



Press Release

Marwadi Shares & Finance Limited (MSFL)

April 25, 2024

Ratings

Instrument / Facility	Amount (Rs. crore)	Ratings	Rating Action	<u>Complexity Indicator</u>
Long term/Short term bank facility – Overdraft	130.00	IVR A/ Stable, IVR A1 (IVR A with Stable outlook; IVR A One)	Reaffirmed	Simple
Short term bank facility – Bank Guarantee	2,256.50	IVR A1 (IVR A One)	Reaffirmed	Simple
Short term bank facility – Bank Guarantee	337.50	IVR A1 (IVR A One)	Assigned	Simple
Proposed Bank Guarantee	162.50	IVR A1 (IVR A One)	Assigned	Simple
Non-Convertible Debentures (NCDs)	150.00	IVR A/ Stable (IVR A with Stable outlook)	Reaffirmed	Simple
Non-Convertible Debentures (NCDs)	138.00	IVR A/ Stable (IVR A with Stable outlook)	Reaffirmed	Simple
Proposed Non-Convertible Debentures (NCDs)	2.00	IVR A/ Stable (IVR A with Stable outlook)	Reaffirmed	Simple
Non-Convertible Debentures (NCDs)	110.00	IVR A/ Stable (IVR A with Stable outlook)	Reaffirmed	Simple
Proposed Non-Convertible Debentures (NCDs)*	100.00	IVR A/ Stable (IVR A with Stable outlook)	Assigned	Simple
TOTAL	3,386.50	(Rupees Three Thousand three hundred eighty-six crores and fifty lakhs only)		

* The proposed NCDs of Rs.100.00 crore shall be issued on private placement in one or more tranches

Details of Facilities are in Annexure 1

Detailed Rationale

The reaffirmation/assignment of ratings to the bank facilities/ debt instruments of MSFL continues to derive comfort from established track record of group and experienced promoters, healthy retail broking business, healthy scale of operations with improved margins and



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comfortable capitalization. However, these rating strengths remain constrained by susceptibility to uncertainties inherent in the capital market business and Intense competition.

Key Rating Sensitivities:

Upward Factors

- Sustained improvement in financial performance & profitability margins.

Downward Factors

- Substantial decline in trading volumes and profitability.
- Changes in the regulatory environment

List of Key Rating Drivers with Detailed Description

Key Rating Strengths

Established Track Record of Group and Experienced Promoters

MSFL is a financial service provider based at Rajkot, Gujarat and is a part of Marwadi Group. The company was promoted in 1992 as a private limited company and was converted to a public limited company in 2006. The company has an established operational track record in the equity broking business. MSFL has over 3.97 lakh active clients and spread across 246 locations covering 14 states across India and 111 branches of its own.

The company is promoted by Mr. Ketan H Marwadi, Mr. Deven H Marwadi & Mr. Sandip H Marwadi and has more than 25 years of experience in stock broking business. This extensive experience of promoters and the long-established track record of the group has helped to build healthy relationship with their clienteles.

Healthy scale of operations with improved margins

Total operating income of the company has increased by ~17% to Rs.354.18 crore in FY23 as against Rs.295.26 crore in FY22 on account of increase in trading volume in FY23. MSFL has achieved a revenue of Rs.391.60 crores during 9MFY24. EBITDA & PAT margin of the company has improved to 59.70% & 32.10% respectively in FY23 as against 46.92% & 25.19% respectively in FY22. The company has successfully managed to maintain & improve its profitability margins over the years and achieved EBITDA and PAT margins of 68.60% and 36.81% respectively in 9MFY24.



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Comfortable capitalization

The company's adjusted tangible net worth improved to Rs.489.73 crore as on March 31, 2023, as against Rs.400.21 crore as on March 31, 2022. The gearing stood low at 0.56 times as on March 31, 2023, as against 0.34 times as on March 31, 2022. The company had its major borrowings through overdraft & bank guarantee for meeting the working capital requirement and as a security deposit in favor of various exchanges. The company's major bank facilities are non-fund based in nature, despite the fact that the Interest coverage ratio stood healthy at 4.00x in FY2023.

Key Rating Weaknesses

Susceptibility to uncertainties inherent in the capital market business

MSFL engaged in the stock broking business and the stock market is volatile in nature, Market index like Sensex and Nifty goes up and down throughout the day and the company's operating performance is linked to the capital markets, which are inherently volatile as they are driven by economic and political factors as well as investor sentiments.

Intense Competition

Broking is a highly volatile and cyclical business with the presence of many established players who provide significant competition to the other fragmented and small players. The competition from large and established players and technology-focused new entrants is expected to continue to impact the revenue profile of players. This limits the profitability margins of the industry.

Analytical Approach: Standalone Approach

Applicable Criteria:

[Rating Methodology for Service Industry](#)

[Financial Ratios & Interpretation \(Non- Financial Sector\)](#)

[Criteria on Rating Outlook](#)

[Default Recognition Policy](#)

[Complexity level of rated instruments](#)



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Liquidity – Adequate

MSFL has maintained adequate liquidity in the form of gross cash accruals of Rs. 96.73 crores against no stipulated repayment schedule of the long-term loan as on 31st December 2023. The average fund-based utilisation levels stood low at ~51% over the past 12 months period ended February 2024 indicating sufficient liquidity cushion. Current ratio for FY2023 was 1.37x and quick ratio was 1.31x indicating adequate liquidity. Although it has a higher utilisation of the bank guarantee, most of its working capital facility such as overdraft facilities utilisation remained low and same is secured against FDs and Shares, which may provide a liquidity cushion for urgent requirements.

About the Company

Marwadi Shares and Finance Limited (MSFL), the flagship company of the Marwadi group, was established in 1992 by Mr. Ketan H Marwadi, Mr. Deven H Marwadi and Mr. Sandip H Marwadi. The company was promoted in 1992 as a private limited company and was converted to public limited company in 2006. Promoters of MSFL have more than 25 years of experience in the capital markets. It is a member of the National Stock Exchange of India and Bombay Stock Exchange.

Marwadi Shares and Finance Limited (MSFL) is a financial service provider with varied interest that include equity and commodity trading, retail broking depository participants, internet-based trading, institutional business, NPS, IPO and mutual fund distribution, Institutional and Corporate house trading and Merchant Banking Services etc.

Financials (Standalone):

For the year ended* As on	INR in Crore	
	31-03-2022	31-03-2023
	Audited	Audited
Total Operating Income	295.26	354.18
EBITDA	138.53	211.46
PAT	76.29	113.78
Total Debt	137.81	276.05
Tangible Net worth	400.21	489.73
EBITDA Margin (%)	46.92	59.70
PAT Margin (%)	25.19	32.10
Overall Gearing Ratio (x)	0.34	0.56
Interest Coverage Ratio (x)	3.58	4.14

* Classification as per Infomerics' standards



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Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating History for last three years:

Name of Instrument/Facilities	Current Ratings (Year 2024-25)			Rating History for the past 3 years		
	Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2023-24	Date(s) & Rating(s) assigned in 2022-23	Date(s) & Rating(s) assigned in 2021-22
Overdraft	Long Term/ Short Term	130.00	<ul style="list-style-type: none"> • IVR A/ Stable/ IVR A1 (Date: Apr 24, 2024) • IVR A/ Stable/ IVR A1 (Date: Apr 03, 2024) 	<ul style="list-style-type: none"> • IVR A/ Stable/ IVR A1 (Date: Jan 29, 2024) • IVR A/ Stable/ IVR A1 (Date: Sept 13, 2023) • IVR A/ Stable/ IVR A1 (Date: July 04, 2023) • IVR A/ Stable/ IVR A1 (Date: Apr 06, 2023) 	<ul style="list-style-type: none"> • IVR A/ Stable/ IVR A1 (Date: Jan 30, 2023) • IVR A/ Stable/ IVR A1 (Date: Aug 02, 2022) 	<ul style="list-style-type: none"> • IVR A- /Stable/ IVR A2 (Dated: Aug 04, 2021) • IVR A- /Stable/ IVR A2+ (Date: Apr 01, 2021)
Bank Guarantee	Short Term	2,256.50	<ul style="list-style-type: none"> • IVR A1 (Date: Apr 24, 2024) • IVR A1 (Date: Apr 03, 2024) 	<ul style="list-style-type: none"> • IVR A1 (Date: Jan 29, 2024) • IVR A1 (Date: Sept 13, 2023) • IVR A1 (Date: Apr 06, 2023) 	<ul style="list-style-type: none"> • IVR A1 (Date: Jan 30, 2023) • IVR A1 (Date: Aug 02, 2022) 	<ul style="list-style-type: none"> • IVR A2+ (Date: Aug 04, 2021) • IVR A2+ (Date: Apr 01, 2021)
NCD	Long Term	150.00	<ul style="list-style-type: none"> • IVR A/ Stable (Date: Apr 24, 2024) 	<ul style="list-style-type: none"> • IVR A/ Stable/ (Date: Jan 29, 2024) • IVR A/ Stable 	-	-



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Name of Instrument/Facilities	Current Ratings (Year 2024-25)			Rating History for the past 3 years		
	Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2023-24	Date(s) & Rating(s) assigned in 2022-23	Date(s) & Rating(s) assigned in 2021-22
			<ul style="list-style-type: none"> IVR A/ Stable (Date: Apr 03, 2024) 	<ul style="list-style-type: none"> (Date: Sept 13, 2023) IVR A/ Stable (Date: July 04, 2023) 		
NCD	Long Term	138.00	<ul style="list-style-type: none"> IVR A/ Stable (Date: Apr 24, 2024) IVR A/ Stable (Date: Apr 03, 2024) 	<ul style="list-style-type: none"> IVR A/ Stable (Date: Jan 29, 2024) 	-	-
Proposed NCD	Long term	2.00	<ul style="list-style-type: none"> IVR A/ Stable (Date: Apr 24, 2024) IVR A/ Stable (Date: Apr 03, 2024) 	<ul style="list-style-type: none"> IVR A/ Stable (Date: Jan 29, 2024) IVR A/ Stable (Date: Sept 13, 2023) 	<ul style="list-style-type: none"> IVR A/ Stable/IVR A1 (Date: Aug 02, 2022) 	<ul style="list-style-type: none"> IVR A-/Stable/IVR A2+ (Date: Aug 09, 2021)
NCD	Long Term	110.00	<ul style="list-style-type: none"> IVR A/ Stable (Date: Apr 24, 2024) IVR A/ Stable (Date: Apr 03, 2024) 	-	-	-
Bank Guarantee	Short Term	337.50	<ul style="list-style-type: none"> IVR A1 	-	-	-
Proposed BG	Short Term	162.50	<ul style="list-style-type: none"> IVR A1 	-	-	-



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Name of Instrument/Facilities	Current Ratings (Year 2024-25)			Rating History for the past 3 years		
	Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2023-24	Date(s) & Rating(s) assigned in 2022-23	Date(s) & Rating(s) assigned in 2021-22
Proposed NCD*	Long Term	100	• IVR A/ Stable	-	-	-

* The proposed NCDs of Rs. 100.00 crore shall be issued on private placement in one or more tranches

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About Infomerics:

Infomerics Valuation and Rating Private Ltd (Infomerics) was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.

Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.

Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

For more information visit www.infomerics.com.



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Disclaimer: Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information, which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.

Annexure 1: Details of Facilities

Sr. No.	Name of the instrument	ISIN	Listing Status	Date of issuance	Coupon Rate	Maturity Date	Size of the issue (Rs. crore)
1.	NCD	INE138I08042	Listed	July 14, 2023	Not Applicable**	January 13, 2025	150.00
2.	NCD	INE138I08067	Listed	Sept 27, 2023	Not Applicable**	October 5, 2025	130.00
3.	NCD	INE138I08059	Listed	Sept 15, 2023	Not Applicable**	September 25, 2025	8.00
4.	Proposed NCD	-	Proposed to be listed	TBD*	Not Applicable**	24 months from the Deemed Date of Allotment	2.00
5.	NCD	INE138I08075	Listed	March 01, 2024	Not Applicable**	March 02, 2026	110.00
6.	Proposed NCD	-	Proposed to be listed	TBD*	Not Applicable**	20-26 months from the Deemed Date of Allotment	100.00



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6.	Overdraft	-	-	-	-	-	130.00
7.	Bank Guarantee	-	-	-	-	-	2,594.00
8.	Proposed BG	-	-	-	-	-	162.50

*TBD – To be decided

**being a Zero Coupon Non-Convertible Debentures

Annexure 2: List of companies considered for consolidated analysis: Not Applicable.

Annexure 3: Facility wise lender details <https://www.infomerics.com/admin/prfiles/len-MarwadiShares-25apr24.pdf>

Annexure 4: Detailed explanation of covenants of the rated instrument/facilities:

ZCB NCD Rs.150 crore-

ISIN	INE138I08042
Type of Instrument	Rated Listed Senior Unsecured Transferable Redeemable Taxable Zero Coupon Non-Convertible Debenture
Debenture Trustee	Mitcon Trusteeship Services Limited
Security	Unsecured
Nature of Instrument	Zero Coupon Non-Convertible Debentures
Seniority	Senior
Issue Size	Rs. 150 Crores (Comprising of Base Issue size of Rs. 50 Crores and Green Shoe Option of Rs. 100 Crores) The cumulative amount raised through product/s would not exceed the above issue size.
Mode of Issue	Private Placement
Face Value/ Principal	Rs. 1,00,000/- Per Debenture
Coupon Rate	Not Applicable as being a Zero Coupon Non-Convertible Debentures
IRR to investor	11%
Tenor	18 months from the Deemed Date of Allotment
Redemption Date	January 13, 2025
Redemption Amount	Rs. 1,16,996 per Debenture to be paid on the Redemption Date
Redemption Premium /Discount	Rs. 16,996 per Debenture to be paid on the Redemption Date
Issue Price	Rs. 1,00,000 Per Debenture
Details of the Utilisation of the proceeds	The proceeds of this Issue shall be utilized as follows: 100% (One Hundred Percent) to finance the algo-based arbitrage/jobbing business activities of the Company.



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	No part of the proceeds shall be utilized directly/indirectly towards capital markets (debt and equity), land acquisition or usages that are restricted for bank financing.
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Zero Coupon NCD Of Rs.130 Crore-**

ISIN	INE138I08067
Type of Instrument	Zero Coupon Non-Convertible Debentures("ZCB" or "NCDs")
Debenture Trustee	Mitcon Trusteeship Services Limited
Security	Unsecured
Nature of Instrument	Rated Listed Senior Unsecured Transferable Redeemable Taxable Zero Coupon Non-Convertible Debentures
Seniority	Senior
Issue Size	Rs 130 Crores (out of which Rs. 65 Crores is Base Issue size & balance Rs. 65 Crores is Green Shoe option)
Mode of Issue	Private Placement
Face Value/ Principal	Rs. 1,00,000/- Per Debenture
Coupon Rate	Not Applicable as being a Zero Coupon Non-Convertible Debentures
IRR to investor	11%
Tenor	18 months from the Deemed Date of Allotment
Redemption Date	October 05, 2025
Redemption Amount	Rs. 1,23,245 per Debenture to be paid on the Redemption Date
Redemption Premium /Discount	Rs. 23,245 per Debenture to be paid on the Redemption Date
Issue Price	Rs. 1,00,000 Per Debenture
Details of the Utilisation of the proceeds	To fund the algo based arbitrage/jobbing business activities of the Company

***These NCDs were issued in two tranches of Rs.130.00 crore and Rs. 8.00 crore each.*

Zero Coupon NCD Of Rs.8.00 crores-**

ISIN	INE138I08059
Type of Instrument	Zero Coupon Non-Convertible Debentures ("ZCB" or "NCDs")
Debenture Trustee	Mitcon Trusteeship Services Limited
Security	Unsecured
Nature of Instrument	Rated Listed Senior Unsecured Transferable Redeemable Taxable Zero Coupon Non-Convertible Debentures
Seniority	Senior
Issue Size	Rs. 8.00 Crores
Mode of Issue	Private Placement



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Face Value/ Principal	Rs. 1,00,000/- Per Debenture
Coupon Rate	Not Applicable as being a Zero Coupon Non-Convertible Debentures
IRR to investor	11%
Tenor	18 months from the Deemed Date of Allotment
Redemption Date	September 25, 2025
Redemption Amount	Rs. 1,23,245 per Debenture to be paid on the Redemption Date
Redemption Premium /Discount	Rs. 23,245 per Debenture to be paid on the Redemption Date
Issue Price	Rs. 1,00,000 Per Debenture
Details of the Utilisation of the proceeds	To fund the algo based arbitrage/jobbing business activities of the Company

***These NCDs were issued in two tranches of Rs.130.00 crore and Rs. 8.00 crore each.*

Proposed ZCBNCD Of Rs.2.00 Crore

Type of Instrument	Senior, unsecured, rated, proposed to be listed, transferable, redeemable, taxable, zero coupon non-convertible debentures
Debenture Trustee	Mitcon Trusteeship Services Limited
Security	Unsecured
Nature of Instrument	Proposed to be Listed Senior Unsecured Transferable Redeemable Taxable Zero Coupon Non-Convertible Debentures
Seniority	Senior
Issue Size	Rs. 2 Crores (Comprising of Base Issue size of Rs. ... Crores and Green Shoe Option of Rs.... Crores)
Mode of Issue	Private Placement
Face Value/ Principal	Rs. 1,00,000/- Per Debenture
Coupon Rate	Not Applicable as being a Zero Coupon Non-Convertible Debentures
IRR to investor	11%
Tenor	24 months from the Deemed Date of Allotment
Redemption Date	[*]
Redemption Amount	Rs.[*] per Debenture to be paid on the Redemption Date
Redemption Premium /Discount	Rs. [*] per Debenture to be paid on the Redemption Date
Issue Price	Rs. 1,00,000 Per Debenture
Details of the Utilisation of the proceeds	The proceeds of this Issue shall be utilized as follows: 100% (One Hundred Percent) to finance the algo-based arbitrage/jobbing business activities of the Company.



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ZCNCD Of Rs.110.00 Crore-

DESCRIPTION	PARTICULARS
ISIN	INE138I08075
Type of Instrument	Senior, unsecured, rated, listed, transferable, redeemable, taxable, zero coupon non-convertible debentures
Debenture Trustee	Mitcon Trusteeship Services Limited
Security	Unsecured
Nature of Instrument	Zero Coupon Non-Convertible Debentures (ZCNCD)
Seniority	Senior
Issue Size	Rs. 110 Crores (Comprising of Base Issue size of Rs. 55 Crores and Green Shoe Option of Rs. 55 Crores)
Mode of Issue	Private Placement
Face Value/ Principal	Rs. 1,00,000/- Per Debenture
Minimum subscription size	1 Debentures bearing face value of Rs. 1,00,000/- each and in multiples of 1 Debenture(s) thereafter.
Coupon Rate *	Not Applicable
IRR to Client	11%
Tenor	24 months from the Deemed Date of Allotment
Redemption Date *	March 02, 2026
Redemption Amount *	Rs. 1,23,245 per Debenture to be paid on the Redemption Date.
Redemption Premium /Discount*	Rs. 23,245 per Debenture to be paid on the Redemption Date
Issue Price	Rs. 1,00,000 Per Debenture
Objects of the Issue / Purpose for which there is requirement of funds	The proceeds of this Issue shall be utilized as follows: 100% (One Hundred Percent) to finance the algo-based arbitrage/jobbing business activities of the Company.

Draft Term Sheet of Rs.100 crore- Proposed NCD

DESCRIPTION	PARTICULARS
Type of Instrument	Proposed to be Listed, Senior, Unsecured, Transferable, Redeemable, Taxable, Zero Coupon Non-Convertible Debentures
Debenture Trustee	MITCON Credentia Trusteeship Services Limited
Security	Unsecured
Nature of Instrument	Zero Coupon Non-Convertible Debentures (ZCNCD)
Seniority	Senior
Issue Size	Rs. 100 Crores (Comprising of Base Issue size of Rs. 50 Crores and Green Shoe Option of Rs. 50 Crores)
Mode of Issue	Private Placement



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Face Value/ Principal	Rs. 1,00,000/- Per Debenture
Minimum subscription size	1 Debentures bearing face value of Rs. 1,00,000 /- each and in multiples of 1 Debenture(s) thereafter.
Coupon Rate *	Not Applicable
IRR to Client	10.50 % to 11.50%
Tenor	20 months to 26 months from the Deemed Date of Allotment
Redemption Date *	(To be decided)
Redemption Amount *	Rs. (To be decided) per Debenture to be paid on the Redemption Date.
Redemption Premium /Discount*	Rs. (To be decided) per Debenture to be paid on the Redemption Date
Issue Price	Rs. 1,00,000 Per Debenture
Interest on Application Money	This issuer does not contemplate to pay any interest on application money till allotment of Debentures.
Default Interest rate	In case of default in payment of principal and/or Redemption Premium amount on the Redemption date, additional interest @ 2% p.a. over the Coupon will be payable by the Company for the defaulting period.
Issuance mode of Debenture	Dematerialized, Private Placement
Trading mode of the Debenture	Dematerialized
Settlement mode of Debentures	Electronic Settlement will be effected by account-to-account transfer vide Reserve Bank of India's Real Time Gross Settlement System (RTGS)/ National Electronic Funds Transfer (NEFT)/Immediate Payment Service (IMPS) etc.
Objects of the Issue / Purpose for which there is requirement of funds	The proceeds of this Issue shall be utilized as follows: 100% (One Hundred Percent) to finance the working capital requirement of the Company.

Covenants:

Affirmative Covenants	<ol style="list-style-type: none"> 1. To comply with corporate governance, fair practices code prescribed by SEBI 2. Notification of any potential Event of Default or Event of Default Obtain, comply with and maintain all licenses / authorizations 3. Provide details of any litigation, arbitration or administrative proceedings that may have a material adverse effect
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	<p>4. Maintain internal control 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</p> <p>5. Comply with any monitoring and/or servicing requests from Debenture Holders and the Debenture Trustee.</p>
Negative Covenants	<p>The Issuer shall not take any action in relation to the items set out hereunder without the prior written consent of the Debenture Trustee (acting on the instructions of the Majority Debenture Holders).</p> <p>(a) Change of business (i) change the general nature of its business from that which is subsisting as of the Effective Date; and/or (ii) any changes/amendments/modifications to its Constitutional Documents where such change/ amendment/ modification has a Material Adverse Effect.</p> <p>(b) Dividend declare or pay any dividend to its shareholders during any Financial Year unless it has paid or made arrangements to pay (to the satisfaction of the Debenture Trustee) all the dues to the Debenture Holders/ Debenture Trustee up to the date on which the dividend is proposed to be declared or paid or has made satisfactory provisions thereof.</p> <p>(c) Merger, consolidation, etc. enter into any merger, demerger, acquisition, de-merger, re-structuring, consolidation, re-organisation, scheme of arrangement, amalgamation, reconstitution or compromise with its creditors or shareholders or effect any scheme of amalgamation or reconstruction where any of the above has a Material Adverse Effect.</p> <p>(d) Change of Control permit the occurrence of any Change of Control, or any Change of Control Event.</p> <p>(e) Change in Capital Structure (i) permit or undertake any change in capital structure that would lead to a reduction in the paid-up capital or authorised capital of the Issuer; and (ii) purchase, redeem, buyback, defease, retire, return, or pay any of its issued shares or reduce its share capital or resolve to do any of the foregoing; and</p> <p>(f) Change in Financial Year change its Financial Year end from March 31 of each year to any other date, unless such change is required pursuant to Applicable Law.</p>



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Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at www.infomerics.com.

