

SECTION VII – ISSUE RELATED INFORMATION

ISSUE STRUCTURE

At the meeting of the Board of Directors of our Company held on February 27, 2025, the Board approved the public issue of Secured, Redeemable, Non-Convertible Debenture for an amount aggregating up to ₹10,000 lakh, with an option to retain oversubscription up to ₹ 10,000 lakh, aggregating up to ₹ 20,000 lakh.

The following are the key terms of the NCDs. This section should be read in conjunction with and is qualified in its entirety by more detailed information in “*Terms of the Issue*” beginning on page 261.

The NCDs being offered as part of the Issue are subject to the provisions of the SEBI NCS Regulations, the Listing Agreement, SEBI Listing Regulations, and the Companies Act, 2013, the RBI Act, the terms of the Draft Prospectus, this Prospectus, the Application Form, the terms and conditions of the Debenture Trustee Agreement and the Debenture Trust Deed, and other applicable statutory and/or regulatory requirements including those issued from time to time by SEBI, RBI, the Government of India, and other statutory/regulatory authorities relating to the offer, issue and listing of NCDs and any other documents that may be executed in connection with the NCDs.

The key common terms and conditions of the NCDs / term sheet are as follows:

Principal Terms and Conditions of the Issue

TERMS AND CONDITIONS IN CONNECTION WITH THE NCDs

Issuer	Muthoottu Mini Financiers Limited
Security Name (Name of the non-convertible securities which includes (Coupon/dividend, Issuer Name and maturity year) e.g. 8.70% XXX 2015.)	MMFLNCDXIX For Coupon and Maturity Year, please refer to ‘ <i>Issue Structure - Specific Terms of NCDs</i> ’ on page 258.
Type of instrument (Secured or Unsecured)	Secured, Redeemable, Non-Convertible Debentures
Nature of the Instrument	Secured, Redeemable, Non-Convertible Debentures
Mode of the Issue	Public Issue
Mode of Allotment	In dematerialised form
Mode of Trading	NCDs will be traded in dematerialised form
Minimum Subscription	Minimum subscription is 75% of the Base Issue, i.e., ₹ 7,500 lakh
Option to retain oversubscription (Amount)	Option to retain over-subscription up to ₹ 10,000 lakh
Lead Manager	Vivro Financial Services Private Limited
Registrar to the Issue	MUFG Intime India Private Limited (Formerly Link Intime India Private Limited)
Debenture Trustee	Mitcon Credentia Trusteeship Services Limited
Issue Size	Public issue of Secured, Redeemable, Non-convertible Debentures of our Company of face value of ₹1,000 each amounting up to ₹ 10,000 lakh, with an option to retain over-subscription up to ₹ 10,000 lakh, aggregating up to ₹ 20,000lakh, on the terms and in the manner set forth herein
Base Issue	₹ 10,000 lakh
Option to retain over subscription	₹10,000 lakh
Seniority (Senior or Subordinated)	Senior
Stock Exchange proposed for listing of the NCDs	BSE Limited
Listing and timeline for Listing	The NCDs shall be listed within 6 Working Days of Issue Closure
Description regarding security (where applicable) including type of security	The principal amount of the NCDs to be issued in terms of this Prospectus together with all interest due on the NCDs, as well as all costs, charges, all fees, remuneration of Debenture Trustee and expenses payable in respect thereof shall be secured by way of

<p>(movable/ immovable/ tangible etc.) type of charge (pledge/ hypothecation/ mortgage etc.), date of creation of security/likely date of creation of security, minimum security cover, revaluation, replacement of security, interest of the debenture holder over and above the coupon rate as specified in the Debenture Trust Deed and disclosed in this Prospectus</p>	<p>first ranking <i>pari passu</i> charge with the Existing Secured Creditors on all current assets, including book debts and receivables, cash and bank balances, loans and advances both present and future of our Company (not including reserves created in accordance with law, receivables of micro finance of the Company, fixed deposits and cash collateral over which exclusive charge is created), such that a security cover to the extent of 1 (one) time of the outstanding principal amounts of the NCDs and all interest due and payable thereon is maintained at all times until the redemption of NCDs.</p> <p>The securities so created pursuant to the security documents shall be registered with Sub-registrar, Registrar of Companies, Central Registry of Securitization Asset Reconstruction and Security Interest (CERSAI), Depository or any other institution, as applicable, within 30 days of creation of charge.</p> <p>The date of creation of the security for the NCDs shall be on or before making final listing application.</p> <p>Replacement of security – Our Company shall within such period as may be permitted by the Debenture Trustee, furnish to the Debenture Trustee as additional security, if the Debenture Trustee is of the opinion that during the subsistence of these presents, the security for the NCDs has become inadequate on account of the margin requirement as provided in the covenants and conditions and the Debenture Trustee has, accordingly, called upon our Company to furnish such additional security. In such case, our Company shall, at its own costs and expenses, furnish to the Debenture Trustee such additional security, in form and manner satisfactory to the Debenture Trustee, as security for the NCDs and upon creation of such additional security, the same shall vest in the Debenture Trustee subject to all the trusts, provisions and covenants contained in these presents. For further details, please refer to the agreed form of the Debenture Trust Deed.</p> <p>Minimum security cover: Please refer to “- Security Cover” below.</p> <p>Interest of the debenture holder over and above the coupon rate as specified in the agreed form of the Debenture Trust Deed and disclosed in this Prospectus.</p>
<p>Security Cover</p>	<p>Our Company shall maintain a minimum 100% security cover or higher on the outstanding balance of the NCDs plus accrued interest thereon.</p>
<p>Eligible Investor (Who can apply)*</p>	<p>Category I</p> <ul style="list-style-type: none"> • Resident public financial institutions as defined in Section 2(72) of the Companies Act 2013, statutory corporations including state industrial development corporations, scheduled commercial banks, co-operative banks and regional rural banks, and multilateral and bilateral development financial institutions which are authorised to invest in the NCDs; • Provident funds of minimum corpus of ₹2,500 lakh, pension funds of minimum corpus of ₹2,500 lakh, superannuation funds and gratuity funds, which are authorised to invest in the NCDs; • 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; • National Investment Fund (set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India and published in the Gazette of India); • Insurance funds set up and managed by the Indian army, navy or the air force of the Union of India or by the Department of Posts, India; • Mutual Funds registered with SEBI; and • Systemically Important NBFC registered with RBI and having a net-worth of more than ₹50,000 lakh as per the last audited financial statements <p>Category II</p>

	<ul style="list-style-type: none"> Companies falling within the meaning of Section 2(20) of the Companies Act 2013; bodies corporate and societies registered under the applicable laws in India and authorised to invest in the NCDs; Educational institutions and associations of persons and/or bodies established pursuant to or registered under any central or state statutory enactment; which are authorised to invest in the NCDs; Trust including public/private charitable/religious trusts which are authorised to invest in the NCDs; Association of persons; 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); and Resident Indian individuals and Hindu undivided families through the Karta aggregating to a value exceeding ₹5 lakh. <p>Category III*</p> <ul style="list-style-type: none"> Resident Indian individuals; and Hindu undivided families through the Karta. * <i>applications through intermediaries (Syndicate members, Registered Stock Brokers, Registrar and Transfer agent and Depository Participants) up to a value of ₹ 5 lakh shall be made only under the UPI Mechanism.</i> 				
Rating of Instrument	Rating Agency	Instrument	Rating symbol	Date of credit rating letter	Amount rated (in ₹ lakh)
	ICRA Limited	Proposed public issue of NCDs	[ICRA] A (Stable)	March 27, 2025	20,000.00
Pay-in date	Application Date. The entire Application Amount is payable on Application				
Application money	The entire Application Amount is payable on submitting the Application				
Mode of payment	Please see “ <i>Terms of the Issue – Manner of Payment of Interest / Redemption Amounts</i> ” on page 280.				
Record Date	The record date for payment of interest in connection with the NCDs or repayment of principal in connection therewith shall be 15 days prior to the date on which interest is due and payable, and/or the date of redemption. Provided that trading in the NCDs shall remain suspended between the aforementioned Record Date in connection with redemption of NCDs and the date of redemption or as prescribed by the Stock Exchange, as the case may be.				
All covenants of the Issue (including side letters, accelerated payment clause, etc.)	Please refer chapter titled “ <i>Terms of the Issue- Company’s Covenants</i> ” on page 264.				
Issue Schedule	Issue shall open on Wednesday, April 23, 2025 and closes on Wednesday, May 7, 2025**				
Objects of the Issue	Please refer to the chapter titled “ <i>Objects of the Issue</i> ” on page 51.				
Put/Call Option	Not Applicable				
Put date	Not Applicable				
Put price	Not Applicable				
Call date	Not Applicable				
Call price	Not Applicable				
Put notification time (Timelines by which the investor need to intimate Issuer before exercising the put)	Not Applicable				
Call notification time	Not Applicable				

(Timelines by which the Issuer need to intimate investor before exercising the call)	
Minimum Application and in multiples of thereafter	10 NCDs (₹ 10,000) (across all options of NCDs) and 1 NCD after the minimum application.
Face Value	₹ 1,000 (₹/NCD)
Issue Price	₹ 1,000 (₹/NCD)
Details of the utilisation of the proceeds of the Issue	Please refer to the chapter titled “ <i>Objects of the Issue – Specific Terms of NCDs</i> ” on page 258.
Coupon rate and redemption premium	Please refer to the chapter titled “ <i>Terms of the Issue – Specific Terms of NCDs</i> ” on page 258.
Step Up/Step Down Coupon Rate	Not Applicable
Coupon Payment Frequency	Please refer chapter titled “ <i>Terms of the Issue– Specific Terms of NCDs</i> ” on page 258.
Coupon Payment Dates	Please refer chapter titled “ <i>Terms of the Issue– Specific Terms of NCDs</i> ” on page 258.
Coupon types (fixed, floating or other structure)	Please refer chapter titled “ <i>Terms of the Issue– Specific Terms of NCDs</i> ” on page 258.
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc)	Not Applicable
Working Days convention	If the date of payment of interest does not fall on a Working Day, then the interest payment will be made on succeeding Working Day, however the calculation for payment of interest will be only till the originally stipulated Interest Payment Date. The dates of the future interest payments would be as per the originally stipulated schedule. In case the redemption date (also being the last interest payment date) does not fall on a Working Day, the payment will be made on the immediately preceding Working Day, along with coupon/interest accrued on the NCDs until but excluding the date of such payment.
Issue Opening Date	Wednesday, April 23, 2025
Issue Closing Date	Wednesday, May 7, 2025
Date of earliest closing of the issue, if any.	Wednesday, May 7, 2025
Issue Timing	The Issue shall remain open for subscription on Working Days from 10:00 a.m. to 5:00 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 minimum period of 2 working days and a maximum period of 10 working days from the date of opening of the issue and subject to not exceeding thirty 30 days from filing the Prospectus with ROC) including any extensions), as may be decided by the Board of Directors of our Company (“Board”) or the Debenture Committee, subject to relevant approvals, in accordance with SEBI NCS Regulations. In the event of such an early closure of or extension subscription list of the Issue, our Company shall ensure that notice of such early closure or extension is given to the prospective investors through an advertisement in an English national daily newspaper and a regional daily newspaper in the state of Kerala with wide circulation on or before such earlier date or extended date of closure. Applications Forms for the Issue will be accepted only from 10:00 a.m. to 5:00 p.m. (Indian Standard Time) or such extended time as may be permitted by BSE, on Working Days during the Issue Period. On the Issue Closing Date, Application Forms will be accepted only between 10:00 a.m. to 3:00 p.m. and uploaded until 5:00 p.m. (Indian Standard Time) or such extended time as may be permitted by BSE.
Disclosure of interest/ Dividend/ redemption dates	Please refer chapter titled “ <i>Terms of the Issue – Specific Terms of NCDs</i> ” on page 258.
Default Interest Rate	In the event of any default in fulfilment of obligations by our Company under the Debenture Trust Deed, the Default Interest Rate payable to the Applicant shall be at least @ 2% p.a. over the coupon rate for the defaulting period, or such other rate as may be specified by applicable statutory and/or regulatory authority under applicable laws. Without prejudice to the above, in the event our Company fails to execute the Debenture

	Trust Deed within a period specified under the SEBI Master Circular, our Company shall pay interest of at least 2% p.a. to each NCD Holder, over and above the agreed coupon rate, till the execution of the Debenture Trust Deed.
Depository	NSDL and CDSL
Deemed Date of Allotment	The date on which the Board or the Debenture Committee approves the Allotment of NCDs. All benefits relating to the NCDs including interest on NCDs shall be available to Investors from the Deemed Date of Allotment. The actual allotment of NCDs may take place on a date other than the Deemed Date of Allotment
Day count basis	Actual
Interest on Application Money	Not Applicable
Tenor	Please refer chapter titled “ <i>Terms of the Issue– Specific Terms of NCDs</i> ” on page 258.
Premium/Discount at which security is redeemed and the effective yield as a result of such premium/discount.	Not Applicable
Discount at which security is issued and the effective yield as a result of such discount.	Not Applicable
Redemption Amount	The principal amount of the NCDs along with interest accrued on them, if any, as on the Redemption Date
Redemption Date	Please refer chapter titled “ <i>Terms of the Issue– Specific Terms of NCDs</i> ” on page 258.
Redemption premium/discount	Not Applicable
Transaction documents	The Draft Prospectus and this Prospectus read with any notices, corrigenda, addenda thereto, the Debenture Trusteeship Agreement, the Debenture Trust Deed and other security documents, if applicable, and various other documents/agreements/undertakings, entered or to be entered by the Company with Lead Manager and/or other intermediaries for the purpose of this Issue including but not limited to the Public Issue Account and Sponsor Bank Agreement, the Agreement with the Registrar and the Agreement with the Lead Manager. Refer to section titled “ <i>Material Contracts and Documents for Inspection</i> ” on page 333.
Affirmative and Negative covenants precedent and subsequent to the Issue	Please refer chapter titled “ <i>Terms of the Issue- Company’s Covenants</i> ” on page 264.
Conditions precedent to disbursement	Other than the conditions specified in the SEBI NCS Regulations and agreed form of Debenture Trust Deed, there are no conditions precedents to disbursement.
Conditions subsequent to disbursement	Other than the conditions specified in the SEBI NCS Regulations and agreed form of Debenture Trust Deed, there are no conditions precedents to disbursement.
Events of default (including manner of voting/ conditions of joining inter-creditor agreement)	Please refer to the chapter titled “ <i>Terms of the Issue – Events of Default and Consequences of Events of Default</i> ” on page 272.
Creation of recovery expense fund	The creation of recovery expense fund will be finalised upon the execution of the Debenture Trust Deed, as applicable in accordance with the applicable provisions of SEBI NCS Regulations, SEBI Debenture Trustee Master Circular and other applicable laws.
Conditions for breach of covenants (as specified in the Debenture Trust Deed)	The conditions for breach of covenants will be finalised upon execution of the Debenture Trust Deed which shall be executed within the period specified under Regulation 18 of SEBI NCS Regulations.
Provisions related to Cross Default Clause	Please refer to the chapter titled “ <i>Terms of the Issue – Events of Default and Consequences of Events of Default</i> ” on page 272.
Roles and responsibilities of the Debenture Trustee	Please refer to the chapter titled “ <i>Terms of the Issue – Debenture Trustees for the NCD Holders</i> ” on page 263.
Risk Factors pertaining to the Issue	Please refer to the chapter titled “ <i>Risk Factors</i> ” on page 16.
Settlement Mode of Instrument	Please refer to the chapter titled “ <i>Terms of the Issue - Payment on Redemption</i> ” on page 282.

Governing law and jurisdiction	The Issue shall be governed in accordance with the laws of the Republic of India and shall be subject to the exclusive jurisdiction of the courts of Kochi, Kerala, India.
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Note:

- (a) *** The Issue shall remain open for subscription on Working Days from 10:00 a.m. to 5:00 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 minimum period of 2 Working Days and a maximum period of 10 Working Days from the date of the issue and subject to not exceeding 30 days from the date of filing of this Prospectus with ROC including any extensions) as may be decided by the Board of Directors of our Company (“Board”) or the Debenture Committee, subject to approvals, in accordance with the SEBI NCS Regulations. In the event of such an early closure of or extension subscription list of the Issue, our Company shall ensure that notice of such early closure or extension is given to the prospective investors through an advertisement in an English national daily newspaper and a regional daily newspaper in the state of Kerala with wide circulation on or before such earlier date or extended date of closure. Applications Forms for the Issue will be accepted only from 10:00 a.m. to 5:00 p.m. (Indian Standard Time) or such extended time as may be permitted by BSE, on Working Days during the Issue Period. On the Issue Closing Date, Application Forms will be accepted only between 10:00 a.m. to 3:00 p.m. and uploaded until 5:00 p.m. (Indian Standard Time) or such extended time as may be permitted by BSE.*
- (b) *In terms of Regulation 7 of the SEBI NCS Regulations, our Company will undertake this Issue of NCDs in dematerialized form. However, in terms of Section 8 (1) of the Depositories Act, the Company, at the request of the Applicants who wish to hold the NCDs post allotment in physical form, will fulfil such request through the process of rematerialisation, if the NCDs were originally issued in dematerialized form.*
- *Participation by any of the above-mentioned Investor classes in this Issue will be subject to applicable statutory and/or regulatory requirements. Applicants are advised to ensure that Applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and/or regulatory provisions.*
- (c) *While the NCDs are secured to the extent of hundred per cent of the amount of principal and interest or as per the terms of this Prospectus, in favour of debenture trustee, it is the duty of the debenture trustee to monitor that the security is maintained.*

In case of Application Form being submitted in joint names, the Applicants should ensure that the demat account is also held in the same joint names and the names are in the same sequence in which they appear in the Application Form.

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, please refer to “Issue Procedure” on page 286.

Specific terms of NCDs

Tenure	18 Months	24 Months	36 Months	48 Months	60 Months	60 Months
Nature	Secured					
Series	I	II	III	IV	V	VI
Frequency of interest payment	Cumulative	Monthly	Monthly	Monthly	Monthly	Annually
Minimum Application	10 NCDs (₹ 10,000) (across all options of NCDs)					
In multiples, of	in multiples of 1 NCD after minimum lot size					
Face value of NCDs (₹ /NCD)	₹ 1,000					
Issue price (₹ /NCD)	₹ 1,000					
Mode of interest payment/Redemption	Through Various series available					
Coupon rate % Per Annum	NA	9.50%	10.00%	10.25%	10.50%	10.75%
Effective Yield % Per Annum	9.26%	9.92%	10.47%	10.75%	11.02%	10.75%
Put and Call Option	NA	NA	NA	NA	NA	NA
Redemption Amount (₹ /NCD)	1,142	1,000	1,000	1,000	1,000	1,000
Coupon Type	Fixed					

Tenure	18 Months	24 Months	36 Months	48 Months	60 Months	60 Months
Put and Call Series	Not Applicable					
Deemed Date of Allotment	The date on which the Board or the Debenture Committee approves the Allotment of NCDs. All benefits relating to the NCDs including interest on NCDs shall be available to Investors from the Deemed Date of Allotment. The actual allotment of NCDs may take place on a date other than the Deemed Date of Allotment.					

Interest and Payment of Interest

1. Monthly interest payment Series

Interest would be paid monthly under Series II, III, IV and V at the following rates of interest in connection with the relevant categories of Debenture holders, on the amount outstanding from time to time, commencing from the Deemed Date of Allotment of NCDs:

Category of NCD Holder	Rate of Interest (p.a.) for the following tenures			
	Series II	Series III	Series IV	Series V
	24 months	36 Months	48 Months	60 Months
All categories (%)	9.50%	10.00%	10.25%	10.50%

For avoidance of doubt where interest is to be paid on a monthly basis, relevant interest will be calculated from the first day till the last date of every month on an actual/actual basis during the tenor of such NCDs and paid on the first day of every subsequent month. For the first interest payment for NCDs under the monthly Series if the Deemed Date of Allotment is on or prior to the fifteenth of that month, interest for that month will be paid on first day of the subsequent month and if the Deemed Date of Allotment is post the fifteenth of that month, interest from the Deemed Date of Allotment till the last day of the subsequent month will be clubbed and paid on the first day of the month next to that subsequent month.

2. Cumulative interest payment Series

Series I of the NCDs shall be redeemed as below:

Category of NCD Holder	Redemption Amount (per NCD)
	Series I
	18 Months
All categories (₹)	₹ 1,142

3. Annual interest payment Series

Series VI of the NCDs shall be redeemed as below:

Category of NCD Holder	Rate of Interest (p.a.) for the following tenures
	Series VI
	60 months
All categories (%)	10.75 %

Day count convention

Please refer to Annexure I for details pertaining to the cash flows of the Company in accordance with the SEBI Master Circular.

Please note that in case the NCDs are transferred and/or transmitted in accordance with the provisions of this Prospectus read with the provisions of the Articles of Association of our Company, the transferee of such NCDs or the transferee of deceased holder of NCDs, as the case may be, shall be entitled to any interest which may have accrued on the NCDs subject to such Transferee holding the NCDs on the Record Date.

Terms of Payment

The entire face value per NCDs applied for will be blocked in the relevant ASBA Account maintained with the SCSB or under UPI mechanism (only for Retail Individual Investors), as the case may be, in the bank account of the Applicants that is specified in the ASBA Form at the time of the submission of the Application Form. In the event of Allotment of a lesser number of NCDs than applied for, our Company shall unblock the additional amount blocked upon application in the ASBA Account, in accordance with the terms of specified in “*Terms of The Issue – Manner of Payment of Interest / Redemption Amounts*” on page 280.

Participation by any of the above-mentioned Investor classes in this Issue will be subject to applicable statutory and/or regulatory requirements. Applicants are advised to ensure that Applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and/or regulatory provisions.

The NCDs have not been and will not be registered, listed or otherwise qualified in any jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. In particular, the NCDs have not been and will not be registered under the U.S. Securities Act, 1933, as amended (the “**Securities Act**”) or the securities laws of any state of the United States and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. The Issuer has not registered and does not intend to register under the U.S. Investment Company Act, 1940 in reliance on section 3(c)(7) thereof. This Prospectus may not be forwarded or distributed to any other person and may not be reproduced in any manner whatsoever, and in particular, may not be forwarded to any U.S. Person or to any U.S. address.

Applications may be made in single or joint names (not exceeding three). Applications should be made by Karta in case the Applicant is an HUF. If the Application is submitted in joint names, the Application Form should contain only the name of the first Applicant whose name should also appear as the first holder of the depository account held in joint names. If the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form. This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form. Please ensure that such Applications contain the PAN of the HUF and not of the Karta.

In the case of joint Applications, all payments will be made out in favour of the first Applicant. All communications will be addressed to the first named Applicant whose name appears in the Application Form and at the address mentioned therein.

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 this Issue. For further details, please see the chapter titled “*Issue Procedure*” on page 286.