

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

## KEY INFORMATION DOCUMENT



### IKF FINANCE LIMITED ("Issuer" / "Company")

A public limited company incorporated under the provisions of the Companies Act 1956 and validly existing under the provisions of the Companies Act, 2013.



Key Information Document for issue of Debentures on a private placement basis dated: 8<sup>th</sup> November 2024

**ISSUE OF UP TO 6,000 (SIX THOUSAND) SENIOR, SECURED, LISTED, RATED, REDEEMABLE, TRANSFERABLE, NON-CONVERTIBLE DEBENTURES HAVING A FACE VALUE OF INR 1,00,000/- (INDIAN RUPEES ONE LAKH ONLY) EACH, FOR CASH, AT PAR, AMOUNTING UP TO INR 60,00,00,000/- (INDIAN RUPEES SIXTY CRORES ONLY) IN A DEMATERIALIZED FORM, ON A PRIVATE PLACEMENT BASIS (THE "ISSUE") (HEREINAFTER REFERRED TO AS "DEBENTURES") BY IKF FINANCE LIMITED (THE "COMPANY") OR ("ISSUER").**



This Key Information Document shall be read in conjunction with the General Information Document dated 9<sup>th</sup> October 2024

#### **PART A: DISCLOSURES AS PER SEBI NCS Regulations:**


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

S. No.	Particulars	Relevant Disclosure
1.	<b>Details of debenture trustee for the Issue:</b>	Name: Vardhman Trusteeship Private Limited Address: Unit No 15, Turner Morrison, 6 Lyons Range, Kolkata, West Bengal - 700001 and branch office at The Capital, A Wing, 412A, Bandra Kurla Complex, Bandra (East), Mumbai, Maharashtra - 400051  Logo: Telephone Number: +91 22 4264 8335 Email address: <a href="mailto:compliance@vardhmantrustee.com">compliance@vardhmantrustee.com</a> Contact person: Rushabh Desai Or such other Debenture Trustee as shall be set out in the respective Key Information Document.
2.	<b>Details of credit Rating Agent for the Issue:</b>	Name: CARE Ratings Limited Address: 4 <sup>th</sup> Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (East), Mumbai - 400 022  Logo: Telephone Number: +91-22- 6754 3456 Email address: <a href="mailto:care@careratings.com">care@careratings.com</a>

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

		Contact person: Mr. Ravi
3.	<b>Date of Key Information Document</b>	8 <sup>th</sup> November 2024
4.	<b>Type of Key Information Document</b>	This Key Information Document is being issued in relation to the private placement issue of Debentures.
5.	<b>The nature, number, price and amount of securities offered and issue size (base issue or green shoe), as may be applicable</b>	<b>Base Issue Size:</b> Issue of up to 6,000 (Six Thousand) secured, listed, rated, senior, redeemable, transferable, non-convertible debentures having a face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each, for cash, at par, aggregating to INR 60,00,00,000/- (Indian Rupees Sixty Crores Only) on a private placement basis. <b>Green Shoe option:</b> Not Applicable
6.	<b>The aggregate amount proposed to be raised through all the stages of offers of non-convertible securities made through the shelf prospectus (applicable only in case of public issuance);</b>	Not applicable.
7.	<b>Details of Registrar to the Issue:</b>	Name: Bigshare Services Private Limited Address: E-2, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (East), Mumbai 400 072  Logo:  Telephone Number: +022 2847 0652 Website: <a href="https://www.bigshareonline.com/">https://www.bigshareonline.com/</a> Email address: mohan@bigshareonline.com Contact Person: Mr. N. V. K. Mohan
8.	<b>Legal Counsel</b>	Name: Juris Corp, Advocates & Solicitors Logo:  Contact Person: Partner, Securities Address: 302, Century Bhavan, 3 <sup>rd</sup> Floor, Dr Annie Besant Road, Worli, Mumbai - 400 030, India Email: <a href="mailto:securities@juriscorp.in">securities@juriscorp.in</a> Tel: 022 6720 5555 Website: <a href="http://www.juriscorp.in">www.juriscorp.in</a>
9.	<b>Statutory Auditor</b>	Name: M/s. Mukund M Chitale & Co., Chartered Accountants

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

		 <p>Logo: <b>MUKUND M. CHITALE &amp; CO.</b> CHARTERED ACCOUNTANTS</p> <p>Address: 2<sup>nd</sup> Floor, Kapur House, Paranjape B Scheme, Road No 1 Vile Parle(E) Mumbai-400057</p> <p>Website: www.mmchitale.co.in</p> <p>Email address: Nilesh.joshi@mmchitale.com</p> <p>Telephone Number: +91 22 2663 3500</p> <p>Contact Person: Nilesh Joshi</p>
10.	<b>Issue Schedule</b>	<p>Date of opening of the Issue: 12<sup>th</sup> November 2024</p> <p>Date of closing of the Issue: 12<sup>th</sup> November 2024</p> <p>Date of earliest closing of the Issue (if any): 12<sup>th</sup> November 2024</p> <p>Pay-in date: 13<sup>th</sup> November 2024</p> <p>Deemed Date of Allotment: 13<sup>th</sup> November 2024</p> <p>Redemption Date: 15<sup>th</sup> March 2027</p>
11.	<b>Credit Rating of the Issue</b>	<p>The Rating Agent has vide its letter dated 7<sup>th</sup> October, 2024 and rating rationale and its press release assigned a rating of “CARE A Outlook: Stable” in respect of the Debentures. Please refer to <b>Annexure I</b> of this Key Information Document for the credit rating letter and rating rationale received from the Rating Agent assigning the credit rating abovementioned and the press release by the Rating Agent in this respect.</p>
12.	<b>All the ratings obtained for the private placement of Issue</b>	<p>Please refer to S.no 11 (<i>Credit Rating of the Issue</i>) above. No other ratings have been obtained for the purposes of this Issue.</p>
13.	<b>The name(s) of the stock exchanges where the securities are proposed to be listed, subject to change</b>	<p>The Debentures are proposed to be listed on the wholesale debt market of the BSE Limited (“<b>BSE</b>”).</p> <p>Please refer to <b>Annexure IX</b> (<i>In-Principle approval</i>) of the Key Information Document for the in-principle approval for listing obtained from BSE in relation to the General Information Document as issued by the Issuer.</p> <p>BSE shall be the ‘Designated Stock Exchange’ for the purpose of maintenance of the recovery expense fund prescribed by SEBI under the SEBI Debenture Trustees Circular, as may be amended from time to time.</p>
14.	<b>The details about eligible investors;</b>	<p>The following categories of investors, when specifically approached and have been identified upfront, are eligible to apply for this private placement of Debentures subject to fulfilling their respective investment norms/rules and compliance with laws applicable to them by submitting all the relevant documents along with the application Form (“<b>Eligible Investors</b>”):</p>

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

		<p>(a) Companies and Bodies Corporate eligible to invest in the Debentures;</p> <p>(b) Financial Institutions eligible to invest in the Debentures;</p> <p>(c) Foreign Portfolio Investors;</p> <p>(d) Mutual Funds;</p> <p>(e) Alternative Investment Funds; and</p> <p>(f) Any other investor eligible to invest in these Debentures.</p> <p>All potential Investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this issue of Debentures.</p> <p><b>Note:</b> Participation by potential investors in the Issue may be subject to statutory and/or regulatory requirements applicable to them in connection with subscription to Indian securities by such categories of persons or entities. Applicants are advised to ensure that they comply with all regulatory requirements applicable to them, including exchange controls and other requirements. Applicants ought to seek independent legal and regulatory advice in relation to the laws applicable to them.</p>
15.	<b>Coupon rate, coupon payment frequency, redemption date, redemption amount and details of debenture trustee</b>	<p>In respect of the Coupon Rate, the Coupon Payment Frequency, the Redemption Date and Redemption Amount in respect of the Debentures, please refer to Section 2.8 (<i>Issue Details</i>) of this Key Information Document.</p> <p>The details of Debenture Trustee are provided under S. No. 1 of this table above.</p>
16.	<b>Nature and issue size, base issue and green shoe option, if any, shelf or tranche size, each as may be applicable</b>	<p><b>Issue Size:</b> Issue of up to 6,000 (Six Thousand) senior, secured, listed, rated, redeemable, transferable, non-convertible debentures having a face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each, for cash, at par, amounting up to INR 60,00,00,000/- (Indian Rupees Sixty Crores Only), in a dematerialised form, on a private placement basis.</p>
17.	<b>Details about underwriting of the issue including the amount undertaken to be underwritten by the underwriters:</b>	Not Applicable.
18.	<b>Inclusion of a compliance clause in relation to electronic book mechanism and details pertaining to the uploading the Key Information Document on the Electronic Book Provider Platform, if applicable.</b>	<p>The final subscription to the Debentures shall be made by the Eligible Investors through the electronic book mechanism as prescribed by SEBI under the EBP Guidelines by placing bids on the electronic book platform during the Issue period. In case the Eligible Investors are not registered on the EBP, they will have to register themselves as investor on the said platform (as a one-time exercise) and also complete the mandatory KYC verification process. The Eligible Investors should also refer to the operational guidelines of the EBP in this respect. The disclosures required pursuant to the EBP Guidelines are set out hereinbelow:</p>

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

		<table border="1"> <tr> <td>Details of size of the Issue including green shoe option, if any</td> <td>Total Issue size of Issue: INR 60,00,00,000/- (Indian Rupees Sixty Crores Only)</td> </tr> <tr> <td>Bid opening and closing date</td> <td>Bid opening date: 12<sup>th</sup> November 2024; and Bid closing date: 12<sup>th</sup> November 2024.</td> </tr> <tr> <td>Minimum Bid lot</td> <td>100 (One Hundred) Debentures (aggregating to INR 1,00,00,000 (Indian Rupees One Crore), and 1 (one) Debenture thereafter.</td> </tr> <tr> <td>Manner of bidding in the Issue</td> <td>Closed Bidding</td> </tr> <tr> <td>Manner of allotment in the Issue</td> <td>The allotment will be done on Uniform Yield basis in accordance with EBP Guidelines.</td> </tr> <tr> <td>Manner of settlement in the Issue</td> <td>Pay-in of funds through ICCL and the account details are given in the Section 4.2 (<i>Process flow of settlement</i>) of this Key Information Document.</td> </tr> <tr> <td>Settlement cycle</td> <td>T+1, where T refers to the date of bid opening date / issue opening date</td> </tr> </table>	Details of size of the Issue including green shoe option, if any	Total Issue size of Issue: INR 60,00,00,000/- (Indian Rupees Sixty Crores Only)	Bid opening and closing date	Bid opening date: 12 <sup>th</sup> November 2024; and Bid closing date: 12 <sup>th</sup> November 2024.	Minimum Bid lot	100 (One Hundred) Debentures (aggregating to INR 1,00,00,000 (Indian Rupees One Crore), and 1 (one) Debenture thereafter.	Manner of bidding in the Issue	Closed Bidding	Manner of allotment in the Issue	The allotment will be done on Uniform Yield basis in accordance with EBP Guidelines.	Manner of settlement in the Issue	Pay-in of funds through ICCL and the account details are given in the Section 4.2 ( <i>Process flow of settlement</i> ) of this Key Information Document.	Settlement cycle	T+1, where T refers to the date of bid opening date / issue opening date
Details of size of the Issue including green shoe option, if any	Total Issue size of Issue: INR 60,00,00,000/- (Indian Rupees Sixty Crores Only)															
Bid opening and closing date	Bid opening date: 12 <sup>th</sup> November 2024; and Bid closing date: 12 <sup>th</sup> November 2024.															
Minimum Bid lot	100 (One Hundred) Debentures (aggregating to INR 1,00,00,000 (Indian Rupees One Crore), and 1 (one) Debenture thereafter.															
Manner of bidding in the Issue	Closed Bidding															
Manner of allotment in the Issue	The allotment will be done on Uniform Yield basis in accordance with EBP Guidelines.															
Manner of settlement in the Issue	Pay-in of funds through ICCL and the account details are given in the Section 4.2 ( <i>Process flow of settlement</i> ) of this Key Information Document.															
Settlement cycle	T+1, where T refers to the date of bid opening date / issue opening date															
19.	<b>Specific declaration requested by BSE: non-equity regulatory capital</b>	<p>This issue of Debentures does not form part of non-equity regulatory capital mentioned under Chapter V of the SEBI NCS Regulations.</p> <p>The face value of each Debenture is INR 1,00,000 (Indian Rupees One Lakh Only).</p>														

### Background

This Key Information Document (as defined below) is related to the issue of up to 6,000 (Six Thousand) senior, secured, listed, rated, redeemable, transferable, non-convertible debentures having a face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each, for cash, at par, amounting up to INR 60,00,00,000/- (Indian Rupees Sixty Crores Only), in a dematerialised form, on a private placement basis, to be issued by **IKF Finance Limited** (the “**Issuer**” or “**Company**”) and contains relevant information and disclosures required for the purpose of issuing of the Debentures and must be read along with the General Information Document issued by the Issuer. The issue of the Debentures comprised in the Issue and described under this Key Information Document has been authorised by the Issuer through resolutions passed by the shareholders of the Issuer on 30<sup>th</sup> September, 2024 in accordance with provisions of the Companies Act, 2013 under Section 42, the Board of Directors of the Issuer on 05<sup>th</sup> November 2024 read along with the resolution of the management committee of the Board dated 6<sup>th</sup> November 2024 and Memorandum and Articles of Association of the Company. Pursuant to the resolution passed by the Company’s shareholders dated 30<sup>th</sup> September, 2024 in accordance with provisions of the Companies Act, 2013 under Section 180(1)(a) and 180(1)(c), the Company has been authorised to raise funds, by way of issuance of non-convertible debentures, upon such terms and conditions as the Board may think fit for aggregate amounts

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

not exceeding INR 5000,00,00,000/- (India Rupees Five Thousand Crores Only). The present issue of Debentures in terms of this Key Information Document is within the limits as prescribed in such relevant resolution.

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

**THIS KEY INFORMATION DOCUMENT IS PREPARED AND ISSUED IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) REGULATIONS, 2021, ISSUED VIDE NOTIFICATION NUMBER SEBI/LAD-NRO/GN/2021/39 DATED 09<sup>TH</sup> AUGUST 2021, AS AMENDED FROM TIME TO TIME, READ WITH THE CIRCULARS ISSUED THEREUNDER; THE MASTER CIRCULAR FOR ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES, SECURITISED DEBT INSTRUMENTS, SECURITY RECEIPTS, MUNICIPAL DEBT SECURITIES AND COMMERCIAL PAPER ISSUED BY SECURITIES AND EXCHANGE BOARD OF INDIA, ISSUED VIDE CIRCULAR NO. SEBI/HO/DDHS/PoD1/P/CIR/2024/54 DATED 22<sup>ND</sup> May, 2024, AS AMENDED FROM TIME TO TIME, THE PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER PURSUANT TO SECTION 42 OF THE COMPANIES ACT, 2013 READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014 AND PURSUANT TO SECTION 71 OF THE COMPANIES ACT, 2013 READ WITH RULE 18 OF THE COMPANIES (SHARE CAPITAL AND DEBENTURES) RULES, 2014 FOR ISSUE OF NON-CONVERTIBLE DEBENTURES ON A PRIVATE PLACEMENT BASIS. THIS KEY INFORMATION DOCUMENT SHALL BE READ IN CONJUNCTION WITH THE GENERAL INFORMATION DOCUMENT DATED 9<sup>TH</sup> October 2024.**

Particulars	Date
Issue Opening Date	12 <sup>th</sup> November 2024
Issue Closing Date	12 <sup>th</sup> November 2024
Pay In Date	13 <sup>th</sup> November 2024
Deemed Date of Allotment	13 <sup>th</sup> November 2024

#### Listing

The Debentures are proposed to be listed on the wholesale debt market of the BSE. The Issuer has obtained an in-principle approval in relation to the General Information Document from the Stock Exchange on 10.11 2024.

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

## TABLE OF CONTENTS

<b>SECTION 1: DEFINITIONS AND ABBREVIATIONS .....</b>	<b>8</b>
<b>SECTION 2: REGULATORY DISCLOSURES.....</b>	<b>14</b>
<b>SECTION 3: TRANSACTION DOCUMENTS AND KEY TERMS .....</b>	<b>31</b>
<b>SECTION 4: OTHER INFORMATION AND APPLICATION PROCESS.....</b>	<b>63</b>
<b>SECTION 5: FORM NO. PAS-4 .....</b>	<b>67</b>
<b>ANNEXURE I: RATING LETTER, RATING RATIONALE AND DETAILED PRESS RELEASE FROM THE RATING AGENT .....</b>	<b>84</b>
<b>ANNEXURE II: CONSENT LETTER FROM THE DEBENTURE TRUSTEE.....</b>	<b>85</b>
<b>ANNEXURE III: APPLICATION FORM.....</b>	<b>105</b>
<b>ANNEXURE IV: ILLUSTRATION OF BOND CASH FLOWS.....</b>	<b>111</b>
<b>ANNEXURE V - PART I: BOARD RESOLUTION .....</b>	<b>112</b>
<b>ANNEXURE V - PART II: MANAGEMENT COMMITTEE RESOLUTION .....</b>	<b>114</b>
<b>ANNEXURE VI: SHAREHOLDERS RESOLUTION .....</b>	<b>115</b>
<b>ANNEXURE VII: DUE DILIGENCE CERTIFICATES.....</b>	<b>121</b>
<b>ANNEXURE VIII: CONSENT LETTER OF THE REGISTRAR AND TRANSFER AGENT.....</b>	<b>123</b>
<b>ANNEXURE IX: IN-PRINCIPLE APPROVAL .....</b>	<b>124</b>
<b>ANNEXURE X: LAST AUDITED FINANCIAL STATEMENTS.....</b>	<b>125</b>

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

## SECTION 1: DEFINITIONS AND ABBREVIATIONS

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

Business Day	<p>shall be any day (other than a Sunday or a public holiday) under Section 25 of the Negotiable Instruments Act, 1881, on which scheduled commercial banks are open for general business in Mumbai and Vijayawada, India.</p> <p>Additionally, the day on which payment of interest/redemption with respect to debt securities falls due, it has been decided that interest/ redemption payments shall be made only on the days when the money market is functioning in Mumbai and Vijayawada, India. "Business Days" shall be construed accordingly.</p>
CARE	shall mean CARE Ratings Limited a company incorporated under the Companies Act, 1956 and validly existing under the Companies Act, 2013 having corporate identification number L67190MH1993PLC071691 and its registered office at Godrej Coliseum, 4 <sup>th</sup> Floor, Somaiya Hospital Road, Off E - Express Highway Sion East, Mumbai - 400022, Maharashtra, India.
Conditions Precedent	means the conditions precedent set out under the heading in Section 2.8 ( <i>Issue Details</i> ) of this Key Information Document.
Conditions Subsequent	Means the conditions subsequent set out in Section 2.8 ( <i>Issue Details</i> ) of this Key Information Document.
Debenture Trust Deed	means the trust deed executed / to be executed by and between the Debenture Trustee and the Issuer which will set out the terms upon which the Debentures are being issued and shall include the representations and warranties and the covenants to be provided by the Issuer on or around the date of this Key Information Document.
Debenture Trustee	<p>Vardhman Trusteeship Private Limited, a company incorporated under the provisions of the Companies Act, 1956 and validly existing under the provisions of the Companies Act, 2013 with corporate identification number - U65993WB2010PTC152401 and having its registered office at 3rd Floor, Room No - 15 6, Lyons Range, Turner Morrison House, Kolkata - 700001, West Bengal, India and corporate office at The Capital, A Wing, 412A, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051, and branch office at 411, 4th Floor, Antriksh Bhawan, 22, KG Marg, Connaught Place, New Delhi - 110001, India.</p> <p>A copy of the consent letter has been annexed hereto in <b>Annexure II</b> of this Key Information Document</p> <p>Further, a copy of the due diligence certificate is set out in <b>Annexure VII</b> of this Key Information Document hereto.</p>
Debenture Trustee Agreement	means the agreement executed by and between the Debenture Trustee and the Issuer for the purposes of appointment of the Debenture Trustee to act as debenture trustee in connection with the issuance of the Debentures on or around the date of this Key Information Document.
Debentures	Issue of up to 6,000 (Six Thousand) senior, secured, listed, rated, redeemable, transferable, non-convertible debentures having a



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

	face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each, for cash, at par, amounting up to INR 60,00,00,000/- (Indian Rupees Sixty Crores Only), in a dematerialised form, on a private placement basis.
Deed of Hypothecation	Shall mean the deed of hypothecation dated on or around the date of the Debenture Trust Deed to create a first ranking, exclusive, current and continuing charge over the Hypothecated Assets, to be executed between the Issuer and the Debenture Trustee to secure the Payment Obligations in relation to the Debentures.
Deemed Date of Allotment	shall mean the date on which the Debentures shall have been deemed to be allotted to the Debenture Holders – 13 <sup>th</sup> November 2024.
EBP Guidelines	means the guidelines issued by SEBI with respect to electronic book mechanism under the terms of the SEBI NCS Master Circular and the operational guidelines issued by the relevant Electronic Book Provider, as may be amended, clarified or updated from time to time.
Eligibility Criteria	<p>means commencing from the effective date of the Deed of Hypothecation until the Final Settlement Date:</p> <ul style="list-style-type: none"> <li>(a) each Loan underlying the Hypothecated Assets shall be standard at the time of selection and shall not be terminated or prepaid;</li> <li>(b) no Loan underlying the Hypothecated Assets should have been restructured or rescheduled (determined in accordance with the criteria prescribed by the RBI);</li> <li>(c) each Loan (as defined under the Deed of Hypothecation) underlying the Hypothecated Assets must be in compliance with all applicable know your customer requirements prescribed by the RBI;</li> <li>(d) each Loan underlying the Hypothecated Assets must have been originated by the Company, and must not have been purchased from any other third party;</li> <li>(e) each Loan underlying the Hypothecated Assets must be in compliance with all customer protection regulations as prescribed by the RBI;</li> <li>(f) each Loan underlying the Hypothecated Assets from related parties shall not be included in hypothecated Receivables;</li> <li>(g) each Loan underlying the Hypothecated Assets must conform to the credit and underwriting policies adopted by the Company;</li> <li>(h) each Loan underlying the Hypothecated Assets shall not be obtained from a related party;</li> <li>(i) other than the Security Interest created pursuant to the Debenture Trust Deed and Security Documents, each Loan underlying the Hypothecated Assets must be free from all encumbrances and should not be subject to any lien or charge; and</li> <li>(j) each Loan underlying the Hypothecated Assets is a Client Loans and is standard as per RBI guidelines at the time of creation of the Security.</li> </ul>
Eligible Investors	has the meaning given to it under Section 4.4 of the Key

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

	Information Document.
Events of Default	means the events of default set out in Section 2.8 ( <i>Issue Details</i> ) of this Key Information Document, and “Event of Default” shall be construed accordingly.
Final Redemption Date	means the date occurring on the expiry of up to 28 (Twenty-Eight) Months - 852 (Eight Hundred and Fifty Two) days from the Deemed Date of Allotment, being – 15 <sup>th</sup> March 2027.
Financial Indebtedness	shall mean in relation to any Person any indebtedness of such Person for or in respect of: <ul style="list-style-type: none"> <li>(a) moneys borrowed;</li> <li>(b) any amount raised by acceptance under any acceptance credit facility or dematerialised equivalent;</li> <li>(c) any amount raised by acceptance of vendor bill discounting facility, receivables bill discounting or dematerialised equivalent;</li> <li>(d) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument including any accrued interest or redemption premium thereon;</li> <li>(e) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with the Applicable Accounting Standards, be treated as a finance or capital lease;</li> <li>(f) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);</li> <li>(g) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing, including on any other direct or indirect or secured or unsecured recourse basis;</li> <li>(h) shares which are expressed to be redeemable, or any shares or instruments convertible into shares, or any shares or other securities, in each case which are otherwise the subject of a put option or call option or any form of guarantee;</li> <li>(i) any counter-indemnity obligation in respect of a guarantee, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution;</li> <li>(j) any amount of any liability under any advanced or deferred purchase agreement if one of the primary reasons behind the entry into such agreement is to raise finance;</li> <li>(k) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value shall be taken into account); and</li> <li>(l) the amount of any liability in respect of any indemnity (without double counting) for any of the items referred to in paragraphs (a) to (k) above.</li> </ul>
General Information Document	means the General Information Document issued by the Issuer dated 9 <sup>th</sup> October 2024 for the purpose of issue of the non-

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

	convertible securities on a private placement basis in accordance with applicable Laws.
Hypothecated Assets	has the meaning given to it in the Section 2.8 ( <i>Issue Details</i> ) of the Key Information Document.
Interest Payment Dates	means the payment dates as specified in <b>Annexure IV</b> of this Key Information Document.
Interest Rate/Coupon Rate	Fixed rate of 9.90% p.a. (Nine point Nine zero percent per annum) and payable semi-annually.
Issue	means the private placement of the Debentures.
Issue Closing Date	12 <sup>th</sup> November 2024
Issue Opening Date	12 <sup>th</sup> November 2024
Key Information Document	This Key Information Document dated 8 <sup>th</sup> November 2024.
Majority Debenture Holders	shall mean, such number of Debenture Holders collectively holding more than 50% (fifty percent) of the value of the nominal amount of the Debentures for the time being outstanding.
Material Adverse Effect	<p>Material Adverse Effect' shall mean the effect or consequence of an event, circumstance, occurrence or condition which in the sole opinion of the Debenture Trustee (acting on the resolution of Majority Debenture Holders), has caused, as of any date of determination or could reasonably expect to cause, a material and adverse effect on.</p> <p>(a) the financial condition, assets, results of prospects, credit standing on the business, conditions, operation, profits, or sales of the Issuer where the net worth erodes by more than 50%;</p> <p>(b) the ability of the Issuer to enter into, perform or comply with its obligations under any Transaction Document;</p> <p>(c) the validity, legality or enforceability of, or the rights or remedies of any Debenture Holder under, any Transaction Document including the ability of any party to enforce any of its remedies thereunder; and</p> <p>(d) any other effect or change which adversely affect the interest of the Debenture Holder(s) or the Debenture Trustee under any of the Transaction Documents.</p>
Net Worth	has the meaning given to it in the Act.
Outstanding Amounts	shall mean the Coupon, Default Interest, if any, additional interest, liquidated damages (if any) payable in relation to the Debentures, costs, indemnities, charges, expenses, fees (including the remuneration of the Debenture Trustee, Rating Agent and the Receiver, attorneys etc. and), all taxes, levies, cess including stamp duty and any/all other reasonable amounts, costs, charges due and payable by the Issuer under the Transaction Documents.
Outstanding Principal Amount	means, at any date, the principal amount outstanding under the Debentures.
Payment Defaults	means any event, act or condition which, with notice or lapse of time, or both, would constitute an Event of Default under paragraph (a) under the section named "Events of Default" under Section 2.8 ( <i>Issue Details</i> ) of this Key Information Document.
Payment Obligations	shall mean the aggregate of the Outstanding Amounts and the

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

	Redemption Amounts.
Private Placement Offer cum Application Letter/PPOAL	The offer cum application letter prepared in compliance with Section 42 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014.
Purpose	<p>means the purpose for which the Debentures are issued being the proceeds of the issuance of Debentures will be utilized by the Issuer for the following purpose of raising debt for the ongoing business of the Issuer (including the expansion of the Issuer's onward lending).</p> <p>Provided that no part of the proceeds shall be utilized directly/indirectly towards the following:</p> <p>(a) capital markets (including equity, debt, debt linked and equity linked instruments or any other capital market related activities);</p> <p>(b) any speculative purposes;</p> <p>(c) any activity in the Exclusion List or investment in the real estate sector; and</p> <p>(d) in contravention of any applicable law.</p>
Rating	"CARE A (Stable)" assigned by the Rating Agent.
Rating Agent	means CARE Ratings Limited a company incorporated under the Companies Act, 1956 and validly existing under the Companies Act, 2013 having corporate identification number L67190MH1993PLC071691 and its registered office at Godrej Coliseum, 4 <sup>th</sup> Floor, Somaiya Hospital Road, Off E – Express Highway Sion East, Mumbai – 400022, Maharashtra, India.
Record Date	means the date falling 15 (Fifteen) days prior to the Coupon Payment Date or the Redemption Date.
Redemption Date	means each of the Final Redemption Date and the dates on which a Redemption Payment is required to be made as more particularly set out in <b>Annexure IV</b> this Key Information Document.
Redemption Payment	means the payment of the Outstanding Principal Amounts of the Debentures on the Redemption Dates (including the Final Redemption Date) or any other date in accordance with the Debenture Trust Deed.
Register of Beneficial Owners	means the register of beneficial owners of the Debentures maintained in the records of the Depositories
R&T Agent/Registrar	shall mean Bigshare Services Private Limited, a company incorporated and validly existing under the Companies Act, 2013 with corporate identification number U99999MH1994PTC076534 and having its registered office at E-3 Ansa Industrial Estate, Saki Vihar Road, Sakinaka, Mumbai, Maharashtra - 400072, India.
SEBI	Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992 (as amended from time to time).
SEBI NCS Master Circular	means a master circular issued by SEBI, bearing reference number SEBI/HO/DDHS/PoD1/P/CIR/2024/54 dated May 22, 2024, titled "Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper" as

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

	amended from time to time.
SEBI Debenture Trustees Master Circular	means a master circular issued by SEBI, bearing reference number SEBI/HO/DDHS/PoD3/P/CIR/2024/46 dated May 16, 2024, titled “Master Circular for Debenture Trustees” as amended from time to time.
SEBI NCS Regulations	The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 together with the SEBI NCS Master Circular, as amended from time to time.
Security Cover	has the meaning given to it in the Section 2.8 ( <i>Issue Details</i> ) of the Key Information Document.
Stock Exchange	shall mean BSE.
Tangible Net Worth	means, with respect to any person, the amount paid up on such person’s issued equity share capital, compulsorily convertible and any amount standing to the credit of its reserves, less equity or equity-like investments, goodwill, deferred tax assets and other intangible assets.
Tier I Capital	has the meaning given to it in the NBFC Directions.
Tier II Capital	has the meaning given to it in the NBFC Directions.
Transaction Documents	The documents executed or to be executed in relation to the issuance of the Debentures as more particularly set out in Section 2.8 of this Key Information Document.
Transaction Security	has the meaning given to it in the Section 2.8 ( <i>Issue Details</i> ) of this Key Information Document.
WDM	Wholesale Debt Market segment of the BSE.

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

## SECTION 2: REGULATORY DISCLOSURES

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

### 2.1 Expenses of the issue:

Particulars of expenses	Amount	Percentage of total expenses	Percentage of total issue size
Lead Manager Fees	NA	NA	NA
Underwriting Commission	NA	NA	NA
Brokerage, selling commission and upload fees	NA	NA	NA
Fees payable to the registrar to the issue	5000	1.09	0.00
Fees payable to the legal advisors	1,30,000	28.34	0.11
Advertising and marketing expenses	NA	NA	NA
Fees payable to the regulators including stock exchange	3,23,750	70.57	0.27
Expenses incurred on printing and distribution of issue stationary	NA	NA	NA
Any other fees, commission or payments under whatsoever nomenclature	NA	NA	NA

Note: The ratio of Expenses to the total Issue Size has been estimated assuming the issuance is fully subscribed i.e. amounting to INR 60,00,00,000/- (Indian Rupees Sixty Crores Only).

### 2.2 Debt: Equity Ratio of the Company:

Before the issue	3.10
After the issue	3.22

Note - Net worth figure has been taken as on 31<sup>st</sup> March 2024.

Borrowings figure has been taken as on 31<sup>st</sup> March 2024.  
Calculations

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

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

(Rs in Lakhs)

Debt	273290.99
Equity	88066.06
Debt/Equity	3.10

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

(Rs in Lakhs)

Debt	283290.99
Equity	88066.06
Debt/Equity	3.22

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

The Debenture Trustee for the proposed issue of Debentures shall be Vardhman Trusteeship Private Limited and has given its written consent for its appointment as debenture trustee to the Issue and inclusion of its name in the form and context in which it appears in this Key Information Document and in all the subsequent periodical communications sent to the Debenture Holders. The consent letter from Debenture Trustee is provided in **Annexure II** of this Key Information Document.

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

The Rating Agent has assigned a rating of “**CARE A Outlook: Stable**” (pronounced as “CARE A Stable”) to the Debentures. The rating letter from the Rating Agent and the rating rationale from the Rating Agent along with the detailed press release is provided in **Annexure I** of this Key Information Document.

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

Not Applicable.

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

S. No.	Particulars	Details
1.	Legal Counsel (if any)	Name: Juris Corp, Advocates & Solicitors Logo:  Contact Person: Partner, Securities Address: 302, Century Bhavan, 3 <sup>rd</sup> Floor,

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

S. No.	Particulars	Details
		Dr Annie Besant Road, Worli, Mumbai - 400 030, India Email: <a href="mailto:securities@juriscorp.in">securities@juriscorp.in</a> Tel: 022 6720 5555 Website: <a href="http://www.juriscorp.in">www.juriscorp.in</a>
2.	Guarantor (if applicable)	Not Applicable
3.	Arrangers, if any	Not Applicable

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

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

Coupon and all other charges shall accrue based on actual/actual day count convention in accordance with Chapter III (Day count convention, disclosure of cash flows and other disclosures in the offer document) of the SEBI NCS Master Circular, as may be amended and modified from time to time.

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

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

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

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

Security Name (Name of the non-convertible securities which includes Coupon / dividend, Issuer Name and maturity year)	9.90% IKF Finance 2027
Issuer	IKF Finance Limited
Type of Instrument	Senior, Secured, Listed, Rated, Redeemable, Transferable, Non-Convertible Debentures.
Nature of Instrument (Secured or Unsecured)	Senior, Secured, Listed, Rated, Redeemable, Transferable, Non-Convertible Debentures.
<b>Issue Schedule</b>	Date of opening of the Issue: 12 <sup>th</sup> November 2024 Date of closing of the Issue: 12 <sup>th</sup> November 2024 Pay-in date: 13 <sup>th</sup> November 2024 Deemed Date of Allotment: 13 <sup>th</sup> November 2024



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

Seniority (Senior or subordinated)	Senior
Eligible Investors	Please refer to Section 4.4 (Eligible Investors).
Listing (name of stock Exchange(s) where it will be listed and timeline for listing)	<p>BSE</p> <p>(a) The Issuer shall submit all duly completed documents to the BSE, SEBI, ROC or any other Governmental Authority, as are required under Applicable Law and procure permission for listing of the Debentures from the Stock Exchange within (T+3) working days, wherein "T" shall be referred to the issue closing date ("<b>Listing Period</b>").</p> <p>(b) The Issuer shall ensure that the Debentures continue to be listed on the wholesale debt market segment of the BSE.</p> <p>(c) In the event there is any delay in listing of the Debentures beyond (T+3) working days, wherein "T" shall be referred to the issue closing date, the Issuer will pay to the Debenture Holders, penal interest of 1% (one percent) per annum over the Interest Rate, from the date of allotment of the Debentures until the date of listing, when the listing of the Debentures is completed.</p>

Rating of Instrument	"CARE A Outlook: Stable" issued by CARE
Issue Size	INR up to 60,00,00,000/- (Indian Rupees Sixty Crores Only)
Minimum Subscription	Minimum of 100 Debentures and then in multiples of 1 Debenture thereafter
Option to retain oversubscription (Amount)	Not Applicable
Objects of the Issue / Purpose for which there is requirement of funds	<p>The proceeds of the issuance of Debentures will be utilized by the Issuer for the following purpose of raising debt for the ongoing business of the Issuer (including the expansion of the Issuer's onward lending).</p> <p>Provided that no part of the proceeds shall be utilized directly/indirectly towards the following:</p> <p>(a) capital markets (including equity, debt, debt linked and equity linked instruments or any other capital market related activities);</p> <p>(b) any speculative purposes;</p> <p>(c) any activity in the Exclusion List or investment in the real estate sector; and</p> <p>(d) in contravention of any applicable Law.</p>

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

In case the issuer is a NBFC and the objects of the issue entail loan to any entity who is a 'group company' then disclosures shall be made in the prescribed format:	Not Applicable. The proceeds raised from the Issue will be used solely for the Purpose (Defined in Section 1)
Details of the utilization of the Issue Proceeds	100% (One Hundred Percent) of the issue proceeds will be utilized only towards raising debt for the ongoing business of the Issuer (including the expansion of the Issuer's onward lending).
Coupon Rate	Fixed Coupon – 9.90% p.a. (Nine point nine zero percent per annum) and payable semi-annually
Step Up / Step Down Coupon Rate	<p>If the credit rating of the Debentures is downgraded from the current rating of "CARE A Outlook: Stable" ("<b>Rating</b>") at any point of time during the tenor of the Debentures, the Coupon shall increase by 0.25% (zero point two five percent) for each notch downgrade of 1 (one) notch from the Rating of the Debentures ("<b>Step Up Rate</b>"). Such increased rate of Coupon at the Step Up Rate shall be applicable from the date of such downgrade ("<b>Step Up</b>").</p> <p>Following the Step Up, until the rating of the Debentures is restored to the Rating, if the rating of the Debentures is upgraded, the prevailing Step Up Rate shall be decreased by 0.25% (zero point two five percent) for each upgrade of 1 (one) notch from the rating of the Debentures (until the rating of the Debentures is restored to the Rating) and such decreased rate of Coupon shall be applicable from the date of such upgrade. PROVIDED THAT the decreased rate of Coupon in accordance with this provision cannot, in any case, be lower than the Coupon.</p> <p>In case the Company has obtained rating in relation to the Debentures from more than one rating agency, the lowest rating issued by the rating agency in relation to the Debentures shall be considered for the purpose of increase in the Coupon.</p>
Coupon Payment Frequency	Semi-Annually
Coupon Payment Dates	As per the dates set out in <b>Annexure IV</b> of this Key Information Document.
Coupon Type (Fixed, floating or other structure)	Fixed
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc.)	Not Applicable
Day Count Basis (Actual /	Actual / Actual.

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

Actual)	<p>The Coupon (if any) shall be computed on the basis of actual number of days elapsed in a year, for this purpose a year shall comprise of a period of 365 (three hundred and sixty-five) days.</p> <p>In case of a leap year, if 29<sup>th</sup> February of the relevant leap year falls during the Tenor of the Debentures, then the number of days shall be reckoned as 366 (three hundred and sixty-six) days for the one-year period.</p>
Interest on Application Monies	<p>(a) Interest at the Coupon rate (subject to Tax deduction under the Applicable Law or any other statutory modification or re-enactment thereof, if applicable) will be paid to the Applicants on the Application Monies for the Debentures from the Pay-in Date up to 1 (one) day prior to the Deemed Date of Allotment for all valid applications within such timelines as agreed by the Parties; and</p> <p>(b) Where Pay-in Date and Deemed Date of Allotment fall on the same date, no interest on Application Monies is to be paid to the Applicants.</p>
Default Interest Rate	<p>In case of default in payment of Coupon and / or Redemption Amount on as per the Payment Mechanism, additional coupon rate of 2% p.a. (two percent per annum) payable semi-annually over the Coupon rate will be payable by the Issuer from the date of default till such default in payment of Coupon and/or Redemption Amount is rectified.</p> <p>In case of default by the Issuer in the performance of any of the covenants of this Issue, including but not limited to the (i) Affirmative Covenants after a cure period of 30 (thirty) days, (ii) Negative Covenants and and Reporting Covenants, additional coupon rate of 2% p.a. (two percent per annum) payable semi-annually over the Coupon rate will be payable by the Issuer from the date of default till such default is rectified.</p> <p>In case of default in the performance of the Financial Covenants after the cure period as set out herein, additional coupon of 1% p.a. (one percent per annum) payable semi-annually over the Coupon rate will be payable.</p> <p>Any failure to create and perfect security over the Hypothecated Assets within the timelines set out in the Transaction Documents shall attract 2% p.a. (two percent per annum) additional interest payable semi-annually over the Coupon rate and give an option to the Debenture holders for early redemption.</p> <p>Each of the default coupon rates mentioned above are mutually exclusive and will be payable in the event the circumstance triggering the default coupon rate occurs.</p> <p>If the Company fails to execute the Debenture Trust Deed on or before the Deemed Date of Allotment, and that in case of delay in execution of the Debenture Trust Deed, the Company will refund the subscription amount</p>

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

	in respect of Debentures subscribed till then with agreed Coupon or pay additional Default Interest of 2% (two percent) per annum over the Coupon Rate till the Debenture Trust Deed is executed, at the option of the Debenture Holders.
Tenor	up to 28 (twenty-eight) Months i.e., 852 (eight hundred and fifty two) days from the Deemed Date of Allotment
Redemption Date / Maturity Date	15 <sup>th</sup> March 2027 The Debentures shall be redeemed on a pro rata basis as set out in Annexure <b>IV</b> and shall be fully redeemed by the Final Redemption Date.
Principal Redemption	Principal to be redeemed in equal tranches in the last 2 (two) months.
Redemption Premium/ Discount	Not Applicable
Redemption Amount	At par
Early Redemption	Not Applicable
Mandatory Redemption	Not Applicable
Early Redemption Date/ Mandatory Redemption Date	Not Applicable
Early Redemption Notice	Not Applicable
Voluntary Redemption	Not Applicable
Issue Price	INR 1,00,000 (Indian Rupees One Lakh) per Debenture
Discount at which security is issued and the effective yield as a result of such discount	Not Applicable
Premium / Discount at which security is redeemed and the effective yield as a result of such premium / discount	Not Applicable
Put Option	Not Applicable
Put Option Event	Not Applicable
Put Date	Not Applicable
Put Price	Not Applicable
Call Date	Not Applicable
Call Price	Not Applicable
Put Notification Time (Timelines by which the investor need to intimate Issuer before exercising the put)	Not Applicable

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

Call Notification Time (Timelines by which the Issuer need to intimate investor before exercising the call)	Not Applicable
Face Value	INR 1,00,000/- (Indian Rupees One Lakh only) per Debenture
Minimum Application and in multiples of thereafter	100 (One Hundred) Debentures (aggregating to INR 1,00,00,000 (Indian Rupees One Crore), and 1 (one) Debenture thereafter
Issue Timing 1) Issue Opening Date 2) Issue Closing Date 3) Date of earliest closing of the Issue, if any 4) Deemed Date of Allotment 5) Pay-in Date	1) 12 <sup>th</sup> November 2024 2) 12 <sup>th</sup> November 2024 3) 12 <sup>th</sup> November 2024 4) 13 <sup>th</sup> November 2024 5) 13 <sup>th</sup> November 2024
Settlement mode of the Instrument	RTGS / NEFT / IMPS
Depositories	NSDL and CDSL
Disclosure of Interest / Dividend / Redemption Dates	Please refer to <b>Annexure IV</b> in this Key Information Document.
Record Date	As set out more particularly in Section 1 of this Key Information Document.
All covenants of the issue (including side letters, accelerated payment clause, etc.)	<p><b>Representations and Warranties</b> Please refer to Section 3.1 of this Key Information Document.</p> <p><b>Affirmative Covenants</b> Please refer to Section 3.2 (a) of this Key Information Document.</p> <p><b>Negative Covenants</b> Please refer to Section 3.2 (b) of this Key Information Document.</p> <p><b>Reporting Covenants</b> Please refer to Section 3.2 (c) of this Key Information Document.</p> <p><b>Financial Covenants</b> Please refer to Section 3.2 (d) of this Key Information Document.</p>
Description regarding Security (where applicable) including type of security (movable / immovable / tangible etc.), type of charge	The value of the Hypothecated Assets charged as Security in favour of the Debenture Trustee is maintained at least 1.10x (one decimal point one zero times) the aggregate amount of the Payment

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

<p>(pledge / hypothecation / mortgage etc.), date of creation of security / likely date of creation of security, minimum security cover, revaluation, replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Debenture Trust Deed and disclosed in the General Information Document.</p>	<p>Obligations in relation to the Debentures and shall be maintained at all times until the redemption of the Debentures and payment of the Payment Obligations (“<b>Security Cover</b>”) till the Final Settlement Date, (on the terms and conditions mentioned under the Transaction Documents) in accordance with Applicable Law and the Transaction Documents. The terms and process of creation of hypothecation shall be provided at length under the Deed of Hypothecation.</p> <p>If the Security in respect of Debentures falls below the Security Cover as specified in this Key Information Document on any account, the Company shall within 30 (thirty) Business Days of such occurrence, hypothecate further assets or such additional Security as may be acceptable to the Debenture Trustee to maintain the Security Cover in the manner set out in the Deed of Hypothecation.</p> <p><b>Eligibility Criteria:</b> The loans forming part of the Hypothecated Assets shall satisfy the Eligibility Criteria and such other requirements set out in the Deed of Hypothecation.</p> <p><b>Replacement of security:</b> The Company shall, within the timelines prescribed under the Deed of Hypothecation replace such Hypothecated Assets that do not satisfy the Eligibility Criteria.</p> <p>In case of any repugnancy between the provisions of the clause in this Key Information Document for the creation of hypothecation and the terms provided in the Deed of Hypothecation for the creation of mortgage over the Hypothecated Assets, the terms of the Deed of Hypothecation shall prevail.</p>
<p>Transaction Documents</p>	<p>shall mean and includes:</p> <ul style="list-style-type: none"> <li>(a) the Debenture Trustee Consent Letter;</li> <li>(b) Certified true copy of the Board resolution of the Issuer dated 05<sup>th</sup> November 2024;</li> <li>(c) Certified true copy of a resolution of the management committee of the Board of the Issuer dated 6<sup>th</sup> November 2024;</li> <li>(d) Certified true copy of the shareholder’s resolution of the Issuer passed under Section 42 of the Act dated 30<sup>th</sup> September, 2024;</li> <li>(e) Certified true copy of the shareholders resolution of the Issuer passed under Section 180(1)(a) of the Act dated 30<sup>th</sup> September 2024 and Section 180(1)(c) of the Act dated 30<sup>th</sup> September, 2024;</li> <li>(f) General Information Document and Key Information Document;</li> <li>(g) the Debenture Trustee Appointment Agreement;</li> <li>(h) the Debenture Trust Deed;</li> </ul>

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

	<ul style="list-style-type: none"> <li>(i) the Security Documents;</li> <li>(j) Tripartite agreements executed between the Issuer, the Depository and the RTA;</li> <li>(k) Press release from the Rating Agent in respect of the credit rating for the Debentures;</li> <li>(l) In-principle approval as received from the Stock Exchange for listing of the Debentures;</li> <li>(m) Listing Agreement with the Stock Exchange; and</li> <li>(n) Any other document or instrument designated as a transaction document by the Debenture Trustee.</li> </ul>
<p>Conditions Precedent to Disbursement</p>	<ul style="list-style-type: none"> <li>(i) A certified true copy of the constitutional documents of the Company (being its Memorandum and Articles of Association and Certificate of Incorporation) shall have been submitted to the Debenture Trustee.</li> <li>(ii) All corporate approvals from the Board of Directors and shareholders of the Company, if applicable, shall have been received for the issuance of the Debentures and the execution, delivery and performance by the Company of the Transaction Documents in accordance with the Companies Act, 2013, the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other rules prescribed.</li> <li>(iii) A copy of a special resolution passed by the shareholders of the Issuer specifically for purposes of Section 180 of the Act, (ii) the current borrowing limits of the Issuer, in accordance with Section 180(1)(c) of the Act, and (iii) the creation of the Security Interest in favour of the Debenture Trustee in accordance with Section 180(1)(a) of the Act.</li> <li>(iv) Execution of the Form PAS-4, Debenture Trustee Agreement, Debenture Trust Deed, the Deed of Hypothecation and the Power of Attorney (as the case may be), in a form and manner satisfactory to the Debenture Trustee shall have taken place.</li> <li>(v) A copy of the letter from the RTA providing its consent to act as the Registrar for the issue of Debentures.</li> <li>(vi) The Issuer shall have uploaded the Debt Disclosure Documents and the term sheet on the electronic book platform within the timelines set out under applicable Law.</li> <li>(vii) Rating of the Debentures being completed and the rating agency having provided a minimum rating of "CARE A Outlook: Stable" for the</li> </ul>

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

	<p>Debentures and the rating letter issued by the Rating Agency being in a form and manner satisfactory to the Debenture Trustee.</p> <p>(viii) The Company shall have obtained the Debenture Trustee Consent Letter from the Debenture Trustee.</p> <p>(ix) The Company shall have provided to the Debenture Trustee a certificate from a director/company secretary of the Company certifying that:-</p> <ul style="list-style-type: none"><li>a. the Company and its Directors have the necessary powers under the Memorandum and Articles of Association of the Company to borrow moneys and for creation of security pursuant to the issuance of the Debentures;</li><li>b. the borrowing of moneys and creation of security pursuant to the issuance of the Debentures will not cause any limit binding on the Company to be exceeded; and</li><li>c. no Material Adverse Effect has occurred in the Company, and/or the business of the Company.</li></ul> <p>(x) The delivery by the Company to the Debenture Trustee, of certificates signed by authorized signatories of the Company, in a form and substance satisfactory to the Debenture Trustee, with respect to:</p> <ul style="list-style-type: none"><li>a. incumbency and signatures;</li><li>b. absence of any Event of Default, any potential Event of Default, any force majeure event and any Material Adverse Effect;</li><li>c. all representations and warranties contained in the Debenture Trust Deed are true and correct in all material respects on and as of the Deemed Date of Allotment, before and after giving effect to the Issue and to the application of the proceeds therefrom; and</li><li>d. the Debenture Trustee shall have received from the Company its audited account statements for the Previous Year.</li></ul> <p>(xi) Due execution of the Depository Agreements by, inter-alia, the Depository and the Company.</p> <p>(xii) Due execution of the Tripartite Agreement by, inter-alia, the Registrar and Transfer Agent, Depository and the Company.</p> <p>(xiii) The Company shall have submitted to the Debenture Trustee, all required documents for the purpose of satisfying its respective KYC requirements.</p>
--	--



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

	<ul style="list-style-type: none"> <li>(xiv) The Company shall have submitted to the Debenture Trustee, its audited account statements along with independent auditor's report of the Company for the financial year ended on 31<sup>st</sup> March 2024.</li> <li>(xv) The Issuer shall have obtained in-principle approval from the Stock Exchange for listing of the Debentures.</li> <li>(xvi) A copy of the e-Form MGT-14 filed with the Registrar of Companies with respect to the board resolution or shareholders' resolution (as applicable and if required under the Act) passed for the issue of Debentures.</li> <li>(xvii) The Issuer shall have obtained due-diligence certificate from the Debenture Trustee.</li> <li>(xviii) The Issuer shall have complied with all the provisions of the SEBI Debenture Trustees Master Circular in relation to compliance with distributed ledger technology requirements.</li> <li>(xix) The Issuer shall have obtained the International Securities Identification Number (ISIN) in respect of the Debentures.</li> <li>(xx) Payment of all fees and stamp duty under the Transaction Documents executed is done to the satisfaction of the Debenture Trustee.</li> <li>(xxi) The Company shall provide such other information, documents, certificates, opinions and instruments as the Debenture Holder may reasonably request.</li> </ul>
<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"> <li>(i) The Company shall immediately on receipt of funds, take on all necessary steps to, including making all applicable filings in the Registrar of Companies and obtaining all necessary approvals including filing Form PAS 3 along with requisite fee within the timelines prescribed by the Act and Rules thereunder.</li> <li>(ii) Certified true copy of the board resolution for the allotment of the Debentures, within 2 (two) Business Days of the Deemed Date of Allotment.</li> <li>(iii) Copy of Form PAS-5 being maintained by the Company in accordance with the Act, where the Company has recorded the names of the subscribers to the Debentures within 7 (seven) Business Days of Deemed Date of Allotment.</li> <li>(iv) 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.</li> </ul>

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

	<ul style="list-style-type: none"><li>(v) Payment of stamp duty at 0.005% (zero point zero zero five percent) on the Debentures as per the Indian Stamp Act, 1899.</li><li>(vi) The Company shall provide/submit all such post listing disclosures as required under SEBI NCS Master Circular and SEBI NCS Regulations.</li><li>(vii) File e-form CHG 9 with Registrar of Companies within the 30 (thirty) days from the Deemed Date of Allotment.</li><li>(viii) As applicable to the Issuer in accordance with the Applicable Law(s), relevant filings in the prescribed form to be made with an information utility registered with the Insolvency and Bankruptcy Board of India in accordance with Section 215 of the Insolvency Code and other regulations including the Insolvency and Bankruptcy Board of India (Information Utilities) Regulations, 2017.</li><li>(ix) A certificate from the Company's chartered account in respect of the utilization of funds raised by the issue of the Debentures within 90 (Ninety) days from the Deemed Date of Allotment.</li><li>(x) Obtaining the final listing approval from the Stock Exchange in respect of the Debentures (including but not limited to payment of all fees) and list the Debentures on the wholesale debt market segment of BSE within 3 (Three) trading days from the issue closing date of the Debentures.</li><li>(xi) Providing all the necessary assistance to the Debenture Trustee for filing of and registering with the Central Registry under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 for the exercise of the rights, powers and authority hereby conferred on the Debenture Trustee for effecting and perfecting the Security created or purported to be created under the Deed of Hypothecation and for enforcement of such Security within the timeline stipulated under Applicable Law. Any other document as required by the Debenture Trustee.</li><li>(xii) Within 15 (fifteen) Business Days from the Deemed Date of Allotment, a copy of the application filed for obtaining no-objection certificate from the tax authorities under Section 81 of the Central Goods and Services Tax Act, 2017 and Section 81 of the State GST Act in respect of the security to be created by the Company over the Hypothecated Assets owned by it under the Transaction Documents.</li><li>(xiii) A no-objection certificate from the tax authorities under Section 81 of the Central Goods and</li></ul>
--	---

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

	<p>Services Tax Act, 2017 and Section 81 of the State GST Act in respect of the security to be created by the Company over the Hypothecated Assets owned by it under the Transaction Documents as soon as available.</p> <p>(xiv) A certificate from the independent Chartered Accountant in relation to the maintenance of the minimum Security Cover.</p> <p>(xv) Any other document as required by the Debenture Trustee.</p> <p>(xvi) Any other document as required elsewhere under the Transaction Documents.</p>
<p>Events of Default (including manner of voting /conditions of joining Inter Creditor Agreement)</p>	<p>Please refer to Section 3.3 of this Key Information Document.</p>
<p>Creation of recovery expense fund</p>	<p>The Company hereby agrees and undertakes that it shall create a recovery expense fund in the manner as set out in NCS Regulations and the SEBI Debenture Trustees Master Circular or such other circulars as may be specified by the SEBI from time to time and shall inform the Debenture Trustee of the same in writing.</p> <p>Without prejudice to the generality of the foregoing, the Company shall ensure compliance with the SEBI NCS Regulations, as amended/ supplemented from time to time in relation to the creation and maintenance of the recovery expense fund, the key provisions of which are as follows:</p> <p>(a) <u>Creation of Recovery expense fund:</u> The Company shall deposit cash or cash equivalents including bank guarantees towards the contribution to recovery expense fund with the designated stock exchange and submit relevant documents evidencing the same to the Debenture Trustee from time to time. The Company shall ensure that the bank guarantees remains valid for a period of six months post the maturity date of the Debentures. The Company shall keep the bank guarantees in force and renew the bank guarantees at least seven working days before its expiry, failing which the designated stock exchange shall invoke such bank guarantee.</p> <p>(b) <u>Utilisation of recovery expense fund:</u> In the event of default, the Debenture Trustee shall obtain the consent of Debenture Holders for enforcement of security and shall inform the same to the designated stock exchange. The amount lying in the recovery expense fund shall be released by the designated stock exchange to the Debenture Trustee within five working days of receipt of such intimation. The Debenture Trustee shall keep a proper account of all expenses incurred out of the</p>

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

	<p>funds received from recovery expense fund towards enforcement of Security.</p> <p>(c) <u>Refund of recovery expense fund to the Company</u>: The balance in the recovery expense fund shall be refunded to the Company on repayment to the Debenture holders for which a 'No Objection Certificate (NOC)' shall be issued by the Debenture Trustee(s) to the designated stock exchange. The Debenture Trustee shall satisfy that there is no 'default' on any other listed debt securities of the Company before issuing the NOC.</p>
Conditions for breach of covenants (as Specified in the Debenture Trust Deed)	Please refer to sections named "Default Interest Rate" above and Section 3.3 below.
Provisions related to Cross Default Clause	<p>(a) Any Financial Indebtedness of the Issuer or any of their respective subsidiaries is not paid when due nor within any originally applicable grace period;</p> <p>(b) Any Financial Indebtedness of the Issuer or any of their respective subsidiaries is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of any actual/potential event of default or any other similar event (however described);</p> <p>(c) Any commitment for any Financial Indebtedness of the Issuer is cancelled or suspended by a creditor of the Issuer as a result of an event of default or any other similar event (however described);</p> <p>(d) Any creditor of the Issuer becomes entitled to declare any indebtedness of the Issuer is due and payable prior to its specified maturity as a result of an event of default (however described); and</p> <p>(e) A moratorium/suspension is declared in respect of any Financial Indebtedness of the Issuer.</p>
Role and Responsibilities of the Debenture Trustee	Please refer to Section 5.38 ( <i>Issue Details</i> ) of the General Information Document
Risk factors pertaining to the issue	Please refer to Section 3 ( <i>Risk Factors</i> ) of the General Information Document
Governing Law	The Debentures and documentation will be governed by and construed in accordance with the laws of India and the parties submit to the exclusive jurisdiction of the courts in Chennai, India and as more particularly provided for in the Debenture Trust Deed. Notwithstanding anything stated earlier, the Debenture Trustee has the right to commence proceedings before any other court or forum in India.

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

**Note:**

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

As specified in this Key Information Document.

5. **Future Borrowings**

The Company shall be entitled to borrow or raise loans or create encumbrances or avail financial assistance in whatever form, and also issue promissory notes or debentures or other securities, without the consent of, or intimation to the Debenture Holders or the Debenture Trustee in this connection.

However, no such borrowings will have the benefit of the security interest created over the Hypothecated Assets and granted to the Debenture Trustee and Debenture Holders under the Transaction Documents. The Company further confirms and undertakes that it would not create or attempt to create any further charge/encumbrance on the Hypothecated Assets in favour of other lenders or any part thereof, without the consent of the Debenture Trustee/Debenture Holders.

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

Parties	Consent
<b>Directors</b>	Board resolution read along with the resolution passed by the management committee of the board of directors of the Issuer, the copies of which are attached in <b>Annexure V - Part I</b> and <b>Annexure V - Part II</b> of this Key Information Document.
<b>Auditors</b>	Not applicable
<b>Bankers</b>	Not applicable
<b>Debenture Trustee</b>	Copy of the Debenture Trustee consent letter has been set out in <b>Annexure II</b> of this Key Information Document
<b>Solicitors / Advocates</b>	Not applicable
<b>Legal Advisors</b>	Not applicable
<b>Registrar</b>	Copy of the consent letter of the registrar and transfer agent has been set out in <b>Annexure VIII</b> of this Key Information Document

*Key Information Document*  
*Date: 8<sup>th</sup> November 2024*

*Private & Confidential*  
*For Private Circulation Only*

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

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

### SECTION 3: TRANSACTION DOCUMENTS AND KEY TERMS

#### 3.1 Representations and Warranties of the Issuer

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

(a) **Status**

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

(b) **Binding obligations**

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

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

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

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

(d) **Power and authority**

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

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

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

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

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

(f) **No default**

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

(g) **Pari passu ranking**

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

(h) **No proceedings pending**

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

(i) **No misleading information**

(A) All information provided by the Company to the Debenture Trustee/Debenture Holders for the purposes of this Issue is true and accurate in all material respects as at the date it was provided or as at the date (if any) at which it is stated.

(B) It has disclosed all information in the Disclosure Document(s) that is relevant for the Applicants to apply for subscription of the Debentures.

(j) **No Material Adverse Effect**

(i) There has not been and there is no investigation or enquiry by, or order, decree, decision or judgment of, any Governmental Authority been issued or outstanding or to the best of the Company's knowledge (after making due and careful enquiry), anticipated against the Company which would have a Material Adverse Effect on the Company, nor has any notice or other communication (official or otherwise) from any Governmental Authority been issued or outstanding or to the best of the Company's knowledge (after making due and careful enquiry), anticipated with respect to an alleged, actual or potential violation and/or failure to comply with any such applicable Law or requiring them to take or omit any action.

(ii) Neither the Company nor any Group Entity has violated, or breached any applicable Law (including, but not limited to, any Environmental and Social Requirements) which has resulted in or could reasonably be expected to have a Material Adverse Effect.



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

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

(m) **Solvency**

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

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

(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.

(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.

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

(s) **Taxation**

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

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

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

(u) **Audit**

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

(v) **Good Business Standard**

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

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

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

(x) **Employees**

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

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

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

**3.2 COVENANTS OF THE ISSUER:**

(a) **AFFIRMATIVE COVENANTS**

- (a) **Utilization of the issue proceeds**

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

The Company shall utilize the proceeds of this issue in accordance with applicable Laws and regulations and as provided in the Debenture Trust Deed.

(b) **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.

(c) **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.

(d) **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.

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

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

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

Company shall

- (A) 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

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

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;

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

(g) **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.

(h) **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.

(i) **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.

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

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

- (i) notice of any Event of Default or potential Event of Default, each as listed in **Schedule XII (Events of Default)** of the Debenture Trust Deed;
- (ii) periodic review of the ratings obtained by the Company by the credit rating agencies and any revision in the rating as per the listing agreement entered into with the stock exchange;

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

- (iii) details of any material litigation, arbitration or administrative proceedings, etc.; and including those that are required to be disclosed to the stock exchange under the listing agreement entered into with the stock;
- (iv) any and all information required to be provided to the Debenture Holders under the listing agreement that may be entered into between the Company and the BSE; and
- (v) the declaration or distribution of dividend.

(k) **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.

(l) **Further assurances**

Company shall

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

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

- (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.

(m) **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 current and continuing charge on the Hypothecated Assets in favour of the Debenture Trustee for the benefit of the Debenture Holders;
- (ii) that all the Assets that shall be charged to the Debenture Trustee under the Deed of Hypothecation shall always be kept distinguishable and held as the exclusive property of the Company specifically appropriated to this security and be dealt with only under the directions of the Debenture Trustee. The Company shall not create any charge, lien or other encumbrance upon or over the same or any part thereof except in favour of the Debenture Trustee nor suffer any such charge, lien or other encumbrance or any part thereof nor do or allow anything that may prejudice this security and the Debenture Trustee shall be at liberty to incur all costs and expenses as may be necessary to preserve this security and to maintain the same undiminished and claim reimbursement thereof;
- (iii) shall, on and from the Deemed Date of Allotment and at all times thereafter, ensure that the Security Cover Ratio is maintained and towards this end, it shall on or before each relevant Quarterly 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 Deed of Hypothecation so as to ensure

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

- that Security Cover Ratio is maintained at all times from the Deemed Date of Allotment until the redemption of the Debentures in full and perfect the first ranking and exclusive charge of the Debenture Trustee over such modified Hypothecated Assets by filing Form CHG-9 with the concerned ROC and the required filing with the Central Registry in relation thereto as soon as practicable and no later than 30 (thirty) days therefrom;
- (iv) The Company agrees to replace any Receivables that become overdue for more than 90 (ninety) days with current Receivables that meet the Eligibility Criteria in accordance with the terms of the Deed of Hypothecation; Such replacement shall be affected within 15 (fifteen) Business Days of the Hypothecated Assets becoming overdue;
  - (v) Issuer shall not, under any circumstance, transfer, sell, assign or create any encumbrances over or assign the Hypothecated Assets in favour of any third party without the prior written consent of the Debenture Trustee. Without prejudice to the foregoing, any sale, transfer, or assignment of the Hypothecated Property by the Issuer by way of an assignment or securitisation transaction or otherwise shall be subject to the right of first refusal of the Debenture Trustee;
  - (vi) The Company shall provide security cover certificate which specifies that all the Hypothecated Assets are sufficient to meet all the liabilities secured by way of a first ranking and exclusive charge over the Hypothecated Assets;
  - (vii) shall, on and from the Deemed Date of Allotment and date as mentioned in the Deed of Hypothecation, as also whenever required by the Debenture Trustee, give full particulars to the Debenture Trustee of all the Hypothecated Assets from time to time and shall furnish and verify all statements, reports (including Monitoring Reports as prescribed in the Deed of Hypothecation), returns, certificates and information from time to time and as required by the Debenture Trustee and furnish and execute all necessary documents to give effect to the Hypothecated Assets;
  - (viii) the security interest created on the Hypothecated Assets shall be a continuing security as described in the Deed of Hypothecation;
  - (ix) the Hypothecated Assets shall satisfy the eligibility criteria set out in **Schedule XIV (Eligibility Criteria)** of the Debenture Trust Deed;
  - (x) 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
  - (xi) the Debenture Holders shall have a beneficial interest in the moveable Assets of the Company which have been charged to



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

the Debenture Trustee to the extent of the Outstanding Principal Amounts of the Debentures under the Debenture Trust Deed.

(n) **Filings**

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

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

The 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.

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

Company shall in the event a Debenture Holder is a foreign portfolio 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.

(q) **Delay in Security Creation**

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

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

(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

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

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**

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

(v) **General**

- (A) 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;
- (B) 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;
- (C) 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;
- (D) The Company is in compliance with the corporate governance, fair practices code as prescribed by the RBI under the Applicable Law from time to time;
- (E) the Company shall at all times act and proceed in relation to its affairs and business in compliance with applicable Law;
- (F) the Company shall comply with all monitoring and/or servicing requests from the Debenture Trustee;
- (G) the Company shall utilize the proceeds of this Issue in accordance with applicable Laws and regulations;

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

(H) The Company shall ensure that at least 2 (two) independent directors are on the Board of the Company; and

(I) The Company shall promptly provide the access to the Debenture Holders to the management meetings for periodical portfolio monitoring.

(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:

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

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

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

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

(x) **Conditions Subsequent**

Company shall comply with the conditions stipulated in the Debenture Trust Deed.

(y) **Financial Covenants**

Company shall comply with the financial covenants stipulated in the Debenture Trust Deed

(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 laid out in Clause 5.14 and as may be required by SEBI from time to time.

(cc) **Appointment of Nominee Director**

The Company shall appoint the person nominated by the Debenture Trustee(s) in terms of clause (e) of sub-regulation (1) of regulation 15 of the Securities and Exchange Board of India (Debenture Trustees)

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

Regulations, 1993, as a director on its Board of Directors at the earliest and not later than one month from the date of receipt of nomination from the debenture trustee(s) as to appointment of Nominee Director. The Issuer shall amend its Constitutional Documents to provide for the appointment of the Nominee Director by the Debenture Trustee and obtain all consents, as may be required, for this purpose if the same is not provided for already, within the timelines as prescribed under the applicable Law.

**(b) NEGATIVE COVENANTS**

The Issuer shall not without the prior written permission of the Majority Debenture Holders and Debenture Trustee, do or undertake to do any of the following:

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

- (i) The Promoters of the Issuer shall not cease to remain in the executive position of the Company.
- (ii) Change the general nature of its business or undertake any new major business outside financial services or any diversification of its business outside financial services, without the approval of the Majority Debenture Holders.
- (iii) 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 the Debenture Trust Deed.
- (iv) Any sale of assets/business/division that has the effect of exiting the business or re-structuring of the existing business.

**(b) Shareholding and change of capital structure**

- (i) Any action by the Issuer resulting in dilution or change in the shareholding of any equity shareholders on account of any primary investment by existing shareholders or new third-party investors.
- (ii) The Company will not purchase or redeem any of its issued shares or reduce its share capital without the prior written consent of the Debenture Trustee, except for conversion of preference shares.
- (iii) Any transfer of shares by the Promoter by itself or along with any investor leading to a change of control in the Company.
- (iv) Any action by the Issuer resulting in dilution in the shareholding of any equity shareholders or including any action by the Issuer to purchase, redeem, buyback, defease, retire, return or pay any of its equity share capital or resolve to do any of the foregoing.

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

(c) **Dividend**

Declare or pay any dividend to its shareholders during any Financial Year if a Payment Default has occurred and is subsisting and such dividend shall be only out of the profits relating to that financial year and after making all due and necessary provisions, and provided further that there have been no defaults in repayments under the Debentures. In all other cases, prior written consent of the Debenture Holders shall be obtained before declaring dividends.

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

(i) Mergers and Acquisitions, restructuring, amalgamation without approval of the Majority Debenture Holders over and above 10% (ten percent) of the net worth of the Issuer in a Financial Year; and

(ii) Subject to (i) above, enter into any transaction of merger, demerger, consolidation, re-organization, scheme of arrangement or compromise with its creditors or shareholders or effect any scheme of amalgamation or reconstruction. Provided however, that this restriction shall not apply in the event where the compliance with such restriction would result in the Issuer defaulting in its payment obligations in relation to the Debentures.

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

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

(f) **Acquisition**

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

(g) **Joint Venture**

Without the prior written consent of the Majority Debenture Holders:

(i) acquire (or agree to acquire) any shares, stocks, securities or other interest in any joint venture; or

(ii) transfer any assets or lend to or guarantee or indemnify or give security for the obligations of a joint venture (or agree to transfer, lend, guarantee, indemnify or give security for the obligations of a joint venture).

(h) **Loans and Guarantees**

The Company shall not:

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

- (i) Any loans exceeding more than 15% (fifteen percent) of the net worth of the Issuer to any single party and/or guarantees on behalf of the third parties.

(i) **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.

(j) **Immunity**

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

(k) **Auditor**

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

(l) **Liabilities**

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

(m) **Disposal of Assets**

Sell, assign, transfer, or otherwise dispose of or compromise with any of its creditors in any manner whatsoever any material assets, business or division of the Company (whether in a single transaction or in a series of transactions (whether related or not) or any other transactions which cumulatively have the same effect) other than any securitisation/ portfolio sale of assets undertaken by the Issuer in its ordinary course of and pursuant to the reasonable requirements of the Issuer's business and upon fair and reasonable terms.

(n) **Change in structure and management control**

- (i) Any change in Management Control of the Company.

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

- (ii) Change in promoter of the Issuer or any change in "Control" (as per the Act), other than by way of infusion of additional capital by any new investor.

(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) **Financial Year**

Unless mandated by law, the 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.

(r) **Others**

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

(s) **Related Party Transactions**

Without prior written intimation to the Debenture Trustee, the Issuer shall not enter into or perform any transaction(s) with a related party except in the ordinary course of business. Without prejudice to the foregoing, the Issuer shall not without the prior written consent of the Debenture Trustee acting on behalf of Majority Debenture Holders (i) enter into any transaction(s) whereby the overall outstanding amount owed to the Issuer under all such transactions exceeds 10.00% (ten point zero zero percent) of its net worth, (ii) whereby the overall expense incurred through such transactions during any financial year exceeds 10.00% (ten point zero zero percent) of its revenue, or (iii) provide any guarantee for any indebtedness of a related party.

The 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).

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

(t) **Change of business;**

The Issuer shall not without the prior written consent of the Debenture Trustee enter into or perform any transaction other than in its ordinary course of business.

For the purpose of this covenant, the “ordinary course of business” of the Issuer shall mean activities which are carried out by the Issuer pursuant to the Charter Documents and shall fulfill the following conditions as mentioned hereinbelow:

- (i) It is normal for the particular business;
- (ii) It is as per customs and practices of its business and of the Issuer;
- (iii) It involves the usual allocation of resources considering the size and volume of the Issue and it is necessary, normal and usual from the perspective of the Issuer and its line of business; and
- (iv) It is at arm’s length.

(u) **Amendment to Constitutional Documents.**

Change, amend or modify its Charter Documents save and except in case of:

- (i) increase of authorised share capital of the Issuer and / or any reclassification;
- (ii) equity infusion which shall not be detrimental to the interest of the Debenture Holders; and
- (iii) Any change, detrimental to the interest of the Debenture Holders, in its Memorandum of Association and Article of Association. It is clarified that change in authorized shared capital upon prior intimation of the Debenture Trustee is permitted.

(v) **Miscellaneous**

- (i) Any restructuring of any borrowing arrangements or inclusion of co-lent loans;
- (ii) To provide any guarantee except in case of ordinary course of business;
- (iii) Enter into any transaction(s) (including but not limited to loans or advances and investment by way of share capital, except investment in the Issuer’s subsidiary i.e. IKF Home Finance Limited, other than in its ordinary course of business;
- (iv) To provide any guarantee or make any material change in its management;
- (v) To cause or permit change in control (as defined under the under the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011) of the Issuer; cause or permit



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

acquisition of the ownership of or entitlement to more than 25% (twenty-five percent) of shares or capital or profits of the Issuer by any natural person(s), who, whether acting alone or together, or through one or more juridical person; and

- (vi) enter into any compromise arrangement with its shareholders or creditors, or pass a resolution of voluntary winding up or implement any scheme for restructuring or reconstruction, consolidation, amalgamation, merger or other similar purposes or change its shareholding structure of the Issuer.

**(c) REPORTING COVENANTS**

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

(a) Monthly Reports

- (A) As soon as available and in any event within 25 (twenty-five) calendar days after the end of each calendar month, the statement of asset liability management in form and substance satisfactory to the Debenture Trustee and the Debenture Holders;
- (B) The Issuer shall provide the monthly financial statements to the Debenture Trustee and Debenture Holders as and when requested by them; and

(b) Quarterly Reports

As soon as available and in any event within 60 (sixty) calendar days after the end of each calendar quarter, the quarterly reporting required and in form and substance satisfactory to the Debenture Trustee and the Debenture Holders. Such reporting will include information detailing:

- (A) details of a) operational or financial information, b) portfolio cuts, c) disbursements d) dpd statement, e) changes in Board and management and f) changes in shareholding pattern on a quarterly basis in the format as specified by the Debenture Trustee.
- (B) financials, financial statements, operations, portfolio growth and asset quality (including static portfolio cuts, collection efficiency and portfolio at risk data), funding in formats acceptable to the Debenture Holders;
- (C) the shareholding pattern and composition of the board of directors in the Company;
- (D) if applicable, the financial and other returns filed by the Company with the RBI (including without limitation, the form NBS 7 filed with the RBI);
- (E) a certified compliance certificate from the management of the Company regarding the financial covenants set forth in **Schedule VIII (Financial Covenants)** of the Debenture Trust

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

- Deed in form and substance reasonably satisfactory to the Debenture Trustee and the Debenture Holders;
- (F) details of transactions with related parties and balances outstanding in the format as per the Act;
  - (G) the static pool analysis and vintage curve data of the portfolio and Gross Loan Portfolio in the format as specified by the Debenture Trustee;
  - (H) information on structural liquidity of the Company as per the format prescribed by the RBI, and as and when required by the Debenture Trustee;
  - (I) Promptly provide the list of top 20 (twenty) borrowers at the end of each relevant quarter of the Financial Year; and
  - (J) To provide information on facilities sanctioned to the Issuer including such sanction letters from other lenders of every relevant quarter of the Financial Year.
- (K) The Company shall furnish quarterly report to the Debenture Trustee containing the following particulars:
- (I) Updated list of the names and addresses of the Debenture Holders;
  - (II) Details of the Coupon due, but unpaid and reasons thereof; and
  - (III) The number and nature of grievances received from the Debenture Holders and (A) resolved by the Company (B) unresolved by the Company and the reasons for the same.

As soon as available and in any event within 45 (forty-five) calendar days after the end of each calendar quarter, the Company shall provide a list of specific loan receivables/identified book debts, to the Debenture Holders, over which the charge is created and subsisting by way of hypothecation ("**Quarterly Hypothecated Property Report**").

(c) Annual Reports

As soon as available, and in any event within 120 (one hundred and twenty) calendar days after the end of each Financial Year of the Company, the annual reporting required and in form and substance satisfactory to the Debenture Trustee and the Debenture Holders. Such reporting will include information detailing:

- (A) certified copies of its audited consolidated and non-consolidated (if any) financial statements for its most recently completed fiscal year, prepared in accordance with IND-AS including its balance sheet, income statement and statement of cash flow. All such information shall be complete and correct in all material respects and fairly represents the financial condition, results of operation and changes in cash flow of the Company as of the date thereof;

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

- (B) a certificate of the Chief Financial Officer or a Director of the Company confirming that his or her review has not disclosed the existence of any potential Event of Default or Event of Default;
  - (C) all annual information submitted to the RBI including but not limited to the structural liquidity statement, capital to risk (weighted) assets ratio, qualifying asset certificate, unhedged foreign currency certificate; and
  - (D) the corporate social responsibility report confirming adherence by the Company to its corporate social responsibility policy (if applicable).
- (d) Event Based Reports
- (A) As soon as available and in any event within 30 (thirty) Business Days of the occurrence of such event, the details of any change in the shareholding structure by more than 5% (five percent) in the Company, in form and substance satisfactory to the Debenture Trustee and the Debenture Holders;
  - (B) As soon as available and in any event within 30 (thirty) Business Days of the occurrence of such event, the details of any change in board of directors and other senior management officials like Chief Executive Officer or equivalent or change of the statutory auditor of the Company;
  - (C) As soon as available and in any event within 30 (thirty) Business Days after receiving approval by the board of the Company, the annual business plan of the Company including a detailed investment budget and forecast accounts for the following Financial Year and financial projections for at least the next 5 (five) years;
  - (D) The Company shall provide/cause to be provided information to the Debenture Trustee (and to the Debenture Holders, if so requested) as soon as practicable, and in any event within 30 (thirty) Business Days from the occurrence of such event:
    - (I) the Company obtains or reasonably should have obtained actual knowledge thereof, notice of the occurrence of any event or circumstance that could reasonably be expected to result in a Material Adverse Effect,
    - (II) the Company obtains or reasonably should have obtained actual knowledge thereof, notice of any dispute, litigation, investigation or other proceeding affecting the Company or its property or operations, which, if adversely determined, could result in a Material Adverse Effect,
    - (III) the Company obtains actual knowledge thereof, notice of the occurrence of any Event of Default or potential Event of Default, specifying the nature of such event and any steps the Company is taking and proposes to take to remedy the same,

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

- (IV) any changes in the accounting policy of the Company from that followed as on the Deemed Date of Allotment,
- (V) the details of any fraud amounting to more than 1% (one percent) of the Gross Loan Portfolio,
- (VI) if the Company conducts a credit check using any other credit bureau apart from the credit bureaus currently being used by the Company,
- (VII) the Company alters its Constitutional Documents except for the memorandum of association and articles of association as set out herein,
- (VIII) any notice of any application for winding up having been made or receipt of any statutory notice of winding up under the provisions of the Act or any other notice under any other law or otherwise of any suit or legal process intended to be filed and affecting the title to the property of the Company,
- (IX) Any Event of Default or potential Event of Default, and any steps taken/ proposed by the Issuer to remedy the same, and
- (X) the Company obtains or reasonably should have obtained actual knowledge thereof, of any material event adversely impacting its business.

(e) Miscellaneous

- (i) To provide a written notice upon any event which is a material event adversely impacting the business of the Issuer.
- (ii) At any event of occurrence of an Event of Default or likely an occurrence of an Event of Default, the Issuer shall provide a written notice.
- (iii) A scanned certified certificate from an independent Chartered Accountant in relation to the utilization of the proceeds in accordance with Transaction Documents, within 90 (ninety) days of the Deemed Date of Allotment of the Debentures.

(d) **FINANCIAL COVENANTS**

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

- (a) During the tenor of the Debentures, the Company shall maintain a minimum capital ratio of Tier I Capital and Tier II Capital to aggregate risk weighted assets on-balance sheet and of risk adjusted value of Off-Balance Sheet Portfolio which shall not be less than 20% (Twenty percent), or as per the regulatory minimum prescribed by the RBI under the applicable Law, whichever is higher. For the purpose of calculation of minimum capital ratio: (i) first loss credit enhancements provided by the Issuer on securitization shall be reduced from Tier I Capital and Tier II Capital without any ceiling. (ii) credit enhancements provided by the

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

Issuer on loans originated on behalf of other institutions shall be reduced from Tier I Capital and Tier II Capital without any ceiling. The deduction shall be made at 50% (fifty percent) from Tier I Capital and 50% (fifty percent) from Tier II Capital. (iii) It is also clarified that in computing the amount of subordinated debt eligible for inclusion in Tier II Capital, the aforementioned subordinated debt shall be subject to discounting as prescribed by RBI.

- (b) The Company shall, commencing from the Deemed Date of Allotment until the Final Redemption Date, ensure that the cumulative asset liability mismatch (excluding the cash credit limits or working capital demand loan limits) be a positive mismatch in all buckets up to 1(one) year. If, any of the aforementioned covenants is breached then the Company shall have a cure period of 30 (thirty) days to maintain such cumulative asset liability mismatch (excluding the cash credit limits).
- (c) During the tenor of the Debentures, the Company shall ensure to maintain a minimum permissible ratio of A:B, which shall be 12% (twelve percent) where A is the Tangible Net Worth of the Company and B is the Gross Loan Portfolio.
- (d) The Company shall ensure that the maximum permissible ratio of A:B shall be 4.00% (four point zero zero percent), where A is the aggregate of the Portfolio At Risk Over 90 (ninety) days and write-offs (on the entire portfolio including receivables sold or discounted on a non-recourse basis of the Issuer) and B is Gross Loan Portfolio, herein the write-offs shall be calculated for trailing 12 (twelve) months.
- (e) During the tenor of the Debentures, the Company shall ensure to not exceed (i.e. it shall be at or below) the leverage ratio (of its own book) by 4.50x (Four point five zero times) or as per the regulatory minimum prescribed by the Reserve Bank of India under the NBFC Master Directions, whichever is higher.
- (f) During the tenor of the Debentures, the Company shall ensure that the shareholding of the Promoter group of the Company shall not fall below 25% (twenty-five percent) of the issued, subscribed and paid-up share of the Company.

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

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

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

**“Gross Loan Portfolio”** means and includes the outstanding principal amounts of the loans originated by the Issuer on its own books, securitized portfolio as well as loans originated on behalf of other entities

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

by entering into partnership agreements but not included on the Issuer's own book.

**"Net Non Performing Assets"** shall be calculated as gross non-performing assets less provisioning for non-performing assets. For the purpose of this definition, the terms 'non-performing assets' and 'gross non-performing assets' shall have the meanings stipulated by the RBI to such terms from time to time as may be applicable for the Issuer.

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

The Financial Covenants and such other covenants as are contained in this Debenture Trust Deed can be tested at any time during the tenure of the Debentures.

Without prejudice to its other rights under the Transaction Documents, the Debenture Holders reserves a right to levy a penalty equivalent to 1% p.a (one percent) of the Outstanding Amounts in relation to the Debentures, in an event of breach of any of the Financial Covenants ("**Penalty for Breach**"). In such an event, the Issuer shall pay the Penalty for Breach to the Debenture Holder within 30 (thirty) calendar days from the date of such breach.

### 3.3 EVENTS OF DEFAULT

(a) **Payment Defaults**

The Company does not pay on the Due Date any amount payable pursuant to the Debenture Trust Deed 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 technical error and payment is made within 3 (three) calendar Days of its Due Date.

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

(i) The Company is unable or admits inability to pay its debts as they fall due, suspends making payments on any of its debts or, by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to rescheduling any of its Financial Indebtedness.

(ii) The Company is (or deemed by Law or a court to be) insolvent or bankrupt or unable to pay its debts or stops or suspends payments of all its debts, makes a general assignment or an arrangement or composition with or for benefit of the relevant creditors in respect of any such debts or a moratorium is agreed or declared in respect of or affecting all the debts of the Company.

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

(c) **Charge over Hypothecated Assets**

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

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

(d) **Business**

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

(e) **Security in Jeopardy**

(i) In the opinion of the Debenture Trustee the Hypothecated Assets is in jeopardy;

(ii) If, the security provided pursuant to the Deed of Hypothecation depreciates in value to such an extent that in the reasonable opinion of the Trustee further security should be given and on advising the Company to that effect such security has not been given to the Debenture Trustee to their satisfaction;

(iii) If, without the prior written approval of the Debenture Trustee, the Hypothecated Assets or any part thereof is transferred, assigned, charged, encumbered or alienated but no prior approval shall require for the replacement of assets comprising the Hypothecated Assets with other similar assets; or

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

(f) **Misrepresentation**

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

(g) **Material Adverse Change**

There shall have occurred a change in the business, operations, property, Assets, liabilities, condition (financial or otherwise) or prospects of the Company since the date hereof that has resulted in a Material Adverse Effect as may be determined by the Debenture Trustee, acting on the instructions of the Majority Debenture Holders.

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

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

(A) the suspension of payments, a moratorium of any Indebtedness, winding-up, dissolution, administration or re-organisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of the Company or its Affiliate;

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

- (B) a composition, compromise, assignment or arrangement with any creditor of the Company or its Affiliate;
- (C) the appointment of a liquidator, provisional liquidator, receiver, administrative receiver, administrator, compulsory manager, supervisor, trustee or other similar officer in respect of the Company or its Affiliate or any of its assets appointed or allowed to be appointed of all or any part of the undertaking of the Company;
- (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; and
- (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,

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 (E) 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.
- (iii) A petition for the reorganization, arrangement, adjustment, winding up or composition of debts of the Issuer is filed on the Issuer (voluntary or otherwise) or have been admitted or the Issuer make a composition, assignment or arrangement with any creditor or an assignment for the benefit of its creditors generally and such proceeding is not contested by the Issuer for staying, quashing or dismissed within 15 (fifteen) days from the admission and / or filing of such petition in the relevant court;

(i) **Cross Default**

The Company (i) defaults in any payment of any Financial Indebtedness, if any, provided in the instrument or agreement under which such Financial Indebtedness was created; (ii) defaults in the observance or performance of any agreement or condition relating to any Financial Indebtedness or contained in any instrument or agreement evidencing, securing or relating thereto or any other event shall occur or condition exist, the effect of which default or other event or condition is to cause or to permit the holder or holders of such Financial Indebtedness to cause (determined without regard to whether any notice is required) any such Financial Indebtedness to become due prior to its stated maturity; or (iii) any Financial Indebtedness of the Company shall be declared to be due and payable, or required to be prepaid other than by a regularly scheduled required prepayment, prior to the stated maturity thereof.

(j) **Creditors' Process**



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

- (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, restraint of act of sequestration, distress or execution affects any Receivables constituting Hypothecated Assets or part thereof.
- (k) **Judgments Defaults**
- One or more judgments or decrees entered against the Company involving a liability (not paid or not covered by a reputable and solvent insurance company), individually or in the aggregate, exceeding 5% (five percent) of the Total Assets of the Company PROVIDED THAT such judgments or decrees are either final and non-appealable or have not been vacated, discharged or stayed pending appeal for any period of 30 (thirty) calendar days.
- (l) **Transaction Documents**
- The Debenture Trust Deed or any other Transaction Document in whole or in part, are terminated or cease to be effective or cease to be a legally valid, binding and enforceable obligation of the Company.
- (m) **Unlawfulness**
- (i) 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.
  - (ii) The Debenture Trust Deed or any other Transaction Document (in whole or in part), is terminated or ceases to be effective or ceases to be in full force or no longer constitutes a valid, binding and enforceable obligations of the Issuer.
- (n) **Repudiation**
- The Company repudiates any of the Transaction Documents, or evidences an intention to repudiate any of the Transaction Documents.

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

(o) **Information Covenants**

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

(p) **Government Intervention**

(i) Any step is taken by Governmental Authority or agency or any other competent authority, with a view to the seizure, compulsory acquisition, expropriation or nationalisation of all or (in the opinion of the Debenture Trustee) a material part of the assets of the Company which is material to the Company;

(ii) Any Governmental Authority having assumed custody or control of the business or operations of the Company or having taken any action for the dissolution of the Company or any action that would prevent the Company or its officers from carrying on its business or operations thereof; or

(iii) The Company's organizational or legal status, or any license or franchise is revoked or suspended by any Governmental Authority or authority after the Company has exhausted all remedies and appeals relating thereto.

(q) **Delisting**

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

(r) **Cessation of business**

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

(s) **Alteration in Constitutional Documents**

The Company, without the previous consent in writing of the Debenture Trustee, makes or attempts to make any alteration in the provisions of its Constitutional Documents where (i) such change would have a Material Adverse Effect.

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

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

(u) **Erosion of Net Worth**

Erosion of 50% (fifty per cent) or more of the Issuer's net worth commencing from 31<sup>st</sup> March 2024.

(v) **Merger**

(i) The rearrangement or consolidation or amalgamation with or merger with or into, or receiving of all or substantially all the assets or obligations

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

of, another entity, or any action for reorganisation of capital without the prior written consent of the Debenture Trustee.

- (ii) The Company has taken or suffered to be taken any action for reduction of its capital or any rearrangement, merger or amalgamation without the prior written approval of the Debenture Trustee.

(w) **Sale, disposal**

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

(x) **Third party**

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

(y) **Wilful default**

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

(z) **Breach of Affirmative Covenants**

Any breach of the following Affirmative Covenants, by whatsoever named called and as stipulated in **Schedule VII** (Affirmative Covenants), unless such breach is not cured within 30 (thirty) calendar days relating to:

- (i) Preserve corporate status;
- (ii) Authorisations;
- (iii) Payment of stamp duty;
- (iv) Handling of Debenture Holder grievances;
- (v) Compliance with Investor Education and Protection Fund Requirements;
- (vi) Regulatory filings;
- (vii) Regulatory requirements in case of a foreign investor;
- (viii) Maintenance of books of accounts; and
- (ix) Corporate Governance.

(aa) **Breach of Financial Covenants**

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

Any breach of financial covenants stipulated in **Schedule IX** (*Financial Covenants*) of the Debenture Trust Deed and such breach is not remedied (if capable of remedy) within the expiry of 60 (Sixty) calendar days from the date of such breach.

(bb) **Breach of Negative Covenants**

Any breach of the negative covenants in (a) Change of business; Role of Promoter and (b) Dividend as mentioned in **Schedule XI** (*Negative Covenants*) of the Debenture Trust Deed and such breach is not remedied (if capable of remedy) within the expiry of 30 (Thirty) calendar days from the date of such breach.

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

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

(dd) **Fraud and embezzlement by officer**

Any material act of fraud, embezzlement, misstatement, misappropriation or siphoning off of the Issuer / Promoter funds or revenues or any other act having a similar effect being committed by the management or an officer of the Issuer.

(ee) **Change in structure**

Change in the existing shareholding pattern and related change in the Board composition of the Issuer upon an event of new equity raising. If the Issuer fails to receive consent of the Debenture Trustee (acting on the instructions of the Majority Debenture Holders) within 7 (seven) calendar days from the date of such request, it will be deemed that the consent has been provided.

(ff) **Change in Management Control**

If there is any change in Management Control of the Issuer, without prior written consent from the Debenture Trustee (acting on the instructions of the Majority Debenture Holders). Any new equity raising which results in change in the existing shareholding pattern and related change in board composition would be communicated to Debenture Holders and consent would be sought. If there is no response within 7 (seven) calendar days, it will be deemed as consent given by Debenture Holders.

### 3.4 CONSEQUENCES OF EVENTS OF DEFAULT AND REMEDIES

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

- (a) require the Company to mandatorily redeem the Debentures and repay the principal amount on the Debentures, along with accrued but unpaid interest, and other costs, charges and expenses incurred under or in connection with the Debenture Trust Deed and other Transaction Documents;

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

- (b) declare all or any part of the Debentures to be immediately (or on such dates as the Debenture Trustee may specify) due and payable, whereupon it shall become so due and payable immediately;
- (c) provide a default interest of 2% (two percent) over and above the Interest Rate on of each respective Debentures under or in connection with the Debenture Trust Deed and other Transaction Documents;
- (d) appoint any independent agency to inspect and examine the working of the Company and give a report to Debenture Holders/ the Debenture Trustee. The Company shall give full co-operation and provide necessary assistance to such agency and bear all costs and expenses of the examination including the professional fees and travelling and other expenses;
- (e) enforce any security created pursuant to the Deed of Hypothecation in accordance with its terms, as may be set out herein or therein, towards repayment of the Debentures;
- (f) to appoint a nominee director as per the SEBI (Debenture Trustee) Regulations, 1993 on the board of directors of the Company or to appoint an observer to all meetings of the board of directors of the Company;
- (g) take necessary action of either enforcing the Security or entering into the Inter Creditor Agreement as stated in Clause 7.3 of the Debenture Trust Deed or take any other action as decided in the meeting of Debenture Holder(s) based on the decision of the Debenture Holder(s) with Special Majority, including the decision of formation of a committee of the Debenture Holder(s) to participate in the ICA or to enforce the Security or as may be decided in the meeting of Debenture Holder(s). Such a committee, if decided to be formed, may comprise of the designated members representing the interest of the ISIN level Debenture Holder(s) under the Debentures and be responsible to take decisions which shall be binding on the specific ISIN level Debenture Holder(s) relating to ICA matters, or in relation to enforcement of the Security, or take any other action as may be decided by the Debenture Holder(s), from time to time. The Debenture Trustee(s) may in accordance with the decision of the Debenture Holder(s), sign the ICA and consider the resolution plan, if any, on behalf of the Debenture Holder(s)/ Beneficial Owners in accordance with the requirements under the extant RBI guidelines, SEBI circulars, guidelines and other applicable Laws;
- (h) The Debenture Trustee after obtaining consent of Debenture Holder(s) for enforcement shall inform the designated stock exchange seeking release of the Recovery Expense Fund. The Debenture Trustee shall follow the procedure set out by Issuers of listed or proposed to be listed debt securities towards creation of "Recovery Expense Fund" issued by SEBI, as amended from time to time for utilization of the Recovery Expense Fund and be obligated to keep proper account of all expenses, costs including but not limited to legal expenses, hosting of meetings etc., incurred out of the Recovery Expense Fund towards enforcement of Security. All expenses over and above those met from the Recovery Expense Fund incurred by the Beneficial Owners(s)/Trustee after an Event of Default has occurred;
- (h) take all such other action expressly permitted under the Debenture Trust Deed or in the other Transaction Documents or permitted under the Law including invocation of guarantee (if applicable); and
- (i) exercise such other rights as the Debenture Trustee may deem fit under applicable Law to protect the interest of the Debenture Holders.

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

**\*\*References to Schedules and Clauses in this Section refers to Schedules and Clauses as stated in the Debenture Trust Deed.**

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

## SECTION 4: OTHER INFORMATION AND APPLICATION PROCESS

### 4.1 Issue Procedure

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

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

Details of size of issue including green shoe option, if any and a range within which green shoe may be retained (if applicable)	<b>Base Issue Size:</b> Issue of up to 6,000 (Six Thousand) secured, listed, rated, senior, redeemable, transferable, non-convertible debentures having a face value of INR 1,00,000/- (Indian Rupees One Lakh only) each, for cash, at par, aggregating to INR 60,00,00,000/- (Indian Rupees Sixty Crores Only) on a private placement basis. <b>Green Shoe option:</b> Not Applicable
Bid opening and closing date	Bid opening date: 12 <sup>th</sup> November 2024; and Bid closing date: 12 <sup>th</sup> November 2024.
Minimum Bid Lot	100 (One Hundred) Debentures (aggregating to INR 1,00,00,000/- (Indian Rupees One Crore), and 1 (one) Debenture thereafter.
Manner of bidding in the Issue	Closed Bidding
Manner of allotment in the Issue	The allotment will be done on Uniform Yield basis in accordance with EBP Guidelines.
Manner of settlement in the Issue	Pay-in of funds through ICCL and the account details are given in the Section 4.2 ( <i>Process flow of settlement</i> ) of this Key Information Document.
Settlement Cycle	T+1, where T refers to the date of bid opening date / issue opening date.

### 4.2 Process flow of settlement:

The Eligible Investors whose bids have been accepted by the Issuer and to whom a signed copy of this Key Information Document have been issued by the Issuer and who have submitted/shall submit the Application Form ("**Successful Bidders**"), shall make the payments in respect of the Application Money in respect of the Debentures towards

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

the allocation made to them, into the bank account of the ICCL, the details of which are as set out below:

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

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

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

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

Beneficiary Name	IKF FINANCE LIMITED
Bank Account No.	034313100000104
SWIFT Code	UNION BANK OF INDIA
IFSC Code	Labbipet, Vijayawada
Bank Name	Cash Credit Account
Branch Address	UBIN0803430

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.



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

#### 4.3 Payment Instructions

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

Beneficiary Name	IKF FINANCE LIMITED
Bank Account No.	034313100000104
SWIFT Code	UNION BANK OF INDIA
IFSC Code	Labbipet, Vijayawada
Bank Name	Cash Credit Account
Branch Address	UBIN0803430

#### 4.4 Eligible Investors

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

- (a) Companies and Bodies Corporate eligible to invest in the Debentures;
- (b) Financial Institutions eligible to invest in the Debentures;
- (c) Foreign Portfolio Investors;
- (d) Mutual Funds;
- (e) Alternative Investment Funds; and
- (f) Any other investor eligible to invest in these Debentures.

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

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

All Eligible Investors are required to check and comply with Applicable Law(s) including

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

the relevant rules / regulations / guidelines applicable to them for investing in this Issue of Debentures and the Issuer, is not in any way, directly or indirectly, responsible for any statutory or regulatory breaches by any investor, neither is the Issuer required to check or confirm the same.

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

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

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

Serial No: 4

Addressed to: \_\_\_\_\_ (Name of the Debenture Holder(s))

#### SECTION 5: FORM NO. PAS-4

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

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

**ISSUE OF UP TO 6,000 (SIX THOUSAND) SENIOR, SECURED, LISTED, RATED, REDEEMABLE, TRANSFERABLE, NON-CONVERTIBLE DEBENTURES HAVING A FACE VALUE OF INR 1,00,000/- (INDIAN RUPEES ONE LAKH ONLY) EACH, FOR CASH, AT PAR, AMOUNTING UP TO INR 60,00,00,000/- (INDIAN RUPEES SIXTY CRORES ONLY) IN A DEMATERIALIZED FORM, ON A PRIVATE PLACEMENT BASIS (THE "ISSUE") (HEREINAFTER REFERRED TO AS "DEBENTURES") BY IKF FINANCE LIMITED (THE "COMPANY") OR ("ISSUER").**

#### 5.1 General Information:

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

Issuer / Company: IKF Finance Limited (the "Issuer" or "Company" or "IKF Finance")

Registered Office: 40-1-144, 3<sup>rd</sup> Floor, Corporate Centre, M.G. Road, Vijayawada, Andhra Pradesh - 520010, India

Corporate Office: Plot Nos: 30/A, Survey No: 83/1, 11<sup>th</sup> Floor, Myhome Twitza, APIIC Hyderabad Knowledge City, Raidurg (Panmaqtha) Village, Serilingampally Mandal, Rangareddy District, Hyderabad - 500081, Telanagana

Telephone No.: 0866-2474644

Website: [www.ikffinance.com](http://www.ikffinance.com)

Fax: NA

Contact Person: Ch Sreenivasa Rao

Email: [sreenivas@ikffinance.com](mailto:sreenivas@ikffinance.com)

(b) **Date of Incorporation of the Company:**

30/05/1991

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

As more particularly set out in the General Information Document

**Branch details:**

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

As more particularly set out in the General Information Document

**Subsidiary details:**

As of the date of this Key Information Document, the Company have one subsidiary company i.e. IKF Home Finance Private Limited incorporated on 05.08.2002 and the main business of the company is of providing Housing Loans and Loans against the properties.

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

S. No.	Name	Designation	Profile
1.	Mr. VGK Prasad	Chairman	Mr. Prasad has contributed a lot in institutionalizing the Automobile finance business operated by individuals in Andhra Pradesh. Mr. Prasad has presided over the Krishna District Auto Financiers Association, considered to be one of the strongest and most organized Financiers Association in India, for quite a considerable period. Mr. Prasad has occupied various positions in the Federation of Indian Hire Purchase Associations (FIHPA), the Apex body of Asset Financing Companies, and has acted as the Secretary General till 2010 and as President till 2012
2.	Mrs. K. Vasumathi Devi	Managing Director	She joined the Company in 2006 and has gained expertise in Business Development, Operations management, Credit & Risk etc. over the last 12 years.
3.	Rama Raju	CEO	Ex CEO of AML Finance (wholly – owned subsidiary of Automotive Manufacturers Ltd)  Ex Zonal Business Head of SREI, managing INR 50 bn portfolio, Ex Kotak Mahindra Bank, Ex Tata Finance Ltd  Leading the efforts to further professionalize the team, creating systems and process for next phase of growth Has successfully recruited several senior management team members from the industry across verticals
4.	Prakash Bhawnani	CFO	US CFA Chartered holder, MBA (Finance) from IBS, Bangalore and Qualified Company Secretary 15 years of rich experience cross Treasury, Risk Management, IPO, Debt Listing, RBI & SEBI Compliances, Audit, and strategic finance functions. Previously worked with Keertana Finserv as CFO and India Shelter Finance Corporation

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

			Ltd, as Treasury Head and Home Credit India Finance Private Limited, Treasury etc., .
5.	Chapalamadugu Sreenivasa Rao	Company Secretary	Qualified Cost Accountant & Company Secretary, has 20 + years of experience in Cost accounting & Company Secretarial Matters and has worked with BBM Bommidalla Group.

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

S. No.	Name	Designation	DIN	Address	Occupation
1	Gopala Kishan Prasad Vupputuri	Chairman & Wholetime Director	01817992	59A-16-4/8 Iii Rd Road Plot No 77 3 <sup>Rd</sup> Cross Road Near Sai Baba Temple R.T.C. Colony Viyaya Wada Urban Polytechnic Krishna 520008	Business
2	Vasumathi Devi Koganti	Managing Director	03161150	Villa 18 Aditya Fort Veiw Puppallaguda Pratibha High School Manikonda Puppalguda Puppalguda Uda K V Ranga Reddy 500089	Business
3	Satyan and Sinha Chunduri	Director	03644504	40-1-144, Corporate Centre MG Road Vijayawada 520010	Business
4	Sunil Rewachand Chandiramani	Independent Director	00524035	163-A, Sky Scraper Building, 74, Bhulbhai Desai Road, Cumbhatta Hill, Mumbai, Maharashtra-400026	Business
5	Vinit Mukesh Mehta	Nominee Director	08792902	501, Satguru Towers, Central Avenue, Santacruz West, Mumbai 400054	Investment manager
6	Abhish ek Agrawal	Nominee Director	06760344	Flt No. 401, 4 <sup>th</sup> Flr. Sai Samman, Plot No. 28/29, Union Park, Chembur East, Mumbai	Investment manager
7	Satyan arayan a Prasad Kanaparti	Director	03598603	8-3 -318/11/32,33,34 Fno. 501, Jai Prakash Nagar Vishnu Nivas Ameerpet Hyderabad 500016	Business

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

S. No.	Name	Designation	DIN	Address	Occupation
8	Sethuraman Ganesh	Independent Director	07152185	305, Vensa Lakeview, Kempapura Main Road Opp Rachenahalli Lake, Dasarahalli, Bangalore North	Business
9	Raman Uberoi	Independent Director	03407353	C 32, Kalindi Colony, New Delhi 110065	Consultant
10	Kannan	Independent Director	01354529	Ta 1, Third floor, Krishna Regency, K.R. Road, Tata Silk Farm, Basavangudi, Bangalore - 560 004	Retired Banker

**5.2 MANAGEMENT PERCEPTION OF RISK FACTORS:**

Please refer to Section 3 of the General Information Document.

**5.3 RISKS RELATED TO THE BUSINESS OF THE ISSUER**

Please refer to Section 3 of the General Information Document.

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

- (i) Statutory Dues: Nil
- (ii) Debentures and interest thereon: Nil
- (iii) Deposits and interest thereon: Nil
- (iv) Loan from any bank or financial institution and interest thereon: Nil

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

Name of Nodal/ Compliance officer	Designation	Address	Phone No.	Email ID
Ch Sreenivasa Rao	Compliance Officer	40-1-144, Corporate Centre, M. G. Road, Vijayawada - 520010, Andhra Pradesh	0866-2474644	sreenivas@ikffinance.com

**5.6 Registrar of the Issue:**

Name: Bigshare Services Private Limited

Address: E-2, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (East), Mumbai 400 072

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



Logo:

Telephone Number: +022 2847 0652

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

Email address: mohan@bigshareonline.com

Contact Person: Mr. N. V. K. Mohan

**5.7 Valuation Agency:** Not Applicable

**5.8 Auditors:**

Name: M/s. Mukund M Chitale & Co., Chartered Accountants



Logo: CHARTERED ACCOUNTANTS

Address: 2<sup>nd</sup> Floor, Kapur House, Paranjape B Scheme, Road No 1 Vile Parle(E)  
Mumbai-400057

Website: [www.mmchitale.co.in](http://www.mmchitale.co.in)

Email address: nilesh.joshi@mmchitale.com

Telephone Number: +91 22 2663 3500

Contact Person: Nilesh Joshi

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

NIL

**5.10 Particulars of the Offer:**

<b>Financial position of the Company for the last 3 (three) financial years</b>	Please refer to <b>Annexure X</b> of this Key Information Document.
<b>Date of passing of Board Resolution</b>	Board resolution dated 05 <sup>th</sup> November 2024. Management Committee resolution dated 06 <sup>th</sup> November 2024.  A copy of both of these resolutions has been annexed hereto in <b>Annexure V - Part I</b> and <b>Annexure V - Part II</b> of this Key Information Document respectively.
<b>Date of passing of resolution in the general meeting, authorizing the offer of securities</b>	Shareholders resolutions under Section 42 of the Act dated 30 <sup>th</sup> September, 2024.  Shareholders resolutions under Section 180(1)(a) and Section 180(1)(c) of the Act dated 30 <sup>th</sup> September, 2024.  A copy of which is attached in <b>Annexure VI</b> hereto.

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

<p><b>Kind of securities offered (i.e. whether share or debenture) and class of security; the total number of shares or other securities to be issued</b></p>	<p><b>Issue Size:</b> Issue of up to 6,000 (Six Thousand) senior, secured, listed, rated, redeemable, transferable, non-convertible debentures having a face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each, for cash, at par, amounting up to INR 60,00,00,000/- (Indian Rupees Sixty Crores Only), in a dematerialised form, on a private placement basis.</p> <p><b>Green Shoe option:</b> Not Applicable</p>
<p><b>Price at which the security is being offered, including premium if any, along with justification of the price</b></p>	<p>The Debentures are being offered at face value of INR 1,00,000/- (Indian Rupees One Lakh) per Debenture</p>
<p><b>Name and address of the valuer who performed valuation of the security offered, and basis on which the price has been arrived at along with report of the registered valuer</b></p>	<p>Not Applicable as the Debentures are being offered at face value of INR 1,00,000 (Indian Rupees One Lakh) per Debenture.</p>
<p><b>Relevant date with reference to which the price has been arrived at (Relevant Date means a date at least 30 days prior to the date on which the general meeting of the Company is scheduled to be held)</b></p>	<p>Not applicable as each Debenture is a non-convertible debt instrument which is being issued at face value of INR 1,00,000 (Indian Rupees One Lakh).</p>
<p><b>The class or classes of persons to whom the allotment is proposed to be made</b></p>	<p>Please refer to '<i>Eligible Investors</i>' under Section 4.4 of this Key Information Document.</p>
<p><b>Intention of promoters, directors or key managerial personnel to subscribe to the offer (applicable in case they intend to subscribe to the offer) [Not required in case of issue of non-convertible debentures]</b></p>	<p>Not Applicable.</p>
<p><b>The proposed time within which the allotment shall be completed</b></p>	<p>The Debentures will be deemed to be allotted on 13<sup>th</sup> November 2024 ("<b>Deemed Date of Allotment</b>"), and the Company will ensure that the Debentures are credited into the demat accounts of the holders of the Debentures ("<b>Debenture Holders</b>") within 1 (one) Business Days from the Deemed Date of Allotment, each in accordance with the debenture trust deed ("<b>Debenture Trust Deed</b>") to be entered into between the Company and the debenture trustee ("<b>Debenture Trustee</b>").</p> <p>In any case, the period within which the Debentures will be allotted will not exceed the maximum period of 60 (sixty) days from the date of receipt of</p>



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

	application money, as prescribed under the Companies Act, 2013.						
<b>The names of the proposed allottees and the percentage of post private placement capital that may be held by them [Not applicable in case of issue of non-convertible debentures]</b>	Not Applicable.						
<b>The change in control, if any, in the company that would occur consequent to the private placement</b>	Not Applicable						
<b>The number of persons to whom allotment on preferential basis / private placement / rights issue has already been made during the year, in terms of securities as well as price</b>	NIL						
<b>The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer</b>	Not applicable as each Debenture is a non-convertible debt instrument which is being issued at face value of INR 1,00,000/- (Indian Rupees One Lakh).						
<b>Amount, which the Company intends to raise by way of proposed offer of securities</b>	Up to INR 60,00,00,000 (Indian Rupees Sixty Crores Only).						
<b>Terms of raising of securities:</b>	<table border="1"> <tr> <td>Duration, if applicable:</td> <td>up to 28 (Twenty-Eight) Months i.e., 852 (Eight Hundred and Fifty Two) days from the Deemed Date of Allotment.  The proposed interest payment and redemption schedules are set out in <b>Annexure IV</b> of this Key Information Document.</td> </tr> <tr> <td>Rate of Interest or Coupon:</td> <td>Fixed coupon at 9.90% p.a. (Nine point nine zero percent per annum) and payable semi-annually. Please refer to the row titled 'Coupon Rate' in Section 2.8 (Issue Details) of the Key Information Document.</td> </tr> <tr> <td>Mode of Payment</td> <td>Electronic clearing services (ECS)/credit through RTGS system/ direct credit or national electronic fund transfer (NEFT) or or Immediate Payment Service (IMPS). Wherein the subscription amounts on the Debentures</td> </tr> </table>	Duration, if applicable:	up to 28 (Twenty-Eight) Months i.e., 852 (Eight Hundred and Fifty Two) days from the Deemed Date of Allotment.  The proposed interest payment and redemption schedules are set out in <b>Annexure IV</b> of this Key Information Document.	Rate of Interest or Coupon:	Fixed coupon at 9.90% p.a. (Nine point nine zero percent per annum) and payable semi-annually. Please refer to the row titled 'Coupon Rate' in Section 2.8 (Issue Details) of the Key Information Document.	Mode of Payment	Electronic clearing services (ECS)/credit through RTGS system/ direct credit or national electronic fund transfer (NEFT) or or Immediate Payment Service (IMPS). Wherein the subscription amounts on the Debentures
Duration, if applicable:	up to 28 (Twenty-Eight) Months i.e., 852 (Eight Hundred and Fifty Two) days from the Deemed Date of Allotment.  The proposed interest payment and redemption schedules are set out in <b>Annexure IV</b> of this Key Information Document.						
Rate of Interest or Coupon:	Fixed coupon at 9.90% p.a. (Nine point nine zero percent per annum) and payable semi-annually. Please refer to the row titled 'Coupon Rate' in Section 2.8 (Issue Details) of the Key Information Document.						
Mode of Payment	Electronic clearing services (ECS)/credit through RTGS system/ direct credit or national electronic fund transfer (NEFT) or or Immediate Payment Service (IMPS). Wherein the subscription amounts on the Debentures						

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

		issued by the Issuer should be paid into the account details set out in Section 4.2 (Process flow of settlement of this Key Information Document).			
	Mode of Repayment	cheque(s) / electronic clearing services (ECS)/credit through RTGS system/funds transfer			
<b>Proposed time schedule for which the Issue/Offer Letter is valid</b>	Issue Open Date: 12 <sup>th</sup> November 2024 Issue Closing Date: 12 <sup>th</sup> November 2024 Pay-in Date: 13 <sup>th</sup> November 2024 Deemed Date of Allotment: 13 <sup>th</sup> November 2024				
<b>Purpose and objects of the Issue/Offer</b>	Please refer to section named "Details of the utilization of the Issue Proceeds" in Section 2.8 (Issue Details) of this Key Information Document.				
<b>Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of such objects</b>	NIL				
<b>Principal terms of assets charged as security, if applicable</b>	Please refer to section named "Security (Including description, type of security, type of charge, likely date of creation of security, minimum security cover, revaluation, replacement of security)" in Section 2.8 (Issue Details) of this Key Information Document.				
<b>The details of significant and material orders passed by the Regulators, Courts and Tribunals impacting the going concern status of the Company and its future operations</b>	NIL				
<b>The pre-issue and post-issue shareholding pattern of the Company in the following format:</b>					
S. No.	Category	Pre-issue		Post-issue	
		No. of shares held	Percentage (%) of shareholding	No. of shares held	Percentage (%) of shareholding
A	Promoters' holding				
	Indian				
1	Individual	2,84,41,453	40.54	2,84,41,453	40.54
	Bodies Corporate	-		-	

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

	<b>Sub-total</b>	2,84,41,453	40.54	2,84,41,453	40.54
2	Foreign promoters	16,11,800	2.30	16,11,800	2.50
	<b>Sub-total (A)</b>	3,00,53,253	42.84	3,00,53,253	42.84
<i>B</i>	<i>Non-promoters' holding</i>				
1	Institutional Investors	3,20,18,354	45.64	3,20,18,354	45.64
2	Non-Institutional Investors	-		-	
	Private Corporate Bodies	17,86,080	2.54	17,86,080	2.54
	Directors and relatives	- -		- -	
	Indian public	62,51,924	8.91	62,51,924	8.91
	Others (including Non-resident Indians)	46,834	0.07	46,834	0.07
	<b>Sub-total (B)</b>	4,01,03,192	57.16	4,01,03,192	57.16
	<b>GRAND TOTAL</b>	7,01,56,445	100.00	7,01,56,445	100.00

**5.11 Mode of payment for subscription:**

- Cheque
- Demand Draft
- Other Banking Channels

**5.12 Disclosure with regard to interest of directors, litigation, etc:**

<b>Any financial or other material interest of the directors, promoters or key managerial personnel in the offer/ Issue and the effect of such interest in so far as it is different from the interests of other persons</b>	Nil
<b>Details of any litigation or legal action pending or taken by any Ministry or Department</b>	Nil

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

<p>of the Government or a statutory authority against any promoter of the Company during the last 3 (three) years immediately preceding the year of the issue of this private placement offer cum application letter and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed</p>																																				
<p>Remuneration of directors (during the current year and last 3 (three) financial years):</p>	<table border="1"> <thead> <tr> <th data-bbox="715 757 922 943">Director</th> <th data-bbox="922 757 1091 943">Fiscal FY 24-25 (Up to September 2024)</th> <th data-bbox="1091 757 1197 943">Fiscal FY 23-24</th> <th data-bbox="1197 757 1302 943">Fiscal FY 22-23</th> <th data-bbox="1302 757 1406 943">Fiscal FY 21-22</th> </tr> </thead> <tbody> <tr> <td data-bbox="715 943 922 1025"><b>V.G.K.Prasad, Chairman</b></td> <td data-bbox="922 943 1091 1025"></td> <td data-bbox="1091 943 1197 1025"></td> <td data-bbox="1197 943 1302 1025"></td> <td data-bbox="1302 943 1406 1025"></td> </tr> <tr> <td data-bbox="715 1025 922 1070">Remuneration</td> <td data-bbox="922 1025 1091 1070">0.72</td> <td data-bbox="1091 1025 1197 1070">1.19</td> <td data-bbox="1197 1025 1302 1070">0.84</td> <td data-bbox="1302 1025 1406 1070">0.76</td> </tr> <tr> <td data-bbox="715 1070 922 1115">Commission</td> <td data-bbox="922 1070 1091 1115">0</td> <td data-bbox="1091 1070 1197 1115">1.35</td> <td data-bbox="1197 1070 1302 1115">0.63</td> <td data-bbox="1302 1070 1406 1115">0.51</td> </tr> <tr> <td data-bbox="715 1115 922 1256"><b>K Vasumathi Devi, Managing Director</b></td> <td data-bbox="922 1115 1091 1256"></td> <td data-bbox="1091 1115 1197 1256"></td> <td data-bbox="1197 1115 1302 1256"></td> <td data-bbox="1302 1115 1406 1256"></td> </tr> <tr> <td data-bbox="715 1256 922 1301">Remuneration</td> <td data-bbox="922 1256 1091 1301">0.36</td> <td data-bbox="1091 1256 1197 1301">0.65</td> <td data-bbox="1197 1256 1302 1301">0.60</td> <td data-bbox="1302 1256 1406 1301">0.54</td> </tr> <tr> <td data-bbox="715 1301 922 1346">Commission</td> <td data-bbox="922 1301 1091 1346">0</td> <td data-bbox="1091 1301 1197 1346">0.68</td> <td data-bbox="1197 1301 1302 1346">0.44</td> <td data-bbox="1302 1301 1406 1346">0.36</td> </tr> </tbody> </table>	Director	Fiscal FY 24-25 (Up to September 2024)	Fiscal FY 23-24	Fiscal FY 22-23	Fiscal FY 21-22	<b>V.G.K.Prasad, Chairman</b>					Remuneration	0.72	1.19	0.84	0.76	Commission	0	1.35	0.63	0.51	<b>K Vasumathi Devi, Managing Director</b>					Remuneration	0.36	0.65	0.60	0.54	Commission	0	0.68	0.44	0.36
Director	Fiscal FY 24-25 (Up to September 2024)	Fiscal FY 23-24	Fiscal FY 22-23	Fiscal FY 21-22																																
<b>V.G.K.Prasad, Chairman</b>																																				
Remuneration	0.72	1.19	0.84	0.76																																
Commission	0	1.35	0.63	0.51																																
<b>K Vasumathi Devi, Managing Director</b>																																				
Remuneration	0.36	0.65	0.60	0.54																																
Commission	0	0.68	0.44	0.36																																
<p>Related party transactions entered during the preceding 3 (three) financial years immediately preceding the year of issue of this private placement offer cum application letter and current financial year with regard to loans made or, guarantees given or securities provided</p>	<p>Please refer to <b>Annexure X</b> of this Key Information Document.</p>																																			
<p>Summary of reservations or qualifications or adverse remarks of auditors in the last 5 (five) financial years immediately preceding the year of issue of this private placement offer cum application letter and of their impact on the financial statements and financial position of the Company and the corrective steps taken and</p>	<p>Nil</p>																																			

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

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

### 5.13 Financial Position of the Company:

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

The authorized, issued, subscribed and paid-up capital (number of securities, description and aggregate nominal value)	Authorised Capital (In Rs.)	Issued Capital (In Rs.)	Subscribed Capital (In Rs.)	Paid Up Capital (In Rs.)
Number of Equity shares	1,05,00,000	7,01,56,445	7,01,56,445	7,01,56,445
Nominal amount of equity share	10	10	10	10
Total amount of equity shares	80,00,00,000	70,15,64,450	70,15,64,450	70,15,64,450

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

	<b>Number of preference shares</b>	25,00,000	0	0	0				
	<b>Nominal amount of preference shares</b>	100	100	100	100				
	<b>Total amount of preference shares</b>	25,00,00,000	0	0	0				
<b>Size of the Present Offer</b>	Issue of up to 6,000 (Six Thousand) senior, secured, listed, rated, redeemable, transferable, non-convertible debentures having a face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each, for cash, at par, amounting up to INR 60,00,00,000/- (Indian Rupees Sixty Crores Only), in a dematerialised form, on a private placement basis.								
<b>Paid-up Capital: After the offer:</b>									
<b>a. After the conversion of convertible instruments (if applicable)</b>	70,15,64,450 Not applicable as each Debenture is a non-convertible debt instrument which is being issued at face value.								
<b>Share Premium Account: Before the offer:</b>	a. 4,63,33,45,621								
<b>a. After the offer:</b>	b. 4,63,33,45,621								
Details of the existing share capital of the Issuer in a tabular form, indicating therein with regard to each allotment, the date of allotment, the number of shares allotted, the face value of the shares allotted, the price and the form of consideration:									
Date of Allotment	No. of Equity Shares	Face Value (in Rs) per share	Issue Price (in Rs) per share	Consideration (Cash, other than cash, etc.)	Nature of Allotment	Cumulative			Remarks
						No. of equity shares	Equity share capital (Rs)	Equity Share Premium (Rs) per share	
21.08.2023	55,81,395 fully paid up shares of Rs. 10	10	215	1,19,19,99,925	Preferential Issue	7,01,56,445	70,15,64,450	4,63,33,45,621	

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

	each									
31.03.2023	75,81,418 fully paid up shares of Rs. 10 each	10	215	1,63,00,04,870	Preferential Issue	6,45,75,050	64,57,50,500	3,48,91,59,645	-	
17.02.2023	24,58,962 fully paid up shares of Rs. 10 each	10	215	52,86,76,830	Preferential Issue	5,69,93,632	56,99,36,320	1,93,49,68,955	-	
10.11.2022	18,75,603 fully paid up shares of Rs. 10 each	10	209	39,20,01,027	Preferential Issue	5,45,34,670	54,53,46,700	143,08,81,746	-	
31.03.2022	51,79,688 Partly paid up shares of Rs 8.10 paid up 3 <sup>rd</sup> and Final Call Money	10	72.59	7,14,38,774	Preferential Issue	5,26,59,067	52,6,5,90,670	105,76,36,749	-	
31.03.2021	51,79,688 Partly paid up shares of Rs 8.10 paid up 2 <sup>nd</sup> Call Money	10	72.59	10,15,18,259	Preferential Issue	5,26,59,067	51,67,49,262.80	99,92,89,377	-	
31.03.2019	51,79,688 Partly paid up shares of Rs 5.40 paid up	10	72.59	10,15,18,259	Preferential Issue	5,26,59,067	50,27,64,106	91,17,56,276	-	

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

	1st Call Money								
22.01.2019	12,22,278	10	128	15,64,51,584	Preferential Issue	5,26,59,067	48,87,78,948	82,42,23,175	-
18.01.2019	7,30,847	10	128	9,35,48,416	Preferential Issue	5,14,36,789	47,65,56,168	67,99,94,371	-
17.01.2018	51,79,688 (Application Money)	10	72.59	10,15,18,259	Preferential Issue	5,07,05,942	46,92,47,698	59,37,54,425	-
06/05/2015	80,13,375	10	31	24,84,14,625	Rights Issue	4,55,26,254	45,52,62,540	50,62,21,324	-
30/09/2013	30,00,000	10	13	3,90,00,000	Preferential Issue	3,21,00,000	32,10,00,000	9,00,07,0000	-
18/03/2013	36,60,000	10	13.25	4,84,95,000	Preferential Issue	2,91,00,000	29,10,00,000	7,77,57,000	-
16/08/2012	68,50,000	10	13	8,90,50,000	Preferential Issue	254,40,000	25,44,00,000	6,58,63,000	-
21/03/2012	63,60,000	10	13	8,26,80,000	Preferential Issue	1,85,90,000	18,59,00,000	4,53,13,000	-
<b>The number and price at which each of allotments were made by the Company in the last 1 (one) year preceding the date of this placement offer cum application letter separately indicating the allotments made for consideration other than cash and details of the consideration in each case</b>					Nil				
<b>Profits of the Company, before and after making provision for tax, for the 3 (three) financial years immediately preceding the date of circulation of this private placement offer cum application letter.</b>					<b>(INR in Crores)</b>				
					<b>Year</b>	<b>Fiscal FY 23-24</b>	<b>Fiscal FY 22-23</b>	<b>Fiscal FY 21-22</b>	
					Profit before tax	103.37	67.31	54.27	
					Profit after tax	76.97	50.10	40.30	
<b>Dividends declared by the Company in respect of the said 3 (three) financial years; interest coverage ratio for last three</b>					<b>(INR in Crores)</b>				



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

years (cash profit after tax plus interest paid/interest paid):	<b>Year</b>	<b>Fiscal FY 23-24</b>	<b>Fiscal FY 22-23</b>	<b>Fiscal FY 21-22</b>
	Dividend Declared	NIL	NIL	NIL
	Interest Coverage Ratio	1.47	1.46	1.48
<b>A summary of the financial position of the Company as in the 3 (three) audited balance sheets immediately preceding the date of circulation of this private placement offer cum application letter</b>	Please refer to <b>Annexure X</b> of this Key Information Document.			
<b>Audited Cash Flow Statement for the 3 (three) years immediately preceding the date of circulation of this private placement offer cum application letter</b>	Please refer to <b>Annexure X</b> of this Key Information Document.			
<b>Any change in accounting policies during the last 3 (three) years and their effect on the profits and the reserves of the Company</b>	Nil			

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

**PART B**

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

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

\_\_\_\_\_  
**Signature of the Subscriber**

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

**DECLARATION (To be provided by the Directors)**

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

I am authorized by the Board of Directors of the Issuer vide resolution number \_\_\_\_\_ dated 05<sup>th</sup> November 2024 read along with the resolution passed by the management committee of the Board of Directors of the Issuer dated 06<sup>th</sup> November 2024 to sign this Key Information Document and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with.

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

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

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

**For IKF FINANCE LIMITED**

---

Authorised Signatory  
Name: Vasumathi Devi Koganti  
Title: Managing Director  
Place: Vijayawada, India  
Date: 07.11.2024

---

Authorised Signatory  
Name: Ch Sreenivasa Rao  
Title: Company Secretary  
Place: Vijayawada  
Date: 07.11.2024

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

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



No. CARE/CRO/RL/2024-25/1325

Ms. K Vasumathi Devi  
Managing Director  
IKF Finance Limited  
40-1-144, 3rd floor, Corporate centre,  
MG Road  
Vijayawada  
Andhra Pradesh 520010



October 07, 2024

### Confidential

Dear Madam,

#### Credit rating for Non-Convertible Debentures

Please refer to our letter no. CARE/CRO/RL/2024-25/1138 dated July 18, 2024 and letter no. CARE/CRO/RL/2024-25/1139 dated July 19, 2024 and your request for revalidation of the rating assigned to the non convertible debentures of your company, for a limit of Rs.250.00 crore.

2. The following rating(s) have been reviewed:

Sr. No.	Instrument	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
1.	Non Convertible Debentures – XIII	50.00	CARE A; Stable (Single A; Outlook: Stable)	Reaffirmed
2.	Non Convertible Debentures - XIV	200.00	CARE A; Stable (Single A; Outlook: Stable)	Reaffirmed

3. Refer **Annexure** for details of the rated instruments.

4. Please arrange to get the rating revalidated, in case the proposed issue is not made within **six months** from the date of this letter. ]

<sup>1</sup>Complete definitions of the ratings assigned are available at [www.careedge.in](http://www.careedge.in) and in other CARE Ratings Ltd.'s publications.

CARE Ratings Limited

Unit No: O-509/C, Spencer Plaza, 5th Floor,  
No. 769, Anna Salai, Chennai - 600 002  
Phone: +91-44-2849 0811 / 13 / 76

Corporate Office :4th Floor, Godrej Coliseum,  
Somaiya Hospital Road, Off Eastern Express  
Highway, Sion (E), Mumbai - 400 022  
Phone: +91-22-6754 3456 • [www.careedge.in](http://www.careedge.in)

CIN-L67190MH1993PLCO71691

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

5. Please inform us the below-mentioned details of issue immediately, but not later than 7 days from the date of placing the instrument:

Instrument type	ISIN	Issue Size (Rs cr.)	Coupon Rate	Coupon Payment Dates	Terms of Redemption	Redemption date	Name and contact details of Trustee/IPA	Details of top 10 investors
-----------------	------	---------------------	-------------	----------------------	---------------------	-----------------	---	-----------------------------

6. CARE Ratings Ltd. 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.
7. CARE Ratings Ltd. reserves the right to revise/reaffirm/withdraw the rating assigned as a result of periodic review/surveillance, based on any event or information which in the opinion of CARE Ratings Ltd. 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 Ratings Ltd. so as to enable it to carry out continuous monitoring of the rating of the debt instruments, CARE Ratings Ltd. shall carry out the review on the basis of best available information throughout the life time of such instruments. In such cases the credit rating symbol shall be accompanied by "ISSUER NOT COOPERATING". CARE Ratings Ltd. shall also be entitled to publicize/disseminate all the aforementioned rating actions in any manner considered appropriate by it, without reference to you.
8. 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.
9. Users of this rating may kindly refer our website [www.careedge.in](http://www.careedge.in) for latest update on the outstanding rating.
10. CARE Ratings Ltd. ratings are **not** recommendations to buy, sell, or hold any securities.

If you need any clarification, you are welcome to approach us in this regard.

Thanking you,

Yours faithfully,



**Hareesh H**  
Lead Analyst  
[hareesh.h@careedge.in](mailto:hareesh.h@careedge.in)



**Ravi Shankar R**  
Associate Director  
[ravi.s@careedge.in](mailto:ravi.s@careedge.in)

CARE Ratings Limited

Unit No: O-509/C, Spencer Plaza, 5th Floor,  
No. 769, Anna Salai, Chennai - 600 002  
Phone: +91-44-2849 0811 / 13 / 76

CIN-L67190MH1993PLCO71691

Corporate Office :4th Floor, Godrej Coliseum,  
Somaiya Hospital Road, Off Eastern Express  
Highway, Sion (E), Mumbai - 400 022  
Phone: +91-22-6754 3456 • [www.careedge.in](http://www.careedge.in)

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

Encl.: As above

Disclaimer

The ratings issued by CARE Ratings Limited 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. These ratings do not convey suitability or price for the investor. The agency does not constitute an audit on the rated entity. CARE Ratings Limited has based its ratings/outlooks based on information obtained from reliable and credible sources. CARE Ratings Limited does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions and the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE Ratings Limited have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE Ratings Limited or its subsidiaries/associates may also be involved with other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating /outlook assigned by CARE Ratings Limited is, inter-alia, based on the capital deployed by the partners/proprietor and the current financial strength of the firm. The rating/outlook may undergo a 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 Ratings Limited is not responsible for any errors and states that it has no financial liability whatsoever to the users of CARE Ratings Limited'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.



CARE Ratings Limited

Unit No: O-509/C, Spencer Plaza, 5th Floor,  
No. 769, Anna Salai, Chennai - 600 002  
Phone: +91-44-2849 0811 / 13 / 76

Corporate Office :4th Floor, Godrej Coliseum,  
Somaiya Hospital Road, Off Eastern Express  
Highway, Sion (E), Mumbai - 400 022  
Phone: +91-22-6754 3456 • www.careedge.in

CIN-L67190MH1993PLC071691

Page 3 of 4

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

**Annexure**  
**Details of rated Instruments**

Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Amount Rated (Rs. Crore)
NCD - XIII	Proposed	-	-	-	50.00
NCD - XIV	INE859C07170	July 25, 2024	9.95%	Jul 25, 2026	70.00
	INE859C07188	August 01, 2024	10.30%	Jul 30, 2027	60.00
	Proposed	-	-	-	70.00



CARE Ratings Limited

Unit No: O-509/C, Spencer Plaza, 5th Floor,  
No. 769, Anna Salai, Chennai - 600 002  
Phone: +91-44-2849 0811 / 13 / 76

CIN-L67190MH1993PLC071691

Corporate Office :4th Floor, Godrej Coliseum,  
Somaiya Hospital Road, Off Eastern Express  
Highway, Sion (E), Mumbai - 400 022  
Phone: +91-22-6754 3456 • www.careedge.in

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



**Annexure**  
**Rating Rationale**  
**IKF Finance Limited**

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long-term bank facilities	2,600.00	CARE A; Stable	Reaffirmed
Subordinated debt – I	25.00	CARE A; Stable	Reaffirmed
Subordinated debt – II	140.00	CARE A; Stable	Reaffirmed
Non-convertible debentures - XIV	200.00	CARE A; Stable	Assigned
Non-convertible debentures – XI	70.00	CARE A; Stable	Reaffirmed
Non-convertible debentures – XII	150.00	CARE A; Stable	Reaffirmed
Non-convertible debentures - XIII	50.00	CARE A; Stable	Reaffirmed

Details of instruments/facilities in Annexure-1.

**Rationale and key rating drivers**

Ratings assigned to bank facilities and debt instruments of IKF Finance Limited (IKF) continue to derive strength from the long and established track record of operations in the lending business with a strong brand image and seasoned and gradual growth in portfolio in the last several years. Ratings further derive strength from well-defined credit and recovery policy with strong collection systems adopted, healthy profitability indicators, comfortable capital adequacy further supported by equity raise of ₹255 crore in FY23 and ₹120 crore in FY24 and moderately diversified resource profile. Ratings are constrained by regional concentration of portfolio, relatively moderate scale of operations, inherent risks associated with its borrower profile mostly being self-employed in the informal segment, high ticket exposure to small and medium enterprises (SME) and non-banking financial companies (NBFC) segments, and moderate asset quality, characterised by higher delinquencies in softer buckets, notwithstanding the improvement witnessed in FY24.

**Rating sensitivities: Factors likely to lead to rating actions**

**Positive factors: Factors that could, individually or collectively, lead to positive rating action/upgrade:**

- Sustainable improvement in asset quality along with improvement in delinquencies in softer buckets.
- Growth in the scale of operations while maintaining profitability and capitalisation at comfortable levels.

**Negative factors: Factors that could, individually or collectively, lead to negative rating action/downgrade:**

- Deterioration in the asset quality with the gross non-performing assets (GNPA) above 4%, thereby impacting the profitability for an extended period.

<sup>1</sup>Complete definition of the ratings assigned are available at [www.careedge.in](http://www.careedge.in) and other CARE Ratings Ltd.'s publications.  
CARE Ratings Limited

Unit No: O-509/C, Spencer Plaza, 5th Floor,  
No. 769, Anna Salai, Chennai - 600 002  
Phone: +91-44-2849 0811 / 13 / 76

Corporate Office :4th Floor, Godrej Coliseum,  
Somaiya Hospital Road, Off Eastern Express  
Highway, Sion (E), Mumbai - 400 022  
Phone: +91-22-6754 3456 • [www.careedge.in](http://www.careedge.in)

CIN-L67190MH1993PLCO71691



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

- Moderation of the capital structure with a weakening of the overall gearing ratio to more than 4.5x on a sustained basis.
- Aggressive growth or migration of the portfolio to segments that lack seasoning benefits.

**Analytical approach:** Standalone

**Outlook:** Stable

The stable outlook reflects the likely continuation of stable credit profile with comfortable capitalisation levels and healthy profitability levels.

**Detailed description of key rating drivers:**

**Long and established track record of operations**

IKF has a long track record of about three decades in the vehicle financing segment. VGK Prasad, Chairman, has experience of over three decades, and IKF's business operations have benefitted from his long-established track record in the auto finance segment and vast industry network developed over the years. He has also been associated with other industry associations and has been the President of the Federation of Indian Hire Purchase Associations (FIHPA). His daughter, K Vasumathi Devi, succeeded as the Managing Director in January 2022. The company is well-supported by a qualified and experienced management team.

**Well-defined credit policy and improving MIS system**

IKF has a presence in commercial vehicles (CV), construction equipment (CE), and three-wheeler/four-wheeler segments, the SME financing segment and has a well-defined credit policy for each segment. With a view to manage growing scale of operations and exposure in each segment, the company has been improving its technology platform. Its loan origination and credit appraisal processes are now tab-based, resulting in improved efficiency and a better underwriting process. The company has implemented customised mobile collection module (tab-based system) software for ease of underwriting process and to ensure lower turn-around time. IKF has strengthened its collection system by establishing stringent collection processes, with early delinquency checks, establishing bucket-wise collection, and strengthening its collection team by hiring professionals with substantial experience in the domain. IKF also prefers selling its repossessed vehicles to its existing customers rather than auctioning them to reduce loss on sale of repossessed assets.

**Healthy profitability profile**

In FY24, IKF reported a profit after tax (PAT) of ₹77 crore on a total income of ₹437 crore as against a PAT of ₹50 crore on a total income of ₹287 crore in FY23. Yield on advances improved from 15.07% in FY23 to 15.38% in FY24. Cost of funds remained stable at 9.22% in FY24 as against 9.21% in FY23. Net interest margin (NIM) improved to 6.99% in FY24 from 6.16% in FY23. Opex (as a percentage of total assets) increased to 3.03% in FY24 as against 2.67% in FY23. Credit cost increased from 0.24% in FY23 to 0.51% in FY24 considering the increase in bad debt write-off amounting to ₹10 crore. Return on total assets (ROTA) improved to 2.39% in FY24 as against 2.23% in FY23.

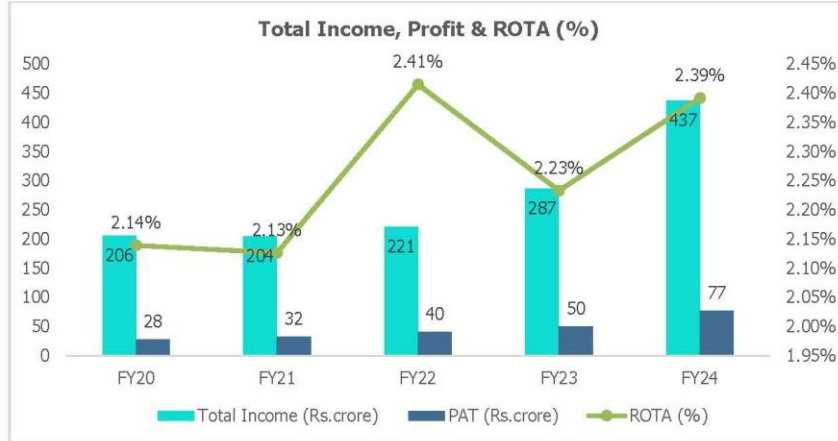
CARE Ratings Limited

Unit No: O-509/C, Spencer Plaza, 5th Floor,  
No. 769, Anna Salai, Chennai - 600 002  
Phone: +91-44-2849 0811 / 13 / 76

Corporate Office :4th Floor, Godrej Coliseum,  
Somaiya Hospital Road, Off Eastern Express  
Highway, Sion (E), Mumbai - 400 022  
Phone: +91-22-6754 3456 • www.careedge.in

CIN-L67190MH1993PLCO71691

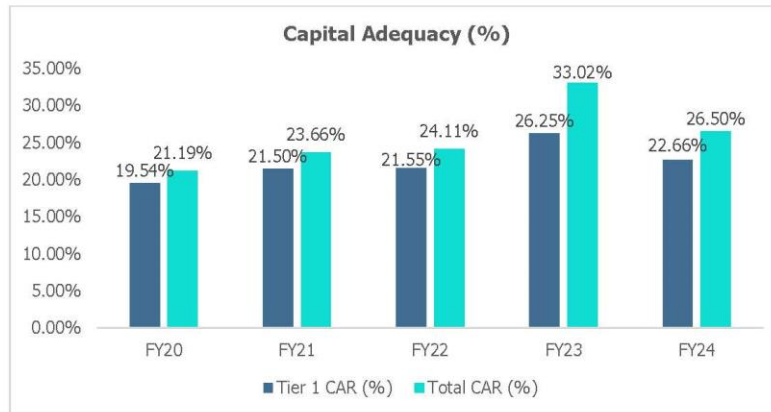
(This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)



Source: CARE Ratings and company data

**Comfortable capitalisation supported by further capital raise in FY23 and FY24**

Aided by regular capital infusion by promoters and private equity (PE) investors and retention of internal accruals, IKF has maintained capital adequacy at comfortable levels in the last few years. In FY23, the company raised equity of ₹255 crore from Accion and HNIs. The company also infused ₹45 crore in its housing finance subsidiary, IKF Home, in FY23. Post the infusion, shareholding (on a fully dilutive basis) of IKF in IKF Home stood at 89.13% as on March 31, 2024. In FY24, the company raised ₹120 crore from Teachers Insurance and Annuity Association of America and capital adequacy ratio (CAR) and Tier-I CAR post the capital raise stood at 26.50% and 22.66% as on March 31, 2024. Overall gearing and adjusted gearing (excluding investments in the subsidiary) as on March 31, 2024, stood at 3.11x and 4.31x, respectively, as against 2.95x and 3.96x, respectively, as on March 31, 2023. CARE Ratings expects capitalisation levels to remain comfortable in the medium term.



Source: CARE Ratings and company data

CARE Ratings Limited

Unit No: O-509/C, Spencer Plaza, 5th Floor,  
No. 769, Anna Salai, Chennai - 600 002  
Phone: +91-44-2849 0811 / 13 / 76

Corporate Office :4th Floor, Godrej Coliseum,  
Somaiya Hospital Road, Off Eastern Express  
Highway, Sion (E), Mumbai - 400 022  
Phone: +91-22-6754 3456 • www.careedge.in

CIN-L67190MH1993PLCO71691

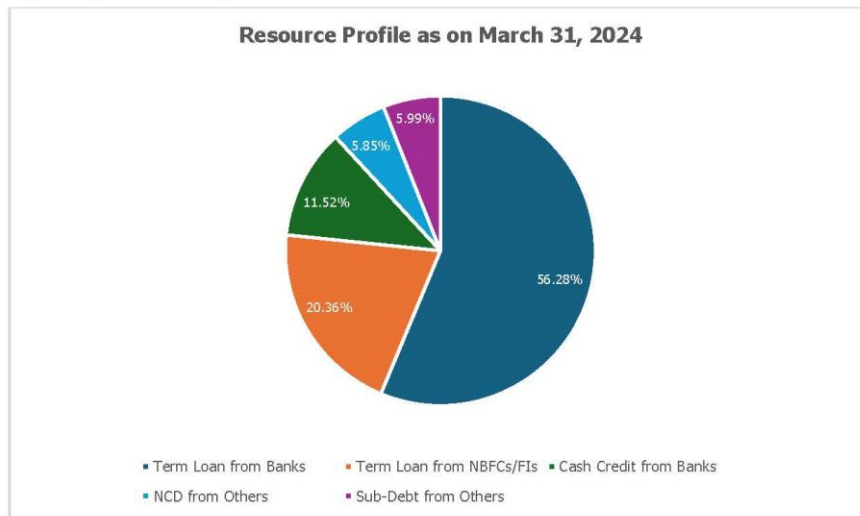
(This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

**Improving scale of operations**

IKF has been in the vehicle finance business since 1991. Despite having a track record close to three decades, size of operations remained moderate with assets under management (AUM) of ₹3,775 crore as on March 31, 2024. The company has been able to register continuous growth with comfortable capitalisation. In the last three years ended March 31, 2024, IKF has grown at a compounded annual growth rate (CAGR) of 36%, from ₹1,489 crore as on March 31, 2021, to ₹3,775 crore as on March 31, 2024 (PY: ₹2,452 crore), including a growth of 54% in FY24. In FY24, IKF disbursed ₹2,676 crore, which is 60% higher than disbursements in FY23. Vehicle finance continues to be key focus area for IKF, and the share has remained at around 78% in the last few years, mainly dominated by CV (31.75%), cars and multi-utility vehicles (MUVs; 14.97%), and CE (26.23%). Loans to other NBFCs remained at 11.11% as on March 31, 2023, to 10.55% as on March 31, 2024. The share of SME loans moderated in the last few years, from 21.8% as on March 31, 2019, to 11.23% as on March 31, 2024 (PY:8.75%). The company largely has a seasoned portfolio with a long presence in the vehicle finance segment. Hence, large deviation to other asset classes will be key monitorable. CARE Ratings expects the portfolio to grow at a higher rate in the medium term with the company raising equity in the recent past. CARE Ratings expects growth momentum in AUM to continue for the medium term.

**Moderately diversified resource profile with an inclination towards banks**

Bank borrowings were the key funding source for IKF and the proportion of bank borrowings stood at 67.80% as on March 31, 2024 (PY: 72.93%). The company has a cash credit (CC) facility of ₹315 crore outstanding from different banks as on March 31, 2024. Borrowings as term loans from NBFCs and financial institutions (FI) stood at 20.36% as on March 31, 2023 (PY:15.32%). Borrowings through instruments such as non-convertible debentures (NCDs) and sub-debt stood at 5.85% and 5.99%, respectively, as on March 31, 2024, as against 3.73% and 8.02% respectively, as on March 31, 2023.



Source: CARE Ratings and company data

CARE Ratings Limited

Unit No: O-509/C, Spencer Plaza, 5th Floor,  
No. 769, Anna Salai, Chennai - 600 002  
Phone: +91-44-2849 0811 / 13 / 76

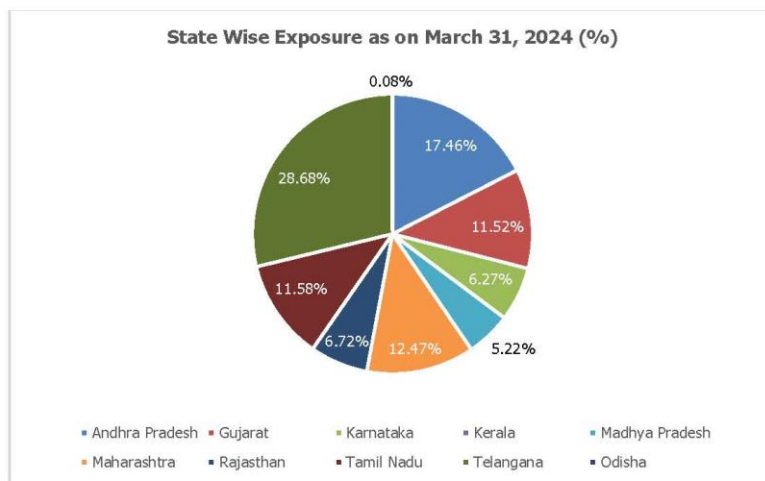
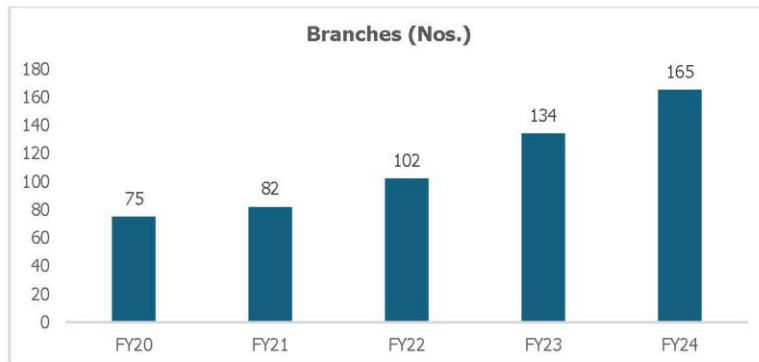
Corporate Office :4th Floor, Godrej Coliseum,  
Somaiya Hospital Road, Off Eastern Express  
Highway, Sion (E), Mumbai - 400 022  
Phone: +91-22-6754 3456 • www.careedge.in

CIN-L67190MH1993PLCO71691

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

**Geographical concentration of portfolio**

In FY24, IKF expanded its operations to Odisha and is currently operating in nine states, covering Andhra Pradesh, Telangana, Gujarat, Tamil Nadu, Karnataka, Maharashtra, Madhya Pradesh, Rajasthan and Odisha, through 165 branches as on March 31, 2024 (FY: 134 branches). The portfolio is concentrated in South India, with 64% of AUM as on March 31, 2024, as against 67% of AUM as on March 31, 2023. The home states of IKF – Andhra Pradesh and Telangana – constituted 46% of AUM as on March 31, 2024, against 53% as on March 31, 2023. CARE Ratings expects IKF’s portfolio to remain concentrated in south Indian states, especially in Andhra Pradesh and Telangana, in the medium term.



Source: CARE Ratings and company data

**Exposure to high-ticket SME financing and loans to NBFCs**

IKF has been limiting disbursements in the high-ticket size SME financing segment in the last three years ended March 31, 2024. The company is now focusing more on lower-ticket size SME loans rather than higher-ticket size

CARE Ratings Limited

Unit No: O-509/C, Spencer Plaza, 5th Floor,  
No. 769, Anna Salai, Chennai - 600 002  
Phone: +91-44-2849 0811 / 13 / 76

Corporate Office :4th Floor, Godrej Coliseum,  
Somaiya Hospital Road, Off Eastern Express  
Highway, Sion (E), Mumbai - 400 022  
Phone: +91-22-6754 3456 • www.careedge.in

CIN-L67190MH1993PLCO71691

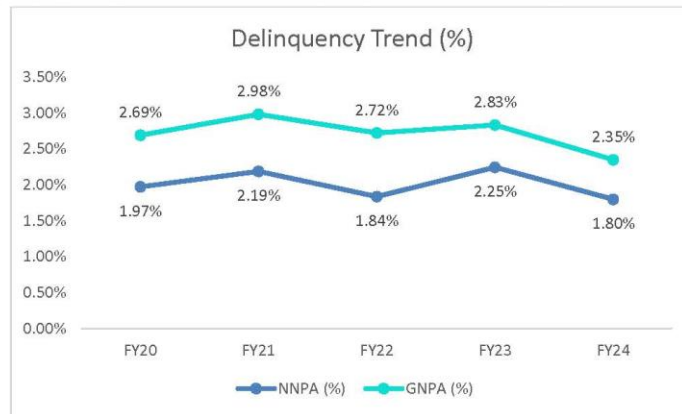
(This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

loans, which is expected to reduce overall risk of the SME portfolio. The company started a separate vertical for low-ticket size SME and the proportion of SME financing on overall AUM increased to 11.23% as on March 31, 2024, from 8.75% as on March 31, 2023. The proportion of SME portfolio in overall AUM is expected to grow going forward.

Loans to other NBFCs stood at 10.55% as on March 31, 2024, as against 11.11% as on March 31, 2023.

**Moderate asset quality characterised by high delinquency in softer buckets**

GNPA stood at 2.35% as on March 31, 2024, as against 2.83% as on March 31, 2023. The company has written off a portfolio amounting to ₹10.41 crore in FY24 as against ₹3.43 crore in FY23. Provision coverage ratio stood at 23% as on March 31, 2024, from 21% as on March 31, 2023. In line with the same, the nNet NPA (NNPA) decreased from 2.25% as on March 31, 2023, to 1.80% as on March 31, 2024. With higher collection efforts and repossession activities, delinquency in softer buckets has shown improvement in FY24 though remained high with the 0+ days past due (DPD) improving from 29% as on March 31, 2023, to 21% as on March 31, 2024.



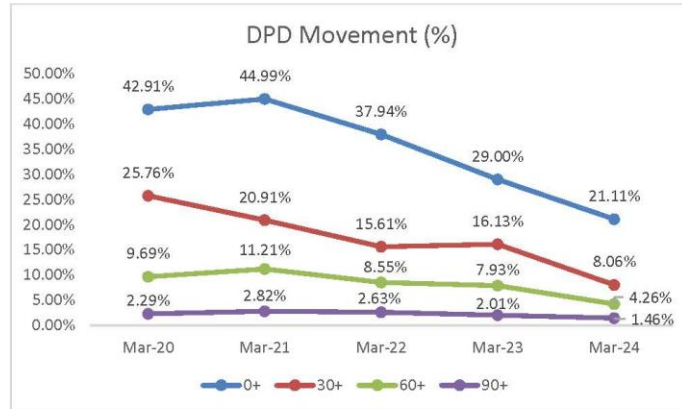
CARE Ratings Limited

Unit No: O-509/C, Spencer Plaza, 5th Floor,  
No. 769, Anna Salai, Chennai - 600 002  
Phone: +91-44-2849 0811 / 13 / 76

CIN-L67190MH1993PLCO71691

Corporate Office :4th Floor, Godrej Coliseum,  
Somaiya Hospital Road, Off Eastern Express  
Highway, Sion (E), Mumbai - 400 022  
Phone: +91-22-6754 3456 • www.careedge.in

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



Source: CARE Ratings and company data

**Liquidity: Adequate**

IKF's asset liability maturity (ALM) stood adequate, with no negative cumulative mismatches in time buckets up to one year as on March 31, 2024. As on June 30, 2024, the company had cash and cash equivalents of ₹131 crore and un-availed lines of credit (including unutilised CC of ₹51 crore) of ₹407 crore. Of the total borrowings raised in FY24, majority were bank borrowings. The company's ability to mobilise funds from banks at a competitive rate with improved incremental cost of borrowings adds comfort.

**Applicable criteria**

- [Definition of Default](#)
- [Rating Outlook and Rating Watch](#)
- [Financial Ratios - Financial Sector](#)
- [Non-Banking Financial Companies](#)

**About the company and industry**

**Industry classification**

Macro-economic indicator	Sector	Industry	Basic industry
Financial services	Financial services	Finance	Non-banking financial company (NBFC)

IKF was incorporated as IndraKeela Financiers Private Limited in 1991. The company became a closely held public company in 1994, with a change in name to IKF Finance & Investments Limited. The company had a public issue in 1995 and IKF's shares were listed on the Bombay Stock Exchange Limited (BSE) and Ahmedabad Stock Exchange. In 1998, the company was renamed IKF Finance Limited, and shares were subsequently delisted on February 18, 2015. IKF is registered as a non-deposit taking NBFC and is primarily engaged in used vehicle and SME financing. As on March 31, 2024, vehicle and SME finance (including loan to NBFC) constitutes 78% and 22% of the total AUM respectively.

CARE Ratings Limited

Unit No: O-509/C, Spencer Plaza, 5th Floor,  
No. 769, Anna Salai, Chennai - 600 002  
Phone: +91-44-2849 0811 / 13 / 76

Corporate Office :4th Floor, Godrej Coliseum,  
Somaiya Hospital Road, Off Eastern Express  
Highway, Sion (E), Mumbai - 400 022  
Phone: +91-22-6754 3456 • www.careedge.in

CIN-L67190MH1993PLCO71691

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

The company is promoted by VGK Prasad, Chairman, who has more than three decades of experience in the industry and is currently managed by Vasumathi Devi, Managing Director. As on March 31, 2024, promoters held a 42.84% share, followed by two funds (India Business Excellence Fund II – 11.12% and IIA – 18.60%) managed by Motilal Oswal Private Equity (MOPE), 7.96% by Accion digital transformation fund, 7.96% by Teachers Insurance and Annuity Association of America and the rest by others.

The company has presence majorly in South India across Andhra Pradesh, Telangana, Karnataka, Tamil Nadu and has been expanding across Gujarat, Maharashtra, Madhya Pradesh, Rajasthan and Odisha in the last few years. It has a total of 165 branches as on March 31, 2024.

IKF has a subsidiary, IKF Home, with a shareholding of 90.55% (rest by promoters) as on March 31, 2024. It is primarily engaged in providing home loan products and refinancing solutions and loan against property (LAP).

<b>Financial performance</b>		(₹ crore)		
<b>Year ended/as on March 31</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	
	<b>A</b>	<b>A</b>	<b>A</b>	
<b>Particulars</b>				
Interest income (Including interest on investment)	218	283	431	
Other operating income	2	2	1	
Other income	2	1	6	
<b>Total income</b>	<b>221</b>	<b>287</b>	<b>437</b>	
Interest expense and financial charges	118	154	220	
Total operating expenses	44	60	97	
<b>PPOP</b>	<b>59</b>	<b>73</b>	<b>120</b>	
Provisions and write-offs	5	5	16	
PBT	54	67	103	
<b>PAT</b>	<b>40</b>	<b>50</b>	<b>77</b>	
<b>Financial position</b>				
Net worth	385	691	879	
Total debt	1,307	2,040	2,736	
Loan portfolio	1,563	2,110	3,258	
Total assets	1,716	2,763	3,675	
<b>Key ratios (%)</b>				
<b>Solvency</b>				
Overall gearing (times)	3.39	2.95	3.11	
Interest coverage (times)	1.46	1.44	1.47	
CAR %	24.11	33.02	26.50	
Tier-I CAR %	21.55	26.25	22.66	
<b>Profitability and operating efficiency ratios (%)</b>				
Net interest margin	6.40	6.16	6.99	
Operating expenses/Average total assets	2.63	2.67	3.03	
ROTA (PAT/Average total assets)	2.41	2.23	2.39	
<b>Asset quality ratios (%)</b>				
Gross NPA	2.72	2.83	2.35	

CARE Ratings Limited

Unit No: O-509/C, Spencer Plaza, 5th Floor,  
No. 769, Anna Salai, Chennai - 600 002  
Phone: +91-44-2849 0811 / 13 / 76

Corporate Office :4th Floor, Godrej Coliseum,  
Somaiya Hospital Road, Off Eastern Express  
Highway, Sion (E), Mumbai - 400 022  
Phone: +91-22-6754 3456 • www.careedge.in

CIN-L67190MH1993PLCO71691

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

Net NPA	1.84	2.25	1.80
Net NPA to net worth	7.46	6.90	6.71

A: Audited, Note: All ratios are calculated as the average of opening and closing balance

**Status of non-cooperation with previous CRA:** Not applicable

**Any other information:** Not applicable

**Rating history for last three years:** Annexure-2

**Details of rated facilities:** Annexure-3

**Complexity level of instruments rated:** Annexure 4

**Covenants of rated instrument / facility:** Annexure-5

**Annexure-1: Details of instruments/facilities**

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Debentures-non-convertible debentures - XII	INE859C07154	11-08-2023	9.75%	11-08-2025	50.00	CARE A; Stable
Debentures-non-convertible debentures - XII	INE859C07154	05-09-2023	9.75%	11-08-2025	50.00	CARE A; Stable
Debentures-non-convertible debentures - XII	INE859C07162	27-03-2024	9.95%	27-03-2027	50.00	CARE A; Stable
Debentures-non-convertible debentures - XIII (Proposed)	-	-	-	-	50.00	CARE A; Stable
Debentures-non-convertible debentures - XIV (Proposed)	-	-	-	-	200.00	CARE A; Stable
Fund-based - LT-cash credit	-	-	-	-	400.00	CARE A; Stable
Fund-based - LT-term loan	-	-	-	March, 2028	2200.00	CARE A; Stable
Debentures-Non-convertible debentures - XI	INE859C08111	27-03-2023	10.60%	27-03-2025	70.00	CARE A; Stable
Debt-subordinate debt - I	INE859C08079	19-01-2021	13.25%	20-07-2026	25.00	CARE A; Stable
Debt-subordinate debt - II	INE859C08103	28-10-2022	13.85%	28-04-2028	140.00	CARE A; Stable

CARE Ratings Limited

Unit No: O-509/C, Spencer Plaza, 5th Floor,  
No. 769, Anna Salai, Chennai - 600 002  
Phone: +91-44-2849 0811 / 13 / 76

Corporate Office :4th Floor, Godrej Coliseum,  
Somaiya Hospital Road, Off Eastern Express  
Highway, Sion (E), Mumbai - 400 022  
Phone: +91-22-6754 3456 • www.careedge.in

CIN-L67190MH1993PLCO71691



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

**Annexure-2: Rating history of last three years**

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
1	Fund-based - LT-Cash Credit	LT	400.00	CARE A; Stable	-	1)CARE A; Stable (21-Mar-24) 2)CARE A; Stable (06-Jul-23)	1)CARE A; Stable (20-Mar-23) 2)CARE A; Stable (27-Sep-22)	1)CARE A; Stable (29-Sep-21)
2	Debentures-Non-convertible debentures	LT	-	-	-	-	-	1)Withdrawn (29-Sep-21)
3	Fund-based - LT-Term Loan	LT	2200.00	CARE A; Stable	-	1)CARE A; Stable (21-Mar-24) 2)CARE A; Stable (06-Jul-23)	1)CARE A; Stable (20-Mar-23) 2)CARE A; Stable (27-Sep-22)	1)CARE A; Stable (29-Sep-21)
4	Debentures-Non-convertible debentures	LT	-	-	-	-	1)Withdrawn (27-Sep-22)	1)CARE A; Stable (29-Sep-21)
5	Debentures-Non-convertible debentures	LT	-	-	-	1)Withdrawn (06-Jul-23)	1)CARE A; Stable (20-Mar-23) 2)CARE A; Stable (27-Sep-22)	1)CARE A; Stable (29-Sep-21)
6	Debentures-Non-convertible debentures	LT	-	-	-	-	1)Withdrawn (27-Sep-22)	1)CARE A; Stable (29-Sep-21)

CARE Ratings Limited

Unit No: O-509/C, Spencer Plaza, 5th Floor,  
No. 769, Anna Salai, Chennai - 600 002  
Phone: +91-44-2849 0811 / 13 / 76

Corporate Office :4th Floor, Godrej Coliseum,  
Somaiya Hospital Road, Off Eastern Express  
Highway, Sion (E), Mumbai - 400 022  
Phone: +91-22-6754 3456 • www.careedge.in

CIN-L67190MH1993PLCO71691

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

7	Debentures-Non-convertible debentures	LT	-	-	-	-	1)Withdrawn (27-Sep-22)	1)CARE A; Stable (29-Sep-21)
8	Debentures-Non-convertible debentures	LT	-	-	-	-	1)Withdrawn (27-Sep-22)	1)CARE A; Stable (29-Sep-21)
9	Debentures-Non-convertible debentures	LT	-	-	-	1)Withdrawn (21-Mar-24) 2)CARE A; Stable (06-Jul-23)	1)CARE A; Stable (20-Mar-23) 2)CARE A; Stable (27-Sep-22)	1)CARE A; Stable (29-Sep-21)
10	Debt-Subordinate Debt	LT	25.00	CARE A; Stable	-	1)CARE A; Stable (21-Mar-24) 2)CARE A; Stable (06-Jul-23)	1)CARE A; Stable (20-Mar-23) 2)CARE A; Stable (27-Sep-22)	1)CARE A; Stable (29-Sep-21)
11	Debentures-Market Linked Debentures	LT	-	-	-	-	-	1)Withdrawn (05-Oct-21) 2)Provisional CARE PP-MLD A; Stable (25-Jun-21)
12	Debentures-Market Linked Debentures	LT	-	-	-	1)Withdrawn (21-Mar-24) 2)CARE PP-MLD A; Stable (06-Jul-23)	1)CARE PP-MLD A; Stable (20-Mar-23) 2)CARE PP-MLD A; Stable (27-Sep-22)	1)CARE PP-MLD A; Stable (29-Sep-21)
13	Debt-Subordinate Debt	LT	140.00	CARE A; Stable	-	1)CARE A; Stable (21-Mar-24)	1)CARE A; Stable (20-Mar-23)	-

CARE Ratings Limited

Unit No: O-509/C, Spencer Plaza, 5th Floor,  
No. 769, Anna Salai, Chennai - 600 002  
Phone: +91-44-2849 0811 / 13 / 76

Corporate Office :4th Floor, Godrej Coliseum,  
Somaiya Hospital Road, Off Eastern Express  
Highway, Sion (E), Mumbai - 400 022  
Phone: +91-22-6754 3456 • www.careedge.in

CIN-L67190MH1993PLCO71691

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

						2)CARE A; Stable (06-Jul-23)	2)CARE A; Stable (30-Sep-22)	
14	Debentures-Non-convertible debentures	LT	70.00	CARE A; Stable	-	1)CARE A; Stable (21-Mar-24) 2)CARE A; Stable (06-Jul-23)	1)CARE A; Stable (20-Mar-23)	-
15	Debentures-Non-convertible debentures	LT	150.00	CARE A; Stable	-	1)CARE A; Stable (21-Mar-24) 2)CARE A; Stable (06-Jul-23)	-	-
16	Debentures-Non-convertible debentures	LT	50.00	CARE A; Stable	-	1)CARE A; Stable (21-Mar-24)	-	-
17	Debentures-Non-convertible debentures	LT	200.00	CARE A; Stable				

LT: Long term

### Annexure-3: Details of rated facilities

#### 1. Long-term facilities

##### 1.A. Term loans

Sr. No.	Name of Bank / Lender	Rated Amount (₹crore)
1.	Indian Overseas Bank	100.00
2.	Small Industries Development Bank of India	100.00
3.	HDFC Bank Ltd.	89.79
4.	MUDRA Bank	75.00
5.	Bandhan Bank Ltd.	69.55
6.	Central Bank of India	67.50
7.	Bank of Baroda	65.73
8.	Yes Bank Ltd.	58.13
9.	Nabsamruddhi Finance Ltd.	52.50
10.	Indian Bank	52.50
11.	IDFC First Bank Ltd.	50.00
12.	Bank of Maharashtra	50.00
13.	DBS Bank India Ltd.	50.00
14.	Small Industries Development Bank of India	50.00

CARE Ratings Limited

Unit No: O-509/C, Spencer Plaza, 5th Floor,  
No. 769, Anna Salai, Chennai - 600 002  
Phone: +91-44-2849 0811 / 13 / 76

Corporate Office :4th Floor, Godrej Coliseum,  
Somaiya Hospital Road, Off Eastern Express  
Highway, Sion (E), Mumbai - 400 022  
Phone: +91-22-6754 3456 • www.careedge.in

CIN-L67190MH1993PLCO71691

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

Sr. No.	Name of Bank / Lender	Rated Amount (₹crore)
15.	Jana Small Finance Bank Ltd.	47.67
16.	HDFC Bank Ltd.	40.99
17.	UCO Bank	38.88
18.	Indian Overseas Bank	37.50
19.	IDFC First Bank Ltd.	34.09
20.	Bank of Maharashtra	33.33
21.	Axis Bank Ltd.	33.33
22.	Central Bank of India	32.50
23.	Bandhan Bank Ltd.	31.82
24.	Federal Bank	31.63
25.	Ujjivan Small Finance Bank Ltd.	28.33
26.	MUDRA Bank	27.25
27.	Yes Bank Ltd.	25.63
28.	Bank of Baroda	25.00
29.	Karur Vysya Bank Ltd.	25.00
30.	Indian Bank	25.00
31.	Small Industries Development Bank of India	24.48
32.	MUDRA Bank	22.73
33.	Karnataka Bank Ltd.	21.88
34.	Jana Small Finance Bank Ltd.	21.83
35.	State Bank of India	20.48
36.	Dhanlaxmi Bank Ltd.	20.00
37.	Woori Bank	19.17
38.	Karur Vysya Bank Ltd.	18.75
39.	DBS Bank India Ltd.	18.18
40.	AU Small Finance Bank Ltd.	17.50
41.	Bank of India	16.62
42.	Kotak Mahindra Bank Ltd.	15.63
43.	Ujjivan Small Finance Bank Ltd.	15.28
44.	Karnataka Bank Ltd.	14.06
45.	Federal Bank	13.53
46.	Utkarsh Small Finance Bank Ltd.	13.44
47.	Central Bank of India	12.00
48.	CSB Bank Ltd.	11.67
49.	Dhanlaxmi Bank Ltd.	10.00
50.	Woori Bank	10.00
51.	AU Small Finance Bank Ltd.	9.72
52.	AU Small Finance Bank Ltd.	8.33
53.	Bank of Maharashtra	8.33
54.	Dhanlaxmi Bank Ltd.	7.50
55.	HDFC Bank Ltd.	7.37
56.	HDFC Bank Ltd.	7.27

CARE Ratings Limited

Unit No: O-509/C, Spencer Plaza, 5th Floor,  
No. 769, Anna Salai, Chennai - 600 002  
Phone: +91-44-2849 0811 / 13 / 76

Corporate Office :4th Floor, Godrej Coliseum,  
Somaiya Hospital Road, Off Eastern Express  
Highway, Sion (E), Mumbai - 400 022  
Phone: +91-22-6754 3456 • www.careedge.in

CIN-L67190MH1993PLCO71691

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

Sr. No.	Name of Bank / Lender	Rated Amount (₹crore)
57.	Yes Bank Ltd.	6.67
58.	MUDRA Bank	6.60
59.	Federal Bank	6.25
60.	Utkarsh Small Finance Bank Ltd.	6.00
61.	HDFC Bank Ltd.	5.05
62.	IDBI Bank Ltd.	5.00
63.	Union Bank of India	4.94
64.	DBS Bank India Ltd.	4.55
65.	Ujjivan Small Finance Bank Ltd.	3.89
66.	Federal Bank	3.43
67.	Suryoday Small Finance Bank Ltd.	3.20
68.	Dhanlaxmi Bank Ltd.	3.00
69.	Union Bank of India	0.90
70.	Proposed	306.12
	<b>Total</b>	<b>2,200.00</b>

#### 1.B. Fund-based limits

Sr. No.	Name of Bank / Lender	Rated Amount (₹crore)	Remarks
1.	Central Bank of India	95.00	CC/WCDL
2.	Union Bank of India	58.00	CC/WCDL
3.	IndusInd Bank Ltd.	50.00	CC/WCDL
4.	Indian Overseas Bank	40.00	CC/WCDL
5.	HDFC Bank Ltd.	30.00	CC/WCDL
6.	DCB Bank Ltd.	25.00	CC/WCDL
7.	IDFC First Bank Ltd.	25.00	CC/WCDL
8.	IDBI Bank Ltd.	20.00	CC/WCDL
9.	Punjab National Bank	18.20	CC/WCDL
10.	Federal Bank	15.00	CC/WCDL
11.	Bank of Maharashtra	10.00	CC/WCDL
12.	Proposed	13.80	
	<b>Total</b>	<b>400.00</b>	

**Total long-term facilities: ₹2,600.00 crore**

**Total facilities (1.A+1.B): ₹2,600.00 crore**

#### Annexure-4: Complexity level of instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Debentures-Non-convertible debentures	Simple
2	Debt-Subordinate Debt	Simple
3	Fund-based - LT-Cash Credit	Simple
4	Fund-based - LT-Term Loan	Simple

CARE Ratings Limited

Unit No: O-509/C, Spencer Plaza, 5th Floor,  
No. 769, Anna Salai, Chennai - 600 002  
Phone: +91-44-2849 0811 / 13 / 76

Corporate Office :4th Floor, Godrej Coliseum,  
Somaiya Hospital Road, Off Eastern Express  
Highway, Sion (E), Mumbai - 400 022  
Phone: +91-22-6754 3456 • www.careedge.in

CIN-L67190MH1993PLCO71691

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

**Note on complexity levels of rated instruments:** CARE Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

**Annexure-5: Detailed explanation of covenants of rated instruments/facilities:** Not applicable

<b>Contact us</b>	
<p><b>Media Contact</b></p> <p>Mradul Mishra Director <b>CARE Ratings Limited</b> Phone: +91-22-6754 3596 E-mail: <a href="mailto:mradul.mishra@careedge.in">mradul.mishra@careedge.in</a></p> <p><b>Relationship Contact</b></p> <p>Pradeep Kumar V Senior Director <b>CARE Ratings Limited</b> Phone: +91-44-2850 1001 E-mail: <a href="mailto:pradeep.kumar@careedge.in">pradeep.kumar@careedge.in</a></p>	<p><b>Analytical Contacts</b></p> <p>Vineet Jain Senior Director <b>CARE Ratings Limited</b> Phone: +91-22-6754 3456 E-mail: <a href="mailto:Vineet.Jain@careedge.in">Vineet.Jain@careedge.in</a></p> <p>Ravi Shankar R Associate Director <b>CARE Ratings Limited</b> Phone: +91-44-2850 1016 E-mail: <a href="mailto:ravi.s@careedge.in">ravi.s@careedge.in</a></p> <p>Hareesh H Lead Analyst <b>CARE Ratings Limited</b> E-mail: <a href="mailto:hareesh.h@careedge.in">hareesh.h@careedge.in</a></p>

**About us:**

Established in 1993, CARE Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the RBI. With an equitable position in the Indian capital market, CARE Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CARE Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by the methodologies congruent with the international best practices. CARE Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit.

**Disclaimer:**

The ratings issued by CARE 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. These ratings do not convey suitability or price for the investor. The agency does not constitute an audit on the rated entity. CARE Ratings has based its ratings/outlook based on information obtained from reliable and credible sources. CARE Ratings does not, however, guarantee the accuracy, adequacy, or completeness of any information and is not responsible for any errors or omissions and the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE Ratings have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE Ratings or its subsidiaries/associates may also be involved with other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating/outlook assigned by CARE Ratings is, inter-alia, based on the capital deployed by the partners/proprietors and the current financial strength of the firm. The ratings/outlook may change in case of withdrawal of capital, or the unsecured loans brought in by the partners/proprietors in addition to the financial performance and other relevant factors. CARE Ratings is not responsible for any errors and states that it has no financial liability whatsoever to the users of the ratings of CARE Ratings. The ratings of CARE Ratings do not factor in any rating-related trigger clauses as per the terms of the facilities/instruments, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and triggered, the ratings may see volatility and sharp downgrades.

CARE Ratings Limited

Unit No: O-509/C, Spencer Plaza, 5th Floor,  
No. 769, Anna Salai, Chennai - 600 002  
Phone: +91-44-2849 0811 / 13 / 76

Corporate Office :4th Floor, Godrej Coliseum,  
Somaiya Hospital Road, Off Eastern Express  
Highway, Sion (E), Mumbai - 400 022  
Phone: +91-22-6754 3456 • [www.careedge.in](http://www.careedge.in)

CIN-L67190MH1993PLCO71691

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

#### CONTACT

##### CARE Ratings Ltd.

Corporate Office: 4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (East), Mumbai - 400 022  
Phone: +91-22-6754 3456

#### REGIONAL OFFICE

##### AHMEDABAD

32, Titanium, Prahaladnagar Corporate Road, Satellite, Ahmedabad - 380 015  
Phone: +91-79-4026 5656

##### ANDHERI – MUMBAI

A Wing - 1102 / 1103, Kanakia Wall Street, Andheri Kurla Road, Chakala, Andheri (E), Mumbai - 400 093

##### BENGALURU

Unit No. 205-208, 2nd Floor, Prestige Meridian 1, No. 30, M.G. Road, Bengaluru, Karnataka - 560 001  
Phone: +91-80-4662 5555

##### CHENNAI

Unit No. O-509/C, Spencer Plaza, 5th Floor, No. 769, Anna Salai, Chennai - 600 002  
Phone: +91-44-2849 7812 / 0811

##### COIMBATORE

T-3, 3rd Floor, Manchester Square, Puliakulam Road, Coimbatore - 641 037  
Phone: +91-422-433 2399 / 450 2399

##### HYDERABAD

401, Ashoka Scintilla, 3-6-502, Himayat Nagar, Hyderabad - 500 029  
Phone: +91-40-4010 2030

##### KOLKATA

Unit No. A/7/4, 7th Floor, Block A, Apeejay House, 15 Park Street, Kolkata – 700 016.  
Phone: +91-33-4018 1600

##### NOIDA

9th floor, C-001/A2, Berger Towers, Sector 16B, Noida, Gautam Budh Nagar, Uttar Pradesh -201301  
Phone: +91-120-4452000

##### PUNE

9th Floor, Pride Kumar Senate, Plot No. 970, Bhamburda, Senapati Bapat Road, Shivaji Nagar, Pune - 411 016  
Phone: +91-20- 4000 9000

CIN - L67190MH1993PLC071691

CARE Ratings Limited


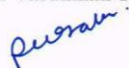


Unit No: O-509/C, Spencer Plaza, 5th Floor, No. 769, Anna Salai, Chennai - 600 002  
Phone: +91-44-2849 0811 / 13 / 76

CIN-L67190MH1993PLC071691

Corporate Office :4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (E), Mumbai - 400 022  
Phone: +91-22-6754 3456 • www.careedge.in


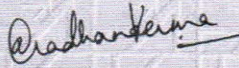
(This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

## ANNEXURE II: CONSENT LETTER FROM THE DEBENTURE TRUSTEE

CIN: U65993WB2010PTC152401	
CL/MUM/24-25/DEB/183	
Date: November 06, 2024	
To <b>IKF Finance Limited</b> D No.40-1-144, Corporate Centre M G Road, Vijayawada, Andhra Pradesh - 520010	
<b>Kind Attn: Mr. P Chandra Sekhar</b>	
Dear Sir,	
<b>Sub: Consent to act as Trustee for Rated Secured Listed Transferable Redeemable Non-convertible debentures aggregating to Rs. 60 Crores (INR Sixty Crores) to be issued by IKF Finance Limited.</b>	
We, the undersigned, hereby consent to be named as the Debenture Trustee to the Issue and to our name being inserted as the Debenture Trustee to the Issue in the Information Memorandum/disclosure document/listing application or any other document to be filed with the BSE/NSE Limited ("Stock Exchange") or any other authority as required. The following details with respect to us may be disclosed:	
Name	Vardhman Trusteeship Private Limited
Address	The Capital, A Wing, 412A, Bandra Kurla Complex, Bandra (East), Mumbai-400051
Tel	22 4264 8335/ 22 4014 0832
Email	corporate@vardhmantrustee.com
Website	<a href="https://vardhmantrustee.com">https://vardhmantrustee.com</a>
Contact Person	Rushabh Desai
SEBI Registration No	IND000000611
CIN	U65993WB2010PTC152401
Logo	
We confirm that we are registered with the SEBI and that such registration is valid as on the date of this letter. We enclose a copy of our registration certificate enclosed herein as Annexure A and declaration regarding our registration with SEBI as Annexure B. We also confirm that we have not been prohibited by SEBI to act as an intermediary in capital market issues.	
Yours faithfully,	
<b>For Vardhman Trusteeship Private Limited</b>	
 <b>Authorised Signatory</b>	
	
Registered Office Turner Morrison Building, Unit No. 15, 6 Lyons Range, Kolkata - 700001. Corporate Office The Capital, 412A, Bandra Kurla Complex, Bandra (East), Mumbai- 400051. +91 22 4264 8335 / +91 22 4014 0832 corporate@vardhmantrustee.com www.vardhmantrustee.com	
	



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

डिबेंचर न्यासी	प्रत्येक ख FORM-B	DEBENTURE TRUSTEE
<b>भारतीय प्रतिभूति और विनियम बोर्ड</b> <b>SECURITIES AND EXCHANGE BOARD OF INDIA</b> (डिबेंचर न्यासी) विनियम, 1993 (DEBENTURE TRUSTEE) REGULATIONS, 1993 000 २७५ (विनियम 8) (Regulation 8) <b>रजिस्ट्रीकरण प्रमाणपत्र</b> <b>CERTIFICATE OF REGISTRATION</b>		
<p>1) बोर्ड, भारतीय प्रतिभूति और विनियम बोर्ड अधिनियम, 1992 के अधीन डिबेंचर न्यासी के लिए बनाए गए नियमों और विनियमों के साथ पठित उस अधिनियम की धारा-12 की उपधारा (1) द्वारा प्रदत्त शक्तियों का प्रयोग करते हुए, 1) In exercise of the powers conferred by sub-section (1) of section 12 of the Securities and Exchange Board of India Act, 1992, read with the rules and regulations made thereunder for the debenture trustee the Board hereby grants a certificate of registration to</p>		
<p><b>VARDHMAN TRUSTEESHIP PRIVATE LIMITED</b> Unit No. 15, Turner Morrison Building 6 Lyons Range KOLKATA 700001 WEST BENGAL INDIA</p>		
<p>को नियमों में, शर्तों के अधीन रहते हुए और विनियमों के अनुसार डिबेंचर न्यासी के रूप में रजिस्ट्रीकरण का प्रमाणपत्र इसके द्वारा प्रदान करता है। as a debenture trustee subject to the conditions in the rules and in accordance with the regulations.</p>		
<p>2) डिबेंचर न्यासी के लिए रजिस्ट्रीकरण कूट है। 2) Registration Code for the debenture trustee is <b>IND000000611</b></p>		
<p>3) जब तक नवीकृत न किया जाए, रजिस्ट्रीकरण का प्रमाणपत्र से तक विद्यमान है। 3) Unless renewed, the certificate of registration is valid from to</p>		
<p><b>This certificate of Registration shall be valid from 15/12/2020 to null, unless Suspended or cancelled by the Board</b></p>		
<p>आदेश से <b>भारतीय प्रतिभूति और विनियम बोर्ड</b> के लिए और उसकी ओर से By order For and on behalf of <b>Securities and Exchange Board of India</b></p>		
स्थान Place : <b>Mumbai</b>		 <b>ARADHANA VERMA</b> प्राधिकृत हस्ताक्षरकर्ता Authorised Signatory
तारीख Date : <b>May 20, 2021</b>		

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

CIN: U65993WB2010PTC152401



#### Annexure B

We hereby confirm that as on date the following details in relation to our registration with the Securities and Exchange Board of India as a Debenture Trustee is true and correct:

1	Registration Number	IND000000611
2	Date of registration/ Renewal of registration	15/12/2020
3	Date of expiry of registration	Null, unless suspended or cancelled by SEBI
4	If applied for renewal, date of application	N/A
5	Any communication from SEBI prohibiting the entity from acting as an intermediary	No
6	Any enquiry/ investigation being conducted by SEBI	No
7	Details of any penalty imposed by SEBI	No

*Resub.*



Registered Office Turner Morrison Building, Unit No. 15, 6 Lyons Range, Kolkata - 700001.  
Corporate Office The Capital, 412A, Bandra Kurla Complex, Bandra (East), Mumbai- 400051.  
+91 22 4264 8335 / +91 22 4014 0832  
corporate@vardhmantrustee.com www.vardhmantrustee.com

Mumbai Bengaluru Kolkata New Delhi

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

### ANNEXURE III: APPLICATION FORM



#### IKF FINANCE LIMITED

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

**Date of Incorporation:** 30<sup>th</sup> May 1991

**Registered Office:** 40-1-144, 3<sup>rd</sup> Floor, Corporate Centre, M.G. Road, Vijayawada, Andhra Pradesh - 520010, India

**Telephone No.:** 0866-2474644

**Website:** <https://www.ikffinance.com>

<b>DEBENTURE SERIES APPLICATION FORM SERIAL NO.</b>									
---	--	--	--	--	--	--	--	--	--

**ISSUE OF UP TO 6,000 (SIX THOUSAND) SENIOR, SECURED, LISTED, RATED, REDEEMABLE, TRANSFERABLE, NON-CONVERTIBLE DEBENTURES HAVING A FACE VALUE OF INR 1,00,000/- (INDIAN RUPEES ONE LAKH ONLY) EACH, FOR CASH, AT PAR, AMOUNTING UP TO INR 60,00,00,000/- (INDIAN RUPEES SIXTY CRORES ONLY) IN A DEMATERIALIZED FORM, ON A PRIVATE PLACEMENT BASIS (THE "ISSUE") (HEREINAFTER REFERRED TO AS "DEBENTURES") BY IKF FINANCE LIMITED (THE "COMPANY") OR ("ISSUER").**

Dear Sir / Madam,

I AM/ WE ARE ( ) COMPANY ( ) OTHERS ( ) SPECIFY \_\_\_\_\_

We have read and understood the terms and conditions of the Key Information Document dated 8<sup>th</sup> November 2024 for the issue of Debentures on a private placement basis including the Risk Factors described in the Key Information Document ("**Key Information Document**") issued by the Issuer and have considered these in making our decision to apply. We bind ourselves to these terms and conditions and wish to apply for allotment of these Debentures. We request you to please place our name(s) on the Register of Debenture Holders, on allotment of the Debentures to us.

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

**(PLEASE READ THE INSTRUCTIONS CAREFULLY BEFORE FILLING THIS FORM)**

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

#### DEBENTURE SERIES APPLIED FOR:

Number of Debentures: \_\_\_\_\_ In words: \_\_\_\_\_ only

Amount INR \_\_\_\_\_ /- In words Indian Rupees : \_\_\_\_\_ Only

#### DETAILS OF PAYMENT:

Cheque / Demand Draft / RTGS



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

DATE OF RECEIPT \_\_\_\_\_ DATE OF CLEARANCE \_\_\_\_\_

(Note: Cheque and Drafts are subject to realisation)

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

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

Applicant's  
Signature

**FOR OFFICE USE ONLY**

DATE OF RECEIPT \_\_\_\_\_ DATE OF CLEARANCE \_\_\_\_\_

(Note : Cheque and Drafts are subject to realisation)

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

**ACKNOWLEDGMENT SLIP**

(To be filled in by Applicant) SERIAL NO. 

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

Received from \_\_\_\_\_

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

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

### **INSTRUCTIONS**

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

4. The payment is required to be made to the following account:

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

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

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

5. 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.
6. Receipt of applicants will be acknowledged by the Company in the "Acknowledgement Slip" appearing below the application form. No separate receipt will be issued.
7. 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.
8. The application would be accepted as per the terms of the manner outlined in the transaction documents for the private placement.

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

#### ANNEXURE IV: ILLUSTRATION OF BOND CASH FLOWS

Illustration of bond cash flows	
Company	IKF Finance Limited
Face Value (per security)	INR 1,00,000 (Indian Rupees One Lakh Only)
Issue Date / Date of Allotment	Issue Opening Date: 12 <sup>th</sup> November 2024 Deemed Date of Allotment: 13 <sup>th</sup> November 2024
Redemption Date / Maturity Date	Redemption Date / Maturity Date: up to 28 (Twenty- Eight) Months i.e., 852 (Eight Hundred and Fifty Two) days from the Deemed Date of Allotment.
Coupon Rate	Please refer to Section 2.8 (Issue Details) of this Key Information Document
Frequency of the Coupon Payment with specified dates	Please refer to Section 2.8 (Issue Details) of this Key Information Document  Please also see below.
Day Count Convention	Actual/Actual

#### **Cash flows - Redemption Amount and Coupon Payment Schedule** **(Per Debenture)**

DATES	PRINCIPAL	INTEREST
13-05-2025	-	4,909
13-11-2025	-	4,991
13-05-2026	-	4,909
13-11-2026	-	4,991
15-02-2027	50,000.00	-
15-03-2027	50,000.00	2,929

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

## ANNEXURE V - PART I: BOARD RESOLUTION



**EXTRACT OF THE MINUTES OF THE MEETING OF BOARD OF DIRECTORS OF IKF FINANCE LIMITED HELD ON TUESDAY, THE 5<sup>TH</sup> DAY OF NOVEMBER, 2024 AT THE REGISTERED OFFICE OF THE COMPANY SITUATED #40-1-144, CORPORATE CENTRE, M.G.ROAD, VIJAYAWADA, ANDHRA PRADESH AT 1.30 P.M.,**

### **APPROVAL FOR RE CONSTITUTION OF MANAGEMENT COMMITTEE AND DELEGATION OF POWERS**

The Board was informed that due to retirement of Sri.K.Satyanarayana Prasad, Independent Director and member of the Management Committee it is proposed to reconstitute Management Committee of the Company. In this regard, the Board has discussed in detail and approved to re constitute the Management Committee duly passing the following resolutions

“RESOLVED THAT pursuant to the provisions of the Companies Act, 2013, applicable clauses of Listing Agreement with the Bombay Stock Exchange and other applicable provisions/circulars/notifications if any of the concerned Regulatory Authorities and in due compliance of Master Direction - Master Direction - Information Technology Framework for the NBFC Sector, the consent of the Board of Directors be and is hereby accorded to re constitute the Management Committee of the Company as follows:

S No	Name of the Member	Designation
1	Mr V.G.K.Prasad	Chairman & Executive Director
2	Mrs K.Vasumathi Devi	Managing Director
3	Mr Kannan	Independent Director

“RESOLVED THAT pursuant to the provisions of Section 179(3), 180 and 186 of the Companies Act, 2013 and the rules made there under (including any statutory modification (or re-enactments thereof for the time being in force), the Management Committee of the Board comprise the members i) Mr .V.G.K.Prasad, Chairman & Executive Director, ii) Mrs.K.Vasumathi Devi, Managing Director and iii) Mr.Kannan, Independent Director to exercise the following powers on behalf of the Board of Directors from time to time

- To borrow money, as and when required, from, including without limitation, any Bank and/or Public Financial Institution as defined under Section 2(72) of the Companies Act, 2013 and/or eligible foreign lender and/or any entity/ entities and/or authority/ authorities and/ or through suppliers credit, any other securities or instruments, such as floating rate notes, fixed rate notes, syndicated loans, debentures, commercial papers, short term loans or any other instruments etc. and/or through credit from official agencies and/or by way of commercial borrowings from the private sector window of multilateral financial institution, either in rupees or in such other foreign currencies as may be permitted by law from time to time, for an aggregate amount not exceeding Rs.6,000 Crores (Rupees Six Thousand Crores Only)
- To create charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations created by the company, on such assets and properties of the company, both present and future, in favour of all or any Banks, financial institutions, investments institutions and their subsidiaries, any other bodies corporate and any other lenders (hereinafter collectively referred to “the lending agencies”) and/ or Trustees for the holders of debentures/ bonds/ other instruments to secure borrowing of the Company by way of loans/ issue of debentures/ bonds/ other instruments which may be issued for a sum not exceeding Rs.5,000 Crore (Rupees Six



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



Thousand Crore only) over and above the aggregate of the paid up capital of the company, its free reserves and securities premium which have been /or propose to be obtained from or privately placed with the lending agencies

- To issue, offer or invitation and allot secured/unsecured, redeemable, non-convertible, listed / unlisted, senior/subordinated bonds/debentures/Commercial Paper/ Tier II Debt/ Other debt securities ("Bonds") of value aggregating upto Rs.3,000 Cr (Rupees Three Thousand Crores Only) through private placement offer letter(s) in one or more tranches
- To finalize the terms and conditions and approve the assignment and securitization transaction with all NBFCs, Banks and other Financial Institutions
- To Invest surplus funds in Investment grade rated Companies Non-Convertible Debentures
- To approve the day to day management transactions
- To open any Bank Account and approve the authorities to operate the accounts or to close any inoperative Bank accounts
- To apply for any approvals, permissions with Statutory authorities like Registrar of Companies, Reserve Bank of India
- To give authorization to the Directors and other authorities to execute the documents on behalf of the Company
- To approve the sale of repossessed assets

//Certified True Copy//  
For IKF Finance Limited

Digital signed by  
CHAPALAMADUGU SREENIVASA RAO  
MNO: A14723  
Date: 2024.11.07 11:45:17 AM IST

(Ch Sreenivasa Rao)  
Company Secretary  
MNo: A14723

Place: Vijayawada  
Date: 07.11.2024

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

## ANNEXURE V - PART II: MANAGEMENT COMMITTEE RESOLUTION



**EXTRACT FROM THE MINUTES OF THE MEETING OF THE MANAGEMENT COMMITTEE OF BOARD OF DIRECTORS OF IKF FINANCE LIMITED AT THEIR MEETING HELD ON WEDNESDAY, THE 6<sup>TH</sup> DAY OF NOVEMBER, 2024 AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT #40-1-144, CORPORATE CENTRE, M.G.ROAD, VIJAYAWADA-520010 AT 11.00 A.M**

### **ISSUE OF SENIOR RATED SECURED LISTED TRANSFERABLE REDEEMABLE NON-CONVERTIBLE DEBENTURES ON A PRIVATE PLACEMENT BASIS**

The Committee noted the Company's proposal for raising of debt by way of private placement of up to 6,000 (Six Thousand) Rated, Secured Listed Transferable Redeemable Non-convertible debentures, having a face value of INR. 1,00,000/- (Indian Rupees One Lakh only) each, for cash, aggregating up to INR 60,00,00,000/- (Indian Rupees Sixty Crores Only) in dematerialised form, to raise funds will be used its on-lending requirement towards various classes of loan products of the Company, including but not limited to vehicle loans and various other classes of loan products of the Company, and pursuant to the approval of the Board of Directors of the Company in their meeting held on 05.11.2024 and members at their meeting held on 30.09.2024.

The Chairman informed the Committee that:

1. In order for the Company to raise funds, *inter alia*, for augmenting the funds for raising debt for the ongoing business of the Company (including the expansion of the Company's onward lending), and pursuant to the approval of the Board of Directors of the Company at their meeting held on 05.11.2024 and pursuant to the approval of the members of the Company at their meeting held on 30.09.2024, the Company is planning to raise debt to make a private placement of non-convertible debentures, by way of an issue of up to 6,000 (Six Thousand) Rated, Secured Listed Transferable Redeemable Non-convertible debentures, having a face value of INR. 1,00,000/- (Indian Rupees One Lakh only) each, for cash, aggregating up to INR 60,00,00,000/- (Indian Rupees Sixty Crores Only), in a single series (the "Debentures") to be issued and allotted in dematerialised form, to identified categories of investors, being financial institutions, insurance companies, provident funds, gratuity, pension, superannuation funds, regional rural banks, mutual funds, alternate investment funds, companies, body corporates authorized to invest in bonds, trusts, association of persons, societies, individuals, scheduled commercial banks, cooperative bank, partnership firms, HUF and any other person (not being an individual or a group), who shall meet the eligibility criteria as set out in the information memorandum/offer letter, on such terms and conditions as set out in the term sheet tabled before the Committee and do all other acts in connection with the issue of the Debentures.
2. Further, in relation to the issuance of Debentures and other acts required in connection therewith, the Company will be required to *inter alia*:
  - a. Appoint a debenture trustee to act for and on behalf of the holders of the Debentures;
  - b. Procure rating for the Debentures from an accredited rating agency;
  - c. Obtain listing of Debentures on wholesale debt market segment of the BSE;
  - d. Enter into the requisite agreements with the depository participant i.e., National Securities

#### IKF Finance Limited

Registered Office: #40-1-144, Corporate Centre, M.G.Road, VIJAYAWADA - 520 010.  
Ph: 91-866-2474644, 2474633 | Fax: 91-866-2485755 | Email: ikffinance@gmail.com | Web: www.ikffinance.com  
Corporate Office: Plot No's. 30/A, Survey No. 83/1, 11th Floor, My Home Twitza, , APIIC Hyderabad Knowledge City, Raidurg (Panmaqtha) Village, Scrlingampally Mandal, Ranga Reddy District, Hyderabad - 500081, Telangana  
Ph: 91-40-69268899 | CIN:U65992AP1991PLC012736

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



Depository Limited and/or Central Depository Services (India) Limited for the issue of the Debentures in a dematerialized form and procuring the international securities identification number (ISIN) for the same;

- e. To pay all stamp duty required to be paid for the issue, offer and allotment of the Debentures in accordance with the laws of India and procure the stamped documents from the relevant governmental authorities;
- f. Open such bank account(s) as may be required in relation to servicing of the Debentures;
- g. Create and perfect the security as required in accordance with the terms of the transaction documents in relation to the issue, offer and allotment of the Debentures;
- h. Execute the debenture trust deed, the debenture trustee agreement, the deed of hypothecation, disclosure document/offer letter/key information document, powers of attorney, and such other documents as may be required to be executed in relation to the Debentures.
- i. To set up recovery expense fund as per the applicable regulations.

The Committee discussed the matter and thereafter unanimously passed the following resolution:

**“RESOLVED THAT** pursuant to the powers conferred upon the Committee in terms of the resolution of the Board of Directors of the Company dated 05.11.2024, and as approved by the Board of Directors of the Company by way of the said resolution and members of the Company in the general meeting held on 30.09.2024 and pursuant to the provisions of the Memorandum and Articles of Association of the Company, the applicable provisions of the Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014, the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, listing agreement entered into by the Company with Bombay Stock Exchange, the regulations issued by the Reserve Bank of India as applicable to Non-Banking Financial Companies from time to time and other applicable laws, if any, the Committee hereby approves the issuance of up to 6,000 (Six Thousand) Rated, Secured Listed Transferable Redeemable Non-convertible debentures, having a face value of INR. 1,00,000/- (Indian Rupees One Lakh only) each, for cash, aggregating up to INR 60,00,00,000/- (Indian Rupees Sixty Crores Only) in a single series (the “**Debentures**”) on a private placement basis to identified categories of investors, being financial institutions, insurance companies, provident funds, gratuity, pension, superannuation funds, regional rural banks, mutual funds, alternate investment funds, companies, body corporates authorized to invest in bonds, trusts, association of persons, societies, individuals, scheduled commercial banks, cooperative bank, partnership firms, HUF and any other person (not being an individual or a group), who shall meet the eligibility criteria as set out in the information memorandum/offer letter) and who are successful bidders on the electronic book platform as per the applicable regulations issued by the Securities and Exchange Board of India in relation to the EBP mechanism, on such terms and conditions such as issue size, tenor and coupon as the Committee may deem appropriate based on prevailing market and other conditions and do all other acts as may be required in connection with the issue of Debentures.

**RESOLVED THAT** the Committee hereby approves the appointment of:

- b. Vardhman Trusteeship Private Limited as the trustee to act for and on behalf of the holders of the Debentures;
- c. National Securities Depository Limited (“**NSDL**”) or Central Depository Services Limited (“**CDSL**”) or

**IKF Finance Limited**  
Registered Office: #40-1-144, Corporate Centre, M.G.Road, VJAYAWADA - 520 010.  
Ph: 91-866-2474644, 2474633 | Fax: 91-866-2485755 | Email: ikffinance@gmail.com | Web: www.ikffinance.com  
Corporate Office: Plot No's. 30/A, Survey No. 83/1, 11th Floor, My Home Iwita, , APIIC Hyderabad Knowledge City,  
Raidurg (Panmaqtha) Village, Serilingampally Mandal, Ranga Reddy District, Hyderabad - 500081, Telangana  
Ph: 91-40-69268899 | CIN:U65992AP1991PLC012736

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



both, as determined by any authorised signatory as the depository for the issue of Debentures; and  
d. Bigshare Services Private Limited as the registrar to the issue of Debentures.

**RESOLVED FURTHER THAT** (i) Sri.V.G.K.Prasad, Chairman, (ii) Smt.K.Vasumathi Devi, Managing Director (iii) Sri Prakash Bhawnani, Chief Financial Officer (iv) Sri.Ch.Sreenivasa Rao, Company Secretary, (v) Mrs. Kalyani Chunduri, AVP Lender Relations, (vi) Mr. Arunachalam Rm, sales Manager, (vii) Ms. Sujatha S, Deputy Company Secretary (“**Authorised Signatories**”) of the Company, be and are hereby severally authorized on behalf of the Company, to negotiate, finalise, sign and execute the necessary definite agreements including debenture trust deed, debenture trustee agreement, deed of hypothecation, powers of attorney and other agreements, documents, papers, writing, amendments, disclosure document, private placement offer-cum-application letter, key information document, on behalf of the Company with respect to the Debentures and to take such steps as may be necessary for filing of the said documents with the respective authority, to create and perfect the security over the receivables of the Company which shall be maintained at least 1.10x (one decimal point one zero times) the aggregate amount of the redemption amount in relation to the Debentures as required in accordance with the terms of the transaction documents in relation to the issue, offer and allotment of the Debentures and to obtain approvals, statutory, contractual or otherwise, in relation to the above if required and to settle all matters arising out of and incidental thereto, on behalf of the Company and generally to do all such acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution.

**RESOLVED FURTHER THAT** the contents of the transaction documents including the general information document and the key information documents have been perused by the board of directors, and the final and ultimate responsibility of the contents mentioned herein shall also lie with the board of directors.

The following shall be the authorised persons to approve the general information document/key information document:

- i. executive Chairperson and compliance officer; or
- ii. Managing Director or Chief Executive Officer and compliance officer; or
- iii. Chief Financial Officer and compliance officer; or
- iv. whole-time director and compliance officer; or
- v. any two key managerial personnel.

they are duly authorised to attest as per this clause by the board of directors or the governing body, as the case may be, by a resolution, a copy of which should also disclosed in the offer document.

**RESOLVED FURTHER THAT** the Authorised Signatories of the Company, be and are hereby severally authorised to do all such acts, deeds, things and execute or ratify all such documents whatsoever as may be required in connection with the issue of the Debentures including without limitation execution or ratification of the requisite agreement(s) with the National Securities Depository Limited and/ or the Central Depository Services (India) Limited, the opening of bank accounts and opening of demat accounts, listing of Debentures on wholesale debt market segment of the BSE, appointment of the trustees, appointment of legal counsel, the registrar and transfer agent to the issue, credit rating company and other advisors as may be required and making payment of their fees.

**RESOLVED FURTHER THAT** any of the Directors, and the Authorised Signatories of the Company, be and are hereby severally authorised to do all such acts, deeds and things as are necessary for registering any of the documents, being executed by the Company, take steps relating to the creation, perfection and registration of charges, and for filing of necessary forms, returns and such other documents pertaining to the aforesaid issuance

**IKF Finance Limited**

Registered Office: #40-1-144, Corporate Centre, M.G.Road, VIJAYAWADA - 520 010.

Ph: 91-866-2474644, 2474633 | Fax: 91-866-2485755 | Email: ikffinance@gmail.com | Web: www.ikffinance.com

Corporate Office: Plot No's. 30/A, Survey No. 83/1, 11th Floor, My Home Twitza, , APIIC Hyderabad Knowledge City, Raidurg (Panmaqtha) Village, Serilingampally Mandal, Ranga Reddy District, Hyderabad - 500081, Telangana

Ph: 91-40-69268899 | CIN:U65992AP1991PLC012736

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



of Debentures with the relevant registrar of companies, the Ministry of Corporate Affairs, stock exchanges, Securities and Exchange Board of India (“SEBI”), or any other authority.

**RESOLVED FURTHER THAT** the Committee hereby authorizes the issuance of power of attorney authorizing the Authorised Signatories to execute or ratify all documents required to be executed or ratified as aforesaid and do all such acts and deeds as may be required in relation to the issue of Debentures.

**RESOLVED FURTHER THAT** the approval of the Committee be and is hereby given to affix the Common Seal of the Company on any or all documents as per the Articles of Association of the Company.

**RESOLVED FURTHER THAT** the aforesaid resolutions shall come into effect immediately and a copy of the foregoing resolutions certified to be a true copy by any of the Directors or Company Secretary of the Company be furnished to such parties concerned with respect to the issue of the Debentures.”

//Certified True Copy//  
For IKF Finance Limited

(Ch Sreenivasa Rao)  
Company Secretary  
M.No: A14723

Place: Vijayawada  
Date: 06.11.2024

**IKF Finance Limited**

**Registered Office:** #40-1-144, Corporate Centre, M.G.Road, VIJAYAWADA - 520 010.

Ph: 91-866-2474644, 2474633 | Fax: 91-866-2485755 | Email: ikffinance@gmail.com | Web: www.ikffinance.com

**Corporate Office:** Plot No's. 30/A, Survey No. 83/1, 11th Floor, My Home Twitza, , APIIC Hyderabad Knowledge City, Raidurg (Panmaqtha) Village, Serilingampally Mandal, Ranga Reddy District, Hyderabad - 500081, Telangana

Ph: 91-40-69268899 | CIN:U65992AP1991PLC012736

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

## ANNEXURE VI: SHAREHOLDERS RESOLUTION



**EXTRACT OF THE RESOLUTION PASSED BY THE SHAREHOLDERS OF THE COMPANY AT THE 33RD ANNUAL GENERAL MEETING OF THE COMPANY HELD ON MONDAY, 30TH DAY OF THE SEPTEMBER, 2024 AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT #40-1-144, CORPROATE CENTRE, M.G.ROAD, VIJAYAWADA-520010, ANDHRA PRADESH AT 11.00 A.M.,**

**APPROVAL TO RENEW THE POWER OF BOARD OF DIRECTORS OF THE COMPANY TO LEASE AND MORTGAGE OF THE PROPERTY (IES) OF THE COMPANY**

“RESOLVED THAT pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, consent of the Company be and is hereby given to the Board of Directors (hereinafter referred to as the Board, including any committee thereof for the time being exercising the powers conferred on them) of the company to create charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations created by the company, on such assets and properties of the company, both present and future and in such manner as the Board may direct, in favour of all or any Banks, financial institutions, investments institutions and their subsidiaries, any other bodies corporate and any other lenders (hereinafter collectively referred to “the lending agencies”) and/ or Trustees for the holders of debentures/ bonds/ other instruments to secure borrowing of the Company by way of loans/ issue of debentures/ bonds/ other instruments which may be issued for a sum not exceeding ` 6000 Crore (Rupees Six Thousand Crore only) over and above the aggregate of the paid up capital of the company, its free reserves and securities premium which have been or propose to be obtained from or privately placed with the lending agencies together with interest there on at agreed rates, further interest, liquidated damages, premium on prepayment or on redemption, costs, charges, expenses, and all other monies payable by the company to the trustees under the trust deeds and/ or to the lending agencies under their respective agreements/loan agreements /debentures trust deeds entered into/to be entered by the company in respect of said borrowings.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to finalize with the Lending Agencies/ Trustees, the documents for creating the aforesaid mortgages, charges and/or hypothecations and to accept any modifications to, or to modify, alter or vary, the terms and conditions of the aforesaid documents and to do all such acts and things and to execute all such documents as may be necessary for giving effect to this Resolution.”

//Certified True Copy//  
For IKF Finance Limited

CHAPALAMADUGU Digitally signed by  
SREENIVASA RAO DN: cn=SREENIVASA RAO, o=IKF FINANCE LIMITED, email=SREENIVASA.RAO@IKFFINANCE.COM

(Ch Sreenivasa Rao)  
Company Secretary  
M No: A14723

Place: Vijayawada  
Date: 09.10.2024

IKF Finance Limited  
Registered Office: #40-1-144, Corporate Centre, M.G.Road, VIJAYAWADA - 520 010.  
Ph: 91-866-2474644, 2474633 | Fax: 91-866-2485755 | Email: ikffinance@gmail.com | Web: www.ikffinance.com  
Corporate Office: Plot No's. 30/A, Survey No. 83/1, 11th Floor, My Home Twitza, , APIIC Hyderabad Knowledge City,  
Raidurg (Panmaqtha) Village, Serilingampally Mandal, Ranga Reddy District, Hyderabad - 500081, Telangana  
Ph: 91-40-69268899 | CIN:U65992AP1991PLC012736

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



**EXTRACT OF THE RESOLUTION PASSED BY THE SHAREHOLDERS OF THE COMPANY AT THE 33RD ANNUAL GENERAL MEETING OF THE COMPANY HELD ON MONDAY, 30TH DAY OF THE SEPTEMBER, 2024 AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT #40-1-144, CORPORATE CENTRE, M.G.ROAD, VIJAYAWADA-520010, ANDHRA PRADESH AT 11.00 A.M.,**

**APPROVAL TO REVISE THE BORROWING POWERS OF THE COMPANY**

“RESOLVED THAT pursuant to the provisions of Section 180 (1) (c) and other applicable provisions, if any, and the Companies Act, 2013 including any statutory modifications or re-enactments thereof and in supersession of all the earlier resolutions passed in this regard, the Board of Directors (hereinafter referred to as the Board, including any committee thereof for the time being exercising the powers conferred on them), be and is hereby authorized to borrow money, as and when required, from, including without limitation, any Bank and/or Public Financial Institution as defined under Section 2(72) of the Companies Act, 2013 and/or eligible foreign lender and/or any entity/ entities and/or authority/ authorities and/ or through suppliers credit, any other securities or instruments, such as floating rate notes, fixed rate notes, syndicated loans, debentures, commercial papers, short term loans or any other instruments etc. and/or through credit from official agencies and/or by way of commercial borrowings from the private sector window of multilateral financial institution, either in rupees or in such other foreign currencies as may be permitted by law from time to time, as may be deemed appropriate by the Board for an aggregate amount not exceeding ` 6000 Crores (Rupees Six Thousand Crores Only), notwithstanding that money so borrowed together with the monies already borrowed by the Company, if any (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid-up share capital of the Company, its free reserves and securities premium that is to say, reserves not set apart for any specified purpose.”

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and to execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution.”

//Certified True Copy//  
For IKF Finance Limited

CHAPALAMADUGU Digitally signed by  
SREENIVASA RAO DN: cn=SREENIVASA  
RAO, o=IKF FINANCE, ou=IKF FINANCE, email=srao@ikffinance.com, c=IN

(Ch Sreenivasa Rao)  
Company Secretary  
M No: A14723

Place: Vijayawada  
Date: 09.10.2024

**IKF Finance Limited**  
Registered Office: #40-1-144, Corporate Centre, M.G.Road, VIJAYAWADA - 520 010.  
Ph: 91-866-2474644, 2474633 | Fax: 91-866-2485755 | Email: ikffinance@gmail.com | Web: www.ikffinance.com  
Corporate Office: Plot No's. 30/A, Survey No. 83/1, 11th Floor, My Home Twitza, , APIIC Hyderabad Knowledge City,  
Raidurg (Panmaqtha) Village, Serilingampally Mandal, Ranga Reddy District, Hyderabad - 500081, Telangana  
Ph: 91-40-69268899 | CIN:U65992AP1991PLC012736

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



**EXTRACT OF THE RESOLUTION PASSED BY THE SHAREHOLDERS OF THE COMPANY AT THE 33<sup>RD</sup> ANNUAL GENERAL MEETING OF THE COMPANY HELD ON MONDAY, 30<sup>TH</sup> DAY OF THE SEPTEMBER, 2024 AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT #40-1-144, CORPORATE CENTRE, M.G.ROAD, VIJAYAWADA-520010, ANDHRA PRADESH AT 11.00 A.M.,**

**AUTHORIZATION TO ISSUE OF NON-CONVERTIBLE DEBENTURES (NCD)/TIER II DEBT(S)/COMMERCIAL PAPERS/BONDS ON PRIVATE PLACEMENT BASIS**

**"RESOLVED THAT** pursuant to the provisions of Section 42, 71 and other applicable provisions of the Companies Act, 2013, read with Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other applicable provisions of the Companies Act, 2013, as amended and in force, in accordance with the memorandum and Articles of Association, the Board of Directors including any committee thereof for the time being of the Company be and is hereby authorized to issue, offer or invitation and allot secured/ unsecured, redeemable, non-convertible, listed / unlisted, senior/subordinated bonds/debentures/ Commercial Paper/ Tier II Debt/ Other debt securities ("Bonds") of value aggregating up to ₹ 3,000 Cr (Rupees Three Thousand Crores Only) through private placement offer letter(s) in one or more tranches in conformity and in compliance with the all applicable rules, regulation, directions made in this regard, as amended from time to time to such person or persons, including one or more companies, bodies corporate(s), statutory corporations, commercial banks, lending agencies, financial institutions, insurance companies, mutual funds, alternative investment funds, pension/ provident funds and individuals, as the case may bear such other person/persons as the board of directors may decide so.

**RESOLVED FURTHER THAT** the Board including any committee thereof for the time being be and is hereby authorized to do all such acts, deeds and things as may be deemed necessary in respect of issue of Bonds/ Debenture including but not limited to number of issues/ tranches, face value, issue price, issue size, timing, amount, security, coupon/interest rate(s), yield, listing, allotment and other terms and conditions of issue Bonds as they may, in their absolute discretion, deemed necessary to take all necessary steps."

//Certified True Copy//  
For IKF Finance Limited

CHAPALAMADUGU చాపలమదుగు  
SREENIVASA RAO స్రీనివాస రావు

(Ch Sreenivasa Rao)  
Company Secretary  
M No: A14723











Place: Vijayawada  
Date: 09.10.2024

**IKF Finance Limited**  
Registered Office: #40-1-144, Corporate Centre, M.G.Road, VIJAYAWADA - 520 010.  
Ph: 91-866-2474644, 2474633 | Fax: 91-866-2485755 | Email: ikffinance@gmail.com | Web: www.ikffinance.com  
Corporate Office: Plot No's. 30/A, Survey No. 83/1, 11th Floor, My Home Twitza, , APIIC Hyderabad Knowledge City, Raidurg (Panmaqtha) Village, Serilingampally Mandal, Ranga Reddy District, Hyderabad - 500081, Telangana  
Ph: 91-40-69268899 | CIN:U65992AP1991PLC012736



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

## ANNEXURE VII: DUE DILIGENCE CERTIFICATES

CIN: U65993WB2010PTC152401	
 <b>VARDHMAN</b> TRUSTEESHIP PRIVATE LIMITED Nurturing & Protecting Your Trust	
Ref: 1358/OPR/VTPL/2024-25	
Date: 08 <sup>th</sup> November, 2024	
To, Securities Exchange Board of India Investment Management Department Division of Funds – I, Plot No. C 4 A, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051	To, BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai- 400001
Dear Sir / Madam	
<b>SUB: ISSUE OF RATED SECURED LISTED TRANSFERABLE REDEEMABLE NON-CONVERTIBLE DEBENTURES AGGREGATING TO RUPEES 60 CRORES (INR SIXTY CRORES) TO BE ISSUED BY IKF FINANCE LIMITED.</b>	
We, the debenture trustee(s) to the above-mentioned forthcoming issue state as follows:	
<ol style="list-style-type: none"><li>1. We have examined documents pertaining to the said issue and other such relevant documents, reports, and certifications.</li><li>2. On the basis of such examination and of the discussions with the Issuer, its directors and other officers, other agencies and on independent verification of the various relevant documents, reports, and certifications:</li></ol>	
We confirm that:	
<ol style="list-style-type: none"><li>a) The Issuer has made adequate provisions for and/or has taken steps to provide for adequate security for the debt securities to be issued.</li><li>b) The Issuer has obtained the permissions / consents necessary for creating security on the said property(ies)</li><li>c) The Issuer has made all the relevant disclosures about the security and its continued obligations towards the holders of debt securities.</li><li>d) Issuer has adequately disclosed all consents/ permissions required for creation of further charge on assets in offer document or placement memorandum and all disclosures made in the offer document or placement memorandum/ information memorandum with respect to creation of security are in confirmation with the clauses of debenture trustee agreement.</li><li>e) Issuer has disclosed all covenants proposed to be included in debenture trust deed (including any side letter, accelerated payment clause etc.), offer document or placement memorandum</li><li>f) Issuer has given an undertaking that charge shall be created in favour of debenture trustee as per terms of issue before filing of listing application.</li></ol>	
We have satisfied ourselves about the ability of the Issuer to service the debt securities.	
Place: MUMBAI	For Vardhman TrusteeShip Private Ltd
Date: 08 <sup>th</sup> November, 2024	 Authorized Signatory
<p> Registered Office Turner Morrison Building, Unit No. 15, 6 Lyons Range, Kolkata - 700001.  Corporate Office The Capital, 412A, Bandra Kurla Complex, Bandra (East), Mumbai- 400051.  +91 22 4264 8335 / +91 22 4014 0832 corporate@vardhmantrustee.com  www.vardhmantrustee.com</p> <p> Mumbai  Bengaluru  Kolkata  New Delhi</p>	

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

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

## ANNEXURE VIII: CONSENT LETTER OF THE REGISTRAR AND TRANSFER AGENT



Dated 08.11.2024

To  
The Managing Director  
National Security Depository Services Limited  
4<sup>th</sup> Floor, Trade World, A Wing  
Kamala Mills Compound  
Senapathi Bapat Marg  
Lower Parel  
Mumbai-400013

Dear Sir,

We hereby confirm that we have been appointed as R& T agent (Business Partner ID – IN200117 (BP ID) allocated by NSDL by M/s IKF Finance Limited – Rated Secured Listed Transferable Redeemable Non-convertible debentures of Rs 60 Cr.

Yours faithfully  
For Bigshare Services Pvt Ltd.

  
S D PRABHAKAR

CIN : U99999MH1994PTC076534

**Branch Office:** 306, Right Wing, 3rd Floor, Amrutha Ville, Opp. Yashoda Hospital, Somajiguda, Rajbhavan Road, Hyderabad - 500 082.

**Registered Office:** Office No.: S6-2, 6th Floor, Pinnacle Business Park, Mahakali Caves Rd, Andheri East, Mumbai – 400 093.

**Tel.:** +91 22 6263 8200 • **Fax :** +91 22 6263 8299 • **Email :** info@bigshareonline.com • **Website :** www.bigshareonline.com

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

**ANNEXURE IX: IN-PRINCIPLE APPROVAL**

*(the remainder of this page is intentionally left blank)*

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

## **ANNEXURE X: LAST AUDITED FINANCIAL STATEMENTS**

Audited Financials for FY 2021-2022, FY 2022-2023 and FY 2023-2024 and unaudited limited review financials for the period ended 30th June 2024 are as below:

- (A) Unaudited Limited Review Financials for the period ended June 30, 2024 –  
[https://www.ikffinance.com/assets/pdf/Financial%20Results\\_IKF%20Finance\\_30.06.2024.pdf](https://www.ikffinance.com/assets/pdf/Financial%20Results_IKF%20Finance_30.06.2024.pdf)
- (B) Audited Financials for the financial year ended 2023-2024 –  
[https://www.ikffinance.com/assets/pdf/financials\\_reports/STANDALONE%20AND%20CONSOLIDATED%20FINANCIALS%20-2023-24.pdf](https://www.ikffinance.com/assets/pdf/financials_reports/STANDALONE%20AND%20CONSOLIDATED%20FINANCIALS%20-2023-24.pdf)
- (C) Audited Financials for the financial year ended 2022-2023 –  
[https://www.ikffinance.com/assets/pdf/financials\\_reports/Standalone%20Financials%2031032023.pdf](https://www.ikffinance.com/assets/pdf/financials_reports/Standalone%20Financials%2031032023.pdf)
- (D) Audited Financials for the financial year ended 2021-2022 –  
[https://www.ikffinance.com/assets/pdf/financials\\_reports/IKF\\_Mar-22\\_Audited%20Financial%20Results.pdf](https://www.ikffinance.com/assets/pdf/financials_reports/IKF_Mar-22_Audited%20Financial%20Results.pdf)

*(the remainder of this page is intentionally left blank)*

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

**Related Party Transactions**  
**(As on March 31, 2024)**

**As set out in the Financial Statements**