

Dear Debenture Holders of Indostar Capital Finance Limited,

Subject: Intimation of raising funds by way of issuance of secured non-convertible debentures by Indostar Capital Finance Limited ("Issuer")

The Company proposes to raise Rs 400 crore via issue of secured, rated, listed, redeemable non-convertible debentures on private placement basis with base issue of Rs 200 Cr and green shoe option of Rs 200 Cr.

This bears reference to SEBI circular no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/218 dated November 03, 2020 titled "Creation of Security in issuance of listed debt securities and 'due diligence' by debenture trustee(s)" and SEBI circular no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/254 dated December 31, 2020 titled "Creation of Security in issuance of listed debt securities and 'due diligence' by debenture trustee(s)- Extension of timeline for implementation"; ("SEBI Circulars") and the financing transaction(s) entered into between Issuer and You ("Existing Documentation").

You are required to be intimated that subject to market conditions, receipt of requisite approvals and other considerations, the Issuer proposes to undertake an issue of secured, rated, listed, redeemable, non-convertible debentures, on private placement basis, of face value of Rs. 1,00,000/- (Rupees One Lakh only) each ("NCDs") aggregating up to Rs. 400,00,00,000/- (the "Issue") in one or more series / tranches/ issuance . The Issuer may also list any series / tranches of NCDs on NSE Limited / BSE Limited. The NCDs are proposed to be secured through a *pari passu* charge by way of hypothecation over the Hypothecated Assets (as mentioned in **Annexure I** which are near language) of Issuer more specifically and additional language shall be mentioned in the transaction documents proposed to be executed in relation to the NCDs (including the Disclosure Document, Debenture Trustee Agreement, Debenture Trust Deed and Deed of Hypothecation). The security shall be created in our favour, in our capacity as the debenture trustee for the Issue. This security for the NCDs will be *pari passu* with the security created in our favour (in your capacity as the debenture trustee for the debentures issued / to be issued under the Existing Documentation) under the Existing Documentation.

In order to ensure prudent compliance with all applicable laws, the Existing Documentations and pursuant to the SEBI Circulars, we hereby intimate you of the proposed Issue and the security, as referred above, on which a *pari passu* charge by way of hypothecation will be created by Issuer in our favour.

ANNEXURE I

Description of Security

First pari-passu charge (along with banks, financial institutions and other lenders which provide credit facilities to the Company) by way of hypothecation over portfolio of assets or receivables of the Company which are less than 90 (Ninety) days overdue from the original scheduled date and/or any cash and cash equivalent, unencumbered treasury assets (as further specified in the Debenture Trust Deed and other Security Documents) with a Minimum Security Cover of 1.10x.

IDBI Trusteeship Services Ltd

CIN : U65991MH2001GOI131154



In case you may have any comments / objections or need any clarification, please communicate the same to us within the next 5 working days, and in case of no communication is received from You, we shall consider your deemed approval / no-objection to the proposed Issue and creation of security as mentioned herein above.

FOR IDBI TRUSTEESHIP SERVICES LTD.

A handwritten signature in blue ink, appearing to be "N. K. Kulkarni", written over a blue circular stamp that contains the text "AUTHORISED SIGNATORY".

AUTHORISED SIGNATORY