

NAVI FINSERV LIMITED
Secured, Redeemable, Non-Convertible Debentures

Issue Opening Date: 23rd May 2022

Issue Closing Date: 10th June 2022

Issuer	Navi Finserv Limited
Issue Size	Base Issue Size Rs. 300 Crore with an option to retain oversubscription of Rs. 300 Crore Aggregating to Rs. 600 Crore. Minimum subscription is 75% of the Base Issue Size, i.e. Rs 225 crores
Rating	A (Stable) by India Ratings
Minimum Application	Rs, 10,000 and Multiple of 1000 thereafter.
Mode of Issuance and Allotment	NCDs will be issued and traded compulsorily in dematerialized form.
Face Value of Bond	Rs. 1,000
Listing	Proposed to be listed on BSE & NSE
Mode of Submission of Application Forms	ASBA only

a) The Issue shall remain open for subscription on Working Days from 10 a.m. to 5 p.m. (Indian Standard Time) during the period indicated above, except that the Issue may close on such earlier date or extended date (subject to a period of maximum of 30 days from the date of the Prospectus) as may be decided by the Board of Directors of the Company or a duly authorised committee thereof. In the event of an early closure or extension of the Issue, the Company shall ensure that notice of the same is provided to the prospective investors through an advertisement in all the newspapers in which pre-issue advertisement has been given on or before such earlier or initial date of Issue closure. On the Issue Closing Date, the Application Forms will be accepted only between 10 a.m. and 3 p.m. (Indian Standard Time) and uploaded until 5 p.m. or such extended time as may be permitted by the Stock Exchanges. Further, pending mandate requests for bids placed on the last day of bidding will be validated by 5 p.m. (Indian Standard Time) on one Working Day after the Issue Closing Date For further details please see "Issue Related Information" on page 189 of the Prospectus.

b) In terms of Regulation 7 of the SEBI NCS Regulations, Company will undertake the Issue of NCDs in dematerialized form.

c) While the NCDs are secured to the tune of 110% of the principal and interest thereon in favour of Debenture Trustee, it is the duty of the Debenture Trustee to monitor the security cover is maintained, however, the recovery of 110% of the amount shall depend on the market scenario prevalent at the time of enforcement of the security

Category Wise Issue Allocation for Secured NCD:-

Category I - Institutional (QIB)	Category II - Non-Institutional (Corporate)	Category III - HNI Category	Category IV - Retail Individual Category
Up to 20% of Overall Issue Size*	Up to 20% of Overall Issue Size*	Up to 30% of Overall Issue Size*	Up to 30% of Overall Issue Size*

***On first come first serve basis to be determined on the basis of the bid uploads made with the scheduled Stock Exchanges.**

THE SPECIFIC TERMS OF EACH OPTION OF NCDs:

Series	I	II	III	IV*
Frequency of Interest Payment	Monthly	Annual	Monthly	Annual
Minimum Application	Rs 10,000 (10 NCDs) across all series			
In Multiples of thereafter (₹)	Rs 1,000 (1 NCD)			
Face Value/ Issue Price of NCDs (₹/ NCD)	Rs 1000			
Type of Instrument	Secured NCDs			
Tenor	18 Months	18 Months	27 Months	27 Months
Coupon (% per annum) for NCD Holders in Category I, Category II, Category III & Category IV	9.20%	9.50%	9.40%	9.75%
Effective Yield (% per annum) for NCD Holders in Category I, Category II, Category III & Category IV	9.59%	9.57%	9.80%	9.77% [□]
Mode of Interest Payment	Through Various Modes available			
Amount (₹ / NCD) on Maturity for NCD Holders in Category I, Category II, Category III & Category IV	Rs 1000			
Maturity / Redemption Date (from the Deemed Date of Allotment)	18 Months	18 Months	27 Months	27 Months
Put and Call Option	Not Applicable			
*The Company shall allocate and allot Series IV NCDs wherein the Applicants have not indicated the choice of the relevant NCD Series.				

With respect to Series where interest is to be paid on an annual basis, relevant interest will be paid on each anniversary of the Deemed Date of Allotment on the face value of the NCDs. The last interest payment under annual Series will be made at the time of redemption of the NCDs. With respect to Series where interest is to be paid on a monthly basis, relevant interest will be paid on the same date of each month from the Deemed Date of Allotment on the face value of the NCDs. The last interest payment under monthly Series will be made at the time of redemption of the NCDs. Please refer to "Annexure D" on page 324 of the Prospectus, for details pertaining to the cash flows of the Company in accordance with the SEBI Operational Circular.

Subject to applicable tax deducted at source, if any. For further details, please see the section entitled "Statement of Possible Tax Benefits available to the Debenture Holders" on page 77 of the Prospectus.

Applicants are advised to ensure that they have obtained the necessary statutory and/or regulatory permissions/consents/approvals in connection with applying for, subscribing to, or seeking Allotment of NCDs pursuant to the Issue. For further details, see "Issue Structure" and "Terms of Issue" on page 205 and 189 of the Prospectus.

Who can apply?

Category I - Institutional Investors	<ul style="list-style-type: none"> • Public financial institutions, scheduled commercial banks, and Indian multilateral and bilateral development financial institutions which are authorised to invest in the NCDs; o • Provident funds and pension funds each with a minimum corpus of ₹ 250 million, superannuation funds and gratuity funds, which are authorised to invest in the NCDs; o • Alternative Investment Funds, subject to investment conditions applicable to them under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012; • Resident Venture Capital Funds registered with SEBI; • Insurance companies registered with the IRDAI; • State industrial development corporations; • Insurance funds set up and managed by the army, navy, or air force of the Union of India; • Insurance funds set up and managed by the Department of Posts, the Union of India; • Systemically Important Non-Banking Financial Company registered with the RBI and having a net-worth of more than ₹ 5,000 million as per the last audited financial statements; • National Investment Fund set up by resolution no. F.No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India; and • Mutual funds registered with SEBI
Category II - Non Institutional Investors	<ul style="list-style-type: none"> • Companies within the meaning of Section 2(20) of the Companies Act, 2013; • Statutory bodies or corporations and societies registered under the applicable laws in India and authorised to invest in the NCDs; • Co-operative banks and regional rural banks; • Trusts including public or private charitable or religious trusts which are authorised to invest in the NCDs; • Scientific and/or industrial research organisations, which are authorised to invest in the NCDs; • Partnership firms in the name of the partners; • Limited liability partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008 (No. 6 of 2009), as amended; • Association of persons; and • Any other incorporated and/ or unincorporated body of persons.
Category III - HNI Category	<ul style="list-style-type: none"> • High Net-worth Individual Investors - Resident Indian individuals and Hindu Undivided Families through the Karta applying for an amount aggregating to above Rs.1,000,000 across all options of NCDs in the Issue.
Category IV - Individual Category	<ul style="list-style-type: none"> • Retail individual investors - resident Indian individuals or Hindu Undivided Families through the Karta applying for an amount aggregating up to and including ₹1,000,000 across all options of NCDs in the Issue and shall include retail individual investors, who have submitted bid for an amount not more than UPI Application Limit (being ₹ 500,000 for issue of debt securities) in any of the bidding options in the Issue (including Hindu Undivided Families applying through their Karta and does not include NRIs) through UPI Mechanism.

Note: Participation of any of the aforementioned categories of persons or entities is subject to the applicable statutory and/ or regulatory requirements in connection with the subscription to Indian securities by such categories of persons or entities.

APPLICATIONS CANNOT BE MADE BY:

- (1) Minors without a guardian name* (A guardian may apply on behalf of a minor. However, the name of the guardian will need to be mentioned on the Application Form that contain the names of both the minor applicant and the guardian);
- (2) Foreign nationals; NRI inter-alia including any NRIs who are (i) based in the USA, and/or, (ii) domiciled in the USA, and/or, (iii) residents/citizens of the USA, and/or, (iv) subject to any taxation laws of the USA;
- (3) Persons resident outside India;
- (4) Foreign Institutional Investors;
- (5) Foreign Portfolio Investors;
- (6) Non Resident Indians;
- (7) Qualified Foreign Investors;
- (8) Overseas Corporate Bodies**;
- (9) Foreign Venture Capital Funds;
- (10) Persons ineligible to contract under applicable statutory/ regulatory requirements.

** Applicant shall ensure that guardian is competent to contract under Indian Contract Act, 1872
The Registrar to the Issue shall verify the above on the basis of the records provided by the Depositories based on the DP ID and Client ID provided by the Applicants in the Application Form and uploaded onto the electronic system of the Stock Exchanges by the Designated Intermediaries.*

Based on the information provided by the Depositories, the Company shall have the right to accept Applications belonging to an account for the benefit of a minor (under guardianship). In case of such Applications, the Registrar to the Issue shall verify the above on the basis of the records provided by the Depositories based on the DP ID and Client ID provided by the Applicants in the Application Form and uploaded onto the electronic system of the Stock Exchanges

*** The concept of Overseas Corporate Bodies (meaning any company, partnership firm, society and other corporate body or overseas trust irrevocably owned/held directly or indirectly to the extent of at least 60% by NRIs), which was in existence until 2003, was withdrawn by the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies) Regulations, 2003. Accordingly, OCBs are not permitted to invest in the Issue.*