



## Press Release

### Trucap Finance Limited (TFL)

March 04, 2025

#### Ratings

Instrument / Facility	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	<a href="#">Complexity Indicator</a>
Fund Based Bank Facilities – Term Loan	107.41	IVR BBB / RWDI (IVR Triple B with Rating Watch with Developing Implications)	IVR BBB+ / RWDI (IVR Triple B Plus with Rating Watch with Developing Implications)	Rating downgraded and continued on watch with developing implications	<a href="#">Simple</a>
Fund Based Bank Facilities – Overdraft	20.00	IVR BBB / RWDI (IVR Triple B with Rating Watch with Developing Implications)	IVR BBB+ / RWDI (IVR Triple B Plus with Rating Watch with Developing Implications)	Rating downgraded and continued on watch with developing implications	<a href="#">Simple</a>
Fund Based Bank Facilities-Proposed	57.59	IVR BBB / RWDI (IVR Triple B with Rating Watch with Developing Implications)	IVR BBB+ / RWDI (IVR Triple B Plus with Rating Watch with Developing Implications)	Rating downgraded and continued on watch with developing implications	<a href="#">Simple</a>
Proposed Non – Convertible Debentures (NCD)	100.00	IVR BBB / RWDI (IVR Triple B with Rating Watch with Developing Implications)	IVR BBB+ / RWDI (IVR Triple B Plus with Rating Watch with Developing Implications)	Rating downgraded and continued on watch with developing implications	<a href="#">Simple</a>
<b>Total</b>	<b>285.00</b> <b>(Rupees Two Hundred and Eighty-Five Crore Only)</b>				



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**Details of Facilities/Instruments are in Annexure 1. Facility wise lender details are at Annexure 2. Detailed explanation of covenants is at Annexure 3.**

### **Detailed Rationale:**

Infomerics Ratings has downgraded the ratings assigned to the bank facilities / NCD of TFL reflects continued declined in profitability and sustained deterioration in asset quality. Simultaneously, Infomerics has continued TFL's ratings on "Rating Watch with Developing Implications" post announcement of TFL of signing binding term sheet of selling its gold loan business to Incred Finance Limited and shifting of focus towards MSME segment and relatively new green energy segment. Infomerics notes that the sale of gold business is subject to various approvals, as per management the company will use these proceeds to reduce debt. Infomerics expects post this deal leverage is expected to improve, while asset quality is expected to deteriorate further due to higher delinquencies in MSME segment.

However, the ratings continue to derive strength from comfortable capitalisation, consistent growth in AUM; however, expected to decline post gold loan business, experienced promoters backed by reputed board members.

The ratings are however partially constrained weak asset quality and pressure on profitability due to high-cost income ratio.

### **Key Rating Sensitivities:**

#### **Upward Factors**

- Substantial & sustained scaling up its AUM, while improving the asset quality indicators along with adequate capital position and profitability.

#### **Downward Factors**

- Any substantial decline in scale of operations, asset quality and/or capitalization levels.

### **List of Key Rating Drivers with Detailed Description**



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### Key Rating Strengths

#### **Comfortable Capitalisation:**

TFL's capitalisation levels continues to remain comfortable despite capital adequacy ratio (CAR) decreasing to 26.00% as on 31<sup>st</sup> December 2024 (period refers to 01<sup>st</sup> April 2023 to 31<sup>st</sup> March 2024) (FY23: 34.31%: FY24 : 24.47% ) which is well above the minimum regulatory requirements. As on 31<sup>st</sup> December 2024, TFL's book tangible net worth stood at Rs. 233.02 crore. Infomerics notes that TFL is expected to use the proceeds from sale of gold business to reduce the debt, Infomerics will monitor capital raising plans by TFL in the medium term.

#### **Consistent growth in AUM; however expected to decline post gold loan business :**

During 9MFY25, TFL's total AUM (on book as well off book) growth remained moderate and grew by ~12% as compared to FY24 to Rs.1,153.10 crore (FY24: 1,031.13 crore, FY23: Rs.581.04 crore). The growth during FY24 was driven by growth in gold loan business. However, during 9MFY25, TFL has slowed down disbursement due to higher delinquencies across all the segments. Gold loan segment constitutes 61% of AUM, while MSME segment accounts for 33% and newly launched green energy segment accounts for 5% at the end of 9MFY25. Infomerics Ratings expects AUM to declined post sale of gold business. Ability to grow AUM in the medium term will be a key monitorable.

#### **Experienced promoters backed by reputed board members:**

TFL is managed by experienced promoters and management who has cumulative experience of more than 4 decades in the industry. They are supported by other seasoned professionals in the industry on the management panel. The Board of Directors actively participates in overseeing the company's business operations, including strategic decision-making, policy formulation, and risk management, ensuring robust governance and guidance.

### Key Rating Weaknesses



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### **Weak Asset Quality:**

TFL's asset quality has been deteriorated with GNPA and NNPA is at 2.80% and 1.94% respectively for 9MFY25 (FY24:1.33% & 0.83% respectively). Asset quality has been deteriorated with higher delinquencies in gold loan segment and MSME segment. Gold Loan segment GNPA stood at 1.20% while MSME segment GNPA stood at 5.10% at the end of 9MFY25. PCR was ~30.71% for the period ended 9MFY25, (FY24:37.62%). Infomerics expects asset quality to remain elevated with exit from gold loan segment as delinquencies in MSME segment tends to be higher.

### **Pressure on profitability due to high-cost income ratio:**

TFL's PAT in absolute terms has declined y-o-y by ~35% during 9MFY25 to Rs. 3.83 crore on account of increase of finance costs however, its NIM has improved to 7.70% as on 31<sup>st</sup> December 2024 from 7.29% as on 31<sup>st</sup> March 2024 driven by higher yield on advances. Furthermore, TFL's cost to income ratio continues to remain high at ~87% as on 31<sup>st</sup> December 2024 despite improvement from 105.32% as on 31<sup>st</sup> March 2024 due to high interest expenses. Going forward, TFL's ability to improve profitability by bringing down the overall cost to income ratio will remain a key rating monitorable.

### **Intense Competition:**

TFL is exposed to stiff competition from other NBFCs and banks. The lending industry focused on SMEs and small ticket loans is highly fragmented with unorganized lenders also vying for the same set of borrowers. However, TFL's professional management and focused approach towards SME lending and conservative underwriting policy standards is expected to grow its business while mitigating the risks.

**Analytical Approach:** Standalone

**Applicable Criteria:**

[Rating Methodology for Financial Institutions/NBFCs](#)

[Financial Ratios and Interpretation \(Financial Sector\)](#)

[Criteria for assigning Rating outlook.](#)

[Policy on Default Recognition](#)



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### [Complexity Level of Rated Instruments/Facilities](#)

#### **Liquidity – Adequate**

As of December 31, 2024, the asset-liability management statement of TFL indicated no negative cumulative mismatches in all the buckets. As on 20<sup>th</sup> December 2024, TFL's cash and cash equivalent stood at a healthy Rs. 77.76 crore. Additionally, as of December 31, 2024, TFL has maintained a comfortable capital adequacy ratio (CAR) of 26.00%.

#### **About the Company:**

Incorporated in 1994, Dhanvarsha Finvest Limited is a listed entity and RBI registered NBFC. 4 A change in management was effective from June 2017 and Wilson Group took over the reins. The company is listed on the BSE. The company's name got changed from Dhanvarsha Finvest Limited to Trucap Finance Limited (TFL) effectively from August 4, 2022.

#### **Financials (Standalone):**

(Rs. crore)

For the year ended* / As on	31-03-2023	31-03-2024
	<b>Audited</b>	<b>Audited</b>
Total Income	123.89	161.31
PAT	5.59	11.71
Tangible Net worth	208.87	204.54
Total Loan Assets	419.95	597.82
<b>Ratios</b>		
NIM (%)	11.96	7.29
ROTA (%)	1.01	1.51
Interest Coverage (times)	1.14	0.89
Total CAR (%)	34.40%	24.54%
Gross NPA [Stage III] (%)	2.19%	1.33%
Net NPA [Stage III] (%)	1.84%	0.83%

\* Classification as per Infomerics' standards.

**Status of non-cooperation with previous CRA: None**

**Any other information: None**

**Rating history for past three years:**



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Sr. No.	Name of Security/Facilities	Current Ratings (Year 2024 - 25)			Rating History for the past 3 years		
		Type (Long Term/Short Term)	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 2020 - 21
1.	Fund Based Bank Facilities – Term Loan	Long Term	107.41	IVR BBB / RWDI (Mar 04, 2025)  IVR BBB+ / RWDI (Feb 25, 2025)  IVR BBB+ / RWDI (Jan 15, 2025)  IVR BBB+ / Stable (Sept 27, 2024)	IVR BBB+ / Stable (March 30, 2024)  IVR BBB+ / Stable (May 16, 2023)	IVR BBB+ / Stable (Jan 13, 2023)  IVR BBB / Positive (June 17, 2022)	IVR BBB / Stable (March 19, 2021)
2.	Fund Based Bank Facilities – Term Loan	Long Term	0.00	-- Withdrawn (Feb 25, 2025)  IVR BBB+	IVR BBB+ / Stable (March 30, 2024)  IVR BBB+	IVR BBB+ / Stable (Jan 13, 2023)  IVR BBB	IVR BBB / Stable (March 19, 2021)





## Press Release

Sr. No.	Name of Security/Facilities	Current Ratings (Year 2024 - 25)			Rating History for the past 3 years		
		Type (Long Term/Short Term)	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 2020 - 21
				/ RWDI (Jan 15, 2025)  IVR BBB+ / Stable (Sept 27, 2024)	/ Stable (May 16, 2023)	/ Positive (June 17, 2022)	
3.	Fund Based Bank Facilities – Overdraft	Long Term	20.00	IVR BBB / RWDI (Mar 04, 2025)  IVR BBB+ / RWDI (Feb 25, 2025)  IVR BBB+ / RWDI (Jan 15 2025)  IVR BBB+ / Stable (Sept 27, 2024)	IVR BBB+ / Stable (March 30, 2024)  IVR BBB+ / Stable (May 16, 2023)	IVR BBB+ / Stable (Jan 13, 2023)  IVR BBB / Positive (June 17, 2022)	IVR A3+ (March 19, 2021)



## Press Release

Sr. No.	Name of Security/Facilities	Current Ratings (Year 2024 - 25)			Rating History for the past 3 years		
		Type (Long Term/Short Term)	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 2020 - 21
4.	Fund Based Bank Facilities – Term Loan	Long Term	0.00	--  Withdrawn (Sept 27, 2024)	IVR BBB+ / Stable (March 30, 2024)  IVR BBB+ / Stable (May 16, 2023)	IVR BBB+ / Stable (Jan 13, 2023)  IVR BBB / Positive (June 17, 2022)	IVR BBB / Stable (March 19, 2021)
5.	Fund Based Bank Facilities-Proposed	Long Term	57.59	IVR BBB / RWDI (Mar 04, 2025)  IVR BBB+ / RWDI (Feb 25, 2025)  IVR BBB+ / RWDI (Jan 15 2025)  IVR BBB+ / Stable (Sept 27, 2024)	IVR BBB+ / Stable (March 30, 2024)  IVR BBB+ / Stable (May 16, 2023)	IVR BBB+ / Stable (Jan 13, 2023)  IVR BBB / Positive (June 17, 2022)	IVR BBB / Stable (March 19, 2021)





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Sr. No.	Name of Security/Facilities	Current Ratings (Year 2024 - 25)			Rating History for the past 3 years		
		Type (Long Term/Short Term)	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 2020 - 21
6.	Proposed Non – Convertible Debentures (NCD)	Long Term	100.00	IVR BBB / RWDI (Mar 04, 2025)  IVR BBB+ / RWDI (Feb 25, 2025)  IVR BBB+ / RWDI (Jan 15, 2025)  IVR BBB+ / Stable (Sept 27, 2024)	--	--	IVR BBB / Stable (March 19, 2021)

### Analytical Contacts:

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### About Infomerics:

Infomerics Valuation and Rating Ltd (Infomerics) [Formerly Infomerics Valuation and Rating Pvt. Ltd] 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 and definition of ratings please visit [www.infomerics.com](http://www.infomerics.com).

**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: Instrument/Facility Details –

Name of Facility/Security	ISIN	Date of Issuance	Coupon Rate/IRR	Maturity Date	Size of Facility (Rs. Crore)	Listing Status	Rating Assigned/Outlook
Fund Based Bank	--	--	--	Valid up to Dec 2026	107.41	--	IVR BBB / RWDI



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Facilities – Term Loan							
Fund Based Bank Facilities – Overdraft	--	--	--	Revolving	20.00	--	IVR BBB / RWDI
Fund Based Bank Facilities-Proposed	--	--	--	--	57.59	--	IVR BBB / RWDI
Proposed Non – Convertible Debentures (NCD)	--	--	--	--	100.00	Proposed to be listed	IVR BBB / RWDI

### Annexure 2: Facility wise lender details:

<https://www.infomerics.com/admin/prfiles/len-TrucapFinance-mar25.pdf>

### Annexure 3: Detailed explanation of covenants of the rated Security/facilities:

#### 1. Proposed NCD of issue size Rs. 50 crore

Type of instrument	Non-convertible debentures
Nature of instrument	Rated Unsubordinated Secured Transferable Redeemable Fully Paid Non-Convertible Debentures.
Ranking	Unsubordinated
Security requirements	Debentures shall be secured as per the terms and conditions stipulated under the heading ' <b>Security Creation</b> ' hereunder.
<b>ISSUE DETAILS</b>	
Mode of Issue	Private Placement
Form of issue	Debentures will be issued in dematerialized form
Issue size	INR. 50,00,00,000 (Indian Rupees Fifty Crores only)
Tenor	TBD
Face value	INR. 1,00,000/- (Indian Rupees one lakhs only)
Minimum Subscription	INR 50,00,00,000/-
Issue price	Debentures will be issued at par.
Issue Timing	TBD
Issuance mode of the Instrument	Dematerialised form



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Trading Mode of the Instrument	Dematerialised form
Settlement mode of the Instrument	Dematerialised form
<b>REDEMPTION</b>	
Redemption Amount	Effective Coupon Amount to be determined as per method of calculation set out in Schedule I.
Scheduled Redemption	TBD
Redemption Date	TBD
Majority Debenture Holders	75% of the Debenture Holders by value.
<b>COUPON PAYMENT</b>	
Coupon Rate	Effective Coupon Amount per Debenture shall be paid by the Company to the Debenture Holders as interest on the Redemption Date, as the case may be. The said 'Effective Coupon Amount' being the interest amount to be paid per Debenture by the Issuer to the Debenture Holders shall be determined in accordance with the method of calculation set out in <b>Schedule I</b> ( <i>Method of calculation of Effective Coupon Amount</i> ) hereto.
Coupon Payment Frequency	TBD
Coupon Payment Dates	As mentioned in Schedule I
Default interest	2.00 % (Five -point Zero Zero percent)
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc.)	Not Applicable
<b>CONVENTIONS</b>	
Day Count Basis	Actual/Actual
Business Day	Means any day, other than a public holiday under Section 25 of the Negotiable Instruments Act, 1881 or a Sunday, on which banks are open for general business in Mumbai;
Business Day Convention	(a) If the date of payment of any interest in respect of the Debentures falls on a day that is not a Business Day, such payment of interest shall be made on the next occurring Business Day; (b) If the date of payment of any redemption amount falls on a day that is not a Business Day, such payment of instalment shall be made on the immediately preceding Business Day; and



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	(c) If the Redemption Date as the case may be, falls on a day that is not a Business Day, such payment of interest and redemption amount shall be made on the immediately preceding Business Day.
<b>THIRD PARTY OBLIGATIONS</b>	
Guarantor(s)	TBD
Credit Enhancer(s)	Not Applicable
Other Obligor(s)	No
<b>OTHER COVENANTS</b>	
Debenture Redemption Reserve	If so applicable for the Issue, the Issuer shall create debenture redemption reserve in accordance with the Companies Act, 2013 (and Rules thereunder) and in terms thereof earmark an amount not less than 15% of the amount maturing during the year ending on the 31 <sup>st</sup> day of March of the next year by way of investment and deposits in specified securities on or before the 30 <sup>th</sup> day of April in each year.
Related Party Transactions	Issuer shall not, without the prior written consent of the Debenture Trustee, enter into any transaction(s) with a related party other than remuneration payments made to Directors and key management person (KMP) in the ordinary course of business. For the purposes of this clause, the term 'related party' shall have the meaning ascribed to them in section 2 (76) of the Companies Act, 2013 (and the Rules framed thereunder).
Affirmative Covenants	TBD
Negative Covenants	TBD
Events of Default (including manner of voting/conditions of joining Inter Creditor Agreement)	TBD
Provisions related to Cross Default	As mentioned in the Debenture Trust Deed
Role and Responsibilities of Debenture Trustee	As mentioned in the Debenture Trust Deed
Reporting Covenants	TBD
Financial Covenants	TBD

### 2. Proposed NCD of issue size Rs. 10 crore

Type of instrument	Non-convertible debentures
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Nature of instrument	Rated Unsubordinated Secured Transferable Redeemable Fully Paid Non-Convertible Debentures.
Ranking	Unsubordinated
Security requirements	Debentures shall be secured as per the terms and conditions stipulated under the heading ' <b>Security Creation</b> ' hereunder.
<b>ISSUE DETAILS</b>	
Mode of Issue	Private Placement
Form of issue	Debentures will be issued in dematerialized form
Issue size	INR. 10,00,00,000 (Indian Rupees Ten Crores only)
Tenor	TBD
Face value	INR. 1,00,000/- (Indian Rupees one lakhs only)
Minimum Subscription	INR 1,00,00,000/- (One Crore)
Minimum Application and in multiples of thereafter	INR 1,00,00,000/- (one Crore) and in multiples of INR. 1,00,000/- (Indian Rupees one lakhs only)
Interest on Application Money	Interest shall be payable on all application monies received at the Coupon Rate from the date of realization of the application monies by the Issuer upto one day prior to the Deemed Date of Allotment and the same shall be paid to the relevant investors within 5 (five) Business Days from the Deemed Date of Allotment.
Issue price	Debentures will be issued at par.
Issue Timing	TBD
Record Date	Seven Calendar days
Issuance mode of the Instrument	Dematerialised form
Trading Mode of the Instrument	Dematerialised form
Settlement mode of the Instrument	Dematerialised form
<b>REDEMPTION</b>	
Redemption Amount	Effective Coupon Amount to be determined as per method of calculation set out in Schedule I.
Scheduled Redemption	TBD
Redemption Date	TBD
Early Redemption	Early redemption of the Debentures at the instance of the Issuer can be after the Lock-in Period (i.e., 365 days from the





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	Deemed Date of Allotment), on any date other than the Final Redemption Date and not arising due to an Event of Default.  Notwithstanding anything contained herein, any Early Redemption shall be subject to the consent of the Majority Debenture Holders. The Issuer shall give the Debenture Trustee and the Debenture Holders a written notice at least 30 (Thirty) days prior to the date of early redemption where consent of Debenture Holders shall be sought.
Majority Debenture Holders	75% of the Debenture Holders by value.
Early Redemption Premium	5% (Five percent) on the principal amount prepaid.
<b>COUPON PAYMENT</b>	
Coupon Rate	Effective Coupon Amount per Debenture shall be paid by the Company to the Debenture Holders as interest on the Redemption Date, as the case may be. The said 'Effective Coupon Amount' being the interest amount to be paid per Debenture by the Issuer to the Debenture Holders shall be determined in accordance with the method of calculation set out in <b>Schedule I</b> ( <i>Method of calculation of Effective Coupon Amount</i> ) hereto.
Coupon Payment Frequency	TBD
Coupon Payment Dates	As mentioned in Schedule I
Default interest	5.00 % (Five -point Zero Zero percent)
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc.)	Not Applicable
<b>CONVENTIONS</b>	
Day Count Basis	Actual/Actual
Business Day	Means any day, other than a public holiday under Section 25 of the Negotiable Instruments Act, 1881 or a Sunday, on which banks are open for general business in Mumbai;
Business Day Convention	(d) If the date of payment of any interest in respect of the Debentures falls on a day that is not a Business Day, such payment of interest shall be made on the next occurring Business Day;  (e) If the date of payment of any redemption amount falls on a day that is not a Business Day, such payment of instalment shall be made on the immediately preceding Business Day; and  (f) If the Redemption Date as the case may be, falls on a day that is not a Business Day, such payment of interest and



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	redemption amount shall be made on the immediately preceding Business Day.
<b>THIRD PARTY OBLIGATIONS</b>	
Guarantor(s)	TBD
Credit Enhancer(s)	Not Applicable
Other Obligor(s)	No
<b>OTHER COVENANTS</b>	
Debenture Redemption Reserve	If so applicable for the Issue, the Issuer shall create debenture redemption reserve in accordance with the Companies Act, 2013 (and Rules thereunder) and in terms thereof earmark an amount not less than 15% of the amount maturing during the year ending on the 31 <sup>st</sup> day of March of the next year by way of investment and deposits in specified securities on or before the 30 <sup>th</sup> day of April in each year.
Related Party Transactions	Issuer shall not, without the prior written consent of the Debenture Trustee, enter into any transaction(s) with a related party other than remuneration payments made to Directors and key management person (KMP) in the ordinary course of business. For the purposes of this clause, the term 'related party' shall have the meaning ascribed to them in section 2 (76) of the Companies Act, 2013 (and the Rules framed thereunder).
Affirmative Covenants	TBD
Negative Covenants	TBD
Events of Default (including manner of voting/conditions of joining Inter Creditor Agreement)	TBD
Provisions related to Cross Default	As mentioned in the Debenture Trust Deed
Role and Responsibilities of Debenture Trustee	As mentioned in the Debenture Trust Deed
Reporting Covenants	TBD
Financial Covenants	TBD

### 3. Proposed NCD issue of Rs. 30 crore

Type of instrument	Non-convertible debentures
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Nature of instrument	Rated Unsubordinated Secured Transferable Redeemable Fully Paid Non-Convertible Debentures.		
Ranking	Unsubordinated		
Security requirements	Debentures shall be secured as per the terms and conditions stipulated under the heading ' <b>Security Creation</b> ' hereunder.		
ISSUE DETAILS			
Mode of Issue	Private Placement		
Form of issue	Debentures will be issued in dematerialized form		
Issue size	INR. 30,00,00,000 (Indian Rupees Thirty Crores only)		
Tenor	24 months & 15 days		
Face value	INR. 1,00,000/- (Indian Rupees one lakhs only)		
Minimum Subscription	INR 10,00,00,000/- (One Crore)		
Minimum Application and in multiples of thereafter	INR 1,00,00,000/- (one Crore) and in multiples of INR. 1,00,000/- (Indian Rupees one lakhs only)		
Option to retain oversubscription (Amount)	Up to INR 10,00,00,000 (Indian Rupees Ten Crores Only)		
Interest on Application Money	Interest shall be payable on all application monies received at the Coupon Rate of 13.75% per annum from the date of realization of the application monies by the Issuer upto one day prior to the Deemed Date of Allotment and the same shall be paid to the relevant investors within 5 (five) Business Days from the Deemed Date of Allotment.		
Issue price	Debentures will be issued at par.		
Issue Timing	Issue Opening Date	TBD	
	Issue Paying Date	TBD	
	Issue Closing Date	TBD	
	Deemed Date of Allotment	TBD	
Record Date	Seven Calendar days		
Issuance mode of the Instrument	Dematerialised form		
Trading Mode of the Instrument	Dematerialised form		
Settlement mode of the Instrument	Dematerialised form		
REDMPTION			
Redemption Amount	Effective Coupon Amount to be determined as per method of calculation set out in Schedule I.		



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Scheduled Redemption	Debentures shall be redeemed on a pro rata basis as set out in <b>Schedule I</b> ( <i>Redemption Schedule</i> ) hereto and shall be fully redeemed by the Redemption Date.
Redemption Date	TBD
Majority Debenture Holders	75% of the Debenture Holders by value.
Early Redemption Premium	5% (Five percent) on the principal amount prepaid.
<b>COUPON PAYMENT</b>	
Coupon Rate	Effective Coupon Amount per Debenture shall be paid by the Company to the Debenture Holders as interest on the Redemption Date, as the case may be. The said 'Effective Coupon Amount' being the interest amount to be paid per Debenture by the Issuer to the Debenture Holders shall be determined in accordance with the method of calculation set out in <b>Schedule I</b> ( <i>Method of calculation of Effective Coupon Amount</i> ) hereto.
Coupon Payment Frequency	Quarterly
Coupon Payment Dates	As mentioned in Schedule I
Default interest	5.00 % (Five -point Zero Zero percent)
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc.)	Not Applicable
<b>CONVENTIONS</b>	
Day Count Basis	Actual/Actual
Business Day	Means any day, other than a public holiday under Section 25 of the Negotiable Instruments Act, 1881 or a Sunday, on which banks are open for general business in Mumbai;
Business Day Convention	<p>(g) If the date of payment of any interest in respect of the Debentures falls on a day that is not a Business Day, such payment of interest shall be made on the next occurring Business Day;</p> <p>(h) If the date of payment of any redemption amount falls on a day that is not a Business Day, such payment of instalment shall be made on the immediately preceding Business Day; and</p> <p>(i) If the Redemption Date as the case may be, falls on a day that is not a Business Day, such payment of interest and redemption amount shall be made on the immediately preceding Business Day.</p>
<b>THIRD PARTY OBLIGATIONS</b>	



## Press Release

Guarantor(s)	<p>Corporate Guarantee from WILSON HOLDINGS PRIVATE LIMITED</p> <p><b><u>Reporting covenants for Guarantor:</u></b></p> <p>The Guarantor shall furnish to the debenture holders following reports and information:</p> <ul style="list-style-type: none"><li>a) Provide all detailed financial information about the Guarantor within 30 (thirty) days of a request from the Debenture trustee / Debenture holders.</li><li>b) Provide audited financial statements for that financial year as soon as the same is available, but in any event within 150 days after the end of each financial year.</li><li>c) Details of all guarantees provided by the Guarantor.</li><li>d) Provide Annual Financial Statements accompanied by updated details of all off balance sheet transactions of the Guarantor.</li></ul>
Credit Enhancer(s)	Not Applicable
Other Obligor(s)	No
Obligations to Key Shareholders	<p>Each of the persons designated as Key Shareholders shall not transfer or encumber the shares of the Wilson Holdings Private Limited ("Promoter") held by them respectively without the prior written consent of the debenture holders. Any change in the stake of the Key Shareholders of Promoter in the Promoter below the existing level set out in the following table shall require prior written consent of the debenture holders. However, any transfer of shares by Key Shareholders of Promoter within themselves shall not require prior written consent of the debenture holders. Any transfer of shares by Key Shareholders of Promoter within themselves shall be done with prior intimation to the debenture holders.</p>
<b>OTHER COVENANTS</b>	
Debenture Redemption Reserve	<p>If so applicable for the Issue, the Issuer shall create debenture redemption reserve in accordance with the Companies Act, 2013 (and Rules thereunder) and in terms thereof earmark an amount not less than 15% of the amount maturing during the year ending on the 31<sup>st</sup> day of March of the next year by way of investment and deposits in specified securities on or before the 30<sup>th</sup> day of April in each year.</p>
Environment, Social, Governance related covenants	As mentioned in Schedule II
Related Party Transactions	<p>Issuer shall not, without the prior written consent of the Debenture Trustee, enter into any transaction(s) with a related party other than remuneration payments made to Directors and</p>





## Press Release

	key management person (KMP) in the ordinary course of business. For the purposes of this clause, the term 'related party' shall have the meaning ascribed to them in section 2 (76) of the Companies Act, 2013 (and the Rules framed thereunder).
Affirmative Covenants	<ul style="list-style-type: none"><li>(a) To utilise the proceeds of this issue in accordance with applicable laws and regulations</li><li>(b) To ensure presence of at least 1 independent director on its board at all times</li><li>(c) To promptly inform notice of winding up / other legal proceedings</li><li>(d) To promptly inform Material adverse effect</li><li>(e) To provide the investor with access to data / information / meetings with the management team for periodical portfolio monitoring</li><li>(f) To comply with corporate governance, fair practices code prescribed by RBI</li></ul> And as set out in greater detail in the Debenture Trust Deed.
Negative Covenants	<p>The issues shall take the prior written permission from the Investor / Debenture Trustee for the following:</p> <ul style="list-style-type: none"><li>(a) Mr. Rohanjeet Juneja ceasing to hold an executive position in the company</li><li>(b) Change in shareholding, ownership or control;</li><li>(c) Change in Promoter;</li><li>(d) Any dilution of control over Board composition, other than appointment of independent directors</li><li>(e) Mergers, acquisitions, investment in associates, JVs and subsidiaries including disposal of any of the above</li><li>(f) Change in nature of business of the Company</li><li>(g) Change in constitutional documents</li><li>(h) Loans exceeding 15% of net worth to any single party and/or guarantees on behalf of third parties</li><li>(i) Declare dividend on equity shares before payment of coupon due on the NCDs</li><li>(j) Declare dividend on equity/preference shares before payment of coupon due on the NCDs when an Event of Default is subsisting</li><li>(k) Change in auditors</li><li>(l) Material compromise or settlement</li></ul> And as set out in greater detail in the Debenture Trust Deed.

#### 4. Proposed NCD issue of Rs. 10 crore





## Press Release

Type of instrument	Non-convertible debentures
Nature of instrument	Rated Unsubordinated Secured Transferable Redeemable Fully Paid Non-Convertible Debentures.
Ranking	Unsubordinated
Security requirements	Debentures shall be secured as per the terms and conditions stipulated under the heading ' <b>Security Creation</b> ' hereunder.
<b>ISSUE DETAILS</b>	
Mode of Issue	Private Placement
Form of issue	Debentures will be issued in dematerialized form
Issue size	INR. 10,00,00,000 (Indian Rupees Ten Crores only)
Tenor	TBD
Face value	INR. 1,00,000/- (Indian Rupees one lakhs only)
Minimum Subscription	INR 10,00,00,000/- (One Crore)
Minimum Application and in multiples of thereafter	INR 1,00,00,000/- (one Crore) and in multiples of INR. 1,00,000/- (Indian Rupees one lakhs only)
Interest on Application Money	Interest shall be payable on all application monies received at the Coupon Rate from the date of realization of the application monies by the Issuer upto one day prior to the Deemed Date of Allotment and the same shall be paid to the relevant investors within 5 (five) Business Days from the Deemed Date of Allotment.
Issue price	Debentures will be issued at par.
Issue Timing	TBD
Record Date	Seven Calendar days
Issuance mode of the Instrument	Dematerialised form
Trading Mode of the Instrument	Dematerialised form
Settlement mode of the Instrument	Dematerialised form
<b>REDEMPTION</b>	
Redemption Amount	Effective Coupon Amount to be determined as per method of calculation set out in Schedule I.
Scheduled Redemption	TBD
Redemption Date	TBD



## Press Release

Majority Debenture Holders	75% of the Debenture Holders by value.
Early Redemption Premium	5% (Five percent) on the principal amount prepaid.
<b>COUPON PAYMENT</b>	
Coupon Rate	Effective Coupon Amount per Debenture shall be paid by the Company to the Debenture Holders as interest on the Redemption Date, as the case may be. The said 'Effective Coupon Amount' being the interest amount to be paid per Debenture by the Issuer to the Debenture Holders shall be determined in accordance with the method of calculation set out in <b>Schedule I</b> ( <i>Method of calculation of Effective Coupon Amount</i> ) hereto.
Coupon Payment Frequency	TBD
Coupon Payment Dates	As mentioned in Schedule I
Step Up Coupon Rate	TBD
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc.)	Not Applicable
<b>CONVENTIONS</b>	
Day Count Basis	Actual/Actual
Business Day	Means any day, other than a public holiday under Section 25 of the Negotiable Instruments Act, 1881 or a Sunday, on which banks are open for general business in Mumbai;
Business Day Convention	(j) If the date of payment of any interest in respect of the Debentures falls on a day that is not a Business Day, such payment of interest shall be made on the next occurring Business Day;  (k) If the date of payment of any redemption amount falls on a day that is not a Business Day, such payment of instalment shall be made on the immediately preceding Business Day; and  (l) If the Redemption Date as the case may be, falls on a day that is not a Business Day, such payment of interest and redemption amount shall be made on the immediately preceding Business Day.
<b>THIRD PARTY OBLIGATIONS</b>	
Guarantor(s)	TBD
Credit Enhancer(s)	Not Applicable
Other Obligor(s)	No



## Press Release

OTHER COVENANTS	
Debenture Redemption Reserve	If so applicable for the Issue, the Issuer shall create debenture redemption reserve in accordance with the Companies Act, 2013 (and Rules thereunder) and in terms thereof earmark an amount not less than 15% of the amount maturing during the year ending on the 31 <sup>st</sup> day of March of the next year by way of investment and deposits in specified securities on or before the 30 <sup>th</sup> day of April in each year.
Related Party Transactions	Issuer shall not, without the prior written consent of the Debenture Trustee, enter into any transaction(s) with a related party other than remuneration payments made to Directors and key management person (KMP) in the ordinary course of business. For the purposes of this clause, the term 'related party' shall have the meaning ascribed to them in section 2 (76) of the Companies Act, 2013 (and the Rules framed thereunder).
Affirmative Covenants	TBD
Negative Covenants	TBD
Events of Default (including manner of voting/conditions of joining Inter Creditor Agreement)	TBD
Provisions related to Cross Default	As mentioned in the Debenture Trust Deed
Role and Responsibilities of Debenture Trustee	As mentioned in the Debenture Trust Deed
Reporting Covenants	TBD
Financial Covenants	TBD

**Annexure 4: List of companies considered for consolidated analysis: Not Applicable**

**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](http://www.infomerics.com).