2024 PL DIANA
Information Memorandum
Catalyst Trusteeship Limited

81,95,25,329 (Eighty One Crores Ninety Five Lakhs Twenty Five Thousand Three Hundred and Twenty Nine) Series A1 PTCs aggregating to Rs. 81,95,25,329/- (Rupees Eighty One Crores Ninety Five Lakhs Twenty Five Thousand Three Hundred and Twenty Nine Only) having a rating of AA (SO) by India Ratings and Research Private Limited. 3,64,23,348 (Three Crores Sixty Four Lakhs Twenty Three Thousand Three Hundred and Forty Eight) Equity Tranche PTCs aggregating to Rs. 3,64,23,348/- (Rupees Three Crores Sixty Four Lakhs Twenty Three Thousand Three Hundred and Forty Eight Only) having a rating of A+ (SO) by India Ratings and Research Private Limited. Series A1 PTCs and Equity Tranche PTCs evidence beneficial interest in loan receivables originated by Navi Finserv Limited to be acquired by 2024 PL Diana. The Series A1 PTCs and Equity Tranche PTCs are offering a yield as more particularly set out in Annexure 1 hereto, maturing on the dates identified under Annexure 1 hereto, price identified under Annexure 1 hereto and the Series A1 PTCs are issued pursuant to the terms of the Securities and Exchange Board of India (Issue and Listing of Securitised Debt Instruments and Security Receipts) Regulations, 2008) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 amended/supplemented/replaced from time to time and the Operational Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper dated August 10, 2021 as

Indicative Issue Schedule	
Issue Opening Date	February 29, 2024
Issue Closing Date	February 29, 2024
Deemed Date of Allotment	February 29, 2024
Issue Size (Series A1 PTCs)	Rs. 81,95,25,329/- (Rupees Eighty One Crores Ninety Five Lakhs Twenty Five Thousand Three Hundred and Twenty Nine Only)

SELLER & SERVICER

Navi Finserv Limited
2nd Floor, Vaishnavi Tech Square,
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Fax: NA
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STOCK EXCHANGE

BSE Limited

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TRUSTEE

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India Ratings and Research Private Limited
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LEGAL COUNSEL
Wadia Ghandy & Co.

Advocates, Solicitors & Notary
N.M Wadia Buildings, 123, Mahatma Gandhi Road, Mumbai – 400 001

REGISTRAR & TRANSFER AGENT
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Website: www.ndml-nsdl.co.in
Contact Person: Sachin Shinde
Email ID: sachin.shinde@nsdl.co.in

Each Pass Through Certificate (PTC) represents a proportionate undivided beneficial interest in the underlying pool of receivables arising from the loans extended to the borrowers by Navi Finserv Limited, in the ordinary course of business. It does not represent an interest or obligation of 2024 PL Diana or Catalyst Trusteeship Limited nor are the underlying loan contracts insured or guaranteed by Navi Finserv Limited save to the extent of credit enhancement provided by Navi Finserv Limited as described herein. Further all the concerned are hereby informed that the PTCs do not represent deposit liabilities of the Originator, the Servicer, the Trust or the Trustee and that they are not insured. The Trustee/ Originator/ Servicer/ Trust does not guarantee the capital value of PTCs and the performance of PTC issued, or collectability of receivables pool and the investments in the PTCs are subject to prepayment risk, interest rate risk, credit risk, possible delays in repayment and loss of income and principal invested.

CATALYST TRUSTEESHIP LIMITED

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Authorised Signatory/ Director

DISCLAIMER

All the expressions used in this disclaimer shall unless repugnant to the context or meaning thereof carry the same meanings herein are assigned to them in the paragraph under the heading "Definitions and Glossary of Terms"

This Information Memorandum of Private Placement ("**Information Memorandum**" / "**IM**" / "**Offer Document**") is neither a prospectus nor a statement in lieu of a prospectus. This document does not constitute an offer or an invitation for offer by or on behalf of Navi Finserv Limited (**"Seller / Originator / Assignor / Company / Navi"**) or Catalyst Trusteeship Limited ("**Trustee**") to subscribe to, or purchase the Series A1 Pass Through Certificates ("**Series A1 PTCs**") or the Equity Tranche Pass Through Certificates ("**Equity Tranche PTCs**") to be issued by 2024 PL Diana ("**Trust**" / "**Issuer**" / "**Assignee**"). This Information Memorandum seeks to provide relevant details of the proposed securitisation of loan receivables arising from the loans provided by the Originator in the ordinary course of business through finance extended by the Originator to certain persons/ entities **("Loans")**. Apart from this Information Memorandum, no other document has been prepared in connection with the proposed securitisation of loan receivables and the Information Memorandum is not required to be registered under any applicable laws. Accordingly, this Information Memorandum has neither been delivered for registration nor is it intended to be registered. Prospective investors must make their own assessment as to the suitability of investing in these Pass Through Certificates.

Information in this Information Memorandum has been compiled by the Trustee on the basis of information provided *inter alia* by the Seller. To the best of its knowledge and belief the information as contained in this Information Memorandum is in conformity with the facts as available on the date of this Information Memorandum.

Any re-schedulement, restructuring or re-negotiation of the terms of the Underlying Document/s effected after the transfer of assets to the Trust, shall be binding on the Trust and not on the Seller (other than to the limited extent of being the holder of the Equity Tranche PTCs) and shall be done only with the express written consent of all the Beneficiaries, providers of Credit Enhancement, and other service providers if any, however, for resolution of any Loan by the Trustee which has become a stressed asset, no consent of providers of credit enhancement or service providers would be required to be obtained.

Further, the Seller and the Issuer has not authorised any other person to provide any information or make any representations other than those contained in this document. Further, the information contained in this document may undergo changes with time.

Each copy of this Information Memorandum is serially numbered and the person, to whom a copy of the Information Memorandum is sent, is alone entitled to apply for the PTCs. Any application by a person to whom this Information Memorandum has not been sent by the Issuer shall be liable to be rejected without assigning any reason.

The person who is in receipt of this Information Memorandum shall maintain utmost confidentiality regarding the contents of this Information Memorandum and shall not reproduce or distribute in whole or part or make any announcement in public or to a third party regarding the contents without the prior written consent of the Issuer.

The rating is not a recommendation to purchase, hold or sell the PTCs in as much as the ratings do not comment on the market price of the PTCs or its suitability to a particular holder of the PTC. The ratings currently are provisional ratings and final ratings are contingent upon the receipt of final documents conforming to information already received by the Rating Agency. There is no assurance either that the rating will remain at the same level for any given period or that the rating will not be lowered or withdrawn entirely by the Rating Agency.

The Certificates represent an undivided beneficial interest in the underlying loan assets and do not represent an obligation of the Trustee, or the Seller (other than to the extent of the credit enhancement provided, if any), or any affiliate of the Trustee.

This Information Memorandum is not intended to form the sole basis of evaluation for the potential investors to whom it is addressed and who are willing and eligible to subscribe to the PTCs. This Information Memorandum has been prepared to give general information regarding the Seller and the Transaction, to parties proposing to invest in this issue of PTCs and it does not purport to contain all the information that any such party may require. This Information Memorandum and the other Transaction Documents reflect only the future cash flows arising from the Receivables. Cash flows received prior to the Transfer Date and which are not intended to be assigned by the Originator to the Trust, irrespective of whether the same constitute advance or upfront payments, or otherwise, are not reflected in the Information Memorandum and the Transaction Documents and are not being considered for arriving at the Purchase Consideration payable by the Trust for the Receivables. The Series A1 Payouts payable to the Series A1 Investors shall be as per the payout schedule set out in **Annexure 2** hereto and in the applicable Transaction Documents. The

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Equity Tranche Payouts payable to the Equity Tranche Investors shall be as per the payout schedule set out in **Annexure 2** hereto and in the applicable Transaction Documents.

For preparing this Information Memorandum, the Trustee has relied upon the information supplied by the Seller. The Trustee has neither verified independently, nor assumes responsibility for the accuracy and completeness of this Information Memorandum, or any other information or documents supplied or approved by the Seller. The Trustee holds no responsibility for any mis-statement in or omission from the Trustee in publicly available information or any other information about the Trustee available in the market. The Seller and the Trustee do not undertake to update this Information Memorandum to reflect subsequent events and thus it should not be relied upon without first confirming its accuracy with the Seller.

Potential investors are required to make their own independent evaluation and judgment before making the purchase and are believed to be experienced in investing in debt markets and are able to bear the economic risk of investing in the PTCs. It is the responsibility of potential investors to obtain all consents, approvals or authorisations required by them to make an offer to subscribe for and purchase the PTCs. Potential investors should not rely solely on this Information Memorandum or any other information given by the Seller nor would providing of such information by the Seller be construed as advice or recommendation by the Seller to subscribe to and purchase the PTCs. The potential investors acknowledge that the Seller does not owe the Investors any duty in respect of this offer/invitation to subscribe for and purchase of the PTCs. It is the responsibility of potential investors to also ensure that they will sell these PTCs in strict accordance with this Information Memorandum and other applicable laws, so that the sale does not constitute an offer to the public. Potential investors should also consult their own tax advisors on the tax implications of the acquisitions, ownership, sale and redemption of the PTCs and income arising thereon.

This Information Memorandum is a medium of sharing information to potential investors with an objective to provide an investment opportunity in the PTCs and outline the transaction structure. This IM may also contain information about parties to the transaction, which are of confidential nature and not publicly available. Any dissemination of this Information Memorandum to a party other than to whom it has been sent and use of the information contained in this Information Memorandum for purposes other than of a potential investor for this issue is strictly prohibited.

GENERAL RISK

Investment in structured products or structured obligations (SO) and such related securities involve a degree of risk and investors should not invest any funds in such instruments, unless they can afford to take the risks attached to such investments. For taking an investment decision, investors must rely on their own examination of the Issuer and the Issue including the risks involved. Specific attention of investors is invited to statement of Risk Factors contained in Chapter 9 of this Offer Document. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the PTCs or investor's decision to purchase the PTCs. Please be advised that the relevant Receivables will be assigned to the Issuer by the Originator on a no-recourse basis (save for the Credit Enhancement provided by the Originator) and any investor shall carefully assess the risks associated with such assignment before proceeding with a decision to make an investment in the PTCs.

DISCLAIMER CLAUSE OF SEBI

As per the provisions of the SEBI (Issue and Listing of Securitised Debt Instruments and Security Receipts) Regulations, 2008, as amended/ supplemented/ replaced from time to time and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended/ supplemented/ replaced from time to time and the Operational Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper dated August 10, 2021 as amended / supplemented / replaced from time to time, it is not stipulated that a copy of this Offer Document has to be filed with or submitted to SEBI for its review/approval. It is to be distinctly understood that this Offer Document should not in any way be deemed or construed to have been approved or vetted by SEBI and that this Issue is not recommended or approved by SEBI nor does SEBI guarantee the adequacy and accuracy of this Offer Document. SEBI does not take any responsibility either for the financial soundness of any proposal for which the Series A1 PTCs issued thereof is proposed to be made or for the correctness of the statements made or opinions or other disclosures expressed in this Offer Document. The registration granted by SEBI to the trustee should not be taken as an indication of the merits of the Issuer, the Originator or the Series A1 PTCs.

The Series A1 PTCs have not been recommended or approved by the Securities and Exchange Board of India (SEBI) nor does SEBI guarantee the accuracy or adequacy of this document.

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DISCLAIMER CLAUSE OF THE STOCK EXCHANGE

As required, a copy of this Offer Document has been filed with Stock Exchange in terms of the SEBI (Issue and Listing of Securitised Debt Instruments and Security Receipts) Regulations, 2008, as amended/ supplemented/ replaced from time to time and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended/ supplemented/ replaced from time to time and the Operational Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper dated August 10, 2021 as amended / supplemented / replaced from time to time. It is to be distinctly understood that submission of this Offer Document to the Stock Exchange should not in any way be deemed or construed to mean that this Offer Document has been reviewed, cleared or approved by the Stock Exchange, nor does the Stock Exchange in any manner warrant, certify or endorse the correctness or completeness of any of the statements, opinions or other disclosures of this Offer Document. The Stock Exchange does not warrant that the Series A1 PTCs will be listed or will continue to be listed on the Stock Exchange nor does the Stock Exchange take any responsibility for the soundness of the financial and other conditions of the Issuer, its promoters, its management or any scheme or project of the Issuer.

DISCLAIMER IN RESPECT OF JURISDICTION

Issue of the PTCs have been/ will be made in India to investors as specified under clause "**Who Can Apply**" in this Offer Document, who have been/shall be specifically approached by the Issuer. This Offer Document is not to be construed or constituted as an offer to sell or an invitation to subscribe to PTCs offered hereby to any person to whom it is not specifically addressed. This Offer Document does not constitute an offer to sell or an invitation to subscribe to the PTCs herein, in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. The PTCs are governed by and shall be construed in accordance with the existing Indian laws as applicable in Mumbai.

DISCLAIMER IN RESPECT OF RATING AGENCY

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

ISSUE OF PTCS IN DEMATERIALISED FORM

The Series A1 PTCs will be issued in dematerialised form. The Issuer has made arrangements with National Securities Depositories Limited and Central Depository Services (India) Limited for the issue of the Series A1 PTCs in dematerialised form. The investor will have to hold the Series A1 PTCs in dematerialised form as per the provisions of the Depositories Act, 1996. The Issuer shall take necessary steps to credit the Series A1 PTCs allotted to the beneficiary account maintained by the Investor with its depository participant. The Issuer will make the allotment to Investors on the Deemed Date of Allotment after verification of the Application Form, the accompanying documents and on realisation of the application money.

ADDITIONAL ASSUMPTIONS

Each subscriber, by subscribing to the PTCs, and any subsequent purchaser, by purchasing the PTCs, shall be deemed to have agreed that and accordingly the Issuer and the Trustee shall be entitled to presume that each of the Investors:

(a) has reviewed the terms and conditions applicable to the PTCs as contained in the Offer Document and has understood the same, and, on an independent assessment thereof, found the same acceptable for the investment made and has also reviewed the risk disclosures contained herein and has understood the risks, and determined that the investment in the PTCs are a suitable investment and that the Investors can bear the economic risk of that investment;

(b) has received all the material information provided by the Originator to the Issuer in connection with, and for investment in the PTCs;

(c) has understood that information contained in this Offer Document is not to be constructed as business or investment advice;

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(d) has legal ability to invest in the PTCs and the investment does not contravene any provision of any law, regulation or contractual restriction or obligation or undertaking binding on or affecting the Investors or its assets

Attention of the persons interested in subscribing to the Certificates is specifically drawn to the section titled Special Considerations and Risk Factors.

For Catalyst Trusteeship Limited,
Trustee for 2024 PL Diana.

For CATALYST TRUSTEESHIP LIMITED

Authorised Signatory

Authorised Signatory

Date: February 29, 2024

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Navi Finserv Limited

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List of Contact Persons

With regard to this Information Memorandum, the following people at the Trustee and the Seller can be contacted:

Originator / Seller / Servicer: Navi Finserv Limited			
Location	**Contact Person**	**Tel. No.**	**Fax No.**
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Trustee – Catalyst Trusteeship Limited			
Location	**Contact Person**	**Tel. No.**	**Fax No.**
901, 9th Floor, Tower-B, Peninsula Business Park, Senapati Bapat Marg, Lower Parel (W) - 400013	Mr. Umesh Salvi	+91 22 4922 0555	N/A

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(I) THE TRUSTEE HEREBY REPRESENTS, WARRANTS AND UNDERTAKES THAT IT HAS NOT VIOLATED AND WILL NOT VIOLATE, IN CONNECTION WITH ANY MATTER PERTAINING DIRECTLY OR INDIRECTLY TO THE TRANSACTION DOCUMENTS, INCLUDING WITHOUT LIMITATION THE NEGOTIATION THEREOF, ANY ELEVANT PROVISION OF ANY APPLICABLE ANTI-BRIBERY LAWS AND REGULATIONS IN FORCE IN THE JURISDICTION WHERE THE TRUSTEE AND /OR ANY OF THE INVESTORS ARE DOMICILED AND OPERATE, INCLUDING, BUT NOT LIMITED TO THE PREVENTION OF CORRUPTION ACT, 1988 AS IT MAY FROM TIME TO TIME BE AMENDED, OR ANY SIMILAR OR SUCCESSOR ACT. 53
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CHAPTER 1: DEFINITIONS AND GLOSSARY OF TERMS

For the purposes of this Offer Document, except as otherwise expressly provided or as the context or meaning thereof otherwise requires, the following expressions shall have the meanings assigned to them respectively hereinafter:

Allottee	Means any PTC Applicant who has received an Allotment Advice
Allotment Advice	Means the advice issued by the Trust confirming that the subscription by any potential investor in the PTCs, has been accepted.
Applicant or Subscriber	Means an applicant who has made an Application for subscribing to the Certificate.
Application	Means the submission of a duly filled up and signed Application Form by a prospective investor to the Trustee
Application Money	Means the monies paid by any potential investor to the Trust for the purposes of subscribing to the PTCs
Application Form	Means the form annexed hereto and marked as **Annexure 3**.
BSE	Means BSE Limited
Business Day	means a day which is not a Saturday or a Sunday or a public holiday for the purpose of Section 25 of the Negotiable Instruments Act, 1881 for banks at Mumbai.
Certificate or Pass Through Certificate or PTC	Means all or any of the certificates, to be issued by the Trust, to Prospective Investors and Seller, pursuant to which the Prospective Investor, if applicable, become Beneficiaries, which certificates entitle them to receive the scheduled payouts in accordance with the Waterfall Mechanism. The PTCs shall be issued only in dematerialised form and may be issued in such number of series as specified in the Information Memorandum. The PTCs shall include the Series A1 PTCs and the Equity Tranche PTCs;
Certificate Holder or PTC Holder or Beneficiary or Pass Through Certificate Holder or Investor	Means the Persons who have Beneficial Interest in the Trust by way of subscription to a PTC and are eligible to subscribe to or hold and who shall subscribe to or be the holders of the PTCs from time to time, and shall include, without any limitation, the Series A1 Investor(s) and Equity Tranche Investor(s), as the context may require.
Collection and Payout Account or CPA	Means a current account under the name and style of '2024 PL Diana' opened and maintained by the Trustee with the Designated Bank and operated under the signature of the Trustee into which the Subscription Amounts collected from the Beneficiaries, the Receivables and all other amounts collected by the Servicer from the Obligors or realised by the Servicer from the Asset as well as the amounts drawn from the Credit Enhancement or amounts made available for providing the Credit Enhancement, shall be deposited and from which account payments shall be made as per the Waterfall Mechanism on the Payout Dates. It is clarified that all monies lying to the credit of this account from time to time shall be held by the Trustee in trust and for the benefit of the Beneficiaries
Default Charges	Means the charges payable by the Servicer to the Trust if, on the Ascertainment Date the Servicer does not deposit the amounts received by it from the Obligors into the Collection and Payout Account for making the Investor Payouts. Default Charges shall be computed at 2% per annum (over and above the Series A1 Yield rate) on the aforesaid amounts received but not deposited by the Servicer for the period between the relevant Ascertainment Date and the actual date on which such amounts are deposited in the Collection and Payout Account
Cash Collateral Account	Means one or more fixed deposit accounts opened by the Cash Collateral Provider with the Cash Collateral Bank in its own name, where the Cash Collateral shall be maintained. A lien shall be marked over the Cash Collateral Account in favour of the Trustee for the benefit of the Investors, and the Cash Collateral Provider shall hold the monies lying to the credit of such account in trust for and on behalf of the Trust for the benefit of the Investors. Upon utilization of the Cash Collateral, the balance amount of the Cash Collateral and any top-up amount received pursuant to the provisions herein shall be re-deposited in a fixed deposit account. It is clarified that the term Cash Collateral Account shall also be deemed to include the fixed deposit accounts opened from time to time for the purpose of re-deposit of the balance amount of the Cash Collateral along with any top-up received
Cash Collateral	Means the external credit enhancement which is to be provided or caused to be provided by the Seller as recommended by the Rating Agency to achieve the rating of AA (SO) in relation to the Series A1 PTCs and the rating of A+ (SO) in relation to the Equity Tranche PTCs.

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Cash Collateral Bank	Shall mean DCB Bank Limited acting through its branch at Nariman Point, Mumbai.
Certificate Register	Means the register of the Investors agreed to be maintained by the Trustee or its agent.
Credit Enhancement	Shall have the meaning as ascribed to it in Paragraph 3.7 herein.
Cut-Off Date	February 12, 2024
Deed of Assignment	Means the deed to be made by the Seller duly assigning the Receivables / Debt absolutely together with all the other rights and benefits therein to the Trust for the benefit of the PTC Holders, in consideration of receipt of the Purchase Consideration
Deemed Date of Allotment	Means the date on which the PTCs shall be deemed to have been allotted to the Beneficiaries, being February 29, 2024.
Depository	NSDL Database Management Limited
Designated Bank	Means ICICI Bank Limited acting through its branch located at BKC, Mumbai with whom one or more of the accounts are to be maintained under the provisions of the Transaction Documents
Determination Date	Means the 1st day of every month
Discretionary Audit	Means an audit conducted by the Trustee to (i) monitor the Servicer's processes relating to collections and data integrity; (ii) monitor the governance, management, systems and internal operations of the Servicer; and (iii) audit, at the instructions of the Trustee, the monitoring reports submitted by the Servicer to the Trustee. The Trustee may authorise a third party entity to conduct Discretionary Audits as and when required, on the Servicer;
Due Diligence Auditor or DDA	Means Sandeepan Gupta and Co. or such other firm of chartered accountants as may be mutually agreed to between the Seller and the Trustee
EIS/Excess Interest Spread	Means the excess spread arising due to the difference between the Interest amounts on the Loans and the Yield payable to the holders of the Series A1 PTCs
Equity Tranche Expected Maturity Date	Means December 18, 2026
Equity Tranche Final Maturity Date	Means April 18, 2028
Equity Tranche Investor or Equity Tranche PTC Holder	Means the Persons who are eligible to subscribe to or hold and subscribe to or acquire, the Equity Tranche PTCs thus entitling them to undivided beneficial right, title and interest in the Assets (other than to the extent of the Series A1 Investor Payouts payable on the Series A1 PTCs, the right, title and interest in relation to which shall be held by the Series A1 PTC Holder) and shall mean the Seller
Equity Tranche Principal	Shall mean the principal amounts expected to be paid to the Equity Tranche Investors, as identified in **Annexure 2** hereto
Equity Tranche PTC Subscription Amount	Means the amount payable by the Prospective Investor to the Trust for subscribing to Equity Tranche PTCs and shall be equal to Rs. 3,64,23,348/- (Rupees Three Crores Sixty Four Lakhs Twenty Three Thousand Three Hundred and Forty Eight Only);
Equity Tranche Payouts or Equity Tranche Investor Payout	With respect to each Payout Date, shall mean the amounts payable to the Equity Tranche Investors on the said Payout Date in respect of the Equity Tranche PTCs held by the said Investors on the corresponding Payout Dates as more particularly mentioned in **Annexure 2** hereto and as may be revised from time to time in accordance with the Transaction Documents whether on account of Pre-payments or otherwise. The Equity Tranche Investor Payouts will be made only to the Seller, who is holding the Equity Tranche PTCs towards the Minimum Retention Requirement under the RBI Securitisation Guidelines.
Equity Tranche PTCs or Equity Tranche Pass Through Certificates	Means a Certificate described as Equity Tranche PTC issued by the Trust and entitling the holder thereof to the Equity Tranche Investor Payouts. The holding of an Equity Tranche PTC by any Investor shall evidence the undivided beneficial interest of the Investor to the Assets acquired by the Trust (apart from the Assets represented by the Series A1 PTCs).
Equity Tranche Yield	Means the yield payable to the Equity Tranche PTC Holders and shall be the monies which remain after making payment as per the Waterfall Mechanism
Issue Closing Date	Means the last date for receiving applications from prospective investors for subscribing to the Certificates
Issue Opening Date	Means February 29, 2024.

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Loans	Means the facilities granted by the Seller to the Obligors on the terms and conditions set out in the Loan Agreements
Loan Agreement/ Loan Contract	Means the loan agreement(s) being 3936 (Three Thousand Nine Hundred and Thirty Six) in number, entered into between the Seller and Obligor(s) setting out the terms and conditions for the Loans availed of by the Obligor(s)
Majority Interest	Means the interest of the Beneficiaries being entitled to the beneficial interest in 75% (Seventy Five percent) of value of all the then outstanding Receivables
Minimum Holding Period/MHP	Means the minimum holding period as per the extant RBI Securitisation Guidelines
Minimum Retention Requirement / MRR	Means the minimum retention requirement as per the extant RBI Securitisation Guidelines. For the purposes of this transaction, the Seller shall maintain the Minimum Retention Requirement by providing (a) Cash Collateral which amounts to 6% (Six Percent) of the principal portion of the Receivables as on the Cut-off Date; and (b)Investment by the Seller in the Equity Tranche PTCs to the extent of 4% (Four Percent) of the principal portion of the Receivables as on the Cut-off Date;
Monthly Report or Report	Means the report to be provided each month by the Servicer to the Trustee, Rating Agency and third-party providers of Credit Enhancement
NSE	Means NSE Limited
NA	Not Applicable
Obligor or Borrower	Mean the persons who have availed of Loans from the Seller under the Loan Agreements and who are liable to make payments to the Seller of monthly instalments or other instalments, comprising of principal amounts of the loan facilities and interest thereon, and such other monies as stipulated under the Loan Agreements, i.e. Receivables
PAR>60	Means the outstanding principal amounts of the Loans comprising of the Receivables that have one or more instalments of principal, interest, penalty interest, fees or any other expected payments past due more than 60 (Sixty) days
Payout Date	Means the dates specifically indicated in **Annexure 2** hereto, or if such day is not a Business Day, the immediately preceding Business Day, on which date the Investor Payouts are to be paid to the relevant Beneficiaries
Person	An individual, a partnership firm, a company (as defined in Section 2(20) of the Companies Act, 2013), a body corporate (as defined in Section 2(11) of the Companies Act, 2013), a co-operative society, a trust, an association of persons whether incorporated or not and any other entity and in case of a company and a body corporate shall include their respective successors and assigns and in case of any individual his/her respective legal representative, administrators, executors and heirs and in case of trust shall include the trustee(s) for the time being and from time to time
Prepayment	Shall include the following: (i) the early payment by an Obligor of any instalment or all the balance (including interest and principal) outstanding on that Loan Agreement, whether voluntarily or pursuant to appropriate court orders or arbitration awards; or (ii) foreclosure of a Loan Agreement; or (iii) any realisations pursuant to any legal proceedings including arbitration proceedings instituted for recovery of moneys from the Obligor; or (iv) any realisations from invocation of guarantees provided by the Obligors or any other person in relation to the Loan Agreement, if any);
Prepayment Amount	Means the amount payable on account of Prepayment or Part Prepayment to the PTCs on any Investor Payout Date
Principal Subordinated Interest	Shall mean 6% (Six Percent) of the principal portion of the Receivables, which is being offered as part of the Credit Enhancement and the residual amounts of which (after making the Investor Payouts) shall be released to the Seller. The Receivables which constitute the Principal Subordinated Interest are not specifically identified and form an undivided part equivalent to 6% (Six Percent) of the principal portion of the aggregate Receivables.
Prospective Investor	Means any Person who is desirous of subscribing to the PTCs to be issued by the Trust or a Person desirous of purchasing a PTC from an Investor
Public Holiday	Shall mean a public holiday (including Saturday and Sunday) for the purpose of Section 25 of the Negotiable Instruments Act, 1881 (26 of 1881), at Mumbai.
Purchase Consideration	Means the amount Rs. 85,59,48,677/- (Rupees Eighty Five Crores Fifty Nine Lakhs Forty Eight Thousand Six Hundred and Seventy Seven Only) payable to the Seller of the Assets.

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Rating Agency	India Ratings and Research Private Limited, a company incorporated under the Companies Act, 1956 and having its office at Wockhardt Tower, West Wing, Level 4, Bandra Kurla Complex, Bandra (East)
RBI	Means Reserve Bank of India
RBI Securitisation Guidelines	Means the guidelines by the RBI governing securitisation of standard assets in terms of the Master Direction – Reserve Bank of India (Securitisation of Standard Assets) Directions, 2021 issued by RBI vide DOR.STR.REC.53/21.04.177/2021-22 dated September 24, 2021 and any other guidelines issued by the RBI from time to time in relation to amendment/alteration/revision of the aforesaid guidelines;
Receivables / Debt	Means the aggregate of all amounts payable to the Seller by the Obligors from the Transfer Date, pursuant to the Loan Agreements, including interest, additional interest, overdue charges (if any), premium on Prepayment Proceeds received on Prepayment / foreclosure (including the Prepayment Proceeds in relation to amounts due on or after the Transfer Date, which are received prior to the Transfer Date but after the Cut-off Date), gross of Goods & Service Tax (if any) but after deducting insurance payments (if any) from such amounts. If there are any outstanding receivables due from the Obligor prior to the Transfer Date, they shall not be a part of the Receivables. However, the same shall be made available as part of the Credit Enhancement. The details of the Receivables are more particularly provided in **Annexure 6** hereto;
Register of PTCs	Means the records of all beneficial holders as mentioned by the relevant depository as the PTCs are held in dematerialised form and as per the SEBI PTC Listing Regulations
Registrar and Transfer Agent	Means NSDL Database Management Limited having its offices at 4th Floor, Trade World A Wing, Kamla Mills Compound, Lower Parel (W) Mumbai 400013
SEBI PTC Listing Regulations	Securities and Exchange Board of India (Issue and Listing of Securitised Debt Instruments and Security Receipts) Regulations, 2008 as amended from time to time read with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 as amended/ supplemented/ replaced from time to time and the Operational Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper dated August 10, 2021 as amended / supplemented / replaced from time to time
Seller or Originator	Means Navi Finserv Limited
Semi-Annual Report	Means the report to be provided on the Deemed Date of Allotment and every 6 (six) months thereafter by the Servicer to the Trustee in accordance with the RBI Securitisation Guidelines.
Series A1 Expected Maturity Date	Means November 18, 2026
Series A1 Final Maturity Date	Means April 18, 2028
Series A1 Investor or Series A1 PTC Holder	Mean the Persons who are eligible to subscribe to or hold and subscribe to or acquire, the Series A1 PTCs thus entitling them to undivided beneficial right, title and interest in the Assets (other than to the extent of the Equity Tranche Investor Payouts payable on the Equity Tranche PTCs, the right, title and interest in relation to which shall be held by the Equity Tranche PTC Holder). The rights of the Seller in relation to the Equity Tranche PTCs shall be subordinate to the rights of the Series A1 PTC Holders to the Series A1 PTCs;
Series A1 Principal	Mean the principal amounts expected to be paid to the Series A1 Investors, as identified in **Annexure 2** hereto
Series A1 PTC Subscription Amount	Means the amount payable by the Prospective Investor to the Trust for subscribing to Series A1 PTCs and shall be equal to Rs. 81,95,25,329/- (Rupees Eighty One Crores Ninety Five Lakhs Twenty Five Thousand Three Hundred and Twenty Nine Only)
Series A1 Payouts or Series A1 Investor Payout	With respect to each Payout Date, shall mean the amounts payable to the Series A1 Investors on the said Payout Date in respect of the Series A1 PTCs held by the said Investors on the corresponding Payout Dates as more particularly mentioned in **Annexure 2** hereto and as may be revised from time to time in accordance with the Transaction Documents whether on account of Pre-payments or otherwise. The Series A1 Payouts will be made only to the Series A1 Investors whose name appear in the Register of PTCs as on the Determination Date of the month in which the Series A1 Payout is being made
Series A1 PTCs or Series A1 Pass Through Certificates	Mean a Certificate described as Series A1 PTC issued by the Trust and entitling the holder thereof to the Series A1 Investor Payouts which comprises of the Receivables. The holding of a Series A1 PTC by any Investor shall evidence the undivided Beneficial Interest of the Investor to the Assets acquired by the Trust (apart from the Assets represented by the Equity Tranche PTCs, rights of the Seller in relation to which shall be subordinate to the

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	rights of the Investors to the Series A1 PTCs). The Series A1 PTCs shall be listed on BSE Limited as securitised debt instruments under the SEBI PTC Listing Regulations
Series A1 Yield	Mean the yield payable to the Series A1 PTC Holders and shall be an amount which provides a rate of return of 9.80% p.a.p.m on the Series A1 PTCs.
Servicer	Means Navi Finserv Limited
Servicer's Event of Default	Means the occurrence of any or all of the following events: (a) the Servicer is prevented by any competent regulatory agency from carrying on the business which is presently being carried on by it; (b) the Servicer commits a default, under the terms of Insolvency and Bankruptcy Code, 2016, in respect of the amount of any debt or any claim against it or has filed a petition for insolvency; (c) any Underlying Document relating to Receivables being unenforceable by reason of the failure on the part of the Servicer to obtain any licenses or permits required by any State or governmental entity; (d) any resolution is passed either by the creditors or the shareholders of the Servicer or any other action is taken which may result in a voluntary or other winding up or liquidation of the Servicer; (e) an order for winding up of the Servicer is made by any competent court; (f) the Servicer has taken or suffered to be taken any action for its reorganisation, liquidation or dissolution; (g) a receiver or liquidator has been appointed or allowed to be appointed of all or any part of the undertaking of the Servicer; (h) if an attachment or restraint has been levied on a material part of Servicer's properties in India or certificate proceedings have been taken or commenced for recovery of any dues from the Servicer, and the Servicer does not take effective steps to the satisfaction of Trustee for cancellation of such attachment, restraint or certificate proceedings. (i) any delay or default has been committed by the Servicer in payment of any monies which have been received by the Servicer and are payable as per the terms herein; (j) any receiver / assignee or trustee or similar other officer is appointed by any court or any other competent authority in any winding up, execution or distress proceedings against the Servicer; (k) the Servicer ceases to be entitled to carry on its business as a servicer, pursuant to the cancellation, suspension or revocation of any license, approval or permission required by the Servicer for carrying on its business; (l) any failure on the part of the Servicer to observe or perform in any respect any undertaking, covenant or obligation under the Deed of Assignment; and (m) if any of the representations or warranties made in the Deed of Assignment by the Servicer is found to be false or misleading or incorrect in any respect; and (n) The failure of the Servicer to meet such collection standards and data integrity standards as are customary in two successive Discretionary Audits conducted on the Servicer at the discretion of the Trustee.

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Subscription Amount	In relation to an Investor, means the amount payable by such Investor in order to subscribe to the PTCs to be allotted to such Investors and shall include Series A1 PTC Subscription Amount, Equity Tranche PTC Subscription Amount
Transaction	Means the securitization transaction contemplated in this Information Memorandum.
Transaction Documents	Means any one or more of the following, as the context may require: (a) Trust Deed. (b) Deed of Assignment; (c) this Information Memorandum; (d) receipts evidencing the creation of the Cash Collateral and/or any document executed in relation to the Credit Enhancement; (e) Pass Through Certificates; (f) Power of Attorney executed by the Seller in favour of the Trustee; (g) and any other document that the Trustee may designate as a Transaction Document.
Transfer Date	Means February 13, 2024
Trust Deed	Means the deed of trust made by Catalyst Trusteeship Limited, acting in its capacity as the Settlor and in its capacity as the Trustee dated February 23, 2024 pursuant to which the Trust has been created;.
Trust Fund	The Trust Fund shall include initial contribution of Rs. 1000/- (Rupees One Thousand Only) for general purposes of the Trust, and of all other contributions received by the Trustee, including Subscription Amounts received from the Investors for the PTCs issued to them by the Trust, for the specific purpose of acquisition of the Assets and of all amounts deposited with the Trust on realization of the Receivables, from time to time in accordance with the agreed collection and payout mechanism and the Credit Enhancement, and shall include the realisations arising out of any investment made with respect to such monies, and all investments representing the same and all income arising therefrom whether by way of interest, or otherwise.
Underlying Documents	Means all the documents, instruments and records pertaining to the Receivables / Debt, including but not limited to all Loan Agreements, post-dated cheques (as applicable) and demand promissory notes (as applicable)
Waterfall Mechanism	Means the method for appropriation of the amounts collected as more particularly set out under the entry Payment Waterfall in Paragraph 2.3 of Chapter 2 of this Information Memorandum.
Yield	Shall mean the Series A1 Yield in relation to the Series A1 PTCs and/or the Equity Tranche Yield in relation to Equity Tranche PTCs, as the context may require

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CHAPTER 2: EXECUTIVE SUMMARY

This Information Memorandum seeks to provide relevant details of securitisation of certain loan assets together with all other present and future rights and benefits arising there from. The Assets comprise of *inter alia* loan receivables arising from the loan facilities extended by the Originator, in the ordinary course of business through finance extended by the Seller to the Obligors for various business activities and have been more particularly identified in the Deed of Assignment.

All the expressions used in this document shall unless repugnant to the context or meaning thereof carry the same meanings herein are assigned to them in the paragraph under the heading "Definitions and Glossary of Terms"

2.1 INTRODUCTION TO SECURITISATION

Securitisation is a process whereby commercial or consumer credits are packaged and sold in the form of financial instruments. A typical process of securitisation involves sale of specific receivables to a Special Purpose Vehicle or special purpose distinct entity (SPV) set up in the form of a trust or a company. The SPV in turn issues financial instruments (promissory notes, participation certificates or other debt instruments) to the investors evidencing the beneficial ownership of the investors in the receivables. The financial instruments are rated by an independent credit rating agency. On the recommendation of the credit rating agency, additional credit support is provided in order that the instrument may receive the desired level of rating. Typically, the servicing of the receivables is continued by the seller in its capacity as servicer. Cash flows as and when they are received are passed onto the investors. Features of securitisation transactions include:

(a) Absolute and valid true sale of assets to an SPV (with defined purposes and activities) in trust for the investors;

(b) Reliance by the investors on the performance of the assets for repayment – rather than the credit of their originator (the seller) or the Issuer (the SPV);

(c) Consequent to the above, "Bankruptcy Remoteness" of the SPV from the originator;

(d) Support for timely payments, inter-alia, in the form of suitable credit enhancements;

(e) Securitised debt paper usually achieves a high investment grade credit rating.

2.2 BRIEF DESCRIPTION OF THE TRANSACTION

(a) 2024 PL Diana (**"Trust"**) is proposed to be set up as a special purpose trust / special purpose distinct entity, as recognised under the provisions of the SEBI PTC Listing Regulations, settled by Catalyst Trusteeship Limited under a Trust Deed for acquiring the Receivables in the nature of principal amount of the above loan facilities together with interest thereon, along with the rights and interest of the Originator in relation thereto under such loan facilities (collectively the **"Assets"**), as property of the Trust in trust for and for the benefit of the certain investors, who subscribe to the pass through certificates issued by the Trust.

(b) The objectives and permitted activities of the SPV are as laid out in the section "The Issuer" of this Information Memorandum.

(c) The issue proceeds received from the Investors for subscribing to the PTCs, will be used by the Trust to pay to the Seller consideration for the Assets.

(d) After acquiring the aforesaid Assets, the Issuer will issue Series A1 PTCs and Equity Tranche PTCs to the Investors. However, the Originator shall continue to retain the beneficial interest in such Trust properties to the extent of the investment by the Originator in the Equity Tranche PTCs and Principal Subordinated Interest and subject to the utilization of the amounts payable to the Originator (on account of such investment in Equity Tranche PTCs and Principal Subordinated Interest) for the purposes of the Investor Payouts The Series A1 PTCs shall be listed in terms of the SEBI PTC Listing Regulations.

(e) The Investors shall be entitled to obtain the Yield together with the principal amount of the PTCs. The Series A1 PTCs and Equity Tranche PTCs would be issued in dematerialised form and the Series A1 PTCs shall be listed on BSE as securitised debt instruments under the SEBI PTC Listing Regulations, within 3 (Three) trading days from the Deemed Date of Allotment.

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(f) The Originator will provide or cause to be provided certain credit enhancement in relation to the Assets so as to achieve the desired rating levels. Apart from the external credit enhancement, which may be provided / caused to be provided by the Seller, the Excess Interest Spread in relation to the Loans will also form part of the Credit Enhancement.

(g) To meet the minimum retention requirement ("**MRR**") stipulated by the Reserve Bank of India ("**RBI**"), in relation to the Assets being sold, For the purposes of this transaction, the Seller shall maintain the Minimum Retention Requirement by providing

(i) Cash Collateral of Rs. 5,46,35,022/- (Rupees Five Crores Fort Six Lakhs Thirty Five Thousand and Twenty Two Only) which amounts to 6% (Six Percent) of the principal portion of the Receivables, as on the Cut-off Date;

(ii) Investment by the Seller in the Equity Tranche PTCs to the extent of 4% (Four Percent) of the principal portion of the Receivables, as on the Cut-off Date.

(h) The Series A1 Investor(s) shall be entitled to obtain Series A1 Yield and the Equity Tranche Investor shall be entitled to obtain Equity Tranche Yield as per the terms of the Transaction Documents

(i) Navi Finserv Limited will be appointed as the servicer in relation to the Assets, and in that capacity the Servicer shall be entitled to enforce the Receivables for and on behalf of the Trust.

(j) Claims or rights of the Investors of a particular series or tranche to receive payment of the Receivables shall rank *pari passu inter-se* and there shall be no difference in the rights, title and interest between the Investors of a particular series or tranche, irrespective of the date on which the Application Money shall have been paid by them. The claims or rights of the Equity Tranche PTC Holders to receive payment of the Receivables shall be subordinate to that of Series A1 PTC Holders.

(k) Each PTC of a particular series or tranche (i.e. Series A1 PTC and Equity Tranche PTC), will evidence the PTC Holder's respective pro-rata share and undivided beneficial interest in the Assets on a *pari passu* basis with other PTC Holders of that series or tranche.

(l) The Series A1 PTCs have been assigned a provisional rating of AA (SO) and the Equity Tranche PTCs have been assigned a provisional rating of A+ (SO) by the Rating Agency. The rating rationale is annexed to this Information Memorandum and marked as **Annexure 4**. However, this is an indicative rating and is contingent upon the receipt of final documents conforming to information already received.

(m) The Seller will have the option to repurchase the Receivables pertaining to the performing contracts anytime after the outstanding Receivables decline to 10% or below of the initial pool principal, at a purchase consideration equal to the outstanding principal amount. The exercise of this option would have the same effect as Prepayments for the purposes of making Investor Payouts to the Beneficiaries under the Deed of Assignment.

2.3 PRINCIPAL TERMS OF THE SECURITISATION TRANSACTION

Nature of Instrument	Securitised Debt Instruments being Pass Through Certificate evidencing beneficial interest in the Receivables and bearing Series A1 Yield and Equity Tranche Yield as more particularly set out under **Annexure 2** hereto. The Series A1 PTCs are being offered for subscription in terms of this Offer Document and Equity Tranche PTCs shall be subscribed to by the Seller for the purposes of meeting the Minimum Retention Requirement.
Issuer	2024 PL Diana
Originator / Seller	Navi Finserv Limited
Trustee	Catalyst Trusteeship Limited
Credit Enhancement Provider	Navi Finserv Limited
Designated Bank	ICICI Bank acting through its branch located at ICICI Bank Towers, BKC, Mumbai
Servicer	Navi Finserv Limited
Rating Agency	India Ratings and Research Private Limited
Legal Counsel	Wadia Ghandy & Co.
Obligors	Obligors are the borrower(s) who have taken Loans various business activities.
Any class or tranche not being offered to public	The PTCs are privately placed and are not offered to the public.

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Interest Payment Date	On the Payout Date as set out in **Annexure 2** hereto.
Principal Payment Date	On the Payout Date as set out in **Annexure 2** hereto.
Optional Redemption	Not Applicable
Face Value of each Series A1 PTC	As set out in the **Annexure 1**.
Redemption Amount in relation to Series A1 PTCs	Face value plus yield at Series A1 Yield for Series A1 PTCs together with default interest if any. The Redemption Amounts for Series A1 PTCs shall be as set out in **Annexure 1** hereto.
First Payout Date in relation to Series A1 PTCs	As set out in **Annexure 1**.
Last Payout Date/Maturity Date in relation to Series A1 PTCs	As set out in **Annexure 1**.
Possibility of extension or shortening of period of PTC	**No**
Receivables	Pool of Receivables pertaining to loans originated by Navi Finserv Limited, the principal outstanding of which aggregates to Rs. 91,05,83,699/- (Rupees Ninety One Crores Five Lakhs Eighty Three Thousand Six Hundred and Ninety Nine Only) on the Cut-off Date.
Structure	At Par
Aggregate Pool Principal	Rs. 91,05,83,699/- (Rupees Ninety One Crores Five Lakhs Eighty Three Thousand Six Hundred and Ninety Nine Only) on the Cut-off Date
Aggregate Pool Cashflows	Approximately Rs. Rs. 1,19,04,39,869/- (Rupees One Hundred and Nineteen Crores Four Lakhs Thirty Nine Thousand Eight Hundred and Sixty Nine Only) as on Cut-off Date.
Aggregate Excess Interest Spread (scheduled)	Approximately Rs. 17,16,13,749/- (Rupees Seventeen Crores Sixteen Lakhs Thirteen Thousand Seven Hundred and Forty Nine) as on Cut-off Date. The Excess Interest Spread shall form a part of the Credit Enhancement and shall be utilized in accordance with the Waterfall Mechanism.
Aggregate Opening Overdues	NIL as of Cut-off date
Cut-off Date	February 12, 2024
Transfer Date	February 13, 2024
PTCs	Series A1 PTCs and Equity Tranche PTCs
Purchase Consideration	Rs. 85,59,48,677/- (Rupees Eighty Five Crores Fifty Nine Lakhs Forty Eight Thousand Six Hundred and Seventy Seven Only). The Purchase Consideration has been arrived at post the aggregation of the Series A1 PTC Subscription Amount and Equity Tranche Subscription Amount
Series A1 Purchase consideration	Rs. 81,95,25,329/- (Rupees Eighty One Crores Ninety Five Lakhs Twenty Five Thousand Three Hundred and Twenty Nine Only)
Equity Tranche Purchase consideration	Rs. 3,64,23,348/- (Rupees Three Crores Sixty Four Lakhs Twenty Three Thousand Three Hundred and Forty Eight Only)
Rating of Series A1 PTCs	AA (SO)
Rating of Equity Tranche PTCs	A+ (SO)
Series A1 Yield Type	Fixed
Series A1 Yield	9.80% (Nine Decimal Point Eight Zero Percent) per annum payable monthly
Equity Tranche Yield	Shall be the monies which remain after making payment as per the Waterfall Mechanism
Default Charges	Means the charges payable by the Servicer to the Trust if, on the Ascertainment Date the Servicer does not deposit the amounts received by it from the Obligors into the Collection and Payout Account for making the Investor Payouts. Default Charges shall be computed at 2% per annum (over and above the Series A1 Yield rate) on the aforesaid amounts received but not deposited by the Servicer for the period between the relevant Ascertainment Date and the actual date on which such amounts are deposited in the

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	Collection and Payout Account
Servicer's Fees	Shall mean the amount payable to the Servicer on first Payout Date in lieu of the services provided by the Servicer, which shall be an amount equal to Rs. 2,00,000/- (Rupees Two Lakh Only) plus applicable taxes.
Liquidity Support	No liquidity support
Risk of prepayment in respect of the PTCs	Upon any prepayment by any Borrower and/or any foreclosure, the prepayment amounts collected shall be paid to the Investors on the immediately succeeding Payout Date in accordance with the provisions of Paragraph 3.11 hereto. Therefore, the PTC may be prepaid on account of any prepayment and/or foreclosure of the Loans.
Form of Credit Enhancement	The Credit Enhancement would comprise of: ➢ Excess Interest Spread; ➢ Principal Subordinated Interest; ➢ Investment by the Seller in Equity Tranche PTCs: and ➢ The Cash Collateral.
Utilisation of Credit Enhancement	In the event there is any shortfall of Receivables in the Collection and Payout Account, arising on account of any reason whatsoever and consequently the amounts in the Collection and Payout Account are not adequate to meet the payments on a Payout Date as per the Waterfall Mechanism, then subject to what is set out hereinafter, the Credit Enhancement shall be utilized to meet any shortfalls in payments as per the Waterfall Mechanism for that Payout Date. It is clarified that the Credit Enhancement including the Excess Interest Spread and Principal Subordinated Interest shall be utilized for the purposes of meeting any shortfalls (arising on account of any reason whatsoever) in the payments required to be made as per the Waterfall Mechanism, provided however that such utilisation shall be made in compliance with the following: (i) the Credit Enhancement shall not be utilised to meet any liabilities of the Trust, the Trustee or the Beneficiaries, whether statutory or otherwise, irrespective of the fact that the non-utilisation of the Credit Enhancement and the Excess Interest Spread may lead to a reduction/alteration in the amounts payable in relation to the Investor Payouts; (ii) the Cash Collateral shall not be utilised to make any payments in relation to the EIS. The Credit Enhancement will be utilized to meet shortages in Investor Payouts on account of credit losses as per waterfall mechanism and will be utilised in the following manner: ➢ First, the Excess Interest Spread will be utilised; ➢ Second, the Principal Subordinated Interest; ➢ Third, Receivables representing the Equity Tranche PTCs; and ➢ Lastly, the Cash Collateral. The Trustee shall require the utilisation of the Credit Enhancement, in the circumstances and in the manner provided in this Deed and any other Transaction Document and to do all acts, deeds and things including giving written instructions, mandates and instructions to the Cash Collateral Provider, as may be required in this regard. Further, the Cash Collateral shall be utilized only after the monthly EIS has been fully exhausted. It is hereby clarified that the amount of Credit Enhancement extended at the initiation of the securitisation transaction shall be available to the Trust during the entire life of the PTCs issued by the Trust. Provided however that, the EIS may reduce on account of amortisations.
Payment Mechanism	Navi Finserv Limited will continue to service the pool as the Servicer. The payments from the collections of month (M) deposited in the Collection and Payout Account, from the collections of the month (M) will be made to the Investors in month (M+1), on the relevant Payout Date. If the amount that will be made available in the CPA is insufficient for making the scheduled payments (as well as payment due on account of Prepayment) due to the Investors, the

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	Cash Collateral will be drawn to the extent of shortfall.
Collection & Payout Account / CPA	The Collection & Payout Account / CPA refers to the current account maintained with the Designated Bank and operated solely by the Trustee. The Servicer shall deposit all collections from the Receivables (as well as the Opening Overdues (if any)) in the CPA and the amounts available in the CPA shall be utilized by the Trustee for making the payments due in terms of the Waterfall Mechanism.
Payment Waterfall	(a) Subject to sub-paragraph (h) herein, on each Payout Date upto the date of termination of the Trust, the proceeds realized from the Receivables in the relevant calendar month and deposited in the Collection and Payout Account, together with the amounts realized or utilized from the Credit Enhancement and transferred to the Collection and Payout account in accordance with these presents will be utilized in the following order of priority: (A) until such time as the Series A1 PTCs are outstanding: (i) for payment of all statutory and regulatory dues; (ii) for the payment of any fees and expenses incurred by the Trustee or any fees payable to service providers and/ or any other amounts expressly provided for in the Transaction Documents; (iii) for payment of overdue Yield payments due to Series A1 PTCs; (iv) for payment of current Yield payments due to the Series A1 PTCs; (v) payment of expected Series A1 Principal (including payment of any unpaid expected principal payouts to Series A1 PTCs from earlier collection periods); (vi) any Prepayment Amounts will be utilized to prepay principal on the Series A1 PTCs; (vii) for reimbursement of the Credit Enhancement (to the extent drawn on any Payout Date and not reimbursed already); and (viii) the residual amounts, if any, shall be utilised for making payment of the Equity Tranche Yield to the Seller; (B) On redemption of the Series A1 PTCs in full: (i) for the payment of all statutory and regulatory dues; **(ii)** for the payment of any fees and expenses incurred by the Trustee or any fees payable to service providers and/ or any other amounts expressly provided for in the Transaction Documents; (iii) for payment of expected Equity Tranche Principal (including for the avoidance of doubt, any unpaid expected principal payouts to Equity Tranche PTCs from earlier collection periods); (iv) the residual amounts, if any, shall be utilized for making payment of the Equity Tranche Yield to the Seller. (b) Notwithstanding anything contained in this Deed and/or the other Transaction Documents, the Credit Enhancement shall be drawn upon and utilised in the following manner only: (i) Until the Series A1 PTCs are outstanding A. To meet any shortfall in the Series A1 Yield payouts to be made to the Series A1 PTC Holders on any Payout Date; and

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	B. To make payments of the principal outstanding in relation to the Series A1 PTCs on the Series A1 Final Maturity Date. (ii) Once Series A1 PTCs are redeemed in full, to make payments of the principal outstanding in relation to the Equity Tranche Investor Payouts on the Equity Tranche Final Maturity Date; (c) The Equity Tranche Investor Payouts are completely subordinated to Series A1 Investor Payouts and Equity Tranche Yield payments are not promised on every Payout Date (d) In the event that any monies are collected towards any penalty, fees, charges, expenses, commission or costs in terms of the Underlying Documents and the Loan Agreements (i.e., monies collected other than towards principal, interest and default interest), the said monies shall be retained by the Servicer. (e) Once PTCs have been redeemed in full, all residual cashflows forming part of Excess Interest Spread or the Principal Subordinated Interest or otherwise, shall belong to and be paid to the Residual Beneficiary; (f) It is clarified that the Credit Enhancement including the Excess Interest Spread, shall be utilized for the purposes of meeting shortfalls in making any payments as per the Waterfall Mechanism above, except the shortfalls which arises on account of any breach of duties by the Trustee or tax liabilities of the Beneficiaries/ or the Trust. (g) On every Payout Date, any monies collected as and by way of Default Charges from the Servicer shall be distributed on a *pari passu* basis amongst the holders of the PTCs in proportion to the value of all the then outstanding Receivables due to such holders of the PTCs. (h) Notwithstanding anything contained this paragraph, in the event that PAR>60 exceeds 5% (Five Percent only) of the initial pool principal comprising of the pool of Receivables, till the time all the Series A1 PTCs are fully extinguished, any payments that otherwise would have been paid towards Excess Interest Spread shall be utilized to make payments to the Series A1 Investor towards principal portion of Series A1 PTCs. It is clarified that even if the PAR>60 reduces to 5% (Five Percent only) or below of the initial pool principal comprising of the pool of Receivables, any payments that otherwise would have been paid towards Excess Interest Spread shall continue to be utilized to make payments towards principal portion of Series A1 PTCs until the Series A1 PTCs are fully extinguished; (i) Notwithstanding anything to the contrary contained in the Transaction Documents, in case of delay in listing of the Series A1 PTCs beyond 3 (Three) trading days from the Deemed Date of Allotment, the relevant Investors will be paid penal interest calculated on the principal outstanding of the Series A1 PTCs at the rate of 1% (One Percent) per annum which shall be payable over and above the Series A1 Yield rate from the Deemed Date of Allotment until the listing of such Series A1 PTCs, from the monies deposited in the Collection and Payout Account
No. of Series A1 PTCs	81,95,25,329 (Eighty One Crores Ninety Five Lakhs Twenty Five Thousand Three Hundred and Twenty Nine) PTCs
No. of Equity Tranche PTCs	3,64,23,348 (Three Crores Sixty Four Lakhs Twenty Three Thousand Three Hundred and Forty Eight) PTCs
Prepayments	All amounts collected upon Prepayment ("**Prepayment Proceeds**") in any particular month shall be deposited in the CPA along with the amounts collected in the said month,

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	in the subsequent month, and utilized as per the Waterfall Mechanism. The principal amounts prepaid (together with accrued Yield in relation thereto) shall comprise the Prepayment Amounts due and payable to the Investors in respect of such prepaid amounts.
Clean-up call Option	The Seller will have the option to repurchase the Receivables pertaining to the performing contracts anytime after the outstanding balance on the Receivables declines to or below 10% of the initial Receivables, at a purchase consideration equal to the principal value of the outstanding amount. The exercise of this option would have the same effect as Prepayments. This clean-up call option may be exercised only if the Credit Enhancement is sufficient to buyout the non-performing Receivables..

2.4 PRINCIPAL TERMS OF THE PTCS

Issue Opening Date	February 29, 2024
Issue Closing Date	February 29, 2024
Deemed Date of Allotment	February 29, 2024
No. of Series A1 PTCs	81,95,25,329 (Eighty One Crores Ninety Five Lakhs Twenty Five Thousand Three Hundred and Twenty Nine) PTCs
No. of Equity Tranche PTCs	3,64,23,348 (Three Crores Sixty Four Lakhs Twenty Three Thousand Three Hundred and Forty Eight) PTCs
Price Per Series A1 PTCs	Re. 1/- (Rupee One only)
Price Per Equity Tranche PTCs	Re. 1/- (Rupee One only)
Expected Maturity in relation to Series A1 PTCs	32.65 months
Expected Maturity in relation to Equity Tranche PTCs	33.63 months
Minimum Subscription / Minimum Ticket Size for PTC	1,00,00,000/- (Rupees One Crore Only)

2.5 RATING

India Ratings and Research Private Limited has given a provisional rating of AA (SO) for Series A1 PTCs and a provisional rating of A+ (SO) for Equity Tranche PTCs subject to a certain level of credit enhancement. However, this is an indicative rating and is contingent upon the receipt of final documents conforming to information already received in relation to the Certificates. The ratings are not a recommendation to subscribe to or purchase, hold or sell or redeem the Series A1 PTCs and Equity Tranche PTCs in as much as the ratings do not comment on its suitability to a particular Investor. There is no assurance either that the rating will remain at the same level for any given period of time or that the credit rating will not be lowered or withdrawn entirely by the Rating Agency. Also, the Rating Agency will issue the final ratings after the compliance with the terms of the provisional rating.

2.6 APPLICATION FOR CERTIFICATES

Prospective Investors are eligible to only apply for the Series A1 PTCs as the Equity Tranche PTCs are being issued only to the Seller The subscription period will open on February 29, 2024 and close on a date not later than February 29, 2024. The investors have to submit applications (by submitting the duly filled up and signed form annexed hereto and marked as **Annexure 3**) and make payment of the subscription amounts by a transfer in Collection and Payout Account/cheque/demand draft payable high value in Mumbai or by RTGS such that the credit is received by 4.00 PM on or prior to the day of closure of issue. The Deemed Date of Allotment for the Certificates shall be February 29, 2024 ("**Deemed Date of Allotment**").

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CHAPTER 3: THE TRANSACTION STRUCTURE

3.1 TRANSACTION STRUCTURE

(a) Navi Finserv Limited is the Originator /Seller /Servicer of the Assets. Each of the Loans and the Receivables under which have been identified for assignment, have a monthly repayment frequency and

(i) Each of the Loans which have a tenure of up to 24 (twenty four) months the Receivables have been held on the books of the Seller for a minimum period of 3 (three) months from the date on which: (i) the registration of the security interest created for the relevant Loan has been completed with Central Registry of Securitisation Asset Reconstruction and Security Interest of India; or (ii) the first instalment of the relevant Loan has been repaid, as the case may be

(ii) Each of the Loans which have a tenure of more than 24 (twenty four) months the Receivables have been held on the books of the Seller for a minimum period of 6 (Six) months from the date on which: (i) the registration of the security interest created for the relevant Loan has been completed with Central Registry of Securitisation Asset Reconstruction and Security Interest of India; or (ii) the first instalment of the relevant Loan has been repaid, as the case may be

and therefore, these Loans have been held on the books of the Seller for the minimum holding period as stipulated under the RBI Securitisation Guidelines.

(b) There are no restrictions on assigning the Loans to the Trust or in transferring any payments realised from the Obligors as part of the Receivables including monies forming part of interest payments made by the Obligors and the agreements entered into by the Seller are valid and enforceable and subsisting as on the date hereof.

(c) The Originator shall assign and sell the Receivables together with other rights, benefits and interests in relation thereto, to a Special Purpose Vehicle / special purpose distinct entity (SPV), which is a Trust, namely 2024 PL Diana settled by Catalyst Trusteeship Limited under the Trust Deed for acquiring the Assets as property of the Trust in trust for and for the benefit of the Investors.

(d) The Trust will purchase the Assets from the Originator, by using the monies received from the Series A1 Investors and Equity Tranche Investors as advances for issuing the PTCs, and upon acquisition of the Assets issue the Series A1 PTCs and Equity Tranche PTCs to the Series A1 Investors and Equity Tranche Investors respectively.

(e) The Series A1 PTCs shall entitle the Series A1 Investors to Series A1 Investor Payouts and the Equity Tranche PTCs shall entitle the Equity Tranche Investors to Equity Tranche Investor Payouts.

(f) To meet the MRR stipulated by the RBI, in relation to the Assets being sold, the Seller shall provide (i) the Cash Collateral of Rs. 5,46,35,022/- (Rupees Five Crores Fort Six Lakhs Thirty Five Thousand and Twenty Two Only) which constitutes approximately 6% (Six Percent) of the principal portion of the Receivables, as on the Cut-off Date; and (ii) invest in the Equity Tranche PTCs to the extent of 4% (Four Percent) of the principal portion of the Receivables;

(g) The Seller would also subscribe to the Equity Tranche PTCs so as to enable the Seller to maintain the Minimum Retention Requirement in terms of the RBI Securitisation Guidelines. The Seller shall maintain the MRR as a percentage of the unamortised principal on an ongoing basis. The Equity Tranche PTCs shall not be listed on BSEor any other stock exchange in India.

(h) The PTCs issued by the Trust shall represent the undivided beneficial interest of the holder thereof in the Assets.

(i) The Series A1 PTCs have been given a provisional rating of AA (SO) and the Equity Tranche PTCs have been given a provisional rating of A+ (SO) by the Rating Agency. The provisional ratings shall be confirmed by the Rating Agency after the compliance with all the terms for the issue of the provisional ratings.

(j) Catalyst Trusteeship Limited acting as the Trustee shall monitor the overall transaction on behalf of the beneficiaries of the Trust (being the investors in the PTCs) and shall be responsible for performing various actions to protect their interests.

(k) The Trustee will open and operate the Collection and Payout Account (**"CPA"**). The Cash Collateral which has been made available in the form of fixed deposits, will be lien marked in favour of the Trustee.

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(l) The Seller shall be responsible for bearing all initial costs in relation to the securitisation transaction, including but not limited to the fees of the Trustee, the Rating Agency, the Designated Bank, the stamp duty payable on the Transaction Documents, the fees of the legal counsel and the fees of any auditors appointed for inspecting the pool of Loans.

(m) The Credit Enhancement for the PTCs will comprise of the Excess Interest Spread, the Principal Subordinated Interest, investment by the Seller in the Equity Tranche PTCs and the Cash Collateral, which Cash Collateral shall be provided by the Seller in such manner and to such extent as is required to achieve the current rating of the PTCs as recommended by the Rating Agency. It is hereby clarified that to facilitate the transaction and to meet the MRR requirement under the RBI Securitisation Guidelines, the Seller has offered the Principal Subordinated Interest as part of the Credit Enhancement and the same has not been taken into consideration while calculating the Purchase Consideration.

(n) The Seller will be appointed as the Servicer in relation to the Assets. The Servicer shall collect the Receivables from the Obligors, and deposit all the collections realised therefrom into the CPA at least 2 (Two) Business Day prior to the relevant Payout Date. The Servicer shall prepare the Monthly Reports in relation to the collections and the outstanding dues and make the same available to the Trustee at least 2 (Two) Business Days prior to each Payout Date.

(o) The Servicer shall not be entitled to any fees for the performance of various functions and activities as the Servicer other than as specifically set out in the Deed of Assignment and shall act as the Servicer in accordance with the provisions thereof.

(p) Out of the monthly instalments expected from the Obligors, the Investor Payouts have been arrived at and the same shall be paid to the Beneficiaries on the specified Payout Dates. If any Payout Date falls on a Public Holiday, then the Payouts due on the said date to the Investors shall be made on the immediately preceding Business Day.

(q) The Series A1 Investor Payouts and the Equity Tranche Investor Payouts for the Series A1 PTCs and the Equity Tranche PTCs have been detailed in **Annexure 2** respectively.

(r) The Seller will have the option to repurchase the Receivables pertaining to the performing contracts anytime after the outstanding principal of the pool of Receivables declines below 10% of the aggregate principle of the pool of Receivable on the Cut-off Date, at a purchase consideration equal to the outstanding principal amount of such fully performing Receivables as of the date of exercising the Clean Up Call Option. The exercise of this option would have the same effect as Prepayments. This clean-up call option may be exercised only if the Credit Enhancement is sufficient to buyout the non-performing Receivables .

(s) After all the Series A1 Investor Payouts and Equity Tranche Investor Payouts are made to the Beneficiaries as per the Waterfall Mechanism and Credit Enhancement (made available by parties other than the Seller) is replenished to the extent it had been drawn to meet shortfalls in Investor Payouts as per the Waterfall Mechanism, the balance amounts lying in the CPA as well as the outstanding Receivables and all right title and interest in relation thereto shall belong to the Seller.

3.2 RECEIVABLES

All amounts payable by an Obligor to the Originator from (the Transfer Date) including interest, overdue charges, any penal charges, any reimbursement of costs and any other payments as per the terms and conditions of the Underlying Documents are agreed to be transferred and assigned by the Seller to the Trust. However, Prepayment Proceeds in relation to amounts due after the Transfer Date, which are received prior to the Transfer Date but after the Cut-off Date shall form part of the Receivables.

3.3 INSTRUMENTS ON OFFER

Pass Through Certificates (PTCs) issued by 2024 PL Diana
81,95,25,329 (Eighty One Crores Ninety Five Lakhs Twenty Five Thousand Three Hundred and Twenty Nine) Series A1 PTCs having a rating of AA (SO) by the Rating Agency.

Each PTC represents a proportionate undivided beneficial interest of the Investor in the Assets as specified in this Information Memorandum and will be issued pursuant to the various Transaction Documents entered into by and between different parties to this transaction of securitisation. The PTCs do not represent an interest or obligation of the

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Trustee, the Originator/ Seller (other than to the limited extent of the Credit Enhancement provided by the Seller), the Servicer or any of their respective affiliates nor are the PTCs or the underlying Receivables insured or guaranteed by the Trustee, the Originator/ Seller (other than to the limited extent of the Credit Enhancement provided by the Seller) the Servicer or any of their respective affiliates.

3.4 PAYOUT DATES

The payments from the Collection and Payout Account, from the collections of the month (M) will be made to the Investors in month (M+1), on the relevant Payout Date.

From the amounts credited to the Collection and Payout Account as above, payments as specified hereinafter (Investor Payouts) are payable to the Investors on various dates as specified in **Annexure 2** (Payout Dates). If a Payout Date falls on a Public Holiday or a day which is not a Business Day, then the Investor Payouts shall be made to Investor on the immediately succeeding Business Day (together with additional Yield for the delay).

3.5 PAYMENT OF YIELD

(a) The Series A1 PTCs shall carry a fixed rate yield of 9.80% (Nine Decimal Point Eight Zero Percent) per annum payable monthly on the Payout Dates as specified in **Annexure 2.**

(b) The Equity Tranche PTCs shall carry a variable yield which shall be the excess monies which are paid to the Seller (over and above the principal amount of the Equity Tranche Principal) as per the Waterfall Mechanism.

3.6 PREPAYMENT AMOUNTS

(a) In the event of a Prepayment of any underlying Loans, the Prepayment Amounts shall be payable to the Beneficiaries on the immediate succeeding Payout Date as per the Waterfall Mechanism. The future PTC principal cash flows shall be revised to the extent of the reduction in the future principal amounts on account of the prepaid/ foreclosed Loan Agreements.

(b) The Prepayment Amounts shall be computed as the aggregate value of the future unbilled principal amounts of the prepaid/ foreclosed Loan Agreements.

(c) The shortfall, if any, between the Prepayment Amount payable to Beneficiaries and the Prepayment Proceeds received from the Obligors shall be made up by drawing from the Credit Enhancement.

3.7 CREDIT ENHANCEMENT

(a) The Rating Agency has given provisional rating of AA (SO) to the Series A1 PTCs and rating of A+ (SO) to the Equity Tranche PTCs and has specified the Credit Enhancement in the following forms:

(b) Credit Enhancement shall be provided in form of:
- (i) Excess Interest Spread;
- (ii) Principal Subordinated Interest;
- (iii) Investment by the Seller in the Equity Tranche PTCs; and
- (iv) Cash Collateral.

(c) This Cash Collateral (or any part thereof), if placed in the form of fixed deposit by Originator shall be placed with such bank as is acceptable to the Trustee acting in consultation with the Rating Agency. Other than the interest earned on such fixed deposits, the Cash Collateral provided in the form of cash, shall be held in trust by the Originator, for and on behalf of the Trustee for the benefit of the Investors and shall be utilised in accordance with the Deed of Assignment.

(d) In case of any shortfall, the Credit Enhancement will be utilised in the following order:
1. Firstly, the Excess Interest Spread shall be utilized;
2. Secondly, Principal Subordinated Interest;
3. Thirdly, Receivables representing the Equity Tranche PTCs shall be utilized; and
4. Lastly, the Cash Collateral shall be utilized.

(e) Utilisation of Excess Interest Spread

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The Excess Interest Spread forming part of the collections of any calendar month shall be deposited along with all other collections on the day on which such collections are due to be credited to the Collection and Payout Account and will, in accordance with the terms of the Transaction Documents, be available for meeting any shortfalls in the payments as per the Waterfall Mechanism on the said Payout Date. In the event that the Excess Interest Spread (or any part thereof) is not required to be utilised to meet the other payments as per the Waterfall Mechanism, the said monies would be passed on to the Seller.

(f) Utilisation of Cash Collateral

The Cash Collateral would be utilized in accordance with the terms of the Transaction Documents in the event of amounts collected being insufficient for making payments as per the Waterfall Mechanism on the relevant Payout Dates.

(g) Process for invoking Cash Collateral

At least 2 (Two) Business Days prior to any Payout Date, the Trustee shall, based on the Monthly Reports, determine the adequacy of funds to make payments as per the Waterfall Mechanism. In the event of a shortfall on any Payout Date (determined as per the Waterfall Mechanism), the Trustee shall invoke the Cash Collateral so as to ensure that the amounts utilised therefrom is deposited in the CPA at least 1 (One) Business Day prior to the Payout Date.

(h) Replenishment of Cash Collateral

In the event that the monthly collection is such that there is excess after making the Investor Payouts then any such excess shall be utilised to replenish the Cash Collateral in the manner as set out in the Waterfall Mechanism.

3.8 IMPORTANT STRUCTURAL TRIGGERS

In the event of any prepayment/foreclosure by the Trust, the Investor shall receive the prepayment amounts on the immediately succeeding Payout Date. The cashflow schedule for the PTCs would accordingly vary, in the prepayment on account of prepayments/ foreclosures. Therefore, the tenor of the PTC may be shortened on account of the prepayment/ foreclosures. Further, upon the delay in payments by the Obligor, the tenure of the PTCs may be increased. Further residual amounts may be utilised for accelerating the principal amounts due on the Series A1 PTCs as per the Waterfall Mechanism.

However, the Originator has stated that the cashflows upon realisation are sufficient to repay the PTCs.

3.9 MATERIAL CONTRACTS

The Originator has entered into the Loan Agreements with the Borrowers under the terms of which the Loans have been advanced by the Originator to the Borrowers.

3.10 NO RECOURSE

(a) If any representation or warranty set forth in the Deed of Assignment by the Seller is found to be false and which affects the interests of the Investors in the Assets and if such misrepresentation has not been rectified by the Seller within 30 (Thirty) days after a notice for rectification with respect thereto has been given to the Seller by the Trustee ("**Cure Period**"), the Seller shall at the option of the Trustee, acting on the written instructions of the Investors holding Majority Interest, either:
   (i) substitute the Receivables in respect of which there is a misrepresentation with any other receivables, which, in the opinion of the Trustee, are similar to the substituted Receivables as to the principal amount, maturity, interest and equal repayment frequency; or
   (ii) repurchase those Receivables by credit to the Collection and Payment Account of an amount equal to the Purchase Consideration minus the amounts already paid to the Investors towards the Investor Payouts, along with interest thereon at 2% (Two Percent) (over and above the Series A1 Yield) from the date of expiry of the Cure Period till the date of repurchase by the Seller.

(b) Any remedy of the Trustee in terms of this paragraph shall be exercised not later than 120 days from the date of execution of the Deed of Assignment.

3.11 CASH FLOW APPROPRIATION AND DISTRIBUTION

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(a) Collection of Instalment

The Trustee shall open the CPA with the Designated Bank. The Originator shall instruct the Servicer upfront to remit all collections on the pools pertaining to the CPA. The Servicer shall collect all Receivables due and all such collected amounts (including upon enforcement or as overdues) in any particular calendar month shall be remitted by the Servicer into the CPA at least 2 (Two) Business Days prior to the Payout Date in the subsequent calendar month.

(b) Investor Payouts determination:

(i) The Monthly Report (including details on Prepayments) for each calendar month will be submitted by the Servicer to the Trustee latest by 2 (Two) days prior to the Payout Date in the subsequent calendar month. At least 2 (Two) Business Days prior to each Payout Date, the Trustee will determine whether the monies available are adequate to meet the payments as per the Waterfall Mechanism including the payments to be made towards the Investor Payouts to on the Payout Date to the Certificate Holders on each PTC on the basis of the Monthly Reports. In the event that there is going to be a shortfall in the monies available in the CPA to meet any such payments including the scheduled payments due to the Investors (as determined by the Trustee on the basis of the Monthly Reports), the Trustee shall utilise the Cash Collateral to the extent required to meet such shortfalls.

(ii) The Investor Payouts will be made only to the registered Investors with the Registrar and Transfer Agent as on the Determination Date

3.12 WATERFALL MECHANISM

For details pertaining to the Waterfall Mechanism, please refer to the entry titled "*Payment Waterfall*" in Paragraph 2.3 of Chapter 2 of this Information Memorandum

3.13 METHOD OF PAYMENT

All payments by the Trustee to the Investors shall be made by a RTGS/ NEFT/Funds Transfer and payable in Mumbai.

3.14 DUE DILIGENCE AUDIT

Due Diligence Auditor shall conduct a sample audit of the Loan contracts included in the pool to determine their existence, whether they meet with the selection criteria and whether adequate documentation has been executed in relation to the said Loan contracts.

3.15 REPRESENTATIONS AND WARRANTIES

The Seller shall make all the representations and warranties in relation to the Assets as are standard and customary in relation to such transactions and which shall be in compliance with the RBI Securitisation Guidelines and SEBI PTC Listing Regulations and the representations and warranties provided by the Seller are specified in details in Paragraph 5.13 below.

3.16 EFFECT OF DELINQUENCIES

For the instrument under consideration, since pool specific Credit Enhancement is available for shortfalls in collection caused on account of delinquency, the returns on the PTCs will be affected only if the delinquencies are higher than the Credit Enhancement provided. The historical delinquencies for contracts originated by the Originator suggest that the Credit Enhancement available will be more than sufficient to cover the shortfall caused on account of the delinquencies. There is, however, no assurance that the actual delinquencies of the contracts under consideration will conform to the historical rates.

3.17 EFFECT OF PREPAYMENTS & FORECLOSURES

(a) Prepayment of a loan contract may arise in a circumstance where an Obligor pays the Receivables due from him at any time prior to the scheduled maturity date of that Receivable.

(b) Foreclosure of a loan contract may arise in a circumstance where an Obligor has defaulted and the security interest made available for the relevant Loan is enforced and proceeds realised therefrom is used to adjust

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the amounts outstanding from the said Obligor.

(c) In the event of prepayments or foreclosures, Investors may be exposed to changes in tenor.

3.18 EFFECT OF RE-SCHEDULEMENTS

(a) Re-schedulements of Loans may be undertaken by the Servicer in the ordinary course of servicing (if the Servicer is of the opinion that it is the best option), with the prior consent of the Trustee acting on the instructions of the Beneficiaries holding Majority Interest. Further, the Trustee may re-schedule the Loans after the transfer of assets to the Trust, with the express consent of all the Investors, providers of credit enhancement, and other service providers if any, however, for resolution of any Loan by the Trustee which has become a stressed asset, no consent of providers of credit enhancement or service providers would be required to be obtained. Upon any such re-schedulement, the tenor and cashflows due to the Investors may be impacted and will be reflected in the relevant Monthly Report.

3.19 REPORTS TO INVESTORS

The Servicer shall submit monthly monitoring reports ("**Monthly Reports**") on the pool to the Trustee, which reports shall be prepared in accordance with the format provided in Schedule V of the Deed of Assignment. The Servicer shall at the time of submission shall also provide such additional information relating to the Receivables as requested by the Trustee, the revised cashflow schedule, the outstanding rating of the Servicer and a report regarding the NPAs.

3.20 SEMI ANNUAL REPORTS:

The Servicer shall as on the Deemed Date of Allotment and every 6 (six) months thereafter (end-September and March), submit a report to the Trustee which shall contain all the information required under Annex 2 of the RBI Securitisation Guidelines (prepared in the format set out in the said Annexure) which format has been reproduced in **Annexure 5** herein.

3.21 DISCLOSURES PURSUANT TO THE RBI GUIDELINES:

(a) The investments in the PTCs do not represent deposits or other liabilities of the Originator (other than to the limited extent of the Credit Enhancement provided by the Originator), Servicer, Trust or the Trustee and the said investment in the PTCs are not insured.

(b) The SPV/ Trustee / Originator / Servicer / Trust do not guarantee the capital value of the PTCs (other than to the limited extent of the Credit Enhancement provided by the Originator) and/or the performance of the PTCs issued or the collectability of the Receivables.

(c) The investment in the PTCs by the investors can be subject to investment risk, interest rate risk, credit risk, possible delays in repayment and loss of income and principal invested.

(d) The level of MRR being maintained by the Seller in this transaction is comprising of Cash Collateral of approximately Rs. 5,46,35,022/- (Rupees Five Crores Fort Six Lakhs Thirty Five Thousand and Twenty Two Only) which constitutes approximately 6% (Six Percent) of the outstanding principal Receivables as on the Cut-off Date and investment in the Equity Tranche PTCs to the extent of 4% (Four Percent) of the outstanding principal Receivables as on the Cut-off Date

(e) Please find annexed hereto and numbered as **Annexure 5**, the format in which Navi Finserv Limited shall set out the disclosures required under Annex 2 of the Reserve Bank of India (Securitisation of Standard Assets) Directions, 2021 issued by the RBI on September 24, 2021 vide Notification No. DOR.STR.REC.53/21.04.177/2021-22 as amended/revised from time to time or any guidelines issued in relation to amendment/alteration/revision of the aforesaid guidelines.

3.22 LISTING ON THE STOCK EXCHANGE

(a) The Trustee shall comply with all applicable SEBI regulations and other applicable laws that are applicable to issuance of PTCs and listing of Series A1 PTCs, as securitised debt instruments under the SEBI PTC Listing Regulations, on the wholesale debt market ("**WDM**") Segment of BSE Limited and further ensure that save and except for any consents and approvals required to be obtained from BSE Limited for the listing of the PTCs, all consents, approvals and resolutions required to issue or list the Series A1 PTCs are in place prior to the issuance of the Series A1 PTCs. The Trustee shall seek listing of the Series A1 PTCs on BSE, after

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due compliance with all the requirements of such stock exchange/s. The Trustee shall ensure that the Series A1 PTCs continue to be listed till the Series A1 Investor Payouts are made in full.

(b) All the upfront costs and expenses incurred towards listing of the Series A1 PTCs shall be borne by the Seller and all ongoing costs and expenses incurred for having the Series A1 PTCs continued to be listed shall be borne from the Trust Fund.

(c) The Trustee and the Seller shall ensure that the Series A1 PTCs are listed on the WDM Segment of BSE Limited in terms of the Deed of Assignment within a maximum period of 3 (Three) Business Days from the issue closing date. In the event the Series A1 PTCs are not listed on BSE Limited within the aforesaid timelines, a penal interest calculated on the principal outstanding of the Series A1 PTCs, at the rate of 1% (One Percent) per annum, shall be payable to the relevant Investors, over and above the relevant coupon rate for such series from the Deemed Date of Allotment until the listing of such PTCs. It is clarified that the Equity Tranche PTCs shall not be listed on the BSE or any other stock exchange.

3.23 MODIFICATION OF RIGHTS OF PTC HOLDERS

The rights, privileges and conditions attached to Series A1 PTCs cannot be varied, modified and/or abrogated without the consent of the stock exchange on which the Series A1 PTCs are listed and Beneficiaries. The Beneficiaries shall be deemed to have given their consent to variation if 21 (Twenty One) days' notice has been given to them for the proposed variation and the proposed variation has been approved by the Beneficiaries through postal ballot. It is hereby agreed that the provisions of Section 110 and Section 114 of the Companies Act, 2013 shall *mutatis mutandis* apply to such aforesaid resolution.

3.24 TRUST DEED TO PREVAIL

In the event of any inconsistency between the provisions as set out in this Information Memorandum and the Trust Deed, the provisions as set out in the Trust Deed shall prevail

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CHAPTER 4: APPLICATION / ALLOTMENT PROCEDURE

4.1 WHO CAN APPLY

An application for the Series A1 PTCs may be made only by the person to whom this Information Memorandum has been sent by the Issuer. Neither any application nor this Information Memorandum is transferable by the party who receives the same. In order to subscribe to Series A1 PTCs or to purchase them in the secondary market, a prospective investor must qualify under any of the following categories: Companies and Body Corporates / Banks / Financial Institutions / Mutual Funds / Insurance Companies.

4.2 OFFER PROGRAM

The subscription list will open at the commencement of the banking hours and will close on the day mentioned below:

Issue Opening Date	February 29, 2024
Issue Closing Date	February 29, 2024
Deemed Date of Allotment	February 29, 2024

4.3 SUBMISSION OF APPLICATIONS

(a) Investors are required to subscribe by submitting a completed Application Form, in the format as annexed to this Memorandum, along with the subscription amounts for the PTCs applied for.

(b) All applications for the Certificates must be in the prescribed application forms and must be completed in BLOCK LETTERS in English. Application forms, duly completed, must be delivered together with the cheque / demand draft/ transfer details payable high value on the Issue Closing Date The investors must make such payment by RTGS such that the credit is received at least by 4.00 PM on the Issue Closing Date.

(c) All application forms must be accompanied by duly attested / certified true copies of the following:
- (i) Memorandum and Articles of Association / Trust Deed / Byelaws / other documents of constitution, as the case may be of the investing entity
- (ii) Resolution of the appropriate authority of the investing entity, authorising the investment.
- (iii) Names and specimen signatures of authorised signatories
- (iv) Power of attorney where applicable (Modifications / additions should be notified to the R&T agent)
- (v) Tax exemption certificate for non-deduction of tax at source if exemption is sought

4.4 TERMS OF PAYMENT

(a) The full amount due should be paid along with the completed application at least on the Issue Closing Date. All such investors, who are desirous of making payment through RTGS, would have to remit the subscription amount by way of RTGS transfer such that the credit is received at least by 4.00 PM at Mumbai on the Issue Closing Date.

(b) In case of payments by RTGS the same can be made as per the details mentioned below:
- (i) Beneficiary Name : 2024 PL Diana
- (ii) Account No. : 055505014928
- (iii) Bank Details : ICICI Bank Limited
- (iv) Branch : BKC, Mumbai
- (v) IFSC Code : ICIC0000555

(c) If required, the prospective Investors may be requested by the Trustee to directly make payment of the subscription amounts to the Seller and the same shall be deemed to be a payment of the Purchase Consideration by the Trust to the Seller for acquiring the Assets.

4.5 FICTITIOUS APPLICATIONS

Any person who makes an application in a fictitious name for subscribing to the Certificates or otherwise induces a body corporate to allot or register any transfer of the Certificates therein to them or any other person in a fictitious name shall be liable for legal consequences of such action in addition to cancellation of the application.

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4.6 DEEMED DATE OF ALLOTMENT

The Deemed Date of Allotment would be February 29, 2024.

4.7 BASIS OF ALLOTMENT

The basis of allotment will be determined by the Issuer at its discretion. Issuer reserves the right to accept or reject any application in full or in part without assigning any reason. In any event, an application, not being in conformity with the provisions set out herein or by a person from whom the application has not been sought for, shall be liable for rejection *prima facie*.

4.8 ALLOTMENT ADVICES / PASS THROUGH CERTIFICATES

For successful applicants, an Allotment Advice will be issued on the Deemed Date of Allotment. Subsequently the PTCs shall be issued in dematerialised form within a period of 15 (Fifteen) days from the Deemed Date of Allotment. The Allotment Advices are not negotiable.

4.9 REGISTER OF PTCS & TRANSFER OF CERTIFICATES

The Registrar and Transfer Agent shall maintain a Register of PTCs issued and transfers registered from time to time. The Certificates will be transferable in dematerialised form in accordance with applicable laws.

4.10 ISSUE PROCEEDS / SUBSCRIPTION AMOUNTS

The amounts raised from the Investors shall be paid into the Collection and Payment Account. The issue proceeds would subsequently be transferred to the Originator towards payment of Purchase Consideration for the Assets.

4.11 MINIMUM SUBSCRIPTION

There is no minimum subscription and the entire PTCs have to be subscribed to for this Issue to be closed. In the event that the Issue is not fully subscribed to before the Issue Closing Date, all application monies shall be returned as set out below. However, minimum subscription for each Investor shall be as set out under Chapter 2 in Paragraph 2.4 herein.

4.12 REJECTION OF THE LISTING OF SERIES A1 PTCS

The Trustee hereby undertakes that in the event any stock exchange to which an application for listing is made under sub-section (2) of Section 17A of the Securities Contracts (Regulation) Act, 1956 rejects listing permission or the Series A1 PTCs are not listed on any recognized stock exchange within a period of 3 (Three) Business Days from the Issue Closing Date, the Issuer and, if necessary, its directors or Trustees, shall refund application moneys forthwith in terms of sub-section (3) thereof by crediting the subscription amounts to the respective bank accounts of the prospective investors

4.13 REFUND OF SUBSCRIPTION MONIES

The Trustee confirms that in the event the Deed of Assignment is not executed for any reason whatsoever, post the deposit of the subscription monies, the Trustee shall refund such subscription monies to the respective Investors to the extent of their entitlement, within 3 (Three) Business Days and in the event of delay beyond 8 (Eight) days from closure of the offer in making such refund, the SPV and its directors or Trustees shall be liable jointly and severally to repay the application moneys together with interest at 15% (fifteen percent) per annum.

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CHAPTER 5: SPECIFIC DISCLOSURES UNDER THE SEBI PTC LISTING REGULATIONS

5.1 DETAILS OF UNDERLYING ASSETS

(a) **Legal jurisdiction(s) where the assets are located**

The Receivables are due in terms of Underlying Documents. The assets are spread across India as follows:

State Profile	Principal Outstanding
MAHARASHTRA	14.57%
TELANGANA	13.73%
KARNATAKA	13.09%
ANDHRA PRADESH	10.05%
UTTAR PRADESH	8.61%
TAMIL NADU	8.20%
DELHI	6.53%
BIHAR	4.79%
RAJASTHAN	3.96%
HARYANA	3.24%
KERALA	2.63%
GUJARAT	2.60%
ODISHA	2.12%
WEST BENGAL	1.95%
JHARKHAND	1.40%
UTTARAKHAND	1.20%
MADHYA PRADESH	0.55%
CHHATTISGARH	0.54%
GOA	0.23%
Grand Total	**100.00%**

(b) **Nature and Title of Assets**

The Receivables comprise of monthly amounts payable to the Seller by the Obligors from the Transfer Date pursuant to the Loan Agreements, including interest, additional interest, overdue charges, premium on prepayment, proceeds received on prepayment / foreclosure etc. in terms of the Underlying Documents. The Seller has confirmed that: (i) in terms of the Underlying Documents, the Seller is absolutely entitled to, and is the sole owner, of the said Receivables; and (ii) the Seller has not created any encumbrances in relation to the same;

Product	No. of contracts	Principal	Interest	Total Cashflow
Personal Loans	3936	91,05,83,699	27,98,56,170	1,19,04,39,869

(c) **Expiry/Maturity Date of the Assets**

The Receivables are due and payable by the Obligor over a period of 49 months. The cashflows to the Investors have been matched with the payments due and payable by the Obligor under the Loan Agreements.

Residual Tenure (in months)*	Principal (Rs)	Interest (Rs)	Total Cashflow (Rs)
13-18	2,04,50,256	8,60,96,302	10,65,46,558
19-24	2,34,74,898	8,32,79,936	10,67,54,834

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25-30	2,48,57,936	7,38,87,182	9,87,45,118
31-36	16,08,75,815	50,02,64,391	66,11,40,206
37-42	4,77,31,705	16,11,23,193	20,88,54,898
43-49	24,65,561	59,32,695	83,98,255
Grand Total	**27,98,56,170**	**91,05,83,699**	**1,19,04,39,869**

*as on February 12, 2024

(d) **Rate of return from the Assets**

The pool yield of the underlying assets is 20.05%

(e) **Selection Criteria of the Assets**

The pool assigned shall have the characteristics identified in Paragraph 6.1 herein.

(f) **Number and value of the assets in the pool:**

The Receivables selected for securitisation arise from Personal Loan Agreements. The value of the Receivables is equal to Rs. 91,05,83,699/- (Rupees Ninety One Crores Five Lakhs Eighty Three Thousand Six Hundred and Ninety Nine Only).

(g) **Method of origination or creation of the Assets**

The Originator is a non-banking financial company and is *inter alia* engaged in the financing business. The Originator has, during the course of its business, granted loans to various Obligors on terms and conditions contained in the Loan Agreements.

(h) **Rights of recourse against the Originator to the extent allowed in law, including a list of material representations and warranties given to the Issuer relating to the assets**

The Receivables are being transferred to the Issuer on a non-recourse basis to achieve derecognition under the RBI Securitisation Guidelines and the relevant accounting standards in accordance with the terms of the Deed of Assignment. For the limited right of recourse available against the Originator, please refer to Paragraph 3.10 of this Offer Document. The representations being provided by the Originator are as set out in Paragraph 3.15 above.

(i) **Rights to substitute the Assets and the qualifying criteria**

The Receivables are being assigned on a non-recourse basis to Originator. However, in the event of any breach of representations and warranties of the Originator, the Trust may require the Originator to substitute the Assets in accordance with the provisions as set out in RBI Securitisation Guidelines and as set out in Paragraph 3.10 above.

(j) **Any prepayment right including prepayment penalties available to the Obligors**

Prepayment penalty as per the loan agreement on the Loans outstanding at the time of prepayment as per the terms of the Underlying Documents.

(k) **Level of concentration of the Obligors in the asset pool, identifying obligors that account for ten per cent or more of the asset value:**

The pool is well diversified with none of the Obligors accounting for more than 0.20% (Zero Decimal Point Two Zero percent) of the asset value.

(l) **Where there is no concentration of Obligors above ten per cent, the general characteristics and descriptions of the Obligors:**

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Individual borrowers with maximum loan amount of Rs 17,65,450/- (Rupees Seventeen Lakhs Sixty Five Thousand Four Hundred and Fifty only)

(m) **Outstanding principal balance/anticipated collections over a definite period from the eligible assets**

The anticipated collections from the Receivables is identified in **Annexure 2** of this Offer Document

(n) **Outstanding principal balance/anticipated collections over a definite period from the eligible assets as a percentage of the total amount of asset-backed securities being offered:**

The anticipated collections from the Receivables is identified in **Annexure 2** of this Offer Document

(o) **Cash generated by the eligible assets in the last financial year as a percentage of the total amount of securitised debt instruments being offered**

17.63% of the PTCs has been amortised prior to the securitisation of the pool

(p) **Amount of eligible assets in default of pool**

Nil

(q) **Amount of eligible assets in default as a percentage of the total amount of securitised debt instruments being offered and the amount of eligible assets in default as a percentage of the credit enhancement**

Nil

(r) **Explanatory notes where there is expected material difference between actual and projected cash flows and any actions being taken to correct the situation**

The Credit Enhancement will be utilised to meet shortages in Investor Payouts as per Waterfall Mechanism and will be utilised in the following manner:

- First, Excess Interest Spread;
- Secondly, the Principal Subordinated Interest;
- Thirdly, Receivables representing the Equity Tranche PTCs; and
- Then, the Cash Collateral.

(s) **Description of what constitutes a default**

As per the terms of the Loan Agreement.

(t) **CA Report on the cash flow projections arising from the eligible assets which are the basis of the securitisation together with the basis of the projection.**

CA Report attached herewith in **Annexure 7**

(u) **Static Pool Information**

As described under the Rating Rationale issued by India Ratings and Research Private Limited and annexed as **Annexure 4** hereto.

5.2 SUMMARY TERM SHEET

Issuer	2024 PL Diana
Originator / Seller	Navi Finserv Limited
Trustee	Catalyst Trusteeship Limited
Trust Property	The initial contribution of Rs. 1000/- (Rupees One Thousand only) and all other contributions received by the Trustee, including the subscription amount received from the Investor for the PTCs issued to them by the Trust and all amounts deposited with the Trust on realization of the Assets, from time to time in accordance with the

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	agreed collection and payout mechanism, and all investments representing the same and all income arising therefrom whether by way of interest, or otherwise.
Initial Contribution to set up the Trust	Rs. 1000/- (Rupees One Thousand only)
Transaction Size	Rs. 91,05,83,699/- (Rupees Ninety One Crores Five Lakhs Eighty Three Thousand Six Hundred and Ninety Nine Only).
Pool Principal as on Cut-Off Date	Rs. 91,05,83,699/- (Rupees Ninety One Crores Five Lakhs Eighty Three Thousand Six Hundred and Ninety Nine Only) as on Cut-Off Date
Pool Cut-off Date	February 12, 2023
Settlement Date	February 29, 2024
Record Date/Determination Date	shall mean the 1st day of every month;
Payout Dates	As set out in **Annexure 2**
Transaction Structure	As set out under Paragraph 3.1
Receivables	Pool of Receivables pertaining to loans originated by Navi Finserv Limited, the principal outstanding of which aggregates to Rs. 91,05,83,699/- (Rupees Ninety One Crores Five Lakhs Eighty Three Thousand Six Hundred and Ninety Nine Only) as on the Cut-Off Date.
Disclosures on key pool features and composition	As per the Pool Selection Criteria set out in the rating rationale issued by the Rating Agency, annexed hereto as **Annexure 4** and more particularly set out in Paragraph 6.1 below.
Collection Period	The Receivables are due and payable by the Borrower on a monthly basis under the terms of the Loan Agreements and collection period with respect to the Loans shall accordingly vary.
Servicer	Navi Finserv Limited
Servicer Fee	Rs. 2,00,000/- (Rupees Two Lakh only) plus applicable taxes and cess, if any payable on the first Payout Date, from the Receivables and as per the Waterfall Mechanism set out herein;
Legal Counsel	Wadia Ghandy & Co.
Credit Enhancement for the Transaction	The Credit Enhancement for the PTCs, will comprise of the Excess Interest Spread, Principal Subordinated Interest, investment by the Seller in the Equity Tranche PTCs and the Cash Collateral. Total credit enhancement for PTCs inter alia includes: a) The Cash Collateral of Rs. 5,46,35,022/- (Rupees Five Crores Fort Six Lakhs Thirty Five Thousand and Twenty Two Only) which constitutes approximately 6% (Six Percent) of the outstanding principal Receivables as on the Cut-Off Date; b) Principal Subordinated Interest which constitutes 6% (Six Percent) of the principal portion of the Receivables as on the Cut-Off Date; and c) Investment by the Seller in the Equity Tranche PTCs to the extent of 4% (Four Percent) of the principal portion of the Receivables as on the Cut-off Date. The Credit Enhancement is provided by the Seller.
Utilisation process and conditions for utilisation of credit enhancement	The Credit Enhancement will be utilized to meet shortages in making payments on account of credit losses as per Waterfall Mechanism and will be utilised in the following manner: Firstly, the Excess Interest Spread; Secondly, the Principal Subordinated Interest; Thirdly, the Receivables representing the Equity Tranche PTCs; and Lastly, Cash Collateral.
Reset of Credit Enhancement Facility	It is hereby clarified that the amount of Credit Enhancement extended at the initiation of the securitisation transaction shall be available to the Trust during the entire life of the PTCs issued by the Trust, unless otherwise reset in accordance with applicable RBI guidelines. However, any such release or reset or withdrawal shall only be done with the prior written consent of the Trustee, acting on the instructions of all the

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	Investors and with prior written intimation to the Rating Agency. Provided however that, the EIS may reduce on account of amortisations.
Name of the Designated Bank	ICICI Bank Limited
Swap	NA
Refund / top up of Credit Enhancement	Top up of Credit Enhancement will be done through and as per the Payment Waterfall and in accordance with the terms of the Transaction Documents
Clean-Up Call Option	As set out under paragraph 9.9
Details of Listing	**Timing of listing:** The Series A1 PTCs are proposed to be listed on BSE within a maximum period of 3 (Three) trading days from the Deemed Date of Allotment. If the Series A1 PTCs are not listed on BSE within a maximum period of 3 (Three) trading days from the Deemed Date of Allotment, a penal interest calculated on the principal outstanding of the Series A1 PTCs at the rate of 1% (One Percent) per annum which shall be payable, over and above the Series A1 PTCs Yield rate from the Deemed Date of Allotment until the listing of such Series A1 PTCs, to the Series A1 Investors. Further, if the Series A1 PTCs are not listed on BSE within a period of 3 (Three) trading days from the Deemed Date of Allotment, the Issuer shall refund application moneys in accordance with terms of the Transaction Documents. **Conditions of remaining listed:** The Issuer shall ensure that the Series A1 PTCs are in compliance with the SEBI PTC Listing Regulations, as amended from time to time **Consequence of de-listing:** In the event the Series A1 PTCs are de-listed by BSE, the Issuer shall ensure that the Series A1 PTCs are re-listed within 2 (Two) Business Days from the date of such de-listing by BSE.
Rating Agency	India Ratings and Research Private Limited
Series of securitised debt instruments	Series A1 PTCs
Day Count Convention	Actual/ 365
	Series A1 PTC
Seniority	Senior (As per the terms of the Waterfall Mechanism)
Face Value of each Series A1 PTC	Re. 1/- (Rupee One only)
Initial Rating	AA (SO)
Series A1 Expected Maturity Date	November 18, 2026
Expected Series A1 Yield	9.80% (Nine Decimal Point Eight Zero Percent)
Payment Schedule for Series A1 PTCs	As set out in **Annexure 2** hereto.
First Payout Date for Series A1 PTCs	March 18, 2024
Portfolio Audit	All the necessary documents for a sample audit would be available to the independent auditor for KYC verification and the costs would be borne by the Seller.

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Eligibility Criteria for the Receivables	As set out in the rating rationale issued by the Rating Agency, annexed hereto as **Annexure 4** and as set out in Paragraph 6.1 below.
Minimum Holding Period	Each of the Loans and the Receivables under which have been identified for assignment, have a monthly repayment frequency and (i) Each of the Loans which have a tenure of up to 24 (twenty four) months the Receivables have been held on the books of the Seller for a minimum period of 3 (three) months from the date on which: (i) the registration of the security interest created for the relevant Loan has been completed with Central Registry of Securitisation Asset Reconstruction and Security Interest of India; or (ii) the first instalment of the relevant Loan has been repaid, as the case may be (ii) Each of the Loans which have a tenure of more than 24 (twenty four) months the Receivables have been held on the books of the Seller for a minimum period of 6 (Six) months from the date on which: (i) the registration of the security interest created for the relevant Loan has been completed with Central Registry of Securitisation Asset Reconstruction and Security Interest of India; or (ii) the first instalment of the relevant Loan has been repaid, as the case may be
Minimum Retention Requirement	The Originator is maintaining 10% (Ten Percent) of the principal portion of the Receivables as MRR
Details of Transaction Documents	For the purposes of the Transaction, the following documents shall be considered to be material and may be inspected during the normal business hours at the registered offices of the Trustee during the offer period: Trust Deed Deed of Assignment Power of Attorney receipts evidencing the creation of the Cash Collateral and/or the documents executed in relation to or evidencing the Credit Enhancement Series A1 Pass Through Certificates Constitutional documents of the Trustee Board and shareholders Resolutions of the Originator and Borrower(s) and approval of existing debt holders, where applicable. The audited accounts of the Originator or, where it has subsidiaries, the consolidated audited accounts of the Originator and its subsidiaries for each of the 3 (Three) financial years preceding the publication of the offer document, including, all notes, reports or information required by the Companies Act, 1956 (1 of 1956) to be annexed or attached thereto. Agreement with Depositories (NSDL & CDSL) all reports, letters and other documents, valuations and statements by any expert any part of which is included or referred to in this Information Memorandum
Applicable Law and Jurisdiction	The Certificates are governed by and will be construed in accordance with existing Indian laws and will be subject to the non-exclusive jurisdiction of the courts and tribunals at Mumbai and Karnataka.
Waterfall Mechanism	As set out under the entry Payment Waterfall in Paragraph 2.3 of Chapter 2 of this Information Memorandum.

5.3 OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

No outstanding litigation ongoing which has any material impact on the Company.

5.4 OTHER REGULATORY AND STATUTORY DISCLOSURES.

All material regulatory and statutory obligations have been or shall be fulfilled within the required time frame

5.5 FEES PAID

The Assignor shall pay to the Trustee a one-time fee, as mutually agreed. Subsequent fees of the Trustee shall be borne out of the Trust.

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The Servicer is paid fee of Rs. 2,00,000/- (Rupees Two Lakh Only) plus taxes and cess, if any on the first Payout Date

5.6 TAXES PAID

Stamp duty and all statutory taxes duly paid.

5.7 MATERIAL DOCUMENTS

For the purposes of the Transaction, the following documents shall be considered to be material and may be inspected during the normal business hours at the registered offices of the Trustee during the offer period:

(a) Trust Deed
(b) Series A1 Pass Through Certificate
(c) Deed of Assignment
(d) the Power of Attorney
(e) receipts evidencing the creation of the Cash Collateral and/or the documents executed in relation to or evidencing the Credit Enhancement
(f) Constitutional documents of the Trustee
(g) Board and shareholders Resolutions of the Originator and Borrower(s) and approval of existing debt holders, where applicable.
(h) The audited accounts of the Originator or, where it has subsidiaries, the consolidated audited accounts of the Originator and its subsidiaries for each of the 3 (Three) financial years preceding the publication of the offer document, including, all notes, reports or information required by the Companies Act, 1956 (1 of 1956) to be annexed or attached thereto.
(i) Agreement with Depositories (NSDL & CDSL)
(j) all reports, letters and other documents, valuations and statements by any expert any part of which is included or referred to in this Information Memorandum;

It is further clarified that where any of the above documents are not in English, translations into English must also be available for the inspection.

5.8 LIQUIDITY SHORTFALLS

If there are defaults in the pool, any liquidity shortfalls below the scheduled Investor Payouts, to the extent of shortfall, EIS amount shall be utilized first, Principal Subordinated Interest will be utilised second, Receivables representing the Equity Tranche PTCs shall be utilized third and then Cash Collateral will be utilized.

5.9 ACCUMULATION OF SURPLUSES

Subject to paragraph below, if there are no defaults in pool, any surpluses over and above scheduled Investor Payout amount will be transferred to the Seller on a monthly basis in accordance with the Waterfall Mechanism as set out in the Deed of Assignment. After all the Investor Payouts are made to the Investors and all amounts drawn from the external Credit Enhancement has been repaid in full, the balance amounts lying in the Collection and Payout Account as well as the outstanding Receivables and all right title and interest in relation thereto shall belong to the Seller as per the terms of the Transaction Documents.

5.10 DETAILS OF ANY OTHER ARRANGEMENTS UPON WHICH PAYMENTS OF INTEREST AND PRINCIPAL TO THE INVESTORS ARE DEPENDENT

If there are defaults in the pool, any liquidity shortfalls below the scheduled Investor Payout, to the extent of shortfall, EIS will be utilised first, Principal Subordinated Interest will be utilised second, Receivables representing the Equity Tranche PTCs shall be utilised third and then Cash Collateral will be utilized. In such cases, the principal and interest payments on the PTCs shall be supplemented through the Credit Enhancement arrangement put in place by the Seller.

5.11 MATERIAL FEATURES OF THE ASSET POOL SUCH AS DEFAULT RATE, LOSS RATE, RECOVERY RATE, DELINQUENCY RATE (BY BUCKETS SUCH AS 30 DPD; 60 DPD; 90 DPD, ETC), PREPAYMENT RATE, ETC.

Nil Default

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5.12 **SENSITIVITY OF THE CASH FLOWS AND YIELDS ON DIFFERENT CLASSES TO THE CHANGES IN THE ABOVE ASSUMPTIONS, INCLUDING EXPECTED MATURITY.**

Nil

5.13 **MAJOR REPRESENTATIONS AND WARRANTIES CONTAINED IN THE DOCUMENT WHEREBY THE DEBT OR RECEIVABLES HAVE BEEN ASSIGNED.**

Representations and Warranties of the Seller

The Seller represents and warrants that as of the date hereof:

(a) The Seller is a company duly organised and validly existing under law and the Seller is duly qualified and authorised to do and carry on its business;

(b) The Deed of Assignment and other Transaction Documents have been duly and validly and adequately stamped, executed and delivered by the Seller and constitutes a legal and binding obligation of the Seller enforceable against the Seller in accordance with its terms;

(c) All the necessary board and shareholder authorizations have been obtained by the Seller for the execution of the Transaction Documents and with respect to the transaction contemplated hereunder. Further, no special resolution is required to be passed by the Seller under Section 180 of the Act with respect to the transaction contemplated hereunder;;

(d) The representatives of the Seller who are and have been involved in the negotiation of this transaction and who are signing on behalf of the Seller are duly authorised to make, execute and sign the same in the name of the Seller;

(e) The execution, delivery and performance by the Seller of the relevant Transaction Documents and the acts and transactions contemplated thereby do not and will not, with or without the giving of notice or lapse of time or both, violate, conflict with, require any consent under or result in a breach of or default under:

(i) any law to which the Seller is subject; or
(ii) any order, judgement or decree applicable to the Seller; or
(iii) any term, condition, covenant, undertaking, agreement or other instrument to which the Seller is a party or by which the Seller is bound; or
(iv) any term, condition, covenant, undertaking or rights of the Obligors set out in the Underlying Documents;

(f) The Seller is in a position to observe, comply with and carry out all its responsibilities and obligations hereunder, in accordance with the terms of the Deed of Assignment and the SEBI PTC Listing Regulations (as applicable).

(g) The Seller is the full and absolute legal and beneficial owner of the Assets and has a clear and marketable title thereto clear and free from any and all encumbrances, set-off, counter-claims, impediments, charges or claims and the Seller has not created any charge, hypothecation or any other encumbrance of any nature whatsoever or any third party interest whatsoever whether by way of sale, transfer, assignment or as security interest or otherwise in or upon the Assets;

(h) The Seller has full and absolute right to sell, transfer and assign the Assets to the Issuer without any impediment, restriction, limitation of any nature whatsoever and wherever required, the Seller has obtained the consent of the Obligors;

(i) Each of the Underlying Documents are duly executed by the Seller in compliance with all applicable laws, regulations and rules and, each of them is thus legally valid and binding and enforceable against the parties thereto in accordance with the terms thereof except to the extent such enforcement is limited by the operation of law, and none of the Underlying Documents restrict, limit

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or otherwise prevent the Seller from transferring, assigning or otherwise disposing of, whether absolutely, contingently or otherwise, any of its rights, title or interest thereunder;

(j) The Seller has complied with all the extant guidelines issued by Reserve Bank of India pertaining to "know your customer", with respect to each of the Obligors and that none of the Obligors appear on Reserve Bank of India's list of defaulters;

(k) The Seller represents that it has held the Loans for the Minimum Holding Period in its books and has also complied with all the regulatory requirements for securitisation of loans including but not limited to MHP requirements and the requirements pertaining to the accounting of profit/ loss on the securitisation of Loans as stipulated in the RBI Securitisation Guidelines;

(l) The Seller does not belong to the same group as the Trustee or is not under the same management as the Trustee, within the meaning of the SEBI PTC Listing Regulations;

(m) No material adverse effect has occurred prior to, and as on, the date of execution of the Deed of Assignment, which would affect the operations, financial condition, or prospects of the Seller and impair the Seller from performing its obligations under the Deed of Assignment or the other Transaction Documents;

(n) The Underlying Documents to which the Seller is a party have not been terminated by the parties;

(o) No imposts, duties and taxes have been levied on the Seller up to the Cut-off Date, by any statutory or regulatory authority with respect to the Receivables.

(p) The Loans have not been rescheduled or restructured by the Seller up to the Cut-off Date. The Obligor has not sought re-schedulement of the principal amount due under the Loan Agreement or restructuring of principal payments on the Loan from the Seller up to the Cut-off Date.

(q) To the best of the Seller's knowledge, there are no legal proceedings initiated by the Seller, which are either existing or pending in relation to the Assets. Further, to the best of the knowledge of the Seller, there are no legal proceedings existing or pending against the Assets including without limitation any counterclaims or claims by the Obligor or any statutory authority or pending against the Seller which may materially affect the due performance, validity or enforceability of the Deed of Assignment or any obligation, act, omission or transaction contemplated hereunder or under any other Transaction Document;

(r) All information set forth in the Deed of Assignment, and all information furnished and/or to be furnished by the Seller to the Issuer, the Rating Agency and the Trustee under the terms of the Deed of Assignment and the Information Memorandum, is and will be true and correct and was not/ is not/ will not be misleading whether by reason of omission to state a material fact or otherwise;

(s) All Underlying Documents pertaining to the Receivables entered into by the Seller have been in the ordinary course of business and each Loan given under a Loan Agreement conforms to the credit criteria adopted by the Seller in the ordinary course of its business at the time of its grant subject, however, to its own management discretion or judgement to override or deviate therefrom, where the Seller considered appropriate;

(t) With respect to the Assets, the Seller hereby represents and warrants that:

(i) With respect to each Loan Agreement there is only one original and the same is in the possession of the Seller;
(ii) The Loan Agreements comprise of loan facilities granted by the Seller;
(iii) All Loans have been fully disbursed by the Seller;
(iv) The Loan Agreements have all been originated by the Seller;

(u) Each of the Loans comply with the key pool selection criteria set out in Paragraph 6.1 of Chapter 6 of this Information Memorandum;

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(v) No Obligor is entitled to and/or will not be entitled to any right of set-off, counterclaim, deduction, recoupment, recovery, recourse or rescission under the Loan Agreements or under any other agreement(s) between the Obligor(s) and the Seller or exercise any right of recourse in terms of the Loan Agreements and in the event of any breach of this representation on the part of the Seller, the Seller undertakes to make good such amount of the Receivables as has been impaired;

(w) The Seller has made/will make available to the Due Diligence Auditor all information necessary for him to prepare the report pertaining to the existence of the Receivables, the adequacy of the documentation pertaining to the Receivables and any other information sought by the Issuer;

(x) The Seller is aware and acknowledges that the Issuer has entered into the Deed of Assignment and the Issuer has agreed to purchase the Assets on the basis of and relying upon the report of the Due Diligence Auditor and Seller's representations, warranties, statements, covenants, agreements and undertaking on the part of the Seller contained in the Deed of Assignment; and the Issuer would not have done so in the absence of such representations, warranties, statements, covenants, agreements, undertakings by the Seller and the affirmations provided by the Due Diligence Auditor to the Issuer.

(y) As on the date of the Deed of Assignment there are no defaults in payment by the Obligors;

(z) The Seller has made the necessary disclosures as required by the RBI Securitisation Guidelines.

(aa) The Seller represents that the present securitisation activity is not prohibited under the RBI Securitisation Guidelines.

Representations and Warranties of the Trustee

The Trustee represents and warrants that as of the date hereof:

(a) The Trustee is a limited liability company duly organised, validly existing and in good standing under laws of India and is qualified to act as a Trustee under the terms of the applicable SEBI PTC Listing Regulations and the Trustee is duly qualified and licensed to do business in each jurisdiction in which the character of its properties or the nature of its activities requires such qualifications and authorised to enter into the Deed of Assignment and has taken all necessary corporate actions pursuant thereto;

(b) The Deed of Assignment has been duly and validly executed and delivered by the Trustee and the Trust Deed constitutes a legal and binding obligation of the Trustee enforceable against the Trustee in accordance with the terms therein;

(c) To the best of the knowledge of the Trustee, the execution, delivery and performance by the Trustee of the Deed of Assignment, does not and will not, with or without the giving of notice or lapse of time or both, violate, conflict with, require any consent under or result in a breach of or default under:

(i) any law to which the Trustee is subject; or
(ii) any order, judgement or decree applicable to the Trustee; or
(iii) any term, condition, covenant, undertaking, agreement or other instrument to which the Trustee is a party or by which the Trustee is bound;

(d) The Trustee is in a position to observe, comply with and carry out all its obligations hereunder or the Trust Deed or under the applicable SEBI PTC Listing Regulations, to be performed and complied with by the Trustee.

(e) The Trustee has obtained a report from the Due Diligence Auditor on the Assets and the Underlying Documents, consequently, the Trustee is duly satisfied with the representation, warranties, undertaking made by the Seller herein;

(f) The Trustee confirms that the transactions undertaken herein is not categorized as a Simple Transparent and Comparable Securitisation ("**STC Securitisation**") and hence, will not be required

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to be in compliance with Annex 1 of the RBI Securitisation Guidelines.

5.14 DECLARATION ABOUT THE POSSIBILITY OF PREMATURE WINDING UP OF THE SCHEME IN CASE OF PREPAYMENTS

Upon full prepayment of the Loans by Obligors and relevant amounts being deposited into the CPA and then paid to the Investor on the succeeding Payout Date, the scheme shall be prematurely terminated.

5.15 TERMS OF PAYMENT AND CASHFLOW, DISTINGUISHING, WHERE APPROPRIATE, ALLOCATION OF REVENUE RECEIPTS AND PRINCIPAL RECEIPTS

Please refer to **Annexure 2** hereto

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CHAPTER 6: THE RECEIVABLES

6.1 POOL SELECTION CRITERIA:

1. The Minimum Holding Period as prescribed under the RBI Securitisation Guidelines have been met by the Seller with respect to each Loan and the Seller confirms the following in this regard:
   (a) For each of the Loans which have an original tenure of more than 24 (Twenty-Four) months have been held in the books of the Seller for at least 6 (Six) months from the date on which: (i) the registration of the security interest created for the relevant Loan has been done with Central Registry of Securitisation Asset Reconstruction and Security Interest of India; or (ii) the first instalment of the relevant Loan has been repaid, as the case may be; and
   (b) For each of the Loans which have an original tenure of up to 24 (Twenty-Four) months have been held in the books of the Seller for at least 3 (Three) months from the date on which: (i) the registration of the security interest created for the relevant Loan has been done with Central Registry of Securitisation Asset Reconstruction and Security Interest of India; or (ii) the first instalment of the relevant Loan has been repaid, as the case may be;
2. None of the Loans have a residual maturity of less than 365 (Three Hundred and Sixty Five) days;
3. The Seller has not initiated legal or repossession action against any of the Obligors;
4. There are no overdues in respect of the Loans, as on the Cut-off Date;
5. There are no outstanding obligations, on the part of Seller, to be performed under the Loan Agreements;
6. The Seller has complied with all the extant guidelines issued by RBI pertaining to 'know your customer' (KYC), with respect to each of the Obligors;
7. All Loans have been fully disbursed by the Seller.
8. All Loans are classified as standard assets in the books of the Seller as per the norms specified by RBI.
9. No Loans have been terminated or prepaid by the Obligors, as on the Cut-off Date.
10. The Loans have not been rescheduled or restructured by the Seller up to the Cut-off Date.
11. No Loans have a peak DPD of more than or equal to 30 (Thirty) days since origination;
12. All Loans are "current" and existing as on the Cut-off Date;
13. All the Loans have a CIBIL score of no less than 700.
14. The maximum interest rate applicable in relation to any Loan does not exceed 36% (Thirty Six Percent);

6.2 POOL CHARACTERISTICS

The characteristics of the pool is as described under the Rating Rationale issued by India Ratings and Research Private Limited and annexed as **Annexure 4** hereto.

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CHAPTER 7: PARTIES TO THE TRANSACTION AND RESPECTIVE ROLES

(gathered from publicly available information)

7.1 PROFILE OF THE SELLER / ORIGINATOR

(a) **Name, description, principal business activities and brief history of operation of the originator**

Navi Finserv Limited (formerly known as Navi Finserv Private Limited) ('the Company') was formed on February, 14 2012 to carry on the business of lending.

During the year ended March 31, 2020, controlling stake in the Company was initially acquired by Mr. Sachin Bansal w.e.f. October 24, 2019 and was subsequently transferred to Navi Technologies Limited (formerly known as Navi Technologies Private Limited) ('the Holding Company') w.e.f. March 30, 2020. The contact details of the Holding Company are as follows:

Registered Office: 2nd Floor, Vaishnavi Tech Square,
Iballur Village, Begur Hobli,
Bengaluru, Karnataka 560102
Corporate Office: NA
Telephone No. : 7012815862
Website : www.navi.com
Contact Person : Thomas Joseph
Email : secretarial@navi.com

Navi Finserv Limited has received Certificate of registration from Reserve Bank of India dated March 11, 2016, to carry on the business of Non- Banking Financial Institution without accepting deposits. The Company is treated as a Systemically Important Non-Deposit taking Non-Banking Financial Company as the assets size of the Company exceeded INR 500 crores by virtue of RBI Master direction RBI/DNBR/2016-17/45 Master Direction DNBR. PD. 008/03.10.119/2016-17 dated 01 September 2016)

The company offers the below mentioned products. The digital personal loans portfolio is spread over 28 states and housing loan portfolio is currently only from Karnataka state.

Product name	Digital Personal Loans	Housing Loans	Loan against Property
Ticket size	Up to INR 20,00,000	Upto INR 5 Crore	Upto INR 5 Crore
Tenor	Up to 84 months	Up to 30 yrs	Upto 30 Years
Interest rates	Risk based pricing – based on customer profile	From 8.40%	From 8.40%
Borrower CIBIL Score	650+	580+	580+
Collateral	Unsecured	Residential Property	Residential Property
AUM as of December 2023	INR 9,434.27 Crore	INR 1,061.58 Crore	

(b) **Principal business segments in which the Originator operates**

The company offers the below mentioned products. The digital personal loans portfolio is spread over 28 states and housing loan portfolio is currently only from Karnataka state.

Product name	Digital Personal Loans	Housing Loans	Loan against Property
Ticket size	Up to INR 20,00,000	Upto INR 5 Crore	Upto INR 5 Crore
Tenor	Up to 84 months	Up to 30 yrs	Upto 30 Years
Interest rates	Risk based pricing – based on customer profile	From 8.39%	From 8.39%
Borrower CIBIL Score	690+	675+	675+

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Collateral	Unsecured	Residential Property	Residential Property
AUM as of December 2023	INR 9,434.27 Crore	INR 1,061.58Crore NA	

(c) **Description of the Originator's business, market presence, market share, if any, experience etc. in relation to the asset class proposed to be securitized**

Navi is in the business of lending digital personal loans to customers all across India. We service 99% of the pin codes across India. We have been in business for the 2 year now and built a INR 9500+ AUM as of December 31, 2023. Our market share would be about 2% of the total formal market share in this particular segment.

(d) **Financial Information concerning the Originator's assets and liabilities, financial position, and profits and losses, for the purpose of which the Originator shall provide a complete audited financial statements for past 3 years and, if necessary, unaudited financial statements prepared within 120 days from the date of the application for registration of the asset backed securities is made effective.**

Audited financial statements are attached herewith in **Annexure 8**

(e) **Overview of the process of origination of the asset being securitised**

As mentioned In paragraph 5.1 (g) above

(f) **Major underwriting practices concerning the asset being securitised.**

- Navi uses their own algorithm and ML model to underwrite the customer.
- Data from sources such as Bureau, device data, SMS data, EPF (if available), phone applications.
- Only SMSs which have business related headers (example: Bank) are read and used for building the financial ledger. Customers are asked to confirm and provide access to their device and SMS data to start the underwriting process.
- It is not mandatory for a customer to provide EPF documents and bank statements.
- The type of data collected and variables used are proprietary to Navi, but the methods in which variables such as FOIR, income, expense are calculated are industry standard methods.
- During underwriting a customer is checked against the negative checklist maintained by RBI.
- Some of the indicative attributes used in UW are
    - Internal PD score – This is a outcome of our ML models that consumes almost 1500-2000 variables across various data sources
    - Delinquency profiles as seen in bureau
    - Leverage patterns
    - Recent enquiries
    - Imputed income (covered in the other note)
    - FOIR (calculated based on imputed income and imputed obligations)

(g) **Policies for collection and servicing**

systems to identify unique user, track their journeys, record their behaviours and report on the Navi App's performance.

One of the key eligibility criteria for approving a customer's loan is the customer's repayment capacity, which is determined by factors such as the customer's age, stability, and continuity of income, place of residence, geolocation, existing financial obligations, estimated living expenses. During the loan application process, our systems use a combination of automated techniques to process signals based on information provided by the customer and concurrently processes their bureau information.

We adopt an innovative cohort-based approach that segments customers based on a variety of factors including yield, risk and ticket size to identify low risk and profitable cohorts. This approach is supplemented

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with regular customer research and sophisticated data analytics for us to provide tailored products to our customers.

Collection capabilities

We use intelligent digital collections, which allows us to classify customers into different buckets based on ease of collections and calibrate our collection efforts accordingly. Our robust collections infrastructure enables us to follow-up and recover dues that are outstanding. This collections capability comprises digital reminders and follow-ups for payments, collection tele-calling and outsourced field recovery capabilities. Allocation of delinquent loans to these channels is driven by back-end analytics and payment behaviour scorecards to maximize on overall debt management efficiencies. Our digital collections processes are further supplemented by 300+ in-house tele-callers as well as a specialized field collection team for non-contactable cases and/or later delinquency buckets.

The following table summarizes our collection processes based on the delinquency status of a personal loan:

Delinquency Bucket	Our collection action plan
Bucket 1: 0-29 days past due (DPD)	Digital collections; nudges / reminders 100+ in-house tele-callers Field support on non-contactable cases Customer-wise default probability prediction algorithms
Bucket 2: PAR 30 to 89	Predominantly field driven On-roll managers work with 70+ field agencies to visit borrowers CIBIL trigger alerts and legal actions are initiated (wherever relevant)
Bucket 3: PAR >90	Field visits Defined settlement policy Skip tracing for non-contactable customers

Fraud prevention and detection We manage fraud risk through prevention and detection. We address fraud prevention through fraud detection models that look for outlier signals in data and behaviours as triggers for fraud prevention. We continuously analyse our loan portfolio to identify emerging patterns and modus operandi which are fed back as prevention rules to improve our model. We have built an in-house fraud detection rule engine for early detection of fraud claims.

Utilising multiple data sources and anti-fraud technologies such as face recognition and geotagging, our risk management machine learning systems can discover previously unidentified factors that indicate delinquency and potential fraud cases. Early detection of fraud claims improves the customer experience through quicker turnaround times for genuine customers. We are constantly improving the robustness of this fraud detection model by updating the model with internal and external data sources.

7.2 PROFILE AND ROLE OF SERVICER

(a) Name of the Servicer, organizational form and its principal activities

Navi Finserv Limited (formerly known as Navi Finserv Private Limited) ('the Company') was formed on February, 14 2012 to carry on the business of lending.

During the year ended March 31, 2020, controlling stake in the Company was initially acquired by Mr. Sachin Bansal w.e.f. October 24, 2019 and was subsequently transferred to Navi Technologies Limited (formerly known as Navi Technologies Private Limited) ('the Holding Company') w.e.f. March 30, 2020. The contact details of the Holding Company are as follows:

Registered Office:		2nd Floor, Vaishnavi Tech Square, Iballur Village, Begur Hobli, Bengaluru, Karnataka 560102
Corporate Office: NA		
Telephone No.	:	7012815862
Website	:	www.navi.com
Contact Person	:	Thomas Joseph
Email	:	secretarial@navi.com

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Navi Finserv Limited has received Certificate of registration from Reserve Bank of India dated March 11, 2016, to carry on the business of Non- Banking Financial Institution without accepting deposits. The Company is treated as a Systemically Important Non-Deposit taking Non-Banking Financial Company as the assets size of the Company exceeded INR 500 crores by virtue of RBI Master direction RBI/DNBR/2016-17/45 Master Direction DNBR. PD. 008/03.10.119/2016-17 dated 01 September 2016)

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Borrower CIBIL Score	650+	580+	580+
Collateral	Unsecured	Residential Property	Residential Property
AUM as of December 2023	INR 9,434.27 Crore	INR 1,061.58 Crore	

(b) **Experience**

systems to identify unique user, track their journeys, record their behaviours and report on the Navi App's performance.

One of the key eligibility criteria for approving a customer's loan is the customer's repayment capacity, which is determined by factors such as the customer's age, stability, and continuity of income, place of residence, geolocation, existing financial obligations, estimated living expenses. During the loan application process, our systems use a combination of automated techniques to process signals based on information provided by the customer and concurrently processes their bureau information.

We adopt an innovative cohort-based approach that segments customers based on a variety of factors including yield, risk and ticket size to identify low risk and profitable cohorts. This approach is supplemented with regular customer research and sophisticated data analytics for us to provide tailored products to our customers.

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	Skip tracing for non-contactable customers

Fraud prevention and detection We manage fraud risk through prevention and detection. We address fraud prevention through fraud detection models that look for outlier signals in data and behaviours as triggers for fraud prevention. We continuously analyse our loan portfolio to identify emerging patterns and modus operandi which are fed back as prevention rules to improve our model. We have built an in-house fraud detection rule engine for early detection of fraud claims.

Utilising multiple data sources and anti-fraud technologies such as face recognition and geotagging, our risk management machine learning systems can discover previously unidentified factors that indicate delinquency and potential fraud cases. Early detection of fraud claims improves the customer experience through quicker turnaround times for genuine customers. We are constantly improving the robustness of this fraud detection model by updating the model with internal and external data sources.

(c) **Financial Information**

Audited Financials are enclosed in **Annexure 8**.

(d) **Disclosures about defaults**

No Defaults

(e) **Material terms of the servicer (set out in the Deed of Assignment)**

The Servicer represents and warrants that as of the date hereof:

(i) The Servicer is a company duly organised and validly existing under law and the Servicer is duly qualified and authorised to enter into the Deed of Assignment and has taken all necessary corporate actions pursuant thereto;

(ii) The Deed of Assignment has been duly and validly executed and delivered by the Servicer and the Deed constitutes a legal and binding obligation of the Servicer enforceable against the Servicer in accordance with the terms herein;

(iii) The execution, delivery and performance by the Servicer of the Deed of Assignment, does not and will not, with or without the giving of notice or lapse of time or both, violate, conflict with, require any consent under or result in a breach of or default under:
   (i) any law to which the Servicer is subject; or
   (ii) any order, judgement or decree applicable to the Servicer; or
   (iii) any term, condition, covenant, undertaking, agreement or other instrument to which the Servicer is a party or by which the Servicer is bound;

(iv) The Servicer is in a position to observe, comply with and carry out all its obligations hereunder to be performed and complied with by the Servicer;

(v) All information set forth in the Deed of Assignment as furnished, is and / or to be furnished by the Servicer to the Trustee will be true and correct and was / is not / will not be misleading whether by reason of omission to state a material fact or otherwise.

(f) **Duties of the Servicer**

Navi Finserv Limited as the Servicer shall inter alia:

(i) make all reasonable endeavours to collect the amounts due from the Loans and enforce the Obligors' obligations in accordance with the Loan Agreements;

(ii) continue to administer and service the Loan facilities and undertake to devote such time and to exercise such skill, due care and diligence in the administration and enforcement of the rights, powers, privileges and securities in respect of the contracts as it would have exercised, had the entire interest in such contracts been retained by it;

(iii) maintain the custody of the Underlying Documents for and on behalf of the Trust at such other offices of the Servicer from time to time; and

(iv) Furnish and submit all such information to the Securities and Exchange Board of India as are

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required by SEBI pursuant to the SEBI PTC Listing Regulations in relation to the Assets, irrespective of whether such obligation is cast upon the Trustee or the Servicer.

(g) The Servicer shall not be entitled to change any of the terms and conditions of any Loan Agreement or restructure or reschedule the Loan Agreements without obtaining the prior written approval of all the Beneficiaries and the providers of Credit Enhancement. It is however clarified that any change in the dates of payment of EMI pursuant to one time EMI changing option available as per the Underlying Documents which does not change the tenure of the said Loan and which option is available only in relation to Loans which do not have overdues, shall not be treated as re- scheduling or restructuring of the terms of the Underlying Documents and therefore no consent shall be required for the same. However, such changes shall be notified along with the monthly payout report to the Investors

(h) **Delegation**

The Servicer may delegate any of its powers and authorities to such persons and upon such terms and conditions, as it may consider appropriate. All costs and expenses of such delegation and all fees or remuneration payable to the delegate will be paid by the Servicer.

(i) **Servicer Fees**

In consideration of the Servicer rendering the services in terms of the Deed of Assignment, the Servicer shall be entitled to the Servicer Fee. The Servicer Fees shall mean the one-time fees payable to the Servicer in consideration of the services being rendered by it, being Rs. 2,00,000/- (Rupees Two Lakh only) plus applicable taxes and cess, if any payable on the first Payout Date, from the Receivables and as per the Waterfall Mechanism set out in the Deed of Assignment.

(j) **Replacement of the servicer, particulars about whether any backup servicer exists.**

On the occurrence of any event of default in relation to the Servicer (as will be identified and set down in the Transaction Documents), the Trustee shall first give a notice to the Servicer calling upon the Servicer to remedy the event of default which shall have occurred and if the Servicer shall fail to remedy the event of default within the period of 60 (sixty) days (or such lesser period as determined by the Trustee if giving such time period, would impact their interests), the appointment of the Servicer may be terminated and all the functions, duties and obligations of the Servicer would be transferred to the Trustee or to a successor Servicer appointed by the Trustee. In the event that the Servicer is replaced in accordance with the terms of the Transaction Documents, the fees of the successor servicer shall be as mutually agreed by and between such successor servicer and the Trustee (acting on the instructions of the Investors) and the fees of the alternate servicer shall be paid by entity being replaced and/or from the Excess Interest Spread.

(k) **Monthly Reports**

The Servicer shall submit monthly monitoring reports ("**Monthly Reports**") on the pool to the Trustee, which reports shall be prepared in accordance with the format provided in Schedule V of the Deed of Assignment. The Servicer shall at the time of submission shall also provide such additional information relating to the Receivables as requested by the Trustee, the revised cashflow schedule, the outstanding rating of the Servicer and a report regarding the NPAs.

(l) **Servicer's Reports**

The Servicer shall submit the semi-annual reports, which shall initially be submitted simultaneously with the execution of the Deed of Assignment, and thereafter on a semi-annual basis (end-September and March), which shall contain all information as required under Annex 2 of the RBI Securitisation Guidelines (prepared in the format set out in the said Annexure) set out in **Annexure 5** hereto

(m) **Audit of Monthly Reports**

The Servicer shall deliver to the Trustee and the Rating Agency within 30 (Thirty) days from the date of finalisation of the audit report prepared by the Due Diligence Auditor, the said report. The Due Diligence Auditor shall examine the correctness of the Monthly Reports on a test check basis for the preceding six months and report on any exception by way of short or excess payment payable/paid to the Beneficiaries. Such excess/shortfall shall be adjusted in the scheduled Investor Payouts to be made on the Payout Date, immediately after the audit of the Monthly Reports and the audit report has been received by the Trustee.

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7.3 THE ISSUER/ SPV/ SPECIAL PURPOSE DISTINCT ENTITY

(a) **A brief description of the Issuer along with its history:**

The SPV and issuer for the transaction shall be a Trust settled by Catalyst Trusteeship Limited under a Declaration of Trust. The SPV shall be called "2024 PL Diana". The Trust is a special purpose distinct entity within the meaning of SEBI PTC Listing Regulations.

The Trust has been established with the following objects:

(i) To acquire the Assets from the Seller for and on behalf and in trust for, and for the benefit of, the Beneficiaries.

(ii) To offer the beneficial interest in the Assets so acquired to the Beneficiaries, which beneficial interest shall be offered in accordance with the terms and conditions of the Transaction Documents;

(iii) To receive moneys from the various Investors from time to time being their contributions to the Trust Fund and to make payment of the Purchase Consideration to the Seller from and out of such contributions for the purchase of the Assets;

(iv) To issue to the Beneficiaries certificates evidencing their beneficial right, title and interest in the Trust Fund, including to the Receivables;

(v) To open the Collection and Payout Account and supervise the cash flow into and from the Collection and Payout Account.

(vi) To make payouts of collections of the Receivables to the Beneficiaries and the Seller from time to time in accordance with the Waterfall Mechanism.

(vii) To draw upon the Credit Enhancement in accordance the provision of the Transaction Documents;

(viii) To liaise with the Servicer and cause the Servicer to deposit the amounts collected by it from the Obligors and to prepare reports and provide such reports to the Trustee and hand over such reports to the Beneficiaries;

(ix) To invest the surplus amounts of the Trust Fund, if any, in investments permitted under the Transaction Documents or as may be specified in any other agreement or arrangement entered into by the Trustee or in any other related deeds or documents;

(x) To obtain credit rating on the PTCs and ensure that the PTCs continue to be rated during the tenure of the PTCs;

(xi) To appoint the Registrar and Transfer Agent;

(xii) To authorise and direct such agents appointed by the Trustee to perform Discretionary Audits on the Servicer, subject to prior written notice of atleast 15 (Fifteen) days;

(xiii) to do all such things as are mentioned in this Information Memorandum; and

(xiv) Such other activities as may be incidental and ancillary to the above objects, which are acceptable to the Trustee, and is undertaken with the prior written consent of all the Beneficiaries.

(b) **Details of the settlor, initial corpus, place of registration, if any, along with any identification number**

The Trust has been settled by Catalyst Trusteeship Limited with a corpus of Rs. 1,000/- (Rupees One Thousand Only).

(c) **Name of the person(s) who directly or indirectly controls the Issuer, along with the nature of such control and the measures in place to ensure that such control is not abused.**

The Issuer is established as a special purpose entity and is managed by Catalyst Trusteeship Limited which is an independent corporate entity as a trustee and the Issuer is bound to follow the applicable SEBI regulations, provisions of the Indian Trusts Act, 1882 and the provisions of the Trust Deed.

(d) **Person(s) holding residual beneficial interest in the trust.**

Upon the redemption of the PTCs in full and all amounts drawn from the external Credit Enhancement has been repaid in full, in the event any surplus amounts are available in the Collection and Payout Account, shall belong to the Originator as per the terms of the Transaction Documents.

(e) **Financial Information concerning the Issuer's assets and liabilities, financial position, and profits and losses, if any.**

NA

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(f) **Names, address, nationality, professional experience, other directorships and academic qualifications of the trustees.**

NA

(g) **Management of the Issuer**

The Issuer is established as a special purpose entity and is managed by Catalyst Trusteeship Limited which is an independent corporate entity as a trustee.

(h) **A statement whether the Issuer has been established as a special purpose vehicle**

The Trust is a special purpose distinct entity within the meaning of SEBI PTC Listing Regulations.

7.4 THE TRUSTEE:

(a) **Name of the trustee, organizational form and experience**

Catalyst Trusteeship Limited, a company incorporated under the Companies Act, 1956 and having its registered office GDA House, Plot No.85, Bhusari Colony (Right), Paud Road, Pune – 411038. Catalyst Trusteeship Limited has an experience of 25 (Twenty Five) years.

Sr. No.	Name of Director and Address	DIN	Designation	Date of Appointment	PAN
1.	**Ravindra Prabhakar Marathe** Mahabank House, 39/53, Lane No. 9, Prabhat Road, Erandwane, Pune - 411004	07271376	Chairman	24.03.2020	ABDPM0632N
2.	**Umesh Manohar Salvi** 1203, B Wing, Building Number 79, New Ekta, Behind Sai Mandir, Tilak Nagar, Kurla, Mumbai Suburban, Mumbai – 400089	09167199	Managing Director	01.04.2022	BZQPS3294E
3.	**Jayesh Dharmendra Pandit** Anand Dharma, Hem Colony, S.V. Road, Opp. St. Joseph School, Vile Parle (West), Mumbai – 400056	02294644	Director	25.07.2008	ABIPP5553E
4.	**Pravin Hari Kutumbe** 703, Inder Towers, Kakasaheb Gadgil Marg, Prabhadevi, Mumbai - 400025	01629256	Independent Director	01.04.2022	ADMPK5724C
5.	**Rewati Sudhir Paithankar** Flat No. 5, Mohak Apartment, Road 8, Dahanukar Colony, Kothrud, Pune – 411029.	00239059	Independent Director	01.04.2022	ABQPP0729G

(b) **Primary Duties of Trustee**

(i) The Trustee shall ensure that all investments of the Trust Fund are in accordance with the Declaration of Trust.

(ii) The Trustee shall, at all times, ensure that the Trust Fund is kept segregated from the assets of the

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Trustee and any other asset for which the Trustee is or may be responsible.

(iii) The Trustee shall exercise due diligence in carrying out its duties and shall take all action whatsoever necessary for protecting the interest of the Beneficiaries and shall provide or cause to provide information and disclosures to Beneficiaries, and SEBI as may be specified by SEBI. The Trustee shall ensure that Receivables assigned to the Trust are through a genuine transaction amounting to true sale and are legally realizable by the Trust acting through the Trustee.

(iv) The Trustee shall take reasonable and due care to ensure that the funds raised through issuance of PTCs are in accordance with the applicable laws.

(v) The Trustee shall carry out such acts as are necessary for resolving the grievances of the PTC Holders and for the protection of the interests of PTC Holders.

(vi) The Trustee shall ensure on a continuous basis that the trust property is available at all times to pay the PTC Holders in accordance with the Deed of Assignment and other Transaction Documents.

(vii) The Trustee shall promptly forward, the Monthly Report or Quarterly Report received as per the terms of the Deed of Assignment received from the Servicer, to the concerned Rating Agency and the Investors;

(viii) The Trustee shall, monitor the Credit Enhancement and shall ensure that the monies utilized under the Credit Enhancement from time to time for any PTC does not exceed the amount available as Credit Enhancement and the same shall be withdrawn in the manner provided in the Deed of Assignment and the other Transaction Documents.

(ix) The Trustee shall ensure that all transactions are properly entered into in accordance with this Deed.

(x) The Trustee shall ensure that all acts, deeds, matters or things to be undertaken by the Trustee in terms of the Transaction Documents shall be in compliance with the RBI Securitisation Guidelines.

(xi) The Trustee shall fulfil all its obligations under the Transaction Documents and other agreements, deeds and writings that may be executed by the Trustee in relation to the issuance and redemption of the PTCs and the acquisition of the Assets.

(xii) The Trustee shall not amend the terms and conditions relating to the payments to be made by the Obligors, if such amendment will adversely affect the Receivables, without the express consent of all the Beneficiaries and stock exchange.

(xiii) The Trustee shall open and operate the Collection and Payout Account with the Designated Bank, wherein the Trustee shall deposit all the Subscription Amounts received from the Investors and the Servicer shall be instructed to deposit all the Receivables collected from the Obligors and wherein all monies drawn upon utilization of the Credit Enhancement shall be deposited.

(xiv) Any act, deed, matter or thing to be undertaken by the Trustee in terms of the Transaction Documents, which either specifically requires the consent of the Beneficiaries in terms of the Transaction Documents or which is not a routine matter, shall not be undertaken by the Trustee except with the consent of the Beneficiaries holding Majority Interest.

(xv) Any re-schedulement, restructuring or re-negotiation of the terms of the Loan Agreements and/or the loans effected after the assignment of the Assets to the Trust, shall be binding on the Trustee and not on the Seller (other than to the limited extent of being the holder of the Equity Tranche PTCs) and shall be done only with the express consent of all the Beneficiaries, the Servicer and any entity providing the Credit Enhancement or part thereof. However, for resolution of any Loan by the Trustee which has become a stressed asset, no consent of providers of credit enhancement or service providers would be required to be obtained.

(xvi) The Trustee shall maintain and/or cause to be maintained proper books of accounts, documents and records with respect to the Trust Fund to give a true and fair view of the affairs of the Trust and shall comply with the necessary disclosure requirements as required under the terms of the SEBI PTC Listing Regulations and other Applicable Laws.

(xvii) The Trustee shall display the email address of the grievance redressal division and other information on its website and in the various material/pamphlets, advertisement campaigns initiated by it for creating awareness in the Investors;

(xviii) The Trustee shall ensure that the Trustee submits, or causes to be submitted, all such information as may be required by SEBI pursuant to the SEBI PTC Listing Regulations.

(xix) The Trustee shall submit an annual report to the PTC Holders on performance of the Receivables and servicing to PTC Holders.

(xx) The Trustee shall have sufficient access controls to ensure confidentiality of data and shall have sufficient systems for backup and disaster recovery.

(xxi) The Trustee shall appoint a compliance officer for performing duties including monitoring the compliance of the applicable laws and redressal of the grievances of the Beneficiaries.

(xxii) The Trustee shall not forfeit unclaimed amount and transfer, after period of 7 (Seven) years, such unclaimed amount to the Investor Protection and Education Fund;

(xxiii) The Trustee shall ensure that it has necessary infrastructure to discharge the duties imposed on it in this Deed, any other Transaction Documents or under any applicable law.

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(xxiv) The Trustee shall not relinquish its responsibility as the trustee unless and until another trustee is appointed in its place.

(xxv) The Trustee shall maintain data for the Trust including cash flows, audited financial statements, taxation aspects etc.

(xxvi) The Trustee shall promptly inform BSE Limited or the relevant stock exchange of all information having bearing on the performance/operation of the Trust and any price sensitive information.

(xxvii) The Trustee shall ensure that the disclosures specified in Part D of Schedule III of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, as amended from time to time, are made by the Trust.

(xxviii) The Trustee shall forward all, all reports or information with respect to the Receivables, along with such financial information pertaining to the Trust to BSE Limited or the relevant stock exchange within 7 (Seven) days from each Payout Date.

(xxix) The Trustee shall ensure that the ratings obtained in relation to the Series A1 PTCs and Equity Tranche PTCs are reviewed at least once in a year and in case of the Series A1 PTCs, the revision in the ratings shall be promptly intimated to the BSE Limited and the relevant Beneficiaries.

(xxx) The Trustee shall take appropriate measures to protect the interests of the PTC Holders and shall inform the SEBI about any action, legal proceedings etc. initiated against it in respect of any material breach or non – compliance by it of any applicable laws.

(xxxi) The Trustee shall ensure that any change in registration status of the Trustee or any administrative, civil or penal action taken by SEBI or any material change in financial position which may adversely affect the interests of PTC Holders is promptly informed to the PTC Holders.

(xxxii) The Trustee shall maintain its net worth in accordance with the requirements set out in provisions of the applicable laws, if any on a continuous basis and inform SEBI immediately in respect of any shortfall in the net worth and take necessary corrective actions to restore the net-worth within a period of 6 (Six) months.

(xxxiii) The Trustee shall ensure that the Trustee submits, or causes to be submitted, all such information as may be required by SEBI pursuant to the SEBI PTC Listing Regulations, as applicable.

(xxxiv) The Trustee will ensure that the Servicer complies with all its obligations under the relevant Transaction Document and notify the Investors of any failure promptly upon become aware of the same.

(xxxv) The Trustee shall provide any Beneficiary with all information available with the Trustee on the PTCs, Receivables, Obligors, Underlying Documents, or any other matter in relation to the Transaction Documents as soon as reasonably practicable following request by such Beneficiary and shall, upon a request being made by any Beneficiary in this regard, obtain all such information from the Servicer to the extent not in its possession or not up to date.

(xxxvi) Anti-Bribery

(i) The Trustee hereby represents, warrants and undertakes that it has not violated and will not violate, in connection with any matter pertaining directly or indirectly to the Transaction Documents, including without limitation the negotiation thereof, any relevant provision of any applicable anti-bribery laws and regulations in force in the jurisdiction where the Trustee and /or any of the Investors are domiciled and operate, including, but not limited to the Prevention of Corruption Act, 1988 as it may from time to time be amended, or any similar or successor act.

(ii) The Trustee shall ensure that in the event they propose to appoint any agents / sub-contractors for the purpose of performing any of their obligations undertaken in terms of the Transaction Documents, they shall ensure that the said agents / sub-contractors are also bound by the aforesaid obligation.

(xxxvii) In the event that the Trustee is required to deduct any amounts from the amounts payable to the Investors, for the purposes of making payment of any income related tax, under the provisions of the Income Tax Act, 1961 the Trustee shall ensure that such monies are paid to the relevant revenue authorities within the time period specified under the Income Tax Act, 1961 and the rules made thereunder, and the Trustee shall immediately handover copies of receipts of such payment (or relevant certificates evidencing such payments) to the relevant Investors.

(xxxviii) In the event that the Trustee has any doubts regarding the applicability of the provisions of the Income Tax Act, 1961 or the rules made thereunder, in relation to any income to be distributed to the Investors or withholding of tax payments in relation thereto, the Trustee shall consult with the Investors or, prior to taking any action and the Trustee shall proceed to take such action as mutually agreed by and between the Trustee and the relevant persons entitled to payment.

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(xxxix) The Trustee shall disclose to the Investors any additional legal / financial risks which may impact the transaction contemplated in terms of the Transaction Documents on an ongoing basis or upon demand by the Investors.

(c) Remuneration of Trustees

The Trustees shall be entitled to receive the reimbursement of all legal, audit and accounting expenses and such other costs and expenses on an actual basis. Further, the Trustee will be entitled to a one- time fee as mutually agreed between the Trustee and the Seller, as and by way of its remuneration for acting as Trustee, which shall be paid on the date of execution of the Trust Deed.

(d) Retirement of the Trustee

The Trustee hereof may retire at any time without assigning any reason provided that they shall have given at least 1 (one) months' previous notice in writing to the Beneficiaries in that behalf and the Beneficiaries shall have found a suitable trustee to replace the Trustee. In the event the Beneficiaries do not find such a suitable trustee to replace the Trustee or SEBI has not consented to such retirement (applicable only where SEBI's consent is required for such retirement) the Trustee shall not be entitled to retire from its responsibilities.

(e) Removal of the Trustee

(i) The Trustee shall stand discharged from its office if:
   (i) Beneficiaries holding Majority Interest pass a resolution for the removal of the Trustee; and
   (ii) any Trustee's Events of Default (as set out hereinbelow) shall have occurred.

(ii) If any of the events specified above in occurs, the Beneficiaries holding Majority Interest shall be entitled to remove the Trustee and appoint any entity eligible under the SEBI PTC Listing Regulations to act as the trustee of the Trust acceptable to the Beneficiaries holding Majority Interest as a successor trustee, upon such remuneration and upon such terms and conditions as may be decided by the Beneficiaries holding Majority Interest, provided that the Beneficiaries have provided prior notice of such appointment to the Rating Agency and, obtained the consent of SEBI prior to such removal of the Trustee.

(iii) Each of the following events shall constitute an event of default in respect of the Trustee ("Trustee's Events of Default"):
   (i) Any failure by Trustee to distribute to the PTC Holders the payments required to be made under the terms of the Deed of Assignment and/or the PTCs despite availability of amounts in the Collection and Payout Account, which continues unremedied for a period of 30 (Thirty) days after a written notice of such failure requiring the same to be remedied is given by the Beneficiaries holding Majority Interest to the Trustee; or
   (ii) Failure on the part of the Trustee in duly observing or performing any covenant in this Deed which continues unremedied for a period of 30 (Thirty) days after a written notice of such failure requiring the same to be remedied is given to the Trustee by the PTC Holders holding Majority Interest; or
   (iii) The Trustee commits any act of default or breach of any of its obligations under this Deed; or
   (iv) If a resolution is passed by the shareholders of the Trustee for voluntary winding up or if there is a petition admitted for the winding up of the Trustee; or
   (v) If receiver, trustee or a similar other body is appointed by any court, tribunal or any other competent authority in any winding up, execution or distress proceedings against the Trustee; or
   (vi) Any breach of Trustee representations and warranties.

(f) Appointment of a new Trustee

In the event of retirement of the Trustee the new trustee shall be appointed by the Beneficiaries holding Majority Interest subject to SEBI PTC Listing Regulations.

Provided however that no Person shall be appointed a trustee if:
   (i) such Person has been found to be insolvent;
   (ii) such Person has voluntarily filed for bankruptcy/ insolvency proceedings with appropriate authorities;
   (iii) if any insolvency, winding up or similar proceedings has been initiated against such Person by any third party, which proceeding has been continuing for a period beyond one year from the date of such proceeding being admitted into a court of law or any other appropriate authority.

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A new trustee to be appointed shall be qualified to be appointed as the trustee under applicable SEBI PTC Listing Regulations and the said new trustee shall be appointed after relevant disclosures in this regard (including prior written notice to Rating Agency and BSE Limited) have been provided.

On such appointment, the Trust Fund shall be handed over to the new trustee so as to legally vest the Trust Fund in such new trustee. All costs, charges and expense incurred/to be incurred in vesting the Trust Fund in favour of the new trustee shall be reimbursed from the Trust Fund.

(g) Management of the Trustee

The Trustee's present Board comprises of five Directors who are responsible for formulating broad policies. They are supported by a team of well qualified and experienced professionals drawn from various fields of expertise viz. management, legal, secretarial, accounts etc. to facilitate trustworthy quality services.

(h) Name of the Compliance Officer of the Trustee

Mr. Achinto Bhattacharya

(i) Principal Powers of the Trustee

The Trustee shall, be absolutely vested with the general superintendence, direction and management of the affairs of the Trust and shall have all powers, authorities and discretion to perform the objects of the Trust and all powers appurtenant to or incidental to the purpose of the Trust, subject to the provisions of Deed of Assignment. For the sake of abundant caution it is hereby clarified that the Trustee shall exercise its powers and perform its duties in strict compliance with the provisions contained herein and shall not have any discretionary power to disregard the same.

Without in any way limiting the generality of the powers, authorities and discretions conferred by and referred to above, the Trustee shall have the following powers:

(i) to invite applications to the PTCs and to issue the Information Memorandum to the Prospective Investors and the Seller;

(ii) to accept Subscription Amounts (including advances thereon) from any Person in order to enable such Person to be treated as a Investor under the Deed of Assignment and to make payment of the Purchase Consideration to the Seller, for the Assets, from such amounts;

(iii) to utilize the Trust Fund, in accordance with the provisions of Deed of Assignment and the applicable Transaction Documents;

(iv) to issue, redeem, consolidate, sub-divide, transfer, reissue or cancel or allow revocation of PTCs in accordance with the purposes of the Trust and as per the terms of the PTCs;

(v) to make such issues of PTCs in dematerialized form if so required;

(vi) to acquire, hold, deal with, manage or dispose of the Assets and incidental rights thereto, in trust for the Beneficiaries in accordance with the provisions of Deed of Assignment;

(vii) to make payment from the Collection and Payout Account of statutory and regulatory dues and all other payments, including the payouts to the Beneficiaries as per the Waterfall Mechanism set out in the Deed of Assignment;

(viii) to open, operate and maintain the Collection and Payout Account on behalf of the Trust, and deposit the Subscription Amounts received from the Investors into the Collection and Payout Account and make payment of the Purchase Consideration to the Seller from the amounts available therein;

(ix) to operate and maintain the accounts where the Credit Enhancement is being maintained on behalf of the Trust and for the benefit of the Investors and utilize the amounts therein in the manner provided in the applicable Transaction Documents;

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(x) to utilise the Credit Enhancement, in the circumstances and in the manner as will be provided in the Deed of Assignment, as the case may be, and any documents executed pursuant thereto and to do all acts, deeds and things including giving written instructions, mandates and instructions as may be required in this regard;

(xi) to keep the money and assets representing the Trust Fund with the Designated Bank and to transfer funds from and deposit funds into the Collection and Payout Account in the circumstances and in the manner provided in Deed of Assignment, and any other Transaction Document and to do all acts, deeds and things including giving instructions, mandates and instructions to the Designated Bank, as may be required in this regard;

(xii) to collect all monies due to the Trust and acknowledge and give effectual and valid receipts and discharges for the same;

(xiii) to acquire, hold, deal with, manage or dispose of the Trust Fund;

(xiv) examine all statements, opinions, reports, documents, orders or other instruments including without limitation the reports and updates submitted by the Servicer or any other Person, with respect to the Receivables, required to be furnished pursuant to any provision of Deed of Assignment or any other Transaction Document and to determine whether the same are in accordance with the requirements stipulated in respect thereof herein or in any Transaction Document;

(xv) upon such examination, cause to be forwarded copies of such documents or instruments as may be required to be forwarded to any other concerned parties and point out such material exceptions, errors or omissions, if any in the reports, documents or other instruments;

(xvi) to provide to Rating Agency, Reserve Bank of India, SEBI or any other regulatory/ government authority (i) information in relation to the Assets (ii) copies of Transaction Documents including the Trust Deed and Information Memorandum; and (iii) information about the Trust including financial accounts of the Trust;

(xvii) monitor the performance of the Servicer with respect to inter alia the collection of the Receivables;

(xviii) to review the reports prepared pursuant to the Discretionary Audits and suggest remedial action required to be taken;

(xix) to appoint a calculation agent, to perform such functions as may be set out in the Deed of Assignment;

(xx) to determine the adequacy of the funds on the basis of the Monthly Reports at least 2 (Two) Business Days prior to the Payout Date. The term "adequacy" would include checking sufficiency of funds to make the Investor Payouts. In the event of any shortfall in the amounts required to meet the Investor Payouts, the Trustee shall invoke the Credit Enhancement to meet such shortfalls, as and when required and in terms of the applicable Transaction Documents;

(xxi) to obtain rating and listing of the Series A1 PTCs issued to Beneficiaries on BSE Limited or any other stock exchange, if so required by the Beneficiaries, in accordance with this Deed and within the timelines mentioned in the Deed of Assignment;

(xxii) In the event the Series A1 PTCs are de-listed by any stock exchange, the Trust shall ensure that the said PTCs are re-listed within 2 (Two) Business Days from the date of such de-listing by stock exchange;

(xxiii) to grant consents and approvals in relation to the Loan Agreements to enable the Servicer to carry out various actions under the agreements including without limitation acceptance of any Prepayments in accordance with the Loan Agreements;

(xxiv) if the Beneficiaries holding Majority Interest so advise, to accelerate or cause the Servicer to accelerate the Loans granted to the Obligors in terms of the Loan Agreements;

(xxv) to enforce the indemnities provided by the Seller under the Transaction Documents;

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(xxvi) in the event of a change of Servicer being required pursuant to the terms of the Deed of Assignment, to serve notices on the Obligors to repay/pay the Receivables directly to the Trust, if required;

(xxvii) in case a change of Servicer being required pursuant to the terms of the Deed of Assignment or any other applicable Transaction Documents, to take custody of all the Underlying Documents from the Servicer ;

(xxviii) to release the Credit Enhancement on the full payment of all Investor Payouts, in accordance with the terms and conditions of Deed of Assignment and the other Transaction Documents;

(xxix) acting on the instructions of the Beneficiaries holding Majority Interest, to institute, conduct, defend, compound, settle, compromise, withdraw or abandon any legal proceedings in the name of the Trust, whether with respect to the Trust Fund or otherwise;

(xxx) acting on the instructions of the Beneficiaries holding Majority Interest, institute, conduct, defend any proceedings, legal or judicial, for the recovery of the statutory or regulatory dues (required to be paid by the Seller under the Waterfall Mechanism set out in the Deed of Assignment) from the Seller;

(xxxi) to compromise, settle or abandon any debt or claim due to the Trust with the consent of the Beneficiaries holding Majority Interest except where the Beneficiaries have otherwise required the Trust to take actions to recover the debts or claims in the manner provided in Deed of Assignment;

(xxxii) to appoint and employ agents and other Persons to assist the Trustee in the administration of the Trust and to determine their fees and emoluments and if required, to remove such agents and Persons and appoint others in their place;

(xxxiii) to appoint, with the consent of the Beneficiaries holding Majority Interest, brokers, advocates, auditors, solicitors, registrars, agents, valuers and other Persons for the purpose of fulfilling any of the objectives of the Trust;

(xxxiv) to incur and pay all reasonable costs, charges and expenses incidental to the management, administration and execution of the Trust, including, if required, the registration of the Trust with Government bodies and/or other authorities, with the consent of the Beneficiaries holding Majority Interest;

(xxxv) to sign, seal, execute, deliver and register all deeds, documents and assurances in respect of or relating to the Trust and the due performance and execution of the purpose and objects hereof;

(xxxvi) generally do all acts, deeds, matters and things which are necessary for the objects or purpose of or in relation to the Trust or are incidental or conducive to the proper exercise of the power of the Trustee under the Trust Deed or as directed by the Beneficiaries holding Majority Interest.

7.5 LEGAL COUNSEL

Wadia Ghandy & Co. has been appointed as the legal counsel for the securitisation transaction and shall prepare and finalise the Transaction Documents and shall provide a legal opinion covering, *inter alia*, the following issues:

(a) Whether the transfer of the Assets from the Seller to the Trust constitutes an absolute and valid sale and is bankruptcy remote from the Originator;

(b) In the event of the winding up of the Originator, would the Assets form part of the estate of the Originator and vest in the liquidator of the Originator;

(c) The adequacy of the stamp duty paid on the Transaction Documents; and

(d) Provide the required confirmations as required under the RBI Securitisation Guidelines from the legal counsel for the transaction.

7.6 REGISTRAR AND TRANSFER AGENT

NSDL Database Management Limited will act as the Registrar and Transfer Agent for the PTCs to be issued to Investors. The Registrar and Transfer Agent shall maintain a Register of PTCs for the PTCs issued and transferred

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and registered from time to time. The Certificates will be transferable only in dematerialised form.

7.7 DESIGNATED BANK

ICICI Bank Limited shall be the Designated Bank. Accordingly, the CPA shall be maintained with ICICI Bank Limited] with its branch located at BKC, Mumbai.

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CHAPTER 8: LEGAL AND TAX ISSUES

8.1 LEGAL DOCUMENTS

Legal documents for the Transaction i.e. the Transaction Documents have been finalised in consultation with the Legal Counsel, Wadia Ghandy & Co.

The following legal documents shall be executed for the proposed assignment:

(a) Trust Deed;

(b) Deed of Assignment;

(c) this Information Memorandum;

(d) the Pass Through Certificates;

(e) receipts evidencing the creation of the Cash Collateral and/or any document executed in relation to the Credit Enhancement; and

(f) Power of Attorney by the Seller in favour of the Trustee.

(g) Any other document as may be advised by legal counsel.

8.2 STAMP DUTY

(a) Transaction Documents

The Transaction Documents are required to be stamped at the rate of stamp duty applicable in relation to such instruments in the State in which such documents are executed. In the event that the Transaction Documents are taken outside the state in which it is executed for any purpose, including for the purposes of taking any enforcement action, additional stamp duty will have to be paid on the Transaction Documents, in the event that the stamp duty payable on the Transaction Documents in the State in which it is taken to, is higher than the stamp duty payable on the Transaction Documents in the State in which it has been executed.

(b) Pass Through Certificates

As per the provisions of the Finance Act, 2019: (i) issue of PTCs through a depository or otherwise will constitute issue of debentures and will require payment of stamp duty at the rate specified in Schedule I of the Indian Stamp Act, 1899, which is currently specified as 0.005% of the consideration amount; and (ii) transfer of PTCs made through a stock exchange or by a depository or otherwise will constitute transfer of a debenture and will require payment of stamp duty at the rate specified in Schedule I of the Indian Stamp Act, 1899, which is currently specified as 0.0001% of the consideration amount.

8.3 RIGHTS IN THE CONTRACT

The Seller will sell, assign and convey to the Issuer, in trust for and for the benefit of the Investors, except as otherwise provided in Transaction Documents, without recourse to the Seller all the rights, title and interest of the Seller in and to the Loan Agreements and the Receivables (together with all corresponding rights and interests in relation thereto) in return for the payment of the Purchase Consideration. Consequentially these contracts will be marked as sold in the records of the Seller and hence will not form part of the properties or the assets of the Seller. The Issuer, in turn, will transfer undivided beneficial interest in the Assets on the Deemed Date of Allotment to the Investors by issuing the Certificates.

8.4 WITHHOLDING TAXES

The Issuer or the Seller will not be obliged to pay additional amount if the Investor Payouts on the Investors are subject to withholding taxes.

8.5 TAX DEDUCTED AT SOURCE

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The Finance Act, 2016 which has come into effect from June 01, 2016 has replaced previous special regime for the levy of distribution tax by a new regime for the "securitisation trusts" wherein, though the income of the "securitisation trust" would continue to remain exempt: (i) the income of an investor from the "securitisation trust" would not be exempt and any income from a "securitisation trust" would be taxable in the hands of an investor in the same manner and to the same extent as it would have happened had the investor made the investment directly and not through the "securitisation trust"; and (ii) the "securitisation trust" will have to deduct tax at source while making payments to the investors. The tax deduction at source shall be effected by the securitisation trust at the rate of 25% in case of payment to resident investors which are individuals or HUF and at the rate of 30% in case of others. In case of payments to non-resident investors, the deduction at source shall be at rates in force. In case of those investors to whom payments are to be made without deducting tax at source or after deducting tax at a lower rate, either pursuant to the provisions of the Income Tax Act, 1961 or pursuant to a certificate obtained in this regard from the tax department, the said investors should inform the Trustee of the same so that the Trustee can take appropriate steps in this regard. It is clarified that pursuant to the provisions of Section 10(23D) read with the provisions of Section 194LBC, 196 and 197(1) of the Income Tax Act, 1961 date hereof, there is no incidence of tax deducted at source in relation to income distributed by the Trust to mutual funds.

8.6 TAXATION OF TRUST

Pursuant to Section 115TCA of the Income Tax Act, 1961, any securitisation trust set up under the Reserve Bank of India guidelines on securitization of standard assets or the SEBI PTC Listing Regulations shall be a 'securitisation trust' for the purposes of the Income Tax Act, 1961. As per Section 10(23DA) of the Income Tax Act, 1961, any income of the securitisation trust shall be exempt from taxation.

However, as per Section 115TCA of the Income Tax Act, 1961, any income accruing or arising to, or received by, a person, being an investor of a securitisation trust, out of investments made in the securitisation trust, shall be chargeable to income-tax in the same manner as if it were the income accruing or arising to, or received by, such person, had the investments by the securitisation trust been made directly by him. Therefore, the income earned in the hands of the investors in the PTCs would be subject to taxation which would normally be applicable to their income.

Further, as per Section 194LBC of the Income Tax Act, 1961, income payable by the securitisation trust to the investors, shall be paid subject to deduction of tax at source at the rates stipulated therein.

8.7 LEGAL STATUS OF THE TRUST

The Trust shall be settled under the provisions of the Indian Trust Act, 1882 by way of the Trust Deed. The Trust shall be entitled to carry on the business as set out in the objects of the Trust under the Trust Deed.

8.8 APPLICABILITY OF THE SECURITISATION ACT

The Legal Counsel has advised the Originator and the Issuer that the proposed securitisation of loan Receivables would fall outside the purview of the Securitisation And Reconstruction Of Financial Assets And Enforcement Of Security Interest Act, 2002 (**'the Securitisation Act'**) as the proposed transaction envisages transfer of receivables to a trust and does not involve sale of receivables to a securitisation company as provided in the Securitisation Act. The legal opinion to be issued by the Legal Counsel would also cover this.

8.9 NEW RBI SECURITISATION GUIDELINES

The Reserve Bank of India has introduced new guidelines governing securitisation of standard assets in terms of the Master Direction – Reserve Bank of India (Securitisation of Standard Assets) Directions, 2021 issued by RBI vide DOR.STR.REC.53/21.04.177/2021-22 dated September 24, 2021. There could be certain issues that may arise in connection with the interpretation of the said directions.

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CHAPTER 9: SPECIAL CONSIDERATIONS AND RISK FACTORS

The Series A1 PTCs have been given a provisional rating of "AA (SO)" and the Equity Tranche PTCs have been given a provisional rating of "A+ (SO)" by the Rating Agency. The respective ratings stipulates credit enhancement as described in the section 'Credit Enhancement' in Chapter 3 of this document.

However, holding of the Series A1 PTCs and the Equity Tranche PTCs is not free of risk. The Issuer believes that the risks described below are the principal ones inherent in this transaction for the prospective investors and does not represent that the statement of risks set out hereunder is exhaustive.

9.1 RISKS IN RELATION TO RECEIVABLES AND BORROWERS

The Investor Payouts are dependent on the timely payments of the amounts due under the Loan Agreements and in the event the Borrower defaults to make such payments, the Investor Payouts may get delayed or considerably reduced or become NIL.

9.2 MATERIAL CHANGES IN REGULATIONS TO WHICH THE BORROWER IS SUBJECT COULD IMPAIR THE BORROWER'S ABILITY TO MEET PAYMENTS OR OTHER OBLIGATIONS.

The Borrower is subject generally to changes in Indian law, as well as to changes in government regulations and policies and accounting principles. Any changes in the regulatory framework could adversely affect the profitability of the Borrower or its future financial performance, by requiring a restructuring of its activities, increasing costs or otherwise.

9.3 GENERAL ECONOMIC CONDITIONS

The Borrower operates within India and, accordingly, its revenues are derived from the domestic market. As a result, it is highly dependent on prevailing economic conditions in India and its results of operations are significantly affected by factors influencing the Indian economy. An uncertain economic situation, in India and globally, could result in a slowdown in economic growth, investment and consumption. A slowdown in the rate of growth in the Indian economy could result in lower demand for credit and other financial products and services and higher defaults. Any slowdown in the growth or negative growth of sectors where the Borrower has a relatively higher exposure could adversely impact its performance. Any such slowdown could adversely affect its business, prospects, results of operations and financial condition.

9.4 POTENTIAL LIABILITIES OF TRUST

There could be certain liabilities that may arise during the tenor of the PTCs which will have to be discharged by the Trust utilising the Trust Fund and which may impact the cashflows to the Investors. These liabilities may include the costs to be incurred in relacing the Servicer in terms of the Transaction Documents, it should however be noted that the Transaction Documents do provide that the outgoing Servicer would be liabile to pay all the costs and expenses incurred by the Trust in replacing the Servicer. Further, currently the cost of servicing is being borne by the Servicer. However, upon change in servicer, such servicing costs may fall on the Trust to be discharged from the Trust Fund if the new servicer does not undertake to bear the same. Other potential liabilities that may arise to the Trust which will have to be discharge by the Trust from the Trust Fund may include fees of third party service providers, expenses in connection with any disputes with the Servicer, audit of the Servicer, costs and expenses for any additional documents to be executed pursuant to any change in law etc

9.5 LIMITED LIQUIDITY & PRICE RISK

There is no assurance that a deep secondary market will develop for the Certificates. This could limit the ability of the Investor to resell them. Even if a secondary market develops and sales were to take place, these secondary transactions may be at a discount to the initial issue price due to changes in the interest rate structure.

9.6 LIMITED RECOURSE, DELINQUENCY AND CREDIT RISK

The Credit Enhancement stipulated represents a limited loss cover to the Investors. These Certificates represent an undivided beneficial interest in the Assets and do not represent an obligation of either the Issuer or the Seller or the Originator, or the parent of the Seller, Issuer and Originator (other than to the limited extent of the Credit Enhancement provided herein). No financial recourse is available to the Certificate Holders against the Trustee. Delinquencies and credit losses may cause depletion of the amount available under the Credit Enhancement and thereby the monthly

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Investor Payouts to the PTC Holders may get affected if the amount available in the Credit Enhancement facility is not enough to cover the shortfall.

9.7 SERVICER RISK

Navi Finserv Limited shall act as Servicer for the assigned contracts and continue to monitor the pool and make collections of the Receivables. In the unlikely event that Navi Finserv Limited is unable to perform its functions as a Servicer satisfactorily, the appointment of Navi Finserv Limited as the Servicer may be terminated under the circumstances set out in the Deed of Assignment. In such an eventuality, the Trustee is required to appoint an alternate Servicer or to function as the back-up Servicer. The cost of servicing in that case may be recovered from the Receivables, which may cause a shortfall in the monthly Investor Payouts to Beneficiaries. Such shortfalls shall however be recovered from the Credit Enhancement subject to the maximum limit specified herein

9.8 RISKS DUE TO POSSIBLE PREPAYMENTS

There could be Prepayments and foreclosures under any of the Loan Agreements. The Investors are subject to the risk of changes in the average tenor of the respective Receivables on account of prepayments and foreclosures.

9.9 CLEAN-UP CALL

The Seller will have the option to repurchase the Receivables pertaining to the performing contracts anytime after the outstanding balance on the Receivables declines below 10% of the initial Receivables, at a purchase consideration equal to the outstanding principal amount. The exercise of this option would have the same effect as Prepayments.

9.10 BANKRUPTCY

(a) Bankruptcy of the Originator / Seller

If Navi Finserv Limited becomes subject to bankruptcy proceedings and the court or tribunal in the bankruptcy proceedings concludes that the sale from Navi Finserv Limited to the Trust was not a valid and absolute sale, then an Investor could experience losses or delays in the payments. All possible care has been taken in structuring the Transaction so as to minimise the risk that the sale to the Trust will not be construed as confirming to the 'True Sale' criteria. The legal counsel to the Issuer has agreed to opine that the assignment of Receivables to Trust in trust for and for the benefit of the Beneficiaries, as envisaged herein, would constitute an absolute and valid sale.

(e) Bankruptcy of the Servicer

In the event the Servicer becomes subject to bankruptcy proceedings, given that the Servicer has been specifically permitted to retain the Receivables collected by the Servicer till the date by which the Servicer is required to deposit such amounts in the Collection and Payout Account in accordance with the Transaction Documents, the creditors of the Servicer may lay claim over the said Receivables on the grounds that the Servicer has been permitted to utilise the Receivables till such date and the obligation of the Servicer to make payment of the Receivables is a normal contractual obligation. However, such claim may be countered by the fact that the Deed of Assignment provides that the Receivables collected by the Servicer are to be held by the Servicer in trust for the Trust, for the benefit of the Beneficiaries, till deposited in the Collection and Payout Account.

There might however be delays in recovering any such Receivables which are retained by the Servicer till the time that any such claim by the Servicer's creditor is not dismissed by a court/tribunal given that the court may issue moratorium/injunction with respect to the said Receivables.

The bankruptcy of the Servicer is a ground for termination of the services of the Servicer and the Trustee (acting on the instructions of the Beneficiaries holding Majority Interest) may terminate the services of the Servicer as per the terms of the Transaction Documents.

(f) Bankruptcy of the Trust

The acquirer of the Receivables is a Special Purpose Vehicle (SPV) set up in the form of the Trust. The Trust does not have any creditors and is not permitted to take any additional liabilities without consent of the Investors, and hence it is unlikely that the Trust would be subjected to voluntary or involuntary bankruptcy proceedings.

(g) Bankruptcy of the Trustee

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For creation of any trust while there is transfer of ownership of the trust property to the trustee. The trustee's ownership however is qualified by the annexed obligation and is not absolute ownership under law. The Trustee is placed under an obligation to use the ownership rights for the benefit of the Beneficiaries. Thus, the Receivables acquired by the Trust will be bankruptcy remote from the properties of the Trustee. Bankruptcy of the Trustee may however affect the administration of the Trust till the time a new trustee is appointed which may take some time.

The Beneficiaries holding Majority Interest shall be entitled to remove the Trustee in accordance with the Trust Deed by passing a resolution for the same at any time.

9.11 RATING OF THE CERTIFICATE

The rating is not a recommendation to purchase, hold or sell the Receivables in as much as the credit opinion does not comment on the market price of the Certificate or its suitability to a particular investor. There is no assurance either that the rating will remain at the same level for any given period of time or that the rating will not be lowered or withdrawn entirely by the Rating Agency. In the event of deterioration in the financial health of the Obligor, there is a possibility that the Rating Agency may downgrade the rating given to the transaction. In such cases, an investor may have to take loss on re-valuation of their assets or make provision towards sub-standard/ non-performing assets as per their usual norms.

9.12 RISK OF CO-MINGLING

The Servicer will deposit all payments received from the Obligors into the CPA. However so long as Navi Finserv Limited is the Servicer of the Loan Agreements, there could be a time gap between collection by the Servicer and depositing the same into the CPA especially considering that some of the collections may be in the form of cash. Moreover, the pool consists of a large number of retail contracts which are generated all over the country and in this interim period, collections from the Loan Agreements may not be segregated from other funds of Navi Finserv Limited. If Navi Finserv Limited in its capacity as Servicer fails to remit such funds into the CPA, the Investors may be exposed to a potential loss. However, under the Transaction Documents, Navi Finserv Limited as the Servicer would be providing an express undertaking that all collections received / realised by it would be held by Navi Finserv Limited in trust for and on behalf of the Trust and for the benefit of the Beneficiaries.

9.13 ACCOUNTING CONSIDERATIONS

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

9.14 LEGALITY OF PURCHASE

Prospective investors will be responsible for the lawfulness of the acquisition of the PTCs, whether under the laws of the jurisdiction of its incorporation or the jurisdiction in which it operates or for compliance by that prospective investor with any law, regulation or regulatory policy applicable to it.

9.15 LEGAL AND TAX ISSUES

For Legal and Tax Issues please refer to Chapter 7 of the Information Memorandum.

9.16 CURRENCY, INTEREST AND OTHER RISKS

The functional currency of the Borrower and/or the Servicer is the Indian rupee. The Borrower and/or the Servicer may be incurring expenses and sell its products and services in various countries outside India. Moreover, it may have outstanding foreign currency-denominated debt and credit facilities in a few jurisdictions. Hence, they may be sensitive to fluctuations in foreign currency exchange rates. Adverse changes in exchange rates may have a material adverse effect on its revenue, other income and cost of services sold, gross margin and net income, and hence may have an impact on the Borrower's and/or the Servicer's business, operating results and financial condition. Therefore, the Borrower and/or the Servicer expects to continue to experience foreign exchange losses and gains on transactions denominated in foreign currencies in respect of its foreign currency assets and liabilities due to currency fluctuations in the future as well. Derivative financial instruments aimed at reducing the risk of losses from foreign exchange fluctuations may not be able to offset in full the foreign exchange losses, if at all. In addition, the Borrower's and/or the Servicer's hedging activities may also result in losses due to volatility in foreign currency markets and the timing of hedging activity. These fluctuations may have an impact on the Borrower's and/or the Servicer's business, operating results and financial condition. All fixed income securities, are subject to price risk. The price of such securities will vary

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inversely with changes in prevailing interest rates, i.e. when interest rates rise, prices of fixed income securities fall and when interest rates drop, the prices increase. The extent of fall or rise in the prices is a function of the existing coupon, days to maturity and the increase or decrease in the level of prevailing interest rates. Increased rates of interest, which frequently accompany inflation and/or a growing economy, are likely to have a negative effect on the price of the PTCs.

9.17 DILUTION RISK

The PTCs are backed by Receivables which are to be repaid in relation to the Loans taken by the Borrowers. Most dilution risks are caused by future claims that are yet to emerge at the moment of purchase. This means that various factors can decrease the original volume of the claim, including rebates, bonuses or objections raised by the customers of the Originator. In the event of any insolvency of the Borrower or on the wilful default by the Borrower, the credit strength of the pool would get diluted and therefore there is a dilution risk attached to the PTCs.

9.18 LEGALITY OF PURCHASE

Prospective Investors will be responsible for the lawfulness of the acquisition of the Series A1 PTCs, whether under the laws of the jurisdiction of its incorporation or the jurisdiction in which it operates or for compliance by that prospective contributor with any law, regulation or regulatory policy applicable to it.

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CHAPTER 10: MISCELLANEOUS

10.1 JURISDICTION

The Certificates are governed by and will be construed in accordance with existing Indian laws and will be subject to the non-exclusive jurisdiction of the courts and tribunals at Mumbai or Karnataka.

10.2 TERMINATION OF THE OBLIGATION OF THE PARTIES

The respective obligations and responsibilities of the Seller, the Issuer, the Servicer and the Trustee created by the Transaction Documents shall terminate upon payment of all the scheduled Investor Payouts payable to the Beneficiaries. Upon payment of the final Investor Payout, the Certificates shall stand cancelled. If any Beneficiary has not collected any monthly Investor Payout for more than 3 (three) years after the same shall have become due and payable, the Servicer shall open an account in the name and style of "***Unpaid Investor Payout Account***" with the Designated Bank and the Designated Bank may, after making such investigation and after calling for such information as it may consider appropriate, make payment of that monthly Investor Payout to the person entitled thereto, with or without indemnity, as may then be considered appropriate by the Designated Bank.

10.3 LIABILITY OF THE SELLER LIMITED

All acts required to be performed under the Transaction Documents by the Seller shall be performed in the city of Mumbai and the courts and tribunal in the city of Mumbai and Karnataka shall have non-exclusive jurisdiction. Performance of the Seller's obligations is subject to the laws of India, and shall also be excused by laws, acts or war or civil strife, or similar events beyond the control of Seller, any of which may prevent its performance, in which circumstances no other branch, subsidiary or affiliate of the Seller shall be responsible thereof.

10.4 AMENDMENT

The Transaction Documents may be amended by the Seller, the Issuer, the Servicer and the Trustee only with the consent of the Investors holding Majority Interest.

10.5 SUPERCESSION

In the event of any discrepancy, inconsistency or contradiction in terms of this Information Memorandum and those contained in the Trust Deed, the terms of the Trust Deed shall override and supersede the terms of this Information Memorandum to the extent of such contradiction, inconsistency and contradiction.

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CHAPTER 11: DECLARATION

A. By the Trustee

We, Catalyst Trusteeship Limited being the trustees of the issuer namely: 2024 PL Diana accept responsibility for the information contained in this offer document, which is to the best of our knowledge and belief. We have taken all reasonable care to ensure that the information contained in this document is in accordance with facts which are true, fair and adequate and does not omit anything likely to affect the import of such information. In our opinion, the issuer does not have any debts, liabilities or other claims which may increase the likelihood of the issuer being subjected to dissolution, voluntary or compulsory winding up or insolvency proceedings. In our opinion, the expected cash flow from the asset pool is sufficient to meet the obligations on the securitised debt instruments.

For 2024 PL Diana,
Trustee for Catalyst Trusteeship Limited.

Authorised Signatory
Date: February 29, 2024

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B. By the Originator

I, Ankit Agarwal, being the Director of the Originator namely: Navi Finserv Limited accept responsibility for the information contained in this offer document. To the best of our knowledge and belief and we have taken all reasonable care to ensure that the said information contained in this document is in accordance with facts which are true, fair and adequate and does not omit anything likely to affect the import of such information. In our opinion, the Originator is a going concern. In our opinion, the expected cash flow from the asset pool is sufficient to meet the obligations on the securitised debt instruments.

For Navi Finserv Limited

Director: Ankit Agrwal
Date: February 29, 2024

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ANNEXURE 1: TERMS OF THE SERIES A1 PTCs

Issue Opening Date	February 29, 2024
Issue Closing Date	February 29, 2024
Deemed Date of Allotment	February 29, 2024
First Payout Date in relation to Series A1 PTCs	March 18, 2024
Last Payout Date (Expected) in relation to Series A1 PTCs	November 18, 2026
Expected Maturity in relation to Series A1 PTCs	32.65 months
Final Maturity in relation to Series A1 PTCs	50 months
No. of Series A1 PTC	81,95,25,329 (Eighty One Crores Ninety Five Lakhs Twenty Five Thousand Three Hundred and Twenty Nine)
Face Value/Price Per Series A1 PTC	Re. 1/- (Rupee One only)
Series A1 Yield	9.80% (Nine Decimal Point Eight Zero Percent) per annum payable monthly
Cut-off Date	February 12, 2024
Transfer Date	February 13, 2024
Expected Yield in relation to Series A1 PTCs	Same as Series A1 Yield
Series A1 PTC Expected Maturity Date	November 18, 2026
Series A1 PTC Final Maturity Date	April 18, 2028
Redemption Value per PTC	At par

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ANNEXURE 2: CASHFLOWS FOR THE PTCs

The cash-flow schedule below represents the indicative scheduled cash-flows from the pool. The actual cash-flows may also include the prepayment of loans, foreclosure or repossession of the loan in the underlying pool and the cash flows may change accordingly. Further, the cash flows may also change on account of changes in tax or regulatory framework and/or incidence of any tax deducted at source.

Pool Cashflows

Collection Start Date	Collection End Date	Pay in Date	Pay out Date	Principal	Interest	Cashflows
13-Feb-24	29-Feb-24	16-Mar-24	18-Mar-24	90,46,750	72,71,014	1,63,17,764
1-Mar-24	31-Mar-24	16-Apr-24	18-Apr-24	2,49,01,805	1,54,26,999	4,03,28,804
1-Apr-24	30-Apr-24	16-May-24	18-May-24	2,43,77,276	1,59,39,649	4,03,16,925
1-May-24	31-May-24	16-Jun-24	18-Jun-24	2,53,11,433	1,50,05,492	4,03,16,925
1-Jun-24	30-Jun-24	16-Jul-24	18-Jul-24	2,53,27,807	1,49,89,118	4,03,16,925
1-Jul-24	31-Jul-24	16-Aug-24	18-Aug-24	2,62,54,488	1,40,62,437	4,03,16,925
1-Aug-24	31-Aug-24	16-Sep-24	18-Sep-24	2,63,08,154	1,40,08,771	4,03,16,925
1-Sep-24	30-Sep-24	16-Oct-24	18-Oct-24	2,68,30,802	1,34,86,123	4,03,16,925
1-Oct-24	31-Oct-24	16-Nov-24	18-Nov-24	2,77,45,886	1,25,71,039	4,03,16,925
1-Nov-24	30-Nov-24	16-Dec-24	18-Dec-24	2,78,93,650	1,24,23,275	4,03,16,925
1-Dec-24	31-Dec-24	16-Jan-25	18-Jan-25	2,88,00,699	1,15,16,226	4,03,16,925
1-Jan-25	31-Jan-25	16-Feb-25	18-Feb-25	2,89,83,991	1,13,32,934	4,03,16,925
1-Feb-25	28-Feb-25	16-Mar-25	18-Mar-25	2,95,75,269	1,07,41,656	4,03,16,925
1-Mar-25	31-Mar-25	16-Apr-25	18-Apr-25	3,10,02,240	92,40,854	4,02,43,093
1-Apr-25	30-Apr-25	16-May-25	18-May-25	2,97,52,131	95,65,616	3,93,17,747
1-May-25	31-May-25	16-Jun-25	18-Jun-25	2,85,58,550	87,05,478	3,72,64,028
1-Jun-25	30-Jun-25	16-Jul-25	18-Jul-25	2,77,65,316	84,31,843	3,61,97,158
1-Jul-25	31-Jul-25	16-Aug-25	18-Aug-25	2,76,95,569	76,64,970	3,53,60,540
1-Aug-25	31-Aug-25	16-Sep-25	18-Sep-25	2,70,11,562	73,93,470	3,44,05,032
1-Sep-25	30-Sep-25	16-Oct-25	18-Oct-25	2,61,05,150	68,86,858	3,29,92,008
1-Oct-25	31-Oct-25	16-Nov-25	18-Nov-25	2,50,62,397	62,15,791	3,12,78,189
1-Nov-25	30-Nov-25	16-Dec-25	18-Dec-25	2,39,10,201	59,69,025	2,98,79,226
1-Dec-25	31-Dec-25	16-Jan-26	18-Jan-26	2,40,68,796	53,79,892	2,94,48,688
1-Jan-26	31-Jan-26	16-Feb-26	18-Feb-26	2,38,19,942	51,34,979	2,89,54,921
1-Feb-26	28-Feb-26	16-Mar-26	18-Mar-26	2,37,71,416	47,09,463	2,84,80,879
1-Mar-26	31-Mar-26	16-Apr-26	18-Apr-26	2,43,17,309	39,08,606	2,82,25,915
1-Apr-26	30-Apr-26	16-May-26	18-May-26	2,40,40,011	38,90,782	2,79,30,793
1-May-26	31-May-26	16-Jun-26	18-Jun-26	2,42,70,669	33,72,165	2,76,42,834
1-Jun-26	30-Jun-26	16-Jul-26	18-Jul-26	2,37,44,545	30,63,577	2,68,08,122
1-Jul-26	31-Jul-26	16-Aug-26	18-Aug-26	2,33,55,584	25,77,033	2,59,32,617
1-Aug-26	31-Aug-26	16-Sep-26	18-Sep-26	2,27,92,082	22,65,738	2,50,57,821
1-Sep-26	30-Sep-26	16-Oct-26	18-Oct-26	2,26,65,581	18,81,483	2,45,47,063
1-Oct-26	31-Oct-26	16-Nov-26	18-Nov-26	2,22,55,909	14,54,431	2,37,10,340
1-Nov-26	30-Nov-26	16-Dec-26	18-Dec-26	2,08,36,014	11,27,108	2,19,63,122
1-Dec-26	31-Dec-26	16-Jan-27	18-Jan-27	1,69,97,269	7,54,561	1,77,51,830
1-Jan-27	31-Jan-27	16-Feb-27	18-Feb-27	95,44,895	5,02,780	1,00,47,675
1-Feb-27	28-Feb-27	16-Mar-27	18-Mar-27	79,28,136	3,57,321	82,85,457
1-Mar-27	31-Mar-27	16-Apr-27	18-Apr-27	51,04,497	2,22,846	53,27,343
1-Apr-27	30-Apr-27	16-May-27	18-May-27	46,74,323	1,73,298	48,47,620
1-May-27	31-May-27	16-Jun-27	18-Jun-27	36,47,290	1,04,282	37,51,573
1-Jun-27	30-Jun-27	16-Jul-27	18-Jul-27	20,93,771	58,520	21,52,292
1-Jul-27	31-Jul-27	16-Aug-27	18-Aug-27	16,37,001	31,699	16,68,700
1-Aug-27	31-Aug-27	16-Sep-27	18-Sep-27	2,79,997	13,586	2,93,583

CATALYST TRUSTEESHIP LIMITED

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1-Sep-27	30-Sep-27	16-Oct-27	18-Oct-27	1,70,271	9,222	1,79,493
1-Oct-27	31-Oct-27	16-Nov-27	18-Nov-27	1,34,822	6,213	1,41,035
1-Nov-27	30-Nov-27	16-Dec-27	18-Dec-27	1,01,909	4,093	1,06,002
1-Dec-27	31-Dec-27	16-Jan-28	18-Jan-28	45,602	2,124	47,726
1-Jan-28	31-Jan-28	16-Feb-28	18-Feb-28	37,501	1,218	38,719
1-Feb-28	29-Feb-28	16-Mar-28	18-Mar-28	21,107	437	21,544
1-Mar-28	31-Mar-28	16-Apr-28	18-Apr-28	6,321	75	6,397

*The cashflows indicated below are scheduled cashflows and may change on account of prepayment, foreclosure, default of underlying loans and hence the payout schedule may undergo changes as per the terms set out in the Transaction Documents.

CATALYST TRUSTEESHIP LIMITED

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Cashflows to Series A1 PTCs*

Collection Start Date	Collection End Date	Pay in Date	Pay out Date	Series A1 Principal**	Series A1 Yield****	Series A1 Investor Payouts***
13-Feb-24	29-Feb-24	16-Mar-24	18-Mar-24	90,46,750	39,60,665	1,30,07,415
1-Mar-24	31-Mar-24	16-Apr-24	18-Apr-24	2,49,01,805	67,45,846	3,16,47,652
1-Apr-24	30-Apr-24	16-May-24	18-May-24	2,43,77,276	63,27,659	3,07,04,936
1-May-24	31-May-24	16-Jun-24	18-Jun-24	2,53,11,433	63,35,682	3,16,47,115
1-Jun-24	30-Jun-24	16-Jul-24	18-Jul-24	2,53,27,807	59,27,427	3,12,55,234
1-Jul-24	31-Jul-24	16-Aug-24	18-Aug-24	2,62,54,488	59,14,197	3,21,68,686
1-Aug-24	31-Aug-24	16-Sep-24	18-Sep-24	2,63,08,154	56,95,674	3,20,03,828
1-Sep-24	30-Sep-24	16-Oct-24	18-Oct-24	2,68,30,802	53,00,036	3,21,30,838
1-Oct-24	31-Oct-24	16-Nov-24	18-Nov-24	2,77,45,886	52,53,383	3,29,99,269
1-Nov-24	30-Nov-24	16-Dec-24	18-Dec-24	2,78,93,650	48,60,432	3,27,54,082
1-Dec-24	31-Dec-24	16-Jan-25	18-Jan-25	2,88,00,699	47,90,279	3,35,90,978
1-Jan-25	31-Jan-25	16-Feb-25	18-Feb-25	2,89,83,991	45,50,563	3,35,34,553
1-Feb-25	28-Feb-25	16-Mar-25	18-Mar-25	2,95,75,269	38,92,289	3,34,67,558
1-Mar-25	31-Mar-25	16-Apr-25	18-Apr-25	3,10,02,240	40,63,157	3,50,65,397
1-Apr-25	30-Apr-25	16-May-25	18-May-25	2,97,52,131	36,82,371	3,34,34,502
1-May-25	31-May-25	16-Jun-25	18-Jun-25	2,85,58,550	35,57,481	3,21,16,031
1-Jun-25	30-Jun-25	16-Jul-25	18-Jul-25	2,77,65,316	32,12,690	3,09,78,006
1-Jul-25	31-Jul-25	16-Aug-25	18-Aug-25	2,76,95,569	30,88,681	3,07,84,251
1-Aug-25	31-Aug-25	16-Sep-25	18-Sep-25	2,70,11,562	28,58,163	2,98,69,725
1-Sep-25	30-Sep-25	16-Oct-25	18-Oct-25	2,61,05,150	25,48,392	2,86,53,542
1-Oct-25	31-Oct-25	16-Nov-25	18-Nov-25	2,50,62,397	24,16,057	2,74,78,455
1-Nov-25	30-Nov-25	16-Dec-25	18-Dec-25	2,39,10,201	21,36,248	2,60,46,448
1-Dec-25	31-Dec-25	16-Jan-26	18-Jan-26	2,40,68,796	20,08,444	2,60,77,240
1-Jan-26	31-Jan-26	16-Feb-26	18-Feb-26	2,38,19,942	18,08,113	2,56,28,055
1-Feb-26	28-Feb-26	16-Mar-26	18-Mar-26	2,37,71,416	14,54,060	2,52,25,476
1-Mar-26	31-Mar-26	16-Apr-26	18-Apr-26	2,43,17,309	14,11,996	2,57,29,305
1-Apr-26	30-Apr-26	16-May-26	18-May-26	2,40,40,011	11,70,577	2,52,10,588
1-May-26	31-May-26	16-Jun-26	18-Jun-26	2,42,70,669	10,09,504	2,52,80,174
1-Jun-26	30-Jun-26	16-Jul-26	18-Jul-26	2,37,44,545	7,81,444	2,45,25,990
1-Jul-26	31-Jul-26	16-Aug-26	18-Aug-26	2,33,55,584	6,09,860	2,39,65,444
1-Aug-26	31-Aug-26	16-Sep-26	18-Sep-26	2,27,92,082	4,15,465	2,32,07,547
1-Sep-26	30-Sep-26	16-Oct-26	18-Oct-26	2,26,65,581	2,18,477	2,28,84,058
1-Oct-26	31-Oct-26	16-Nov-26	18-Nov-26	44,58,267	37,107	44,95,374

** The amounts indicated herein is the scheduled payouts and the actual amounts to be paid to the Series A1 Investors shall be net of tax deducted at source in accordance with the provisions of the Income Tax Act, 1961, and such deduction shall not be considered as a default in making payment on Series A1 PTCs.*

***The Series A1 Investor Payout to be paid to the Series A1 Investors set out above is indicative in nature and may undergo alterations as per the provisions of this Deed.*

**** Series A1 Yield has been calculated using the following formula:*

Principal outstanding in relation to Series A1 Series A1 Yield * (time elapsed between current Payout date and previous Payout date)/365"*

*****Credit Enhancement will be utilised to make payments in relation to the promised Series A1 Principal, on any Payout Date, including the Series A1 Final Maturity Date*

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Cashflows to Equity Tranche PTCs**

Collection Start Date	Collection End Date	Pay in Date	Pay out Date	Equity Tranche Principal	Equity Tranche Yield	Equity Tranche Investor Payouts
13-Feb-24	29-Feb-24	16-Mar-24	18-Mar-24	-	-	-
1-Mar-24	31-Mar-24	16-Apr-24	18-Apr-24	-	-	-
1-Apr-24	30-Apr-24	16-May-24	18-May-24	-	-	-
1-May-24	31-May-24	16-Jun-24	18-Jun-24	-	-	-
1-Jun-24	30-Jun-24	16-Jul-24	18-Jul-24	-	-	-
1-Jul-24	31-Jul-24	16-Aug-24	18-Aug-24	-	-	-
1-Aug-24	31-Aug-24	16-Sep-24	18-Sep-24	-	-	-
1-Sep-24	30-Sep-24	16-Oct-24	18-Oct-24	-	-	-
1-Oct-24	31-Oct-24	16-Nov-24	18-Nov-24	-	-	-
1-Nov-24	30-Nov-24	16-Dec-24	18-Dec-24	-	-	-
1-Dec-24	31-Dec-24	16-Jan-25	18-Jan-25	-	-	-
1-Jan-25	31-Jan-25	16-Feb-25	18-Feb-25	-	-	-
1-Feb-25	28-Feb-25	16-Mar-25	18-Mar-25	-	-	-
1-Mar-25	31-Mar-25	16-Apr-25	18-Apr-25	-	-	-
1-Apr-25	30-Apr-25	16-May-25	18-May-25	-	-	-
1-May-25	31-May-25	16-Jun-25	18-Jun-25	-	-	-
1-Jun-25	30-Jun-25	16-Jul-25	18-Jul-25	-	-	-
1-Jul-25	31-Jul-25	16-Aug-25	18-Aug-25	-	-	-
1-Aug-25	31-Aug-25	16-Sep-25	18-Sep-25	-	-	-
1-Sep-25	30-Sep-25	16-Oct-25	18-Oct-25	-	-	-
1-Oct-25	31-Oct-25	16-Nov-25	18-Nov-25	-	-	-
1-Nov-25	30-Nov-25	16-Dec-25	18-Dec-25	-	-	-
1-Dec-25	31-Dec-25	16-Jan-26	18-Jan-26	-	-	-
1-Jan-26	31-Jan-26	16-Feb-26	18-Feb-26	-	-	-
1-Feb-26	28-Feb-26	16-Mar-26	18-Mar-26	-	-	-
1-Mar-26	31-Mar-26	16-Apr-26	18-Apr-26	-	-	-
1-Apr-26	30-Apr-26	16-May-26	18-May-26	-	-	-
1-May-26	31-May-26	16-Jun-26	18-Jun-26	-	-	-
1-Jun-26	30-Jun-26	16-Jul-26	18-Jul-26	-	-	-
1-Jul-26	31-Jul-26	16-Aug-26	18-Aug-26	-	-	-
1-Aug-26	31-Aug-26	16-Sep-26	18-Sep-26	-	-	-
1-Sep-26	30-Sep-26	16-Oct-26	18-Oct-26	-	-	-
1-Oct-26	31-Oct-26	16-Nov-26	18-Nov-26	1,77,97,642	-	1,77,97,642
1-Nov-26	30-Nov-26	16-Dec-26	18-Dec-26	1,86,25,706	-	1,86,25,706

CATALYST TRUSTEESHIP LIMITED

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ANNEXURE 3: APPLICATION FORM

Serial No.01

Date: _____/ _____/ ___

To,
[-]

Ref: Application for _____ number of Series ____ PTCs

Dear Sirs,

In connection with our application for the Series ___ PTCs, we confirm that (a) we have received and reviewed a copy of the Information Memorandum dated February ___, 2024 relating to the said Certificates and reviewed the documents referred to therein (b) we have had the opportunity to ask question of and receive answers from Catalyst Trusteeship Limited, the trustee (the "**Trustee**") of 2024 PL Diana (the "**Trust**") concerning the Series ___ Certificates and all matters relating thereto and such additional information as deemed necessary by us to take the decision to apply for the Series __ Certificates, and (c) we have not relied upon Trust or the Trustee or upon any information or materials prepared or furnished by Trustee or the Trust or its agents or counsel in determining whether our investment in the Series ___ Certificates is permissible under applicable law.

On the basis of the Information Memorandum, I/we hereby apply to you for such number of Series ___ PTCs as identified in this Application. I/We hereby agree to accept the Certificates applied for or such smaller number as may be allotted to me/us, subject to the terms of the said Information Memorandum and this Application Form. I/we undertake that I/we will sign all such other documents and do all such other acts, if any, necessary on my/our part to enable me/us to be registered as the holder(s) of the Certificates which may be allotted to me/us. I/we authorise you to place my/our name(s) on the Register of Certificate Holders of The Trust that may be so allotted and to register my/our address(es) as given below. I/we note that the Trust is entitled in their absolute discretion to accept or reject this Application in whole or in part without assigning any reason whatsoever.

I/We confirm that we have understood and we accept:

(a) that our investments do not represent deposits or other liabilities of the Originator, the Trustee or the Issuer, and that the same are not insured;

(b) that the Originator, the Trustee, the Issuer do not guarantee the capital value of the securities and/or performance of the securities to be issued, or the collectability of Receivables pool; and

(c) that our investments can be subject to investment risk, including interest rate risk, credit risk, possible delays in repayment and loss of income and principal invested.

THE INVESTORS HAVE IRREVOCABLY AGREED THAT EACH OF THEM WOULD GET THEIR INCOME FROM PAYOUT UNDER THE CERTIFICATE ASSESSED BY INCOME TAX AUTHORITIES AND SUBMIT EVIDENCE THEREOF WHENEVER SO REQUIRED BY THE TRUST.

Yours faithfully,
For

(Name and Signature of authorised signatory)

CATALYST TRUSTEESHIP LIMITED

Navi Finserv Limited

Authorised Signatory/ Director

	PTCs		
Series Of PTCs	**No. of PTCs**	**Investment Amount per PTC (Rs.)**	**Total Amount (Rs.)**
Series ___			

(Application must be made for a minimum of One Certificate only and in multiples of one thereof.)

We are applying as (Tick (√) whichever is applicable)

1	Body Corporate	2	Commercial Bank	3	Financial Institution
4	Insurance Company	5	Mutual fund	6	Others

Applicants Details

SOLE/FIRST APPLICANTS'S NAME IN FULL	AUTHORISED SIGNATURE
SECOND APPLICANT'S NAME	AUTHORISED SIGNATURE
THIRD APPLICANT'S NAME	AUTHORISED SIGNATURE

ADDRESS (Do not repeat name) (Post Box No alone is not sufficient)

PINCODE	PHONE	FAX
E-mail :		

Details Of Bank Account

Bank	
Branch	
Account No	
Nature of Account	
IFSC Code	

Dematerialisation Details

Depository Name	
Depository Participant Name	
DP ID No	
Client ID No	
Beneficiary Account Name	

Tax Deduction Status: (Please Specify)

Tax Payer's PAN or GIR [ ] IT Circle / Ward/ District [ ]

Fully Exempt (Please furnish exemption certificate):
Rate of Tax to be deducted at source:

TO BE FILLED IN ONLY IF THE APPLICANT IS AN INSTITUTION		
Name of the Authorised Signatory(ies)	**Designation**	**Signature**
1	**1**	**1**
2	**2**	**2**

ACKNOWLEDGEMENT SLIP

CATALYST TRUSTEESHIP LIMITED

Navi Finserv Limited

Authorised Signatory/ Director

(TO BE FILLED IN BY THE APPLICANT)

Date: / / Serial No.

	Received from (Investor Name) :					
				Number of Certificates applied for		Amount In Rs
		No. of PTCs	Issue Price per PTC (a)	In figures: (b)	In words:	(a) x (b)
I	Series ___					

An application for ___ PTCs alongwith Cheque/Demand Draft No. _____ dated _____
Drawn on _____ _____ for Rs_____
Rupees (in words)

Note: Cheques & Drafts are subject to realisation

All future communication in connection with the Application should be addressed to _____ (quoting full name of the Applicant, Serial Number of the Application Form, Number of Certificates applied for date of application) at the following address: _____.

INSTRUCTIONS:

1. Application Form must be completed in full in block letters in English. Applications, which are not complete in all respects or are, made otherwise than as herein required are liable to be rejected.

2. An applicant should submit only one application (and not more than one) for the total number of Certificates required.

3. The applicant should mention the Permanent Account Number (PAN) allotted under the Income Tax Act, 1961 or where the same has not been allotted, the GIR Number and the Income-Tax Circle/Ward/District. In case neither the PAN nor the GIR Numbers has been allotted, the fact of non-allotment should be mentioned in the Application Form. Applications without this will be treated as incomplete and will be liable to be rejected.

4. In case of applications under Power of Attorney or by Limited Companies or Bodies Corporate, the relevant Power of Attorney or the relevant Resolution or Authority as the case may be, to make the application together with a duly certified copy thereof must be lodged separately quoting the Serial Number of the Application Form at _____simultaneously with the submission of the Application Form failing which the application made is liable to be rejected.

5. Payment should be made by Cheques or Bank Draft drawn on any Bank which is situated at and is a member or sub-member of the Banker's Clearing House located at the place where the application is submitted.

6. All Cheques/Drafts must be crossed "A/c Payee only" and made payable to "_____".

7. Application Forms duly completed along with the cheques/demand draft payable high value on the Issue Closing Date must be delivered on the Issue Closing Date to _____.

8. In case of payments through RTGS, the payments may be made as follows, and such payment will have to reach the CPA at least by 4.00 pm on the Issue Closing Date:

   Beneficiary Name:
   Account No. :
   Bank Details :
   Branch :
   IFSC Code :

9. The Trustee's reserve their full, unqualified and absolute right to accept or to reject any application in whole or in part and in either case without assigning any reasons therefore.

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ANNEXURE 4: RATING RATIONALE

[*Attached Separately*]

CATALYST TRUSTEESHIP LIMITED

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Authorised Signatory/ Director

ANNEXURE 5: FORMAT OF SEMI ANNUAL REPORT

Name/Identification No. of securitisation transaction:

	Nature of disclosure	Details			Amount / percentage / years
1.	Maturity characteristics of the underlying assets (on the date of disclosure)	i)	Weighted average maturity of the underlying assets (in years)		
		ii)	Maturity-wise distribution of underlying assets		
			a)	Percentage of assets maturing within one year	
			b)	Percentage of assets maturing within one to three year	
			c)	Percentage of assets maturing within three to five years	
			d)	Percentage of assets maturing after five years	
2.	Minimum Holding Period (MHP) of securitised assets	i)	MHP required as per RBI guidelines (years / months)		
		ii)	a)	Weighted average holding period of securitised assets at the time of securitization (years / months)	
			b)	Minimum and maximum holding period of the securitised assets	
3.	Minimum Retention Requirement (MRR) on the date of disclosure	i)	MRR as per RBI guidelines as a percentage of book value of assets securitised and outstanding on the date of disclosure		
		ii)	Actual retention as a percentage of book value of assets securitised and outstanding on the date of disclosure		
		iii)	Types of retained exposure constituting MRR in percentage of book value of assets securitised (percentage of book value of assets securitised and outstanding on the date of disclosure)		
			a)	Credit Enhancement (i.e. whether investment in equity / subordinate tranches, first / second loss guarantees, cash collateral, over collateralisation	
			b)	Investment in senior tranches	
			c)	Liquidity support	
			d)	Any other (pl. specify)	
		iv)	Breaches, if any, and reasons there for		
4.	Credit quality of the underlying loans	i)	Distribution of overdue loans (post securitisation)		
			a)	Percentage of loans overdue up to 30 days	
			b)	Percentage of loans overdue between 31-60 days	

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	Nature of disclosure	Details			Amount / percentage / years
			c)	Percentage of loans overdue between 61-90 days	
			d)	Percentage of loans overdue more than 90 days	
		ii)	Details of tangible security available for the portfolio of underlying loans (vehicles, mortgages, etc.)		
			a)	Security 1 (to be named) (% loans covered)	
			b)	Security 2.....	
			c)	Security 'n'	
		iii)	Extent of security cover available for the underlying loans		
			a)	Percentage of loans fully secured included in the pool (%)	
			b)	Percentage of partly secured loans included in the pool (%)	
			c)	Percentage of unsecured loans included in the pool (%)	
		iv)	Rating-wise distribution of underlying loans(if these loans are rated)		
			a)	Internal grade of the bank / external grade (highest quality internal grade may be indicated as 1)	
				1/AAA or equivalent	
				2	
				3	
				4.....	
				N	
			b)	Weighted average rating of the pool	
		v)	Default rates of similar portfolios observed in the past		
			a)	Average default rate per annum during last five years	
			b)	Average default rate per annum during last year	
		vi)	Upgradation / Recovery / Loss Rates of similar portfolios		
			a)	Percentage of NPAs upgraded (average of the last five years)	
			b)	Amount written-off as a percentage of NPAs in the beginning of the year (average of last five years)	
			c)	Amount recovered during the year as a percentage of incremental NPAs during the year (average of last five year)	

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	Nature of disclosure	Details			Amount / percentage / years
		vii)	Frequency distribution of LTV ratios, in case of housing loans and commercial real estate loans)		
			a)	Percentage of loans with LTV ratio less than 60%	
			b)	Percentage of loans with LTV ratio between 60-75%	
			c)	Percentage of loans with LTV ratio greater than 75%	
			d)	Weighted average LTV ratio of the underlying loans (%)	
		viii)	Frequency distribution of Debt-to-Income (DTI) ratios, as per applicable and/or available		
			a)	Percentage of loans with DTI ratio less than 60%	
			b)	Percentage of loans with DTI ratio between 60-75%	
			c)	Percentage of loans with DTI ratio greater than 75%	
			d)	Weighted average DTI ratio of the underlying loans (%)	
		ix)	Prepayment Rates		
			a)	Prepayment rate observed in the current portfolio	
			b)	Prepayment rate observed of similar portfolio in the past	
5	Other characteristics of the loan pool	i)	Industry-wise breakup of the loans in case of mixed pools (%)		
			Industry 1		
			Industry 2		
			Industry 3....		
			Industry n		
		ii)	Geographical distribution of loan pools (state-wise) (%)		
			State 1		
			State 2		
			State 3		
			State 4		

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ANNEXURE 6: DETAILS OF THE RECEIVABLES

[*Attached Separately*]

CATALYST TRUSTEESHIP LIMITED

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ANNEXURE 7: CHARTERED ACCOUNTANT CERTIFICATE

[*Attached Separately*]

CATALYST TRUSTEESHIP LIMITED

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ANNEXURE 8: AUDITED FINANCIAL STATEMENTS

[*Attached Separately*]

CATALYST TRUSTEESHIP LIMITED

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