Vajra 004 Trust
Information Memorandum
Catalyst Trusteeship Limited

10,783 (Ten Thousand Seven Hundred and Eighty Three) Senior Tranche A1 PTCs aggregating to Rs. 107,83,00,000/- (Rupees One Hundred and Seven Crores Eighty Three Lakhs Only) having a rating of AAA(SO) by CRISIL Limited and 5,170 (Five Thousand One Hundred and Seventy) Senior Tranche A2 PTCs aggregating to Rs. 51,70,00,000/- (Rupees Fifty One Crores Seventy Lakhs Only) having a rating of AA(SO) by CRISIL Limited and 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, evidencing beneficial interest in loan receivables originated by Veritas Finance Private Limited and 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.

Indicative Issue Schedule	
Issue Opening Date	December 28, 2023
Issue Closing Date	December 28, 2023
Deemed Date of Allotment	December 28, 2023
Issue Size	Rs. 175,30,48,215/- (Rupees One Hundred and Seventy Five Crores Thirty Lakhs Forty Eight Thousand Two Hundred and Fifteen Only)

SELLER & SERVICER
Veritas Finance Private Limited
SKCL Central Square 1, South and North Wing, 7th Floor, Unit # C28 - C35, CIPET Road, Thiru Vi Ka Industrial Estate, Guindy, Chennai, Tamil Nadu – 600032
Tel: 044 – 4615 0011
Website: https://www.veritasfin.in/
Contact Person: Mr. M Mahesh/ Ms.V Aruna
Email ID: treasury@veritasfin.in
secretarial@veritasfin.in
.in

STOCK EXCHANGE

BSE Limited
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001.
Tel: 022-22721233/4
Fax: 022-22721919
Website: www.bseindia.com

TRUSTEE

Catalyst Trusteeship Limited
GDA House, Plot No. 85, Bhusari Colony (Right), Kothrud, Pune - 411 038
Tel: +91 22 4922 0555
Fax: +91 22 4922 0505
Website: catalystrustee.com
Contact Person: Mr. Umesh Salvi
Email ID: umesh.salvi@ctltrustee.com

RATING AGENCY

CRISIL Limited
CRISIL House, Central Avenue, Hiranandani Business Park, Powai, Mumbai – 400 076

LEGAL COUNSEL

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

REGISTRAR & TRANSFER AGENT
NSDL Database Management Limited
4th Floor, Trade World A Wing, Kamala Mills Compound, Senapati Bapat Marg Lower Parel, Mumbai – 400 013
Tel: 022-4914 2700 Fax: 022-49142503
Contact Person: Nilesh Bhandare
Website: www.ndml-nsdl.co.in
Email: nileshb@nsdl.co.in

Each Pass Through Certificate (PTC) represents a proportionate undivided beneficial interest in the underlying pool of receivables (along with security interests in relation thereto) arising from loans extended to the borrowers for various activities extended by Veritas Finance Private Limited, in the ordinary course of business. It does not represent an interest or obligation of Vajra 004 Trust or Catalyst Trusteeship Limited nor are the underlying loan contracts insured or guaranteed by Veritas Finance Private Limited save to the extent of credit enhancement provided by Veritas Finance Private 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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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 ("**this Information Memorandum / this Offer Document/ this IM**") 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 Veritas Finance Private Limited ("**Seller / Originator / Assignor / VFPL**") or Catalyst Trusteeship Limited ("**Trustee**") to subscribe to, or purchase Senior Tranche A1 PTCs ("**Senior Tranche A1 PTCs / "Senior Tranche A1 Certificates"/ "Series A1 PTCs / "Series A1 Certificates"**) and/or the Senior Tranche A2 PTCs ("**Senior Tranche A2 PTCs / "Senior Tranche A2 Certificates"/ "Series A2 PTCs / "Series A2 Certificates"**), (hereinafter referred to as ("**Senior Tranche PTCs / "Senior Tranche Certificates"**), to be issued by Vajra 004 Trust ("**Trust**" / "**Issuer**"/ "**Assignee**"). This Information Memorandum seeks to provide relevant details of the proposed securitisation of loan secured against immoveable properties provided by the Originator in the ordinary course of business through finance extended by the Originator to the borrowers for various business activities ("**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 law. 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 Senior Tranche 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 prior written consent of the Investors holding Majority Interest and the providers of credit enhancement, however, for resolution of any Loan by the Trustee which has become a stressed asset, no consent of providers of credit enhancement, the Servicer or the other 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 Senior Tranche 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.

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The rating is not a recommendation to purchase, hold or sell the Senior Tranche PTCs in as much as the ratings do not comment on the market price of the Senior Tranche PTCs or its suitability to a particular Investor. 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 Senior Tranche PTCs and the Equity Tranche PTCs 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 Senior Tranche 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 Senior Tranche 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 other Transaction Documents and are not being considered for arriving at the Purchase Consideration payable by the Trust for the Receivables. The Investor Payouts payable to the 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 neither has 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 Senior Tranche 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 Senior Tranche 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 Senior Tranche PTCs. The potential investors acknowledge that the Seller does not owe the Investors any duty of care in respect of this offer/invitation to subscribe for and purchase of the Senior Tranche PTCs. It is the responsibility of potential investors to also ensure that they will sell these Senior Tranche 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 Senior Tranche 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 Senior Tranche PTCs 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.

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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 Senior Tranche PTCs or investor's decision to purchase the Senior Tranche 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 Senior Tranche 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, 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 Senior Tranche PTCs issued thereof is proposed to be made or for the correctness of the statements made or opinions expressed in this Offer Document.

The 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.

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. 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 contents of this Offer Document. The Stock Exchange does not warrant that the Senior Tranche 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 Senior Tranche 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 Senior Tranche 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 Senior Tranche PTCs herein, in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. The Senior Tranche PTCs are governed by and shall be construed in accordance with the existing Indian laws as applicable in Mumbai.

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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 Senior Tranche 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 Senior Tranche PTCs in dematerialised form. The investor will have to hold the Senior Tranche PTCs in dematerialised form as per the provisions of the Depositories Act, 1996. The Issuer shall take necessary steps to credit the Senior Tranche 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 Senior Tranche PTCs, and any subsequent purchaser, by purchasing the Senior Tranche 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 Senior Tranche 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 Senior Tranche 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 Senior Tranche PTCs;

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

(d) has legal ability to invest in the Senior Tranche 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 Vajra 004 Trust

Authorised Signatory
Date: December 28, 2023

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: Veritas Finance Private Limited				
Location	**Contact Person**	**Tel. No.**	**E-mail**	**Fax No.**
SKCL Central Square 1, South and North Wing, 7th Floor, Unit # C28 - C35, CIPET Road, Thiru Vi Ka Industrial Estate, Guindy, Chennai, Tamil Nadu – 600032	Mr. M Mahesh/ Ms. V. Aruna	044 – 4615 0011	treasury@veritasfin.in secretarial@veritasfin.in	+NA

Trustee – Catalyst Trusteeship Limited				
Location	**Contact Person**	**Tel. No.**	**E-mail**	**Fax No.**
Unit No-901, 9th Floor, Tower-B, Peninsula Business Park, Senapati Bapat Marg, Lower Parel (W), Mumbai-400013	Mr. Umesh Salvi	+91 22 4922 0506	umesh.salvi@ctltrustee.com	(022) 4922 0505

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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	Any PTC Applicant who has received an Allotment Advice
Allotment Advice	An advice issued on behalf of the Trust by the Trustee to an Applicant of PTC intimating such Applicant that its Application for PTC has been accepted.
Applicant or Subscriber	An Applicant who has made an Application for subscribing to the Certificate.
Application	The submission of a duly filled up and signed Application Form by a prospective investor to the Trustee.
Application Form	The form annexed hereto and marked as **Annexure 3.**
Application Money	The monies paid by any potential investor to the Trust for the purposes of subscribing to the Senior Tranche PTCs.
Beneficiary(ies)/ Pass Through Certificate Holder(s)/ PTC Holder(s)/ Certificate Holder(s)/ Investors	The Persons who are eligible to subscribe to and hold and who shall subscribe to or be the holders of the PTCs from time to time, and shall include, without any limitation, the Investor(s) and Senior Tranche Investor(s) / Senior Tranche PTC Holder(s) and the Equity Tranche Investor(s) / Equity Tranche PTC Holder(s).
BSE	Means BSE Limited.
Business Day	A day which is not a Saturday, Sunday or a Public Holiday for banks at Mumbai, India and "Business Days" shall be construed accordingly.
Cash Collateral	The facility to be provided / cause to be provided by the Cash Collateral Provider to the extent of Rs. 8,76,52,411/- (Rupees Eight Crores Seventy Six Lakhs Fifty Two Thousand Four Hundred and Eleven only) being equal to 5% (Five Percent), which shall be in the form of fixed deposits, which Cash Collateral shall provide a protection to any shortfalls in the monies available to meet the Investor Payouts. The Cash Collateral is to be provided in the form of fixed deposits deposited by the Cash Collateral Provider in the Cash Collateral Account.
Cash Collateral Account	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 acting for and on behalf of the Trust and 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 utilisation of the Cash Collateral or any part thereof, the balance amount of the Cash Collateral and top-up amount received, if any, shall be re-deposited in a fixed deposit account. It is clarified 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 and top-up received, if any.
Cash Collateral Provider	The entity or entities who is / are providing the Cash Collateral under the terms of the Transaction Documents and shall currently mean the Seller.
Cash Collateral Bank	ICICI Bank Limited acting through its BKC branch in Mumbai.
Certificate Register	The register of the Investors agreed to be maintained by the Trustee or its agent.
Collection and Payout Account/	An account opened and maintained by the Trustee in the name of the Trust with the Designated Bank and operated under the signature of the Trustee into which the

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CPA	subscription amounts collected from the Investors, 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, 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.
Credit Enhancement	As set out in Clause 3.7
Cut-Off Date	The date as on which the Seller has provided information with regard to the pool of Receivables originated/ owned by the Seller under the Loan Agreements and is November 30, 2023 and the date on which the Receivables are determined based on the selection criteria set out in **Annexure IV** hereto and in Paragraph 6.1 of this Information Memorandum
Deed of Assignment	The deed to be executed by and between Veritas Finance Private Limited as the Seller, Veritas Finance Private Limited as the Servicer and Catalyst Trusteeship Limited in its capacity as the Trustee on behalf of the Trust whereby Seller is duly assigning the Receivables absolutely together with all the other rights and benefits therein including the security interest in the Underlying Assets excluding Mortgage Security Interest to the Trust for the benefit of the PTC Holders, in consideration of receipt of the Purchase Consideration.
Deemed Date of Allotment	The date on which the PTCs shall be deemed to have been allotted to the Investors, being the 28th day of December, 2023.
Depository	NSDL Database Management Limited
Designated Bank	ICICI Bank Limited, acting through its branch located at Bandra Kurla Complex, Mumbai
Determination Date	The day falling 15 (Fifteen) Business Day(s) prior to any Payout Date.
Discretionary Audit	An audit conducted by the Trustee, or any other party appointed by the Trustee and / or the Investors, 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 and for the purposes of the same, the Trustee shall intimate the Servicer in writing, at least 7 (Seven) Business Days prior to the day on which such Discretionary Audit is scheduled to be conducted
Due Diligence Auditor or DDA	Sukumar & Sandip, Chartered Accountants, having its office at Chengalpattu or such other firm of chartered accountants as may be mutually agreed to between the Seller and the Trustee
Equity Tranche Investor / Equity Tranche PTC Holder	shall mean 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 Senior Tranche Investor Payouts payable on the Senior Tranche PTCs, the right, title and interest in relation to which shall be held by the Senior Tranche PTC Holder) and shall mean the Seller
Equity Tranche Investor Payouts	shall mean the amounts payable to the Equity Tranche Investors on the applicable Payout Dates mentioned in **Annexure 2** hereto and as may be revised from time to time in accordance with the Transaction Documents, whether on account of Prepayment, Part Prepayment or otherwise. The Equity Tranche Investor Payouts

	will made only to the Seller, who is holding the Equity Tranche PTCs towards the Minimum Retention Requirement under the RBI Securitisation Guidelines
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 PTCs / Equity Tranche Pass Through Certificates	shall mean 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 Senior Tranche PTCs)
Equity Tranche PTC Subscription Amount	The amount payable by the Seller to the Trust for subscribing to Equity Tranche PTCs and shall be equal to Rs. 15,77,48,215/- (Rupees Fifteen Crores Seventy Seven Lakhs Forty Eight Thousand Two Hundred and Fifteen Only)
Equity Tranche Yield	shall mean the yield / coupon payable to the Equity Tranche PTC Holders and shall be the monies which remain after making payments as per the 'Payment Waterfall' hereinbelow.
Excess Interest Spread (EIS)	the excess spread arising due to the difference between the interest amounts on the Loans and the Senior Tranche Yield payable to the holders of the Senior Tranche PTCs
Investor Payout	with respect to each Payout Date shall mean the amounts payable to the 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 Prepayments, Part Prepayments or otherwise and include Senior Tranche Investor Payouts and Equity Tranche Investor Payouts. The Investor Payouts will be made only to the Investors whose name appear in the Register of PTCs as on the Determination Date of the month in which the respective Investor Payout is being made
Issue Closing Date	The last date for receiving applications from prospective investors for subscribing to the Certificates
Issue Opening Date	December 28, 2023
Loan Agreement/ Loan Contract	The loan agreement(s) being 5,680 (Five Thousand Six Hundred and Eighty) 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) against the security of the Underlying Assets
Loans	The facilities granted by the Seller to the Obligors on the terms and conditions set out in the Loan Agreements.
Majority Consent	The decision taken by the Investors holding Majority Interest, which decision will be binding on the Trustee.
Majority Interest	Means: (a) until the time any Senior Tranche A1 PTC, are outstanding, the Senior Tranche A1 PTC Holders holding not less than 75% (Seventy Five percent) of the face value of the then outstanding Senior Tranche A1 PTCs; (b) after the redemption of all the Senior Tranche A1 PTCs in full so long as the Senior Tranche A2 PTCs are outstanding, the Senior Tranche A1 Holders, holding 75% (Seventy Five percent) of the face value of the then outstanding principal value of the Senior Tranche A2 PTCs; and (c) after the redemption of all the Senior Tranche A2 PTCs in full so long as the Equity Tranche PTCs are outstanding, the Equity Tranche Holders, holding 75% (Seventy Five percent) of the face value of the then outstanding principal value of the Equity Tranche PTCs.

Monthly Report or Report	The report to be provided each month by the Servicer to the Trustee, in terms of the Deed of Assignment.
Mortgage Security Interest	Means the security interest created by way of a mortgage, in any form, including by way of deposit of title deeds or by way of a registered mortgage, which security interest has been created by the Obligor(s) or any third person on behalf of the Obligor(s), in favour of the Seller, over any immovable property, as security for repayment of the Loan availed of by the said Obligor(s);
NA	Not Applicable
Obligor/ Borrower	A person who has availed of a Loan from the Seller against the security of the Underlying Assets 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.
Payout Date	The dates mentioned in the **Annexure 2** hereto;
PTC or Pass Through Certificate	All or any of the certificates, to be issued by the **Trust**, to prospective investors and which certificates shall be listed on the Stock Exchange as securitised debt instruments under the SEBI PTC Listing Regulations and pursuant to which the prospective investor, 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. The PTCs shall be the Senior Tranche PTCs and the Equity Tranche PTCs, as the context may require;
Part Prepayment	the payment of any instalment by an Obligor prior to its Due Date and which is not a Prepayment
Payout Date	Means the date 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 respective Investors
Prepayment Proceeds	the amounts paid by the Obligor to the Servicer or realised by the Servicer on the happening of Prepayment or Part Prepayment
Public Holiday	A public holiday (including Sunday) for the purpose of Section 25 of the Negotiable Instruments Act, 1881 (26 of 1881), at Mumbai
Purchase Consideration	The amount of Rs. 175,30,48,215/- (Rupees One Hundred and Seventy Five Crores Thirty Lakhs Forty Eight Thousand Two Hundred and Fifteen Only) payable to the Seller of the Assets
Rating Agency	CRISIL Limited
RBI Securitisation Guidelines	The guidelines issued 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* notification number RBI/DOR/2021-22/85 and 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	The aggregate of all amounts payable to the Seller by the Obligors from the Transfer Date, pursuant to the Loan Agreements, including without limitation: (i) all scheduled loan installments; (ii) overdue interest and principal installments; (iii) interest and additional interest; (iv) overdue charges;

	(v) amounts received on account of Prepayment or Foreclosure and premia on full Prepayment, Prepayment Proceeds, proceeds received on foreclosure (including the Prepayment Proceeds received prior to the Transfer Date but after the Cut-off Date); (vi) stamp duty costs, charges, expenses, taxes, duties, levies and imposts and overdue charges excluding goods and service tax, liquidated damages from the Borrowers; (vii) insurance proceeds, if any; and (viii) amounts received on account of partial payments (howsoever described), between the Cut-Off Date and the Transfer Date; Any outstanding receivables due from the Obligor prior to the Transfer Date shall not be a part of the Receivables.
Register of PTCs	The register of beneficial owners as maintained by the relevant depository and as per the SEBI PTC Listing Regulations;
Registrar and Transfer Agent	NSDL Database Management Limited having its offices at 4th Floor, Trade World A Wing, Kamala Mills Compound, Senapati Bapat Marg Lower Parel, Mumbai – 400 013;
Residual Beneficiary	The Seller
SEBI PTC Listing Regulations	The SEBI (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, as amended/ supplemented/ replaced from time to time and the Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper issued by SEBI bearing reference number SEBI/HO/DDHS/PoD1/P/CIR/2023/119 dated August 10, 2021 as amended / supplemented / replaced from time to time;
Seller or Originator	Veritas Finance Private Limited
Semi-Annual Report	The report to be provided on the Deemed Date of Allotment 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)
Senior Tranche Investor or **Senior Tranche PTC Holder**	Senior Tranche A1 Investor and/or Senior Tranche A2 Investor, as the context may require.
Senior Tranche Investor Payouts	Senior Tranche A1 Investor Payouts and/or Senior Tranche A2 Investor Payouts, as the context may require.
Senior Tranche Principal	Senior Tranche A1 Principal and/or Senior Tranche A2 Principal, as the context may require.
Senior Tranche PTCs / Senior Tranche Pass Through Certificates	Senior Tranche A1 PTCs and/or Senior Tranche A2 PTCs, as the context may require.
Senior Tranche PTC Subscription Amount	Senior Tranche A1 PTC Subscription Amount and Senior Tranche A2 PTC Subscription Amount.

Senior Tranche Yield	Senior Tranche A1 Yield and/or Senior Tranche A2 Yield, as the context may require
Senior Tranche A1 Investor / Senior Tranche A1 PTC Holder / Series A1 Investor / Series A1 PTC Holder	The Persons who are eligible to subscribe to or hold and subscribe to or acquire, the Senior Tranche A1 PTCs thus entitling them to undivided beneficial right, title and interest in the Assets (other than to the extent of the Senior Tranche A2 Investor Payouts payable on the Senior Tranche A2 PTCs and the Equity Tranche Investor Payouts payable on the Equity Tranche PTCs)
Senior Tranche A2 Investor / Senior Tranche A2 PTC Holder / Series A2 Investor / Series A2 PTC Holder	The Persons who are eligible to subscribe to or hold and subscribe to or acquire, the Senior Tranche A2 PTCs thus entitling them to undivided beneficial right, title and interest in the Assets (other than to the extent of the Senior Tranche A1 Investor Payouts payable on the Senior Tranche A1 PTCs and the Equity Tranche Investor Payouts payable on the Equity Tranche PTCs).
Senior Tranche A1 Investor Payouts / Series A1 Investor Payouts	The amounts payable to the Senior Tranche A1 Investors on the applicable Payout Dates mentioned in **Annexure 2** hereto and as may be revised from time to time in accordance with the Transaction Documents, whether on account of prepayment or part prepayment or otherwise.
Senior Tranche A2 Investor Payouts / Series A2 Investor Payouts	The amounts payable to the Senior Tranche A2 Investors on the applicable Payout Dates mentioned in **Annexure 2** hereto and as may be revised from time to time in accordance with the Transaction Documents, whether on account of prepayment or part prepayment or otherwise.
Senior Tranche A1 PTCs / Senior Tranche A1 Pass Through Certificates / Series A1 PTCs / Series A1 Pass Through Certificates	A Certificate described as Senior Tranche A1 PTC issued by the Trust and entitling the holder thereof to the Senior Tranche A1 Investor Payouts which comprises of the Receivables. The holding of a Senior Tranche 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 Senior Tranche A2 PTCs and the Equity Tranche PTCs). The Senior Tranche A1 PTCs shall be listed on BSE as securitised debt instruments under the SEBI PTC Listing Regulations.
Senior Tranche A2 PTCs/ Senior Tranche A2 Pass Through Certificates / Series A2 PTCs/ Series A2 Pass Through Certificates	A Certificate described as Senior Tranche A2 PTC issued by the Trust and entitling the holder thereof to the Senior Tranche A2 Investor Payouts which comprises of the Receivables. The holding of a Senior Tranche A2 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 Senior Tranche A1 PTCs and the Equity Tranche PTCs). The Senior Tranche A2 PTCs shall be listed on BSE as securitised debt instruments under the SEBI PTC Listing Regulations.
Senior Tranche A1 PTC Subscription Amount / Series A1 PTC Subscription Amount	The amount payable by the Prospective Investor to the Trust for subscribing to Senior Tranche A1 PTCs and shall be equal to Rs. 107,83,00,000/- (Rupees One Hundred and Seven Crores Eighty Three Lakhs Only).
Senior Tranche A2 PTC Subscription Amount / Series A2 PTC Subscription Amount	The amount payable by the Prospective Investor to the Trust for subscribing to Senior Tranche A2 PTCs and shall be equal to Rs. 51,70,00,000/- (Rupees Fifty One Crores and Seventy Lakhs Only).

Senior Tranche A1 Yield / Series A1 Yield	The yield payable to the Senior Tranche A1 PTC Holders and shall be fixed rate of 9.55% (Nine Decimal Point Five Five Percent) per annum payable monthly.
Senior Tranche A2 Yield / Series A2 Yield	The yield payable to the Senior Tranche A2 PTC Holders shall be fixed rate of 9.95% (Nine Decimal Point Nine Five Percent) per annum payable monthly.
Servicer	Veritas Finance Private Limited
Servicer Replacement Event	Means: (a) until the Senior Tranche A1 PTCs are outstanding: (i) the downgrading of the rating of the Servicer to 'A' or below by any SEBI accredited rating agency; and/or (ii) the downgrading of the rating of the Senior Tranche A1 PTCs to AA+ (SO) or below, by any rating SEBI accredited rating agency; (b) after the redemption of all the Senior Tranche A1 PTCs in full so long as the Senior Tranche A2 PTCs are outstanding, (i) the downgrading of the rating of the Servicer to 'A' or below by any SEBI accredited rating agency; and/or (ii) the downgrading of the rating of the Senior Tranche A2 PTCs to AA- (SO) or below, by any rating SEBI accredited rating agency;
Stock Exchange	BSE Limited
Transaction	The securitisation transaction contemplated in this information memorandum;
Transaction Documents	Any or more of the following, as the context may require: (c) Trust Deed. (d) Deed of Assignment; (e) this Information Memorandum; (f) documents executed in relation to the Credit Enhancement; (g) Pass Through Certificates; (h) Power of Attorney executed by the Seller in favour of the Trustee; and includes without limitation, any agreement, instrument, undertaking, indenture, deed, writing or other document (whether financing, security or otherwise) executed or entered into, or to be executed or entered into, by the Seller in relation, or pertaining, to the transactions contemplated by or under any Transaction Document.
Transfer Date	The date from which the Receivables due under the Loan Agreements will belong to the Trust, and shall be December 28, 2023.
Trust Deed	The declaration of trust executed by Catalyst Trusteeship Limited acting in its capacity as both settlor and trustee on December 15, 2023 pursuant to which the Trust has been created.

Underlying Assets	All the assets in respect of which / over which the Underlying Security has been created. The Underlying Assets for the pool of Receivables being assigned in terms of the Deed of Assignment comprises of immovable property (whether residential/dwelling units).
Underlying Documents	All the documents, instruments and records pertaining to the Receivables and the Underlying Security, including but not limited all Loan Agreements, post-dated cheques (as applicable), guarantees (as applicable), mortgage deeds (as applicable), title deeds (as applicable), memoranda of entry and declarations (as applicable), warranties (wherever applicable), copies of adequate insurance documents (as applicable) and demand promissory notes (as applicable)
Underlying Security	The security of any kind or nature whatsoever having the effect of creating security, charge or encumbrance or any interest, as the context may require, which has been created/caused to be created by the relevant Obligor in favour of the Seller over, to secure the repayment of the Loan availed of by the said Obligor from the Seller and shall include the Mortgage Security Interest, the rights and benefits to which shall continue to be held by the Seller in trust and only for the Investors.
Waterfall Mechanism	The method for appropriation of the amounts collected as more particularly set out in Clause 3.12 hereinbelow; and
Yield/Coupon	The Senior Tranche A1 Yield in relation to the Senior Tranche A1 PTCs and/or the Senior Tranche A2 Yield in relation to the Senior Tranche A2 PTCs and/or the Equity Tranche Yield / Equity Tranche Coupon in relation to the 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 (as defined hereinafter) comprise of *inter alia* loan receivables arising from the loan facilities extended by the Originator, in the ordinary course of business through asset finance extended by the Seller to the Obligors for various business activities.

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 asset securitisation involves sale of specific receivables to a Special Purpose Vehicle (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. 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. Cash flows as and when they are received are passed on to the investors. Features of securitisation transactions include:

(a) Absolute and valid 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) Vajra 004 Trust (**"Trust"**) is proposed to be set up as a special purpose trust, 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 over the Underlying Security excluding Mortgage Security Interest (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 Pass Through Certificates (PTCs). The Senior Tranche PTCs shall be listed in terms of the SEBI PTC Listing Regulations.

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(e) The Senior Tranche A1 Investor shall be entitled to obtain the Senior Tranche A1 Yield together with the principal amount of the Senior Tranche A1 PTCs. The Senior Tranche A1 PTCs would be issued in dematerialised form and shall be listed on BSE as securitised debt instruments under the SEBI PTC Listing Regulations, within 4 (Four) trading days from the Issue Closing Date. The Senior Tranche A2 Investor shall be entitled to obtain the Senior Tranche A2 Yield together with the principal amount of the Senior Tranche A2 PTCs. The Senior Tranche A2 PTCs would be issued in dematerialised form and shall be listed on BSE as securitised debt instruments under the SEBI PTC Listing Regulations, within 3 (Three) trading days from the Issue Closing Date.

(f) The Originator will provide or cause to be provided certain credit enhancement in relation to the Assets which will be in line with the recommendations set out by the Rating Agency for achieving the rating for the Senior Tranche PTCs.

(g) To meet the minimum retention requirement ("**MRR**") stipulated by the Reserve Bank of India ("**RBI**"), in relation to the Assets being sold, the Originator is:

(i) Providing Cash Collateral which amounts to 5% (Five Percent) of the principal portion of the Receivables; and

(ii) Investing in the Equity Tranche PTCs to the extent of 9% (Nine Percent) of the principal portion of the Receivables.

(h) Veritas Finance Private 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.

(i) Claims or rights of the Investors 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, irrespective of the date on which the Application Money shall have been paid by them. The rights of the Seller in relation to the Equity Tranche PTCs shall, however, be subordinated to the rights of the Investors to the Senior Tranche PTCs, as more particularly set out in the Waterfall Mechanism.

(j) Each PTCs of a particular series or tranche (i.e. Senior Tranche A1 PTC, Senior Tranche A2 PTC and Equity Tranche PTCs), will evidence the Investor's respective *pro-rata* share and undivided beneficial interest in the Assets on a *pari-passu* basis with other Investors of that series or tranche.

(k) The Senior Tranche A1 PTCs have been assigned a provisional rating of AAA (SO) and the Senior Tranche A2 have been assigned a provisional rating of AA (SO) by the Rating Agency. The rating rationale of the Rating Agency 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.

(l) The Seller will have the option to repurchase the Receivables pertaining to the performing contracts any time after the outstanding Receivables decline to 10% (Ten Percent) or below of the initial pool balance, 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 Investors 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 Yield as more particularly set out under Annexure 2 hereto,
Issuer	Vajra 004 Trust

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Originator / Seller	Veritas Finance Private Limited
Trustee	Catalyst Trusteeship Limited
Credit Enhancement Provider	Veritas Finance Private Limited
Designated Bank	ICICI Bank Limited acting through its branch located at Bandra Kurla Complex in Mumbai
Servicer	Veritas Finance Private Limited
Rating Agency	CRISIL Limited
Legal Counsel	Wadia Ghandy & Co.
Obligors	Obligors are the borrower(s) who have taken Loans for various business activities.
Receivables	Pool of Receivables pertaining to MSME loans originated by Veritas Finance Private Limited, the principal outstanding of which aggregates to Rs. 175,30,48,215/- (Rupees One Hundred and Seventy Five Crores Thirty Lakhs Forty Eight Thousand Two Hundred and Fifteen Only) as on the Cut-Off Date. The details of the Receivables are more particularly provided in Annexure 6 herein;
Structure	Par
Aggregate Pool Principal	Rs. 175,30,48,215/- (Rupees One Hundred and Seventy Five Crores Thirty Lakhs Forty Eight Thousand Two Hundred and Fifteen Only) as on Cut-Off Date
Aggregate Pool Cashflows	Rs. 254,51,81,422/- (Rupees Two Hundred and Fifty Four Crores Fifty One Lakhs Eighty One Thousand Four Hundred and Twenty Two Only) as on Cut-Off Date.
Aggregate Excess Interest Spread (Net)	Rs. 55,05,10,716/- (Rupees Fifty Five Crores Five Lakhs Ten Thousand Seven Hundred and Sixteen Only) as on Cut-off Date.
Equity Tranche PTC Subscription Amount	Rs. 15,77,48,215/- (Rupees Fifteen Crores Seventy Seven Lakhs Forty Eight Thousand Two Hundred and Fifteen Only)
Senior Tranche A1 PTC Subscription Amount	Rs. 107,83,00,000/- (Rupees One Hundred and Seven Crores and Eighty Three Lakhs Only)
Senior Tranche A2 PTC Subscription Amount	Rs. 51,70,00,000/- (Rupees Fifty One Crores and Seventy Lakhs Only)
Cut-off Date	November 30, 2023
Transfer Date	December 01, 2023
PTCs	Senior Tranche PTCs and Equity Tranche PTCs
Purchase Consideration	Rs. 175,30,48,215/- (Rupees One Hundred and Seventy Five Crores Thirty Lakhs Forty Eight Thousand Two Hundred and Fifteen Only)
Rating of Senior Tranche A1 PTCs	AAA (SO) by CRISIL Limited for Senior Tranche A1 PTCs
Rating of Senior Tranche A2 PTCs	AA (SO) by CRISIL Limited for Senior Tranche A2 PTCs
Rating of Equity Tranche PTCs	Unrated
Servicer Fees	0.10% (Zero Decimal Point One Zero percent) of the principal and interest Receivables to be collected in every Collection Month
Equity Tranche Yield	Excess Interest Spread which remains after reinstating the Credit Enhancement, the monies which remain after making payment as per '*Payment Waterfall*' hereinbelow
Senior Tranche A1 Yield	9.55% (Nine Decimal Point Five Five Percent) per annum payable monthly payable on Payout Dates
Senior Tranche A2 Yield	9.95% (Nine Decimal Point Nine Five Percent) per annum payable monthly payable on Payout Dates
Face Value of Senior	As set out in the Annexure 1.

Tranche PTCs	
Redemption Amount in relation to Senior Tranche A1 PTCs	Face value plus yield at Senior Tranche A1 Yield for Senior Tranche A1 PTCs together with default interest if any. The Redemption Amounts for Senior Tranche A1 PTCs shall be as set out in **Annexure 1** hereto.
Redemption Amount in relation to Senior Tranche A2 PTCs	Face value plus yield at Senior Tranche A2 Yield for Senior Tranche A2 PTCs together with default interest if any. The Redemption Amounts for Senior Tranche A2 PTCs shall be as set out in **Annexure 1** hereto.
Yield Type	Fixed
Default Charges	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% (Two Percent) (over and above the Yield) per annum 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.
Ascertainment Date	The date falling 1 (One) Business Day prior to each Payout Date.
Aggregate Cashflows	As set out in Annexure 2.
Form of Credit Enhancement	The Credit Enhancement would comprise of: ➢ The Excess Interest Spread; ➢ Investment by the Seller in the Equity Tranche PTCs; and ➢ Cash Collateral
Utilisation of Credit Enhancement	The Credit Enhancement will be utilised 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; ➢ Second, the Receivables representing the Equity Tranche PTCs; and ➢ Then, the Cash Collateral. 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 Investors and with prior written intimation to the Rating Agency. Provided however that, the EIS may reduce on account of amortisations.
Payment Mechanism	Veritas Finance Private Limited will continue to service the pool as the Servicer. The collections of month (M), will be deposited into the CPA in month (M+1), 1 (One) Business Day prior to 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 or Part Prepayment) due to the Investors, the Credit Enhancement 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 in the CPA and the amounts available in the CPA shall be utilised by the Trustee for making the payments due in terms of the Waterfall Mechanism.
Payment Waterfall /	(a) On the relevant Payout Date, proceeds realized from the Receivables in the

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Waterfall Mechanism	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: (i) Till such time as the Senior Tranche A1 PTCs are outstanding, the priority in which payments shall be made is as follows: A. For the payment of any statutory or regulatory dues; B. For the payment of the Servicer's Fees, any expenses incurred by the Servicer or alternative servicer (other than the expenses to be borne by the Servicer, or the alternate servicer, as set out in the Transaction Documents) or the Trustee or Trust or any fees payable to the Rating Agency, Trustee, Due Diligence Auditor, legal counsel and/or the Designated Bank; provided that if the Seller has undertaken to bear any of the aforesaid expenses, the Trustee shall make a claim on the Seller upon making such payments pursuant hereto; C. For payment of overdue Senior Tranche A1 Yield and Senior Tranche A2 Yield payments due in respect of the Senior Tranche A1 PTCs and Senior Tranche A2 PTCs, respectively, on a *pari passu* basis, together with any Carryforward Charges payable in relation thereto; D. For payment of current Senior Tranche A1 Yield and Senior Tranche A2 Yield on a pari passu basis to the Investors; E. For payment of 91% (Ninety One Percent) of the scheduled principal portion of the Receivables to be paid to Senior Tranche A1 Investors (including for the avoidance of doubt, any corresponding unpaid expected principal payouts to Senior Tranche A1 PTCs from earlier Collection Month(s)) F. For payment of 9% (Nine Percent) of the expected principal portion of the Receivables to be paid to Senior Tranche A1 Investors (including for the avoidance of doubt, any corresponding unpaid expected principal payouts to Senior Tranche A1 PTCs from earlier Collection Month(s)); G. Any amounts received towards Prepayments to be utilized for payment of principal portion of the Senior Tranche A1 PTCs; H. For reinstatement of the Credit Enhancement in accordance with the terms of the Deed (to the extent drawn on any Payout Date and not reimbursed already); I. The residual amount shall be utilized in the following manner: 1) 30% (Thirty Percent) of such residual amounts shall be utilized for making payment of the principal portion of the Senior Tranche A1 PTCs; and 2) Balance amounts shall be utilized for making

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payment of the Equity Tranche Yield to the Seller.

(ii) On redemption of Senior Tranche A1 PTCs in full, the priority in which payments shall be made is as follows:

A. For the payment of any statutory or regulatory dues;

B. For the payment of the Servicer's Fees, any expenses incurred by the Servicer or alternative servicer (other than the expenses to be borne by the Servicer, or the alternate servicer, as set out in the Transaction Documents) or the Trustee or Trust or any fees payable to the Rating Agency, Trustee, Due Diligence Auditor, legal counsel and/or the Designated Bank; provided that if the Seller has undertaken to bear any of the aforesaid expenses, the Trustee shall make a claim on the Seller upon making such payments pursuant hereto;

C. For payment of overdue Senior Tranche A2 Yield payments due in respect of the Senior Tranche A2 PTCs, together with any Carryforward Charges payable in relation thereto;

D. For payment of current Senior Tranche A2 Yield due in respect of the Senior Tranche A2 PTCs;

E. For payment of 91% (Ninety One Percent) of the scheduled principal portion of the Receivables to be paid to Senior Tranche A2 Investors (including for the avoidance of doubt, any corresponding unpaid expected principal payouts to Senior Tranche A2 PTCs from earlier Collection Month(s));

F. For payment of 9% (Nine Percent) of the expected principal portion of the Receivables to be paid to Senior Tranche A2 Investors (including for the avoidance of doubt, any corresponding unpaid expected principal payouts to Senior Tranche A2 PTCs from earlier Collection Month(s));

G. Any amounts received towards Prepayments to be utilized for payment of the principal on the Senior Tranche A2 PTCs;

H. For reinstatement of the Credit Enhancement in accordance with the terms of the Deed (to the extent drawn on any Payout Date and not reimbursed already);

I. The residual amount shall be utilized in the following manner:

1) 30% (Thirty Percent) of the said residual amounts shall be utilized for making payment of the principal portion of the Senior Tranche A2 PTCs; and

2) Balance amounts shall be utilized for making payment of the Equity Tranche Yield to the Seller

(iii) On redemption of Senior TranchePTCs in full and till such time Equity Tranche PTCs are outstanding, the priority in which payments shall be made is as follows:

A. For the payment of any statutory or regulatory dues;

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B. For the payment of the Servicer Fees, any expenses incurred by the Servicer or alternate servicer (other than the expenses to be borne by the Servicer, or the alternate servicer, as set out in the Transaction Documents) or Trustee or Trust or any fees payable to the Rating Agency, Trustee, Due Diligence Auditor, legal counsel and/or the Designated Bank; provided that if the Seller has undertaken to bear any of the aforesaid expenses, the Trustee shall make a claim on the Seller upon making such payments pursuant hereto;

C. For payment of expected principal portion of the Equity Tranche Principal (including for the avoidance of doubt, any unpaid expected principal payouts to Equity Tranche PTCs from earlier Collection Month(s));

D. Any residual amount shall be paid to the Seller

(b) Notwithstanding anything contained in the Deed of Assignment and/or the other Transaction Documents, the Credit Enhancement (for making payouts in relation to Senior Tranche PTCs) shall be drawn upon and utilized in the following manner only:

(i) to meet any shortfall in the Senior Tranche Yield payouts to be made to Senior Tranche PTC Holders on any Payout Date;

(ii) to make payments of the principal outstanding on the Senior Tranche A1 PTCs as set out in paragraph (a) (i) (E) hereinabove, on any Payout Date; and

(iii) upon redemption of Senior Tranche A1 PTCs, to make payments of the principal outstanding on the Senior Tranche A2 PTCs as set out in paragraph (a) (ii) (E) hereinabove, on any Payout Date.

(c) Notwithstanding anything to the contrary contained in the Transaction Documents, in case of delay in listing of the Senior Tranche PTCs beyond 3 (Three) trading days from the Issue Closing Date (as identified in the Information Memorandum), the relevant Investors will be paid penal interest calculated on the principal outstanding of the Senior Tranche PTCs at the rate of 1% (One Percent) per annum which shall be payable over and above the Senior Tranche Yield rate from the Deemed Date of Allotment until the listing of such Senior Tranche PTCs, from the monies deposited in the Collection and Payout Account.

(d) Notwithstanding anything contained hereinabove, on the occurrence of a PTC Event of Default or the Servicer's Event of Default or the Servicer Replacement Event: (i) the Trustee shall accelerate the Senior Tranche Investor Payouts due to the Senior Tranche PTC Holders and no residual amounts shall be made to the Seller until the Senior Tranche PTCs are redeemed in full and any such residual amounts shall be utilised for accelerating the principal amounts due on the Senior Tranche PTCs. For the sake of abundant caution, it is clarified that once payment of the residual Excess Interest Spread and Equity Tranche Investor Payouts have been made to the Seller as per Clause 5.8 of the Deed of Assignment, the amounts so paid, shall not be available to the Trust for meeting shortfalls in any future payouts to the Investors.

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	(e) After all the Investor Payouts are made in full, if there are any surplus amounts lying to the credit of the Collection and Payout Account or any balance Receivables to be collected from the Obligors, the right, title and interest in relation thereto shall belong to the Seller and the Seller and the Trustee agree and undertake to execute any document(s) as may be required for the said purpose. (f) It is clarified that the Credit Enhancement including the Excess Interest Spread shall be utilised solely for the purposes of meeting any shortfalls in the Investor Payouts (as per terms of the Deed of Assignment and/or Transaction Documents) to the extent that the same is caused as a result of a shortfall in the collection of Receivables from the underlying Loan Agreements or on account of the Servicer not depositing these collected Receivables in the Collection and Payout Account, and 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.
Prepayments	Means: ➢ the early payment by an Obligor of all the balance (including interest and principal) outstanding on that Loan Agreement, whether voluntarily or pursuant to appropriate court orders or arbitration awards; or ➢ foreclosure of a Loan Agreement due to repossession and sale of the Underlying Assets by the Servicer; or ➢ any realisations pursuant to any legal proceedings including arbitration proceedings instituted for recovery of moneys from the Obligor; or ➢ any realisations from insurance on loss/ destruction of the Underlying Assets; or ➢ any realisations from invocation of guarantees provided by the Obligors or any other person in relation to the Loan Agreement, if any.
Prepayment Amount	The amounts payable to the Investors on the Payout Date in the event of any Prepayment or Part Prepayment, which shall be equivalent to the principal cashflows due under the Loan Agreement(s) in relation to which the Prepayment(s) or Part Prepayment(s) have occurred. The Prepayment Amounts shall be distributed to the Investors in terms set out in the Transaction Documents.
Prepayment Proceeds	The amounts paid by the Obligor to the Servicer or realised by the Servicer on the happening of Prepayment or Part Prepayment.
Clean-up Call Option	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% (Ten Percent) of the aggregate principal of the pool of Receivables 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. An exercise of such a clean up call will be treated as a Prepayment for the purposes of making payouts to the Beneficiaries under the Transaction Documents. Such re-purchase shall be conducted at arm's length, on market terms and conditions (including price / fee) and shall be subject to the Seller's normal credit approval and

	review processes. The right of the Seller to repurchase such fully performing Assets shall be exercised at its sole discretion. This option can be exercised only if the Credit Enhancement available at such time is more than the amount of non-performing facilities so that the said part of Credit Enhancement shall be used to make payment to the Trust with respect to the non-performing facilities to the full extent.
Any class or tranche not being offered to public	The PTCs are privately placed and are not offered to the public.
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
Possibility of extension or shortening of period of PTC	Upon the delay in payments by the Obligor, the tenor of the PTCs may be increased.
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 Clause 2.3 herein. Therefore, the PTC may be prepaid on account of the any Prepayment and/or Part Prepayment and/or foreclosure of the Loans.
First Payout Date	As set out in Annexure 1.
Last Payout Date/Maturity Date	As set out in Annexure 1.

2.4 PRINCIPAL TERMS OF THE SENIOR TRANCHE PTCS

Issue Opening Date	December 28, 2023
Issue Closing Date	December 28, 2023
Deemed Date of Allotment	December 28, 2023
First Payout Date	January 20, 2024
Last Payout Date (Expected) in relation to Equity Tranche PTCs	July 20, 2027
Last Payout Date (scheduled) in relation to Equity Tranche PTCs	June 20, 2029
Last Payout Date (Expected) in relation to Senior Tranche A1 PTCs	January 20, 2026
Last Payout Date (Scheduled) in relation to Senior Tranche A1 PTCs	June 20, 2029
Last Payout Date (Expected) in relation to Senior Tranche A2 PTCs	January 20, 2027
Last Payout Date (Scheduled) in relation to Senior Tranche A2 PTCs	June 20, 2029
Expected Maturity in relation	43 (Forty Three) months

to Equity Tranche PTCs (in months)	
Expected Maturity in relation to Senior Tranche A1 PTCs (in months)	25 (Twenty Five) months
Expected Maturity in relation to Senior Tranche A2 PTCs (in months)	37 (Thirty Seven) months
Legal Final Maturity Date in relation to the PTCs (in months)	66 (Sixty Six) months
No. of Senior Tranche A1 PTCs	10,783 (Ten Thousand Seven Hundred and Eighty Three)
No. of Senior Tranche A2 PTCs	5,170 (Five Thousand One Hundred and Seventy)
No. of Equity Tranche PTCs	15,77,48,215 (Fifteen Crores Seventy Seven Lakhs Forty Eight Thousand Two Hundred and Fifteen)
Price Per Senior Tranche A1 PTC	Re. 1,00,000/- (Rupee One Lakh only)
Price Per Senior Tranche A2 PTC	Re. 1,00,000/- (Rupee One Lakh only)
Price Per Equity Tranche PTC	Re. 1/- (Rupee One only)
Minimum Subscription / Minimum Ticket Size for Equity Tranche PTC	Rs. 1,00,00,000/- (Rupees One Crore Only) i.e., Equity Tranche Investor has to acquire at least 1,00,00,000/- (One Crore) number of PTCs and multiples of 1 (One) thereafter.
Minimum Subscription / Minimum Ticket Size for Senior Tranche A1 PTC	Rs. 1,00,00,000/- (Rupees One Crore Only) (i.e., Senior Tranche A1 Investor (or transferee of a Senior Tranche A1 Investor) has to acquire at least 100 (Hundred) number of Senior Tranche A1 PTCs and multiples of 1 thereafter
Minimum Subscription / Minimum Ticket Size for Senior Tranche A2 PTC	Rs. 1,00,00,000/- (Rupees One Crore Only) (i.e., Senior Tranche A2 Investor (or transferee of a Senior Tranche A2 Investor) has to acquire at least 100 (Hundred) number of Senior Tranche A2 PTCs and multiples of 1 thereafter
Rating of Equity Tranche PTC	Unrated
Rating of Senior Tranche A1 PTC	AAA (SO)
Rating of Senior Tranche A2 PTC	AA (SO)

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2.5 RATING

The Rating Agency has given a provisional rating of AAA (SO) for Senior Tranche A1 PTCs and AA (SO) for Senior Tranche A2 PTCs. 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 Senior 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

The subscription period will open on December 28, 2023 and close on a date not later than December 28, 2023. 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 cheque/ demand draft payable high value in Mumbai by RTGS such that the credit is received no later than 2.00 p.m. on or prior to the day of closure of issue. The Deemed Date of Allotment for the Certificates shall be December 28, 2023 ("**Deemed Date of Allotment**").

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CHAPTER 3: THE TRANSACTION STRUCTURE

3.1 TRANSACTION STRUCTURE

(a) Veritas Finance Private 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) All 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 with Central Registry of Securitisation Asset Reconstruction and Security Interest of India has been done; or (ii) the first instalment of the relevant Loan has been repaid, whichever is later; and

(ii) all 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 with Central Registry of Securitisation Asset Reconstruction and Security Interest of India has been done; or (ii) the first instalment of the relevant Loan has been repaid, whichever is later;

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) The Originator shall assign and sell the Receivables together with the Underlying Security excluding Mortgage Security Interest to a Special Purpose Vehicle (SPV), which is a Trust, namely Vajra 004 Trust 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.

(c) The Trust will purchase the Assets from the Originator, by using the monies received from the Investors as advances for issuing the PTCs, and upon acquisition of the Assets issue the Senior Tranche Pass Through Certificates (Senior Tranche PTCs) to the Senior Tranche Investors and Equity Tranche PTCs to the Seller.

(d) To meet the minimum retention requirement ("**MRR**") stipulated by the Reserve Bank of India ("**RBI**"), in relation to the Assets being sold, the Seller shall provide:

(i) The Cash Collateral of Rs. 8,76,52,411/- (Rupees Eight Crores Seventy Six Lakhs Fifty Two Thousand Four Hundred and Eleven Only) which constitutes 5% (Five Percent) of the principal portion of the Receivables.

(ii) Investment by the Seller in the Equity Tranche PTCs to the extent of 9% (Nine Percent) of the principal portion of the Receivables.

(e) The Seller would also subscribe to the Equity Tranche PTCs so as to enable the Seller to maintain the MRR 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 BSE or any other stock exchange in India.

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

(g) The Senior Tranche A1 PTCs have been given a provisional rating of AAA (SO) and the Senior Tranche A2 PTCs have been given a provisional rating of AA (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

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provisional ratings.

(h) 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.

(i) The Trustee will open and operate the Collection and Payout Account (**CPA**).

(j) The Cash Collateral shall be available to the Trust for the benefit of the Investors at all times until the final scheduled Investor Payout is made to the Investors.

(k) 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.

(l) The Credit Enhancement for the PTCs, will comprise of the Excess Interest Spread, the investment by the Seller in the Equity Tranche PTCs and Cash Collateral, which Cash Collateral shall be provided by the Originator in such manner and to such extent as is required to ensure that the respective provisional rating of the Senior Tranche PTCs is confirmed by the Rating Agency.

(m) 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 Collection and Payout Account at least 1 (One) 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 monies deposited into the Collection and Payout Account and make the same available to the Trustee at least 2 (Two) Business Days prior to each Payout Date.

(n) 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 Transaction Documents and shall act as the Servicer in accordance with the provisions thereof.

(o) Out of the monthly instalments expected from the Obligors, the Investor Payouts have been arrived at and the same shall be paid to the Investor(s) on the specified Payout Dates.

(p) The Investor Payouts for the PTCs has been detailed in **Annexure 2**.

(q) The Seller will have the option to repurchase the Receivables pertaining to the performing contracts any time after the outstanding balance on the Receivables declines to 10% or below of the initial pool balance, at market terms and conditions. The exercise of this option would have the same effect as prepayments. Such re-purchase shall be conducted at arm's length, on market terms and conditions (including price / fee) and shall be subject to the Seller's normal credit approval and review processes. The right of the Seller to repurchase such fully performing Assets shall be exercised at its sole discretion. This option can be exercised only if the Credit Enhancement available at such time is more than the amount of non-performing facilities so that the said part of the Credit Enhancement shall be used to make payment with respect to the non-performing facilities to the full extent.

(r) 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 CPA as well as the outstanding Receivables and all right title and interest in relation thereto shall belong to the Seller.

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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

Senior Tranche Pass Through Certificates issued by Vajra 004 Trust:

10,783 (Ten Thousand Seven Hundred and Eighty Three) Senior Tranche A1 PTCs having a rating of AAA (SO) and 5,170 (Five Thousand One Hundred and Seventy) Senior Tranche A2 PTCs having a rating of AA (SO) by the Rating Agency.

Each Senior Tranche PTC represents a proportionate undivided beneficial 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 Seller) 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 Senior Tranche PTCs do not represent an interest or obligation of 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 nor are the Senior Tranche 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

(a) The collections of month (M), will be deposited into the CPA in month (M+1), 1 (One) Business Day prior to the Payout Date in the month M + 1.

(b) 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 preceding Business Day.

3.5 PAYMENT OF YIELD

The Senior Tranche A1 PTCs shall carry a fixed rate of yield of 9.55% (Nine Decimal Point Five Five Percent) per annum payable monthly on the Payout Dates as specified in **Annexure 2**; and

The Senior Tranche A2 PTCs shall carry a fixed rate of yield of 9.95% (Nine Decimal Point Nine Five Percent) per annum payable monthly on the Payout Dates as specified in **Annexure 2**.

3.6 PREPAYMENT AMOUNTS

(a) In the event of Prepayment or Part Prepayment of any underlying Loan, the Prepayment Amounts collected in any particular month shall be payable to the Investors on the Payout Date in the immediate succeeding month in accordance with the order laid out in the Transaction Documents. The future PTC principal cash flows shall be revised to the extent of the reduction in the future principal amounts on

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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 Investors and the Prepayment Proceeds received from the Obligors shall be made up by drawing from the Credit Enhancement.

3.7 CREDIT ENHANCEMENT

(a) Credit Enhancement shall be provided in form of:
- (i) Excess Interest Spread (EIS);
- (ii) Investment in Equity Tranche PTCs; and
- (iii) Cash Collateral

(b) The Cash Collateral (or any part thereof) shall be placed in the form of fixed deposit by the Originator with such bank as is acceptable to the Trustee acting in consultation with the Rating Agency. Other than the interest earned on the fixed deposits forming part of the Cash Collateral, 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. Notwithstanding anything contained in the Transaction Documents, Credit Enhancement shall not be utilised for making payment to Equity Tranche Investors with respect to the Equity Tranche PTCs.

(c) In case of any shortfall, the Credit Enhancement will be utilised in the following order:
- (i) First, Excess Interest Spread;
- (ii) Second, the Receivables representing the Equity Tranche PTCs; and
- (iii) Then, the Cash Collateral

(d) Utilisation of Excess Interest Spread

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 be available for meeting any shortfalls in the Investor Payouts to be made to the Investors 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 Investor Payouts or reinstatement of the Cash Collateral to the stipulated level, the said monies would be passed on to the Seller in accordance with the terms of the Deed of Assignment.

(e) Utilisation of Cash Collateral

The Cash Collateral would be utilised in the event of amounts collected being insufficient for making promised payments to the Senior Tranche Investors on the relevant Payout Dates.

(f) 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 to the Senior Tranche Investors. 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.

(g) 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/ Part 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/ Part Prepayments/ foreclosures. Therefore, the tenor of the PTC may be shortened on account of the Prepayment/ Part Prepayments/ foreclosures. Further, upon the delay in payments by the Obligor, the tenure of the PTCs may be increased. Further residual amounts shall be utilised for accelerating the principal amounts due on the Senior Tranche PTCs.

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 15 (Fifteen) 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, comply with the key pool selection criteria identified in the Annexure IV hereto and more particularly in Paragraph 6.1 below, and which in the opinion of the Trustee, are similar to the substituted Receivables as to the principal amount, maturity, interest and equal monthly instalments; or

(ii) repurchase those Receivables by credit to the Collection and Payout Account of an amount equal to the Purchase Consideration (corresponding to such Receivables) minus the amounts already paid to the Investors towards the Investor Payouts (corresponding to such Receivables), along with interest thereon at 2% (Two Percent) (over and above the Yield) from the date of expiry of the Cure Period till the date of repurchase by the Seller.

(b) The Seller must either substitute or repurchase as directed by the Trustee within 30 (Thirty) days of being notified by the Trustee or such shorter timeline required under applicable law. For the avoidance of doubt, so long as no repurchase has been effected under Clause 3.10(a)(ii) above interest as set out thereunder will continue to accrue;

(c) Any remedy of the Trustee in terms of this Clause 3.10 shall be exercised not later than 120 days from

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the date of execution of the Deed of Assignment.

3.11 CASH FLOW APPROPRIATION AND DISTRIBUTION

(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 1 (One) Business Day prior to the Payout Date in the subsequent calendar month.

(b) Investor Payouts determination

(i) The Monthly Report for each calendar month will be submitted by the Servicer to the Trustee latest by 2 (Two) Business 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 the Investor Payouts to be paid on the Payout Date to the Investors 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 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 being day falling 15 (Fifteen) Business Day(s) prior to any Payout Date.

3.12 WATERFALL MECHANISM

The Waterfall mechanism shall be as set out under the entry *Payment Waterfall* in Clause 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 WITHHOLDING TAXES

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

3.15 DUE DILIGENCE AUDIT

Due Diligence Auditor shall conduct a sample audit of 10% (Ten Percent) 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.

3.16 REPRESENTATIONS AND WARRANTIES

The Seller shall make all the representations and warranties in relation to the Assets as are standard and

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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

3.17 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.

3.18 EFFECT OF PREPAYMENTS

(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. A foreclosure may occur *inter alia* on account of the Servicer repossessing the Underlying Asset financed by a Loan and selling the same and using the proceeds therefrom to close the Loan account.

(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 the amounts outstanding from the said Obligor.

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

3.19 EFFECTS OF RE-SCHEDULEMENTS

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 prior written consent of the Investors holding Majority Interest and the providers of credit enhancement, however, for resolution of any Loan by the Trustee which has become a stressed asset, no consent of providers of credit enhancement, the Servicer or other 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.

3.20 MONTHLY REPORTS TO INVESTORS

The Servicer shall be responsible for monitoring the performance by the Obligors of their obligations under the Underlying Documents and shall submit to the Trustee monthly reports of the same (which shall be prepared in accordance with such format as mutually agreed between the Servicer and the Trustee, at least 2 (Two) Business Days before the Payout Date of the month succeeding the month for which such information is collated ("**Monthly Report**"), including but not limited to the following details which includes data to be provided for one or more of the Loans:

(i) level of MRR being maintained by the Seller with respect to the Assets including by way of subscription to the Equity Tranche PTCs and the Credit Enhancement made available by the Seller;
(ii) billed amount to the Obligors during the calendar month;
(iii) actual collections from Obligors towards this billed amount;
(iv) aging analysis of overdues and of principal outstanding;

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(v) any Prepayment from Obligors and the number of Loan Agreements prepaid and amounts obtained therefrom;
(vi) revised cashflow schedule(s);
(vii) details of enforcement of Underlying Security, including number and value of Underlying Assets sold;
(viii) amount of monies utilised from the Credit Enhancement and the amount reinstated to the Credit Enhancement;
(ix) outstanding rating of the Seller and the Servicer;
(x) report regarding the non-performing assets;
(xi) details of the sale proceeds from sold Underlying Assets, if any;
(xii) details of insurance claims made, if any, with respect to any Underlying Assets and their respective status;
(xiii) any other information relating to the Receivables that the Trustee may reasonably request; and
(xiv) contract level details.

3.21 SEMI ANNUAL REPORTS

The Servicer shall as on the Deemed Date of Allotment 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), which format has been reproduced in **Annexure 5** herein).

3.22 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 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 14% (Fourteen Percent) comprising of:
   (i) Cash Collateral in the form of fixed deposit of Rs. 8,76,52,411/- (Rupees Eight Crores Seventy Six Lakhs Fifty Two Thousand Four Hundred and Eleven only) which constitutes 5% (Five Percent) of the principal portion Receivables; and
   (ii) investment by the Seller in the Equity Tranche PTCs which constitutes approximately 9% (Nine Percent) of the principal portion of the Receivables;

(e) Please find annexed hereto and numbered as **Annexure 5**, the format in which Veritas Finance Private 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.

3.23 LISTING ON THE STOCK EXCHANGE

The Trustee shall comply with all applicable SEBI regulations and other applicable laws that are applicable laws that are applicable to issuance of Senior Tranche A1 PTCs and Senior Tranche A2 PTCs and listing of Senior Tranche A1 PTCs and Senior Tranche A2 PTCs, as securitised debt instruments under the SEBI PTC Listing

Regulations, on the WDM Segment of Stock Exchange and further ensure that save and except for any consents and approvals and required to be obtained from Stock Exchange for listing of the Senior Tranche A1 PTCs and Senior Tranche A2 PTCs, all consents, approvals and resolutions required to issue or list the Senior Tranche A1 PTCs and Senior Tranche A2 PTCs are in place prior to the issuance of the Senior Tranche A1 PTCs and Senior Tranche A2 PTCs. The Trustee shall seek listing of the Senior Tranche A1 PTCs and Senior Tranche A2 PTCs on one or more stock exchanges, after due compliance with all the requirements of such stock exchange/s within a maximum period of 3 (Three) working days from the Deemed Date of Allotment.

All upfront costs and expenses incurred towards listing of the Senior Tranche A1 PTCs and Senior Tranche A2 PTCs shall be borne by the Seller and all ongoing costs and expenses incurred for having the Senior Tranche A1 PTCs and Senior Tranche A2 PTCs continued to be listed shall be borne from the property of the Trust.

The Trustee shall ensure that the Senior Tranche A1 PTCs and Senior Tranche A2 PTCs are listed on the WDM Segment of Stock Exchange in terms of the Trust Deed within a maximum period of 3 (Three) working days from the Deemed Date of Allotment.

3.24 CLEAN UP CALL

The Seller will have the option to repurchase the Receivables pertaining to the performing contracts any time after the outstanding balance on the Receivables declines to or below 10% of the initial pool balance, at market terms. The exercise of this option would have the same effect as prepayments.

Such re-purchase shall be conducted at arm's length, on market terms and conditions (including price / fee) and shall be subject to the Seller's normal credit approval and review processes. The right of the Seller to repurchase such fully performing Assets shall be exercised at its sole discretion. This option can be exercised only if the Credit Enhancement available at such time is more than the amount of non-performing facilities so that the said part of the Credit Enhancement shall be used to make payment to the Trust with respect to the non-performing facilities to the full extent.

3.25 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 Senior Tranche 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 these Certificates or to purchase them in the secondary market, a prospective investor must qualify under any of the following categories: Resident Individuals// Hindu Undivided Family/ Trust/ Limited Liability Partnerships/ Partnership Firm(s)/ Portfolio Managers and Foreign Institutional Investors (FII) registered with SEBI/ Association of Persons/ Companies and Bodies Corporate including Public Sector Undertakings / Commercial Banks/ Regional Rural Banks / Financial Institutions / Mutual Funds / Insurance Companies/ Alternative Investment Funds (AIF) and any other prospective investor eligible to subscribe to the PTCs under applicable laws.

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	December 28, 2023
Issue Closing Date	December 28, 2023
Deemed Date of Allotment	December 28, 2023

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 PTCs 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 payable high value at least on the Issue Closing Date no later than 9.30 a.m. on that date at the offices of the Trustee. The investors must make such payment by RTGS such that the credit is received no later than 2.00 p.m. 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 Registrar and Transfer Agent); and
- (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 no later than 2.00 p.m. at Mumbai on the Issue Closing Date.

(b) In case of payments by RTGS or NEFT the same can be made as per the details mentioned below:
- (i) Beneficiary Name : Vajra 004 Trust
- (ii) Account No. : 055505014421

(iii)	Bank Details	: ICICI Bank Limited
(iv)	Branch	: ICICI Bank Towers, Bandra Kurla Complex
(v)	IFS 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 Senior Tranche PTCs or otherwise induces a body corporate to allot or register any transfer of the Senior Tranche PTCs 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.

4.6 DEEMED DATE OF ALLOTMENT

The Deemed Date of Allotment would be December 28, 2023.

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 within 2 (two) Business Days of the Deemed Date of Allotment. Subsequently the PTCs shall be issued in dematerialised form within a period of 2 (two) Business Days from the Deemed Date of Allotment. The Allotment Advice is not negotiable.

4.9 CERTIFICATE REGISTER & TRANSFER OF CERTIFICATES

The Registrar and Transfer Agent shall maintain a register of certificates 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 Seller towards payment of Purchase Consideration for the Assets.

4.11 MINIMUM SUBSCRIPTION

Minimum Subscription / Minimum Ticket Size for Senior Tranche A1 PTC: Rs. 1,00,00,000/- (Rupees One Crore Only) (i.e., Senior Tranche A1 Investor (or transferee of a Senior Tranche A1 Investor) has to acquire at least 100 (Hundred) number of Senior Tranche A1 PTCs and multiples of 1 thereafter;

Minimum Subscription / Minimum Ticket Size for Senior Tranche A2 PTC: Rs. 1,00,00,000/- (Rupees One Crore Only) (i.e., Senior Tranche A2 Investor (or transferee of a Senior Tranche A2 Investor) has to acquire at least 100 (Hundred) number of Senior Tranche A2 PTCs and multiples of 1 thereafter

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.

4.12 REJECTION OF THE LISTING OF 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 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 cent 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 assets are spread across India as follows:

State	No. of Contracts	Principal	Interest	Total Cashflows
Tamil Nadu	2,454	72,70,42,954	33,47,08,620	1,06,17,51,574
Andhra Pradesh	917	27,46,95,737	15,37,31,150	42,84,26,887
West Bengal	753	24,87,25,061	8,67,91,585	33,55,16,646
Madhya Pradesh	529	15,13,09,073	6,46,63,380	21,59,72,453
Telangana	302	10,99,85,256	5,43,36,227	16,43,21,483
Karnataka	284	10,31,08,638	4,40,65,489	14,71,74,127
Jharkhand	323	9,88,24,601	3,86,27,921	13,74,52,522
Orissa	112	3,74,49,176	1,43,79,945	5,18,29,121
Puducherry	6	19,07,719	8,28,890	27,36,609
Grand Total	**5,680**	**1,75,30,48,215**	**79,21,33,207**	**2,54,51,81,422**

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

Product	No. of contracts.	Principal	Interest	Total Cashflow
ML	5,531	1,67,68,71,472	75,20,61,449	2,42,89,32,921
LAPC	149	7,61,76,743	4,00,71,758	11,62,48,501
Grand Total	**5,680**	**1,75,30,48,215**	**79,21,33,207**	**2,54,51,81,422**

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

The Receivables are due and payable by the Obligor over a period of 66 (Sixty Six) 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. in Crs)	Interest (Rs. in Crs)	Total Cashflow (Rs. in Crs)
13 to 24	15.90	3.36	19.26
25 to 36	46.38	16.25	62.62
37 to 48	79.01	37.98	116.99
49 to 60	22.76	13.67	36.43
61 to 66	11.25	7.96	19.21
Grand Total	**175.30**	**79.21**	**254.52**

*as on November 30, 2023 as the Cut-off Date

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

The pool yield of the underlying assets is 23.6% (Twenty Three Decimal Point Six Percent)

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

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

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

The Receivables selected for securitisation arise from 5,680 (Five Thousand Six Hundred and Eighty) Loan Agreements. The value of the Receivables is equal to Rs. 175,30,48,215/- (Rupees One Hundred and Seventy Five Crores Thirty Lakhs Forty Eight Thousand Two Hundred and Fifteen Only).

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

The Company has selected pool of assets for the securitisation transaction in the form of loan receivables which are generated from the on-lending activities of the Company.

(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 "true sale" treatment under the terms of 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 3.16 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 at the rate specified under the Loan Agreements is payable 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 0.10% (Zero Decimal Point One 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:**

MSME loans with an average loan amount of Rs 4,15,197/- (Rupees Four Lakhs Fifteen Thousand One Hundred and Ninety Seven Only) given to small and medium businesses with a Return on Investment of 16% to 28%.

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

assets

The anticipated collections from the Receivables is identified in **Annexure 6** 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 6** 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**

42.1% (Forty Two Decimal Point One Percent) (Rs. 67.24 crores / Rs. 159.53 crore (Senior Tranche PTCs))

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

The value of total pool assets for the securitisation transaction is Rs 175,30,48,215/- (Rupees One Hundred and Seventy Five Crores Thirty Lakhs Forty Eight Thousand Two Hundred and Fifteen Only) as on the pool cut-off date i.e., November 30, 2023. There is no default for any loan accounts in the pool as on Pool Cut-Off Date.

(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;
- Second, the 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**

The following information shall be provided for static pools of similar assets of all past securitisation transactions done with reference to the same originator:

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(i) Information regarding delinquencies, cumulative losses and prepayments information for the past 5 years of the Originator's portfolio, including the build up of such delinquencies, losses and prepayments over time:

As described under the Rating Rationale issued by CRISIL Limited and annexed as **Annexure 4** hereto.

(ii) Factors relevant to the transaction such as asset term, asset type, yield, payment rates, the erosion of credit enhancements, any allocation of losses to any class of investors, etc:

As described under the Rating Rationale issued by CRISIL Limited and annexed as **Annexure 4** hereto.

5.2 SUMMARY TERM SHEET

Issuer	Vajra 004 Trust
Originator / Seller	Veritas Finance Private Limited
Trustee	Catalyst Trusteeship Limited
Trust Property	The initial contribution of Rs. 1,000/- (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 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. 1,000/- (Rupees One Thousand only)
Transaction Size	Rs 175,30,48,215/- (Rupees One Hundred and Seventy Five Crore Thirty Lakhs Forty Eight Thousand Two Hundred and Fifteen Only)
Pool Principal as on Cut-Off Date	Rs 175,30,48,215/- (Rupees One Hundred and Seventy Five Crore Thirty Lakhs Forty Eight Thousand Two Hundred and Fifteen Only) as on Cut-Off Date
Pool Cut-off Date	November 30, 2023
Settlement Date	December 28, 2023
Record Date/Determination Date	The days falling 15 (Fifteen) Business Days prior to any Payout Date.
Payout Dates	As set out in Annexure 2
Transaction Structure	As set out under Paragraph 3.1
Receivables	Pool of Receivables pertaining to MSME loans originated by Veritas Finance Private Limited, the principal outstanding of which aggregates to Rs 175,30,48,215/- (Rupees One Hundred and Seventy Five Crores Thirty Lakhs Forty Eight Thousand Two Hundred and Fifteen 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	Veritas Finance Private Limited
Servicer Fee	0.10% (Zero decimal Point One Zero percent) of the principal and interest Receivables to be collected in every Collection Month

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Legal Counsel	Wadia Ghandy & Co.
Credit Enhancement for the Transaction	The Credit Enhancement for the PTCs, will comprise of the Excess Interest Spread, the investment by the Seller in the Equity Tranche PTCs and the Cash Collateral. Total enhancement for PTCs is as follows: - Cash Collateral which amounts to 5% (Five Percent) of the principal portion of the Receivables. - Investment by the Seller in the Equity Tranche PTCs to the extent of 9% (Nine Percent) of the principal portion of the Receivables. The Credit Enhancement is provided by the Seller.
Utilisation process and conditions for utilisation of credit enhancement	The Trustee shall determine the amounts to be utilised from the Credit Enhancement at least 1 (one) Business Day prior to the relevant Payout Date and inform the entity providing external Credit Enhancement provider / Designated Bank, without further delay and not later than 5:00 pm on the same day, the amounts required to be credited into the Collection and Payout Account by them respectively. Such transfer shall be effected by the entity providing external Credit Enhancement / Designated Bank in accordance with such instructions, not later than 1 (one) Business Day before the relevant Payout Date. The amounts credited by the Credit Enhancement provider/ Designated Bank shall be utilized by the Trustee for making payments in accordance with the Payment Waterfall. The Credit Enhancement will be utilised to meet shortages in Investor Payouts on account of credit losses as per waterfall mechanism and will be utilised in the following manner: ➢ First, Excess Interest Spread; ➢ Second, the Receivables representing the Equity Tranche PTCs; and ➢ Then, the Cash Collateral. 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 Investors and with prior written intimation to the Rating Agency. Provided however that, the EIS may reduce on account of amortisations.
Reset of Credit Enhancement Facility	It is hereby clarified that the amount of Credit Enhancement extended at the initiation of the securitization transaction shall be available to the Trust during the entire life of the PTCs issued by the Trust until reset of Credit Enhancement as below. Subject to the extant regulations issued by the RBI in this regard including the RBI Securitisation Guidelines, and if so advised by the Rating Agency at the relevant time, the Assignor may, with the consent of the Trustee and the consent of Investor representing not less than 75% of the face value of the then outstanding PTCs (which consent shall not be unreasonably withheld), reset the Credit Enhancement Facility. The reset of the Credit Enhancement Facility shall be subject to the conditions prescribed under the extant RBI regulations including the RBI Securitisation Guidelines and the Trustee shall ensure that any reset of Credit Enhancement Facility shall be in compliance with the extant guidelines issued by RBI.
Name of the Designated Bank	ICICI Bank Limited acting through its branch located at Bandra Kurla Complex in Mumbai

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 9.10
Details of Listing	a) **Timing of listing:** The Senior Tranche PTCs are proposed to be listed on the Stock Exchange within a maximum period of 3 (Three) working days from the Issue Closing Date. If the Senior Tranche PTCs are not listed on the Stock Exchange within a maximum period of 3 (Three) working days from the Issue Closing Date, a penal interest calculated on the principal outstanding of the Senior Tranche PTCs at the rate of 1% (One Percent) per annum which shall be payable, over and above the Senior Tranche PTCs Yield rate from the Deemed Date of Allotment until the listing of such Senior Tranche PTCs, to the Investors. b) **Conditions of remaining listed:** The Issuer shall ensure that the Senior Tranche PTCs are in compliance with the SEBI PTC Listing Regulations, as amended from time to time. c) **Consequence of de-listing:** In the event the Senior Tranche PTCs are de-listed by Stock Exchange, the Issuer shall ensure that the PTCs are re-listed within 2 (Two) Business Days from the date of such de-listing by the Stock Exchange.
Rating Agency	CRISIL Limited
Series of securitised debt instruments	Senior Tranche PTC comprising of Senior Tranche A1 PTCs and Senior Tranche A2 PTCs
Day Count Convention	Actual/ 365
	Senior Tranche PTC
Seniority	Senior
Face Value of each Senior Tranche A1 PTC	Re. 1,00,000/- (Rupee One Lakh only)
Face Value of each Senior Tranche A2 PTC	Re. 1,00,000/- (Rupee One Lakh only)
Initial Rating of Senior Tranche A1 PTC	AAA (SO)
Initial Rating of Senior Tranche A2 PTC	AA (SO)
Senior Tranche A1 Final Maturity Date	June 20, 2029

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Senior Tranche A2 Final Maturity Date	June 20, 2029
Senior Tranche A1 Expected Maturity Date	January 20,2026
Senior Tranche A2 Expected Maturity Date	January 20,2027
Expected Senior Tranche A1 Yield	9.55% (Nine Decimal Point Five Five Percent) p.a.p.m
Expected Senior Tranche A2 Yield	9.95% (Nine Decimal Point Nine Five Percent) p.a.p.m
Payment Schedule	As set out in Annexure 2 hereto.
Expected Payment Schedule	As set out in Annexure 2 hereto.
Promised Payment Schedule	As set out in Annexure 2 hereto.
First Payout Date	January 20, 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.
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 has a monthly repayment frequency. None of the Loans have an original tenure exceeding 84 (Eighty Four) months. i. All 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: (A) the registration of the security interest created for the relevant Loan with Central Registry of Securitisation Asset Reconstruction and Security Interest of India has been done; or (B) the first instalment of the relevant Loan has been repaid, whichever is late; and ii. All 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: (A) the registration of the security interest created for the relevant Loan with Central Registry of Securitisation Asset Reconstruction and Security Interest of India has been done; or (B) the first instalment of the relevant Loan has been repaid, whichever is later, 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.

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Minimum Retention Requirement	The Originator is maintaining 14% (Fourteen 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: (a) Trust Deed (b) Deed of Assignment (c) Power of Attorney
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.
Waterfall Mechanism	As set out under the entry *Payment Waterfall* in Clause 2.3 of Chapter 2 of this Information Memorandum.

5.3 OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

The Seller is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess, and any other statutory dues applicable to it during the year with appropriate authorities. However, there has been an income tax dispute amounting to Rs. 54,73,637/- pending with the Commissioner of Income-tax (Appeals) pertaining to the AY 2018-19 related to income tax dues under the Income Tax Act, 1961 while the Company has deposited Rs 11 lakhs at the time of appeal. The said dispute amount is shown as contingent liability as matter of prudence. There is no material litigation/development as on date of the disclosure document.

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, on the date of execution of the Deed of Assignment, as may be mutually agreed upon. Subsequent fees of the Trustee shall be borne out of the Trust.

The Servicer shall be paid 0.10% (Zero Decimal Point One Zero percent) of the principal and interest Receivables to be collected in every Collection Month, as per the Waterfall Mechanism.

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) Pass Through Certificate

(c) Deed of Assignment
(d) the Power of Attorney
(e) Constitutional documents of the Trustee
(f) Board and shareholders Resolutions of the Originator and Borrower(s).
(g) 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.
(h) Agreement with Depositories (NSDL & CDSL).

5.8 LIQUIDITY SHORTFALLS

If there are defaults in the pool, any liquidity shortfalls below the scheduled payout, to the extent of shortfall, EIS amount shall be utilised first and then Cash Collateral will be utilised.

5.9 ACCUMULATION OF SURPLUSES

If there are no defaults in pool, any surpluses over and above scheduled Payout amount will be trasnferred to the Seller on a monthly basis in accordance with the Waterfall Mechanism as set out in the Trust Deed. 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.

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 shall be utilised first, then investment made by the Seller in Equity Tranche PTCs shall be used 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.

The selected pool of Assets has NIL default rate, loss rate, delinquency, pre-payment, etc., as on Cut-Off Date. Till the Cut-off Date, recovery rate/collection efficiency from the pool is 100% (One Hundred Percent).

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

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 non-banking finance company registered with RBI duly organised, solvent and validly existing under the laws of India and is duly qualified, licensed, and authorised to do and carry on its business in each jurisdiction in which the character of its properties or the nature of its activities requires such qualifications;

(b) The Deed of Assignment, and the 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 authorisations have been obtained by the Seller for the execution of the Deed of Assignment and 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 executants of the Loan Agreements on behalf of the Seller have been duly empowered and authorised to execute the same and to perform all the Seller's obligations in accordance with the terms set out therein. The Seller further confirms that the executants of the Loan Agreements on behalf of the Obligors were also duly authorised and empowered to execute the said Loan Agreements. Each Loan Agreement is a valid and legal binding obligation of the Seller, enforceable without any default, defence, set-off, claim, deduction or counterclaim in accordance with the terms of the respective Loan Agreement and Underlying Security;

(f) The execution, delivery and performance by the Seller of the Deed of Assignment, the Transaction Documents and the acts and transactions contemplated hereby 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 license, authorisation or law to which the Seller is subject; or

(ii) any term in the constitutional documents of the Seller; or

(iii) any order, judgement, ruling, award, or decree applicable to the Seller; or

(iv) any term, condition, covenant, undertaking, agreement or other instrument to which the Seller is a party or by which the Seller is bound; or

(v) any term, condition, covenant, undertaking or rights of the Obligors set out in the Underlying Documents.

(g) 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).

(h) The Seller is the full and absolute legal and beneficial owner of the Assets and the Mortgage Security Interest and has a clear and marketable title thereto clear and free from any and all Encumbrances, set-off, counter-claims, impediments, charges or claims except for such rights created in favour of the Trust in terms of the Deed of Assignment and the Seller has not created any charge, 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 or the Mortgage Security Interest;

(i) The Seller has full and absolute right to sell, transfer and assign the Assets and the Mortgage Security Interest to the Trust without any impediment, restriction, limitation of any nature whatsoever and without any requirement of providing any notice to the Obligors and wherever required, the Seller has obtained the consent of the Obligors;

(j) The Underlying Documents expressly provide for and recognize the right of the Seller to assign the Assets and the Mortgage Security Interest along with all other rights, title and interest arising out of the Loan Agreements without requiring to procure the consent of the Obligors or providing any intimation to the Obligors;

(k) None of the Loan Agreements restrict, limit, or otherwise prevent or would restrict limit or prevent the Seller from transferring, assigning or otherwise disposing of, whether absolutely,

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contingently or otherwise to the Issuer, any of its rights, title, or interest thereunder including any rights in relation to Underlying Security;

(l) Each of the Underlying Documents are duly executed by the Seller in compliance with all applicable laws, regulations and rules and the required amount of stamp duty and all other dues, duties, taxes and charges payable in respect of each of the Underlying Documents and their delivery there under and all documents connected therewith have been paid, each of them is 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 or otherwise prevent the Seller from transferring, assigning or otherwise disposing of, whether absolutely, contingently or otherwise, any of its rights, title or interest there under including any Underlying Security created by any Obligor for securing any of their obligations thereunder;

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

(n) The Seller 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 and the requirements pertaining to the accounting of profit/ loss on the securitisation of Loans as stipulated in the RBI Securitisation Guidelines;

(o) 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;

(p) 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 Transaction Documents;

(q) The Underlying Documents to which the Seller is a party have not been terminated by the parties thereto and the Underlying Security has not been terminated or withdrawn by any of the Obligors;

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

(s) 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.

(t) There are no legal proceedings initiated by the Seller, which are either existing or pending in relation to the Assets or the Mortgage Security Interest. Further, to the best of the knowledge of the Seller, there are no legal proceedings existing or pending against the Assets or the Mortgage Security Interest 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. The Seller has not received any notice of, nor is there any valid basis for any claim or assertion of liability against the Seller relating to any Asset or the acquisition, collection or administration thereof;

(u) 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 in all respects and was not / is not / will not be misleading whether by reason of omission to state a material fact or otherwise;

(v) 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;

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(w) The Seller has with respect to each Loan given pursuant to the relevant Loan Agreement, a valid and enforceable first priority perfected security interest in the Underlying Assets securing such Loan. All perfection requirements under all applicable laws have been effected;

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

(i) With respect to each Loan Agreement there is only 1 (one) original with the Obligor(s) in respect of such Loan and the same is in the possession of the Seller;

(ii) The Loan Agreements comprise of loan facilities granted by the Seller for financing the purchase of the Underlying Assets;

(iii) All Loans have been fully disbursed by the Seller;

(iv) The Underlying Security for any Loan is not shared by any other loan provided by the Seller;

(v) The Loan Agreements have all been originated by the Seller;

(vi) Other than the encumbrance created over the Underlying Assets to secure the Loans, no further encumbrances have been created over any of the Underlying Assets;

(y) Each of the Loans comply with the key pool selection criteria set out in **Schedule IV** hereto;

(z) In relation to each Loan, the Seller has applied the same sound and well-defined criteria for credit underwriting as are applied to loans which are held on the books of the Seller;

(aa) 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;

(bb) All the Underlying Assets are insured at the time of Loan disbursal. For renewal of insurance, the Seller ensures that as part of the agreement between the Seller and the Obligor, the Obligor is required to keep the Underlying Assets insured during the time the loan remains outstanding;

(cc) 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;

(dd) 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 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 and undertakings by the Seller;

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

(ff) The Seller has made the necessary disclosures as required by the RBI Securitisation Guidelines;

(gg) The present securitisation activity is not prohibited under the RBI Securitisation Guidelines and is fully compliant with the terms of the RBI Securitisation Guidelines;

(hh) The Seller or any of its associates do not exercise control over the Trustee; and

(ii) The Credit Enhancement provided by the Seller complies with the MRR criteria as specified in the extant RBI Securitisation Guidelines (as amended from time to time).

Representations and Warranties of the Trustee

The Trustee hereby represents and warrants as follows:

1. the Trustee is a limited liability company duly organised, validly existing and in good standing under the laws of India and is qualified to act as a Trustee in terms of the applicable SEBI PTC Listing Regulations and 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;

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2. the Trust Deed has been duly and validly executed and delivered by the Trustee and the Deed constitutes a legal and binding obligation of the Trustee enforceable against the Trustee in accordance with the terms herein;
3. the Trustee has full corporate power and authority to enter into the Trust Deed and to take any action and execute any documents required by the terms hereof and that the Trust Deed entered into and have been duly authorised by all necessary corporate proceedings;
4. there exists no consent, approval, order, registration or qualification of, or with, any court or regulatory authority or other governmental body having jurisdiction over the Trustee, the absence of which would adversely affect the legal and valid execution, delivery and performance by the Trustee of its obligations under the Trust Deed;
5. neither the execution and delivery of the Trust Deed nor the fulfilment of or compliance with the terms and conditions of the Trust Deed, conflict with or result in a breach of or a default under any of the terms, conditions or provisions of any legal restriction (including, without limitation, any judgement, order, injunction, decree or ruling of any court or governmental authority, or any federal, state, local or other law, statute, rule or regulation) or any covenant or agreement or instrument to which the Trustee is now a party, or by which the Trustee or any of the Trustee's property is bound, nor does such execution, delivery, consummation or compliance violate or result in the violation of the Trustee's Certificate of Incorporation, Memorandum and Articles of Association; and
6. the Seller or any of its associates does not exercise control over the Trustee.
7. Other than for acting as the security trustee / debenture trustee / trustee in relation to certain financing or assignment transactions of the Seller, the Trustee and the Seller have no association with each other; and
8. The Trustee either directly or indirectly, does not have any beneficial interest in the Assets.

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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. All the Loans have been disbursed at a fixed rate of interest by the Assignor and the rate of interest has not been downgraded by the Assignor as of the Cut-off Date;
2. All Loans are denominated in Indian Rupees;
3. All the Loans are current as on the Cut-Off Date;
4. All the Loans are current as on the date of disbursement
5. The weighted average holding period of Assets in the books of the Seller, as on the Cut-off Date is 21 (Twenty One) months;
6. All the loans with a holding period of 9 (Nine) months and above, as on the Cut-off Date
7. None of the Loans have an original tenure exceeding 84 (Eighty Four) months;
8. Current Loan to value does not exceed 50% (Fifty) (based on loan value as of Cut-off Date);
9. None of the Loans have a residual tenure exceeding 66 (Sixty Six) months, as on the Cut-off Date;
10. The Minimum Holding Period as prescribed under the RBI Securitisation Guidelines have been met by the Seller with respect to each Loan in the manner described below:
    a. all Loans which have a tenure of up to 24 (Twenty Four) months, have been held by the Assignor in its books for at least 3 (Three) months from the date on which: (i) the registration of the security interests created for the relevant Loan with the Central Registry of Securitisation Asset Reconstruction and Security Interest of India (CERSAI) has been done; or (ii) the first instalment of the relevant Loan has been repaid, whichever is later;
    b. all Loans which have a tenure of exceeding 24 (Twenty Four) months, have been held by the Assignor in its books for at least 6 (Six) months from the date on which: (i) the registration of the security interests created for the relevant Loan with the CERSAI has been done; or (ii) the first instalment of the relevant Loan has been repaid, whichever is later;
11. None of the Loans have a residual tenure of less than 365 (Three Hundred and Sixty Five) days;
12. The weighted average residual tenure of the Loans does not exceed 41 (Forty One) months;
13. Save and except any notices that the Seller may have served on the Obligors under Section 138 of the Negotiable Instruments Act, 1881, the Seller has not initiated legal or repossession action against any of the Obligors;
14. The internal rate of return of each Loan is within 28% (Twenty Eight Percent);
15. None of the Loans comprise of non-performing assets or any rescheduled or restructured assets;
16. None of the Loans have any overdue as on the Cut-Off Date;
17. There are no outstanding obligations, on the part of Seller, to be performed under the Loan Agreements;
18. All Loans have been fully disbursed by the Seller and no fraudulent transactions have occurred in relation to the Loans;
19. Under each Loan, the principal amount securitised does not exceed Rs. 17,29,248/- (Rupees Seventeen Lakhs Twenty Nine Thousand Two Hundred and Forty Eight Only);
20. The average loan outstanding as on Cut-off Date is Rs. 3,08,635/- (Rupees Three Lakhs Eight Thousand Six Hundred and Thirty Five only);
21. The Loans have not been terminated or repaid and were existing on the Transfer Date;
22. 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.
23. No security deposits have been taken as security in relation to any of the Loans.

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6.2 POOL CHARACTERISTICS

The characteristics of the pool is as described under the rating rationale issued by CRISIL Ratings Limited and annexed as **Annexure 4** hereto.

CHAPTER 7: PARTIES TO THE TRANSACTION AND RESPECTIVE ROLES
(gathered from publicly available information)

7.1 PROFILE OF THE SELLER / ORIGINATOR / SERVICER

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

Veritas Finance Private Limited (CIN: U65923TN2015PTC100328) (**'The Company'**) was incorporated on 30 April 2015 with a focus on providing inclusive finance to the 'missing middle' to the self-employed borrowers for their businesses typically through credit assessment based on cash flows as a secured lending with the property as collateral. The Company has received the Certificate of Registration dated October 15, 2015 from the Reserve Bank of India (**"RBI"**) to carry on the business of Non-Banking Financial Institution without accepting deposits (**"NBFC-ND"**). The Company is a non-deposit taking systemically important Non-Banking Finance Company (NBFC-ND-SI) registered with Reserve Bank of India as Investment & Credit Company (NBFC-ICC).

Backed by a strong networth of Rs. 2,182.92 Crore (as on September 30, 2023), Veritas Finance currently operates out of 356 branches in ten states of Tamil Nadu, West Bengal, Karnataka, Odisha, Andhra Pradesh, Telangana, Jharkhand, Bihar, Chhattisgarh & Madhya Pradesh as well as the union territory of Puducherry based on hub and spoke model for lending Small Business Loans and branch-based model (with shared branches) for lending Working Capital Loans. For Small Business Loans, there are typically 5 branches under each area office, which also functions as a hub in terms of support system namely credit, legal and operations.

Veritas Finance is promoted by Mr. D. Arulmany. He has more than 25 years of experience most of which is in the financial services industry. He has been part of Cholamandalam DBS and has been credited with many new initiatives and been responsible and been part of the company's foray into Light Commercial Vehicles, Three Wheeler Finance among other things. He also initiated Captive DSA model and the Franchisee Model which helped and has overseen the business expand to smaller towns and reach out to more than 300 locations. He was also a part of the Strategic Innovation forum at the Murugappa Group and been considered by the group as a successful mentor of the Management Trainees.

Before starting Veritas Finance, he was associated with Aptus Value Housing Finance as initial investor and CEO since inception. He joined Aptus, when it was merely an idea and leading from the front, he was an integral part of building the organisation, to become a formidable player in the affordable housing finance segment.

He has been invited to be in the Selection Board of TAPMI and visits major business schools regularly for lecturing the Management Graduates. He has a Post Graduate Programme in Rural Management (PGDRM) from IRMA with graduation in Bachelor of Business Administration (BBA), Madurai Kamaraj University. He has also done his GMP from the University of Michigan.

Veritas is one of the well-capitalised NBFC in the country providing small business loan with an authorised capital of Rs.130 Crore, paid-up capital of Rs. 127.52 Crore and Securities Premium of Rs. 1,581.23 Crore as on September 30, 2023. **Networth and Capital Adequacy Ratio as on September 30, 2023 were Rs. 2,182.92 Crore and 47.16% respectively.**

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Vision statement

To be recognised by our fairness, responsible approach, and service quality as the most admired company in the inclusive financing space by all stakeholders.

Mission statement

Make a difference and create a positive impact in the lives of a million informal customers and micro, small and medium enterprises in India through sustainable financing solutions.

Values

Veritas in Latin means "Truth". As an organisation, Veritas Finance would strive to be true:
Value-Driven in its approach
Ethical in all our dealings,
Responsible for its engagement with people and focused on offering
Inclusive and sustainable finance through
Transparent and Fair practices and remain
Accessible to the underserved segment to make a meaningful contribution to the
Self-employed, Small Business segment of the Society

Milestones

FY 2023-24	• Additional Equity Capital to the tune of Rs. 492 Crore was raised from Multiples PE and Avendus Future Leaders Fund. • Capital base crosses Rs. 2,100 crore. • Balance Sheet size crosses ~Rs 5,000 crore. • Branch network crosses 350 branches & Employee strength crosses 5,000. • Business commenced in Bihar and Chhattisgarh.
FY 2022-23	• Loan book crosses Rs. 3,500 crore • Disbursed loans of more than Rs. 2,200 crore during the year. Disbursements since inception crosses Rs. 5,800 Crore. • Launched Home Loan Product. • CARE Ratings has assigned short-term rating "CARE A1+" for the proposed Commercial Paper (CP) issuance of Rs. 25 Crore. • Completed first ever "AAA" rated listed PTC securitisation transaction amounting to Rs. 56 Crore which is rated by CRISIL Ratings. • Credit rating upgraded to "CARE A" with stable outlook from the earlier rating of "CARE A-" with stable outlook. • Branch network crosses 250 branches • Employee base crosses 4,000 numbers. • Customer base crosses 100,000 numbers. • PBT crosses Rs. 230 Crore and PAT crosses Rs. 175 Crore.
FY 2021-22	• Capital raised to the tune of Rs. 440 Crore from existing Investors. • Loan book crosses Rs. 2,000 Crore. • Customer base crosses 70,000 numbers. • Capital base grows to Rs. 1,400 Crore. • PBT crosses Rs. 100 Crore.
FY 2020-21	• Credit ratings upgraded to "CARE A-" with stable outlook.

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	• 2300+ employees across 200 branches made a positive impact in the lives of over 53,000 customers. • Loan book crosses Rs. 1,500 Crore. • PBT crosses Rs. 80 Crore.
FY 2019-20	• Business commenced in Jharkhand. • Branch network crosses 200 numbers. • Kedaara Capital and existing Investors Invest Rs. 350 Crore in the Company. • Capital base grows to Rs. 822 Crore. • Loan book crosses Rs. 1,300 Crore. • Branch network crosses 200 numbers.
FY 2018-19	• Credit ratings upgraded to "CARE BBB+" with stable outlook. • Certified as ISO 27001 Compliant. • Business Commenced in Telangana, Andhra Pradesh and Madhya Pradesh. • Capital raised to the tune of Rs. 260 Crore from Norwest Venture Partners and existing Investors. • Capital base grows to Rs. 444 Crore. • Loan book crosses Rs. 745 Crore. • PBT crosses Rs. 28 Crore. • Branch network crosses 140 numbers.
FY 2017-18	• Business commenced in West Bengal, Karnataka and Odisha. • Received long term investment grade rating of "CARE BBB-" with stable outlook from CARE Ratings. • Capital raised to the tune of Rs. 120 Crore with investments from (British International Investment Plc (formerly CDC Group Plc, name changed from March 29, 2022), Lok Capital and existing investors. • Cumulative disbursement crosses Rs. 400 Crore and loan book crosses Rs. 300 Crore. • Cumulative break even achieved with PBT at Rs. 6.50 Crore • Customer base crosses 15,000 numbers. • Branch network crosses 70 numbers.
FY 2016-17	• Disbursement crosses Rs. 100 Crore for the year. • Loan book crosses Rs. 90 Crore. • Customer base grows to 7,500 numbers. • Branch network crosses 40 numbers.
FY 2015-16	• Received Certificate of Registration from RBI to commence NBFC operations. • Corporate office inaugurated in Chennai. • Regional Offices in Coimbatore and Trichy. • Sarva Capital and Caspian Invest Rs. 30 Crore in the Company. • Capital base grows to Rs. 43.60 Crore.

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

Veritas Finance lends to self-employed underbanked customers in rural and semi-urban areas with operations in 11 States spread across Tamil Nadu, West Bengal, Telangana, Andhra Pradesh, Karnataka, Madhya Pradesh, Odisha, Jharkhand, Bihar, Chhattisgarh and Puducherry. As of September 30, 2023, Veritas Finance operates through 356 branches, with employee strength of 5,933.

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Loan Products Offered by Veritas:

	MSME Urban		MSME - Rural		
	Working Capital - Unsecured	**Asset Creation Loan - Secured**	**Small Business Loans**	**Home Construction Loans**	**Home Loans***
	Short-Term	Medium Term	Medium Term	Long Term	Long Term
Loan Amount	Rs.100,000/- to Rs.5,00,000/-	Rs.2,00,000/- to Rs.10,00,000/-	Rs.1,00,000/- to Rs.25,00,000/-	Rs.5,00,000/- to Rs.25,00,000/-	Rs.5,00,000/- to Rs.30,00,000/-
Purpose of Loan	Towards meeting working capital expenses	Towards meeting working capital expenses / Asset Creation	Towards improvement of Business / Asset Creation / Income generating activity	Towards Self - Construction of Houses	Self-Construction - Residential / Purchase of House- New & Re-sale / Home extension & Improvement / Commercial Property Purchase and construction / Loan Against Property / Balance Transfer of Home Loan & LAP / NRI Home Loans
Interest Rate (In % - IRR)	25% to 28%	24% - 27%	16% to 28% p.a.	16% to 21% p.a.	14.5% to 20% p.a.
Tenure	1 to 3 years	1 to 5 years	Up to 5 years (extendable on case to case basis up to 10 years)	Up to 15 years	5 to 15 years
Processing Fees	2% (one-time) and 1% (one-time) on repeat loans	2% (one-time) and 1% (one-time) on repeat loans	2% (one-time)	2% (one-time)	Rs.4000/- (one-time)
Loan to Value	NA for Un-secured	Up to 50% for secured	Up to 50%	Up to 65% and LCR Up to 80%	Up to 80% and LCR Up to 80%
Repayment Frequency	Weekly	Monthly	Monthly	Monthly	Monthly
Monthly Net Income to	Up to 20%	Up to 20%	Up to 40%	Up to 55%	Up to 60%

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	MSME Urban		MSME - Rural		
	Working Capital - Unsecured	Asset Creation Loan - Secured	Small Business Loans	Home Construction Loans *	Home Loans*
Installment Amount					

* Loans given to salaried segment as well.

(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**

Veritas Finance Private Limited (CIN: U65923TN2015PTC100328) ('**The Company**') was incorporated on 30 April 2015 with a focus on providing inclusive finance to the 'missing middle' to the self-employed borrowers for their businesses typically through credit assessment based on cash flows as a secured lending with the property as collateral. The Company has received the Certificate of Registration dated October 15, 2015 from the Reserve Bank of India ("**RBI**") to carry on the business of Non-Banking Financial Institution without accepting deposits ("**NBFC-ND**"). The Company is a non-deposit taking systemically important Non-Banking Finance Company (NBFC-ND-SI) registered with Reserve Bank of India as Investment & Credit Company (NBFC-ICC).

Backed by a strong networth of Rs. 2,182.92 Crore (as on September 30, 2022), Veritas Finance currently operates out of 356 branches in ten states of Tamil Nadu, West Bengal, Karnataka, Odisha, Andhra Pradesh, Telangana, Jharkhand, Bihar, Chhattisgarh & Madhya Pradesh as well as the union territory of Puducherry based on hub and spoke model for lending Small Business Loans and branch-based model (with shared branches) for lending Working Capital Loans. For Small Business Loans, there are typically 5 branches under each area office, which also functions as a hub in terms of support system namely credit, legal and operations.

Veritas Finance is promoted by Mr. D. Arulmany. He has more than 25 years of experience most of which is in the financial services industry. He has been part of Cholamandalam DBS and has been credited with many new initiatives and been responsible and been part of the company's foray into Light Commercial Vehicles, Three Wheeler Finance among other things. He also initiated Captive DSA model and the Franchisee Model which helped and has overseen the business expand to smaller towns and reach out to more than 300 locations. He was also a part of the Strategic Innovation forum at the Murugappa Group and been considered by the group as a successful mentor of the Management Trainees.

Before starting Veritas Finance, he was associated with Aptus Value Housing Finance as initial investor and CEO since inception. He joined Aptus, when it was merely an idea and leading from the front, he was an integral part of building the organisation, to become a formidable player in the affordable housing finance segment.

He has been invited to be in the Selection Board of TAPMI and visits major business schools regularly for lecturing the Management Graduates. He has a Post Graduate Programme in Rural Management (PGDRM) from IRMA with graduation in Bachelor of Business Administration (BBA), Madurai Kamaraj University. He has also done his GMP from the University of Michigan.

Veritas is one of the well-capitalised NBFC in the country providing small business loan with an authorised capital of Rs.130 Crore, paid-up capital of Rs. 127.52 Crore and Securities Premium of Rs.

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1,581.23 Crore as on September 30, 2023. **Networth and Capital Adequacy Ratio as on September 30, 2023 were Rs. 2,182.92 Crore and 47.16% respectively.**

(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.**

Profit & Loss Statement	March 31, 2021	March 31, 2022	March 31, 2023	September 30, 2023
	Audited	Audited	Audited	Un-Audited
	IND-AS	IND-AS	IND-AS	IND-AS
Revenue from operations				
Interest income	34,902.17	42,611.54	65,246.42	46,591.80
Fee income	492.54	958.02	1,870.42	1,516.14
Net gain on fair value changes	615.07	638.86	906.46	817.42
Total revenue from operations	**36,009.78**	**44,208.42**	**68,023.30**	**48,925.36**
Other income	157.51	156.14	197.84	339.18
Total income	**36,167.29**	**44,364.56**	**68,221.14**	**49,264.54**
Expenses				
Finance costs	12,164.59	12,893.81	16,921.31	13,314.47
Impairment on financial instruments	4,044.59	5,935.56	4,680.47	4,062.89
Employee benefits expenses	8,421.28	10,984.31	16,697.06	13,787.30
Depreciation and amortisation	1,332.59	1,425.40	1,511.42	1,083.10
Other expenses	2,000.10	2,989.14	5,125.88	3,551.80
Total expenses	**27,963.15**	**34,228.22**	**44,936.14**	**35,799.56**
Profit before tax	**8,204.14**	**10,136.34**	**23,285.00**	**13,464.98**
Tax expense				
Current tax	2,553.00	3,153.00	6,473.58	4,130.00
Deferred tax	(550.88)	(557.05)	(828.96)	(854.77)
	2,002.12	**2,595.95**	**5,644.62**	**3,275.23**
Profit after tax for the year	**6,202.02**	**7,540.39**	**17,640.38**	**10,189.75**
Other comprehensive income				
Items that will not be reclassified to profit or loss				
Re-measurements of the defined benefit obligation	(119.73)	59.60	(228.34)	138.62
Income tax relating to items that will not be reclassified to profit or loss	30.14	(15.00)	57.48	(34.89)
Other comprehensive income for the year	**(89.59)**	**44.60**	**(170.86)**	**103.73**

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Profit & Loss Statement	March 31, 2021	March 31, 2022	March 31, 2023	September 30, 2023
	Audited	Audited	Audited	Un-Audited
	IND-AS	IND-AS	IND-AS	IND-AS
Other comprehensive income / (deficit) for the year, net of income tax				
Total comprehensive income for the year, net of income tax	**6,112.43**	**7,584.99**	**17,469.52**	**10,293.48**

Balance Sheet	March 31, 2021	March 31, 2022	March 31, 2023	September 30, 2023
	Audited	Audited	Audited	Un-Audited
	IND-AS	IND-AS	IND-AS	IND-AS
ASSETS				
Financial assets				
Cash and cash equivalents	14,810.97	33,473.91	23,825.39	41,731.34
Bank balances other than cash and cash equivalents	27,614.27	11,521.62	28,583.38	35,611.73
Loans	1,52,423.49	2,13,209.17	3,47,561.64	4,41,072.52
Investments	17,500.74	-	337.92	19,954.06
Other financial assets	440.91	692.81	837.85	1,586.51
	2,12,790.38	**2,58,897.51**	**4,01,146.18**	**5,39,956.16**
Non-financial assets				
Current tax assets (net)	338.79	412.56	52.17	621.93
Deferred tax assets (net)	1,684.71	2,226.76	3,113.20	3,933.08
Property, plant and equipment	656.66	492.73	1,385.14	1,717.76
Right of use assets	1,270.28	1,561.28	2,761.38	3,104.58
Intangibles assets	425.62	225.06	200.76	311.73
Assets under development (Tangibles & Intangibles)	43.56	45.76	16.08	105.42
Other non-financial assets	276.17	385.57	303.41	313.51
	4,695.79	**5,349.72**	**7,832.14**	**10,108.01**
Total	**2,17,486.17**	**2,64,247.23**	**4,08,978.32**	**5,50,064.17**
LIABILITIES AND EQUITY				
Financial liabilities				
Trade payables				
- Total outstanding dues of micro enterprises and small enterprises	-	4.89	54.25	41.33
- Total outstanding dues of creditors other than micro enterprises and small enterprises	291.61	326.21	498.72	714.92
Debt securities	53,074.52	24,207.26	17,926.89	22,845.70
Borrowings (other than debt securities)	72,340.01	95,357.96	2,24,962.33	2,99,495.62
Other financial liabilities	1,486.47	1,868.66	3,278.69	3,815.91

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Balance Sheet	March 31, 2021	March 31, 2022	March 31, 2023	September 30, 2023
	Audited	Audited	Audited	Un-Audited
	IND-AS	IND-AS	IND-AS	IND-AS
	1,27,192.61	**1,21,764.98**	**2,46,720.88**	**3,26,913.48**
Non-financial liabilities				
Current tax liabilities	-	-	-	-
Provisions	390.12	416.16	823.51	1,894.89
Other non-financial liabilities	1,101.64	1,261.27	2,308.33	2,963.59
	1,491.76	**1,677.43**	**3,131.84**	**4,858.48**
Equity				
Equity share capital	10,017.80	11,358.00	11,422.40	12,751.92
Other equity	78,784.00	1,29,446.82	1,47,703.20	2,05,540.29
Total	**88,801.80**	**1,40,804.82**	**1,59,125.60**	**2,18,292.21**
Total	**2,17,486.17**	**2,64,247.23**	**4,08,978.32**	**5,50,064.17**

Statement of Cash Flows	March 31, 2021	March 31, 2022	March 31, 2023	September 30, 2023
	Audited	Audited	Audited	Un-Audited
	IND-AS	IND-AS	IND-AS	IND-AS
Cash flows from operating activities				
Profit before tax for the year	8,204.14	10,136.34	23,285.00	13,464.98
Adjustments for:				
Depreciation and amortisation	1,332.59	1,425.40	1,511.42	1,083.10
Impairment on financial instruments	4,044.59	5,935.56	4,680.47	4,062.89
Stock based payment to employees	489.02	393.31	305.24	365.49
Change in fair value of financial assets designed as FVTPL	14.93	1.62	-	(73.39)
Interest income on security deposits	(24.63)	(24.06)	(28.65)	(26.77)
Profit on termination of leased assets	(4.75)	(9.90)	(10.27)	(17.49)
Finance costs	12,164.59	12,893.81	16,921.31	13,314.47
(Gain) / loss on sale of PPE (net)	-	(4.29)	3.44	(13.01)
Interest income on fixed deposits	(2,106.13)	(1,657.47)	(1,847.94)	(1,345.92)
Gain on sale of investments, net	(613.45)	(640.46)	(906.46)	(744.03)
Operating cash flow before working capital changes	**23,500.90**	**28,449.84**	**43,913.56**	**30,070.30**
Changes in working capital				
Adjustments for (increase)/ decrease in operating assets:				

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Increase in loans	(28,537.09)	(66,718.50)	(1,39,026.84)	(97,572.18)
Increase in other financial assets	(32.74)	(260.18)	(151.14)	(750.26)
Increase in other non-financial assets	(89.57)	(109.40)	82.16	(10.10)
Adjustments for increase/ (decrease) in operating liabilities:				
Increase in trade payables	87.40	39.49	221.87	203.28
Increase in other financial liabilities	85.44	32.44	192.70	177.33
Increase in provisions	102.49	85.64	179.01	1,209.99
Increase in other non-financial liabilities	182.37	159.63	1,047.06	655.26
Cash used by operations	**(4,700.80)**	**(38,321.04)**	**(93,541.62)**	**(66,016.37)**
Finance costs paid	(11,410.06)	(13,757.85)	(17,655.87)	(13,454.34)
Direct taxes paid (net)	(2,770.20)	(3,226.77)	(6,113.19)	(4,699.76)
Net cash used by operations	**(18,881.06)**	**(55,305.66)**	**(1,17,310.68)**	**(84,170.47)**
Cash flows from investing activities				
Purchase of fixed assets	(302.08)	(341.33)	(1,476.25)	(1,007.53)
Proceeds from sale of fixed assets	-	5.30	19.75	25.42
Increase in bank balances other than cash and cash equivalents	(22,916.29)	16,092.65	(17,061.76)	(7,028.35)
Interest received on bank balances other than cash and cash equivalents	2,106.13	1,657.47	1,847.94	1,345.92
Purchase of investments	(3,07,393.20)	(4,88,101.64)	(4,69,259.61)	(2,74,274.57)
Proceeds from sale of investments	2,96,805.87	5,06,239.62	4,69,828.15	2,55,475.85
Net cash generated from / (used in) Investing activities	**(31,699.57)**	**35,552.07**	**(16,101.78)**	**(25,463.26)**
Cash flows from financing activities				
Proceeds from issue of preference shares including securities premium	-	-	-	-
Proceeds from issue of equity shares including securities premium	24.87	44,050.88	546.02	49,243.50
Payment of lease liabilities	(713.01)	(807.63)	(1,068.48)	(714.75)
Payment of share issue expenses	-	(26.16)	-	(735.86)
Proceeds from debt securities	27,000.00	5,500.00	20,000.00	5,000.00
Proceeds from borrowings (other than debt securities)	45,474.97	61,880.29	1,90,322.02	1,19,114.74
Repayment of debt securities	(13,400.00)	(33,500.00)	(25,760.01)	-

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Repayment of borrowings (other than debt securities)	(35,240.09)	(38,680.84)	(60,275.60)	(44,367.95)
Net cash generated from financing activities	**23,146.74**	**38,416.54**	**1,23,763.95**	**1,27,539.67**
Net increase / (decrease) in cash and cash equivalents (A) + (B) + (C)	**(27,433.89)**	**18,662.94**	**(9,648.52)**	**17,905.95**
Cash and cash equivalents at the beginning of the year	42,244.86	14,810.97	33,473.91	23,825.39
Cash and cash equivalents at the end of the year	**14,810.97**	**33,473.91**	**23,825.39**	**41,731.34**
Components of cash and cash equivalents:				
Cash on hand	295.45	366.78	193.79	196.01
Balances with banks				
In current accounts	14,515.52	15,103.82	20,629.89	41,535.33
In deposit accounts (Original maturity less than three months)	-	18,003.31	3,001.71	-
	14,810.97	**33,473.91**	**23,825.39**	**41,731.34**

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

Origination

Lending Methodology:

Most of the customers are sourced through leads and referrals. Once the potential customer is identified, the Sales Executive makes a visit to the customer and communicates the salient features of the three products on offer in terms of end-use, amount, tenure, collateral requirements etc. and the documentation required. The purpose of loans is normally to support their business requirements while other purposes such as repayment of other higher cost borrowings are also encouraged.

Client Mobilisation:

The customers are asked to provide the photocopy of property documents and then the Sales Executive starts visiting the business premises to assess the business in terms of income and expenses using the Income Assessment information form and once he satisfied with the level of net income in relation to loan amount and EMI apart from availability of property as collateral for the said loan amount with Loan to value ("**LTV**") not exceeding 50% and tenure not exceeding 5 years, the documents are then passed onto the hub. Once the assessment is complete, the client is again appraised clearly on the terms and conditions, duly filled-up application forms are handed over and the completed applications along with the KYC documentation are taken and then submitted to the Hub. To prevent misuse of KYC, we educate the customers with regard to self-attestation to be made after mentioning the purpose of loan and date of self-attestation. Also, the original signature is verified by the Sales Executive in the self-attested KYC document with a seal.

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

Credit Appraisal System:

Once the documents reach the hub, the Credit Officer validates the income assessment by visit to the customer including the business premises. All applicants are screened from a credit perspective. Some of the criteria to be checked would be longevity in the same place of residence (minimum 5 years to be there), nature and continuity of business (minimum of 3 years in the same line of business) and activity level to support the borrowing, income to expense ratio and ability to service loan, etc.

Credit Officer uses the 'Veritas' filter to ensure that the credit assessment is complete in all aspects based on credit intelligence and business type-wise credit assessment templates prepared for various businesses. This includes the Credit Officer visiting each customer's house and doing a physical verification to satisfy the veracity of all the statements in the information form and the application form and the place of business to satisfy the eligibility criteria. The credit approval is done based on delegated powers.

Credit Assessment:

Veritas uses cash flow method for its credit assessment of a particular customer basis availability documents and the details of the is outlined below:

- Underwriting is done to analyse cashflows of the customer based on personal discussion. In all these cases, a detailed note is prepared as part of the CAM providing the complete details of the business nature, daily purchase, daily sales, inventory, reference checks, business setup, lifestyle, investments, business stability, existing loan repayment behavior, Applicant banking behavior with Neighbor feedback, etc. to make proper assessment.
- Alongside all available KYC documents like ID, address & sign proofs of all borrower and co-borrowers as per KYC Policy, business registration certificate & license, GST registration certificate, Partnership Deed, if the borrower is a firm are also checked.
- Income claim is further validated and backed by asset creation tendencies of the customer over the last few years. This is one of the key parameters to arrive at the net income estimates. The credit assessment looks for tangible asset creation over the years to reflect the income claims of the customer.

Scorecard Based Approval & Risk Based Pricing:

Veritas also uses score card-based model alongside cash flow assessment and personal discussion as per existing process. Scorecard based approval matrix also brings in uniformity on credit approval process. Risk based pricing matrix is based on customer risk profile based individual score and product risk. These risk score cards are classified into Very High Risk, High Risk, Medium Risk and Low Risk, hence higher the risk pricing will be high and vice versa. The interest rates are accordingly ranges from 18% to 28% depending upon the risk score card. The approval matrix is outlined below:

- Branch Managers are empowered to approve proposals in LMS and specific approval has to be taken from Zonal Head to empower the BM. Empowered BMs should ensure they approve loans after thorough review and due diligence with all norms, KYC, bank statements being followed as per the policy. BCMs should ensure complete files including KYC, Bank statements are only to be recommended for approval.

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- Any pricing deviation has to be approved based on the approval matrix and ACM/RCM should ensure the deviation is approved by the respective authority before loan approval. Any pricing deviation after the loan is approved shall not be considered.
- All other deviations like LTV, tenor, CIBIL OD etc. must be reviewed properly by the approver with proper mitigants documented before approval. An exception report on cases approved with deviation shall be circulated to RCM every month. This ensures deviations are approved judiciously with proper mitigants.

Legal & Technical Appraisal System:

For Secured loans, once the property documents reach the hub, the Legal Officer then proceeds to verify the title documents by validating the same using Encumbrance Certificate, parent documents, property tax payments etc.

Post-loan disbursement, the registration of mortgage of title deeds and information to CERSAI is completed and the details of original documents are updated in the Title Deed Register and then given to the Operations team for safekeeping till the maturity or repayment of the loan, whichever is earlier.

Loan disbursement:

Once credit and legal process are complete at the hub, the loan is recommended for approval and the papers would be sent to Head Office and the same would be data entered into the system. At Head Office, Head - Credit, and Head - Legal would review the documents again for approval. In the case of exceptions, the proposal is then sent to the Business Committee, which comprises Board members and senior management for decision making. Once the same is approved, the branch would invite the customer to the branch and disbursement would take place at the branch by way of the cheque after collecting repayment instructions through direct debit, NACH or through post-dated cheques.

Collection:

Secured Loans: Collections are done through NACH. Post-dated cheques are used till the mandate registration of NACH is complete. Repayment by cash is not encouraged and is resorted to only in the event of the bounce of the repayment instruction or the repayment instrument.

Apart from the above, to focus on the cheque bounce cases, the company has formed separate collection vertical in the seasoned branches.

Unsecured Loans: Cash collections are done on daily or weekly basis based on the preference of the customers. The customers retain the passbook for the entries made towards cash payments. Each employee is provided with unique seal to confirm receipt and upon entry of receipt in mobile app, customer gets an SMS instantly. Customers have been advised to pay only for the entry and the seal of the employee in the passbook and receipt of SMS. Three-way cash reconciliation is done to ensure that cash collected is banked the same / next day for both processing fees, pre-closure amounts as well as the instalment amounts.

Risk Management:

The Company has a Board approved Risk Management Policy. The Company keeps the Board informed periodically of the significant risks associated with the business of the company and the various risk identification and mitigation processes put in place by the management.

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The Company is committed to creating value for its stakeholders through sustainable business growth and with that intent has put in place a robust risk management framework to promote a proactive approach in reporting, evaluating and resolving risks associated with the business. The Company continues to invest in talent, processes and emerging technologies for building advanced risk management and underwriting capabilities. Given the nature of the business, the Company acknowledges that these are vital elements for mitigating various risks posed by the environment.

The key risks are:

Credit Risk

Any lending activity by the Company is exposed to credit risk arising from repayment default by borrowers and other counterparties. A failure to recover the expected value of collateral security could expose the company to a potential loss.

Mitigation: The Company has comprehensive and well-defined credit policies across products, which encompass credit approval process for these products along with guidelines for mitigating the risks associated with them. The appraisal process includes detailed risk assessment of the borrowers, physical verifications and field visits. The Company underwrites loans on the basis of assessed cash flows of customers in terms of monthly instalments to income ratio or other such credit evaluation tools as it deems necessary, including inputs from credit bureau information reports as required. While it does lay emphasis on detailed credit underwriting processes, it also considers various other factors like the underlying collateral and the LTV ratios approved for the customer. These policies are regularly monitored against desired outcomes for the organisation and revised as necessary. During the year, the Company implemented a Credit score algorithm for loan appraisals and to assign risk based pricing for its products, thereby bringing increasing the objectivity to the entire credit process.

Operational Risk

Operational Risk is the risk of loss resulting from inadequate or failed internal processes, people, systems, or from external events.

Mitigation: The operational risks of the company are managed through comprehensive internal control systems and procedures and key back up processes. The Company provides dedicated training to its employees educating them with the Companies policies. The Company has put in place a robust Disaster Recovery ("**DR**") plan, which is periodically tested. Business Continuity Plan ("**BCP**") is further put in place to ensure seamless continuity of operations including services to customers, when confronted with adverse events such as natural disasters, technological failures, human errors, terrorism, etc. Periodic testing is carried out to address gaps in the framework, if any. Additionally, regular internal audit provides a check on deviation arising from any contingent operational inefficiency.

Interest rate risk

Fluctuations in interest rates could adversely affect borrowing costs, interest income and net interest margins of companies in the financial sector.

Mitigation: The Company ensures that it maintains an appropriate proportion of liabilities at floating rate to avoid interest rate mismatches across buckets as its lending is on fixed rate basis and re-pricing on lending can happen only on new loans disbursed.

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Liquidity Risk

Liquidity risk is the risk of being unable to raise funds from the market at optimal costs to meet operational and debt servicing requirements.

Mitigation: The Asset & Liability Management Committee ("**ALCO**") of the Company meets regularly to review the liquidity position based on future cash flows. The Company also maintains adequate liquid assets and reserves to hedge against unexpected requirements.

Competition Risk

The financial services space in India is quite competitive.

Mitigation: The Company is of the belief that from the country's point of view India needs an ever-growing number of players to address the gaps in the market place. There is scope for sustained business growth despite competition. We differentiate ourselves by providing tailor-made products, making continuous efforts to improve turnaround time and by adopting a customer-friendly culture.

Regulatory and Compliance Risk

It is the risk of change in laws and regulations materially impacting the business. There is a growing trend towards more stringent regulation in the NBFC sector and the expectation is that it will slowly get more aligned to banking regulations.

Mitigation: The Company is of the view that these changes are structurally beneficial for the financial services industry from a long-term perspective. When the Reserve Bank of India brought about the change in asset classification norms for the NBFCs, the Company swiftly adopted the new guidelines.

Policies for collection and servicing

Collection:

Secured Loans: Collections are done through NACH. Post-dated cheques are used till the mandate registration of NACH is complete. Repayment by cash is not encouraged and is resorted to only in the event of the bounce of the repayment instruction or the repayment instrument.

Apart from the above, to focus on the cheque bounce cases, the company has formed separate collection vertical in the seasoned branches.

Unsecured Loans: Cash collections are done on daily or weekly basis based on the preference of the customers. The customers retain the passbook for the entries made towards cash payments. Each employee is provided with unique seal to confirm receipt and upon entry of receipt in mobile app, customer gets an SMS instantly. Customers have been advised to pay only for the entry and the seal of the employee in the passbook and receipt of SMS. Three-way cash reconciliation is done to ensure that cash collected is banked the same / next day for both processing fees, pre-closure amounts as well as the instalment amounts.

Servicing:

The Collection and Servicing and Security Agent will 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

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Payout Account in the circumstances and in the manner provided in the Trust Deed 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.

(g) **Material terms of the Servicing Agreement (as set out in the Deed of Assignment)**

Representations and Warranties of the Servicer

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

(a) 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;

(b) 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;

(c) 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, judgment 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;

(d) 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;

(e) 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.

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

Collection:

Secured Loans: Collections are done through NACH. Post-dated cheques are used till the mandate registration of NACH is complete. Repayment by cash is not encouraged and is resorted to only in the event of the bounce of the repayment instruction or the repayment instrument.

Apart from the above, to focus on the cheque bounce cases, the company has formed separate collection vertical in the seasoned branches.

Unsecured Loans: Cash collections are done on daily or weekly basis based on the preference of the customers. The customers retain the passbook for the entries made towards cash payments. Each employee is provided with unique seal to confirm receipt and upon entry of receipt in mobile app, customer gets an SMS instantly. Customers have been advised to pay only for the entry and the seal of the employee in the passbook and receipt of SMS. Three-way cash reconciliation is done to ensure that cash collected is banked the same / next day for both processing fees, pre-closure amounts as well as the instalment amounts.

Servicing:

The Servicer will 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 the Trust Deed 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.

(i) **Duties of the Servicer**

Veritas Finance Private 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 and the Underlying Security under and in accordance with the Loan Agreements;
(ii) continue to administer and service the Loans 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 (excluding documents pertaining to Mortgage Security Interest) for and on behalf of the Trust at such other offices of the Servicer from time to time; and
(iv) in the event of the PTCs being listed, furnish and submit all such information to the Securities and Exchange Board of India as are 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.
(v) Perform such other duties as more particularly set out in the Trust Deed.

(j) **Servicer's Event of default**

'Servicer's Event of Default' shall mean 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 Insolvency and Bankruptcy Code, 2016, or any equivalent legislation or regulations in respect of financial sector entities in respect of the amount of any debt or any claim against it or has filed a petition for insolvency in any competent forum;
(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 application is made or 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 insolvency process, winding up or liquidation of the Servicer;
(e) an order for insolvency process, liquidation or 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 (without the prior consent of the Trustee), liquidation or dissolution;
(g) an insolvency resolution professional, receiver, liquidator or any other equivalent professional has been appointed or allowed to be appointed of all or any part of the undertaking of the Servicer;
(h) a new board of directors or management has been appointed or allowed to be appointed on all or any part of the undertaking of the Servicer pursuant to any order of any court or tribunal;

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(i) 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.

(j) any delay or default has been committed by the Servicer in payment of any monies or remittance of Receivables which have been received by the Servicer and are payable or remittable in accordance with the Transaction Documents;

(k) any insolvency professional, receiver / assignee or trustee or similar other officer is appointed by any court or any other competent authority in any insolvency, winding up, execution or distress proceedings against the Servicer;

(l) (i) any other present or future financial indebtedness the Servicer for or in respect of moneys borrowed or raised ("Indebtedness") becomes due and payable prior to its stated maturity by reason of any actual or potential default, event of default or the like (howsoever described), or (ii) any such Indebtedness is not paid when due or, as the case may be, within any originally applicable grace period, or (iii) the Servicer fails to pay when due any amount payable by it under any present or future guarantee for, or indemnity in respect of, any Indebtedness; or

(m) 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;

(n) 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;

(o) any moratorium is granted in respect of commencement of proceedings against or in relation to the Servicer;

(p) if the moneys held in trust by the Servicer on behalf of the Trustee are jeopardised for any reason whatsoever in the sole opinion of the Trustee;

(q) any event which would in the opinion of the Trustee preclude Servicer from undertaking his obligations under the Deed of Assignment or which would result in obligations of Servicer under the Deed of Assignment being or becoming void, voidable, unenforceable or ineffective for any reason whatsoever or which may have a material adverse effect on the Servicer in the opinion of the Trustee acting for and on behalf of the Investors;

(r) 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

(s) 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.

(k) **Delegation**

The Servicer shall be entitled to appoint agents, representatives or contractors to assist it in the process of collection. Further, the Servicer shall and its representative or agents or contractors appointed to assist it in the process of collection shall follow the rules set out in this behalf by RBI, while collecting the Receivables. The Servicer shall solely be liable for all consequences for not following the rules set out in this behalf by RBI, while collecting the Receivables. Except as stated hereinabove, the Servicer shall not delegate any of its duties to any third party without prior written consent of the Trustee except those pertaining to possession / repossession of the Underlying Assets.

Regardless of any such delegation, the Servicer shall remain responsible for all decisions and be liable for any delegatee's act of omission or commission as if the Servicer would itself have been liable for such act of omission or commission;

(l) **Replacement**

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In the event the Servicer fails to remedy the Servicer's Event of Default within a period of 30 (Thirty) days (or such lesser period as determined by the Trustee if giving such time period, would impact their interests), from the date of receipt of the aforesaid notice, the Trustee shall be entitled to (acting on the instructions of the Investors holding Majority Interest) terminate the services of the Servicer, with immediate effect by providing a written notice in this regard to the Servicer; provided however that the Rating Agency shall been provided with prior intimation of the termination of the services of the Servicer.

(m) **Monthly Reports**

The Servicer shall be responsible for monitoring the performance by the Obligors of their obligations under the Underlying Documents and shall submit to the Trustee monthly reports of the same (which shall be prepared in accordance with such format as mutually agreed between the Servicer and the Trustee, at least 2 (Two) Business Days before the Payout Date of the month succeeding the month for which such information is collated, including but not limited to the following details which includes data to be provided for one or more of the Loans:

(i) level of MRR being maintained by the Seller with respect to the Assets including by way of subscription to the Equity Tranche PTCs and the Credit Enhancement made available by the Seller;
(ii) billed amount to the Obligors during the calendar month;
(iii) actual collections from Obligors towards this billed amount;
(iv) aging analysis of overdues and of principal outstanding;
(v) any Prepayment from Obligors and the number of Loan Agreements prepaid and amounts obtained therefrom;
(vi) revised cashflow schedule(s);
(vii) details of enforcement of Underlying Security, including number and value of Underlying Assets sold;
(viii) amount of monies utilised from the Credit Enhancement and the amount reinstated to the Credit Enhancement;
(ix) outstanding rating of the Seller and the Servicer;
(x) report regarding the NPAs as per Clause 5.5(j);
(xi) details of the sale proceeds from sold Underlying Assets, if any;
(xii) details of insurance claims made, if any, with respect to any Underlying Assets and their respective status;
(xiii) any other information relating to the Receivables that the Trustee may reasonably request; and
(xiv) contract level details

(n) **Semi-Annual Reports**

The Servicer shall as on the Deemed Date of Allotment 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, which is reproduced herein as **Annexure 5**).

(o) **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

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six months and report on any exception by way of short or excess payment payable/paid to the Investors. Such excess/shortfall shall be adjusted in the Investor Payout 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.

7.2 **THE ISSUER/ SPV**

(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 Vajra 004 Trust. 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) for the exclusive benefit of the Investors and for the purpose of carrying on the activity of securitisation by way of purchase of the Assets from the Seller and issuing the pass through certificates to the Investors. The Trustee shall hold the Assets assigned in its favour exclusively for the benefit of the Investors and shall make payments to the Investors in accordance with the terms mentioned herein, from out of the Assets;

(ii) to receive Subscriptions (including any advances with respect thereto), to capital or other sums from such Persons as the Trustee may deem fit and issue PTCs to the Investors to Trust Property and make payments to the Investors in accordance with the terms mentioned herein;

(iii) to invest the surplus amounts of the trust funds, if any, in permitted investments;

(iv) to make the payment of Purchase Consideration to the Seller;

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

(vi) such other activities as may be decided by the Trust with the prior written consent of the Investors holding Majority Interest.

(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.

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

NA

(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.

7.3 THE TRUSTEE

(a) **Primary Duties of Trustee**

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

(ii) The Trustee shall, at all times, ensure that the Trust Fund is kept segregated from the other assets of the Trustee and from any other asset for which the Trustee is or may be responsible.

(iii) The Trustee shall ensure that Receivables assigned to the Trust are through a genuine transaction amounting to true sale and are legally realisable 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 Fund is available at all times to pay the PTC Holders in accordance with the Trust Deed and other Transaction Documents.

(vii) 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.

(viii) The Trustee shall ensure that all transactions are properly entered into in accordance with the Trust Deed.

(ix) 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 and other applicable laws.

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(x) 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 or the Mortgage Security Interest.

(xi) 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 Assets, without the express prior written consent of all the Beneficiaries and Stock Exchange.

(xii) The Trustee shall exercise due diligence to ensure compliance by the Seller to the provisions of the listing agreement and any other Transaction Documents.

(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) The Trustee shall do all such acts, deeds and things as may be necessary to ensure such collection of the Receivables and to do all such things as may be required for this purpose (including in the event if services of the Servicer are terminated and no alternate servicer is appointed);

(xv) 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 Majority Consent.

(xvi) Any re-schedulement, restructuring or re-negotiation of the terms of the Loan Agreements and/or the Loans and/or Underlying Security, 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 PTCs, in the event PTCs are issued to the Seller) and shall be done only with the express prior written consent of all the Beneficiaries, 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, the Servicer or the other service providers would be required to be obtained.

(xvii) 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.

(xviii) The Trustee shall enforce any or all the duties and obligations of the Obligors under the Loan Agreements if services of the Servicer are terminated and no alternate servicer is appointed.

(xix) 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 becoming aware of the same.

(xx) The Trustee shall provide any Beneficiary with all information available with the Trustee on the PTCs, Underlying Assets, Receivables, Obligors, Underlying Documents, Underlying Security

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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.

(xxi) Anti-Bribery

(a) 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.

(b) 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.

(xxii) 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 deducted at source 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.

(xxiii) 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, provided however if the Trustee and the person entitled to payment are not able to arrive at a mutually agreeable conclusion in relation thereto, the Trustee shall be entitled to take such action as it deems fit subject to the Trustee having obtained a written legal opinion from a law firm of repute, which confirms that the action proposed to be taken by the Trustee is the correction course of action under the provisions of applicable law.

(xxiv) 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.

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

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

(xxvii) 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 PTC Holders.

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(xxviii) 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.

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

(xxx) 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.

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

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

(xxxiii) 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.

(xxxiv) The Trustee shall promptly inform Stock Exchange of all information having bearing on the performance/operation of the Trust and any price sensitive information.

(xxxv) The Trustee shall forward all, all reports or information with respect to the Receivables, along with such financial information pertaining to the Trust to Stock Exchange within 7 (Seven) days from each Payout Date.

(xxxvi) The Trustee shall ensure that the ratings obtained in relation to the PTCs are reviewed at least once in a year and the revision in the ratings shall be promptly intimated to the Stock Exchange and the PTC Holders.

(xxxvii) The Trustee shall take appropriate measures to protect the interests of the PTC Holders and shall inform 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.

(xxxviii) 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.

(xxxix) 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.

(xl) 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.

(b) **Remuneration of Trustees**

The Trustee will be entitled a fee as mutually agreed between the Trustee and the Seller, as and by way

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of its remuneration for acting as Trustee.

(c) **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.

(d) **Removal of the Trustee**

(i) The Trustee shall stand discharged from its office if:

(c) Beneficiaries holding Majority Interest pass a resolution for the removal of the Trustee; or

(d) any Trustee's Events of Default (as set out hereinbelow) shall have occurred.

(ii) If any of the events specified in Clause 7.3(d)(i) above occurs, the Investors holding Majority Interest shall be entitled to remove the Trustee and appoint any other 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 Majority Consent, provided that the Beneficiaries have provided prior notice of such appointment to the Rating Agency and obtained the consent of SEBI (if applicable), 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"**):

(a) Any failure by Trustee to distribute to the PTC Holders the payments required to be made under the terms of the Trust Deed 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

(b) Failure on the part of the Trustee in duly observing or performing any covenants in the Trust Deed (except as covered in (i) above) which continues unremedied for a period of 60 (Sixty) 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

(c) The Trustee commits any act of default or breach of any of its obligations under the Trust Deed; or

(d) If an application is made for the commencement of any insolvency resolution process under the Insolvency and Bankruptcy Code 2016 or equivalent application to the National Company Law Tribunal in respect of the Trustee or 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

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(e) If any insolvency professional, receiver, assignee, trustee or a similar other body is appointed by any court, tribunal or any other competent authority in any insolvency, winding up, execution or distress proceedings against the Trustee.

(f) Any breach of Trustee's representations and warranties.

(e) **Appointment of a new Trustee**

(i) 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.

(ii) Provided however that no Person shall be appointed a trustee if:

(a) such Person has been found to be insolvent;

(b) such Person has voluntarily filed for bankruptcy/insolvency proceedings with appropriate authorities;

(c) 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.

(iii) A new trustee to be appointed shall be qualified to be appointed as the trustee under applicable SEBI PTC Listing Regulations.

(iv) 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.

(f) **Management of the Trustee**

Catalyst Trusteeship Ltd. (Erstwhile "GDA Trusteeship Limited"), a SEBI registered trusteeship company, is an independent service provider, engaged in providing corporate trusteeship services including trusteeship for bonds/ debenture issues. Catalyst Trusteeship Ltd. (Erstwhile "GDA Trusteeship Limited") is a company incorporated under the Companies Act, 1956 and was incorporated on August 22, 1997. Catalyst Trusteeship Ltd. (Erstwhile "GDA Trusteeship Limited") obtained registration under the SEBI (Debenture Trustees) Regulations, 1993 in the year 1998. The registration has been renewed up to April 30, 2015. The range of services being provided by Catalyst Trusteeship Ltd. (Erstwhile "GDA Trusteeship Limited") includes debenture/bond trusteeship, security/mortgage trusteeship, trust and retention agency, escrow agency, inter creditor agency, trustees to securitization transactions, trustees to venture capital/private equity funds etc, Gratuity, Superannuation, Provident and Pension Fund Trustee, Trustee for Public Deposits. CTL has been accredited with ISO 9001 certification for its strong internal systems with state-of-the-art technology. CTL is required to conform to stringent quality standards prescribed under the above certification on an on-going basis. CTL is also DNV certified. Catalyst Trusteeship Ltd. (Erstwhile "GDA Trusteeship Limited") is presently handling trusteeship assignments having more than Rs. 5,00,000/- crores amounts under trust management.

Infrastructure & Manpower:

- Professionally Qualified Employees comprising of MBA's, Lawyers, Chartered Accountants, Company Secretaries and Senior Bankers.

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- In house Legal Department
- Documents Storage Facility across various states.

The expert and experienced professionals work in complete sychrony to deliver solutions that add value to the clientele.

Board of Directors of the Trustee

Sr. No.	Name of Director and Address	Designation
1.	Shri. Ravindra Marathe B 704, Kapil Akhila, Pancard Club road, Baner, Pune 400145	Director
2.	Shri. Jayesh Dharmendra Pandit Anand Dharrma, Hem Colony, S.V. Road, Vile Parle (West), Mumbai – 400056	Director
3.	Shri. Raghavendra Krishnarao Kulkarni Gangotri Apartments, Erandwane, PL-No.-1, Pune - 411029	Director

(g) **Name of the Compliance Officer of the Trustee**

Ms. Rakhi Kulkarni

(h) **Principal powers of the Trustee**

(i) General Power

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 the Trust Deed. 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.

(ii) 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:

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

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

(c) to utilise the Trust Fund, in accordance with the provisions of the Trust Deed and the applicable Transaction Documents;

(d) 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;

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

(f) to acquire, hold, deal with, manage or dispose of the Assets and incidental rights thereto, in

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trust for the Beneficiaries in accordance with the provisions of the Trust Deed or as directed by the Beneficiaries holding Majority Interest acting in accordance with the provisions of Transaction Documents;

(g) to make payment from the Collection and Payout Account of statutory and regulatory dues and all other payments, in accordance with the Transaction Documents, including the payouts to the Beneficiaries as per the Waterfall Mechanism;

(h) 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;

(i) to open, 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;

(j) 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;

(k) 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 the Trust Deed, 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;

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

(m) to acquire, hold, deal with, manage or dispose of the Trust Fund in accordance with the provisions of the Transaction Documents;

(n) to 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 or Mortgage Security Interest, required to be furnished pursuant to any provision of the Trust Deed 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;

(o) 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;

(p) to provide to Rating Agency, SEBI, RBI 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;

(q) monitor the performance of the Servicer with respect to *inter alia* the collection of the

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Receivables;

(r) to review the reports prepared pursuant to the Discretionary Audits and take action thereon;

(s) to appoint a calculation agent, to perform such functions as may be set out in the Deed of Assignment and if required, to remove such calculation agent and appoint another in its place;

(t) to determine the adequacy of the funds on the basis of the Monthly Reports in accordance with the timelines set out herein or in any other Transaction Documents. 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;

(u) to obtain rating and listing of the PTCs issued to Beneficiaries on Stock Exchange in accordance with the Trust Deed;

(v) In the event the PTCs are de-listed by Stock Exchange, the Trust shall ensure that the PTCs are re-listed within 2 (Two) Business Days from the date of such de-listing by Stock Exchange;

(w) 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;

(x) 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, within such timeline as required by the Beneficiaries holding Majority Interest;

(y) to enforce the indemnities provided by the Seller and the Servicer under the Transaction Documents;

(z) to enforce and/or to call upon the Servicer to enforce the Underlying Security and thereafter utilize the proceeds realized in accordance with the provisions of the applicable Transaction Documents;

(aa) 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;

(bb) in case a change of Servicer being required pursuant to the terms of the Trust Deed or any other applicable Transaction Documents, to take custody of all the Underlying Documents from the Servicer and to replace the Servicer as per the terms set out in the Transaction Documents;

(cc) to take necessary steps to assist in the perfection of the security interest created by the relevant Obligors in the Underlying Assets in favour of the Trust for the benefit of the Beneficiaries (if at all required) and for this purpose procure transfer of the Mortgage Security Interest in favour of the Trust in accordance with the terms of the Transaction Documents;;

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(dd) to release the Underlying Security and/or to release the Credit Enhancement on the full payment of all Investor Payouts, in accordance with the terms and conditions of the Trust Deed and the other Transaction Documents;

(ee) 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;

(ff) acting on the instructions of the Beneficiaries holding Majority Interest, to initiate, commence, institute, 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) from the Seller;

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

(hh) 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;

(ii) to appoint, with the Majority Consent, brokers, advocates, auditors, solicitors, registrars, agents, valuers and other Persons for the purpose of fulfilling any of the objectives of the Trust and if required, to remove such Persons and appoint others in their place;

(jj) 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;

(kk) 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;

(ll) to reject any Loan (on the instructions of Beneficiaries holding Majority Interest), which is being offered for assignment by the Seller to the Trust, that does not comply with eligibility criteria or the pool selection criteria set out under Schedule IV of the Deed of Assignment;

(mm) to monitor that the Minimum Retention Requirement is being complied with and retained by the Seller until the PTCs are paid in full;

(nn) to pay the EIS, if any, to the Seller in accordance with the Waterfall Mechanism set out herein;

(oo) 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 Majority Consent.

7.4 LEGAL COUNSEL

Wadia Ghandy & Co. has been appointed as the legal counsel for the securitisation transaction and shall prepare

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and finalise the Transaction Documents and shall provide a legal opinion covering 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.

7.5 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 Certificate Register for the PTCs issued and transferred and registered from time to time. The Certificates will be transferable only in dematerialised form.

7.6 DESIGNATED BANK

ICICI Bank Limited shall be the Designated Bank. Accordingly, the CPA shall be maintained with the Designated Bank at its branch at Bandra Kurla Complex in 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 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) documents executed in relation to the Credit Enhancement including Cash Collateral Agreement; and
(f) Power of Attorney by the Seller in favour of the Trustee.

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, the Receivables and the Underlying Security (together with all corresponding rights and interests in relation thereto) (excluding Mortgage Security Interest) 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 REPOSSESSION

In the event of default in making payments by an Obligor, the Servicer is required to intimate the occurrence of such default to the Obligor and follow a due process of serving of notice for repossession. On the expiry of the

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notice period, the Servicer has a right to take possession the Underlying Asset, unless such an act would constitute a breach of any law or regulation. In a case where the Obligor objects or raises a defence to possession, a court order may be obtained from the appropriate court and possession of the Underlying Asset may be taken in accordance with that order. The court may also prevent the Servicer from taking possession an Underlying Asset or as a part of a rehabilitation or settlement plan, reduce the amount of indebtedness or reduce any payment due or reduce the interest and/or extend the time for payment of amount by the Obligor. Any such directions of the court may affect the payments made to the Investor.

The sale proceeds of an Underlying Asset are first applied towards the expenses of taking possession and sale - then to recovery of overdues and then to satisfaction of the balance amounts outstanding. While the Obligor is still obliged to repay the outstanding loan amounts after adjustment of the sale price of the Underlying Asset, in practice, a defaulting Obligor has very little capital or source of income available. Therefore, in many cases, it may not be useful to seek a deficiency judgment or, where a decree is obtained; it may have to be settled at a significant discount.

8.5 MORTGAGE SECURITY INTEREST

The Mortgage Security Interest shall continue to be held in the name of the Seller, and the Seller shall, when requested by the Trust/Beneficiaries, transfer full and complete right, title and interest in the Mortgage Security Interest to the Trust at the costs and expenses of the Seller.

The Parties acknowledge that the rights in the Mortgage Security Interest are not being assigned to the Trust in terms of the Deed of Assignment solely for the purposes of ensuring that the Seller, in its capacity as Servicer, is entitled to continue to exercise all enforcement rights available in relation to the Mortgage Security Interest in terms of the Underlying Documents.

It is further agreed and acknowledged that the Servicer shall always exercise its rights in respect of the Mortgage Security Interest for the benefit of the Trust upon any default occurring in relation to the relevant underlying Loans (unless otherwise consented to by the Assignee) and all realisations from the exercise of such rights shall be treated in the same manner as a collection of Receivables by the Servicer.

8.6 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.

8.7 TAX DEDUCTED AT SOURCE

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

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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.

8.8 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.

8.9 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.

8.10 APPLICABILITY OF THE SECURITISATION ACT

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 Legal Counsel would also cover this.

8.11 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 Senior Tranche A1 PTCs have been given a provisional rating of AAA (SO) and Senior Tranche A2 PTCs have been given a provisional rating of AA (SO) by the Rating Agency. However, holding of the PTCs is not free of risk. The Issuer believes that the risks described below are the principal ones inherent in this transaction for 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 replacing 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 liable 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 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. However, the Originator is of the opinion that the Receivables upon realisation are

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sufficient to meet the repayments of the Senior Tranche PTCs.

9.6 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.

9.7 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 underlying 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 Investors against the Trustee. Delinquencies and credit losses may cause depletion of the amount available under the Credit Enhancement and thereby the monthly Investor Payouts to the Investors may get affected if the amount available in the Credit Enhancement facility is not enough to cover the shortfall.

9.8 SERVICER RISK

Veritas Finance Private 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 Veritas Finance Private Limited is unable to perform its functions as a Servicer satisfactorily, the appointment of Veritas Finance Private 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 Investors.

9.9 RISKS DUE TO POSSIBLE PREPAYMENTS

There could be Prepayments 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.

9.10 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 pool balance, at a purchase consideration equal to the outstanding principal amount. The exercise of this option would have the same effect as Prepayments.

9.11 BANKRUPTCY

(a) Bankruptcy of the Originator / Seller

If Veritas Finance Private Limited becomes subject to bankruptcy proceedings and the court or tribunal in the bankruptcy proceedings concludes that the sale from Veritas Finance Private 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 such that the sale to the Trust will 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 Investors, as envisaged herein, would constitute an absolute and valid sale.

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(b) 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.

(c) 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.

(d) Bankruptcy of the Trustee

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.

9.12 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 Senior Tranche PTCs. In such cases, the 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.

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9.13 RISK OF CO-MINGLING

The Servicer will deposit all payments received from the Obligors into the Collection and Payout Account. However so long as Veritas Finance Private 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 Collection and Payout Account 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 Veritas Finance Private Limited. If Veritas Finance Private Limited in its capacity as Servicer fails to remit such funds into the Collection and Payout Account, the Investors may be exposed to a potential loss. However, under the Transaction Documents, as the Servicer would be providing an express undertaking that all collections received/realised by it would be held by Veritas Finance Private Limited in trust for and on behalf of the Trust and for the benefit of the Beneficiaries.

9.14 LEGAL AND TAX ISSUES

For Legal and Tax Issues please refer to Chapter 8 of the Information Memorandum.

9.15 RISK RELATING TO SECURITY CREATIONS

In case the Obligors are Companies within the meaning of the Companies Act, 2013, then in such an event, the Seller or relevant Obligor does not do any separate recording of the hypothecation with the concerned Registrar of Companies. Further, when the Seller has assigned the Assets to the Trust, the transfer of the security interest in such Underlying Assets of the Obligors who are companies, would amount to a 'modification of charge' for the purposes of the Companies Act, 2013 and therefore if such modification is not recorded, the charge of the Trust in relation to such Underlying Assets would not be perfected against creditors and liquidators of the Obligors which are companies

9.16 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

9.17 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.

9.18 INDUSTRY RISK: 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.

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9.19 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 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 Senior Tranche PTCs.

9.20 DILUTION RISK

The Senior Tranche 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 Senior Tranche PTCs.

9.21 LEGALITY OF PURCHASE

Prospective Investors will be responsible for the lawfulness of the acquisition of the Senior Tranche 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.

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 monthly Investor Payouts payable to the Investors. Upon payment of the final Investor Payout, the Certificates shall stand cancelled. If the Investor 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 AMENDMENT

The Transaction Documents may be amended by the Seller, the Issuer, the Servicer and the Trustee only with the written consent of the Investors who are entitled to the beneficial interest in 75% (Seventy Five Percent) of the value of all the then outstanding Receivables and notification to the Rating Agency.

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CHAPTER 11: DECLARATION

A. By the Trustee

We Catalyst Trusteeship Limited being the trustees of the issuer namely: Vajra 004 Trust 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 Vajra 004 Trust,
Trustee for Catalyst Trusteeship Limited.

Authorised Signatory
Date: December 28, 2023
Place: Mumbai

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B. By the Originator

I, D Arulmany, being the Director of the Originator namely: Veritas Finance Private 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 Veritas Finance Private Limited

Director:
Date: December 28, 2023
Place: Mumbai

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ANNEXURE 1: TERMS OF THE SENIOR TRANCHE PTCs

Issue Opening Date	December 28, 2023
Issue Closing Date	December 28, 2023
Deemed Date of Allotment	December 28, 2023
First Payout Date	January 20, 2024
Last Payout Date (Expected) in relation to Senior Tranche A1 PTCs	January 20, 2026
Last Payout Date (scheduled) in relation to Senior Tranche A1 PTCs	June 20, 2029
Last Payout Date (Expected) in relation to Senior Tranche A2 PTCs	January 20, 2027
Last Payout Date (scheduled) in relation to Senior Tranche A2 PTCs	June 20, 2029
Expected Maturity in relation to Senior Tranche A1 PTCs	25 (Twenty Five) months
Expected Maturity In relation to Senior Tranche A2 PTCs	37 (Thirty Seven) months
Legal Final Maturity in relation to Senior Tranche PTCs (in months)	66 (Sixty Six) months
No. of Senior Tranche A1 PTCs	10,783
No. of Senior Tranche A2 PTCs	5,170
Price Per Senior Tranche A1 PTC	Re. 1,00,000/- (Rupee One Lakh only)
Price Per Senior Tranche A2 PTC	Re. 1,00,000/- (Rupee One Lakh only)
Senior Tranche A1 Yield	9.55% (Nine Decimal Point Five Five Percent) p.a.p.m
Senior Tranche A2 Yield	9.95% (Nine Decimal Point Nine Five Percent) p.a.p.m
Cut-off Date	November 30, 2023
Transfer Date	December 01, 2023
Expected Yield in relation to Senior Tranche A1 PTCs	9.55% (Nine Decimal Point Five Five Percent) p.a.p.m
Expected Yield in relation to Senior Tranche A2 PTCs	9.95% (Nine Decimal Point Nine Five Percent) p.a.p.m
Senior Tranche A1 Expected Maturity Date	January 20, 2026
Senior Tranche A2 Expected Maturity Date	January 20, 2027
Senior Tranche A1 Final Maturity Date	June 20, 2029

Senior Tranche A2 Final Maturity Date	June 20, 2029
Redemption Value per Senior Tranche A1 PTC	Re. 1,00,000/- (Rupee One Lakh only)
Redemption Value per Senior Tranche A2 PTC	Re. 1,00,000/- (Rupee One Lakh only)

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ANNEXURE 2: INVESTOR PAYOUT SCHEDULE FOR PTCS

**The payout schedule described below is indicative in nature and may undergo alterations as per the provisions of the Transaction Documents.*

Pool Cashflows

Collection Start Date	Collection End Date	Payin Date	Payout Date	Principal	Interest	Cashflows
			28-12-2023			1,75,30,48,215
01-Dec-23	31-12-2023	19-01-2024	20-01-2024	3,36,10,242	3,37,15,697	6,73,25,939
01-Jan-24	31-01-2024	19-02-2024	20-02-2024	3,42,62,312	3,30,63,627	6,73,25,939
01-Feb-24	29-02-2024	19-03-2024	20-03-2024	3,49,22,659	3,24,03,280	6,73,25,939
01-Mar-24	31-03-2024	19-04-2024	20-04-2024	3,55,95,816	3,17,30,123	6,73,25,939
01-Apr-24	30-04-2024	19-05-2024	20-05-2024	3,62,82,051	3,10,43,888	6,73,25,939
01-May-24	31-05-2024	19-06-2024	20-06-2024	3,69,81,616	3,03,44,323	6,73,25,939
01-Jun-24	30-06-2024	19-07-2024	20-07-2024	3,76,94,692	2,96,31,247	6,73,25,939
01-Jul-24	31-07-2024	19-08-2024	20-08-2024	3,84,21,725	2,89,04,214	6,73,25,939
01-Aug-24	31-08-2024	19-09-2024	20-09-2024	3,91,62,787	2,81,63,152	6,73,25,939
01-Sep-24	30-09-2024	19-10-2024	20-10-2024	3,99,18,341	2,74,07,598	6,73,25,939
01-Oct-24	31-10-2024	19-11-2024	20-11-2024	4,06,88,371	2,66,37,568	6,73,25,939
01-Nov-24	30-11-2024	19-12-2024	20-12-2024	4,14,73,503	2,58,52,436	6,73,25,939
01-Dec-24	31-12-2024	19-01-2025	20-01-2025	4,22,05,021	2,50,52,013	6,72,57,034
01-Jan-25	31-01-2025	19-02-2025	20-02-2025	4,22,83,266	2,42,37,601	6,65,20,867
01-Feb-25	28-02-2025	19-03-2025	20-03-2025	4,18,44,762	2,34,21,849	6,52,66,611
01-Mar-25	31-03-2025	19-04-2025	20-04-2025	4,16,20,678	2,26,14,817	6,42,35,495
01-Apr-25	30-04-2025	19-05-2025	20-05-2025	4,17,39,483	2,18,12,639	6,35,52,122
01-May-25	31-05-2025	19-06-2025	20-06-2025	4,12,19,681	2,10,08,345	6,22,28,026
01-Jun-25	30-06-2025	19-07-2025	20-07-2025	4,18,94,019	2,02,14,054	6,21,08,073
01-Jul-25	31-07-2025	19-08-2025	20-08-2025	4,23,82,096	1,94,06,960	6,17,89,056
01-Aug-25	31-08-2025	19-09-2025	20-09-2025	4,28,08,238	1,85,90,266	6,13,98,504
01-Sep-25	30-09-2025	19-10-2025	20-10-2025	4,26,79,109	1,77,65,246	6,04,44,355
01-Oct-25	31-10-2025	19-11-2025	20-11-2025	4,25,00,312	1,69,43,277	5,94,43,589
01-Nov-25	30-11-2025	19-12-2025	20-12-2025	4,17,91,234	1,61,25,123	5,79,16,357
01-Dec-25	31-12-2025	19-01-2026	20-01-2026	4,16,56,315	1,53,20,854	5,69,77,169
01-Jan-26	31-01-2026	19-02-2026	20-02-2026	4,15,28,500	1,45,19,670	5,60,48,170
01-Feb-26	28-02-2026	19-03-2026	20-03-2026	4,11,80,132	1,37,20,920	5,49,01,052
01-Mar-26	31-03-2026	19-04-2026	20-04-2026	4,08,54,929	1,29,28,839	5,37,83,768
01-Apr-26	30-04-2026	19-05-2026	20-05-2026	4,01,70,889	1,21,42,949	5,23,13,838
01-May-26	31-05-2026	19-06-2026	20-06-2026	3,86,46,021	1,13,70,504	5,00,16,525
01-Jun-26	30-06-2026	19-07-2026	20-07-2026	3,86,66,901	1,06,27,086	4,92,93,987
01-Jul-26	31-07-2026	19-08-2026	20-08-2026	3,89,20,832	98,83,356	4,88,04,188
01-Aug-26	31-08-2026	19-09-2026	20-09-2026	3,87,97,866	91,34,590	4,79,32,456
01-Sep-26	30-09-2026	19-10-2026	20-10-2026	3,69,66,964	83,88,802	4,53,55,766
01-Oct-26	31-10-2026	19-11-2026	20-11-2026	3,46,08,357	76,79,474	4,22,87,831
01-Nov-26	30-11-2026	19-12-2026	20-12-2026	3,17,79,407	70,15,962	3,87,95,369
01-Dec-26	31-12-2026	19-01-2027	20-01-2027	3,07,15,039	64,07,617	3,71,22,656

01-Jan-27	31-01-2027	19-02-2027	20-02-2027	2,98,05,134	58,19,240	3,56,24,374
01-Feb-27	28-02-2027	19-03-2027	20-03-2027	2,81,53,732	52,47,663	3,34,01,395
01-Mar-27	31-03-2027	19-04-2027	20-04-2027	2,73,38,547	47,06,683	3,20,45,230
01-Apr-27	30-04-2027	19-05-2027	20-05-2027	2,59,08,996	41,79,790	3,00,88,786
01-May-27	31-05-2027	19-06-2027	20-06-2027	2,34,69,302	36,80,005	2,71,49,307
01-Jun-27	30-06-2027	19-07-2027	20-07-2027	2,28,05,682	32,26,481	2,60,32,163
01-Jul-27	31-07-2027	19-08-2027	20-08-2027	1,99,11,817	27,85,135	2,26,96,952
01-Aug-27	31-08-2027	19-09-2027	20-09-2027	1,72,13,710	24,00,180	1,96,13,890
01-Sep-27	30-09-2027	19-10-2027	20-10-2027	1,42,15,399	20,68,827	1,62,84,226
01-Oct-27	31-10-2027	19-11-2027	20-11-2027	1,25,56,834	17,97,221	1,43,54,055
01-Nov-27	30-11-2027	19-12-2027	20-12-2027	93,62,610	15,58,225	1,09,20,835
01-Dec-27	31-12-2027	19-01-2028	20-01-2028	84,71,654	13,81,596	98,53,250
01-Jan-28	31-01-2028	19-02-2028	20-02-2028	75,38,980	12,21,812	87,60,792
01-Feb-28	29-02-2028	19-03-2028	20-03-2028	59,09,680	10,80,031	69,89,711
01-Mar-28	31-03-2028	19-04-2028	20-04-2028	56,51,386	9,69,814	66,21,200
01-Apr-28	30-04-2028	19-05-2028	20-05-2028	54,48,527	8,64,079	63,12,606
01-May-28	31-05-2028	19-06-2028	20-06-2028	50,88,058	7,61,783	58,49,841
01-Jun-28	30-06-2028	19-07-2028	20-07-2028	50,24,048	6,66,277	56,90,325
01-Jul-28	31-07-2028	19-08-2028	20-08-2028	48,64,045	5,72,053	54,36,098
01-Aug-28	31-08-2028	19-09-2028	20-09-2028	46,23,706	4,80,978	51,04,684
01-Sep-28	30-09-2028	19-10-2028	20-10-2028	42,40,649	3,94,470	46,35,119
01-Oct-28	31-10-2028	19-11-2028	20-11-2028	38,35,079	3,15,468	41,50,547
01-Nov-28	30-11-2028	19-12-2028	20-12-2028	32,70,227	2,44,105	35,14,332
01-Dec-28	31-12-2028	19-01-2029	20-01-2029	28,41,452	1,83,558	30,25,010
01-Jan-29	31-01-2029	19-02-2029	20-02-2029	23,91,357	1,30,811	25,22,168
01-Feb-29	28-02-2029	19-03-2029	20-03-2029	19,18,149	86,328	20,04,477
01-Mar-29	31-03-2029	19-04-2029	20-04-2029	14,02,506	50,404	14,52,910
01-Apr-29	30-04-2029	19-05-2029	20-05-2029	9,91,229	24,254	10,15,483
01-May-29	31-05-2029	19-06-2029	20-06-2029	3,21,553	5,970	3,27,523

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Cashflows to Senior Tranche PTCs

Cashflows to Senior Tranche A1 PTCs *

Payout Date	Principal Outstanding	Series A1 Yield	Series A1 Principal (Scheduled)*** (91%)	Series A1 Principal (Expected) (9%)	Accelerated Series A1 Principal (30% Turbo)	Series A1 Principal	Series A1 Investor Payout**
28-12-2023							-1,07,83,00,000
20-01-2024	1,07,83,00,000	64,89,003	3,05,85,821	30,24,421	71,71,719	4,07,81,961	4,72,70,964
20-02-2024	1,03,75,18,039	84,15,266	3,11,79,215	30,83,097	60,59,974	4,03,22,286	3,95,94,481
20-03-2024	99,71,95,753	75,66,394	3,17,80,140	31,42,519	62,01,093	4,11,23,752	3,93,46,534
20-04-2024	95,60,72,001	77,54,661	3,23,82,723	32,03,093	58,58,104	4,14,53,920	4,01,47,384
20-05-2024	91,46,18,081	71,79,125	3,30,17,207	32,64,844	58,67,175	4,21,49,226	4,01,96,333
20-06-2024	87,24,68,856	70,76,559	3,36,53,822	33,27,794	56,45,795	4,26,27,411	4,07,30,381
20-07-2024	82,98,41,445	65,13,687	3,43,02,731	33,91,961	56,43,014	4,33,37,706	4,08,16,418
20-08-2024	78,65,03,738	63,79,300	3,49,64,342	34,57,383	54,22,940	4,38,44,665	4,13,43,642
20-09-2024	74,26,59,074	60,23,677	3,56,38,720	35,24,067	53,07,308	4,44,70,095	4,16,62,397
20-10-2024	69,81,88,979	54,80,305	3,63,26,285	35,92,056	52,85,934	4,52,04,275	4,18,06,590
20-11-2024	65,29,84,705	52,96,332	3,70,27,024	36,61,347	50,67,836	4,57,56,207	4,23,23,356
20-12-2024	60,72,28,497	47,66,328	3,77,41,506	37,31,997	50,33,579	4,65,07,082	4,25,07,834
20-01-2025	56,07,21,416	45,47,988	3,84,07,198	37,97,823	48,16,697	4,70,21,718	4,29,55,186
20-02-2025	51,36,99,698	41,66,597	3,84,78,402	38,04,864	46,87,052	4,69,70,318	4,26,44,999
20-03-2025	46,67,29,380	34,19,272	3,80,79,357	37,65,405	47,93,809	4,66,38,571	4,14,98,629
20-04-2025	42,00,90,809	34,07,339	3,78,75,437	37,45,241	44,28,803	4,60,49,481	4,12,82,777
20-05-2025	37,40,41,328	29,35,968	3,79,83,552	37,55,931	43,72,083	4,61,11,566	4,09,19,520
20-06-2025	32,79,29,762	26,59,825	3,75,10,524	37,09,157	41,71,826	4,53,91,507	4,01,70,349
20-07-2025	28,25,38,255	22,17,732	3,81,24,182	37,69,837	41,08,490	4,60,02,509	4,03,41,913
20-08-2025	23,65,35,746	19,18,532	3,85,68,339	38,13,757	39,13,954	4,62,96,050	4,04,86,871
20-09-2025	19,02,39,696	15,43,026	3,89,56,135	38,52,103	37,81,736	4,65,89,974	4,04,99,161
20-10-2025	14,36,49,722	11,27,552	3,88,38,625	38,40,484	37,01,490	4,63,80,600	3,99,66,177
20-11-2025	9,72,69,123	7,88,946	3,86,75,917	38,24,395	35,14,555	4,60,14,867	3,94,64,863
20-12-2025	5,12,54,256	4,02,311	3,80,30,646	37,60,588	34,27,921	4,52,19,155	3,84,32,957
20-01-2026	60,35,101	48,950	60,35,101	-	-	60,35,101	60,84,051

** 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 the Deed of Assignment.*

****Credit Enhancement will be utilised to make payments in relation to the scheduled principal portion of the Series A1 PTCs, on any Payout Date, including the final maturity date i.e June 20, 2029*

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Cashflows to Senior Tranche A2 PTCs *

Payout Date	Outstanding Principal	Series A2 Yield	Series A2 Principal (Promised) (91%)	Series A2 Principal (Expected) (9%)	Accelerated Series A2 Principal (30% Turbo)	Series A2 Principal	Series A2 Investor Payouts
28-12-2023							-51,70,00,000
20-01-2024	51,70,00,000	32,41,519	-	-	-	-	32,41,519
20-02-2024	51,70,00,000	43,69,004	-	-	-	-	43,69,004
20-03-2024	51,70,00,000	40,87,133	-	-	-	-	40,87,133
20-04-2024	51,70,00,000	43,69,004	-	-	-	-	43,69,004
20-05-2024	51,70,00,000	42,28,068	-	-	-	-	42,28,068
20-06-2024	51,70,00,000	43,69,004	-	-	-	-	43,69,004
20-07-2024	51,70,00,000	42,28,068	-	-	-	-	42,28,068
20-08-2024	51,70,00,000	43,69,004	-	-	-	-	43,69,004
20-09-2024	51,70,00,000	43,69,004	-	-	-	-	43,69,004
20-10-2024	51,70,00,000	42,28,068	-	-	-	-	42,28,068
20-11-2024	51,70,00,000	43,69,004	-	-	-	-	43,69,004
20-12-2024	51,70,00,000	42,28,068	-	-	-	-	42,28,068
20-01-2025	51,70,00,000	43,69,004	-	-	-	-	43,69,004
20-02-2025	51,70,00,000	43,69,004	-	-	-	-	43,69,004
20-03-2025	51,70,00,000	39,46,197	-	-	-	-	39,46,197
20-04-2025	51,70,00,000	43,69,004	-	-	-	-	43,69,004
20-05-2025	51,70,00,000	42,28,068	-	-	-	-	42,28,068
20-06-2025	51,70,00,000	43,69,004	-	-	-	-	43,69,004
20-07-2025	51,70,00,000	42,28,068	-	-	-	-	42,28,068
20-08-2025	51,70,00,000	43,69,004	-	-	-	-	43,69,004
20-09-2025	51,70,00,000	43,69,004	-	-	-	-	43,69,004
20-10-2025	51,70,00,000	42,28,068	-	-	-	-	42,28,068
20-11-2025	51,70,00,000	43,69,004	-	-	-	-	43,69,004
20-12-2025	51,70,00,000	42,28,068	-	-	-	-	42,28,068
20-01-2026	51,70,00,000	43,69,004	3,18,72,767	37,48,448	32,50,700	3,88,71,914	4,32,40,918
20-02-2026	47,81,28,086	40,40,510	3,77,91,554	37,36,946	31,23,907	4,46,52,407	4,86,92,917
20-03-2026	43,34,75,679	33,08,666	3,74,74,534	37,05,598	31,04,241	4,42,84,373	4,75,93,040
20-04-2026	38,91,91,306	32,88,933	3,71,78,594	36,76,335	28,72,932	4,37,27,861	4,70,16,794
20-05-2026	34,54,63,444	28,25,228	3,65,56,108	36,14,781	27,76,797	4,29,47,686	4,57,72,915
20-06-2026	30,25,15,758	25,56,465	3,51,68,455	34,77,566	26,26,506	4,12,72,527	4,38,28,992
20-07-2026	26,12,43,232	21,36,469	3,51,87,456	34,79,445	25,29,735	4,11,96,636	4,33,33,105
20-08-2026	22,00,46,596	18,59,544	3,54,18,537	35,02,295	23,89,867	4,13,10,699	4,31,70,243
20-09-2026	17,87,35,897	15,10,441	3,53,06,636	34,91,230	22,70,277	4,10,68,143	4,25,78,583
20-10-2026	13,76,67,754	11,25,858	3,36,40,488	33,26,476	21,62,827	3,91,29,791	4,02,55,649
20-11-2026	9,85,37,963	8,32,713	3,14,94,121	31,14,236	20,39,058	3,66,47,415	3,74,80,129
20-12-2026	6,18,90,548	5,06,146	2,89,19,734	28,59,673	19,39,211	3,37,18,618	3,42,24,764
20-01-2027	2,81,71,929	2,38,072	2,79,51,143	2,20,786	-	2,81,71,929	2,84,10,001

** 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 A2 PTCs.*

***The Series A2 Investor Payout to be paid to the Series A2 Investors set out above is indicative in nature and may undergo alterations as per the provisions of the Deed of Assignment*

***** Upon redemption of Senior Tranche A1 PTCs, Credit Enhancement will be utilised to make payments in relation to the promised portion of the Series A2 PTCs, on any Payout Date, including the final maturity date i.e June 20, 2029*

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Cashflows to Equity Tranche PTCs *

Payout Date	Principal Outstanding	Equity Tranche Yield	Equity Tranche Principal	Equity Tranche Investor Payouts
				-15,77,48,215
20-01-2024	15,77,48,215	1,67,34,011	-	1,67,34,011
20-02-2024	15,77,48,215	1,41,39,938	-	1,41,39,938
20-03-2024	15,77,48,215	1,44,69,216	-	1,44,69,216
20-04-2024	15,77,48,215	1,36,68,909	-	1,36,68,909
20-05-2024	15,77,48,215	1,36,90,075	-	1,36,90,075
20-06-2024	15,77,48,215	1,31,73,521	-	1,31,73,521
20-07-2024	15,77,48,215	1,31,67,033	-	1,31,67,033
20-08-2024	15,77,48,215	1,26,53,526	-	1,26,53,526
20-09-2024	15,77,48,215	1,23,83,718	-	1,23,83,718
20-10-2024	15,77,48,215	1,23,33,846	-	1,23,33,846
20-11-2024	15,77,48,215	1,18,24,951	-	1,18,24,951
20-12-2024	15,77,48,215	1,17,45,017	-	1,17,45,017
20-01-2025	15,77,48,215	1,12,38,960	-	1,12,38,960
20-02-2025	15,77,48,215	1,09,36,454	-	1,09,36,454
20-03-2025	15,77,48,215	1,11,85,555	-	1,11,85,555
20-04-2025	15,77,48,215	1,03,33,873	-	1,03,33,873
20-05-2025	15,77,48,215	1,02,01,528	-	1,02,01,528
20-06-2025	15,77,48,215	97,34,261	-	97,34,261
20-07-2025	15,77,48,215	95,86,476	-	95,86,476
20-08-2025	15,77,48,215	91,32,559	-	91,32,559
20-09-2025	15,77,48,215	88,24,050	-	88,24,050
20-10-2025	15,77,48,215	86,36,811	-	86,36,811
20-11-2025	15,77,48,215	82,00,629	-	82,00,629
20-12-2025	15,77,48,215	79,98,482	-	79,98,482
20-01-2026	15,77,48,215	75,84,966	-	75,84,966
20-02-2026	15,77,48,215	72,89,116	-	72,89,116
20-03-2026	15,77,48,215	72,43,229	-	72,43,229
20-04-2026	15,77,48,215	67,03,509	-	67,03,509
20-05-2026	15,77,48,215	64,79,193	-	64,79,193
20-06-2026	15,77,48,215	61,28,513	-	61,28,513
20-07-2026	15,77,48,215	59,02,715	-	59,02,715
20-08-2026	15,77,48,215	55,76,356	-	55,76,356
20-09-2026	15,77,48,215	52,97,312	-	52,97,312
20-10-2026	15,77,48,215	50,46,597	-	50,46,597
20-11-2026	15,77,48,215	47,57,803	-	47,57,803
20-12-2026	15,77,48,215	45,24,826	-	45,24,826
20-01-2027	15,77,48,215	42,88,018	25,43,110	68,31,128
20-02-2027	15,52,05,105	40,44,042	2,98,05,134	3,38,49,176
20-03-2027	12,53,99,971	36,45,775	2,81,53,732	3,17,99,507
20-04-2027	9,72,46,239	32,68,209	2,73,38,547	3,06,06,756
20-05-2027	6,99,07,692	29,01,000	2,59,08,996	2,88,09,996
20-06-2027	4,39,98,696	25,53,578	2,34,69,302	2,60,22,880
20-07-2027	2,05,29,394	22,37,034	2,05,29,394	2,27,66,428

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Excess Interest Spread and Servicer's Fee

Payout Date	Gross Aggregate EIS	Servicer's Fee (0.10% Inclusive of 18% GST)	Net Aggregate EIS	30% EIS towards acceleration of Senior Tranche PTCs	Balance 70% EIS to Originator
28-12-2023					
20-01-2024	2,39,85,175	79,445	2,39,05,731	71,71,719	1,67,34,011
20-02-2024	2,02,79,357	79,445	2,01,99,912	60,59,974	1,41,39,938
20-03-2024	2,07,49,754	79,445	2,06,70,309	62,01,093	1,44,69,216
20-04-2024	1,96,06,458	79,445	1,95,27,014	58,58,104	1,36,68,909
20-05-2024	1,96,36,694	79,445	1,95,57,249	58,67,175	1,36,90,075
20-06-2024	1,88,98,760	79,445	1,88,19,315	56,45,795	1,31,73,521
20-07-2024	1,88,89,492	79,445	1,88,10,047	56,43,014	1,31,67,033
20-08-2024	1,81,55,910	79,445	1,80,76,466	54,22,940	1,26,53,526
20-09-2024	1,77,70,471	79,445	1,76,91,026	53,07,308	1,23,83,718
20-10-2024	1,76,99,224	79,445	1,76,19,780	52,85,934	1,23,33,846
20-11-2024	1,69,72,232	79,445	1,68,92,787	50,67,836	1,18,24,951
20-12-2024	1,68,58,040	79,445	1,67,78,595	50,33,579	1,17,45,017
20-01-2025	1,61,35,021	79,363	1,60,55,657	48,16,697	1,12,38,960
20-02-2025	1,57,02,000	78,495	1,56,23,505	46,87,052	1,09,36,454
20-03-2025	1,60,56,380	77,015	1,59,79,365	47,93,809	1,11,85,555
20-04-2025	1,48,38,474	75,798	1,47,62,676	44,28,803	1,03,33,873
20-05-2025	1,46,48,602	74,992	1,45,73,611	43,72,083	1,02,01,528
20-06-2025	1,39,79,516	73,429	1,39,06,087	41,71,826	97,34,261
20-07-2025	1,37,68,254	73,288	1,36,94,966	41,08,490	95,86,476
20-08-2025	1,31,19,424	72,911	1,30,46,513	39,13,954	91,32,559
20-09-2025	1,26,78,236	72,450	1,26,05,785	37,81,736	88,24,050
20-10-2025	1,24,09,626	71,324	1,23,38,301	37,01,490	86,36,811
20-11-2025	1,17,85,327	70,143	1,17,15,184	35,14,555	82,00,629
20-12-2025	1,14,94,744	68,341	1,14,26,402	34,27,921	79,98,482
20-01-2026	1,09,02,899	67,233	1,08,35,666	32,50,700	75,84,966
20-02-2026	1,04,79,160	66,137	1,04,13,023	31,23,907	72,89,116
20-03-2026	1,04,12,254	64,783	1,03,47,470	31,04,241	72,43,229
20-04-2026	96,39,906	63,465	95,76,441	28,72,932	67,03,509
20-05-2026	93,17,721	61,730	92,55,990	27,76,797	64,79,193
20-06-2026	88,14,039	59,019	87,55,019	26,26,506	61,28,513
20-07-2026	84,90,617	58,167	84,32,450	25,29,735	59,02,715
20-08-2026	80,23,812	57,589	79,66,223	23,89,867	55,76,356
20-09-2026	76,24,149	56,560	75,67,589	22,70,277	52,97,312
20-10-2026	72,62,944	53,520	72,09,424	21,62,827	50,46,597
20-11-2026	68,46,761	49,900	67,96,861	20,39,058	47,57,803
20-12-2026	65,09,816	45,779	64,64,037	19,39,211	45,24,826
20-01-2027	61,69,545	43,805	61,25,740	18,37,722	42,88,018
20-02-2027	58,19,240	42,037	57,77,203	17,33,161	40,44,042
20-03-2027	52,47,663	39,414	52,08,249	15,62,475	36,45,775
20-04-2027	47,06,683	37,813	46,68,870	14,00,661	32,68,209

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20-05-2027	41,79,790	35,505	41,44,285	12,43,286	29,01,000
20-06-2027	36,80,005	32,036	36,47,969	10,94,391	25,53,578
20-07-2027	32,26,481	30,718	31,95,763	9,58,729	22,37,034
20-08-2027	27,85,135	26,782	27,58,353	8,27,506	19,30,847
20-09-2027	24,00,180	23,144	23,77,036	7,13,111	16,63,925
20-10-2027	20,68,827	19,215	20,49,612	6,14,883	14,34,728
20-11-2027	17,97,221	16,938	17,80,283	5,34,085	12,46,198
20-12-2027	15,58,225	12,887	15,45,338	4,63,602	10,81,737
20-01-2028	13,81,596	11,627	13,69,969	4,10,991	9,58,978
20-02-2028	12,21,812	10,338	12,11,474	3,63,442	8,48,032
20-03-2028	10,80,031	8,248	10,71,783	3,21,535	7,50,248
20-04-2028	9,69,814	7,813	9,62,001	2,88,600	6,73,401
20-05-2028	8,64,079	7,449	8,56,630	2,56,989	5,99,641
20-06-2028	7,61,783	6,903	7,54,880	2,26,464	5,28,416
20-07-2028	6,66,277	6,715	6,59,562	1,97,869	4,61,694
20-08-2028	5,72,053	6,415	5,65,638	1,69,692	3,95,947
20-09-2028	4,80,978	6,024	4,74,954	1,42,486	3,32,468
20-10-2028	3,94,470	5,469	3,89,001	1,16,700	2,72,300
20-11-2028	3,15,468	4,898	3,10,570	93,171	2,17,399
20-12-2028	2,44,105	4,147	2,39,958	71,987	1,67,971
20-01-2029	1,83,558	3,570	1,79,988	53,997	1,25,992
20-02-2029	1,30,811	2,976	1,27,835	38,350	89,484
20-03-2029	86,328	2,365	83,963	25,189	58,774
20-04-2029	50,404	1,714	48,690	14,607	34,083
20-05-2029	24,254	1,198	23,056	6,917	16,139
20-06-2029	5,970	386	5,584	1,675	3,908

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ANNEXURE 3: APPLICATION FORM

Serial No.01

Date: _____/ _____/ ___

To,
Catalyst Trusteeship Limited
901, 9th Floor, Tower-B,–Peninsula Business Park,Senapati Bapat Marg,Lower Parel (West). Mmbai 400013
Tel: +91 22 49220555
Fax: +91 22 49220505
E-mail: umesh.salvi@ctltrustee.com

Kind Attn: Mr. Umesh Salvi

Ref: Application for / ____/ number of [•] PTCs

Dear Sirs,

In connection with our application for the [•] PTCs, we confirm that (a) we have received and reviewed a copy of the Information Memorandum dated December [•], 2023 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 Vajra 004 Trust (the "**Trust**") concerning the [•] Certificates and all matters relating thereto and such additional information as deemed necessary by us to take the decision to apply for the [•] 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 [•] Certificates is permissible under applicable law.

On the basis of the Information Memorandum, I/we hereby apply to you for such number of [•] 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 Investors 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

VERITAS FINANCE PVT. LTD. CHENNAI - 32

(Name and Signature of authorised signatory)

PTCs			
Series Of PTCs	**No. of PTCs**	**Investment Amount per PTC (Rs.)**	**Total Amount (Rs.)**
[•]			

(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	

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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

(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 A[-]					

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.

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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 before 10.00 a.m. 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 2.00 pm on the Issue Closing Date:

   Beneficiary Name: Vajra 004 Trust
   Account No: [●]
   Bank Details: ICICI Bank Limited
   Branch: ICICI Bank Towers, Bandra Kurla Complex
   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

(Annexed separately)

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	
			c)	Percentage of loans overdue between 61-90 days	
			d)	Percentage of loans overdue more than 90	

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	Nature of disclosure	Details			Amount / percentage / years
				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)	
		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	

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	Nature of disclosure	Details			Amount / percentage / years
				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

(Annexed separately)

ANNEXURE 7: CHARTERED ACCOUNTANT CERTIFICATE

(Annexed separately)