

To
The Board of Directors
Navi Finserv Private Limited
Salarpuria Business Centre
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Koramangala Industrial Layout, Koramangala
Bengaluru, - 560 095
Karnataka

Walker Chandiok & Co LLP

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Independent Auditor's Certificate pursuant to clause (d) of sub-regulation (1) of Regulation 56 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

1. This certificate is issued in accordance with the terms of our engagement letter with **Navi Finserv Private Limited** ('the Company').
2. The accompanying Statement containing details of listed non-convertible debt securities ('NCDs') of the Company outstanding as at 30 September 2021, asset cover maintained against such securities, the covenants criteria as per the terms of debenture trust deeds, and the Company's compliance with such covenants ('the Statement') has been prepared by the Company's management pursuant to the requirements of clause (d) of sub-regulation (1) of Regulation 56 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('the Regulations'), for the purpose of submission of the Statement along with this certificate to the Debenture Trustee(s) of the Company. The Statement is attached to this certificate.

Management's Responsibility for the Statement

3. The preparation of the Statement, including the preparation and maintenance of all accounting and other relevant supporting records and documents, is solely the responsibility of the management of the Company. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
4. The Management is also responsible for ensuring the compliance with the requirements of the Regulations and the debenture trust deeds for the purpose of furnishing this Statement and for providing all relevant information to the Debenture Trustee(s).

Auditor's Responsibility

5. Pursuant to requirement of the Regulations, it is our responsibility to express limited assurance in the form of a conclusion as to whether anything has come to our attention that cause us believe that the accompanying Statement, containing details regarding maintenance of asset cover as per the terms of debenture trust deeds and compliance with all the covenants stated in such debenture trust deeds in respect of listed NCDs of the Company outstanding as at 30 September 2021, as mentioned in the Section 1 and 2 of the accompanying Statement, is, in all material respects, not in agreement with the unaudited financial results of the Company, underlying books of account and other relevant records and documents maintained by the Company for the half year ended 30 September 2021, which have been subjected to limited review pursuant to the Regulation 52 of the Regulations, or that the calculation thereof is arithmetically inaccurate.

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6. The unaudited financial results, referred to in paragraph 5 above, have been reviewed by us, on which we have issued an unmodified conclusion vide our review report dated 12 November 2021. Our review of these financial results was conducted in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India ('the ICAI'). This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial information is free of material misstatement. A review is limited primarily to inquiries of the company personnel and analytical procedures applied to the financial data and thus, provides less assurance than an audit. We have not performed an audit and accordingly, we did not express an audit opinion.
7. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) ('the Guidance Note') issued by the ICAI. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements, issued by the ICAI.
9. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement; and consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. The procedures selected depend on the auditor's judgment, including the assessment of the areas where a material misstatement of the subject matter information is likely to arise. We have performed the following procedures in relation to the Statement:
 - a. Verified the details of ISIN, series, credit rating, issue size, asset cover details and covenants criteria for each series of the listed NCDs from the respective debenture trust deeds.
 - b. Traced the value of assets forming part of the asset cover details for each series from the unaudited financial results, underlying books of account and other relevant records and documents maintained by the Company for the half year ended 30 September 2021, which have been subjected to review.
 - c. Recomputed the asset coverage ratio based on the information as obtained in the point 9(a) and 9(b) above.
 - d. Verified that the computation of financial covenants as on 30 September 2021 is in accordance with the basis of computation given in the Statement, and the amounts used in such computation have been accurately extracted from the information obtained in the point 9(b) above.
 - e. Based on the procedure performed in 9(d) above, ensured that the remarks given by the management with respect to the Company's compliance with each of the covenants (on whether the covenants are met or breached) are appropriate.
 - f. Verified the arithmetical accuracy of the Statement.
 - g. Obtained necessary representations from the management.

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Conclusion

10. Based on the procedures performed as above, evidences obtained, and the information and explanations given to us, along with the representations provided by the management, nothing has come to our attention that cause us believe that the Statement, containing details regarding maintenance of asset cover as per the terms of debenture trust deeds and compliance with all the covenants stated in such debenture trust deeds in respect of listed NCDs of the Company outstanding as at 30 September 2021, as mentioned in the Section 1 and 2 of the Statement, is, in all material respects, not in agreement with the unaudited financial results, underlying books of account and other relevant records and documents maintained by the Company for the half year ended 30 September 2021, which have been subjected to limited review pursuant to the Regulation 52 of the Regulations, or that the calculation thereof is arithmetically inaccurate.

Restriction on distribution or use

11. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Regulations. Our obligations in respect of this certificate are entirely separate from, and our responsibility and liability is in no way changed by, any other role we may have as the statutory auditors of the Company or otherwise. Nothing in this certificate, nor anything said or done in the course of or in connection with the services that are the subject of this certificate, will extend any duty of care we may have in our capacity as statutory auditors of the Company.
12. The certificate is addressed to and provided to the Board of Directors of the Company solely for the purpose of enabling it to comply with the requirements of the Regulations, which inter alia, require it to submit this certificate along with the Statement to the Debenture Trustee(s) of the Company, and therefore, this certificate should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For **Walker Chandiook & Co LLP**
Chartered Accountants
Firm's Registration No:001076N/N500013

Manish Gujral
Partner
Membership No:105117

UDIN:21105117AAAII9116

Place: Mumbai
Date: 12 November 2021

Information regarding the Company's asset cover and compliance with financial covenants as at and for the year ended 30 September 2021 in respect of its listed non-convertible debt securities issued by the Company where Catalyst Trusteeship Limited is the debenture trustee.

Section-1: Details of listed non-convertible debt securities ('NCDs') of the Company outstanding as at 30 September 2021 and asset cover maintained against such securities

- 1) Navi Finserv Private Limited (Formerly known as Chaitanya Rural Intermediation Development Services Private Limited) vide its Board Resolution and information memorandum/ offer document and under various Debenture Trust Deeds, has issued the following listed debt securities where Catalyst Trusteeship Limited is the Debenture Trustee

ISIN	Private Placement/ Public Issue	Secured/ Unsecured	Sanctioned amount (₹ in crores)
INE342T07015	Private Placement	Secured	75.00
INE342T07023	Private Placement	Secured	46.90
INE342T07031	Private Placement	Secured	150.00
INE342T07064	Private Placement	Secured	65.00
INE342T07056	Private Placement	Secured	30.00
INE342T07080*	Private Placement	Secured	80.00

* The Company had received ₹ 4 crores on 30 September 2021 (5% of the total sanctioned loan amount) towards the NCDs issued. The balance aggregating to ₹ 76 crores was received subsequently on 29 October 2021.

2) Asset Cover for listed debt securities:

- I. The financial information as on 30 September 2021 has been extracted from the books of accounts for the year ended 30 September 2021 and other relevant records.
- II. The assets of Navi Finserv Private Limited (Formerly known as Chaitanya Rural Intermediation Development Services Private Limited) provide coverage of 1.38 times for the principal amount including redemption premium, which is in accordance with the terms of issue/ debenture trust deed (calculation as per statement of asset cover ratio for the Secured debt securities)

Section-1: Details of listed non-convertible debt securities ('NCDs') of the Company outstanding as at 30 September 2021 and asset cover maintained against such securities (cont'd)

Table - I:

Sr. No.	Particulars		Amount (₹ in crores)
i.	Total assets available for secured Debt Securities' - (secured by either pari passu or exclusive charge on assets) (mention the share of Debt Securities' charge holders)	A	541.35
	• Property Plant & Equipment (Fixed assets) - movable/immovable property etc.		
	• Loans /advances given (net of provisions, NPAs and sell down portfolio), Debt Securities, other credit extended etc.		541.35
	• Receivables including interest accrued on Term loan / Debt Securities etc.		-
	• Investment(s)		-
	• Cash and cash equivalents and other current/ Non-current assets		-
ii.	Total borrowing through issue of secured Debt Securities (secured by either pari passu or exclusive charge on assets)	B	392.13
	• Debt Securities (Provide details as per table below)		370.90
	• IND - AS adjustment for effective Interest rate on secured Debt Securities		3.30
	• Interest accrued/payable on secured Debt Securities		17.93
iii.	Asset Coverage Ratio (100% or higher as per the terms of offer document/information memorandum/ debenture trust deed)	(A/B)	138.05%

Section-1: Details of listed non-convertible debt securities ("NCDs") of the Company outstanding as at 30 September 2021 and asset cover maintained against such securities (cont'd)

ISIN wise Details:

Sr. No	ISIN	Outstanding NCDs (including redemption premium outstanding) as on 30 September 2021 (₹ in crores)	Cover Required	Hypothecation of loans (₹ in crores)	Actual Asset Coverage	Compliance
1	INE342T07015	76.85	120%	92.27	120%	Complied
2	INE342T07023	48.06	120%	57.70	120%	Complied
3	INE342T07031	153.42	120%	196.00	128%	Complied
4	INE342T07064	65.14	110%	73.54	113%	Complied
5	INE342T07056	30.28	110%	33.78	112%	Complied
6	INE342T07080*	4.00	110%	88.06	2202%	Complied

* The Company had received ₹ 4 crores on 30 September 2021 (5% of the total sanctioned loan amount) towards the NCDs issued. The balance aggregating to ₹ 76 crores was received subsequently on 29 October 2021.

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Section-2: The covenants criteria as per the terms of debenture trust deeds, and the Company's compliance with such covenants

Sl No	Description of Non-Convertible Debentures	Description of loan covenants	Covenant compliance	Complied/ Non-complied
1	PP MLD Navi Finserv Private Limited 2020- 2022 (Market Linked Debentures) (INE342T07015)	Capital Adequacy Ratio stipulated by RBI Norms (i.e.,15% of total risk weighted assets) +2 %	36.23%	Complied
2	PP MLD Navi Finserv Private Limited 2020-2022 (Market Linked Debentures) (INE342T07023)	Net NPA ratio of not more than 4%	0.05%	Complied
3	PP MLD Navi Finserv Private Limited 2021-2022 (Market Linked Debentures) (INE342T07031)	External standalone debt equity ratio of not more than 3.5 times/5 times (PP MLDs/NCDs)	0.56	Complied
4	PP MLD Navi Finserv Pvt Ltd 2021- 2023 (Market Linked Debenture) (INE342T07064)	Standalone Net worth of not less than ₹ 950 crores	₹1,165.04 crores	Complied
5	NCD Navi Finserv Pvt Ltd 2020- 2023 (Non-Convertible Debenture) (INE342T07056)	Sachin Bansal's shareholding in the Company directly or indirectly to be not less than 51%	97.82%	Complied
6	NCD Navi Finserv Pvt Ltd 2021- 2023 (Non-Convertible Debenture) (INE342T07080)			

Note 1: Net NPA ratio has been computed as a percentage of Net NPA to Net Advances

Note 2: External standalone debt equity ratio has been computed as a ratio of borrowings (excluding borrowing from holding company) and interest accrued on such borrowings to total equity

Section-2: The covenants criteria as per the terms of debenture trust deeds, and the Company's compliance with such covenants (cont'd)

Note 3: Net worth has been computed as defined in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

For Navi Finserv Private Limited

(Formerly known as Chaitanya Rural Intermediation Development Services Private Limited)

ANKIT
AGARWAL

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ANKIT AGARWAL
Date: 2021.11.12
23:03:58 +05'30'

Ankit Agarwal
Director

Place: Bengaluru
Date: 12 November 2021