



From the Desk of Dr. Aditya Vijay Kashyap

## Scorpion Capital – Financial Projects & Credit Advisory

Dear Sir / Madam,

Greetings from **Scorpion Capital – New Delhi**.

This note is issued in accordance with our internal Standard Operating Procedures (SOPs) to evaluate client requirements for operating lease and asset lifecycle management structures. We currently have an opportunity to explore such structures in collaboration with established platforms, subject to credit, risk, legal, and compliance approvals.

The objective of this document is to provide a comprehensive overview of the structure, eligibility parameters, evaluation framework, and indicative benefits for prospective clients seeking capital-efficient asset solutions.

### Scope of Assets Covered

The following standard, tangible, OEM-manufactured assets with identifiable useful life and resale value may be evaluated under the SOP:

- Manufacturing & Industrial Equipment (FMCG, Pharma, Automation, Furnaces, Conveyors, Cooling & Utility Systems)
- IT & Digital Infrastructure (Laptops, Servers, Data Centres, UPS, Network & Data Racks)
- Warehousing & Logistics Assets (Forklifts, Racking Systems, Material Handling Equipment)
- Green Energy & EV Infrastructure (Rooftop Solar, EV Chargers, Batteries, Electric Vehicles)
- Retail & Commercial Assets (Furniture, Fit-outs, HVAC, Electricals)
- Other standard equipment with clear secondary market visibility

### Permissible Structures Evaluated

#### 1. Operating Lease – New Asset Acquisition

Evaluation of structures enabling clients to operationally use newly procured assets without balance sheet capitalization, subject to approval.

#### 2. Sale & Lease Back

Assessment of monetization of owned assets based on written-down value (WDV), allowing liquidity generation while ensuring uninterrupted asset usage.

### SOP-Based Credit Evaluation Parameters

- Minimum 3 years of audited financial statements
- Minimum **₹**30 Crore annual turnover with EBITDA-positive operations
- Strong operational track record and industry positioning
- Rated entities preferred (BBB+ and above); unrated evaluated case-by-case
- Acceptable banking conduct and compliance record

### Financial Parameters & Limits

- Ticket size from **₹**50 Lacs onwards (scalable)
- Funding potential up to 100% including applicable GST, subject to asset class and credit profile
- Tenure aligned to asset life and usage profile
- Pricing indicative and linked to risk profile (typically 9%–15% effective range)

## **Key Commercial & Strategic Benefits**

- Asset-light balance sheet structure
- No impact on existing debt covenants or borrowing limits
- Lease rentals generally tax-deductible (subject to law)
- Improved Return on Equity (RoE) and Return on Assets (RoA)
- Flexibility for renewal, upgrade, buyback, or exit

## **Internal Approval & Documentation Process**

All proposals are subject to:

- Detailed due diligence and asset verification
- Credit & risk committee approval
- Legal documentation and compliance clearance
- Regulatory adherence and KYC norms
- Execution of definitive lease agreements

We would be pleased to explore the suitability of the above structures for your specific asset requirements in line with our SOP framework.

Kindly share preliminary details or suggest a convenient time for discussion.

Warm regards,

**Dr. Aditya Vijay Kashyap**  
Scorpion Capital – New Delhi

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