited	1	-	0.00%

VIII. DIRECTORS OF THE COMPANY

As per Articles of the Company, the Company is required to have not less than 3 and not more than 15 directors.

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

Name	DIN	DOB	Designation
Rajan Bajaj	07197443	19-Dec-1992	Director
Mahima Garg	08386565	14-Mar-1987	Director
Ramadoss Krishnan	03230018	26-Apr-1950	Independent Director

ii. Change in directors

The details of change in directors since last three years (FY 2018-19, FY 2019-20 and FY 2020-21, period up to March 31, 2021):-

Name	Designation	DIN	Date of Appointment	Date of Resignation	Director of Company since	Remark
Mr. Kareti Srinivasa Reddy	Director	06429729	30-01-2019	18-03-2019	NA	NA
Mrs. Mahima Garg	Director	08386565	18-03-2019	NA	2 Years	NA

IX. AUDITORS OF THE COMPANY

i. Current auditor

The details of the auditors of the Company:

Name	Address	Auditor Since
M/s Walker Chadiok & Co. LLP	5 th Floor, No. 65/2, Block "A" Bagmane Tridib, Bagmane Tech park, C V Raman Nagar, Bangalore - 560093	1 Year

ii. Details of change in auditors:

Details of change in auditor since last three years (FY 2018-19, FY 2019-20 and FY 2020-21)

Name	Address	Date of Appointment & Resignation	Auditor Since with the company	Remarks
MDA & Co. Chartered Accountants – 48, 1 st Floor, DVG Road, Basvanagudi, Bangalore – 560004 – March 17, 2020 – Was auditor since inception till March 2020				

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

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

i. Secured Loan Facilities

Lender's Name	Type of facility and currency (INR)	Sanction Amount (in Rs Lakhs)	Outstanding Principal Amount (in Rs. Lakhs)	Repayment date	Receivables Security
Northern Arc Capital Limited	Term Loan	500.00	133.75	Monthly	120%
Vivriti Capital Private Limited	Term Loan	1,000.00	355.81	Monthly	110%
Incred Financial Services Limited	Term Loan	1,000.00	435.70	Monthly	110%
Ashv Finance Limited	Term Loan	600.00	130.15	Monthly	110%
Vivriti Capital Private Limited	Term Loan	1,000.00	474.12	Monthly	110%
UC Inclusive Credit Private Limited	Term Loan	400.00	277.75	Monthly	110%
Western Capital Advisors Pvt. Ltd.	Term Loan	500.00	291.67	Monthly	110%
Ambit Finvest Private Limited	Term Loan	300.00	180.77	Monthly	110%
Northern Arc Capital Limited	Term Loan	1,500.00	909.52	Monthly	110%
Eclear Leasing & Finance Pvt. Ltd.	Term Loan	1,000.00	683.63	Monthly	110%
Vivriti Capital Private Limited	Term Loan	500.00	299.41	Monthly	110%
Usha Financials Services Private Limited	Term Loan	500.00	374.08	Monthly	110%
AU Small Finance Bank Limited	Term Loan	300.00	150.00	Monthly	125%

Innoven Capital India Private Limited	Term Loan	800.00	720.00	Monthly	110%
Western Capital Advisors Pvt. Ltd.	Term Loan	500.00	375.00	Monthly	110%
Incred Financial Services Limited	Term Loan	800.00	675.38	Monthly	110%
Pace Fincap Private Limited	Inter Corporate Loan	500.00	254.37	Monthly	110%
Northern Arc Capital Limited	Term Loan	900.00	688.10	Monthly	110%
Pace Fincap Private Limited	Inter Corporate Loan	1,000.00	758.21	Monthly	110%
Capital India Finance Limited	Term Loan	500.00	421.08	Monthly	110%
Profectus Capital Private Limited	Term Loan	500.00	337.73	Monthly	110%
Hinduja Leyland Finance Limited	Term Loan	500.00	407.55	Monthly	110%
Shine Star Build-Cap Private Limited	Term Loan	750.00	589.17	Monthly	110%
Ashoka Tradex Private Limited	Inter Corporate Loan	1,000.00	784.25	Monthly	110%
Northern Arc Capital Limited	Term Loan	1,000.00	842.80	Monthly	110%
Niyogin Fintech Limited	NCD	1,000.00	916.67	Monthly	110%
Aviator Emerging Market Fund	NCD	400.00	400.00	Bullet	110%
Norther Arc Capital Limited	NCD	400.00	400.00	Bullet	110%
Kisetsu Saison Finance	Term Loan	1,500.00	750.00	Quarterly	110%
Vivriti Capital Private Limited	Term Loan	1,500.00	500.00	Monthly	110%

ii. Details of Unsecured Loan

The Company has availed unsecured loan as given below:

Lender's Name	Type of facility	Sanction Amount (in Rs. Lakhs)	Outstanding Principal Amount (in Rs. Lakhs)	Repayment date or Schedule
Inland Financial Services Private Limited	Term Loan	200.00	25.00	Bullet

iii. Non-Convertible Debentures

A. Details of Debentures

The details of NCD

Debenture Series	Tenor	Coupon	Amount	Date of Allotment	Redemption Date	Credit Rating	Secured / Unsecured	Security
1	12 Months 5 Days	13.18%	10 Crore	07 May 2021	12 May 2022	Acuite BBB (CE)	Secured	110% Receivables
2	13	15%	8 Crore	18 May 2021	18 June 2022	Unrated	Secured	110% Receivables

i. List of Top 10 debenture as on 31st March 2021

Sr. No	Name of Debenture Holders	Amount	% of total non-convertible debentures
	As on 31 st March 2021 - None		

ii. Corporate Guarantee issued by the Company

The amount of corporate guarantee issued by the Issuer along with name of the counterparty (like name of the subsidiary, JV entity, Group Company, etc.) on behalf of whom it has been issued: **Not Applicable**

iii. Commercial Papers

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

Maturity Date	Amount Outstanding
Nil	

iv. Other Borrowings

Details of Rest of the borrowing (if any including hybrid debt like FCCB, Optionally Convertible Debentures / Preference Shares) as on 31st March, 2021.

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

Note: The Company does not have any other borrowing except secured & unsecured loans as mentioned above.

v. Other outstanding borrowing (other than in cash)

Details of any outstanding borrowings taken/ debt securities issued for consideration other than cash. This information shall be disclosed whether such borrowing/ debt securities have been taken/ issued:

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

As on March 31, 2021, the Company does not have any outstanding borrowings taken/ debt securities issued where taken / issued (i) for consideration other than cash, whether in whole or part, (ii) at a premium or discount, or (iii) in pursuance of an option or not:

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

a. Details with regard to lending done out of the issue proceeds of earlier issuances of debt securities in the last three years by NBFC:

- (i)** Lending Policy: Should contain overview of origination, risk management, monitoring and collections; [Attached in Annexure XI](#)
- (ii)** Classification of Loans given to associate or entities related to Board, Senior management, promoters, etc. NIL
- (iii)** 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;

Sr.No.	Cust ID	Credit Limit given	Loan outstanding	Cumulative Disbursement	PIN Code	Avg Interest Rate	CIBIL Score
1	425ddd20-d644-11eb-8774-1528b07a3c32	950000	929405	929405	516321	36	725
2	61827f80-ce06-11eb-bba6-ebf06bb5e107	950000	718820	718820	500084	39	727
3	e6cfc7d0-d1d8-11eb-8150-b1111b089bd5	690000	690000	690000	518502	36	651
4	067b8590-c81c-11eb-bc45-fb4c9288c4d2	612000	612000	612000	244921	36	722

5	0afa4010-d637-11eb-8774-1528b07a3c32	950000	552521	552521	122103	-	568
6	c62fbfe0-d0dd-11eb-875b-837738f3509f	950000	500201	500201	600033	36	729
7	86d79c50-d8cb-11eb-ba89-3f558fc5ed8a	732000	499987	499987	500049	-	756
8	bfa1c610-cf47-11eb-82df-e3669de99ebc	570000	495341	495341	500008	-	622
9	85561ec0-d320-11eb-84d6-87fffaa69eb4	482000	481900	481900	500092	25	-1
10	09b68710-d045-11eb-8226-4b30a4bbcd26	523000	475000	475000	400092	-	727
11	d1adac40-d0da-11eb-9c4c-dd1e67c7e030	950000	470200	470200	600077	-	721
12	5f6f9bd0-cf08-11eb-a433-bdcceb912b6d	503000	427939	427939	302019	-	673
13	f21e1c00-cde0-11eb-b29c-835a938b4199	483000	423119	423119	532001	34	602
14	548f4370-d186-11eb-8150-b1111b089bd5	400000	399440	399440	600073	21	726
15	5248bf70-cb9f-11eb-b032-fbeddfb735e1	397000	396906	396906	686681	21	722
16	bf3154f0-c88c-11eb-8a18-8b0c33147042	413000	376295	376295	507128	-	726
17	fa8d0c80-d334-11eb-a073-85fb11b4513d	485000	373406	373406	500055	-	729
18	e096aa70-ca10-11eb-8d77-b36f95c02697	372000	371950	371950	382421	-	687
19	d825fee0-cec5-11eb-	372000	371700	371700	506331	-	736

	a433- bdcceb912b6d						
20	da7f9420- cf66-11eb- 96ba- 554a2411da85	380000	371698	375354	600052	39	721

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

Please refer to sub-paragraph f under section (v) below

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

a. Portfolio Summary of borrowings made by NBFC Quantum and percentage of Secured vs. Unsecured borrowings

Sl. No.	Type of loans	Rs Crore
1	Secured	Nil
2	Unsecured	149.89
	Total assets under management (AUM)*^	149.89

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

b. Denomination of loans outstanding by loan-to-value: Not Applicable

Sl. No.	LTV (at the time of origination)	Percentage of AUM
1	Upto 40%	Not Applicable
2	40-50%	
3	50-60%	
4	60-70%	
5	70-80%	
6	80-90%	
7	>90%	
	Total	

c. Sectoral exposure:

Sl. No.	Segment-wise break-up of AUM	Percentage of AUM
1.	Retail	Nil
A	Mortgages (home loans and loans against property)	Nil
B	Gold loans	Nil
C	Vehicle finance	Nil
D	MFI	Nil
E	MSME	Nil
F	Capital market funding (loans against shares, margin funding)	Nil

G	Others	100%
2	Wholesale	Nil
A	Infrastructure	Nil
B	Real estate (including builder loans)	Nil
C	Promoter funding	Nil
D	Any other sector (as applicable)	Nil
E	Others	Nil
	Total	

d. Denomination of loans outstanding by ticket size*:

Sl. No.	Ticket size (at the time of origination)	Percentage of AUM
1	Upto Rs. 2 lakh	100%
2	Rs. 2-5 lakh	Nil
3	Rs. 5 - 10 lakh	Nil
4	Rs. 10 - 25 lakh	Nil
5	Rs. 25 - 50 lakh	Nil
6	Rs. 50 lakh - 1 crore	Nil
7	Rs. 1 - 5 crore	Nil
8	Rs. 5 - 25 crore	Nil
9	Rs. 25 - 100 crore	Nil
10	>Rs. 100 crore	Nil
	Total	

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

e. Geographical classification of borrowers:

Top 5 states borrower wise

Sl. No.	Top 5 states	Percentage of AUM
1	Karnataka	48.5%
2	Telangana	17.0%
3	Tamil Nadu	15.5%
4	Maharashtra	12.3%
5	Delhi	6.8%
	Total	100%

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

Movement of gross NPA:

Movement of gross NPA*	Rs. Crore
Opening gross NPA	.2361
- Additions during the year	1.3823
- Reductions during the year	0
Closing balance of gross NPA	1.6184

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

g. Movement of provisions for NPA

Movement of provisions for NPA	Rs. Crore
Opening balance	0

- Provisions made during the year	0.4034
- Write-off/ write-back of excess provisions	0
Closing balance	0.4034

h. Segment-wise gross NPA:

Sl. No.	Segment-wise gross NPA	Gross NPA (%)
1	Retail	Nil
A	Mortgages (home loans and loans against property)	Nil
B	Gold loans	Nil
C	Vehicle finance	Nil
D	MFI	Nil
E	MSME	Nil
F	Capital market funding (loans against shares, margin funding)	Nil
G	Others	1.104%
2	Wholesale	Nil
A	Infrastructure	Nil
B	Real estate (including builder loans)	Nil
C	Promoter funding	Nil
D	Any other sector (as applicable)	Nil
E	Others	Nil
	Total	Nil

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

Residual maturity profile of assets and liabilities:

Category	Up to 30/31 days	>1 month – 2 months	>2 months – 3 months	>3 months – 6 months	>6 months – 1 year	>1 years – 3 years	>3 years – 5 years	>5 years	Total
Deposit	9.31	0	0	0	0	0	0	0	9.31
Advances	60.39	20.10	14.93	24.12	24.98	0.51	4.88	0	149.89
Investments	0	0	0	0	3.10	5.92	0	0	9.02
Borrowings	11.56	13.21	15.89	40.69	47.98	2.98	0	0	132.31
FCA*	0	0	0	0	0	0	0	0	0
FCL*	0	0	0	0	0	0	0	0	0

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

b. Disclosure of latest ALM statements to stock exchange:

Nil

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

No Changes made

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

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

Please refer to sub-paragraph c under section (v) above

- b. NPA exposures of the issuer for the last three financial years (both gross and net exposures) and provisioning made for the same as per the last audited financial statements of the issuer;
Please refer to sub-paragraph f under section (v) below
- c. Quantum and percentage of secured vis-à-vis unsecured borrowings made; and
Please refer to sub-paragraph a under section (v) below
- d. Any change in promoters' holdings during the last financial year beyond the threshold, as prescribed by RBI.
No Changes made

XIII. Defaults in borrowing

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

Party Name (in case of Facility/ Instrument Name)	Type of Facility/ Instrument	Amount sanctioned/issued	Principal amount outstanding	Repayment Date/Schedule	Secured/ Unsecured	Credit Rating
None						

XIV. Material event/ development affecting investment decision

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

NONE

- XV. 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. - **NONE**

- XVI. Details of default and non-payment of statutory dues; - **NONE**

- XVII. 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.

Beacon Trusteeship Limited has been appointed as Debenture Trustee for the proposed Issue. The Debenture Trustee has given their consent to the Issuer for its appointment, and a copy of the consent letter is enclosed as **Annexure III** to this Disclosure Document. The Company will enter into a Debenture Trust

Deed, inter-alga, specifying the powers, authorities and obligations of the Company and the Debenture Trustee in respect of the Debenture. .

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

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

XVIII. 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.

Annexure XII

XIX. Disclosure of Cash flow with date of interest/dividend/ redemption payment as per day count convention.

a. The day count convention for dates on which the payments in relation to the debt securities /non- convertible redeemable preference shares which need to be made, should be disclosed.

b. Procedure and time schedule for allotment and issue of securities should be disclosed; c. Cash flows emanating from the debt securities / non- convertible redeemable preference shares shall be mentioned in the offer document, by way of an illustration.

A. Illustration of Cash Flow

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

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

A sample illustration is given below:

Company	Quadrillion Finance Private Limited
Face Value (per Debenture)	Rs.10,00,000 each
Issue Date/Deemed Date of Allotment	The date on which the board of directors of the Issuer

	passes the resolution to allot the Debentures
Maturity Date	15 months from Deemed Date of Allotment
Coupon Rate	13.50%
Frequency of the Interest Payment with specified dates	Monthly
Day Count Convention	Actual/Actual

Sr. No	Day and Date for coupon redemption becoming due	No of days in coupon period	Interest Amount (in Rs)	Principal Repayment (in Rs)	Total Cash Flow (in Rs)
1	30-Oct-21	30	11,096	66,667	77,763
2	30-Nov-21	31	10,701	66,667	77,368
3	30-Dec-21	30	9,616	66,667	76,283
4	30-Jan-22	31	9,173	66,667	75,839
5	28-Feb-22	29	7,866	66,667	74,532
6	30-Mar-22	30	7,397	66,667	74,064
7	30-Apr-22	31	6,879	66,667	73,546
8	30-May-22	30	5,918	66,667	72,584
9	30-Jun-22	31	5,351	66,667	72,017
10	30-Jul-22	30	4,438	66,667	71,105
11	30-Aug-22	31	3,822	66,667	70,489
12	30-Sep-22	31	3,058	66,667	69,724
13	30-Oct-22	30	2,219	66,667	68,886
14	30-Nov-22	31	1,529	66,667	68,195
15	30-Dec-22	30	740	66,667	67,406

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

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

Note

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

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

XX. Other Details

1. DRR creation - relevant regulations and applicability

The Issuer shall maintain the DRR in accordance with the provisions of Section 74 of the Companies Act, 2013 read with Rule 18(7) of the Companies (Share Capital and Debentures) Rules, 2014, as amended up to date and circulars issued by Central Government in this regard.

2. Issue/ instrument specific regulations

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

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

3. Default in Payment;

None

4. Delay in Listing:

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

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

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

5. Delay in allotment of securities and unblocking of application money in case of refund:

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

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

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

6. Issue details:

As detailed in Section 7 of this Disclosure Document.

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

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

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

Not applicable

SECTION 7 APPLICATION PROCESS

I. Who can invest /apply?

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

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

Only Eligible Investors as given hereunder may apply for the Debentures by completing the Application Form as set out in **Annexure IX** in the prescribed format in BLOCK LETTERS in English as per the instructions contained therein. The minimum number of Debentures that can be applied for and the multiples thereof shall be set out in the relevant Application Form. No application can be made for a fraction of a Debenture. The series of Debentures applied for must be clearly indicated in the Application Form. Application Forms should be duly completed in all respects and applications not completed in the said manner are liable to be rejected. The name of the applicant's bank, type of account and account number must be duly completed by the applicant. This is required for the applicant's own safety and these details will be printed on the refund orders and interest/redemption warrants.

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

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

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

- A. Number of Debentures applied for is less than the minimum application size;
- B. Application exceeding the issue size;
- C. Bank account details not given;
- D. Details for issue of Debentures in electronic or dematerialised form not given; PAN or GIR and IT Circle or Ward or District not given;

- E. In case of applications under Power of Attorney by limited companies, corporate bodies, trusts, etc. relevant documents not submitted;
- F. In the event, if any Debentures applied for is or are not allotted in full, the excess application monies of such Debentures will be refunded, as may be permitted.

Basis of Allotment:

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

Deemed date of allotment for the issue is September 30, 2021 by which date Investors would be intimated of allotment.

Issue Procedure

The Application Form should be submitted directly. The entire amount of Rs. 10,00,000/- (Rs. Ten Lakh only) per Debenture is payable along with the making of an application. Applicants can remit the application amount on the Pay-in Date in the account of ICCL mentioned below.

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.

The Applicant should transfer payments required to be made in any relation by EFT/RTGS, to the bank account as per the details mentioned in the Application Form.

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

Details of size of issue including green shoe option, if any and a range within which green shoe may be retained (if applicable)	INR. 25,00,00,000/- (Indian Rupees Twenty Five Crores only)
Bid opening and closing date	Bid opening date: September 29, 2021 Bid closing date: September 29, 2021

Minimum Bid Lot	10 (ten) Debentures (being INR 1,00,00,000 (Indian Rupees One Crore)), and in the multiples of 1 (one) Debenture thereafter (being INR 10,00,000 (Indian Rupees Ten Lakh))
Manner of bidding in the Issue	Closed Bidding
Manner of allotment in the Issue	Uniform Yield
Manner of settlement in the Issue	Pay-in of funds through ICCL. The pay-in of the Application Money for the Debentures shall be made by way of transfer of funds from the bank account(s) of the Eligible Investors (whose bids have been accepted) as registered with the Electronic Book Provider into the account of the ICCL, as specified in this regard below.
Settlement Cycle	T+1 Settlement of the Issue will be on September 30, 2021.

Process flow of settlement:

The Eligible Investors whose bids have been accepted by the Issuer and to whom a signed copy of this Placement Memorandum along with the PPOA have been issued by the Issuer and who have submitted/shall submit the Application Form ("**Successful Bidders**"), shall make the payments in respect of the Application Money in respect of the Debentures towards the allocation made to them, into the bank account of the ICCL, the details of which are as set out below:

	ICICI BANK	YES BANK	HDFC BANK
Beneficiary Name	Indian Clearing Corporation Ltd	Indian Clearing Corporation Ltd	Indian Clearing Corporation Ltd
Account Number	ICCLEB	ICCLEB	ICCLEB
IFSC Code	ICIC0000106	YESB0CMSNOC	HDFC0000060
Mode	RTGS	RTGS	RTGS

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

documents to the relevant Depositories by 12:00 hours and also intimate the EBP of the aforesaid actions. Upon the Depositories confirming the allotment of the Debentures and the credit of the Debentures into the demat account of the Successful Bidders to EBP, the subscription monies in respect of the Debentures from the aforesaid account of ICCL shall be released into the Issuer's bank account, the details of which are as set out below:

Name of the beneficiary	QUADRILLION FINANCE PRIVATE LIMITED
Name of the Bank	YES BANK
Branch Address:	KASTURBA ROAD, BANGALORE
IFSC Code	YESB0000022
Account Number	002281300008222

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

II. Documents to be provided by Investors / applicants

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

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

III. Applications to be accompanied with bank account details

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

IV. Applications under Power of Attorney

In case of applications made under a Power of Attorney or by a Limited Company or a Body Corporate etc., the relevant Power of Attorney or the relevant resolution or authority to make the application, as the case may be, together with the certified true copy thereof along with the certified copy of the Memorandum and Articles of Association and/or Bye-Laws as the case may be must be attached to the Application Form or lodged for

scrutiny separately with the photocopy of the Application Form, quoting the serial number of the Application Form at the Company's branch where the application has been submitted failing which the applications are liable to be rejected.

V. Interest on Application Money

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

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

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

VI. Letters of Allotment

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

VII. Record Date

The Record Date will be 7 (seven) calendar days prior to any Due Date.

VIII. Refunds

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

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

IX. Payment on Redemption

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

X. Mode of Payment

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

XI. Effect of Holidays

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

XII. Payment of Coupon

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

XIII. Tax Deduction at Source

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

XIV. PAN/GIR Number

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

XV. Signatures

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

XVI. Basic terms of the present offer

Refer Issue Details / Term sheet for issue specific details.

XVII. Minimum Subscription

Minimum subscription is not applicable for privately placed debentures.

XVIII. Deemed Date of Allotment

Deemed Date of Allotment All the benefits under the Debentures, including but not limited to the payment of Coupon, will accrue to the Investor from the deemed date of allotment. The deemed date of allotment for the Issue is September 30, 2021.

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

XIX. Market Lot Market lot will be one Debenture

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

XX. Security

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

XXI. Debentures in Dematerialized Form

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

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

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

XXII. Joint-Holders

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

XXIII. Mode of Transfer

The Debentures shall be transferable and transmittable in the same manner and to the same extent and be subject to the same restrictions and limitations as in the case of the existing equity shares of the Company. The

provisions relating to transfer and transmission, nomination and other related matters in respect of equity shares of the Company, contained in the Articles of Association of the Company, shall apply mutatis mutandis to the transfer and transmission of the Debentures and nomination in this respect.

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

XXIV. Succession

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

XXV. Governing law

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

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

SECTION 8 ISSUE DETAILS

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

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

Particulars	Terms and Conditions
Security Name	13.50% Slicepay 2022
Borrower/Issuer	Quadrillion Finance Private Limited (“Slicepay”)
Type of Instrument	Non-Convertible Debentures
Nature of the Instrument	Secured, Listed, Rated, Unsubordinated, Redeemable Non-Convertible Debentures
Seniority	Senior
Mode of Issue	Private Placement
Eligible Investors	<p>Pursuant to clause 2.3.8 (c) (ii) of Schedule 2 of the SEBI NCS Regulations, eligible investors include only qualified institutional buyers (“QIBs”) (as defined in the securities and exchange board of india (Issue of capital and disclosure Requirements) Regulations, 2018), which may include the following</p> <ul style="list-style-type: none"> Q. Mutual Funds R. NBFCs S. Provident Funds and Pension Funds T. Corporates U. Banks V. Foreign Institutional Investors (FIIs) W. Qualified Foreign Investors (QFIs) X. Foreign Portfolio Investors (FPIs) Y. Insurance Companies Z. Alternative investment funds AA. Any other person (not being an individual or a group of individuals) eligible to invest in the Debentures. <p>All potential 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)	The Debentures are to be listed on the WDM of the BSE within a maximum period of 4 (four) trading days from the date of closure of the Issue for the Debentures.
Rating of Instrument	CARE BBB-
Option to retain oversubscription	N.A.

Issue Size	Rs. 25,00,00,000 (Rupees Twenty-Five Crore Only)
Minimum Subscription	10 (ten) Debentures
Objects of the Issue	The proceeds of the issue will be used exclusively for the purpose of on-lending. The Company undertakes that the proceeds of the current Issue shall not be used for any purpose which may be in contravention of the regulations/guidelines/norms issued by RBI/SEBI/RoC/BSE.
Details of the utilization of the Proceeds	Solely in accordance with the 'Objects of the Issue' as mentioned above
Coupon Rate	13.50% (Thirteen decimal five zero percent) per annum gross of taxes payable at such frequency as set out below against the heading 'Coupon Payment Frequency' and on such dates as set out below against the heading 'Coupon Payment Dates'.
Step Up/ Step Down Coupon Rate	Not applicable
Coupon Payment Frequency	Monthly
Coupon Payment Dates	As set out in Section XIX – Illustration of Cashflows
Coupon Type	Fixed
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc.).	Not applicable
Day Count Basis	Actual/Actual
Interest on Application Money	13.5000% (Thirteen Decimal Point Five Zero Zero Zero Percent) per annum, net of withholding taxes
Default Interest Rate	If, at any time, there shall be a payment default or any other Event of Default, the Company agrees to pay an additional interest rate of 4% per annum above the Coupon Rate on the Outstanding Principal Amount from the date of the occurrence of the Payment Default or Event of Default until such Payment Default or Event of Default is cured.
Tenor	15 (Fifteen) months
Redemption Date	Debentures shall be redeemed on a pro rata basis as set out in Schedule 1 (Redemption Schedule) hereto and shall be fully redeemed by the Final Redemption Date i.e December 30, 2022
Redemption Amount	Each Debenture shall be redeemed at par.
Redemption Premium / Discount	Nil
Issue Price	At Par
Face Value	Rs.10,00,000 per debenture instrument
Put Date	Not applicable
Put Price	Not applicable
Call Date	Not applicable
Call Price	Not applicable
Put Notification Time	Not applicable
Call Notification Time	Not applicable
Minimum Application and in	10 Debentures and in multiple of 1 thereafter

multiples of Debt securities thereafter	
Issue Timing 1. Issue Opening Date 2. Issue Closing Date 3. Pay-in Date 4. Deemed Date of Allotment	1. Issue Opening Date: September 29, 2021 2. Issue Closing Date: September 29, 2021 3. Pay-in Date: September 30, 2021 4. Deemed Date of Allotment: September 30, 2021
Issuance mode of the Instrument	Dematerialised form
Trading Mode of the Instrument	Dematerialised form
Settlement mode of the Instrument	Dematerialised form
Depository	NSDL
Disclosure of Interest/Dividend / redemption dates	Please refer to the column on “Coupon Payment Dates” and “Interest Payment Dates” under this Section XIX – Illustration of Cashflows
Business Day Convention	Means any day, other than a public holiday under Section 25 of the Negotiable Instruments Act, 1881 or a Sunday, on which banks are open for general business in Chennai; (a) If the date of payment of any interest in respect of the Debentures falls on a day that is not a Business Day, such payment of interest shall be made on the next occurring Business Day; (b) If the date of payment of any redemption amount falls on a day that is not a Business Day, such payment of installment shall be made on the immediately preceding Business Day; and (c) If the Final Redemption Date or the Early Redemption Date (the date on which the Debentures are redeemed prior to the Final Redemption Date in terms of the Transaction Documents), as the case may be, falls on a day that is not a Business Day, such payment of interest and redemption amount shall be made on the immediately preceding Business Day.
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 7 (Seven) calendar days prior to any Due Date.
All covenants of the issue (including side letters, accelerated payment clause, etc.)]	Refer to Section 10 of this Disclosure Document and as set out in detail under the Transaction Documents.
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	The Debentures shall be secured by way of a first ranking, exclusive and continuing charge on identified receivables (“ Hypothecated Receivables ”/“ Hypothecated Assets ”) created pursuant to the Hypothecation Agreement to be executed between the Company and the Debenture Trustee as described herein. The Hypothecated Assets shall at all times be equal to the value of the outstanding principal amount of the Debentures. The Issuer undertakes: <ul style="list-style-type: none"> to maintain the value of security at all times equal to 1.1

<p>security, minimum security cover, revaluation, replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Debenture Trust Deed and disclosed in the Offer Document/ Information Memorandum</p>	<p>(One decimal point one) time or 110.0% (One hundred and ten percent) the aggregate amount of principal outstanding of the NCDs where at least 1.1 (One decimal point one) time or 110.0% (One hundred and ten percent) of the security cover is from principal receivables (“Security Cover”);</p> <ul style="list-style-type: none"> • to create the security over the Hypothecated Assets as contemplated above no later than Portfolio Origination Period (including by executing a duly stamped Hypothecation Agreement (“Hypothecation Agreement”) on or before making final listing application and perfect the security by filing CHG-9 and CERSAI within 30 days from the creation of security. The Company shall also provide such information sought by the Debenture Trustee for the purpose of filing the prescribed forms and particulars with the Central Registry and Information Utility in connection with the Debentures and the Security Interest over the Hypothecated Assets. • to pay a penal interest of 3.0% (Three Percent) p.m. over the Coupon Rate in case there is any delay in the creation, registration and perfection of the security over the Hypothecated Assets; • to provide a list on quarterly basis, of specific loan receivables/identified book debts to the Debenture Trustee over which the charge is created and subsisting by way of hypothecation in favour of the Debenture Trustee (for the benefit of the Debenture Holders) (“Hypothecated Asset Report”) • to add fresh loan assets to the Security Cover to ensure that the value of the Hypothecated Assets is equal to 1.1 (One decimal point one) time or 110.0% (One hundred and ten percent) the aggregate amount of principal outstanding of the NCDs where at least 1.1 (One decimal point one) time or 110.0% (One hundred and ten percent) of the security cover is from principal receivables. • to replace Hypothecated Receivables that have been overdue for more than 90 days with current receivables. Such replacement shall be affected within 15 (Fifteen) Business Days of the Hypothecated Receivables becoming overdue (by more than 90 days) <p><u>Eligibility Criteria for the Hypothecated Receivables:</u></p> <ul style="list-style-type: none"> • the receivables are existing at the time of selection and have not been terminated or pre-paid; • the receivables have not been restructured or rescheduled; • Loans constituting the Portfolio shall not be provided to individuals who have had a history of late payments or overdues. • The hypothecated Loans shall be disbursed through normal banking channels and be secured against hypothecation of receivables. • The value of primary security to be taken at the principal outstanding at the time of the creation of charge. • Loans constituting the hypothecated pool should not have ticket size more than INR 50,00,000 (fifty lakhs)
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	<ul style="list-style-type: none"> all “Know Your Customer” norms have been complied with as prescribed by the Reserve Bank of India; <p>Management Certified Collection Efficiency Certificate to be submitted on a quarterly frequency at the request of Debenture Holder.</p>
Transaction Documents	<p>Including but not limited to the following documents:</p> <ol style="list-style-type: none"> 1. Debenture Trust Deed 2. Information Memorandum 3. Debenture Trustee Appointment Agreement; 4. Hypothecation Agreement; 5. Term Sheet; 6. Board and Shareholders Resolution authorising the Issue; and <p>Any other documentation as may be desired by the Debenture Trustee and mutually agreed with Issuer</p>
Conditions Precedent to Disbursement	<ol style="list-style-type: none"> A certified true copy of the constitutional documents of the Company (being its Memorandum and Articles of Association and Certificate of Incorporation) shall have been submitted to the Debenture Trustee. All corporate approvals from the Board of Directors and shareholders of the Company, if applicable, shall have been received for the issuance of the Debentures and the execution, delivery and performance by the Company of the Transaction Documents in accordance with the Companies Act, 2013, the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other rules prescribed. Execution of the Debenture Trustee Agreement and Debenture Trust Deed, in a form and manner satisfactory to the Debenture Trustee shall have taken place; Rating of the Debentures being completed and the rating agency having provided a minimum rating of CARE BBB- for the Debentures and the rating letter issued by the Rating Agency being in a form and manner satisfactory to the Debenture Trustee; The Company shall have provided to the Debenture Trustee a certificate from a director/company secretary of the Company certifying that:- <ol style="list-style-type: none"> the Company and its Directors have the necessary powers under the Memorandum and Articles of Association of the Company to borrow moneys pursuant to the issuance of the Debentures; the borrowing of moneys pursuant to the issuance of the Debentures will not cause any limit binding on the Company to be exceeded; no Material Adverse Effect has occurred in the Company, and/or the business of the Company; The delivery by the Company to the Debenture Trustee, of certificates signed by authorized signatories of the Company,

	<p>in a form and substance satisfactory to the Debenture Trustee, with respect to:</p> <ul style="list-style-type: none"> a. incumbency and signatures; b. absence of any Event of Default, any potential Event of Default, any force majeure event and any Material Adverse Effect; c. all representations and warranties contained in this Deed are true and correct in all material respects on and as of the Deemed Date of Allotment, before and after giving effect to the Issue and to the application of the proceeds therefrom; and d. the Debenture Trustee shall have received from the Company its audited account statements for the Previous Year. <p>(vii) Due execution of the Depository Agreements by, inter-alia, the Depository and the Company;</p> <p>(viii) Due execution of the Tripartite Agreement by, inter-alia, the Registrar and Transfer Agent, Depository and the Company;</p> <p>(ix) The Company shall have submitted to the Debenture Trustee, all required documents for the purpose of satisfying its respective KYC requirements;</p> <p>(x) The Company shall have submitted to the Debenture Trustee, its audited account statements for the most recent financial year or financial half-year.</p>
<p>Conditions Subsequent to Disbursement</p>	<p>Company shall fulfil each of the following conditions within the stipulated timelines:</p> <ul style="list-style-type: none"> (i) The Company shall immediately on receipt of funds, take on all necessary steps to, including making all applicable filings in the Registrar of Companies including filing Form PAS 3 along with requisite fee within the timelines prescribed by the Act and Rules thereunder; (ii) the Company shall obtain listing of the Debentures within the Listing Period; (iii) Credit the demat account of the Applicants with such number of Debentures which have been allotted to them within 2 (Two) Business Days from the Deemed Date of Allotment. (iv) the Company shall, in respect of the Hypothecation Agreement, file a copy of Form CHG-9 with ROC within such timeline as per applicable law and shall ensure and procure that the Debenture Trustee files the prescribed Form I with CERSAI, each within 30 (thirty) days from the date of execution of the Hypothecation Agreement /creation of security over the Hypothecated Assets in accordance with the Hypothecation Agreement; (v) the Company shall execute/provide such other information, documents, undertakings, certificates, opinions and instruments as the Debenture Trustee and

	the Applicants may request in connection with the transactions contemplated under this Deed and the other Transaction Documents.
Events of Default (including manner of voting /conditions of joining Inter Creditor Agreement)¹	As mentioned in Section 10 below.
Creation of recovery expense fund²	<p>Details and purpose of the recovery expense fund</p> <p>The Issuer shall create and maintain the Recovery Expense Fund up to the amounts prescribed under the SEBI REF Circular, in accordance with and within the timelines prescribed in the SEBI REF Circular.</p> <p>The Recovery Expense Fund shall be created to enable the Debenture Trustee to take prompt action in relation to the enforcement of the Security in accordance with the Transaction Documents.</p> <p>The amounts in the Recovery Expense Fund shall be utilised in the manner as may be prescribed by the Debenture Holders by a Special Resolution duly passed at the meeting of the Debenture Holders held in accordance with the provisions set out in the Transaction Documents.</p> <p>On the occurrence of an Event of Default, if the Security is proposed to be enforced, the Debenture Trustee shall follow the procedure set out in the SEBI REF Circular for utilisation of the Recovery Expense Fund.</p>
Conditions for breach of covenants (as specified in Debenture Trust Deed)	As set out in detail under Section 10 below.
Provisions related to Cross Default Clause	The Company (i) defaults in any payment of any Financial Indebtedness beyond the period of grace (not to exceed 30 days), if any, provided in the instrument or agreement under which such Financial Indebtedness was created; (ii) defaults in the observance or performance of any agreement or condition relating to any Financial Indebtedness or contained in any instrument or agreement evidencing, securing or relating thereto or any other event shall occur or condition exist, the effect of which default or other event or condition is to cause or to permit the holder or holders of such

¹Disclosures to be provided as per circular no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/203 dated October 13, 2020 on "Standardisation of procedure to be followed by Debenture Trustee(s) in case of 'Default' by Issuers of listed debt securities" issued by SEBI.

² Disclosures has to be made as per circular no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/207 dated October 22, 2020 on "Contribution by Issuers of listed or proposed to be listed debt securities towards creation of "Recovery Expense Fund"" issued by SEBI.

	Financial Indebtedness to cause (determined without regard to whether any notice is required) any such Financial Indebtedness to become due prior to its stated maturity; or (iii) any Financial Indebtedness of the Company shall be declared to be due and payable, or required to be prepaid other than by a regularly scheduled required prepayment, prior to the stated maturity thereof.
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	Refer to Section 4 of the Disclosure Document
Governing Law and Jurisdiction	Indian Law with jurisdiction of the courts and tribunals of Chennai.

The issuer shall provide granular disclosures in their placement memorandum, with regards to the "Object of the Issue" including the percentage of the issue proceeds earmarked for each of the "object of the issue".

Objects of the issue	100% proceeds of the issue will be used exclusively for the purpose of on-lending.
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- A. If there is any change in Coupon Rate rate pursuant to any event including lapse of certain time period or downgrade in rating, then such new Coupon Rate and events which lead to such change should be disclosed.
- B. The list of documents which has been executed in connection with the issue and subscription of debt securities shall be annexed.
- C. While the debt securities are secured to the tune of 100% of the principal and interest amount or as per the terms of offer document/ information Memorandum, in favour of Debenture Trustee, it is the duty of the Debenture Trustee to monitor that the security is maintained, however, the recovery of 100% of the amount shall depend on the market scenario prevalent at the time of enforcement of the security.
- D. Terms and conditions of debenture trustee agreement including fees charged by debenture trustees(s), details of security to be created and process of due diligence carried out by the debenture trustee
- E. Debt securities shall be considered as secured only if the charged asset is registered with Sub-registrar and Registrar of Companies or CERSAI or Depository etc., as applicable, or is independently verifiable by the debenture trustee.
- F. Before making the application for listing of debt securities, the Issuer shall create charge as specified in the Debenture Trust Deed/ Disclosure Document, in favour of the debenture trustee and also execute debenture trust deed (DTD) with the Debenture trustee. The Stock Exchange(s) shall list the debt securities only upon receipt of a due diligence certificate as per format specified in SEBI NCS Regulations from debenture trustee confirming creation of charge and execution of the Debenture Trust Deed. The charge created by Issuer shall be registered with Sub-registrar, Registrar of Companies, CERSAI, Depository etc., as applicable, within 30 days of creation of such charge. In case the charge is not registered anywhere or is not independently verifiable, then the same shall be considered a breach of covenants/ terms of the issue by the Issuer.

SECTION 9 DISCLOSURE PERTAINING TO WILFUL DEFAULT

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

- a) Name of the bank declaring the entity as a wilful defaulter:
NA
- b) The year in which the entity is declared as a wilful defaulter:
NA
- c) Outstanding amount when the entity is declared as a wilful defaulter:
NA
- d) Name of the entity declared as a wilful defaulter:
NA
- e) Steps taken, if any, for the removal from the list of wilful defaulters:
NA
- f) Other disclosures, as deemed fit by the issuer to enable Investors to take informed decisions:
NA
- g) Any other disclosure as specified by the Board:
NA

SECTION 10 KEY TERMS OF THE ISSUE

AFFIRMATIVE COVENANTS

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

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

(b) ***Loss or damage by uncovered risks***

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

(c) ***Costs and expenses***

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

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

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

(e) ***Preserve corporate status; authorisations***

Company shall

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

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

(f) ***Pay stamp duty***

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

(g) ***Furnish information to trustee***

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

(h) ***Grievance***

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

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

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

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

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

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

(k) **Further assurances**

Company shall

- (i) execute and/or do, at their own expense, all such deeds, assurances, documents, instruments, acts, matters and things, in such form and otherwise as the Debenture Trustee may reasonably or by Law require or consider necessary in relation to enforcing or exercising any of the rights and authorities of the Debenture Trustee;
- (ii) furnish to the Debenture Trustee details of all grievances received from the Debenture Holders and the steps taken by the Company to redress the same. At the request of any Debenture Holder, the Debenture Trustee shall, by notice to the Company call upon the Company to take appropriate steps to redress such grievance and the Company shall comply with the instructions of the Debenture Trustee issued in this regard;
- (iii) obtain, comply with the terms of and do all that is necessary to maintain in full force and effect all authorisations necessary to enable it to lawfully enter into and perform its obligations under this disclosure or to ensure the legality, validity, enforceability or admissibility in evidence in India;
- (iv) comply with:
 - (A) all Laws, rules, regulations and guidelines (including but not limited to environmental, social and taxation related Laws), as applicable in respect of the Debentures and obtain such regulatory approvals as may be required from time to time, including but not limited, in relation to the following (if the Debentures are listed) (i) the NCS Listing Regulations, as may be in force from time to time during the tenor of the Debentures; (ii) the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (iv) NCS Listing Regulations and (iv) the provisions of the listing agreement to be entered into by the Company with the BSE in relation to the Debentures;
 - (B) the Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993 as in force from time to time, in so far as they are applicable to the Debentures and furnish to the Debenture Trustee such data, information, statements and reports as may be deemed necessary by the Debenture Trustee in order to enable them to comply with the provisions of Regulation 15 thereof in performance of their duties in accordance therewith to the extent applicable to the Debentures;
 - (C) the provisions of the Act in relation to the issue of the Debentures;
 - (D) procure that the Debentures are rated and continued to be rated until the redemption of the Debentures; and
 - (E) The Company shall ensure that, at time of making any payment of interest or repayment of the principal amount of the Debentures in full or in part, the Company shall do so in the manner that is most tax efficient for the Debenture Holders (including withholding tax benefit) but without, in any way, requiring the Company to incur any additional costs, expenses or taxes and the Company shall avail of all the benefits available under any treaty applicable to the Company and/or the Debenture Holders.

(l) **Security**

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

- (i) the Debentures shall be secured with first ranking exclusive continuing security by way of a first ranking exclusive charge on the Hypothecated Assets in favour of the Debenture Trustee for the benefit of the Debenture Holders;
- (ii) that all the Assets that shall be charged to the Debenture Trustee under the Hypothecation Agreement shall always be kept distinguishable and held as the exclusive property of the Company specifically appropriated to this security and be dealt with only under the directions of the Debenture Trustee. PROVIDED THAT the charge on the monies lying in the Designated Proceeds Account shall be a floating charge with the intent that the Company may use the proceeds lying therein or to the credit thereof for the origination of Loans and the charging of the Receivables thereof in favour of the Debenture Trustee in accordance with the terms of the Transaction Documents and the floating charge shall convert to a fixed charge in accordance with the terms of the Hypothecation Agreement. The Company shall not create any charge, lien or other encumbrance upon or over the same or any part thereof except in favour of the Debenture Trustee nor suffer any such charge, lien or other encumbrance or any part thereof nor do or allow anything that may prejudice this security and the Debenture Trustee shall be at liberty to incur all costs and expenses as may be necessary to preserve this security and to maintain the same undiminished and claim reimbursement thereof;
- (iii) shall, on the First Security Cover Determination Date and at all times thereafter, ensure that the Security Cover Ratio is maintained and towards this end, it shall on or before each Monthly Security Cover Determination Date, Top-up the Hypothecated Assets with additional Receivables and/or Replace any Receivables constituting the Hypothecated Assets in accordance with the Hypothecation Agreement so as to ensure that Security Cover Ratio is maintained at all times from the First Security Cover Determination Date until the redemption of the Debentures in full and perfect the first ranking and exclusive charge of the Debenture Trustee over such modified Hypothecated Assets by filing Form CHG-9 with the concerned ROC and the required filing with the Central Registry in relation thereto as soon as practicable and no later than 30 (thirty) days therefrom;
- (iv) shall, on the First Security Cover Determination Date and every Reporting Date, as also whenever required by the Debenture Trustee, give full particulars to the Debenture Trustee of all the Hypothecated Assets from time to time and shall furnish and verify all statements, reports (including Monitoring Reports as prescribed in the Hypothecation Agreement), returns, certificates and information from time to time and as required by the Debenture Trustee and furnish and execute all necessary documents to give effect to the Hypothecated Assets;
- (v) the security interest created on the Hypothecated Assets shall be a continuing security as described in the Hypothecation Agreement;
- (vi) the Hypothecated Assets shall satisfy the eligibility criteria as set out below:
 - the receivables are existing at the time of selection and have not been terminated or pre-paid;
 - the receivables have not been restructured or rescheduled;
 - Loans constituting the Portfolio shall not be provided to individuals who have had a history of late payments or overdues.
 - The hypothecated Loans shall be disbursed through normal banking channels and be secured against hypothecation of receivables.

- The value of primary security to be taken at the principal outstanding at the time of the creation of charge.
 - Loans constituting the hypothecated pool should not have ticket size more than INR 50,00,000 (fifty lakhs)
 - all “Know Your Customer” norms have been complied with as prescribed by the Reserve Bank of India;
 - (vii) nothing contained herein shall prejudice the rights or remedies of the Debenture Trustee and/ or the Debenture Holders in respect of any present or future security, guarantee obligation or decree for any Financial Indebtedness or liability of the Company to the Debenture Trustee and/ or the Debenture Holders; and
 - (viii) the Debenture Holders shall have a beneficial interest in the moveable Assets of the Company which have been charged to the Debenture Trustee to the extent of the Outstanding Principal Amounts of the Debentures under this disclosure;
- (m) ***Filings***
- If the Debentures are listed, the Company shall file with the BSE for dissemination, within 45 days from the end of half years September and March, a half- yearly communication, counter signed by the Debenture Trustee, containing inter-alia the following information:
- (i) credit rating;
 - (ii) asset cover available accompanied with a half yearly certificate regarding maintenance of minimum Security Cover Ratio specified in the Hypothecation Agreement in respect of the Debentures, by either a practicing company secretary or a practicing chartered accountant, within one month from the end of the half year;
 - (iii) debt to Equity ratio accompanied with a certificate of a practicing chartered accountant confirming such debt to Equity ratio;
 - (iv) previous Due Date for the payment of interest/principal and whether the same has been paid or not; and
 - (v) next Due Date for the payment of interest/principal.
 - (vi) submit such other disclosure to the Debenture Trustee as may be required under the NCS Listing Regulations, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other Applicable Laws, each as amended from time-to-time.
- (n) ***Amounts to be reimbursed to the Debenture Trustee***
- Company shall, forthwith upon demand by the Debenture Trustee, reimburse to the Debenture Trustee all amounts paid by the Debenture Trustee [to reasonably protect the Hypothecated Assets and such amounts shall be deemed to be secured by the Hypothecated Assets;
- (o) ***Where Debenture Holder is a Foreign Investor***
- Company shall in the event a Debenture Holder is a foreign portfolio investor, foreign institutional investor or sub-account of foreign institutional investors, or qualified foreign investor, the Company shall, in relation to each Interest Payment Date and in relation to each date when any other payment is due by the Company under the Debentures (each a "**Relevant Payment Date**"), courier to the Debenture

Holders (or their designated agent, as confirmed by the Debenture Holders) within 1 (One) Business Day after a Relevant Payment Date, the duly completed and signed Form 15 CA/CB. A scanned copy of such duly completed and signed Form 15 CA/CB shall be sent to the Debenture Holders on the Relevant Payment Date by e-mail;

(p) ***Delay in Security Creation***

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

- (i) refund the Application Money as set out in Clause XX of this disclosure, to the Debenture Holders; or
- (ii) pay to the Debenture Holders additional interest at Default Interest Rate on the Outstanding Principal Amounts from the Deemed Date of Allotment till the creation of first ranking and exclusive charge over the Hypothecated Assets pursuant to the terms of the Hypothecation Agreement such that the Security Cover Ratio is met.
- (iii) the charge created by Issuer shall be registered with Registrar of Companies, CERSAI, Depository etc., as applicable, within 30 days of creation of such charge. In case the charge is not registered anywhere or is not independently verifiable, then the same shall be considered a breach of covenants/ terms of the issue by the Issuer.

(q) ***Compliance***

- (i) The Company shall (and it shall ensure that all of the Group Entities will) conduct their respective businesses in all material respects in compliance with all applicable Laws including but not limited to Environmental and Social Requirements and Client Protection Laws and take all reasonable steps in anticipation of known or expected future changes to or obligations under the same.
- (ii) The Company shall promptly inform the Debenture Trustee any material breach of any Environmental and Social Requirements and provide accurate and complete information with respect to such breach and any additional information in relation thereto, in whichever form as the Debenture Trustee may request at its sole discretion. The Company shall promptly inform the Debenture Trustee, on (i) any Environmental and Social Claim and/or any Client Protection Claim being commenced against it or against any Group Entity, and (ii) any facts or circumstances which will or are reasonably likely to result in any Environmental and Social Claim and/or any Client Protection Claim being commenced or threatened against it or any Group Entity, and provide accurate and complete information with respect to such Environmental and Social Claim and/or any Client Protection Claim and any additional information in relation thereto, in whichever form as the Debenture Trustee may request at its sole discretion.
- (iii) The Company shall (and it shall ensure that the Group Entities will) abide by the Workers' Rights Requirements.

(r) ***Books of Account***

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

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

(s) **Material Adverse Effect**

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

(t) **Insurance**

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

(u) **Corporate Governance**

- (i) the Company shall maintain the highest standards of corporate governance in accordance with the NBFC Master Directions;
- (ii) shall at all times until the redemption of all outstanding Debentures, ensure that there is at least 1(one) independent director; and
- (iii) the Company shall at all times comply with the NBFC Master Directions.

(v) **General**

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

(w) **Access**

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

- (i) check the management of the funds made available through subscription to the Debentures;
 - (ii) inspect and take copies and extracts from the books, accounts and records of the Company;
 - (iii) visit and inspect the premises of the Company; and
 - (iv) meet and discuss matters with senior management employees of the Company.
- (x) **Conditions Subsequent**
- Company shall comply with the conditions stipulated in **Section 8 - Issue Details** of this disclosure.
- (y) **Financial Covenants**
- Company shall comply with the financial covenants stipulated in *Financials Covenants* below.
- (z) **Issue Terms and Conditions**
- At all times during the term of these presents comply with each of the Issue Terms and Conditions.
- (aa) **Internal Controls**
- Company shall maintain appropriate internal controls for the purpose of (i) preventing fraud on monies lent by the Company; and (ii) preventing money being used for money laundering or illegal purposes.
- (bb) **Information to Debenture Trustee**
- The Company shall promptly provide all assistance, documents and information to the Debenture Trustee as may be required by it to enable the Debenture Trustee to fulfill its obligations as may be required by SEBI from time to time.

FINANCIAL COVENANTS

1. Minimum capital ratio of Tier I Capital and Tier II Capital to aggregate risk weighted assets on-balance sheet and of risk adjusted value of off-balance sheet items shall not be less than 25.00% (Twenty Five Point Zero Zero percent) or as per the regulatory minimum prescribed by the Reserve Bank of India under the NBFC Master Directions, whichever is higher. For the purpose of calculation of minimum capital ratio: (i) first loss credit enhancements provided by the Borrower on securitization shall be reduced from Tier I Capital and Tier II Capital without any ceiling. (ii) credit enhancements provided by the Borrower on loans originated on behalf of other institutions shall be reduced from Tier I Capital and Tier II Capital without any ceiling. The deduction shall be made at 50 per cent from Tier I Capital and 50 per cent from Tier II Capital. (iii) It is also clarified that in computing the amount of subordinated debt eligible for inclusion in Tier II Capital, the aforementioned subordinated debt shall be subject to discounting as prescribed by RBI.

2. Maximum permissible ratio of PAR30+write-offs for trailing 12 months to disbursements of trailing 12 months to be 6%.
3. Financial Indebtedness at consolidated level shall not exceed 3.5 times the Tangible Networth of Garagepreneurs Internet Private Limited and the Borrower combined.
4. Maximum permissible ratio of PAR30 (excluding write-offs and FLDG payments) to consolidated Tangible Networth of the Borrower and Garagepreneurs Internet Private Limited to be 20%.
5. The rating of the company should not be downgrade more than one notch from the current rating.

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

Portfolio at Risk greater than 30 days or PAR > 30 shall mean, in a district or a branch or on the Borrower's Gross Loan

Portfolio at any point of time, as the case may be, the outstanding principal value of the Borrower's portfolio that has one or more instalments of principal, interest, penalty interest, fee or any other expected payments overdue for 90 days or more and includes restructured loans.

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

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

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

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

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

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

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

The Covenants and Financial Covenants can be tested at any time during the tenure of the Facility. Without prejudice to its other rights under the Facility Documents, Lender reserves the right to levy a penalty of a sum equivalent to 1% (One percent) of the amount outstanding under the Facility on the Borrower in the event of breach of any of the Financial Covenants ("Penalty for Breach"). In such an event, the Borrower shall pay the Penalty for Breach to the Lender within 30 calendar days from the date of such breach.

NEGATIVE COVENANTS

The Company shall not carry out any actions as stated below without prior written consent of the Debenture Trustee/ Debenture Holders:

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

1. Any Change in Promoter, shareholding, ownership or control of the Company
2. Any change in the general nature of its business from that which is permitted by the RBI.
3. Change or make any alteration to its Constitutional Documents except with respect to change in authorized share capital and any such change solely for the purpose of converting the Issuer into a public limited company and not involving issue of further equity shares. If the Debenture Trustee (on behalf of Debenture Holder) refuses to provide consent, the Issuer would have the option to redeem the Debentures by making payment of the Redemption Amount along with accrued Coupon and without the requirement of payment of Early Redemption Premium.
4. Until the Final Redemption Date, the Company will procure and ensure that the Promoter will not exit from or reduce its involvement from the management activities of the Company as is subsisting on the date of execution of DTD.
5. There shall be no change in the composition of the board of director other than appointment of independent directors or dilution of control over board.
6. Mr. Rajan Bajaj to maintain an executive role in the company till the tenor of the Debentures.

(b) ***Dividend***

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

- (i) the proposed payment or distribution is out of net income of the current Financial Year (excluding any amount resulting from the revaluation of any of the Company's assets);
- (ii) no Event of Default has occurred and is then continuing, or could occur or is reasonably likely to occur, as a result of such payment or declaration of any dividend or distribution and after giving effect to any such action;
- (iii) the Company is in compliance with the financial covenants set forth in *Financial Covenants* above; and
- (iv) the company has paid or made satisfactory provision for the payment of the installments of principal and interest due on the Debentures.

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

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

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

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

(e) ***Acquisition***

Acquire, without the prior written consent of the Majority Debenture Holders, any company, business or undertaking if the amount of the acquisition cost, whether paid by cash or otherwise, when aggregated with the aggregate acquisition cost of any other companies, business or undertaking acquired by it during that financial year exceeds [50.00% (fifty percent) of the Equity].

(f) ***Joint Venture***

Without the prior written consent of the Majority Debenture Holders:

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

(g) ***Loans and Guarantees***

The Company shall not:

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

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

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

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

(i) **Immunity**

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

(j) **Auditor**

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

(k) **Liabilities**

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

(l) **Change of control**

Issue any additional shares or equity interests and shall not have its existing shares or equity interests transferred, sold, pledged or otherwise encumbered, if such action results in change in Control of the Company. PROVIDED THAT if the written consent of the Debenture Trustee/ the Majority Debenture Holder(s) is withheld for the proposed change of control, the Company will, upon the instructions of the Debenture Trustee, redeem the Debentures forthwith within 45 (Forty five) days of receiving such written instructions from the Debenture Trustee and pay prepayment penalty on such redemption in accordance with the terms of the Transaction Documents.

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

(m) **Disposal of Assets**

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

(n) **Management Control**

Any change in Management Control of the Company.

(o) **Material compromise or Settlement**

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

(p) **Anti-money laundering**

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

(q) **Related Party Transactions**

Without the prior written consent of the Debenture Holders, the Company shall not enter into or perform any transaction(s) with a related party other than the ordinary course of business such as payments made by the Company in the form of salaries to Directors and Key Managerial Personnel, service charges, rent payments and debt repayments to Garagepreneurs Internet Private Limited, and the same shall be reported on a quarterly basis. Without prejudice to the foregoing, the Company shall not without the prior written consent of the Debenture Holders (i) enter into any transaction(s) whereby the overall outstanding amount owed to the Company under all such transactions exceeds 10.00% (Ten Point Zero Zero percent) of its net worth, (ii) whereby the overall expense incurred through such transactions during any financial year exceeds 10.00% (Ten Point Zero Zero percent) of its net profit, or (iii) provide any guarantee for any indebtedness of a related party. The Debenture Holders / Debenture Trustee shall be granted access to any additional information that it deems necessary to monitor and evaluate this covenant. For the purposes of this clause, the terms 'net worth' and 'related party' shall respectively have the meaning ascribed to them in sections 2 (57) and 2 (76) of the Companies Act, 2013 (and the Rules framed thereunder).

(r) ***Financial Year***

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

(s) ***Exclusion List***

Perform or involve in any of the excluded activities as listed in the Exclusion List or finance any Person or Obligor performing any of the excluded activities as listed in the Exclusion List.

(t) ***Objectionable Practices***

Engage in any Objectionable Practice, nor authorise or permit any other Person acting on its behalf or on behalf of such Person to do so.

(u) ***Sanctions***

Neither the Company nor any other person benefiting in any capacity, either directly or indirectly, in connection with or from the Debenture Trust Deed and/or any instruments and/or payments thereunder is included in any OFAC List or otherwise the subject or target of any Sanctions. The Company shall not, and shall require that none of its borrowers engage in any transaction, activity or conduct that would violate any Sanctions. The Company shall not use all or any part of the proceeds of the Issue for any purpose that would be in breach of any Sanctions. The Company shall require that none of its borrowers to whom any debt was made available by the Borrower utilising the proceeds of the Issue use all or any part of such debt for any purpose that would be in breach of any Sanctions.

(v) ***Exclusion List***

The Company shall not (i) perform or involve in any of the excluded activities as listed in the Exclusion List or (ii) finance any Person or Obligor performing any of the excluded activities as listed in Exclusion List.

(w) ***Others***

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

(x) Shareholder Dilution

Each of the persons mentioned below (collectively "**Key Shareholders**") shall not transfer or encumber the shares of the Borrower held by them respectively without the prior written consent of the Debenture Trustee/Debenture Holders. Any change in the stake of the Key Shareholders in the Borrower below the existing level set out in the following table shall require prior written consent of the Debenture Trustee/Debenture Holders.

Name	Investment Type	Existing %' age stake
Garagepreneurs Internet Private Limited	Ordinary Equity	99.99

Each of the persons mentioned below (collectively "**Key Shareholders of Promoter**") shall not transfer or encumber the shares of the Social Worth Technologies Private limited ("Promoter") held by them respectively without the prior written consent of the Debenture Trustee/Debenture Holders. Any change in the stake of the Key Shareholders of Promoter in the Promoter below the existing level set out in the following table shall require prior written intimation to the Debenture Trustee/Debenture Holders.

Name	Investment Type	Existing %' age stake
Mr. Rajan Bajaj	Ordinary Equity	16.92

REPRESENTATIONS, WARRANTIES, AND COVENANTS OF THE COMPANY

Utilization of proceeds of the Debentures

The Company shall utilise the moneys received towards subscription of the Debentures for the Purpose and procure and furnish to the Debenture Trustee a certificate from the Company's statutory auditors in respect of the utilisation of funds raised by the issue of the Debentures on annual basis

Representations and Warranties

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

(a) Status

- (i) It is a company, duly incorporated, registered and validly existing under the Laws of India.

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

(b) ***Binding obligations***

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

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

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

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

(d) ***Power and authority***

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

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

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

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

(f) ***No default***

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

(g) ***Ranking***

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

(h) ***No proceedings pending***

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

(i) ***No misleading information***

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

(j) ***No Material Adverse Effect***

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

(k) ***Assets***

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

(l) ***Financial statements***

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

- (i) Its financial statements for the Previous Year supplied to the Debenture Trustee, give a true and fair view and represent its financial condition and operations during the relevant Financial Year save to the extent expressly disclosed in such financial statements.
- (ii) It has disclosed all its borrowings from various banks and financial institutions in the Debt Disclosure Document.

(m) **Solvency**

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

(n) **No immunity**

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

(o) **Legal and Beneficial Ownership**

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

(p) **Compliance with Laws**

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

- (ii) With respect to all such Environmental and Social Requirements, the Company and each Group Entity (1) have been issued and will maintain all required consents and will take all reasonable steps in anticipation of known or expected future changes or obligations to the same, (2) have not received any complaint, order, directive, claim, citation, or notice by any Governmental Authority, and (3) have not received any complaint or claim from any person seeking damages, contribution, indemnification, cost recovery, compensation, or injunctive relief.
- (iii) The Company shall complete all necessary formalities including all filings with the relevant regulatory authorities, including but not limited to SEBI, the BSE and the ROC (if applicable) and obtain all consents and approvals required for the completion of the Issue.

(q) ***Anti-terrorism Laws***

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

(r) ***No Corrupt Practices***

- (i) Neither the Company nor its Promoters or affiliates have indulged in any corrupt practices pertaining to the business such as misstatement, fraud, misappropriation, embezzlement of financial and other resources or gains unreported in the audited financial statements.
- (ii) Neither the Company nor any Group Entity through its officers, directors or employees in such capacities or any person acting on behalf of the Company or any Group Entity have engaged in any Objectionable Practice.

(s) ***Taxation***

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

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

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

(u) ***Audit***

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

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

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

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

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

(x) ***Employees***

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

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

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

EVENTS OF DEFAULT

1. *Payment Defaults*

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

2. *Insolvency / Inability to Pay Debts / Distress*

- (i) The Company is unable or admits inability to pay its debts as they fall due, suspends making payments on any of its debts or, by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to rescheduling any of its Financial Indebtedness.
- (ii) The Company is (or deemed by Law or a court to be) insolvent or bankrupt or unable to pay its debts or stops or suspends payments of all its debts, makes a general assignment or an arrangement or composition with or for benefit of the relevant creditors in respect of any such debts or a moratorium is agreed or declared in respect of or affecting all the debts of the Company.

- (iii) Any distress, attachment, execution or other legal process is levied, enforced or sued out on or against any material part of the property, assets, or revenues of the Company and is not discharged or quashed or stayed within 15 (fifteen) days.

3. Charge over Hypothecated Assets

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

4. Business

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

5. Security in Jeopardy

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

6. Misrepresentation

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

7. Material Adverse Change

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

8. Liquidation or Dissolution of the Company / Appointment of Receiver or Liquidator

- (i) Any corporate action, legal proceedings or other procedure or step is taken in relation to:
 - (A) the suspension of payments, a moratorium of any Indebtedness, winding-up, dissolution, administration or re-organisation (by way of voluntary arrangement, scheme of arrangement or

otherwise) of the Company or its Affiliate;

(B) a composition, compromise, assignment or arrangement with any creditor of the Company or its Affiliate;

(C) the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of the Company or its Affiliate; or

(D) the Company or its Affiliate, in respect of any reference or enquiry or proceedings commenced, before the National Companies Law Tribunal or under any mechanism or prescription of the RBI in respect of resolution/restructuring of stressed assets (including without limitation, under the RBI's circular no. DBR.No.BP.BC.45/21.04.048/2018-19 dated June 7, 2019 on "Prudential Framework for Resolution of Stressed Assets" (as amended or modified or restated from time to time));

(E) the commencement of an insolvency resolution process under the (Indian) Insolvency and Bankruptcy Code, 2016 (to the extent applicable) or under any other applicable Law, in respect of the Company or its Affiliate; or

(F) enforcement of any security over any Assets of the Company or its Affiliate.

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

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

9. Cross Default

The Company (i) defaults in any payment of any Financial Indebtedness beyond the period of grace (not to exceed 30 days), if any, provided in the instrument or agreement under which such Financial Indebtedness was created; (ii) defaults in the observance or performance of any agreement or condition relating to any Financial Indebtedness or contained in any instrument or agreement evidencing, securing or relating thereto or any other event shall occur or condition exist, the effect of which default or other event or condition is to cause or to permit the holder or holders of such Financial Indebtedness to cause (determined without regard to whether any notice is required) any such Financial Indebtedness to become due prior to its stated maturity; or (iii) any Financial Indebtedness of the Company shall be declared to be due and payable, or required to be prepaid other than by a regularly scheduled required prepayment, prior to the stated maturity thereof.

10. Creditors' Process

- (i) All or a material part of the undertaking, Assets, rights or revenues of the Company are condemned, seized, nationalised, expropriated or compulsorily acquired, or shall have assumed custody or control of the business or operations of the Company, or shall have taken any action for the dissolution of the Company, or any action that would prevent the Company, their member, or their officers from carrying on their business or operations or a substantial part thereof, by or under the authority of any Government or any Government Authority.

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

11. *Judgments Defaults*

One or more judgments or decrees entered against the Company involving a liability (not paid or not covered by a reputable and solvent insurance company), individually or in the aggregate, exceeding 5% (five percent) of the Total Assets of the Company PROVIDED THAT such judgments or decrees are either final and non-appealable or have not been vacated, discharged or stayed pending appeal for any period of 30 (thirty) consecutive calendar days.

12. *Transaction Documents*

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

13. *Unlawfulness*

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

14. *Repudiation*

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

15. *Information Covenants*

The failure to comply with any reasonably monitoring and/or servicing requests from Debenture Holders, including its monthly, quarterly, annual and event-based reporting requirements as required under the reporting covenants prescribed below:

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

- a) Information on financials operations, portfolio growth & asset quality, repossessed assets, funding/borrower profile in formats acceptable to the Investor
- b) List of Board of Directors
- c) Shareholding Pattern
- d) Financial covenant compliance certificate signed by a Director or the Chief Financial Officer/Treasury Head
- e) Quarterly Financial statements to the Debenture Trustee. Further, the Borrower shall submit monthly financial statements as and when requested by the Lender

2. Annual Reports – within 90 (Ninety) calendar days from the end of each financial year

- a) Audited financial statements

3. Event Based Reports – The Company shall forthwith provide/cause to be provided information to the Debenture Trustee (and to the Debenture Holders, if so requested)

- a) Change in Shareholding structure
- b) Change in Board composition
- c) Changes in Accounting Policy, and excluding changes required due to compliance with statutory requirements
- d) Board approval of annual business plan
- e) Change in the constitutional documents of the Company
- f) Material Adverse Effect
- g) Any dispute, litigation, investigation or other proceeding which could result in a Material Adverse Effect.
- h) Winding up proceedings or application under IBC to initiate insolvency proceedings against the Issuer

16. Government Intervention

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

17. ***Delisting***

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

18. ***Cessation***

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

19. ***Alteration in Constitutional Documents***

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

20. ***Non-compliance with judicial order***

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

21. ***Erosion of Net Worth***

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

22. ***Merger***

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

23. ***Sale, disposal***

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

24. ***Third party***

A default or Event of Default occurs on account of a breach of representation or breach of an information covenant under the terms of any other agreement involving borrowed money or the extension of credit or any other Financial Indebtedness under which the Company may be obligated as a borrower or guarantor and pursuant to which the Company is called upon to and makes a prepayment to a 3rd party without the prior written consent of the Debenture Holder. Such consent shall not be unreasonably delayed or withheld by the Debenture Holders.

25. ***Wilful default***

Any Promoters or directors or key management personnel of the Company is/are declared as wilful defaulter by any competent authority or accused of, charged with, arrested or convicted a criminal offence involving moral turpitude, dishonesty or which otherwise impinges on the integrity of the

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

26. Breach of Financial Covenants

Any breach of financial covenants stipulated in *Financial Covenants* set out in this section and such breach is not remedied (if capable of remedy) within the expiry of Cure Period for breach of Financial Covenants from the date of such breach.

27. Breach of Negative Covenants

Any breach of negative covenants mentioned in *Negative Covenants* set out in this section

28. Rating

The rating of any instrument rated from any of the external rating agency gets downgraded to a rating of B or below

SECTION 11 DECLARATION

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

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

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

- a. The Issuer undertake that this Disclosure Document contain full disclosures in accordance with SEBI NCS Regulations, as amended, and Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended and Companies Act, 2013, Securities Contracts (Regulation) Act, 1956 and the Securities and Exchange Board of India Act, 1992,.
- b. the compliance with the Act and the rules does not imply that payment of dividend or interest or repayment of non-convertible securities, is guaranteed by the Central Government;
- c. the monies received under the offer shall be used only for the purposes and objects indicated in the Offer document;
- d. whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association.

I, Prateek Singhal, is authorized by the Board of Directors of the Company vide Resolution dated 31st August 2021 to sign this Information Memorandum and declare that all the requirements of the Companies Act, 2013 and the rules made there under in respect of the subject matter of this Information Memorandum and matters incidental thereto have been complied with. Whatever is stated in this Information Memorandum and in the attachments thereto is true, correct and complete and no information material to the subject matter of this Disclosure Document has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum and Articles of Association.

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

For Quadrillion Finance Private Limited

Date:

Place: Bangalore

ANNEXURE I: LAST AUDITED FINANCIAL STATEMENTS

Quadrillion Finance Private Limited Balance Sheet as at 31 March 2021

(All amounts in ₹ except otherwise stated)

	Notes	As at 31 March 2021	As at 31 March 2020
I. EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	25,06,72,000	25,00,00,000
Reserves and surplus	4	21,43,60,906	95,64,289
		<u>46,50,32,906</u>	<u>25,95,64,289</u>
Non-current liabilities			
Long-term borrowings	5	2,97,76,805	12,25,00,000
Long-term provisions	6	1,73,76,680	5,54,104
		<u>4,71,53,485</u>	<u>12,30,54,104</u>
Current liabilities			
Trade payables	7	-	-
total outstanding dues of micro enterprises and small enterprises		-	-
total outstanding dues of creditors other than micro enterprises and small enterprises		3,35,51,992	1,81,70,176
Short term borrowings	8	1,10,91,05,616	3,29,90,072
Short-term provisions	6	7,54,79,040	1,18,43,679
Other liabilities	9	20,06,47,835	15,55,06,226
		<u>1,41,67,84,485</u>	<u>21,85,12,154</u>
		<u>1,93,09,70,876</u>	<u>60,11,50,547</u>
II. ASSETS			
Non-current assets			
Tangible assets	10	7,75,721	-
Intangible assets	10	6,73,494	-
Deferred tax assets (net)	11	1,97,43,832	28,43,597
Long-term loans and advances	12	1,61,83,046	41,32,221
Other assets	15	5,92,00,000	60,00,000
		<u>9,65,76,993</u>	<u>1,29,75,818</u>
Current assets			
Trade receivables	13	4,66,45,584	66,44,343
Cash and bank balances	14	12,40,69,564	4,60,04,341
Short-term loans and advances	12	1,48,27,65,801	46,72,22,584
Other assets	15	18,09,12,934	6,63,03,462
		<u>1,83,43,93,683</u>	<u>68,01,74,730</u>
		<u>1,93,09,70,876</u>	<u>69,11,50,547</u>
Summary of significant accounting policies	2		

The accompanying notes form an integral part of these financial statements

As per our report of even date.

For Walker Chandlok & Co LLP
Chartered Accountants
Firm Registration No.: 001076NN600013

Ashish Kedia

Ashish Kedia
Partner
Membership No.: 215834

Bengaluru
30 June 2021



R. Rajan
DIRECTOR

For and on behalf of the Board of Directors of
Quadrillion Finance Private Limited

QUADRILLION FINANCE PRIVATE LIMITED

QUADRILLION FINANCE PRIVATE

Mahima Garg

Mahima Garg
Director
DIN: 08386565

Bengaluru
30 June 2021

Rajan Bajaj
Director
DIN: 07197443

Bengaluru
30 June 2021

Jineesha Porwal
Jineesha Porwal
Company Secretary
Membership No.: A52461

Bengaluru
30 June 2021

Quadrillion Finance Private Limited

Statement of Profit and Loss for the period ended 31 March 2021

(All amounts in ₹ except otherwise stated)

	Notes	Year ended 31 March 2021	Year ended 31 March 2020
Revenue			
Revenue from operations	16	37,09,25,355	11,82,84,006
Other income	17	1,72,18,890	18,44,308
Total revenue		38,81,44,345	12,01,28,314
Expenses			
Employee benefits expense	18	7,34,85,041	1,45,86,785
Depreciation and amortisation	10	2,76,450	-
Finance costs	19	9,61,67,261	2,56,84,872
Provisions and write-offs	20	12,50,83,189	2,93,23,343
Other expenses	21	8,62,29,618	4,16,33,124
Total expenses		38,32,41,569	11,12,08,124
Profit before tax		49,02,776	89,20,190
Tax expense			
Current tax		1,79,54,395	52,56,867
Deferred tax credit		(1,69,00,235)	(28,06,598)
		10,54,160	24,50,269
Profit after tax		38,48,616	64,69,921
Earning per equity share (Nominal value of ₹ 10 per share)			
Basic and diluted (₹)		0.15	0.47

Summary of significant accounting policies

The accompanying notes form an integral part of these financial statements
As per our report of even date.

For Walker Chandio & Co LLP
Chartered Accountants
Firm Registration No.: 001076NN500013

Ashish Kedia

Ashish Kedia
Partner
Membership No.: 215834
Bengaluru
30 June 2021



QUADRILLION FINANCE PRIVATE LIMITED

Rajon Bajaj

DIRECTOR

For and on behalf of the Board of Directors of
Quadrillion Finance Private Limited

Rajon Bajaj
Director
DIN: 07197443

Bengaluru
30 June 2021

QUADRILLION FINANCE PRIVATE LIMITED

Mahima Garg

DIRECTOR

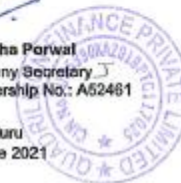
Mahima Garg
Director
DIN: 06388665

Bengaluru
30 June 2021

Jineesha Porwal

Jineesha Porwal
Company Secretary
Membership No.: A52481

Bengaluru
30 June 2021



Quadrillion Finance Private Limited
Cash Flow Statement for the year ended 31 March 2021
 (All amounts in ₹ except otherwise stated)

	Year ended 31 March 2021	Year ended 31 March 2020
Cash flow from operating activities		
Profit before tax	49,02,776	89,20,190
Adjustments for:		
Provisions and write-offs	12,50,83,199	2,93,23,343
Interest expense	9,57,24,192	2,54,71,827
Depreciation and amortisation expense	2,78,450	-
Profit on sale of investments in mutual funds	(15,96,521)	(4,74,591)
Operating profit before working capital changes	22,43,90,097	6,32,40,769
Changes in working capital		
Increase in other assets	(16,08,09,472)	(12,82,69,046)
Increase in trade receivables	(4,00,01,241)	(1,80,59,227)
Increase in loan and advances	(1,02,75,94,943)	(40,89,43,589)
Increase in trade payables, other liabilities and provisions	(2,43,43,450)	1,64,37,878
Cash (used in) operations	(1,03,43,59,069)	(47,55,93,216)
Direct taxes paid (net of refunds)	(1,79,54,395)	(70,88,578)
Net cash flow used in operating activities (A)	(1,05,23,13,404)	(48,26,81,794)
Cash flow from investing activities:		
Purchase of Property, plant & equipment and intangibles	(17,25,865)	-
Purchase of mutual funds	(1,69,57,00,000)	(64,50,00,000)
Redemption of mutual funds	1,69,72,96,521	64,54,74,591
Net cash flow from investing activities (B)	(1,29,144)	4,74,591
Cash flow from financing activities		
Proceeds from issue of share capital	20,16,00,000	22,79,25,000
Proceeds from Long-term borrowings	9,00,00,000	14,45,00,000
Repayment of Long-term borrowings	(12,84,83,583)	(3,70,00,000)
Proceeds from short-term loans (net)	1,56,40,05,538	3,29,90,072
Repayments from short-term loans	(50,18,89,992)	-
Proceeds from issuance of non-convertible debentures (NCDs)	-	14,40,00,000
Interest expense	(9,57,24,192)	(1,89,20,708)
Net cash from financing activities (C)	1,12,95,07,771	49,34,94,364
Net increase in cash and cash equivalents (A+B+C)	7,70,65,223	1,12,87,161
Cash and cash equivalents at the beginning of the year	1,80,04,341	47,17,179
Cash and cash equivalents at the end of the year (refer note 13)	9,30,69,564	1,60,04,341
Components of cash and cash equivalents		
Balances with banks in current and deposit accounts	9,30,69,564	1,60,04,341
Total cash and cash equivalents	9,30,69,564	1,60,04,341

The accompanying notes form an integral part of these financial statements
 As per our report of even date.

For Walker Chandlok & Co LLP
 Firm Registration No.: 001076NIN500013
 Chartered Accountants

Akesh

Ashish Kedia
 Partner
 Membership No.: 215834

Bengaluru
 30 June 2021



For and on behalf of the Board of Directors of Quadrillion Finance Private Limited

Rajan
 DIRECTOR

Rajan Beja
 Director
 DIN: 07197443

Bengaluru
 30 June 2021

Mahima
 DIRECTOR

Mahima Garg
 Director
 DIN: 08386565

Bengaluru
 30 June 2021

Jineesha

Jineesha Porwal
 Company Secretary
 Membership No.: A52461

Bengaluru
 30 June 2021



ANNEXURE II: CREDIT RATING LETTER



No. CARE/HO/RL/2021-22/2165

Mr. Sudhesh Chandrasekar
Chief Financial Officer
Quadrillion Finance Private Limited
747, Pooja Building, 80ft. Road,
4th Block, Koramangala,
Bengaluru - 560034
Karnataka

September 01, 2021

Confidential

Dear Sir,

Credit rating for proposed Non-Convertible Debenture issue

Please refer to your request for rating of long-term Non-convertible Debenture (NCD) issue aggregating to Rs. 50.00 crore of your Company.

2. The following ratings have been assigned by our Rating Committee:

Sr. No.	Instrument	Amount (Rs. crore)	Rating ¹	Rating Action
1.	Non-Convertible Debentures	50.00	CARE BBB-; Stable (Triple B Minus; Outlook: Stable)	Assigned
	Total Instruments	50.00 (Rs. Fifty Crore Only)		

3. Please arrange to get the rating revalidated, in case the proposed issue is not made within a period of six months from the date of our initial communication of rating to you (that is August 30, 2021).
4. In case there is any change in the size or terms of the proposed issue, please get the rating revalidated.
5. Please inform us the below-mentioned details of issue immediately, but not later than 7 days from the date of placing the instrument:

¹Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE publications.

Page 1 of 4

CARE Ratings Ltd.

Instrument type	ISIN	Issue Size (Rs cr)	Coupon Rate	Coupon Payment Dates	Terms of Redemption	Redemption date	Name and contact details of Debenture Trustee	Details of top 10 investors
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6. Kindly arrange to submit to us a copy of each of the documents pertaining to the NCD issue, including the offer document and the trust deed.
7. The rationale for the rating will be communicated to you separately. A write-up (press release) on the above rating is proposed to be issued to the press shortly, a draft of which is sent separately. We request you to peruse the annexed document and offer your comments if any. We are doing this as a matter of courtesy to our clients and with a view to ensure that no factual inaccuracies have inadvertently crept in. Kindly revert as early as possible. In any case, if we do not hear from you by <date>, we will proceed on the basis that you have no any comments to offer.
8. CARE reserves the right to undertake a surveillance/review of the rating from time to time, based on circumstances warranting such review, subject to at least one such review/surveillance every year.
9. CARE reserves the right to revise/reaffirm/withdraw the rating assigned as also revise the outlook, as a result of periodic review/surveillance, based on any event or information which in the opinion of CARE warrants such an action. In the event of failure on the part of the entity to furnish such information, material or clarifications as may be required by CARE so as to enable it to carry out continuous monitoring of the rating of the bank facilities, CARE shall carry out the review on the basis of best available information throughout the life time of such bank facilities. In such cases the credit rating symbol shall be accompanied by "ISSUER NOT COOPERATING". CARE shall also be entitled to publicize/disseminate all the aforementioned rating actions in any manner considered appropriate by it, without reference to you.

10. Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.
11. Users of this rating may kindly refer our website www.careratings.com for latest update on the outstanding rating.
12. CARE ratings are not recommendations to buy, sell or hold any securities.
13. If you need any clarification, you are welcome to approach us in this regard. We are indeed, grateful to you for entrusting this assignment to CARE.

Thanking you,

Yours faithfully,



Meera Jayendrabhai Thakrar
Lead Analyst
meera.thakrar@careratings.com



Janet Felsia Thomas
Assistant Director
janet.thomas@careratings.com

Encl.: As above

Disclaimer

CARE's ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE's ratings do not convey suitability or price for the investor. CARE's ratings do not constitute an audit on the rated entity. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE 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 CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE or its subsidiaries/associates may also have other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating /outlook assigned by CARE is, inter-alia, based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors. CARE is not responsible for any errors and states that it has no financial liability whatsoever to the users of CARE's rating.

Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

ANNEXURE III: CONSENT LETTER FROM THE DEBENTURE TRUSTEE
Enclosed seperately

ANNEXURE IV: BOARD RESOLUTION

Quadrillion Finance™

PRIVATE LIMITED

www.quadrillion.finance

help@quadrillion.finance
+91-8047096427

CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY THE BOARD OF DIRECTORS ("BOARD") OF QUADRILLION FINANCE PRIVATE LIMITED ("COMPANY") IN THEIR MEETING HELD ON TUESDAY, AUGUST 31, 2021, AT 5:30 PM AT 747, POOJA BUILDING, 80 FT ROAD, 4TH BLOCK, KORAMANGALA, BANGALORE -560034 THROUGH OTHER AUDIO-VISUAL MEANS ("OAVM")

Issue of 250 rated, listed, secured, redeemable and taxable Non-Convertible Debentures ("NCD") through private placement basis:

***RESOLVED THAT** pursuant to the provisions of Section 42, 71, 179(3)(c) and other applicable provisions, if any, of the Companies Act, 2013 and in accordance with Rule 14(2) and other applicable provisions of Companies (Prospectus and Allotment of Securities) Rules, 2014, Companies (Share Capital and Debentures) Rules, 2014, SEBI (Issue & Listing of Non-Convertible Securities) Regulations, 2021, circulars and notifications of the Reserve Bank of India ("RBI"), as amended and or any other regulatory authority, whether in India or abroad, and in accordance with the Memorandum of Association and the Articles of Association of the Company, and subject to approvals, consents, sanctions, permissions as may be required from any appropriate statutory and regulatory authorities, the approval of the Board be and is hereby accorded for:

- (a) issue and allotment of 250 (Two Hundred and Fifty) secured, listed, rated, unsubordinated, redeemable Non-convertible Debentures ("NCD") denominated in Indian Rupees ("INR") each having a face value of INR 10,00,000 (Indian Rupees Ten Lakhs) aggregating to INR 25,00,00,000 (Indian Rupees Twenty Five crores) or such other amount as may be determined ("Debentures" or "NCDs") at an interest rate of 13.50% (Thirteen decimal five zero Percent) per annum or such other interest rate as may be agreed, payable monthly or at such other interest periods as may be agreed, and for a period of 15 months or such other period as may be agreed, subject to deduction of taxes at source in accordance with applicable law, with or without gross up, on a private placement basis to Northern Arc Capital (Debenture holders) (being the identified persons for the purposes of Section 42 of the Act) ("Investors") for raising debt for onward lending and for such other purposes as may be agreed with the Investors, and
- (b) securing the amounts to be raised pursuant to the issue of Debentures together with all interest and other charges thereon to be secured (up to such limits and security cover as may be agreed) by one or more of the following (i) hypothecation of certain identified loans/book debts (and/or other assets) of the Company, and/or (ii) such other security or contractual comfort as may be required in terms of the issuance of the NCD (the "Security").

***RESOLVED FURTHER THAT** Mr. Rajan Bajaj and/or Mrs. Mahima Garg (Director) and/or Mr. Sudhesh Chandrasekar (Chief Financial officer); and/or Mr. Prateek Singhal (Authorised Signatory), and/or Mr. Siddharth Jain (Authorised Signatory); and/or Ms. Jinesha Porwal, the Company Secretary of the Company (collectively, the "Authorised Officers") be and are hereby severally authorised to do such acts, deeds and things as they deem necessary or desirable in connection with the issue, offer and allotment of the NCD, including, without limitation the following:

- (a) to do all such acts, deeds and things as the Authorised Officers may deem necessary or desirable in connection with the issue, offer and allotment of the NCD

Quadrillion Finance Private Limited
CIN: U65990KA2018PT1C117025

747, Pooja Building, 80ft Road,
4th Block, Koramangala, Bangalore
560034

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- (b) seeking, if required, any approval, consent or waiver from any/all concerned governmental and regulatory authorities, and/or any other approvals, consent or waivers that may be required in connection with the issue, offer and allotment of the NCD
- (c) executing the term sheet;
- (d) negotiating, approving and deciding the terms of the issue of NCD and all other related matters;
- (e) approving the debt disclosure document/information memorandum and the private placement offer cum application letter (including amending, varying or modifying the same, as may be considered desirable or expedient), in accordance with all applicable laws, rules, regulations and guidelines;
- (f) finalizing the terms and conditions of the appointment of an arranger, a debenture trustee, a registrar and transfer agent, a depository and such other intermediaries as may be required including their successors and their agents;
- (g) finalising the terms of the issue, offer and allotment of the NCD ;
- (h) entering into arrangements with the depository in connection with the issue of NCD in dematerialised form;
- (i) creating and perfecting the Security as required in accordance with the terms of the Transaction Documents (as defined below) in relation to the issue, offer and allotment of the NCD ;
- (j) finalizing the date of allocation and the deemed date of allotment of the NCD ;
- (k) negotiate, execute, file and deliver any documents, instruments, deeds, amendments, papers, applications, notices or letters as may be required in connection with the issue, offer and allotment of the NCD and deal with regulatory authorities in connection with the issue, offer and allotment of the NCD including but not limited to the RBI, SEBI (if so required), any Stock Exchange, the jurisdictional Registrar of Companies, the Central Registry of Securitisation Asset Reconstruction and Security Interest, the Ministry of Corporate Affairs, or any depository, and such other authorities as may be required;
- (l) to generally do any other act or deed, to negotiate and execute any documents, applications, agreements, undertakings, deeds, affidavits, declarations and certificates and to give such directions as it deems fit or as may be necessary or desirable with regard to the issue, offer and allotment of the NCD ;
- (m) to execute all documents, file forms with, make applications to the jurisdictional Registrar of Companies, the Central Registry of Securitisation Asset Reconstruction and Security Interest, the Ministry of Corporate Affairs, any Stock Exchange or any depository;
- (n) sign and/or dispatch all documents and notices to be signed and/or dispatched by the Company under or in connection with the Transaction Documents;
- (o) to take all steps and do all things and give such directions as may be required, necessary,

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expedient or desirable for giving effect to the Transaction Documents, the transactions contemplated therein and the resolutions mentioned herein, including without limitation, to approve, negotiate, finalise, sign, execute, ratify, amend, supplement and / or issue the following, including any amendments, modifications, supplements, restatements or novations thereto (now or in the future):

- (i) the debt disclosure document/information memorandum and private placement offer cum application letter for the issue, offer and allotment of the NCD (collectively, the "Disclosure Documents");
 - (ii) a Debenture trust deed, b. Debenture Trustee Agreement, c. Deed of Hypothecation, and d. any other documents required for the creation of security interest over the Company's movable properties and assets or the issue, offer and allotment of the Debentures (including any powers of attorney in connection thereto), and any other document in relation thereto (collectively, the "Transaction Documents");
 - (iii) any other documents required for the purposes of the issue, offer and allotment of the NCD and the transactions contemplated thereby, including but not limited to letters of undertaking, declarations, agreements, reports; and
 - (iv) any other document designated as a Transaction Document by the debenture trustee/holders of the NCD ;
- (p) do all acts necessary for the issue, offer and allotment of the NCD in accordance with the terms set out in the Disclosure Documents and the Transaction Documents; and
 - (q) set up Recovery Expense Fund for the Debentures in accordance with the Act and other applicable laws;
 - (r) do all acts necessary for the proposed listing of the Debentures in accordance with the terms set out in the offer document;
 - (s) take such actions as may be necessary or desirable to obtain any requisite approvals, permissions, sanctions, including taking consent or waiver from the Company's existing lenders, and/or parties with whom the Company has entered into various commercial and other agreements, and/or all concerned government and regulatory authorities in India (including income tax authorities), as it may deem fit in the best interests of the Company or as may be directed by the debenture trustee;
 - (t) request any person to create any security interest, issuance of guarantee, furnishing any undertaking or entering into any other agreements, deeds, documents as may be required for the purpose of the issue of the Debentures;
 - (u) make the necessary application for creation of International Securities Identification Number to depository for Debentures;
 - (v) deal with the appropriate regulatory authorities in connection with the Debenture issue including but not limited to SEBI, Registrar of Companies, Reserve Bank of India, Ministry of

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Corporate Affairs, Company Law Board, BSE Limited, NSDL or CDSL and settle all questions, remove any difficulties or doubts that may arise from time to time in regard to the offer or allotment of the Debentures,

- (a) to generally do any other act or deed, to negotiate and execute any documents, applications, agreements, undertakings, deeds, affidavits, declarations and certificates in relation to (a) to (q) above, and to give such directions as it deems fit or as may be necessary or desirable with regard to the issue, offer and allotment of the NCD .

RESOLVED FURTHER THAT the Authorised Officers be and are hereby severally authorised to take all necessary steps relating to the creation, perfection and registration of charges and also to sign and submit the necessary forms with the jurisdictional Registrar of Companies, the Central Registry of Securitisation Asset Reconstruction and Security Interest, the Ministry of Corporate Affairs, or any depository, and other relevant governmental authorities.

RESOLVED FURTHER THAT the Authorised Officers be and are hereby severally authorised to pay all stamp duty required to be paid for the issue, offer and allotment of the NCD in accordance with the laws of India and procure the stamped documents from the relevant governmental authorities.

RESOLVED FURTHER THAT the Authorised Officers be and are hereby severally authorised to approve and finalise, sign, execute and deliver the Transaction Documents and such other agreements, deeds, undertakings, indemnity and documents as may be required, or any of them in connection with the NCD to be issued by the Company.

RESOLVED FURTHER THAT the Authorised Officers be and hereby severally authorised to register or lodge for registration upon execution documents, letter(s) of undertakings, declarations, and agreements and other papers or documents as may be required in relation to any of the above with any registering authority or any governmental authority competent in that behalf.

***RESOLVED FURTHER THAT** the Authorised Officers be and are hereby severally authorised to delegate the powers as may be deemed necessary to do such acts and execute such documents as may be required in connection with any of the matters relating to the issue of the NCD .

RESOLVED FURTHER THAT the copy of the foregoing resolutions certified to be true copies by any director or the Company Secretary of the Company be furnished to such persons as may be deemed necessary.*

Certified True Copy
For Quadrillion Finance Private Limited

RAJAN
BAJAJ

Rajan Bajaj
Director
DIN:07197443

Quadrillion Finance Private Limited
CIN: U65990KA2018PTCL17025

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ANNEXURE V: SHAREHOLDERS RESOLUTION

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CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY THE EXTRA ORDINARY GENERAL MEETING OF THE MEMBERS OF QUADRILLION FINANCE PRIVATE LIMITED ("COMPANY") HELD ON AUGUST 31, 2021, AT 06:30 PM AT ITS REGISTERED OFFICE AT 747, POOJA BUILDING, 80 FT. ROAD, 4TH BLOCK, KORAMANGALA, BANGALORE - 560034 THROUGH AUDIO-VISUAL MEANS ("OAVM")

ISSUE OF 250 RATED, LISTED, SECURED, REDEEMABLE AND TAXABLE NON-CONVERTIBLE DEBENTURES ("NCD") THROUGH PRIVATE PLACEMENT BASIS AND CIRCULATION OF PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER:

To consider and if thought fit, to pass with or without modifications the following resolution as **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 42 and 71 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, Companies (Share Capital and Debentures) Rules, 2014, circulars and notifications of the Reserve Bank of India ("RBI"), as amended and or any other regulatory authority, whether in India or abroad, and in accordance with the Memorandum of Association and the Articles of Association of the Company, and subject to approvals, consents, sanctions, permissions as may be required from any appropriate statutory and regulatory authorities from time to time, consent of the shareholders of the company be and is hereby accorded to offer, issue and allot up to 250 rated, listed, secured, redeemable and taxable Non-Convertible Debentures ("NCD") of a face value of INR 10,00,000 (Indian Rupees Ten Lakhs) aggregating to INR 25,00,00,000 (Indian Rupees Twenty Five crores) ("Debentures"), for cash on a private placement basis in dematerialised format to Northern Arc Capital Limited (Debenture holders) as per the terms and conditions to be set out in the private placement offer letter (the "Offer Letter") to be issued by the company. Further, Debenture Trust Deed to be executed in relation to the issue of the NCD between the company and Beacon Trusteeship Limited ("Debenture Trustee") and in compliance all such terms as set out in the Debenture Trust Deed and other transaction documents to be executed with respect to the issue of NCD.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to finalize, settle and execute such documents, deeds, writings, papers, amendments or agreements as may be required and to do all such acts, deeds, matters, regulatory filings, compliances, including appointment of intermediaries and things, as it may in its absolute discretion deem necessary, proper or desirable and to resolve any question, difficulty or doubt that may arise in relation thereto or otherwise considered by the Board to be in the best interest of the company.

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RESOLVED FURTHER THAT anyone of the director of the Company be and is hereby authorized to take necessary steps to give effect to the issue of NCD through private placement by the Company.

FURTHER RESOLVED THAT the consent of the members be and is hereby accorded to the Board to circulate the private placement offer cum offer letter to propose allottees

RESOLVED FURTHER THAT anyone of the directors of the Company be and is hereby authorised to sign all /any e-forms, other forms, returns, documents as may be required to be filed whether physically or electronically with the Minister of Corporate Affairs, Registrar of Companies, consequent upon the issuance of the NCD through private placement.

RESOLVED FURTHER THAT, a certified copy of this resolution be given to the concerned parties by the Board for their records and necessary actions."

For QUADRILLION FINANCE PRIVATE LIMITED


RAJAN Bajaj
RAJAN Bajaj

Rajan Bajaj

Director

DIN: 07197443

Address: A001 Raheja Residency,

Koramangala 3rd Block, Bangalore - 560 034.

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EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013, TO THE SPECIAL BUSINESS TO BE TRANSACTED AT THE EXTRA-ORDINARY GENERAL MEETING

Item No. 1: ISSUE OF 250 RATED, LISTED, SECURED, REDEEMABLE AND TAXABLE NON-CONVERTIBLE DEBENTURES ("NCD") THROUGH PRIVATE PLACEMENT BASIS AND CIRCULATION OF PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER:

The Company is a Non-Banking Financial Company ("NBFC") registered with the Reserve Bank of India (RBI). The lending book of the Company consists of diversified products, customer segments, geographies and varying tenors (Short Term and Long Term). In order to meet the business requirements, the Board of Directors of the Company in their meeting held on August 31, 2021, the directors had pursuant to the provision of Section 23, 42 and 71 of the Companies Act, 2013 ("Act") and the rules framed thereunder, approved an issue of 250 rated, listed, secured, redeemable and taxable Non-Convertible Debenture ("NCD") to Northern Arc Capital Limited (Debenture holders) as per the terms and conditions to be set out in the private placement offer letter.

Further, the Company issuing NCD shall follow the provisions with respect to Section 73 of the Act w.r.t. acceptance of deposits from public. However, the said provisions of Section 73 of the Act are exempt to NBFC.

Furthermore, as per Section 42 of the Act read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and Section 71 of the Act read with Rule 16 of the Companies (Share Capital and Debentures) Rules, 2014, a Company offering or making an invitation to subscribe to NCD on a private placement basis, is required to obtain prior approval of the members by way of a Special Resolution, for each of the offer and invitation.

The approval of the members is accordingly being sought by way of Special Resolutions under Section 42 and 71 of the Act read with the Rules framed there under, for the issue, offer and allotment of 250 NCD having face value of INR 10,00,000 (Indian Rupees Ten Lakhs) each on following terms and condition:

- (a) Type of Instrument: Rated, listed, secured, redeemable and taxable Non-Convertible Debenture ("NCD")
- (b) Face value of NCD: The face value of NCD is INR 10,00,000 (Indian Rupees Ten Lakhs)
- (c) Term of NCD: The NCD shall be redeemed after completion of 15 from the date of allotment of NCD
- (d) Utilization of NCD subscription amount: The NCD subscription amount shall be utilized exclusively for onward lending and for such other purposes as may be agreed

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- (e) Interest rate: The NCD holder shall yield interest of 13.50% p.a., which shall be payable on monthly basis or in any other manner decided by the Board.
- (f) Redemption: The NCD shall be redeemed at par on completion of the term of 15 months from the date of allotment of NCD

Disclosure as per Rule 14 of Companies (Prospectus and Allotment of Securities) Rules, 2014 are as follows:

Sr. No.	Particulars	Detail:
1.	Particulars of the offer including date of passing board resolution	Issue and offer of 250 rated, listed, secured, redeemable and taxable NCD having face value of INR 10,00,000 (Indian Rupees Ten Lakhs) which was approved by the Board of Directors in their meeting held on August 31, 2021
2.	Kinds of securities offered and the price at which security is being offered	Rated, listed, secured, redeemable and taxable Non-convertible debentures ("NCD") are offered at an issue price of INR 10,00,000 (Indian Rupees Ten Lakhs)
3.	Basis or justification for the price (including premium, if any) at which the offer or invitation is being made	The price will be determined by the Board in accordance with the data available with them
4.	Name and address of valuer who performed valuation	As per the Companies (Prospectus and Allotment of Securities) Second Amendment Rules, 2018 sub-rule 14(1) of the said rule shall not apply in case of offer or invitation for Non-Convertible Debentures.
5.	Amount which the Company intends to raise by way of securities	INR 25,00,00,000 (Indian Rupees Twenty five Crores)
6.	Material terms of raising such securities.	<p>(a) Type of Instrument: Rated, listed, secured, redeemable and taxable Non-Convertible Debenture ("NCD")</p> <p>(b) Face value of NCD: The face value of NCD is INR 10,00,000 (Indian Rupees Ten Lakhs)</p> <p>(c) Term of NCD: The NCD shall be redeemed after completion of 15 months from the date of allotment of NCD</p> <p>(d) Utilization of NCD subscription amount: The NCD subscription amount shall be utilized exclusively for</p>

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		<p>onward lending and for such other purposes as may be agreed</p> <p>(e) Interest rate: The NCD holder shall yield interest of 13.50% p.a., which shall be payable on monthly basis or in any other manner decided by the board.</p> <p>(f) Redemption: The NCD shall be redeemed at par on completion of the term of 15 months from the date of allotment of NCD</p>
7.	proposed time schedule,	The NCD shall be allotted within a period of 30 days from the date of passing of this resolution provided that if the approval or permission by any regulatory authority for allotment is pending if any, the period of 30 days shall be counted from the date of such approval or permission as the case may be.
8.	purpose or objects of offer., contribution be	The NCD subscription amount shall be utilized exclusively for onward lending and for such other purposes as may be agreed
9.	contribution being made by the promoters or directors either as part of the offer or separately in furtherance of objects	None of the Promoters, Directors or Key Management Personnel intends to subscribe to the preferential offer.
10.	Principle terms if assets charged as securities	<ul style="list-style-type: none"> The Debentures shall be secured by way of a first ranking, exclusive and continuing charge on identified receivables ("Hypothecated Receivables"/"Hypothecated Assets") created pursuant to the deed of hypothecation to be executed between the Company and the Debenture Trustee as described herein NCD shall be secured by a pool of loans originated by the relevant Issuer, with a security cover of 1.1 (One decimal point one) of the security cover is from principal receivables ("Security Cover"); to create, register and perfect the security over the Hypothecated Assets as contemplated above no later than Portfolio Origination Period (including by executing a duly stamped deed of hypothecation)

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		("Deed of Hypothecation") on the Deemed Date of Allotment; the Company shall also provide such information sought by the Debenture Trustee for the purpose of filing the prescribed forms and particulars with the Central Registry and Information Utility in connection with the Debentures and the Security Interest over the Hypothecated Assets.
--	--	---

The Board of Directors recommends the resolution for approval of members of the Company at item 1 as special resolution.

Interest of the Directors and KMP: None of the Directors, Key Managerial Personnel (KMP) of the Company and their relatives may be deemed to be concerned or interested in this resolution except to the extent of their shareholding held in the Company.

For QUADRILLION FINANCE PRIVATE LIMITED

RAJAN Bajaj
BAJAJ

Rajan Bajaj

Director

DIN: 07197443

Address: A001 Raheja Residency,

Koramangala 3rd Block, Bangalore - 560 034.

Quadrillion Finance Private Limited
CIN: U65990KA2018PTC117025

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ANNEXURE VI: DUE DILIGENCE CERTIFICATE FROM DEBENTURE TRUSTEE
Enclosed seperately

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

Undertaking on Creation of Security

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

For [●]

Authorised Signatory

Name: Mr. []

Title: []

Date: [●], 2021

ANNEXURE VIII: TERM SHEET

Please refer to Section 8 – Issue Details

ANNEXURE IX- TRANSACTION DOCUMENTS

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

ANNEXURE IX: APPLICATION FORM

[•]

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

Date of Incorporation: [•]

Registered Office: [•]

Telephone No.: [•]

Website: [•]

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

Issue of [•] ([•]) secured/Unsecured , rated, listed, redeemable, transferable, non-convertible Debentures of face value of INR 10,00,000/- (Indian Rupees Ten Lakhs only) each, aggregating up to INR [•] (Indian Rupees [•]) on a private placement basis (the "Issue").

DEBENTURE SERIES APPLIED FOR:

Number of Debentures: ____ In words: _____-only

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

DETAILS OF PAYMENT:

Cheque / Demand Draft / RTGS

No. _____ Drawn on _____

Funds transferred to [•]

Dated _____

Total Amount Enclosed

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

APPLICANT'S NAME IN FULL (CAPITALS)

SPECIMEN SIGNATURE

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

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

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

(Note: Cheque and Drafts are subject to realisation)

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

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

Applicant's

Signature

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

(Note : Cheque and Drafts are subject to realisation)

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

ACKNOWLEDGMENT SLIP

<i>(To be filled in by Applicant)</i> SERIAL NO.	1	-	-	-	-	-	-	-	-
--	---	---	---	---	---	---	---	---	---

Received from _____

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

INSTRUCTIONS

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

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

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

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

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

ANNEXURE X- DECLARATION OF PROMOTER

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

Authorized Signatory

ANNEXURE XI- LENDING POLICY

Process note for different Customer Acquisition Channels

1. Digital Marketing Process

- a. We run digital marketing on Facebook, Instagram, Youtube, and Google Ads
- b. We target both students and salaried segment audience using these channel
- c. The first and most important step for digital marketing is to figure out the right target audience. These are the people who are most likely to use your product.
- d. Once we have a target audience, the next step is to figure out the right messaging for this audience. This most generally is a variation of one of the core messaging/value-proposition that we know to work for our product offering.
- e. We try different variations of messaging in the ads and subsequently analyze post phone application install behavior for the acquired users. Post the installation we analyze the product funnel and see where and why the users are dropping off.
- f. Post their first order, we also monitor the retention of users and their risk.
- g. Over time we have identified what channels and what kind of messaging brings us customers who will continue using slice and will have low risk.
- h. We regularly call customers from every campaign at different stages of the funnel to know more about the kind of customers we are getting and the understanding they have of our product.
- i. Once we exhaust a particular set of audience, we move on to a new set of audience and repeat the process.

2. Referrals Process

- a. Existing users can share their referral codes with their friends who can enter the same during our application process.
- b. New users have a higher chance of approval when they come via a referral code and the same is communicated to both existing users and new users
- c. Our viral coefficient (the number of extra customers a new customer will bring) is 0.5
- d. Usually, we don't give incentives for both sides regarding the referral. However, we run referral campaigns sometimes for specific segments to boost the rate of user engagement.
- e. Most often, users who are really happy using our product are the ones who go on to refer others actively. We focus on giving a great customer experience to grow this channel.

Note on Collection Process

Team and Allocation:

Collections is done through internal team and external agencies. Internal team includes Collections Head for PAN India, Bucket-wise Team Leads, Tele callers and Field Agents. Tele-calling for all customer locations takes place from Bangalore and Field Agents are present in different locations and report to respective Bucket-wise Team Lead. Below is the typical bucket wise allocation of cases to respective internal teams:

- B0 (1-30 days overdue) – Major allocation remains with Tele-calling team and Field Agents/ external Agencies team are allocated with small portion for non-contactable and refused to pay cases.
- B1 (31-60 days overdue) – Major allocation remains with Tele-calling team and Field Agents/ external Agencies team are allocated with small portion for non-contactable and refused to pay cases.
- B2, B3 and B4 (61-150 days overdue) – Allocation to both Tele-calling team and Field Agents/ external Agencies team at approx. equal ratio.
- Recovery – A small portion with Tele-calling team and majority with external Agencies.

Below is the collection allocation methodology:

- Cases are allocated equally and at random to the various team members (tele-callers or Field Agents depending on the bucket)
- Cases are allocated keeping in mind the customer language
- Team gives first preference to high outstanding cases

Collection Process - Student and Salaried Segments:

Generally, collection process is same for all customers – tele-calling followed by field visits. Field visits are done to both addresses of the customer depending on the customer's response.

Students: For students, we generally prefer to close the case over call itself. Only in case the customer is not contactable over phone and his references are not responding to our executives, then we do field visit to customer's residence and follow up with customer's immediate family.

Salaried: For salaried customers, we follow the tele-calling process to resolve the case. In case the customer is not contactable or refuses to pay, we schedule a visit to the customer's office followed by his/her residence.

Collection Process – Critical Steps:

We send payment reminders to all our customers. Payment reminders are sent from T-4 (i.e. 4 days to due date) till 90 days late. Reminders are sent via email, sms and push notifications.

We have resolution targets for each bucket and individual. Bucket-wise Team Leads ensure that the targets are met and look out for ways to improve them. Individuals have target-based incentives.

Customers who are 60+ dpd, are sent Dunning and LRN letters. We also send legal notices to the customers who are 90+ dpd.

ANNEXURE XII- Guarantee Deed
Enclosed separately