

## 1 FIXED INCOME SCHEMES

- a) Secured Redeemable Non-Convertible Debentures (hereinafter referred to as 'Debenture(s)') are accepted for a period of 10 year.

## 2. APPLICATION AND REMITTANCE

Application for secured redeemable non convertible Debentures should be made in the prescribed Application Form duly completed in all respects and accompanied by duly filled KYC Form, Copy of Identity and Address proof and Form 15G/15H (if Applicable). Debenture Application money can be transferred to the company through NEFT/ RTGS/ Cheque or any other banking Channels but not by Cash. All Cheques should be crossed A/C Payee and made payable to 'SML FINANCE LIMITED'

Bank Account Details of the company

A/c Name: SML FINANCE LTD

Bank : STATE BANK OF INDIA, Branch : Palarivattom

A/c No : 42649717371, IFSC : SBIN0004312

## 3. INTEREST PAYMENTS

- a) Interest will accrue from the date of allotment of debentures.  
b) Interest cease to accrue from the date of redemption of the debentures  
c) Income-tax at the appropriate rates will be deducted at source according to the provisions of law in force at the time of payment, unless prescribed documentary evidence like 15G/15H is filed with the Company for exemption there from. Such Debenture holders must ensure filing of form 15G/15H latest by 1st March of the preceding financial year. Blank Form 15G/15H will be supplied by the company on request.  
d) For deduction of tax, in the case of joint accounts and where instruction for payment of interest to 2nd holder has been accepted, the Company will proceed on the basis that only first named holder has the beneficial interest in the Debenture.  
e) Interest payment is on monthly basis

## 4. REPAYMENT

- a) Amount will be normally paid only by crossed A/c payee cheque or will be credited directly to bank account of customers.

## 5. JOINT ACCOUNTS

### 5.1. Former or Survivor

Debenture will be accepted with this stipulation also. All payments of interest and principal will be made to the former only during his/her life time, unless specifically authorised otherwise. Such payment will be made to the survivor only on production of death certificate of the Former.

### 5.2 Either or Survivor

In the case of Either or Survivor accounts, only two persons can apply for Debentures. All Cheques for payment of interest will be drawn in favour of the first named unless specifically asked for. The discharge given by either holder for payment of interest or principal shall be valid and binding on the other holder and payment will be made to the Debenture holder, who has discharged the Debenture. In the event of death of the one of the holders, all payments on account of principal and interest, will be made, upon maturity of the Debenture, to the surviving holder on production of death certificate.

### 5.3 Anyone or Survivor

Debenture will be accepted in favour of more than two persons and the principal on maturity will be paid on discharge by anyone of the holders, the holder who has discharged the Debenture. In the event of death of anyone of the debenture holders, all payments on account of principal and interest will be made on maturity of the Debenture to anyone of the surviving holders who has discharged the Debenture on production of death certificate. All cheques for payment of interest will be drawn in favour of the first named holder unless authorised in favour of any other holder.

## 6. DEBENTURES FROM MINORS

Debentures will be accepted on behalf of minors upto 18 years. But the application form should be signed by the Natural Guardian (only the Father or Mother of the minor should sign the Application Form), if both are not alive only by the person who is appointed by a Court of Law. The date of birth of the minor should also be indicated in the relevant column of the application.

## 7. GENERAL

- 7.1 In the event of Loss or destruction or mutilation of a Debenture, Company may, at its sole discretion issue a duplicate, upon receiving an Indemnity Bond from the holder, in a form prescribed by the Company. All expenses in this connection will have to be borne by the debenture holder.  
7.2 No. lien, charge or assignment shall be valid unless recognised by the Company.  
7.3 a) Call Option: The company retains the right to redeem NCDs after one year from the date of allotment before maturity with 30 days notice by paying interest at contracted rate.  
b) Put Option: the debentures will have a lock in period of 1 year. The debenture holders can redeem debentures (Put option) by giving 30 days advance notice. If the debenture holder exercising put option after 1 year but on or before 2 years, there will be a deduction in the interest rate by 1% for the entire period run from the date of allotment. If the debenture holder exercising put option after 2 years but on or before 3 years, there will be a deduction in the interest rate by 1/2 % for the entire period run from the date of allotment. There will be no interest deduction on completion of 3 years. Interest deduction after 3 years in case of put option will be as follows: i) After 3 years, there will be no interest deduction on closing of debentures on its Anniversary date coming after 3rd year from allotment date till 10th year. ii) If the debenture holder closes debentures in between 2 anniversary dates of Allotment after 3 years, the customer will be paid 9% interest for the uncompleted year.  
7.4 Where the due date of any payment falls on a holiday, the payment will be made on the next working day.  
7.5 SECURITY/CHARGE: The Debentures are secured by the creation of a charge on loan assets along with receivables thereon of the Company. The Debentures are secured as intended and provided in the Trust Deed entered into between SML Finance Limited, and the Trustees and will be governed by the provisions of the Trust Deed apart from the conditions mentioned herein. The Debentures comprising the present series shall rank pari passu without preference of one over the other except that priority for payment shall be as per applicable date of redemption (maturity)  
7.6 Mr. Sreenivasan.R, Chartered Accountant, 7B Vijaya Sai Nikethan, Pushpagiri, Poonkunnam, Thrissur - 680 002, is the Trustee of the present issue of Non-Convertible Debentures and he has agreed to act as such.

Declaration :- I/we have read and understood all the above terms and conditions

First Applicant : Name ..... Date.....Signature.....  
Second Applicant : Name ..... Date.....Signature.....  
Third Applicant : Name ..... Date.....Signature.....